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Senate

The Senate met at 10 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. Today's prayer will be offered by our guest Chaplain, Dr. David Burr, Pastor Emeritus, First Presbyterian Church, Winston-Salem, NC. Incidentally, he is the father of Congressman RICHARD BURR. We are very pleased to have you with us.

PRAYER

The guest Chaplain, Dr. David Burr, Pastor Emeritus, First Presbyterian Church, Winston-Salem, NC, offered the following prayer:

May I remind ladies and gentlemen, today there will be an eclipse of the Sun in the United States. We are always praying for light.

Let us bow our heads before Almighty God.

O God of light, the giver of every good and perfect gift. Our prayer today is that You will break through the darkness of our lives; that You will shatter the barriers of our blindness with the splendor of Your wisdom and presence.

In the beginning, You created the light that leads to green pastures and still waters; You gave us the wisdom to walk in truth and to live in peace with one another.

But, Father, we confess that our minds and hearts are so limited to our selfish ways, that we do not always heed that light. We confess that sometimes we prefer to linger in the shadows and in the darkness.

But make today the beginning of a new adventure for our lives and for the Senate of the United States. Guide us in all our ways and flood this place with the splendor of Your light.

And we will rejoice and we will give praise to you forever and ever. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able Senator from Oklahoma is recognized.

GUEST CHAPLAIN

Mr. NICKLES. Mr. President, first, I compliment our guest Chaplain for a beautiful prayer, a wonderful way to start the day. I hope this body will have its Chamber flooded with the light of our Lord. So, thank you very much for a great opening.

SCHEDULE

Mr. NICKLES. Mr. President, this morning there will be 1 hour for morning business to be followed by two consecutive cloture votes. The first cloture vote will be on the McCain-Feingold amendment and will begin at approximately 11 a.m., to be followed by a cloture vote on the underlying bill, S. 1663. Following those two votes, Members can anticipate a period for morning business for Senators to make statements and introduce legislation. It is hoped later this afternoon that the Senate will be able to begin consideration of the ISTEA legislation, the highway bill. Subsequently, additional rollcall votes are possible this afternoon. As a reminder to all Members, there will be two back-to-back rollcall votes at approximately 11 a.m. this morning.

UNANIMOUS CONSENT AGREEMENT

Mr. NICKLES. Mr. President, I ask unanimous consent that Senators have until 11 a.m. in order to file second-degree amendments as under section 22.

The PRESIDING OFFICER (Mr. INHOFE). Without objection, it is so ordered.

Mr. NICKLES. I yield the floor.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER. Under the previous order, leadership time is reserved.

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 11 a.m., with the time for debate to be equally divided and controlled by the two leaders or their designees.

Mr. FAIRCLOTH addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. FAIRCLOTH. Thank you, Mr. President.

TRIBUTE TO DR. DAVID BURR, GUEST CHAPLAIN

Mr. FAIRCLOTH. Mr. President, it is a distinct pleasure for me this morning to introduce our guest Chaplain and to say a few words about him, a fellow North Carolinian and really the State's most distinguished minister, Dr. David Burr.

It is also an honor to welcome his son and my colleague, Congressman RICHARD BURR, who has also become a leader in the Congress of this country. He serves the fifth district of North Carolina, which is pretty much centered on Winston-Salem. We welcome Congressman BURR and his family.

Dr. Burr was educated at the University of Wisconsin and Princeton Theological Seminary. He received a Doctor of Divinity from Davidson College. In 1963, Dr. Burr came to Winston-Salem, NC, where he began and continued a long career serving the people of Forsyth County, and I mean all the people of Forsyth County, not just

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

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those limited to his First Presbyterian Church. He was pastor of the First Presbyterian Church in Winston-Salem for over 25 years, but his ministry went far beyond the church in which he was the assigned minister. He was literally Forsyth County's minister.

He is widely respected in North Carolina, and it is a distinct honor for me to welcome him to the Senate and it is an honor for all of us to have him here. Dr. Burr, we thank you for all you have meant to North Carolina. Thank you.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The senior Senator from North Carolina.

Mr. HELMS. Mr. President, I join Senator FAIRCLOTH in extending our welcome and our appreciation to our distinguished guest Chaplain. I congratulate his son, Congressman BURR, for choosing such a fine father. I congratulate you, Dr. Burr, for having lucked out in having such a fine son. It is a pleasure to have you with us, and I hope you will come again, soon.

Thank you, Mr. President.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I join my colleagues and friends from North Carolina to not only congratulate the guest Chaplain but also his son, who is an outstanding leader in the House of Representatives.

VOLUNTARY CAMPAIGN CONTRIBUTIONS

Mr. NICKLES. Mr. President, as I mentioned earlier, we are going to have two votes at 11 o'clock on campaign finance. One will be on the so-called McCain-Feingold amendment, as amended by the Snowe amendment yesterday, and the other one will be on the underlying bill that is called the Paycheck Protection Act. That is my bill. Maybe I misnamed the bill. Maybe I should have called it voluntary campaign contributions. I am going to speak on that just for a moment.

Mr. President, we are talking about campaign reform. I see there are charts on the floor—money is exploding, we need to ban soft money, we need to have more regulations of campaigns. I will tell my colleagues, I am willing to support campaign reforms, and maybe we can come up with different things we might be able to agree on, but I think a fundamental principle should be agreed upon at the outset, and that principle is this: No American should be compelled to contribute to a campaign against their will. No American. It is a fundamental principle.

We want to encourage people to contribute to campaigns, we want to encourage people to participate in the election process, but no one should be compelled to give. No one should have money taken out of their paycheck every month—against their will—to fund candidates who they don't agree with or to fund a philosophy that they are opposed to. Unfortunately, that happens today, and it happens today to the tune of hundreds of millions of dollars.

Some of my colleagues have irritated me and almost impugned the integrity of Senators—in violation of the rules of the Senate that, incidentally, go all the way back to Thomas Jefferson. They said the purpose of this bill is a killer bill because anybody who supports that bill wants to kill campaign reform.

I am the author of that bill, and I take very strong exception to that statement. Granted, the New York Times said it, but the New York Times doesn't know this Senator. I am the author of that bill, and I sponsored this bill because a union member came to a town meeting in Owasso, OK, raised his hand and said, ''I don't like my money being taken from me every month and being used for political purposes of which I totally disagree. I want to have a voice, I want to have a vote, and if they ask me, I would say no.''

I told that person at that town meeting that I was going to work to make sure that his campaign contributions would be voluntary, and that is the purpose of this bill. It was not designed to kill McCain-Feingold. It was not designed to kill campaign reform.

I have stated time and time again, I am willing to try and work out a decent campaign reform bill, but it must be premised on voluntary contributions. That is fundamental. It is a basic American freedom, no one should be compelled or coerced to contribute to a campaign against their will. No one.

No one should be compelled to contribute to a campaign, period. It should be against the law. All we say in our bill is that all campaign contributions must be voluntary. Before money is taken out of a person's paycheck, he or she has to say yes. If they say no, it means no. After all, it is their money. It is not the union's money or somebody else's money; it is the individual's money.

Unfortunately, that is the situation today for millions of Americans. We are talking about hundreds of millions of dollars. There is a movement growing out in the States, and there is going to be a vote on an initiative in California to protect workers paychecks and ensure all contributions are voluntary. It is also happening in many other States. It should happen all across the country. Frankly, we should do it on the Federal level, because we regulate Federal elections; we protect the freedoms of all Americans. This is supposed to be the body that protects the United States Constitution.

How in the world did we even allow a system to start where someone can be compelled to contribute to a political campaign or cause against their will? That is wrong, we ought to fix it, and the way to fix it is to support the underlying bill.

I say vote against the McCain-Feingold amendment. Why? Because McCain-Feingold did not say in addition to the underlying bill they want to add the following. It said strike the voluntary contribution language, strike that language, and replace it with McCain-Feingold. McCain-Feingold eliminates soft money. Soft money is at least done voluntarily. They want to end soft money contributions but they want to continue to have forced campaign contributions from union members.

The language we drafted in this bill said it would be voluntary for employees of banks, it would be voluntary for employees of corporations, it would be voluntary for all employees—all employees. McCain-Feingold doesn't say, ''Well, we'll take that language and we'll add to it.'' No, it says strike that language. McCain-Feingold is the killer. It says, ''We don't want voluntary contributions but we will try and micromanage campaigns and what people can say in elections.''

Some of those things in McCain-Feingold are pretty debatable on constitutional grounds. The Senator from Kentucky has done a good job in handling that debate. I want to say that all campaign contributions should be voluntary.

This is not an anti-union member provision. There is nothing further from the truth. This is a proworker bill. This allows every single member of a union to say yes or no to campaign contributions. It gives them a voice. There are millions of union members who get up every day and work hard, pay their taxes and union dues, and are rewarded with a gag order over how those dues—their wages—are spent on politics. That is not right.

If you go to a union hall and ask a bunch of union members, ''Hey, do you think you should have the choice to be able to say whether or not your money goes for campaign contributions or not?'' they will say, ''Yes, I want that right.''

Let's give them that right. That is not anti-union, it is prounion worker.

Unfortunately, some people say, ''Oh, no, that's wrong; that's a killer bill; that is going to stop campaign reform.'' Why? Why is that a killer bill? Because organized labor bosses don't like it? Since when do they have a veto over this body? Since when do organized labor bosses say, ''Wait a minute, we don't think campaign contributions should be voluntary. So if you adopt the Nickles-Lott bill for paycheck protection—voluntary campaign contributions—we don't have a bill.'' Why? Because President Clinton says he will veto it? Why? Because a few leaders in organized labor don't like it? Why? Because organized labor bosses put in hundreds of millions of dollars in campaigns for the Democratic Party? Do they have a blank check veto over this body, over this Congress? Why, I should hope not. I would hope that one group cannot just say, ''Well, we don't like that bill. Therefore, if you add to that bill, no deal.'' And that is basically what is happening.

I strongly disagree with that position. I strongly believe that all Americans should have the right to contribute to campaigns; no one should be compelled against their will to contribute to political causes and campaigns.

So, Mr. President, at 11 o'clock, we are going to vote on McCain-Feingold, which is a substitute amendment, which strikes the underlying voluntary campaign contribution language. I hope that we will defeat McCain-Feingold. Then I hope that we will pass—regardless of what happens to McCain-Feingold, the underlying bill, the Paycheck Protection Act, the voluntary contributions act.

I hope that my colleagues, regardless of what happens on McCain-Feingold, will vote for voluntary campaign contributions for all Americans. That is what the second vote is about. I hope that we will vote for it and we can get cloture.

I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. I yield myself such time as I require.

The PRESIDING OFFICER. The Senator from Wisconsin.

PAYCHECK PROTECTION ACT

Mr. FEINGOLD. Mr. President, we are reaching another stage in the campaign finance reform debate today. I certainly sympathize with the Senator from Oklahoma when he is concerned about some ways in which his bill has been characterized. I have had the experience here on the floor this week of having the McCain-Feingold bill compared, first, to a human rights violation and, also, as very similar to the Alien and Sedition Acts.

So, clearly, sometimes the rhetoric gets a little carried away. But what is really going on here today in the U.S. Senate just has to make the American people shake their heads. How can they look at this and not wonder what is going on? They can see a clear bipartisan majority in favor of campaign finance reform; and the bipartisan majority isn't for the majority leader's antilabor bill.

The majority support that has been demonstrated over and over again this week is for the McCain-Feingold bill. I think people in Wisconsin, in particular, have to be shaking their heads, because the one thing I have learned in 15 years of representing the people of Wisconsin is that they really dislike partisanship.

They understand the need for a two-party system. They like the two-party system. They understand the fact that you talk as Republicans and Democrats at election time, because you have to have parties and you have to have an election, but they really, really do not like it when you keep talking and acting like the whole issue is Republican versus Democrat after the election. What they want is for us to work together. What they like best is when we can come together as Republicans and Democrats in bipartisan coalitions.

Mr. President, as I have gone to every county in Wisconsin every year I've been in the Senate and have held town meetings, and when I just mention the fact that I am working with a Republican, the Senator from Arizona, before they even know what the topic is, people applaud, because they crave bipartisan cooperation in this country.

Mr. President, the American people are shaking their heads because they know this is a very unusual bipartisan coalition. The Senators involved in this issue know the details of the bill in a way that maybe many Americans do not know. So they did not just applaud when they heard the title; they have looked at it very carefully and they have considered it and shown this week that the majority of the U.S. Senate wants this change in our campaign finance laws, and they want it now.

So, Mr. President, what we have is a bipartisan majority and a partisan minority. We have Republicans and Democrats together, at least 52 of them, in favor of the bill and a smaller group from one party opposing the bill. Mr. President, we have a bipartisan agreement on the merits of the bill, and we have a partisan desire to kill it.

Mr. President, we have a bipartisan majority of the Senate that understands that this issue obviously isn't just about union dues. This is the most absurd proposition. The entire range of things we have seen about the campaigns—the soft money, the coffees, the foreign contributions, the labor unions, the independent groups, the corporations—the majority of this body knows all of these things are part of the big money problem. The partisan minority says the whole problem is unions, and not even unions, just how they obtain their dues.

The fact is, the bill that the majority leader brought forth is nothing but a poison pill. Now, maybe that was not his intent. You know, if you give somebody a poison pill by accident, it still kills them. So, I am not suggesting this was the intent. It is the fact. If that provision becomes the heart of this bill, it kills the bill. I am happy to say it is almost irrelevant, because a majority of this body has made it clear this week that it does not support having that be a part of the McCain-Feingold bill. That is one thing we achieved this week.

So, Mr. President, what we have here today is a bipartisan desire, a passion for reform and for change, and a partisan insistence that we do absolutely nothing, that we do nothing.

Now, one argument that has been made, Mr. President, is that, even though there are obviously some Republicans in support of the bill, it really isn't a bipartisan bill, that somehow, because of the nature of the Republican cosponsors, it isn't a bipartisan bill. This has been said over and over again.

It was said when they said we only had two Republicans; then they said it when we only had three Republicans; and then they said it when we only had four Republicans—it is not really a bipartisan bill. Now, with seven Republicans and all the Democrats in unanimity, they still say this is really not a bipartisan bill.

Well, who are these Republicans? Are they renegades? Are they coconspirators with the Democratic Party? Are they secret allies of organized labor? Who are these seven Republicans?

Well, one, the lead author, is the chairman of the Commerce Committee, somebody who is often mentioned as a Presidential candidate. Another is the chairman of the Governmental Affairs Committee, who is also mentioned as a Presidential candidate. There is a Senator from Pennsylvania from the majority party who supports this, a distinguished member of the Judiciary Committee and a former chairman of the Intelligence Committee who supports this bill.

There is the chairman of the Environment and Public Works Committee, the distinguished Senator from Rhode Island, one of the most distinguished Members of this body. He has indicated, by his votes this week, that he supports change. The chairman of the Labor Committee supports this bill. And, finally, two individuals who are not yet chairmen but who are the two Senators from the leading reform State in this Nation, the State of Maine, Senator COLLINS and Senator SNOWE, Republicans, but people who care about this country enough to join together with the Democrats to try to pass campaign finance reform.

So let me just return to the first name—JOHN MCCAIN. JOHN MCCAIN's name on this bill alone obviously makes it a bipartisan bill. But, more importantly, the senior Senator from Arizona knows that, even though this obviously must cause him partisan heartburn, he always does what is best for this country. So, he has taken enormous heat on this issue.

This is surely a bipartisan effort and a strong one. Mr. President, what we have shown this week is that we have a working majority, not just on paper, but a group that will vote together as a block for reform. We won vote after vote this week. The majority leader of the U.S. Senate tried to table our bill once, twice, and three times, and he lost every time.

How often does the majority leader of the U.S. Senate lose with 55 Members in his caucus? I do not think we have had this few Democrats in decades in this body. How does the majority leader not win on any of those votes unless there is a clear bipartisan majority in favor of change? So my point, Mr. President, is we are winning and the opposition is losing. To be sure, it is a long, hard road. The senior Senator from Arizona has warned me about that time and again.

But we will look for every opportunity today on these votes, tomorrow, next week, and all the rest of this session, to get the additional support that we need to pass this bill. Because in the end Mr. President, can Members of the Senate go back home and tell the voters, ''We had a terrible problem in Washington. There was corruption. There was wrongdoing. There was the terrible abuse of big money. And we decided to do absolutely nothing about it''? That is what the partisan minority has decided is the end of the story.

Well, when people vote next year, they will not be shaking their heads; they will be casting their ballots. And they will now know who thought it is time to return the power to the people back home and who decided to leave it all here in Washington with the Washington gatekeepers. That is what is at stake today. And that is what is at stake on these cloture votes.

So, Mr. President, with that, I will yield—could I ask how much time remains for myself?

The PRESIDING OFFICER. The Senator has 19 minutes remaining.

Mr. FEINGOLD. Mr. President, I yield 7 minutes to the distinguished Senator from North Dakota.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Thank you, Mr. President.

(The remarks of Mr. CONRAD pertaining to the introduction of S. 1681 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. BRYAN. Mr. President, I am pleased that the Senate is finally discussing and debating the issue of campaign finance reform. I commend Senator MCCAIN and Senator FEINGOLD for their diligent work and for what has been a tireless effort on their behalf in forging a bipartisan compromised legislation. I rise today not only to advocate my strong support of the McCain-Feingold bill but to urge my colleagues on the other side of the aisle to pass this campaign finance reform proposal that is so desperately needed to renew the trust in the political process and our democratic institutions. At the same time, I know the Senate leadership and the majority of those on the other side of the aisle have decided there will be no campaign finance reform of any kind. And so, they have killed a reasonable attempt at urgently needed reform; an attempt to close greatly exploited loopholes.

Along with the support of all 45 Democrats and the seven Republicans who support the effort of reform, the Senate Democratic Leader, Senator DASCHLE, pressed hard to bring this important issue back to the Senate floor for a vote. Despite the Republican leaders who oppose campaign finance reform and who have for so many years tried vigorously to thwart real reform, this legislation has strong support, including the backing of President Clinton.

Last year when the Senate turned to campaign reform legislation, the Majority Leader offered an amendment to block campaign finance reform and followed through with a procedural motion to deadlock the Senate. It was an effort to kill campaign finance reform without debate and without a vote. However, later that year, the Majority and Minority Leaders struck a unanimous consent agreement that would afford us with the opportunity to once again debate and consider McCain-Feingold and other issues related to reform legislation, or so we thought.

Mr. President, the Senate leadership this week has introduced the same poison pill legislation that was introduced last year as an amendment. Its sole purpose is to kill the cause of campaign finance reform. Once again, this is a clear indication that from the other side of the aisle that Republicans are not serious about reforming our campaign laws.

Some of my colleagues may argue that campaign finance reform is not an important issue to the American voter; I expect we will hear this refrain from a number of my colleagues. But, is that really the case? Or are they just hoping and trying to make us believe that is the case? Because the polls tell us differently?

The polls show Americans do care about the way their political system works. A full 83% of respondents to an October 1997 ABC News/Washington Post poll believed that campaign finance reform should be a goal for lawmakers. In a June NBC/Wall Street Journal poll, 62% of those questioned supported an overall reform package that called for reducing contributions from political action committees, establishing spending limits, and eliminating large contributions to political parties.

The truth of the matter is campaign finance reform is a very important issue and the public does want reform. Yet, the polls also tell us that many American voters have become deeply cynical about whether their elected representatives will have the courage to check their own self interest and summon the courage to enact real campaign finance reform. In the ABC/Washington Post poll, when respondents were asked whether reform will occur, 59% answered ''no.'' This poll tells us that a large majority of Americans believe, once again, that politicians' self-interest will trump the public will.

There is no reason to believe that the public's opinion is going to change. And why should it? After watching the enormous amount of money spent on the 1996 elections, the hearings held over the 1996 fund-raising controversy, and the aborted effort to pass campaign finance reform last year, it is likely that the public's cynicism will only continue to grow.

Campaign finance reform is an issue that deserves our full consideration. It is our underlying responsibility to keep our own house in order, to begin to restore the integrity of the campaign system and to renew our faith in our democracy. If we miss this opportunity, and we do not heed the call to stem the ever-rising tide of money in American politics, then the confidence of the American public and the very fabric of our political system will only continue to erode.

Mr. President, the time to begin the renewal is now, or last year when we were stopped. It is past time to restore the public trust and to pass campaign finance reform legislation. We could start by adopting the McCain-Feingold compromise bill. The revised McCain-Feingold legislation is a very modest but important proposal which was modified to attract Republican support. McCain-Feingold no longer limits PAC money. It does not establish spending limits. It does not impose free tv time for candidates and it does not provide postage discounts for candidates. The McCain-Feingold amendment that we are discussing today has been stripped down to the bare minimum of what needs most to be changed to stop the downward spiral of our political system.

The McCain-Feingold proposal addresses two important issues that could begin to turn our campaign system around. The legislation proposes to ban soft money contributions to our national political parties and to curb the use of attack advertisements hidden behind so-called ''issue advocacy'' campaigns.

SOFT MONEY

We all know that political parties have raised enormous amounts of money through soft contributions. In the 1996 election cycle, the two major parties alone raised $263.5 million—almost three times the amount raised in the 1992 election cycle. And unless we act now to stop soft money from careening out of control, these contributions will only climb higher and higher. There is simply no way to achieve real campaign finance reform without ending the soft money machine that has encouraged the exorbitant contributions that we have seen from corporations, labor unions and wealthy individuals. The McCain-Feingold plan would put an end to the outrageous abuses of the soft money system.

The Federal Elections Commission recently proposed a ruling to address the issue of ''soft money.'' While I prefer that Congress take the lead and pass McCain-Feingold, if we fail to do this then I will be prepared to embrace the FEC's effort to ban soft money and hope that they follow through. Sadly, that is not their track record.

ISSUE-ADS

Mr. President, the recent explosion in the so-called ''independent expenditure or issue ads'' also causes me great concern. Independent expenditure ads are one of the very reasons the campaign system is out of control. During the last election cycle, a large number of television ads that saturated the media weeks before the elections were

attack ads on candidates, challengers and incumbents. No one is accountable for sponsoring the ad. There is no disclosure requirement which is what I find most frustrating. We all know that these ads are really intended to defeat a candidate and are often coordinated with the opposition campaign. Simply put, these ads are not genuinely independent nor are they strictly concerned with issue advocacy.

The ''issue advocacy'' provision in McCain-Feingold is designed to provide a clear distinction between expenditures for communications used to advocate candidates and those used to advocate issues. The bill establishes a bright line test 60 days out from an election. Any independent expenditure that falls within that 60-day window could not use a candidate's name. If a federal candidate's name is mentioned in any television or radio communication within 60 days of an election, for example, then this candidate-related expenditure will be subject to federal election law and must be disclosed and financed with so-called ''hard dollars.''

The Supreme Court has ruled that only communications that contain ''express advocacy'' of candidates are subject to federal disclosure requirements and restrictions. If parties and groups want to run ''issue ads'' to promote an issue—they can, and they will not be subject to federal election law so long as a candidate's name is not mentioned in the ad within that 60-day period.

While I am a cosponsor and a strong supporter of the McCain-Feingold legislation, I wish it included other important reforms. It does not include what I believe is one of the most critical components of reform which is overall spending limits. I have consistently supported legislation to limit the amount candidates can spend and have been a cosponsor since coming to the Senate of a proposal to limit spending offered by my good friend Senator HOLLINGS. I believe this should be included in any effort to reform our campaign laws.

Last year, my distinguished colleague, the senior Senator from Arkansas, announced on the floor of the Senate that he too would now support Senator HOLLINGS's constitutional amendment to limit campaign spending despite his reservations about amending the Constitution. In debating this issue in 1997, Senator BUMPERS said:

> I will do almost anything to change the way we finance campaigns in this country, because I am absolutely convinced that this system is totally destructive to our democracy.

I could not agree more with my colleague. I continue to believe that we must ultimately address the issue of spending limits.

Mr. President, we have been provided a second opportunity to vote for campaign finance reform this Congress. I urge my colleagues to do what is right for the future of our campaign system and support the McCain-Feingold legislation. Nothing less will begin to restore the American public's waning confidence in its government.

Mr. KERRY. Mr. President, some years ago this body was graced by the presence of an extraordinary woman from the State of Maine. Senator Margaret Chase Smith came to be known by her trademark red rose, an apt symbol for a woman who epitomized the bipartisan spirit that leads to good legislation for our constituents and the country.

I supported the amendment offered by the current Senior Senator from Maine [Ms. SNOWE], which the Senate passed last night and added to the McCain-Feingold campaign finance reform proposal, because, like much of the bipartisan work of her distinguished predecessor, Margaret Chase Smith, this amendment—if the Senate ever is allowed to vote on it and, as I am confident it will, add it to the campaign finance reform legislation the majority of Senators have demonstrated they want to pass—can help to advance the cause of genuine campaign finance reform.

As I said on Tuesday, the McCain-Feingold legislation is by no means a perfect bill. But the original version of that bill moved us significantly in the right direction toward reforming our campaign finance laws.

But among the many obstacles, procedural and otherwise, which are standing in its way is a cynical bill, the Lott-McConnell bill, the so-called, misnamed ''Paycheck Protection'' legislation, which is offered to us under the guise of campaign reform. Mr. President, it is no such thing. Make no mistake—the Lott-McConnell bill is not reform. It is a devious device designed to divide the supporters of real reform in order to defeat McCain-Feingold.

But the Lott-McConnell bill is not merely a poison pill, presented in a cynical effort to destroy any chance for reform. It is also bad legislation.

Let me explain why. First, McCain-Feingold already codifies the Beck decision; it requires unions to notify nonmembers of the right to a reduction in fees if they object to the use of those fees for campaign purposes. Lott-McConnell, instead, covers only union members. It constitutes an unacceptable intrusion into the right of free association of union members which is guaranteed by the same First Amendment its proponents profess to care so much about. It also is grossly, transparently discriminatory, singling out only unions, because the authors of this bill have concluded that unions more often than not support their opponents, or the opponents of other candidates from their party.

Like any members of voluntary organizations, those working men and women who choose to join and receive the privileges of union membership, such as voting for officers, running for office and choosing the rules that guide the union, cannot pick and choose which union expenses they want to fund. The union makes those decisions according to its organizational procedures. Those who like what the union does can choose to affiliate. Anyone who does not like what the union does—in any respect, be it campaign involvement or otherwise—can choose not to affiliate.

Just imagine the outcries from the National Rifle Association, or from thousands of other organizations from one end of the philosophical spectrum to the other, if they had to seek advance written approval from their members each time they sought to take a position on an issue or broadcast their views.

The Chamber of Commerce does not let a member cut its dues by the amount spent lobbying against air pollution regulations if the member happens to disagree with that position. The NFIB did not provide such an option to its small business members when, although many of them understood the need for the long-overdue minimum wage increase we recently adopted, the organization spent its funds to fight the legislation to increase the minimum wage. It is impossible to run any organization that way—and the Senators from Kentucky and Mississippi both know that.

Although this totally one-sided, anti-union provision does nothing to curtail the freedom of giant corporations to play fast and loose with our current campaign finance system, this unimaginative recycling of a tired idea still has the potential to divide us. And that is why I supported, and urged my colleagues to support, the Snowe Amendment, and why I oppose and will vote against cloture on the Lott-McConnell proposal.

I commend Senators SNOWE, JEFFORDS and CHAFEE for their courage and for their serious effort to keep hope for real campaign finance reform alive. In the context of McCain-Feingold, it deserves our support. Their amendment, offered to replace the Lott-McConnell proposal, would, in essence, prevent both labor unions and for-profit corporations from using their treasury funds to run any broadcast ads which mention candidates within 30 days of a primary and within 60 days of a general election. The Snowe-Jeffords-Chafee amendment thereby places essentially the same limits on union and corporate spending as S. 25, the McCain-Feingold bill—but it takes the added step of specifically naming unions and corporations as the target of those limits.

It is important to note that the Snowe amendment would not restrict unions or corporate PACs from using ''hard money''—that is, funds regulated by federal campaign finance laws—to pay for such ads, but these PACs would be subject to all the reporting and contribution limits applying to all other PACs.

The ads which are the targets of this legislation are ads paid for with union and corporate soft money, and which clearly identify candidates and are

aired close to the election, despite the phony claim that they are ''issue ads.'' They are not now subject to federal election laws and their greatly expanded use was a major new development in the 1996 elections. The Annenberg Center for Public Policy estimates that all such soft money ads totaled at least $135 to $150 million. The political parties spent about $78 million of this amount for such soft money ads in the 1996 cycle. The AFL-CIO spent about $25 million. Big business groups, including the Coalition, the Coalition for Change, the Nuclear Energy Institute, the U.S. Chamber of Commerce and others, spent nearly $10 million dollars. If we were simply to ban soft money contributions to the parties, the soft money expenditures made by Labor and corporations would increase exponentially.

The Snowe Amendment also makes it unlawful for corporations or unions to launder their treasury funds by contributing to the costs of such ads produced by outside groups, including the so-called non-profits which took a much more active, and largely negative, role in the last election.

Finally, and very importantly, the amendment addresses all other radio or TV ads paid for by soft money that mention candidates during the period 30 days before a primary or 60 days before a general election. It will require anyone making or contracting to run TV or radio ads during those periods to disclose to the FEC all contributions in excess of $500 which are used to pay for producing or airing those ads if they name candidates, once any such person or group has spent $10,000 or more on such advertisements.

In considering what this amendment can achieve, we should remember that the McCain-Feingold substitute itself, with its soft money ban, would prohibit the national party ads for which payment is made with soft money (that is, contributions not subject to regulation under the federal campaign laws) that attack candidates. The recent special election to replace the retiring Congresswoman from the 13th District of New York featured $800,000 of such ads paid for by the Republican Party—and all of them were broadcast in the last ten days of that election.

The greatest virtue of the Snowe-Jeffords-Chafee Amendment is that it is a good faith effort to address this concern squarely but fairly. Like the McCain-Feingold legislation it amends, it is not perfect. But it enables the advocates of real campaign reform to defeat the grossly unfair Lott-McConnell legislation, assuming the Republican leadership ever permits it to proceed that far legislatively, and that, in turn, keeps real campaign finance reform legislation alive.

I commend Senators SNOWE, JEFFORDS and CHAFEE for their serious effort.

Mr. President, we all know that the parliamentary machinations and filibustering tactics of the Republican leadership that opposes real campaign reform may succeed in preventing us from passing any legislation containing this provision. But with this amendment, there remains a possibility of success.

On Tuesday, the motion to table McCain-Feingold failed. Last night, having been modified by Snowe-Jeffords-Chafee, another effort to table it failed again. Now it is beyond dispute that there is a majority for genuine reform in this body.

I hope the Republican leadership will acknowledge the bipartisan support for McCain-Feingold, as amended by Snowe-Jeffords-Chafee, and will permit this body to act decisively on the single most important issue facing the Congress this year.

Mr. SARBANES. Mr. President, I rise to express my dismay that, just like last fall, the Republican leadership is preventing the Senate from conducting a broad, thoughtful debate on the issue of campaign finance reform.

Mr. President, the controversy surrounding our system of elections is not a new phenomenon. I can recall the 100th Congress, during which then-Majority Leader BYRD held a total of seven cloture votes in order to effect reform in this critical area. Sadly, we were not able to command a filibuster-proof majority then and this situation has not improved under the current leadership.

It is my view that in order for our nation as a whole to be strong, our public and private institutions must be strong—our schools, our churches, and our governmental institutions must be vital instruments of democratic participation, and must instill in the people a confidence in and enthusiasm for our way of life. I am very concerned that, to the contrary, the people are growing increasingly cynical about public life. They are staying away from the polling place in increasingly large numbers, diminishing the level of political debate and the health of our public institutions. This is in large part due to their perception that money, rather than the popular will, drives electoral outcomes. Under these circumstances, meaningful campaign finance reform becomes vital to the health of our system of government and our way of life.

Mr. President, a majority in the Senate—all Democrats, including myself, and a few courageous Republicans—agree with the American public that our system of campaign financing needs repair. Regrettably, however, an effective debate in the Senate on what should be done is impossible, so long as the Republican leadership insist on using parliamentary tactics to prevent Senators from offering and debating amendments that will help us clarify the nature and gravity of the campaign finance problem. These technical ploys are not simply designed to determine the outcome of the campaign finance debate—they are designed to preclude debate altogether, and to deny those advocates of campaign finance reform even the opportunity to garner a filibuster-proof majority in favor of reform.

Mr. President, these kinds of maneuvers formed the Republican strategy last fall, when campaign finance reform legislation was successfully blocked, and here they are again. Such measures violate the Senate's reputation for thoughtfulness and deliberation, in which it rightly takes such pride. If the Republican leadership has the votes to defeat important and necessary campaign finance reform, so be it—I would not agree with this outcome, but it would at least comport with the way the Senate should conduct its business. To preclude altogether the consideration of amendments and a full and fair debate on the issue is something altogether different, and is inconsistent with the Nation's needs and desires.

Therefore, Mr. President, I urge the majority leader and his allies to recognize that a system of elections that commands the trust of the American people is essential to the proper functioning of our democratic system, and, at the very least, to allow the Senate to conduct a full, fair debate on whether our current system needs reform. No one can guarantee that the Senate will reach a result of which it can be proud, but let us at least observe a process that will make the American people confident that this issue has received thorough review by their representatives in government. Anything less would simply add to the public cynicism that already exists toward government, and that brings us to this point today.

Mr. LAUTENBERG. Mr. President, I want to praise my colleagues on both sides of the aisle who have fought long and hard to get campaign finance reform legislation on the Senate floor. Like them, I have fought hard for progressive campaign finance reform legislation since I have been in the Senate.

Regrettably, opponents of campaign finance reform are once again using parliamentary tactics to try to block passage of the McCain-Feingold campaign reform legislation. This is unfortunate because a majority of the Senate favors the McCain-Feingold proposal.

Because of the steadily growing amount of money spent on political campaigns and its adverse impact on public attitudes and governing, achieving the goals of McCain-Feingold is of paramount importance. McCain-Feingold would ban ''soft money,'' the very large, unregulated contributions that individuals, corporations and labor unions have been making in ever greater amounts to political parties. Under existing election laws, these contributions are permitted to promote general political party activities, such as voter registration, voter education and efforts to encourage voters to turn out on election day.

However over the past several years, these large soft money contributions

have become a means of donors and parties circumventing limits on campaign contributions to individual candidates. The two national political parties and state parties have used these funds to purchase TV ads that specifically mention candidate names and essentially amount to advertising by political parties or groups on behalf of individual candidates with money that the candidates cannot use themselves for this purpose. Advocacy ads of this nature, fueled by large and undisclosed contributions, are a means of circumventing campaign finance restrictions on the size of contributions to individual candidates.

I support limits on very large campaign contributions to candidates, in order to prevent undue influence by special interests on those who govern. The McCain-Feingold bill would uphold existing limits by banning soft money and requiring that independent expenditures for so-called issue advocacy advertisements by political parties or advocacy groups deal exclusively with issues, rather than being designed to persuade the public about a particular candidate. McCain-Feingold re-defines ''express advocacy'' as any broadcast television or radio communication that mentions the name of a Federal candidate within 60 days of an election. Parties and groups that meet the new guidelines would be required to finance their ads in accordance with Federal election laws.

This reform does not stifle free speech. It just closes a loophole that has developed in our election laws which permits unlimited, soft money expenditures to be made to buy advertisements for or against specific candidates. The bill does not in any way prevent groups or parties from publishing scorecards or voter guides.

Mr. President, I am and have always been a staunch advocate of free speech and very protective of First Amendment rights. I agree with legal scholars that the McCain-Feingold bill does not restrict free speech, but is important for reducing the influence of big, special interest money in our campaigns and political system. The amount of money now flowing through our electoral system is enormous and breeds a deep cynicism in the public. We need to break the choke of special interest money on the nation's Capitol and restore America's faith in our election system.

The McCain-Feingold bill will help cleanup American politics. It will ban unlimited, unregulated soft money that is compromising our electoral system. It will also make other improvements in our election system. For example it will begin to regulate shell organizations that exist to circumvent existing campaign laws. Many of these front organizations claim that they are independent but they are not. They are simply tools of the political parties and special interests and are primarily engaged in electioneering.

In 1997, political parties raised $67 million dollars in soft money—more soft money than ever before raised in a non-election year and more than double what was raised in 1993. The largest single soft money check written in the last half of 1997 was for $250,000 to the Republican National Committee. And who wrote this check? Phillip Morris.

Does anyone in the Senate believe that allowing tobacco companies to write unlimited checks to political parties is a good idea? Especially at a time when Congress is considering comprehensive tobacco legislation?

Congress is now considering legislation that could mean that the tobacco companies would have to forgo billions of dollars of profits. Yet while we debate possible special legal protections for this outlaw industry, our campaign finance system allows them to write unlimited checks to our political parties. This is wrong.

Mr. President, last year, the Senate Governmental Affairs Committee held hearing after hearing about the problems associated with soft money. We all witnessed the disturbing testimony and all of the abuses that were prevalent in both parties during the 1996 election.

Now we have a chance to do something about soft money. Unfortunately, some of the same Senators who were highlighting the problems associated with soft money last year in Committee hearings, are now the ones filibustering the McCain-Feingold bill that will get rid of soft money. This is tragically ironic.

We must continue the fight to clean up our political system. The American people believe that our political system is corrupt and we need to clean it up.

Mr. President, I urge the Republican leadership to let us have a full debate on campaign finance reform. Let us vote on McCain-Feingold and the Senate will pass it and the President will sign it.

So, I urge my colleagues to reject these parliamentary tactics to kill the McCain-Feingold bill and allow it to become law.

I yield the floor.

Mr. BAUCUS. Mr. President, I rise today to once again make the case for comprehensive campaign finance reform.

Today, the Senate has a great opportunity. The McCain-Feingold legislation is a step in the direction of campaign finance reform. Make no mistake, despite what anyone here tells you today, the American campaign finance system is broken. And the American people know it.

Spending in all levels of federal campaigns—from Congress to the Senate all the way to the White House—increased from 1992 to 1996 by over $700 million. With all that money, people should have known the issues better, and had a clear sense of the candidates. They should have received a comprehensive and well funded message why their involvement in the political process was crucial. All that money helped increase voter participation, right?

Wrong. Spending increased by $700 million and fewer people voted. Down from 55 percent in 1992 to 48 percent in 1996. Less than half of the American populace voted and some in Congress want to say the system is fine, everything is okay.

Mr. President, the American campaign finance system is not okay. Over and over Americans tell pollsters, elected officials, and their neighbors that the system needs major repair. People are becoming more and more cynical about government. People tell me they think that Congress cares more about ''fat cat special interests in Washington'' than the concerns of middle class families like theirs. Or they tell me they think the political system is corrupt.

I have simple tests on which to base my support of versions of campaign finance reform. First, it must be strong enough to encourage the majority if not all candidates for federal office to participate.

Second, it must contain the spiraling cost of campaign spending in this country. Finally, and most importantly, it must control the increasing flow of undisclosed and unreported ''soft-money'' that is polluting our electoral system.

McCain-Feingold is not perfect. I have a long track record of voting for bills that go further. I have voted for bills that took a closer look at PACS, increased FEC enforcement capabilities, and regulated both hard and soft money. But McCain-Feingold is a start.

I support this legislation because I believe it represents the right kind of change. While not a perfect solution, it will help put our political process back where it belongs: with the people. And it will take power away from the wealthy special interests that all too often call the shots in our political system.

WHAT'S RIGHT WITH THE BILL

While I must admit this bill is not perfect, it will take several crucial actions to reign in campaign spending. First, this is the first bi-partisan approach to campaign finance reform in more than a decade.

Second, the bill establishes a system that does not rely on taxpayer funds to work effectively.

The McCain-Feingold substitute would prohibit all soft money contributions to the national political parties from corporations, labor unions, and wealthy individuals.

The bill offers real, workable enforcement and accountability standards. Like lowering the reporting threshold for campaign contributions from $200 to $50. It increases penalties for knowing and willful violations of FEC law. And the bill requires political advertisements to carry a disclaimer, identifying who is responsible for the content of the campaign ad.

Let me spend a moment discussing the Paycheck Protection Act. Mr. President, I oppose cloture on this bill

today because it simply doesn't go far enough. Instead of comprehensively reforming campaign finance laws, it does very little. It doesn't deal with soft money, or PACS, or the costs of campaigns. Nor does it help to identify negative, attack ads that do nothing for the process except to drag it down.

Instead, the majority alternative attempts to regulate only union contributions, a clear case of political payback. I believe we should look at union contributions, Mr. President, if we also look at corporations, non-profits, and independent expenditures. But just targeting one piece to the puzzle won't solve the problem. That's why I will vote to oppose this measure.

To close, Mr. President, America needs and wants campaign finance reform. The Senate should pass comprehensive legislation right now. Let's be clear of our goal today: we must ensure that political campaigns are a contest of ideas, not a contest of money. We need to return elections to the citizens of states like Montana and allow them to make their own decisions, rather than letting rich Washington DC groups run attack campaigns designed to do nothing but drag down a candidate.

I remain committed to this cause and will do everything in my power to ensure that the Congress passes meaningful Campaign Finance Reform, this year.

Mr. KYL. Mr. President, I have stated before that I believe there are many things Congress should do to reform the way campaigns for federal office are financed.

Last year's hearings by the Senate Governmental Affairs Committee, chaired by Tennessee Senator FRED THOMPSON, confirmed that the first thing is to ensure enforcement of existing laws. The Committee investigated what appear to be an orchestrated campaign in the last Presidential election to evade restrictions on foreign contributions, and an apparent effort by Communist China to illegally influence our electoral process. It is already illegal to ''launder'' contributions and accept campaign contributions from foreign sources. The first step Congress should take, therefore, is to ensure that current campaign finance laws are vigorously enforced.

But we can—and should—do more. I believe any reform of our electoral process should be based on some key principles. Specifically, our laws should: be clear, simple, and enforceable; maximize disclosure of who contributed what to whom; place public interest over special interest; ensure voluntary participation for all; and most importantly, protect our constitutional right to free speech—unregulated by the government. Politicians must never be able to define the times, methods or means by which their constituents can criticize them.

Specifically, I support the following campaign finance reforms in the McCain-Feingold bill: requiring more timely and detailed disclosure of campaign funding and spending; toughening the penalties for violations of campaign law; tightening the restrictions on fundraising on federal property; strengthening the restriction on foreign money; prohibiting campaign contributions from minors (which often mask attempts at ''double donations'' by adults); and, curbing the advantages of incumbents by prohibiting mass mailings at taxpayer expense during an election year.

Additionally, I support several reforms not included in the bill, such as: requiring candidates to raise a majority of their campaign contributions from within their state, ensuring local support over national special interests; insisting that all political activities be funded with voluntary contributions and not coerced through mandatory union dues.

The two primary reasons I have not supported the current version of McCain-Feingold are (1) its failure to ensure that all political contributions are voluntary, and (2) its provisions unconstitutionally limiting free speech.

Concerning free speech, the McCain-Feingold bill in the view of many constitutional experts would effectively prohibit so-called ''issue-ads'' that mention a candidate's name within 60 days of a federal election. The bill would force groups that now engage in issue advocacy such as non-profit entities organized under 501(c)(3) and (c)(4) of the IRS Code to create new institutional entities—PACs—to be able to ''legally'' speak within 60 days before an election. Separate accounting procedures, new legal costs, and separate administrative processes would be imposed on these non-profit groups, merely so that their members could preserve their First Amendment rights to comment on a candidate's record. I believe this violates free speech guaranteed by the First Amendment. Elected politicians should not be given the right to regulate or forbid criticism by constituents during a campaign.

While there was an attempt to modify certain provisions of the McCain-Feingold ''speech specifications'' during the debate on campaign finance reform, the proposed compromise still placed unconstitutional restrictions on free speech about politicians by allowing congressional control over the timing and funding sources of communications merely because they contained the name of a member of Congress. In short, the compromise was not truly a ''compromise'' but rather a constitutional infirmity infringing on free speech about politicians.

While I believe McCain-Feingold is motivated by the best of intentions, and I have commended my colleague JOHN MCCAIN for his effective leadership on this difficult issue, I cannot support legislation that in my view does not protect our constitutional rights nor guarantee voluntary participation in the political process for all.

Mr. FEINGOLD. I yield 7 minutes to the distinguished Senator from New Jersey.

Mr. TORRICELLI. I thank the Senator from Wisconsin for yielding.

Mr. TORRICELLI. Mr. President, the debate before the Senate is about campaign finance reform but, indeed, it is really about something much more fundamental. It is about the credibility of the U.S. Government. It may even be about the long-term stability of our system of government.

The United States will enter the 21st century as the only industrial democracy in the world where only a minority of the people of our country choose our government. In the Presidential elections of last year, only 49 percent of eligible Americans participated in choosing our government. It is a record of shame. That shame does not belong only to those who do not participate.

Upon leaving the Continental Congress, the Founding Fathers were asked, what form of government have you chosen? It was replied, ''A democracy—if you can keep it.'' This legislation is about campaign finance reform. But much more fundamentally it is about a democracy—if you can keep it.

For more than 20 years we have tried to evade the central truth of this problem. We told ourselves that people didn't vote because it wasn't convenient, so we gave them time off from work; that it wasn't possible to go and register in person, so we passed motor-voter. We have done everything we can think of to address a new excuse of why people do not participate in the process. The truth is those 51 percent of Americans who do not vote are participating in the process. By not voting they are speaking volumes about their belief and their confidence in this system of government.

Central to this eroding of confidence in our 200-year political system is money and people's perception of what it buys and how it undermines our system of government. I participated in the 1996 elections as a U.S. Senate candidate. The record of those elections can be a source of pride to no one. Congressional candidates raised $765 million, culminating a 700 percent increase in campaign spending since 1977. We are not the first Congress or the first generation that recognized there was a problem of confidence in governing America. Those before us, in 1974, after Watergate, passed comprehensive and meaningful reform. But like that generation, in this Congress it is time to recognize that the governing laws are not working. The 1974 reforms are being observed in the exception. A series of Federal court decisions, changes in technology, changes in the political culture, have left them meaningless. I think, indeed, the 1974 reforms did not envision, therefore did not even address, the issue of soft money which is now so prevalent and even governing the system.

This Senate has not been blind to the problem. We have not been without our

advocates, like Senator FEINGOLD, who sought to change the system. In the last decade, this Senate has voted on 116 occasions for campaign finance reform, 321 different bills, all of which have left the system fundamentally unchanged.

What is it now that brings this opposition by the Republican majority? What is it that would lead potentially a majority of this Senate to participate in a filibuster on a bill which fundamentally prohibits foreign money, enhances prompt disclosure of contributions, helps the FEC in enforcing the law, and banning the soft money which for most of the last year attracted the attention of the country and the focus of the Governmental Affairs Committee on which I serve as an abuse of the system? Which of these provisions so disturbs Members that they would stop this reform legislation? Or is it simply that they like to discuss the problems but fear that any change to the current system would rearrange control of this institution?

The irony of the opposition is that the principal problem of the reform legislation is not that it does these simple and self-obvious changes but that it does not go far enough. Indeed, if given the opportunity, as the Senator from North Dakota, I would like to offer amendments to take this process further, because the principal change in the political culture since 1974, and obviously in the last election, has been the use of unregulated issue advertising by third party advertisers. We no longer have contests between candidates or Democrats and Republicans, but unregulated, third party institutions, where no one knows the source of the money or even who they are, that sometimes drown out the candidates, change the agenda of people and political parties. This legislation doesn't deal with that issue, and it should. It doesn't go far enough.

So in my amendment I go further with these tax-free organizations in making them choose. If you want to be tax free, you will not participate in electioneering; if you do want to participate in electioneering and change your status, you will disclosure your contributors. We did not do that here.

Finally, the Senator from North Dakota indicated the principal reform that is required is reducing the cost of television times. The public airwaves, licensed by this Government, owned by the people of the United States, are being sold for millions of dollars and are essentially driving the cost of these campaigns. Mr. President, 82 percent of the election in New Jersey was raising money for television advertising. The average across the country is 70 percent. Until we force the television networks to reduce the cost of the public airwaves, we will never stop the upward spiral of these campaigns.

So I rise to endorse the efforts of the Senator from Wisconsin to urge the Congress to allow its consideration, to allow a majority of 52 Senators in this institution to work their will, to do the work that every Senator knows must be done—not simply to reforming the financing of campaigns, but much more importantly, much more fundamentally, to make this part of the effort, indeed, the foundation, of restoring confidence in this system.

I yield the floor.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. We come to the end of the most recent round of debate on whether to put the Government in charge of political speech of individuals, candidates, and parties. I think it is important to talk a little bit about the philosophy that divides us on this issue.

My good friends on the other side of the aisle look at America as a seething caldron of people who are trying to make us do bad things. We, on the other hand, take the approach to this that James Madison did. James Madison, the author of the first amendment, Mr. President, understood that America would, in fact, be a cauldron, a cauldron of special interests, but special interests in Madison's views, or factions, as he put it, would be people who would be guaranteed a right to have some influence; that it was totally American—expected, anticipated and necessary—in a democracy to allow people to have influence.

After all, who are we trying to wall ourselves off from, Mr. President? People who want to contribute to our campaigns, limit and disclose amounts of their hard-earned money because they believe in what we are doing? What could conceivably be wrong with that? In fact, it is as American as apple pie. Not only is it the right thing for our people, it is the constitutionally protected thing for our country.

The Supreme Court has made it abundantly clear, abundantly clear that unless you have the ability to amplify your voice in a country of 260 to 270 million people, you don't have much speech. Dan Rather has a lot of speech, Tom Brokaw has a lot of speech, the editorial page of the Washington Post has a lot of speech, but your average American citizen, unless that person can amplify his voice, doesn't have much speech. So the Court said spending is speech and the first amendment applies to individuals, groups, candidates and parties, as well as applying to the press. A stunning thing for the press to observe, that we have free speech rights as well. They don't like it. They would like to have more power, not less. They would like to control our campaigns, control the discourse in the course of the campaign that goes on, and control the outcome with their editorial endorsement. But the first amendment doesn't allow them to control the political process. It also doesn't allow the Government, through some statute we passed here, to be put in charge of regulating either the quality or the quantity of political speech.

The great conservative Thurgood Marshall summed it up in the Buckley case: ''The one thing we all agree on is that spending is speech.''

The Court made the point that if you say somebody is free to speak but then say they can only speak so much, they are not very free to speak. They said it would be about like saying you are free to travel, but you can only spend $100. How free are you?

I wonder how our friends at the Washington Post and New York Times would feel if we said: You are free to say anything you want, but your circulation is now limited to 2,500 or 10,000. They would say: You are interfering with our speech because we can't amplify our speech.

Of course, they would be correct. I say that somewhat tongue in cheek, but the principle is the same whether it's the press or an individual candidate or a group or a party.

Mr. President, I don't feel that people participating in our campaigns is in any way inappropriate. It should not be condemned; it ought to be applauded. We don't have a problem in this country because we are speaking too much in political campaigns. Our good friends on the other side of the aisle say, well, we are spending too much. Compared to what? It's about what the public spent on bubble gum last cycle.

There was an increase in spending because the stakes were big. A lot of people cared about what happened in the 1996 election. There was a struggle for the White House and a struggle for the Congress and a struggle over the future of America. A lot of people cared about that and they got involved. They wrote their checks out and gave it to their favorite party or candidate. Some groups came out and said how they felt about it, which they have a constitutional right to do, as well, under the first amendment. Many of our colleagues on the other side of the aisle were appalled; all this speech was polluting the process, they said.

Mr. President, I think all that speech was invigorating the process. When there is not much speech in a campaign, not much spending in a campaign, it is a sleepy campaign with no competition. Typically, statistically, it is a lower turnout election when there is no interest. So there is nothing offensive, nothing improper, and nothing to be condemned when you look at a heavily contested election in which large quantities of money are spent on behalf of the candidates because people think the stakes are big.

Now, why would people care, Mr. President? We have a huge Government that affects every American. It is naive in the extreme to expect that people don't want to have some impact on a political process which takes 30 to 40 percent of their money every year—paying taxes is not exactly a voluntary act—and spends it on what it wants to.

What kind of country would we have if all of these people in our land were

unable to influence the political process? We would have an unresponsive democracy, a Government run by elitists who want to shut everybody up. Fortunately, Mr. President, the courts are never going to allow that to happen. This Senate is never going to allow it to happen, because we are not going to go down the road of regulating people out of the political process because we don't like either the quantity or the quality of their speech. I have heard it said off and on over the last few days about these polluting issue ad campaigns, these sham campaigns. Who is to decide, Mr. President, whose speech is worthy and whose speech is not? The Supreme Court made it clear that the Government is not going to allow us here to decide whose speech is worthy and whose speech is not. The first amendment doesn't allow us the latitude to categorize certain kinds of speech as offensive and other kinds of speech as laudable. So that is at the core of this debate.

I want to say to my colleagues in the Senate and to those who may be following this debate, the supporters of McCain-Feingold-type proposals—which was called, when the Democrats were in the majority, Boren-Mitchell—say they are always going to come back.

Let me make sure that everybody understands that we will always be back, too. We will fight efforts to undermine political discourse in this country wherever they may arise. There are some multimillionaires who are funding campaigns around the country. George Soros, a multibillionaire who funds a variety of things, including referenda to legalize marijuana, has taken an interest in this subject. Jerome Kohlberg, a former financier from Wall Street, has taken an interest in this subject. These are people who think everybody else's money in politics is bad except theirs. They have been trying to fund an effort to pass so-called campaign finance referenda.

Let me assure our colleagues, the Members of the Senate, that there will always be somebody there. For example, there is the James Madison Center, a new group that has been established to fight for first amendment political speech, a group of public interest lawyers who will be involved in these cases, striking them all down one after another. Their record in court has been excellent. The California referendum was struck down last month; the Maine referendum was struck down last year—all of these efforts, even though they may be well-intentioned, to push people out of the political process and put the Government in charge of how much we may speak, when we may speak, whether or not we have to disclose our membership lists as a precondition as to whether or not we can mention a candidate or not mention a candidate.

Who are we kidding? What reformers want to do is shut everybody up. They want to shut down the discussion. It isn't going to happen, Mr. President. There will be somebody there to fight in every court in America, State, local or Federal, to preserve the rights of all Americans to speak without Government interference in the political process.

This is a very important debate. This is not a little issue. There isn't anything more fundamental to our democracy—nothing—than the ability to discuss issues, to support candidates, either as individuals or in banding together as groups, and to express yourself without Government interference or limitation in this great country. This is the core of our democracy.

Now, Mr. President, I might mention that in Europe, England in particular, they have had restrictions against issue advocacy, which is something we have talked about a good deal here in the last 3 or 4 days. Issue advocacy is not complicated. It is a group banding together to express themselves about us or an issue or anything else they choose to at any time they choose to, without Government interference. Over in Europe, the British in particular, basically didn't allow citizens to band together and express themselves. Last week—it is kind of interesting—a group in England took a case to the European Court of Human Rights, which ruled that laws banning ordinary citizens from spending money to promote or denigrate candidates in election campaigns was a breach of human rights. The court was right. For the Government to say you can't go out as a citizen or as a group of citizens and criticize candidates any time you want, that is a breach of human rights. They struck down that British prohibition. The independent newspaper in London says that ruling opens up the way for American-style election battles.

Well, it is about time they had some American-style election battles in which citizens have an opportunity to band together and express themselves without government interference in Europe. So I commend that court for its ruling. It looks to me as if the Europeans are heading in the direction of having a real democracy. In a real democracy, Mr. President, the candidates don't get to control all the discussion in the election. We would love to. We would really like that because then we could have our campaigns and the other guys could have theirs. The press always has a campaign, and, of course, that would go on. But we would not have any of these groups out there messing up our campaigns.

Mr. President, we don't own these campaigns; we don't control them. It is not our right to shut these citizens up, no matter how much it may irritate us. The good thing about what is going to happen in a few minutes is that those people's ability to participate is going to be preserved. We are not going to take that away. We are going to kill a bill that richly deserves to be killed. We are going to do it proudly and unapologetically.

There is also another vote we are going to have, an opportunity to introduce an American principle as old as the founding of the country into the labor movement in this country. No one ought to be required to support political causes with which they disagree. The Supreme Court has, in fact, already ruled that way in the Beck case. But, as a practical matter, the Beck decision is not being enforced. There is a bill called the paycheck protection bill, of which Senator NICKLES was the original author and which Senator LOTT has offered, which would guarantee that there has to be written permission by a union before it takes money from its members for political purposes.

Everybody else in the American political process operates on that principle. Everybody else. It's high time that our good friends in organized labor raise their money voluntarily, from willing donors, like everyone else. I don't want to shut up the unions. I defend their right to engage in issue advocacy. It has always been directed against members of my party. I would not, for a minute, support anything that would take them off the playing field. But they ought to raise their resources from voluntary donors like everybody else.

This issue is going to be out in the States, Mr. President—a referendum in California in June, in Nevada, in Colorado, and in other States. It has already been passed in the State of Washington a few years ago. This is the real campaign finance reform that I urge our colleagues to vote for. If you want to vote for a real change in the American election system that would move us in the right direction, then let's introduce democracy into the workplace by making certain that no one's dues are taken against their will and spent on causes with which they disagree.

So, Mr. President, I urge a vote for cloture on the paycheck protection bill and a vote against cloture on McCain-Feingold, which would wreak great harm upon the first amendment to the U.S. Constitution.

I yield the floor.

Mr. FEINGOLD addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Wisconsin has 1 minute remaining.

Mr. FEINGOLD. How much time remains on the other side?

The PRESIDING OFFICER. They have 1 minute 45 seconds.

Mr. FEINGOLD. I yield the remainder of our time to the distinguished Senator from Oregon.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. WYDEN. Mr. President, I ask unanimous consent to speak up to 5 minutes at this time.

The PRESIDING OFFICER. Is there objection?

Mr. MCCONNELL. I object. I will be happy to give the Senator what little time I have remaining.

Mr. WYDEN. That is very gracious.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. WYDEN. Mr. President, we now have a seemingly permanent political campaign in America. We have an election the first Tuesday in November, people sleep in on Wednesday, and it starts all over again on Thursday. The money chase simply does not stop. I came to the Senate after a hard-fought and, frankly, less than pleasant campaign against an individual I am proud to call both a friend and a colleague, Senator GORDON SMITH. In the final weeks of that campaign, we made a decision to unilaterally take off the air all television commercials about Senator SMITH. I thought it was time to talk about issues, time to focus, with the voters, on the real questions that were important to their future.

I am of the view that the American people need to know that today is the day when reform will be passed or defeated. The cloture vote on McCain-Feingold is the vote on campaign finance reform. It is the vote for a Senator who wants to address this problem of independent expenditures. It is the vote on the proposition that we need to have more time spent with voters, less time with raising money.

Mr. President, I urge passage of the bill. I thank the Senator from Kentucky for the additional time.

PAYCHECK PROTECTION ACT

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, the clerk will report the motion to invoke cloture.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the McCain-Feingold amendment.

Russell D. Feingold, Paul Wellstone, J. Lieberman, Richard J. Durbin, Tim Johnson, Edward M. Kennedy, Byron L. Dorgan, Barbara A. Mikulski, Daniel K. Akaka, Jay Rockefeller, Dale Bumpers, Wendell H. Ford, John Breaux, J. Robert Kerrey, Ernest F. Hollings, Daniel Moynihan, Patty Murray, Carol Moseley-Braun, and Max Cleland.

CALL OF THE ROLL

The PRESIDING OFFICER. By unanimous consent, the quorum call has been waived.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on amendment No. 1646 to S. 1663, a bill to protect individuals from having their money involuntarily collected and used for politics by a corporation or labor organization, shall be brought to a close?

The yeas and nays are required under the rule. The clerk will call the roll.

The bill clerk called the roll.

Mr. FORD. I announce that the Senator from Iowa (Mr. HARKIN) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The yeas and nays resulted—yeas 51, nays 48, as follows:

[Rollcall Vote No. 16 Leg.]

YEAS—51

Akaka	Feingold	Lieberman
Baucus	Feinstein	McCain
Biden	Ford	Mikulski
Bingaman	Glenn	Moseley-Braun
Boxer	Graham	Moynihan
Breaux	Hollings	Murray
Bryan	Inouye	Reed
Bumpers	Jeffords	Reid
Byrd	Johnson	Robb
Chafee	Kennedy	Rockefeller
Cleland	Kerrey	Sarbanes
Collins	Kerry	Snowe
Conrad	Kohl	Specter
Daschle	Landrieu	Thompson
Dodd	Lautenberg	Torricelli
Dorgan	Leahy	Wellstone
Durbin	Levin	Wyden

NAYS—48

Abraham	Faircloth	Lugar
Allard	Frist	Mack
Ashcroft	Gorton	McConnell
Bennett	Gramm	Murkowski
Bond	Grams	Nickles
Brownback	Grassley	Roberts
Burns	Gregg	Roth
Campbell	Hagel	Santorum
Coats	Hatch	Sessions
Cochran	Helms	Shelby
Coverdell	Hutchinson	Smith (NH)
Craig	Hutchison	Smith (OR)
D'Amato	Inhofe	Stevens
DeWine	Kempthorne	Thomas
Domenici	Kyl	Thurmond
Enzi	Lott	Warner

NOT VOTING—1

Harkin

The PRESIDING OFFICER (Mr. SANTORUM). On this vote the ayes are 51, the nays are 48. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is not agreed to.

CLOTURE MOTION

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, under the previous order, the Chair directs the clerk to read the motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on S. 1663, the Paycheck Protection Act:

Trent Lott, Mitch McConnell, Wayne Allard, Paul Coverdell, Robert F. Bennett, Larry E. Craig, Rick Santorum, Michael B. Enzi, Jeff Sessions, Slade Gorton, Chuck Hagel, Don Nickles, Gordon H. Smith, Jesse Helms, Conrad Burns, and Lauch Faircloth.

CALL OF THE ROLL

The PRESIDING OFFICER. By unanimous consent, the quorum call has been waived.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on S. 1663, a bill to protect individuals from having their money involuntarily collected and used for politics by a corporation or labor organization, shall be brought to a close?

The yeas and nays are required under the rule. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Iowa (Mr. HARKIN) is necessarily absent.

The yeas and nays resulted—yeas 45, nays 54, as follows:

[Rollcall Vote No. 17 Leg.]

YEAS—45

Abraham	Frist	Lugar
Allard	Gorton	Mack
Ashcroft	Gramm	McConnell
Bennett	Grams	Murkowski
Bond	Grassley	Nickles
Brownback	Gregg	Roberts
Burns	Hagel	Roth
Coats	Hatch	Santorum
Cochran	Helms	Sessions
Coverdell	Hutchinson	Shelby
Craig	Hutchison	Smith (NH)
DeWine	Inhofe	Smith (OR)
Domenici	Kempthorne	Thomas
Enzi	Kyl	Thurmond
Faircloth	Lott	Warner

NAYS—54

Akaka	Durbin	Lieberman
Baucus	Feingold	McCain
Biden	Feinstein	Mikulski
Bingaman	Ford	Moseley-Braun
Boxer	Glenn	Moynihan
Breaux	Graham	Murray
Bryan	Hollings	Reed
Bumpers	Inouye	Reid
Byrd	Jeffords	Robb
Campbell	Johnson	Rockefeller
Chafee	Kennedy	Sarbanes
Cleland	Kerrey	Snowe
Collins	Kerry	Specter
Conrad	Kohl	Stevens
D'Amato	Landrieu	Thompson
Daschle	Lautenberg	Torricelli
Dodd	Leahy	Wellstone
Dorgan	Levin	Wyden

NOT VOTING—1

Harkin

The PRESIDING OFFICER (Mr. ROBERTS). On this vote, the yeas are 45, the nays are 54. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

Mr. LOTT. Mr. President, I move to reconsider the vote.

Mr. NICKLES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader.

MORNING BUSINESS

Mr. LOTT. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business until the hour of 2 p.m. with Senators permitted to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE HIGHWAY BILL

Mr. LOTT. Mr. President, for the information of all Senators, at approximately 2 p.m. today it will be my intention to move to proceed to the highway bill. If a rollcall vote is requested

on that motion, then Senators should be prepared to vote on the motion by early afternoon. Regardless of that, Senators should expect votes with respect to the highway bill throughout the afternoon and into the evening. There is still the possibility of votes on Friday, and I hope there will be votes Monday.

I hope that there will not be the necessity for a vote on the motion to proceed to the highway bill. Everybody understands it is very important. There are a lot of amendments pending we need to be working on in order to complete action in the Senate in a reasonable period of time so that we can have it done, and hopefully through the conference, well before the May 1 date.

There are negotiations, discussions that have been underway. No agreement has been worked out. Any understanding that is worked out would still have to be, obviously, considered and debated and voted on by the full Senate. But I believe we are making good progress. The time that we have had for the last month has been, I think, beneficial, but it is time we go forward on this.

I encourage Senators to get their amendments ready. There are a lot of amendments, other than funding amendments, that really need to be debated. I hope that they will be prepared to offer them this afternoon and on Friday. Let us get underway.

With that, I yield the floor, Mr. President.

Mr. MCCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

CAMPAIGN FINANCE REFORM

Mr. MCCONNELL. I want to thank the distinguished majority leader for his superb leadership and for helping us pick our way through the mine field of campaign finance one more time. He has truly been outstanding. I just wanted to tell him how much I and the rest of the 48 of his party who believe deeply in the first amendment appreciate this, and for his leadership on this subject.

Mr. LOTT. Thank you very much.

Mr. MCCONNELL. I also want to thank Alison McSlarrow from the majority staff who has been outstanding. We were sitting over here talking about the stress factor on this issue as it arises. It seems like a bad penny that keeps coming back. We have had a chance to get to know each other well and deal with each other a lot on this issue. Alison, I wanted to tell you what a wonderful job you did.

Mr. CRAIG. Will the Senator yield?

Mr. MCCONNELL. Yes, I will yield.

Mr. CRAIG. I thank the Senator for yielding.

I want to speak only briefly, Mr. President.

Mr. CRAIG. Mr. President, a few weeks ago I had the privilege of being with Senator MCCONNELL when he received a ''Legislator of the Year'' award from a national organization that recognized how critical his leadership on campaign finance reform is. This is an organization that has a large broad-based membership of individual God-fearing, constitutional Americans who recognized, as most of us do, that what we have here and what was debated over the last good number of days was a way of reshaping the Constitution and our basic rights as citizens in this country. You stood up and said: No, it isn't going to happen. It will not happen. We are going to agree with the courts and we are going to keep our citizens free to express, at will, their political thoughts.

So let me thank you for the kind of leadership you brought. Clearly, while it may go unrecognized by many, this was a phenomenally significant vote for the country and for our citizens. And I thank you for that.

Mr. MCCONNELL. I thank my good friend from Idaho for his overly kind observation about my work on this issue. I thank you so very much.

I also want to thank my longtime ally in defense of the first amendment. We have worked together for 10 years now, Tam Somerville and I. She is from the staff, who is also in the stress reduction program, along with Alison McSlarrow and myself, as this matter pops up from time to time. Thank you again for your outstanding service to the country in helping us protect our ability to participate in the political process. And Lani Gerst, of my staff, who assisted Tam, has done yeoman's service. I thank her as well.

I yield the floor.

Mr. D'AMATO addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

(The remarks of Mr. D'AMATO and Mr. GRAHAM pertaining to the introduction of S. 1682 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

The PRESIDING OFFICER. The Senator from Florida is recognized.

PRIVILEGE OF THE FLOOR

Mr. GRAHAM. Mr. President, I ask unanimous consent Lory Zastrow and Jeff Pegler of my staff be accorded floor privileges for the duration of my comments.

The PRESIDING OFFICER. Without objection, it is so ordered.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. GLENN. I thank the Chair.

CAMPAIGN FINANCE REFORM

Mr. GLENN. Mr. President, I rise today to speak about some of the events on the floor here over the last couple of days. I think perhaps sometimes we need a different yardstick by which to judge some of these votes.

We have now in effect, I guess, unless this campaign finance legislation is hooked onto some other legislation as we go ahead with our legislative activities of this year, that it is probably dead for this year. I hate to say that. I want to give a speech on some of the outcome of our campaign finance reform hearings that have been taking place in the Governmental Affairs Committee most of last year. I was unable to get over and give this at the appropriate time before the votes that we have had but still want to talk about this a little bit.

I think sometimes on controversial votes, which these are, that there is a different basis that we should be looking at instead of just the party line, just party loyalty and voting down the line with those party leaders who have a particular view. Those views, too often, affect just the political interests of the amendment. How much money are we going to be able to get for this next election? That is the basis on which votes seem to occur. That is a very short-term view of things.

Now, on some of these controversial votes I think there is another way to decide. It is what I call the ''grandchild test''—the ''grandchild test.''

What you should do on some of these votes, I think, is think of what you would like the ideal political system to be when your grandchildren have grown up and long after most of us will have left the Senate of the United States. What kind of law do you want to see in place that deals with them fairly? What kind of law do you want to see in place that makes them feel that their voice is heard in Government as much as those who can contribute millions or at least hundreds of thousands of dollars worth, to get their voices heard? This may be after Democrats have reclaimed the Senate and the House and there is a Republican President. Who knows what the future situation may be.

But a ''grandchild test'' puts it on a little different basis, it seems to me. Do we want a system that is dominated by interests that may not favor your heirs, your children, your grandchildren? Do we want them to have to contribute hundreds of thousands of dollars to have their voice heard, to be treated fairly?

So the votes we have had over the past few days involve a matter of fairness, plain old fairness. In other words, fairness for all in our political system into the future. That is what the vote on McCain-Feingold was all about. Unfortunately, we cannot muster enough votes to overcome cloture. Although we had a majority of the U.S. Senate, the majority did not prevail because of the cloture that we would have been required to get to break a filibuster.

Mr. President, I welcome the opportunity to discuss the legislation today, the legislation we passed, because over the past year I have had the privilege of serving as the ranking member of the committee on Governmental Affairs' investigation into campaign finance. In the course of the investigation I have come to understand that

the existing campaign finance system is in shreds.

Campaign finance reform is no longer something that I feel should be delayed, as we have delayed it by the votes of the last couple of days. I think it is absolutely crucial that at the earliest time we pass legislation addressing the worst abuses, if we can hope to maintain the integrity of our electoral process and the confidence of the American public. Over the course of my Senate career, I watched as public cynicism about Government has increased and trust in Government has declined. In 1996 for the first time, less than half the people in this country eligible to vote cast a ballot.

To those who argue that the public doesn't care about campaign finance, it is clear from national polls that the public does care. Polls show that while over 70 percent of Americans want campaign finance reform, only 30 percent have believed it will happen. Three out of four people interviewed do not trust us in Washington to do what is right. That is three-quarters of the American people do not trust us to do what is right. What an indictment of our activities here in the Congress.

I can't think of a better way to halt that kind of cynicism than by doing the unexpected and passing campaign finance reform and by fixing the system that breeds the cynicism and undermines public confidence. Poll after poll has shown the biggest single factor in lack of public trust in Government is the campaign finance system. I want to express my appreciate to Senators MCCAIN and FEINGOLD for their leadership on this issue. Their bipartisan cooperation has pointed us in the right direction. I hope we can follow their example and pass this legislation, hopefully even later this year. I hope they will take the opportunity on later legislation to attach this legislation on to it as an amendment and we will have some more votes on this, perhaps with a different outcome.

We have a unique opportunity if we pass campaign finance legislation to restore faith in our American system and renew our commitment to the concept of Government for all of the people, all of the time—not a system where access to elected leaders is meted out according to campaign dollars received. That is exactly what we have now.

The legislation that we have had before us over the past few days takes key steps to correct the two worst problems, the proliferation of huge amounts of soft money and the explosion of calculated issue advertising which exists outside the reach of existing laws simply because it avoids a key term such as ''vote for'' or ''defeat.'' But the proliferation of issue advocacy candidates are becoming footnotes in their own campaigns struggling to conduct substantive debates on issues of local importance against the din of millions of dollars of issue advertising by national interest groups.

One has only to look to the campaign to replace recently deceased House Member Walter Capps taking place in Santa Barbara, CA, to understand the significance of this problem. Just last weekend, the Washington Post carried an article about this campaign which noted that while the candidates tried to focus on education and fiscal issues, hundreds of thousands of dollars were spent by national groups airing ads on term limits and abortion, issues which both candidates agree are high among voter concerns in the district but which have drowned out the candidates' own attempts to focus on issues of concern in their district.

Almost every abuse examined in the course of the Governmental Affairs Committee investigation has its roots in the proliferation of soft money and of calculated political issue ads. For that reason, I want to say something about the recent Governmental Affairs Committee investigation from the minority's perspective and how it reflects on the committee's debate.

The founders of this country envisioned that American political discourse would be based on the power of ideas, not money, and that our elected representatives would be chosen by the principles for which they stand, not the amount of money they raise.

Unfortunately, elected officials in the United States have become so dependent on political contributions from wealthy donors that the democratic principles underlying our Government are at risk. We face the danger of becoming a Government of the rich, by the rich, and for the rich. We face the danger because candidates for Congress and the Presidency spent over $1 billion on their 1996 election activities, according to an estimate by the Annenberg Public Policy Center. In order to raise that enormous quantity of money, some candidates and party officials push the campaign finance to the breaking point and some pushed it beyond. The abuses that occurred during the 1996 election exposed the dark side of our political system and underscored the critical need for campaign finance reform, as well as the need to enhance the ability of the Federal Election Commission to enforce campaign finance laws, which I will speak about later.

On March 11, 1997, the Senate voted unanimously to authorize the Governmental Affairs Committee to conduct an investigation of illegal and improper activities in connection with the 1996 Federal election campaigns. The Senate asked the committee to conduct a bipartisan investigation, one that would explore allegations of improper campaign finance activities ''by all, Republicans, Democrats, or other political partisans.''

Now this was a noble goal and there were widespread hopes that the committee would conduct a serious, bipartisan investigation, one that would investigate allegations of abuses by candidates and others aligned with both major political parties. In the end, however, the committee's investigation provided insight into the failings of the campaign finance system, but it certainly did not live up to its potential.

Now the minority regrets the failure of the committee to expose the ways in which both political parties have pushed and exceeded the limits of our campaign finance system. Both parties have openly offered access in exchange for contributions. Both parties have been lax in accepting illegal or improper contributions. Both parties have become slaves to the raising and spending of soft money.

Now, the committee examined a host of 1996 election-related activities alleged to have been improper or illegal.

We heard from fundraisers, from donors, from party officials, from lobbyists, from candidates, and from government officials. We heard from a man, Roger Tamraz, a contributor to both parties. He admitted making 1996 campaign contributions for one reason—he wanted to obtain access to events held in the White House, period. He was willing to contribute hundreds of thousands of dollars to worm his way in there. In another instance, Buddhist Temple officials admitted reimbursing monastics for making campaign contributions at the temple's direction. Also, a wealthy Hong Kong businessman hosted the chairman of the Republican National Committee on a yacht in Hong Kong Harbor and provided $2 million in collateral for a loan used to help elect Republican candidates to office.

Most of these cases when there was questionable foreign money, most of it was given back by Democrats and Republicans both. And there was a lot on the Democratic side; I certainly don't deny that. As soon as the taint was there, the money was given back. But not in this case. The debt of $800,000 still has not been paid back. This example remains the best single, completely documented example of foreign money really being solicited and used in the 1996 campaign of anything that the committee looked at the whole year, Democrat or Republican.

The Committee's investigation exposed these and other incidents that ranged from the exemplary, to the troubling, to the possibly illegal. But investigations undertaken by the U.S. Senate are not law enforcement efforts designed to arrive at judgments about whether particular persons should be charged with civil or criminal wrongdoing, but, by Constitutional design, are inquiries whose primary purpose must be ''in aid of the legislative function.'' Accordingly, the most important outcome of the Committee's investigation is the compilation of evidence demonstrating that the most serious problems uncovered in connection with the 1996 election involve conduct which should be, but is not now, prohibited by law. Or as Senator LEVIN has put it, the evidence shows that the

bulk of the campaign finance problem is not what is illegal, but what is legal.

The systemic legal problems and the need for dramatic campaign finance reform are highlighted in our Report and in the following summary.

In our democracy, power is ultimately to be derived from the people—the voters. In theory, every voter is equal; the reality is that some voters, to borrow George Orwell's phrase, are ''more equal than others.'' No one can deny that individuals who contribute substantial sums of money to candidates are likely to have more access to elected officials. And most of us think greater access brings greater influence. It was this concern over linkages between money, access and influence—amid allegations that Richard Nixon's 1968 and 1972 presidential campaigns accepted individual contributions of hundreds of thousands, even millions, of dollars—that spurred Congress to enact the original campaign finance laws. While those laws have evolved over the 20 years since that time, the goals have remained the same: to prevent wealthy private interests from exercising disproportionate influence over the government, to deter corruption, and to inform voters.

Violations of the law's contribution limits and disclosure requirements have occurred since they were first enacted over twenty years ago. For example, corporations and foreign nationals prohibited from making direct campaign contributions have laundered money through persons eligible to contribute. Donors who have reached their legal contribution limit have channeled additional campaign contributions through relatives, friends, or employees. Indeed, the investigation of the 1996 elections was triggered by suspected foreign contributions to the Democratic Party allegedly solicited by Democratic National Committee (''DNC'') fundraiser John Huang. Indictments and convictions have emerged involving contributors to both parties, including Charlie Trie, Maria Hsia and the Lum family on the Democratic side, and Simon Fireman, vice chair of finance of Senator Dole's presidential campaign, and corporate contributors to the campaigns of Representative JAY KIM of California on the Republican side.

The most elaborate scheme investigated by the Committee involved a $2 million loan that was backed by a Hong Kong businessman, routed through a U.S. subsidiary, and resulted in a large transfer of foreign funds to the Republican Party.

I am not trying to hit the Republican Party harder than the Democrats. There was plenty of wrongdoing on both sides. That is the point. The point is that we need changes in the law.

While the Committee's investigation uncovered disturbing information about the role of foreign money in the 1996 elections, the evidence also shows that illegal foreign contributions played a much less important role in the 1996 election than once suspected and was discussed quite widely in the media. Whether judged by the number of contributions or the total dollar amount, only a small fraction of the funds raised by either Democrats or Republicans came from foreign sources.

That doesn't excuse it. It was wrong. It should not have happened. But it didn't determine the outcome of the election. That is the most important point to make.

The committee obtained no evidence that funds from a foreign government influenced the outcome of any election. It was alleged that they might have affected the outcome of the 1996 Presidential election. There is nothing, either in the documentation from intelligence sources or in the briefings we received, that could document that.

So the committee obtained no evidence that funds from a foreign government influenced the outcome of any 1996 election, altered U.S. domestic or foreign policy, or damaged our national security.

That doesn't mean it was right.

The Committee's examination of foreign money brought to light an array of fundraising practices used by both parties that, while not technical violations of the campaign finance laws, expose fundamental flaws in the existing legal and regulatory system. The two principal problems involve soft money and issue advocacy.

It is beyond question that raising soft money and broadcasting issue ads are not, in themselves, unlawful. The evidence suggests that much of what the parties and candidates did during the 1996 elections was within the letter of the law. But no one can seriously argue that it is consistent with the spirit of the campaign finance laws for parties to accept contributions of hundreds of thousands—even millions—of dollars, or for corporations, unions and others to air candidate attack ads without being required to meet any of the federal election law requirements for contribution limits and public disclosure.

The evidence indicates that the soft-money loophole is fueling many of the campaign abuses investigated by the Committee. It is precisely because parties are allowed to collect large, individual soft-money donations that fundraisers are tempted to cultivate big donors by, for example, providing them and their guests with unusual access to public officials. In 1996, the soft-money loophole provided the funds both parties used to pay for televised ads. Soft money also supplied the funds parties used to make contributions to tax-exempt groups, which in turn used the funds to pay for election-related activities. The Minority Report details, in several instances, how the Republican National Committee deliberately channeled funds from party coffers and Republican donors to ostensibly ''independent'' groups which then used the money to conduct ''issue advocacy'' efforts on behalf of Republican candidates.

Much was made the other day on the floor about the same thing happening on the Democratic side. That doesn't mean either one was excusable or right. But it happened, and it should not.

Together, the soft-money and issue-advocacy loopholes have eviscerated the contribution limits and disclosure requirements in federal election laws and caused a loss of public confidence in the integrity of our campaign finance system. By inviting corruption of the electoral process, they threaten our democracy. If these and other systemic problems are not solved, the abuses witnessed by the American people in 1996 will be repeated in future election cycles.

This will be only the beginning. All that will change will be the names, the dates, and the details, and the amounts will go up. We know that. As I said starting out, do you want your children or grandchildren to grow up in a system where their voices may not be heard in all of the venues of government because someone else bought their way in and has a bigger claim on the legislators' future than does your child or grandchild?

The federal campaign finance laws provide that candidates should finance their campaigns with so-called ''hard dollars''—contributions received in relatively small dollar amounts from individual donors and political action committees. Soft money—which can be donated by individuals, corporations and unions and in unlimited amounts—is not supposed to be spent on behalf of individual candidates. And yet it is: Tens of millions of soft dollars are raised by the parties and spent, through such devices as ''issue advocacy'' ads, for the benefit of candidates. The soft money loophole undermines the campaign finance laws by enabling wealthy private interests to channel enormous amounts of money into political campaigns. Most of the dubious or illegal contributions that were examined by the Committee involved soft money.

The Committee's investigation also showed that the legal distinction between ''issue ads'' and ''candidate ads'' has proved to be largely meaningless. The result has been that millions of dollars, which otherwise would have been kept out of the election process, were infused into campaigns obliquely, surreptitiously, and possibly at times illegally.

The issue of soft money abuses is inevitably tied to the question of how access to political figures is obtained through large contributions of soft money. It is also tied to the question of how tax-exempt organizations have been used to hide the identities of soft money donors. A system that permits large contributions to be made for partisan purposes, without public disclosure, invites subversion of the intent of our election law limitations.

Despite a highly partisan investigation, the Committee has built a record of campaign fundraising abuses by both Democrats and Republicans. This record will hopefully be useful to the Federal Election Commission, the Internal Revenue Service and to the Department of Justice as they investigate the 1996 campaign. Most importantly, the Committee's investigation should spur much-needed reform of the campaign finance laws and strengthening of the Federal Election Commission. Congress should provide the Federal Election Commission with the necessary resources to significantly enhance its investigative and enforcement staff. Ultimately, the most important lesson the Committee learned is that the abuses uncovered are part of a systemic problem, and that the system that encourages and permits these abuses must be reformed not now, as a result of the legislative votes that we have had the last couple of days, sometime, and hopefully in the very near future.

The McCain-Feingold legislation that we are considering here today goes a long way to address these abuses. The bill rids the system of soft money, and brings ''issue advertising'' funded by corporate and union interests within the campaign finance system. The legislation also takes great strides towards creating a more vigorous enforcement mechanism in the Federal Election Commission.

Anyone who observed even an hour of the Governmental Affairs Committee's hearings in the campaign finance investigation over the past year, can have no doubt that the explosion of soft money, huge amounts received from corporations, unions, and individuals, has undermined the campaign finance system to the point where it does not work.

It is not fair for all of our people—which should be the objective, making our Government and its laws fair to all of our people—because the trend has become to give special influence to more and more of the special interests across Government, in the executive branch and in the legislative branch right here on Capitol Hill. This is where Congress makes the laws of this land. We didn't even look into congressional activities during this series of hearings.

The investigation revealed situations where contributors like Roger Tamraz openly used soft money contributions to buy the access to executive branch officials that he thought placed him in an equal position with his business competitors. It revealed situations where huge contributions, possibly from abroad were laundered through legal residents of this country. Without soft money these abuses would not have occurred.

In the initial debate on campaign finance legislation, and in subsequent debates, we have heated discussions about whether it is appropriate to allow contributions of $1,000 vs $5,000. Yet today we are talking about a single contribution totaling hundreds of thousands of dollars. Mr. President I am hopeful that this body can join together in recognizing that individuals and organizations are using these contributions to gain access for their own limited and narrow purpose, and this unrestrained seeking of access is unhealthy for our democracy.

The investigation also showed instances where parties in their thirst for soft money solicited foreign funds, then used the proceeds to fund get out the vote activities in 20 states. Without soft money, these funds would never have been solicited and would not have made their way into U.S. elections.

The ready availability soft money combined with the national party's ability to air so called ''issue ads'' also resulted in an explosion of advertising which clearly benefitted both party's Presidential candidates. This apparently legal activity will be halted if we simply act to get rid of the soft money that is raised to pay for these ads.

As an example, the other day on the floor here, the comments were made about how the President participated in issue ads and so on, and was active in determining what was going out and so on. Much was made of that. But I would like to give the other side of that, which was not brought out on the floor the other day, too. This is not to justify both of them, this is just to say both of them, I think, should be corrected.

But, as an example, in the 1996 election, both the DNC and the RNC spent millions of dollars airing advertising that promoted their Presidential candidates. This advertising was paid for with mostly soft money. A review of some of the evidence gathered in the course of the report highlights the problem that parties use soft money to pay for advertising intended to help their candidates. Now, I don't deny some of the charges made against the Democratic National Committee. But, like the similar DNC advertising campaign:

The RNC raised additional soft money, with Senator Dole's assistance in order to pay for the ads.

The money for the ads was transferred to state parties in order to use more soft money for the ads.

The ads were created, written, and produced by Dole for President's media consultants and pollsters, and the Dole for President consultants met frequently—usually on Wednesday evenings —with RNC officials and Dole for President campaign officials.

The RNC ran the ads only in states where Clinton and Dole were close in the polls.

I offer this example not to suggest that these activities were illegal. In fact this activity—and virtually identical activity was carried out by the DNC and the Clinton campaign—were most likely legal. However, this sort of advertising would not happen without the soft money to air it. If the soft money spigot is shut off, candidates and parties would once again be limited to using contributions raised in small increments, which was the intent of the law.

If we fail to act in coming years we will probably see millions of dollars in so-called issue ads not only to help the Presidential candidates but also to help House and Senate candidates, all financed with soft money—a complete by-passing of the intent of election laws that are supposed to protect every single person in this country.

A few examples of abuses of the issue advocacy exemption uncovered in the Governmental Affairs Committee investigation, but which were precluded from being presented in hearing include the following:

An organization called the Economic Education trust, which seems to exist only as a bank account, hired its own political consultants, planned its own advertising campaign, then ''shopped'' for suitable nonprofit organizations to funnel the money for the ad campaign through. The trust spent millions of dollars on ads and mailings attacking candidates nationwide, including candidates in state races, without voters being aware of their existence.

Another one, Americans for Tax Reform mailed millions of mailers funded with RNC money to voters in key Congressional districts. If the RNC had mailed the same pieces, they would have had to use hard dollars.

Another one, at least two groups that each aired over one million dollars of issue ads, the Triad affiliated Citizens for Reform and Citizens for the Republic, aired advertisements that did not contain words of express advocacy but advocated no specific issue, contained inaccurate statements of candidates records, and attacked candidates on issues of past behavior and character.

The proposals for addressing such activity are carefully drafted to protect the First Amendment right of voters to engage in political speech. The proposed legislation does not prevent any individual or organization from paying for communications but simply requires disclosure and compliance with contribution limits that govern other organizations. It is a shame we could not get that legislation through in the last couple of days.

Let me talk about the FEC. I think that we can all agree that it doesn't matter how good a law you have, it has to be actively and vigorously enforced. Last fall the Governmental Affairs Committee devoted two weeks of hearing time to experts on campaign finance. Among the witnesses who testified before the Committee were former Federal Election Commission Commissioner Trevor Potter and current General Counsel Larry Noble. Along with other witnesses, their testimony revealed a agency unable to begin to deal with the mammoth task before it. The agency does not have the resources it needs to enforce existing laws. The FEC also does not have the ability to

act quickly and effectively in response to complaints.

The lack of resources the agency receives from Congress almost guarantees that the agency will fail in its efforts to uncover violations of the law in a timely manner.

In testimony before the Committee on Governmental Affairs, Norm Ornstein testified that he thought, it was his opinion—and I don't think it was a studied opinion, but it was his estimate when asked a question—that it would take at least $50 million, almost twice what the FEC currently receives, and that might begin to give the agency the resources it needs.

To cover all of our election laws, there are approximately 30 lawyers on the FEC legal staff who investigate violations of the election laws. Those 30 lawyers don't really go out and do field investigations. Mainly, they may take some depositions and a few things like that; but they are not really trained investigators as such. Less than 10 additional lawyers comprise the entire litigation staff, which argues in court. And amazingly, until 1994 the commission had no investigators.

No investigators, and then they had one investigator. And it was pointed out during our hearings, they just recently, last year during our hearings, doubled the size of their investigative staff. A 100 percent increase—that got them up to 2 investigators. There were two investigators to go out and investigate complaints all across this country, as to what was going on.

Let me contrast that. By way of contrast our combined staff on the Governmental Affairs Committee had 44 lawyers, just for this investigation.

The Majority staff of 25 lawyers alone was almost equal to the entire FEC investigative staff. The Committee also had 8 FBI agents detailed to help in its investigation, as well as two investigators from the General Accounting Office and 4 investigators on the staffs. Yet when the FEC specifically asked Congress for the resources to hire more staff to deal with cases stemming from the 1996 elections, Congress specifically precluded the agency from hiring more staff. They wrote into law they could not hire more staff. Can we imagine anything more shortsighted than that?

The FEC must fight for every penny it receives. For example, in fiscal 1995, the FEC had over 10% of budget rescinded half way through the fiscal year, the largest percentage agency recision government wide.

In fiscal 1996, they sought $32 million but received only $26 million with some funds ''fenced'' for particular purposes.

In fiscal 1997, they had travel budget limited and fenced such that it was difficult to conduct depositions and court appearances including those undertaken in connection with the Christian Coalition litigation—just to name one.

That is just deliberately hamstringing the organization that is supposed to be enforcing our election laws, and Congress does that deliberately. Why? Well, you'll have to answer that in your own mind.

But there are undoubtedly those who do not want to see our campaign finance laws rigorously enforced.

The agency is also burdened by cumbersome procedures, which I believe the legislation before us today makes a good start at addressing. For example the FEC does not have the ability to seek an injunction that would halt illegal activity before the election was held. The FEC also cannot require electronic filing of disclosure reports that would soon permit every Internet user to see how much their local candidates had raised and spent and from whom. The FEC also lacks the ability to randomly audit campaigns to ensure compliance with the law. These reforms contained in the McCain-Feingold proposal will help the FEC to become a more vigorous deterrent to abusing the campaign finance system.

Let me make some recommendations.

Many of the proposals set forth in McCain-Feingold are also contained in the recommendations of the Governmental Affairs Committee's forthcoming report. The Minority, in its forthcoming report makes the following recommendations that can be enacted with passage of this legislation. We recommend that we eliminate soft money: Eliminating unrestricted contributions to political parties from individuals, corporations and unions is the most important step towards reducing the influence of money in the campaign finance system.

Another one, address issue advocacy: A soft money ban, however fundamental to reform, must be coupled with reforms addressing candidate advertisements masquerading as issue ads. A provision that requires any communication that mentions a federal candidate within 60 days of a general election to comply with disclosure requirements and restrictions on the use of union and corporate funds would not prevent or ban any advertisement but would bring all political ads within the campaign finance system.

Strengthen and clarify the statutory prohibitions against foreign contributions and contributions in the name of another which will be accomplished by the soft money ban contained in McCain-Feingold.

We need to give the Federal Election Commission the resources it needs to do its job. Any reform, from the most modest improvements in disclosure to the most comprehensive revision of campaign financing, will not be complete if the agency charged with enforcing the law lacks the resources to do so.

We should give the Federal Election Commission the authority needed to enforce the law. Not just the authority, but the resources to enforce the law.

Improve public disclosure and mandate electronic filing for all candidates and political committees to speed the disclosure process and allow more disclosure to voters. Those would have been covered within the McCain-Feingold legislation. In addition to what was provided in that bill, however, we should enact, with passage of this legislation, some other things. The Minority report also recommends that whenever possible we do several things

In addition to giving the FEC additional authority in general, as mentioned above, the minority also recommends several specific changes. No. 1: Increase the size of the Commission to an odd number of commissioners to avoid deadlock. Then we should grant the Commission the power to seek injunctions in Federal court. We should streamline the process for initiating investigations by eliminating requirements for a formal Commission vote, and formal finding that a violation occurred. And we should also permit the Commission to assess automatic fines for late disclosure reports.

Those are things that would not have been covered in McCain-Feingold but which should be enacted anyway.

Some other things the Minority report also recommends in, addition to what would be covered in McCain-Feingold.

For all contributions over $1,000, require certification, under penalty of perjury, that a contribution meets the requirements of federal law, including that the contributor is a citizen or legal permanent resident and that the contribution was made from the funds of the contributor.

We should reduce the costs of campaigns. During the 1996 campaign, federal candidates spent $400 million on television advertising. Congress should consider mandating some free time from broadcasters as one way to decrease the amount candidates buy and parties are required to spend to get out their message.

We should also clarify and strengthen applicable tax law. Tax exempt organizations have become increasingly influential in federal elections, while operating under legal requirements that provide insufficient guidance on permissible campaign activity and disclosure obligations.

We should also clarify campaign restrictions applicable to organizations operating under section 501(c)(4) of the tax code.

We should also ensure public disclosure of all organizations whose primary purpose is to influence elections by requiring that all organizations claiming an exemption from taxes under section 527 also file with the FEC or the applicable State body.

This next one is a very important one also. We should consider requiring the IRS to approve or disapprove all applications for tax-exempt status within 1 year and require that an application for exempt status be approved before an organization may hold itself out as tax exempt.

What is done now is exactly what was done with the National Policy Forum,

an arm of the Republican National Committee, and was involved with the transfer of Hong Kong money through a loan guarantee that got money that I mentioned earlier. What happened there was that the National Policy Forum filed for 501(c) status and then advertised itself as being a tax-exempt organization even though the approval had not been granted yet by the IRS.

That is not unusual. Let me say on behalf of NPF and those who were involved with it at that time, it is not unusual when you file, you say you have filed and so you presume you are going to be a 501(c) organization and have tax-exempt status for anyone who makes a contribution pursuant to that status.

What happened was, the IRS came back later on and said the NPF was not valid as an organization, did not rate the tax-exempt status that the 501(c) would have carried with it. So they disapproved that, but that disapproval came at least 3 or 3½ years after the application was made. I do not believe any organization, whether it is for regular tax-exempt charities or political or any other organization, should be able to advertise itself as a tax-exempt organization until it has the ruling from the IRS.

These recommendations are directed at improving the system for everyone. The legislation we have had before us the last few days is also about improving our system. I didn't think that this was partisan legislation, but it certainly came out that way. The net effect of enacting these reforms would be to reduce the amount of money spent on campaigns and to have all players in the political system abide by the same rules.

In closing, I want to make one final point. Since 1976 I have supported public financing of campaigns, and it seems to me that it is a worthy use of Public Treasury funds to ensure that we have clean money and clean elections. The erosion of public confidence that I have witnessed can only be offset by taking the steps necessary to clean up our campaign finance system and renew the public trust in elected officials.

Let me say this. Sometimes I think the States get out ahead of the Federal Government in taking action that is necessary to clean up certain things within our system of Government. Maine has taken the lead now, of course, in doing exactly that with regard to campaign finance. It is my understanding some 12 other States are looking into financing candidates' races in the general election in State races, or at least a major portion of that funding that is required.

I believe that would improve our system of Government. I also believe that if we could have faith restored in our system by having taxpayer money that represents all interests of this country equally, and get back to having the Government represent all the people all the time, and not part of the time for all the people, and some of the time for the special interests who have bought their way in, that it would be the biggest value we have had in a long time.

So I wholeheartedly supported the bipartisan McCain-Feingold bill that was before us. I believe it is just a first step. Eventually, Mr. President, I believe the answer to our concern is to eliminate the role of private money in campaigns. I think we should allow campaigns to be fairly and equally underwritten by all Americans through some form of publicly supported finance. That is the purpose of Government, to represent every American, not a favored few.

Only when we have public financing do I believe we will be able to assure that loopholes will not develop and that special interests will not find new ways to bend the system to their own ends.

As I sat in on months of hearings on our campaign system, I became more thoroughly convinced that only when we turn to a public system of financing campaigns will we fully solve the problems of campaign finance. That is why I joined with my colleagues, Senator KERRY of Massachusetts and Senator WELLSTONE of Minnesota, in cosponsoring a bill called the Clean Money Clean Campaign Act. It is based on the Maine plan and those 12 other States who are looking at it, to limit campaign spending, to prohibit special interest contributions, to eliminate fundraising efforts, to provide equal funding and a level playing field for all candidates and end the loopholes that have wrecked our current system.

Through a publicly funded system, we can end the current abuse and establish a system that takes us back to our major responsibility, which is representing the interests of all the people all the time. I think that would go farther to clean up the system, restore faith and credibility in Government, and I think would be the biggest bargain the American public has had in a long time.

If you look at it another way, money comes out of our economy some way into politics. Now it is dollars for access. Too large a percentage of the money comes in from special interests looking for special treatment. With better financing, we would then fairly represent everyone. It would be nice to have people believe all of us are working all the time for the greatest benefit for all of our people. I think that would go a long way to reducing the cynicism, the apathy, the lack of interest, the lack of trust, the lack of danger that it represents, because when people feel too threatened, they will also feel that they want to split off into smaller self-protective groups to have their voice heard in some council of Government, which was something that was to be necessary if a democracy was to survive, as Thomas Jefferson said.

We don't want to see that. We think the two parties have represented our country well throughout our history, and we want to see these parties continue and not be siphoned off or not have their members siphoned off into smaller and smaller self-protective groups.

I recognize fully the time probably has not yet come to move to Federal financing, but I believe the more the American people focus on the current system and its exploding abuses, the more likely it will be that the support will grow for such a change.

So I would have liked to have seen us, over the past few days, pass the McCain-Feingold legislation that was before us, because I feel the situation is critical. We face elections in this country in less than 8 months in which the loopholes ripped open in 1996 will result in an even greater flood of legal but improper activity into the system as each party tries to elect their chosen candidates and the candidates battle to be heard against the flood of issue advertising.

Mr. President, I want to close by repeating some of the thoughts I opened my remarks with. These votes are controversial votes. They too often split just along party lines and party loyalty on the basis of what will enable one group or another to raise the most money for this particular election. But I think there is another way to decide on this. It is another test that I label the ''grandchildren test,'' the ''grandchild test.''

What do we want our political system to be in the future in this country? Do we want our system to be a system that increasingly represents the few, the big interests able to put millions of dollars into a campaign, represents only the wealthy that can buy their way in by responding to ads that say that you will get to meet with the committee chairman of your choice if you make a certain large contribution, and down at the bottom it says, ''Benefits upon receipt''? Is that the kind of system we really want for our children and our grandchildren in the future?

I think I would much rather have an ideal political system in which our children and our grandchildren have a great faith in Government, that their interests are being represented most by their elected officials. I don't think we want a system dominated by interests that may not favor your own children or grandchildren. I don't want my grandchildren to think that they have to contribute thousands, not just thousands, but hundreds of thousands or maybe even millions of dollars, if they ever have that much money, to have their voice heard in Government in a democracy such as ours.

So we have had votes over the past few days that, to me, were votes very simply on fairness—fairness that we have a commitment in this Senate to making certain that all of our people are treated fairly all of the time. That was what these votes were all about.

I encourage Senator MCCAIN and Senator FEINGOLD to bring that legislation

back to the floor again later this year. Maybe we can try again. Sometimes legislation that is important for the future of the country needs a number of votes before we finally get it through. I think this is an issue whose time has come, and it is an issue that is going to be critical if we are going to erase some of the cynicism and apathy toward Government that abounds too much in this country, particularly among our young people.

That, to me, is the hazard of going on with this. I don't think this Nation of ours is ever going to be taken over by the likes of Russia, China, North Korea or any combination of nations around this world. I do worry about the future of our democracy when we have people, particularly our young people, who are so apathetic toward politics and Government that they don't want any part of it, wouldn't think of running for public office, don't want to get into a dirty thing like political races, wouldn't think of going out and trying to raise money to help our political parties get messages across.

We have to erase that if we are to have the democracy that is our future, because our country can go downhill from that just as fast as it can from other adversaries that might have more military power but would not be able to take this country over.

Mr. President, I hope that we bring this subject up again this year, and I hope that we have a more favorable consideration of it when it comes up again.

I also want to recognize Beth Stein, who is with me here today, who has worked so long and hard on this, who has had a long experience at the FEC and contributed so much to our hearings this year and last year in trying to make sure we have a way to the future that is good for all of our people. I thank her for her efforts, and also all the committee members who worked so hard on this through the year.

Mr. BIDEN. Mr. President, I ask unanimous consent to proceed for 12 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE U.N.-IRAQ AGREEMENT

Mr. BIDEN. Mr. President, I listened with great interest yesterday to the comments of the majority leader on the agreement between the United Nations and Iraq. I did so particularly since I had come to the floor in the past and publicly credited him and complimented him for his forceful assertion the night of the State of the Union indicating we would stand united, Democrats and Republicans, in our opposition to Saddam Hussein. That was badly needed at the time. It was a statesmanlike thing to do, and it was applauded by all of us.

But I must admit I was perplexed yesterday by the majority leader's comments. He seemed, in my view, Mr. President, to rush to judgment to engage in a pessimistic fatalism that I think permeated his remarks and I think are unwarranted.

The majority leader is correct, based on what I heard yesterday, at least in one important respect, and that is the agreement between the United Nations and Iraq should be judged by whether it furthers American interests from our perspective. This is entirely consistent with the position taken by President Clinton. He and his national security team are in the process of making that judgment, which is: Is this agreement consistent with and does it further U.S. interests?

The administration is seeking clarifications to the ambiguities in this very general agreement. It is using our formidable diplomatic muscle, Mr. President, to settle unanswered questions in our favor, as I speak. In contrast to the gloomy assessment presented by the Senate majority leader, things appear to be breaking our way so far, as we seek the proper interpretation of that agreement.

Secretary General Kofi Annan has provided assurances on some of the key questions that have arisen in the accord.

First, the new special team will be an integral part of UNSCOM and not a separate entity, as some worry.

Second, the diplomats to be appointed to the new team will act as observers only. UNSCOM will retain operational control of the entire inspection process.

Third, the head of the new special team within UNSCOM for inspecting Presidential sites will be an arms control expert with a solid track record in arms control. Mr. Jayantha Dhanapala, the current Undersecretary General for disarmament, who has recently completed a tour as Sri Lanka's ambassador to the United States, will be that person. He has played a key role in making the Nuclear Nonproliferation Treaty permanent. He and Ambassador Richard Butler have known each other for nearly 20 years, and they appear to be able to work together and respect one another.

Fourth, UNSCOM and the Secretary General, not Iraq, will develop the procedures for inspecting the Presidential sites.

Fifth, UNSCOM and Chairman Butler will retain their independence.

Sixth, the reporting lines remain intact. The new team leader will report to Ambassador Butler, who, in turn, reports to the Security Council through the Secretary General, as UNSCOM's chairman has done since 1991.

Finally, the new representative of the Secretary General in Baghdad will not have a direct role in the UNSCOM inspections process.

If these assurances pan out, then this agreement will go a long way toward furthering the United States national interests.

I have personally known the Secretary General, Kofi Annan, for many years, and I regard him as a man of his word. So I have no reason to doubt these assurances that have been made now on the record.

For the sake of argument, let us assume that the Secretary General is attempting to deceive us, which I know he is not. In that case, I don't see that we have given up any of our options, even if that were his intention.

We are not bound by this agreement. If it provides unworkable mechanisms to let UNSCOM do its job, or if it undermines the integrity of UNSCOM, we can and should walk away from it.

The critics would have us believe that we are the ''helpless superpower,'' that we are bound by the terms of an agreement negotiated by an omnipotent United Nations. This simply does not conform with reality or square with the facts.

We have a formidable armada assembled in the Persian Gulf poised to strike at a moment's notice. That armada can be called into service if the agreement falls short or if Saddam Hussein reneges on his commitments. The agreement does not in any way suspend our right to act unilaterally or multilaterally for that matter.

Indeed, should the agreement be violated, the use of force would meet with, in my view, much less international opposition than it would have in the absence of an agreement.

An allegation that I find particularly puzzling is that we have ''subcontracted our foreign policy'' to the United Nations. Granted, it makes for a crisp sound bite that everybody will pick up, but like most sound bites, it lacks substance.

Those who make this politically motivated charge seem to ignore that the Secretary General is acting according to specific guidelines issued by the Security Council. They seem to forget that the United States is in the Security Council and our Secretary of State, in particular, played a central role in preparing these guidelines.

Would the critics have preferred the Russians and the French coming up with an agreement without our input, or the Secretary General acting on the basis of his own instincts? Or would they rather have him act on the basis of the red lines that we drew in the agreement as a member of the Security Council? Or to avoid subcontracting our foreign policy, would the critics have preferred our diplomats traveling to Baghdad?

The charge also misses the fact that we have maintained support for our policy by acting within the bounds of the U.N. resolutions, which we crafted. We have not subcontracted; we have set the terms for Iraqi compliance.

Throughout this crisis, the same critics have leveled exaggerated charges that we have precious little international support for our policy; yet, in the same breath they call for a course of action, such as toppling the regime, that would guarantee absolutely no international support and without the willingness to supply our military with

the force necessary to do that. It seems to me that this is a glaring contradiction in arguments made by the critics of President Clinton's approach. You can't have it both ways.

I believe that the Presidents resolve in backing diplomacy with force has been vindicated. It has not been easy. He was subjected to criticism from those who wanted to go farther and those who wished he hadn't gone as far as he did. These critics make some valid arguments, but they fail to put any realistic alternatives forward. They also fail to recognize that their suggested course would entail far greater costs than the President's approach.

In their rush to criticize the Clinton administration, the critics have gotten lost in the proverbial weeds. They have conjured up worst-case scenarios and portrayed American options as being much more limited than they actually are.

As the facts come in, the false picture they have painted is gradually being chipped way. The agreement moves us to a far more advantageous position than we were in before the crisis began. If Iraq implements the agreement, we will have access to all suspect weapons sites in Iraq for the first time. If Iraq refuses to comply this time around, then we will be in a much stronger position to justify our use of force, which I am convinced we will exercise.

The bottom line, Mr. President, is that we have given up none of our options, while the agreement has very likely narrowed the options for Saddam Hussein.

I yield the floor.

UNSCOM CHAIRMAN BUTLER'S REMARKS ON AGREEMENT WITH IRAQ

Mr. DASCHLE. Mr. President, yesterday, I came to the floor to discuss the agreement that has been achieved between the UN and Iraq with regard to access to suspect sites in Iraq. At that time, I indicated that clarifications over the course of the last 48 hours had increased our confidence about the degree to which we think the agreement can be successful.

I want to talk a bit more about that agreement now, given the comments just made this morning by UNSCOM Chairman Richard Butler. His statement helps clarify even further the degree to which the agreement may be as successful as we had hoped it would.

As I stated yesterday, what we are seeking could not be more clear. We are simply seeking unconditional, unfettered access to all suspect sites, as called for in prior Security Council resolutions. We also noted yesterday that diplomacy, backed by the threat to use overwhelming force, has brought us closer to that goal.

The comments made over the last 24 hours by UNSCOM Chairman Richard Butler are of immense help in clarifying the important details of the agreement, some of which we have not had access to until now.

As the process of clarification continues, there is a growing sense of just what we have achieved here. The perspective of UNSCOM Chairman Richard Butler, whose track record of toughness with Iraq is legendary, is especially valuable.

I want to take just a moment to highlight some portions of Chairman Butler's take on UNSCOM's role in the agreement.

I ask unanimous consent that the text of the remarks of Chairman Butler be printed in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 1.)

Mr. DASCHLE. Mr. President, in his statement earlier today, he made a number of comments, and I want to describe them at this point. His first comment on the overall agreement says that the agreement:

> . . . gave expression to a fundamental commitment that is set forth in the resolutions of the Security Council, mainly that UNSCOM must have immediate, unconditional and unrestricted access to all sites in Iraq for the purpose of carrying out its mandate. The memorandum of understanding at high political level reaffirms and reiterates that commitment.

In other words, what Chairman Butler has said is that his highest priority is to assure that we have this unrestricted, unfettered access to all sites in Iraq. Having now examined the details of the memorandum of understanding incorporated within the agreement, Chairman Butler concludes that the commitment is intact. With regard to the UNSCOM role in the context of the agreement, he said:

> I view it [the agreement] as strengthening UNSCOM in the conduct of its work in Iraq.

With regard to UNSCOM's access to presidential sites, he noted:

> The arrangements that are made for that access, set forth principally in paragraph 4 of the memorandum of understanding, have been the subject of some misunderstanding and, regrettably, some misrepresentation. I want to make clear that those arrangements are entirely satisfactory to me and the organization that I lead.

With regard to the role of diplomats in the inspection effort, Chairman Butler said the following:

> With the establishment of a special inspection group within UNSCOM, to be led by a chief inspector of UNSCOM, to which diplomatic observers will be added to insure concerns that Iraq has expressed and the council has acknowledged with respect to the particular dignity of those sites, we will be able to do our work.

Putting it in simple language, Chairman Butler has noted that adding a diplomatic contingent to the inspection effort will not hinder UNSCOM in fulfilling its mission.

With regard to the concern about unclear lines of authority as UNSCOM performs its duties, he said the following:

> These lines of authority and reporting are clear, and I find them entirely satisfactory. Going beyond that, quite frankly, I find it a positive additional resource which will now be put at our disposal to enable us to do the work in those designated sites within Iraq.

Chairman Butler also adds a note of caution regarding implementation of this agreement, as have the President, the Secretaries of State and Defense, and many Members of Congress: that the proof will be in the testing.

If Iraq implements the agreement, weapons inspectors will, for the first time, have unrestricted, unconditional access to all suspect sites in Iraq, with no limits on the numbers of visits or deadlines to complete their work. If Iraq does not cooperate and we need to take action, we are in a stronger position internationally than ever. Again, if Iraq fails to comply, our response will be swift, strong and certain.

Chairman Butler concludes that this is a strong agreement. I share his view. This agreement allows us to complete our work. This agreement, backed up by the use or the threat of force, would allow us the access that we did not have before.

Mr. President, I don't know how much clearer one can say it than that. Chairman Butler has concluded that this agreement does the job—as long as the Iraqis comply. Now, the question is, will Saddam Hussein be willing to live by his word? Will he provide the access he committed to in this MOU? If not, it's back to business, it's the use of force, it's a swift response militarily and by whatever other means may be necessary.

So, Mr. President, I think we need to get on with it. Let's take the necessary steps to get the inspection teams to Iraq and inspect these sites. Let's clarify, to whatever extent may be required, whether these sites contain material that needs to be destroyed. Let us continue the overall assessment of compliance on the part of Iraq. We are in a position to do that now. This agreement allows us to pursue our work. I applaud those responsible and will continue to monitor this situation with every expectation that, one way or the other, we will get the job done.

I yield the floor.

EXHIBIT 1

ARRANGEMENTS BETWEEN U.N. AND IRAQ FOR INSPECTIONS OF CONTROVERSIAL SITES IN IRAQ

(By Richard Butler, Chairman, U.N. Special Commission)

BUTLER: . . . level, it gave expression to a fundamental commitment that is set forth in the resolutions of the Security Council, mainly that UNSCOM must have immediate, unconditional and unrestricted access to all sites in Iraq for the purpose of carrying out its mandate.

The memorandum of understanding at high political level reaffirms and reiterates that commitment.

Thirdly, it follows logically from those two facts that, as far as I am concerned, I welcome it. I view it as strengthening UNSCOM in the conduct of its work in Iraq.

There is some detail in the memorandum of understanding with respect to the specific object that was addressed—namely, access

for UNSCOM to presidential sites within Iraq. The arrangements that are made for that access, set forth principally in paragraph 4 of the memorandum of understanding, have been the subject of some understanding and, regrettably, some misrepresentation.

I want to make clear that those arrangements are entirely satisfactory to me and the organization that I lead. They will give us access to the presidential sites in Iraq, which have now been described accurately as a consequence of the work of the UN mapping team, and presented yesterday to the Security Council.

With the establishment of a special inspection group within UNSCOM, to be led by a chief inspector of UNSCOM, to which diplomatic observers will be added to insure concerns that Iraq has expressed and the council has acknowledged with respect to the particular dignity of those sites, we will be able to do our work.

I welcome very much in addition the appointment of a new commissioner of the special commission, who will have particular responsibility for the work of inspection of those sites, and who will work very closely with me.

With respect to the reporting and scientific analysis responsibilities arising out of the inspection of those sites, the analysis will be conducted by UNSCOM, and the reporting will be done from the new commissioner of UNSCOM to me, and I in the usual way to the Security Council through the secretary-general.

These lines of authority and reporting are clear, and I find them entirely satisfactory. Going beyond that, quite frankly, I find it a positive additional resource which will now be put at our disposal to enable us to do the work in those designated sites within Iraq.

So under these circumstances, I have to say to you that I am aware of some of the reports that suggest that this has weakened UNSCOM. I disagree. Some have gone further to say that it's the beginning of the end of UNSCOM. I view that much as the legendary reports of Mark Twain's death when he was still alive. He said they were somewhat exaggerated.

Now, this is a strong agreement. It's an agreement where I suggest to you you should not look so much at the fine print, although that's fine by me, but not so much at the fine print, but the thumbprint. the thumbprint—prints—on this agreement are those of the secretary-general of the United Nations and the president of Iraq, with whom he consulted personally on this agreement.

I look forward to implementing it as soon as possible, and, as many have said, to going out into the field and to testing in practice what is written on paper. I earnestly hope that Iraq will give as the full cooperation that it has pledged to give in this agreement, and under those circumstances, I hope that we would be able to complete the disarmament portion of our work in Iraq and put all of what remains under long-term monitoring in a relatively short time.

Now Fred, I must just quickly divert to a report from Baghdad in which a UN official in Baghdad made some remarks about the conduct of our Chilean staff—that is, the helicopter crews provided to us by Chile. I just want to say that I regret those remarks. They were an unauthorized statement for which—which was not in fact—which was not factual. I have, in fact, received within this house an apology for those remarks. I didn't require that it was made, and I gratefully received it.

The main point I would want to make to you in addition to saying that those remarks, which you may have seen, but I felt the need to address is that they are not factual. What is factual is that the work that is done for us by the 40 Chilean air force personnel who fly our helicopters is simply outstanding.

They are diligent and courageous young men. They're indispensable to the work we do in Iraq. And I want to reiterate my deep gratitude to the government of Chile for continuing to make those persons available to us.

Thank you.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Wednesday, February 25, 1998, the federal debt stood at $5,524,032,303,574.34 (Five trillion, five hundred twenty-four billion, thirty-two million, three hundred three thousand, five hundred seventy-four dollars and thirty-four cents).

One year ago, February 25, 1997, the federal debt stood at $5,342,930,000,000 (Five trillion, three hundred forty-two billion, nine hundred thirty million).

Five years ago, February 25, 1993, the federal debt stood at $4,199,328,000,000 (Four trillion, one hundred ninety-nine billion, three hundred twenty-eight million).

Ten years ago, February 25, 1988, the federal debt stood at $2,473,169,000,000 (Two trillion, four hundred seventy-three billion, one hundred sixty-nine million).

Fifteen years ago, February 25, 1983, the federal debt stood at $1,211,806,000,000 (One trillion, two hundred eleven billion, eight hundred six million) which reflects a debt increase of more than $4 trillion—$4,312,226,303,574.34 (Four trillion, three hundred twelve billion, two hundred twenty-six million, three hundred three thousand, five hundred seventy-four dollars and thirty-four cents) during the past 15 years.

REMARKS BY GENERAL DONALD S. DAWSON CELEBRATING THE 75TH ANNIVERSARY OF THE RESERVE OFFICERS ASSOCIATION

Mr. THURMOND. Mr. President, the United States Army Reserve is celebrating its 90th anniversary this year, and for almost the past century, this force has repeatedly made important and significant contributions to the defense of the Nation, both in times of peace and war. The men and women who comprise the citizen-soldiers of the Army Reserve, and all our reserve forces, can take great pride in the tradition of service and excellence they have established from the wooded battlefields of World War II to the sands of the Persian Gulf.

One organization that has worked tireless to promote not only the Reserve forces of all the services, but the security of the United States is the Reserve Officers Association. Located just across the street from the United States Capitol, this association has been one of the leading advocates for an effective and responsible national security policy for the past three-quarters of a century.

Last year, the Reserve Officers Association celebrated their 75th birthday and one of its past National Presidents, Major General Donald S. Dawson (USAF Retired), who served as the Chairman of the Chairman of the Anniversary Committee, made an address that I ask unanimous consent to have printed in the RECORD. General Dawson personifies the type of individual who chooses to serve our Nation through the military and I think my colleagues would find his remarks of interest and inspiring.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

ADDRESS OF DONALD S. DAWSON, MAJOR GENERAL USAF (RETIRED), CHAIRMAN OF THE 75TH ANNIVERSARY COMMITTEE, RESERVE OFFICERS ASSOCIATION AT THE UNVEILING OF THE HISTORICAL PLAQUE COMMEMORATING ITS FOUNDING AT THE WILLARD HOTEL, OCTOBER 2, 1997

My fellow Americans, welcome! We are here today because the Congress of the USA, in its wisdom, passed the Reserve Act in 1920, establishing a two million Reserve Force, led by a 200,000 officer Reserve Corps, based on the experience of World War I and the centuries of experience before that gave us a trained, equipped, and experienced hard core military force, ready to respond and serve at a moment's notice when the need arises.

George Washington, a century and a quarter before, proclaimed, ''To be prepared for war is the surest way to insure the peace,'' and, accompanying that policy, he said, ''Every citizen of a free government owes his services, and a proportion of his property to defense of it.''

Just 75 years ago today, General of the Armies, John J. Pershing hosted a luncheon for 140 Reserve officers of World War I in this very historic and beautiful Willard Hotel—at which he proposed the formation of an association of Reserve Officers that would give our country an equipped, organized, trained military force ready to insure our country's security.

General Pershing said at that meeting, ''I consider this gathering one of the most important, from a military point of view, that has assembled in Washington or anywhere else within my time.''

General Pershing further realized that, while he had Congressional legislation, implementation would be the key to success and he knew that the only way this civilian force could be recruited was with broad-based citizen support—since it depended entirely upon patriotism and the voluntary will of the people to participate.

Let us look at his foresight.

In December 1940, one year before our entry in World War II, General George C. Marshall commented about this Reserve Force, ''In contrast with the hectic days of 1917, when the War Department, with no adequate reservoir of officers to draw upon, had hurried to select and train the great number of officers required for the vast expansion of the Army, we now have available in the Officers Reserve Corps, a great pool of trained men available for instant service.''

''Today, almost 60 percent of the officers on duty with regular Army units in the field are from the Reserve Corps, and almost 90 percent of the Lieutenants are Reserve Officers.''

ROA had done its job and has continued to glorify that record in every emergency since.

Yes, we have kept our contract with America, And honored it.

Just this year our Commander in Chief, President Clinton, congratulated ROA for its

steadfast adherence to supporting national security and maintaining an adequate National defense since its foundation in 1922.

179,000 Reservists met the call in Korea. They were there in Viet Nam. 166,000 in the Persian Gulf and today 5,000 are on duty in Bosnia.

Let us hereby resolve that the torch of freedom that was lit 75 years ago on this spot shall burn ever more brightly in our hands for all the years to come in defense of liberty and justice for all.

URGING CONSIDERATION OF ISTEA LEGISLATION

Mr. INOUYE. Mr. President, I rise today to urge my colleagues to begin immediate consideration of the ISTEA reauthorization legislation. The current federal funding authorization for our nation's roads and bridges expires May 1st. If we allow this funding authority to expire, the ability of our state and local agencies to plan, design, implement, and manage transportation improvements and resources will be compromised.

This lapse in new highway funding authority will jeopardize highway projects and safety programs across our country, and will have significant effects on Hawaii.

Federal highway projects support approximately 5,816 jobs in Hawaii, and without a reauthorization of the ISTEA legislation, those 5,816 people may lose their jobs. In addition to employment effects, an expiration of ISTEA spending authorization will place the safety of all Hawaii's citizens at risk. More than half, 51%, of Hawaii's bridges are structurally deficient or functionally obsolete. Further, 28% of Hawaii's major roads are in poor or mediocre condition, which increases the possibility of motor vehicle crashes.

A failure to reauthorize this transportation spending authority will only increase the cost Hawaii's motorists currently pay due to poor road conditions. Each Hawaii motorist pays an additional $102 each year in extra vehicle repairs and operating costs caused by driving on roads in need of repair. Furthermore, 45% of Hawaii's urban freeways are congested, which costs Hawaii's motorists in wasted time and fuel.

'The effects of our failure to reauthorize the ISTEA legislation will be felt not only in Hawaii, but also in every state in the nation by every citizen of our nation. Every single citizen benefits from our transportation infrastructure every day. Even if you do not drive you benefit from our transportation system through the products you consume that were transported via our roads and highways. The development of our transportation infrastructure helped fuel the development of our nation. We must not let it fall into disrepair.

There may be concerns that the proposed ISTEA legislation is not the best way to meet our country's transportation needs. We must allow ourselves ample time to debate and consider all the issues surrounding ISTEA reauthorization, so that we may pass the most effective legislation. We must bring this legislation to the floor now.

Mr. LOTT. 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. 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.

INTERMODAL SURFACE TRANSPORTATION EFFICIENCY ACT OF 1998

Mr. LOTT. Mr. President, I see that the distinguished chairman of the committee that has jurisdiction over the surface transportation bill is in the Chamber. I believe that the ranking member is on his way. In fact, I see he has just arrived in the Chamber.

So, I now move to proceed to S. 1173, the Intermodal Surface Transportation Efficiency Act of 1997.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1173) to authorize funds for construction of highways, for highway safety programs, and for mass transit programs, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Chafee/Warner amendment No. 1312, to provide for a continuing designation of a metropolitan planning organization.

Chafee/Warner amendment No. 1313 (to language proposed to be stricken by the committee amendment, as modified), of a perfecting nature.

Chafee/Warner amendment No. 1314 (to amendment No. 1313), of a perfecting nature.

Motion to recommit the bill to the Committee on Environment and Public Works, with instructions.

Lott amendment No. 1317 (to instructions of the motion to recommit), to authorize funds for construction of highways, for highway safety programs, and for mass transit programs.

Lott amendment No. 1318 (to amendment No. 1317), to strike the limitation on obligations for administrative expenses.

Mr. LOTT. Mr. President, I ask unanimous consent that it not be in order to offer any amendments relative to funding or financing prior to the Senate resuming consideration of the bill on Wednesday, March 4, 1998.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Mr. President, I would like to state at this point that I did consult with the leaders of the committee and with the Democratic leader about this issue. There are still discussions underway with regard to funding, whether or not some additional funds would be available, and how much. There will be meetings occurring on that, I am sure, later on this afternoon, tonight, and over the weekend. But there are a number of amendments that are pending to this bill that we can go ahead and take up that would take some time for debate and be considered and have debate and vote. It is my hope that we can get our colleagues to come on to the floor, offer amendments, and, hopefully, we could even have some amendments disposed of this afternoon.

I have indicated to the Democratic leader that we have to expect votes on Monday and Friday in March, because we have not only this very important bill but a number of other important bills. We are just going to have to start having votes in order to complete this very ambitious agenda.

Does the Senator wish me to yield?

Mr. DASCHLE. Mr. President, I thank the majority leader. I think he just clarified it. I just came from our Policy Committee luncheon. The question was asked about votes tomorrow. I assured them it was the majority leader's expectation that there would be votes, and I think he just confirmed that it is his expectation that we will see votes on Friday. At what point could we expect to see votes on Monday?

Mr. LOTT. I think we would honor our previous understanding that we would stack votes, if any were available, for 5 o'clock Monday afternoon. But, again, we will consult and have some further announcement on this after we get a better feel of how it is going to go later on today or before we go out for the week.

Mr. President, I further ask unanimous consent that it be in order for me to withdraw all amendments and the pending motion pending to S. 1173, except the pending committee amendment, and it be further modified to be in the form of a complete substitute subject to further amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENTS NOS. 1312, 1313, 1314, 1317, 1318, AND MOTION TO RECOMMIT WITHDRAWN

Mr. LOTT. Mr. President, therefore, I withdraw amendments numbered 1312, 1313, 1314, 1317, and 1318 and the motion to recommit.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LOTT. Mr. President, again, what we are doing here, without going back and touching on last year's history—I do not want you to recall that—we did have some amendments that had been added to the tree, so to speak. We are withdrawing all of these now. We have the substitute bill out of committee. It is ready for amendments, and Senators will be able to come and offer their amendments, and we will have debate and vote.

AMENDMENT NO. 1676.

(Purpose: To provide a substitute)

Mr. LOTT. Mr. President, so, on behalf of the chairman, I further modify the committee amendment to reflect

what is now in the form of a substitute amendment and, therefore, subject to further amendments and ask that the amendment be printed as a Senate amendment.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Mississippi (Mr. LOTT), for Mr. CHAFEE, proposes an amendment numbered 1676.

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

Mr. LOTT. Mr. President, I thank the Senator from South Dakota for his cooperation in this effort.

Obviously, this is very important legislation. I believe progress has been made over the past couple of days in a bipartisan way to come to some agreements, although they have not been reached, that would allow us to complete this bill in a way that would be fair to most all Senators.

I thank the Senator, and I thank Senator BAUCUS for his cooperation and particularly the chairman, Senator CHAFEE.

I yield the floor.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The Senate minority leader.

Mr. DASCHLE. Mr. President, Let me thank the majority leader for his efforts in scheduling this legislation.

As I think everyone knows, this has been a matter of great priority for many of us. We are very pleased that now we are able to move ahead with the debate and consideration of this important legislation.

We do not want to miss the construction cycle, and, certainly, by passing the legislation at an early date, we ought to be in a position to send a clear indication as to what our intentions are with regard to highway funding for the foreseeable future in time to meet the construction season.

We hope that our House colleagues will also be sensitized to the importance of moving this legislation ahead quickly.

Obviously, this legislation will go to conference. That will take some time. Even if we can expeditiously consider it now, it will be some time before we are prepared to send it over to the President. The sooner we can do that the better.

It is for that reason that I hope we can avoid debate on extraneous amendments and legislation that may not be directly germane to the issues that fall within the consideration of this title and of this bill. It is for that reason that it is not our intention to offer campaign reform legislation to this bill or other forms of legislation that might be of high priority to the Democratic caucus.

I will say, with regard to campaign reform legislation, there is no doubt at some point that it will be our intention to revisit the question, revisit the issue, but not on this bill, not at this time. Our hope now is that we can expeditiously consider it so we can get the legislation passed in time to assist States in planning for resources and the allegation of the available funding that will be made as a result of the completion of this legislation.

So, I thank again the leader and all colleagues involved for bringing us to this point.

I yield the floor.

Mr. CHAFEE addressed the Chair.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, the majority leader has outlined or stated clearly what the situation is. We are going to now proceed with the Intermodal Surface Transportation Efficiency Act of 1998.

I have a statement. I suspect that the distinguished ranking member will have a statement. Then we want to get on with amendments.

The amendments that are available to consider today, tomorrow, and early next week will be amendments that are not relative to funding or financing. Funding and financing matters are now being worked out between various participants in that matter. So we will not touch on allotments or matters like that. But there is a whole series of amendments. There are some 200 amendments that have been filed, and a whole series of them have nothing to do with either financing or funding.

So I hope that the authors of those amendments will bring them over, and let's debate them. If we can get a time agreement, three cheers, and get the vote. We have a lot of work to do. I just hate to have matters pile up toward the end. The majority leader has indicated he is very anxious to complete this legislation. I join in that desire.

Mr. President, at long last, the Senate will begin its consideration of the ''Intermodal Surface Transportation Efficiency Act of 1998,'' which will be referred to constantly on this floor as ISTEA or ISTEA II. This legislation is the product of more than a year of hard work and careful negotiations in the face of tremendous obstacles.

At this time last year, the Committee on Environment and Public Works had before us three different very good proposals. But they were different. We were able to integrate them into one unified plan that I believe is deserving of the entire Congress' support.

I might say, Mr. President, that this bill was reported out of the committee unanimously—18 to nothing. Democrats and Republicans all supported it.

When ISTEA was enacted in 1991—that is, ISTEA I, the original bill—it transformed national transportation policy. What was once simply a highway program is now a surface transportation program. That is the name of the bill. It is the Intermodal Surface Transportation Efficiency Act. That is what it is. It isn't just a highway bill; it is a surface transportation bill.

We recognize that transportation touches every facet of our lives. The transition from the old policies and practices to those embodied in ISTEA I wasn't easy, and as for S. 1173, ISTEA II, it will carry forward the strengths of ISTEA I. But it also corrects some weaknesses that were in that legislation. And it will provide a responsive and, I believe, responsibly financed transportation program.

ISTEA II preserves and builds upon the worthy objectives of intermodalism. That is a big word that we will be using around here. Intermodalism means in conjunction with and cooperation of a series of methods of transportation—it might be railroad, it might be aircraft, it might be automobiles and trucks—all working together to the greater strength of all.

ISTEA II provides $145 billion. That is what we have as of now. Perhaps that will be increased as the result of the negotiations that are taking place. That is for over 6 years. It provides it for our Federal highway system, for highway safety, and other surface transportation systems. Moreover, it aims to stretch these dollars as far as possible.

Mr. President, in the 1940s and 1950s the mindset—and understandably so—was to build an expensive highway system to move goods and passengers throughout the country. Now the interstate system is completed, and the mindset has shifted. The goal is no longer simply to build more highways but to preserve and maximize the strengths of our existing system, do the best we can to move more vehicles over the existing roads in a safe and efficient manner. We must reach out for ideas on creative ways of meeting our infrastructure needs.

One of the primary goals of the Committee on Environment and Public Works as we drafted ISTEA II was that limited Federal funding be spent as efficiently as possible. We sought to accomplish this in several ways.

First, ISTEA II provides real flexibility to States and localities and makes the program easier to understand. We believe this is a more simplified program than ISTEA I. It reduces the number of the program categories from five to three, and it includes more than 20 improvements to reduce the red tape involved in carrying out transportation projects. These provisions address some of the chief complaints we heard about ISTEA I.

Second, ISTEA II includes a number of innovative ways to finance transportation projects. It establishes the Federal credit assistance program for surface transportation. The new program leverages limited Federal dollars by allowing up to a $10.6 billion line of credit for transportation projects at a cost to the Federal budget of just over $500 million. In other words, for $.5 billion we get a $10.6 billion line of credit. The bill also expands and simplifies the State Infrastructure Bank Program to enable States to make the most of their transportation dollars.

The third change we made, or key feature of this bill, is it strengthens

the transportation technology programs of the original ISTEA. Transportation technologies offer a wide array of benefits. They relieve traffic congestion and improve safety.

A key forward-looking initiative of ISTEA II has been the Intelligent Transportation Systems, or the so-called ITS. ITS technologies provide new options for transportation planners to address safety and capacity concerns without the negative environmental or social effects of just expanding the highways, adding more lanes, constantly widening the highway. The Intelligent Transportation Systems also provide timely information to travelers and more efficient ways to design and build transportation infrastructure.

The beauty of these innovative technologies is they boost the potential of our existing transportation system by moving more cars through existing lanes. That is what I was talking about before. Let me give you an example. I think we can take a good lesson from the Nation's airports. In the past decade we have only built one new airport, a major one, in our country. That is the International Airport in Denver—the only one new airport in the country in the last 10 years. Nonetheless, we have increased the capacity of our existing airports through state-of-the-art technology. By learning from innovations and air traffic control and operations used in our airports where more aircraft carrying more people are using the existing facilities, we can maximize the so-called throughput of our highways, our rail system, and our transit systems just as well.

Fourth, the bill before us significantly reforms the ISTEA funding formulas to balance the diverse regional needs of our Nation. The aging infrastructure and congested areas of the Northeast, the growing population and capacity limitations in the South and Southwest, rural expanses in the West require different types of transportation investments. Under ISTEA II, 48 of the 50 States share in the growth of the overall program, and the bill guarantees 90 cents back for every dollar a State contributes to the highway fund. This is up. In the past, under the ISTEA I, some States were as low as getting back 70 cents for every dollar. This would boost them all up to 90 cents on the dollar.

One of the wisest transportation investments we can make is safety for our passengers and drivers. In the United States alone there are more than 40,000 fatalities. That is something like 800-plus deaths a week on our highways in the United States. There are 3.5 million automobile crashes every year. Between 1992 and 1995 the average highway fatality rate increased by more than 2,000 deaths a year, while the annual injury rate increased by over 380,000.

We must work vigorously to reverse this trend, and this bill will help us do that. ISTEA II substantially increases the Federal commitment to safety. The funds set aside for safety programs such as hazard elimination and railroad-highway crossings under this bill total nearly $700 million a year, a 55 percent increase over the current level.

As valuable as transportation is to our society, it has taken a great toll on our Nation's air, water, and land. The cost of air pollution alone that can be attributed to cars and trucks has been estimated to range from $30 billion to $200 billion a year. I am proud that the bill before us increases funding for ISTEA's key programs to offset transportation's impact on the environment.

ISTEA II provides an average of $1.18 billion per year over the next 6 years for congestion mitigation and air quality improvements, sometimes referred to as CMAQ—congestion mitigation, reducing congestion and improving air quality. The amounts for this program are a substantial increase over the current funding levels for transit improvements, shared-ride services, and other activities to fight air pollution.

Over the past 6 years, the Transportation Enhancements Program has offered a remarkable opportunity for States and localities to use their Federal transportation dollars to preserve and create more livable communities. Our highway program has devastated many communities, barging through them in a fashion that was designed to ''get the road built. Forget about the neighborhoods or what is happening in the communities that these highways are going through.'' That was the old system.

Starting with ISTEA I, continued with ISTEA II, we provide a 24 percent increase in funding for transportation enhancements such as bicycle and pedestrian facilities, billboard removal, historic preservation, rails-to-trails programs.

In addition to CMAQ and enhancements, the ISTEA II establishes a new wetlands restoration pilot program. The purpose of the program is to fund projects to offset the loss or degradation of wetlands resulting from Federal-aid transportation projects.

The original ISTEA, ISTEA I, recognized that transportation is but one part of a complex web of competing and often conflicting demands. As we all know, it is not a simple task to resolve the competing and often conflicting interests and demands with respect to transportation. The statewide metropolitan planning provisions of ISTEA I have yielded high returns by bringing all interests to the table and increasing the public's inputs into the decision-making process. This is the so-called metropolitan planning provision that we had in ISTEA I.

ISTEA II continues and strengthens the planning provisions of the original ISTEA. This program is a comprehensive approach to transportation and has been working well. ISTEA II continues the spirit of intermodalism by extending the eligibility of the National Highway System and Surface Transportation Program funds to passenger rail, such as Amtrak, and magnetic levitation systems which we are just embarking on. By unleashing the efficiency and environmental benefits of all modes of transportation systems—highway, rail and transit—the bill before us will meet these demands and give a better quality of life for all Americans.

I wish to express my appreciation to the majority leader for helping us to expedite the Senate's consideration of this important measure. The majority leader has been deeply involved in the conversations we have been having in connection with this legislation.

I also thank Senators WARNER and BAUCUS, and other members of the Environment and Public Works Committee, including our distinguished Presiding Officer this afternoon, each, for their excellent works in developing this legislation. It has been a challenging but rewarding exercise, to write the bill before us. I look forward to working with other Members of the Senate as well as the House leadership to enact a bill that will take the Nation's transportation system into the 21st century.

So, Mr. President, again I issue a call to all who may be in their offices or listening. Now is the time to bring up amendments. Undoubtedly the distinguished ranking member will have a statement. But after that we are ready to go. I will feel distressed if we just sit here waiting for people to respond and they do not bring over these amendments. As I say, there are some 200 amendments out there. Some of them, obviously, are involved with fiscal matters which we cannot take up; but the others we can and we would like to.

I thank the Chair.

The PRESIDING OFFICER (Mr. ALLARD). The Senator from Montana.

Mr. BAUCUS. Mr. President, I am very pleased to join my good friend and colleague, the chairman of the Public Works Committee, Senator CHAFEE. We have been friends for many, many years, have been on the committee for many, many years, and here we are again with the highway bill. I compliment the chairman for his graciousness, his hard work, his dedication to public service. I think the citizens of Rhode Island already know this, but for those who may not know it, or are wondering, I would like, to them and the rest of the country, to say they could not have a finer Senator than Senator CHAFEE.

Mr. CHAFEE. Thank you very much.

Mr. BAUCUS. I would also like at this point to thank our leader, Majority Leader TRENT LOTT, who has worked hard, particularly in the last several weeks, with various Senators, various groups, to assure we could bring this bill, the highway bill, the ISTEA bill, up earlier than it looked like would be the case.

At the end of the last session of Congress, the leader indicated he would like to bring this bill up as one of the

first orders of business in 1998. Other factors intervened and made that difficult, extremely difficult. But, through his hard work, he was able to work out a way to bring this up very soon. One main reason is because of the tremendous need in our country. The current highway program expired several months ago. It expired the end of September. We don't have a highway program. We did pass a short-term extension until the end of April—it expires April 30—but there are not many weeks left between now and April 30. It is, therefore, incumbent upon us to take up this bill early because it is so complex, there are so many Senators who have such interest; let alone Members of the House, the other body; let alone taking it to conference. Again, I tip my hat to the majority leader for bringing this up very quickly.

The current ISTEA legislation, as I mentioned, expired the 30th of last September, and, as I mentioned, it means we are currently operating under a 6-month extension which expires May 1. I might say that is just 9 weeks from now. I might also say that after this May 1 date, States will no longer be able to obligate any Federal funds. That means we have to finish this bill very soon. By that I mean, after May 1 a State may not obligate, that is, may not contract, funds to contractors, to designers, for rights-of-way or whatever is part of the highway program.

That is not true for other bills around here, other laws that are passed here in Congress as a general rule. Sometimes an authorizing program expires and the Congress appropriates dollars for the program. That is not the same for the highway program. The highway program has to be in place in order for States and highway departments to contract dollars to people in their States to build highways.

Since it has been a little while since we debated this bill, I would like to just add a few points to those made by the chairman of our committee, Senator CHAFEE. I want to begin by saying that we have tremendous infrastructure needs in our country. It's a big, fancy term, infrastructure. It's roads, highways, it's telephone lines and power lines—all of the basic structure that is the foundation for the rest of the country to operate on. You just can't let it deteriorate.

Other countries spend more on infrastructure than we do, more on a per capita basis of their gross domestic product. Japan, for example, spends about four times what we do on infrastructure per capita; Germany spends a couple of times more than we do per capita. I might say that the Germans spend a lot of money on their highway program, and a lot of it goes into research. They have researched highways so much, when you build a highway in Germany now it lasts forever, virtually. They have a whole new technology, ways to bring their highways up to date. They spend a lot more on research and development than we do. We are a bigger country. We have to spend the dollars on our roads.

Once we spend more dollars on our highway programs, it will go a long way, obviously, to reduce congestion. There are more cars every year, not fewer. This will also help increase highway safety. It will mitigate the impacts of transportation on the environment.

Some people think of this only as a highway bill. This isn't only a highway bill. There are lots of other parts of this bill, and one of them is it helps improve the air quality in our country. The bill will also improve our mobility, our efficiency as a nation. That's a cost of doing business. A businessman knows, a company knows, the more efficient the transportation system, the more he or she is able to reduce the costs of doing business. So it's not just pleasure. It's not just convenience. It's a matter of doing business.

The bill also increases the dollars for research and for the deployment of new transportation technologies. That is very important as we move into the next millennium.

Some may ask, why is transportation so important? I have given some very obvious reasons already, but let me just amplify them a little bit. Transportation really affects us every day. Certainly when we get in our cars and drive, if we get in a taxicab, or try to move from one place to another, it very much does affect our quality of life. It also means investment. It means jobs. Over 42,000 jobs are created for every $1 billion of Federal spending. Stop and think about that for a moment. Mr. President, 42,000 jobs in America are created for each $1 billion of Federal spending. And most of those jobs are good-paying jobs. They are operating engineers, or they are laborers, they are with companies making the asphalt, concrete, highway resurfacing aggregate—those are good jobs. That's income. It helps our economy.

Transportation and related industries employ almost 10 million people overall each year. Again, transportation and related industries employ about 10 million people every year. Transportation is one of the largest sectors of our economy; about 11 percent of gross domestic product. There are only three other sectors that have a higher percentage of our national gross domestic product; that's housing, that's health care, and that's food. Highway ranks No. 4.

In addition to the economic implications of transportation investments, we cannot overlook the impact of our quality of life. The United States has the largest transportation system in the world. We enjoy the premier system of highways: a 45,000-mile interstate system; about 4 million miles of other roads.

To put that in perspective, these 4 million miles of roads in the United States would circle the Earth 157 times. Just think about it, 4 million miles of basic roads in the U.S. would circle the Earth 157 times. In a population of about 265 million, our people drive over 2.4 trillion miles each year on these highways.

I was trying to think of an example of what 2.4 trillion really means. It is such a staggeringly high number. No example immediately comes to mind, but if people just stop and think a little bit, we are not talking about millions, not billions, but trillions, 2.4 trillion miles each year on our highways.

Obviously, it causes us to repair them more. They get more beat up by trucks and cars. Some roads in our part of the country, Mr. President, thaw, freeze, thaw and freeze again. They get cracks in the pavement and fill with water and freeze again. They get bigger and cars and trucks pound on them. It is a problem.

Not only does it cause highway repair bills for our cars, but it causes us to rattle our teeth a little bit and utter a few words about our highways, roads and potholes. The Transportation Department estimates that we need about $54 billion every year just to maintain our current highway system —$54 billion every year just to maintain. If we want to spend $74 billion a year, we could improve our system. That is the needs assessment of the Department of Transportation, $54 billion to maintain. If we want to improve our system to a level that makes sense for America, it would be about $74 billion. I must say, at all levels—State, local and Federal—we spend about $34 billion a year. So just to maintain the current level, it would cost $54 billion. If we want a premier system, it would be $74 billion. But we in America spend not $54 billion to maintain to stay even, we spend $34 billion. That is a total of Federal, State and local spending on our highway system.

That means we are challenged in the Congress to come up with legislation that is very efficient, that does what it can with what we have.

I think this bill does that. It is not perfect. No legislation is perfect. We are 100 Senators; we are not one. We have to compromise. Again, I think this is a good compromise. Why?

First, it builds on the successes of its predecessor, the highway bill, otherwise known as ISTEA of 1991. That was authored by my good friend and colleague from New York, Senator MOYNIHAN, in the Senate. That was a landmark piece of legislation because it recognized the intermodal nature of transportation in America, much more than previous highway bills, and how connected we are for a more fluid flow of traffic and commerce and people, more of a seamless system.

Our transportation system is more intermodal now. Also, State and local governments will be able to choose transportation projects that meet their diverse needs. We are one country, but we are also 50 States with many, many localities. This legislation gives local municipalities more control in making decisions for themselves. No longer are

we restricted in our mode of transportation. States can build highways, transit facilities, bike paths. Different communities certainly over the last 2, 3, 4 years have been more and more interested in, the fancy term is enhancements, but basically it is more concretely things like bike paths, pedestrian walkways. Again, that is a local decision hopefully covered enough in this bill.

It also continues, as I said, along that path, no pun intended. We have some improvements, and I think we will be able to have even more improvements, that is, even more dollars added to this bill in the next several days.

Let me talk a little bit about what we have attempted to do to make this bill more efficient and user friendly. The current highway program, again the fancy term is ISTEA, has about 11 categories from which dollars are taken to spend on various projects, whether it is interstate maintenance or whether it is interstate construction enhancement, bridges, whatnot. We have reduced those 11 categories down to five.

They are: the Interstate National Highway System, that is one category; the Surface Transportation Program; the Congestion Mitigation and Air Quality Program; and then two other equity accounts essentially to make this all fit. Yet, we have maintained the integrity of ISTEA.

What do I mean by that? Six years ago, Congress declared the end of the interstate era. Essentially, the interstate system had been completed. We are now in the process of combining the interstates with other key, most important primary highways in our country. We call that the National Highway System, or NHS. This National Highway System is a system of about 170,000 miles of roads and bridges, and they carry the vast majority of our traffic—commercial and passenger. These are the roads which provide access to rural and urban areas. They are the ones that connect farms to markets and homes to jobs. Mr. President, 170,000 miles, that is the interstate system, plus the other major highways in our country.

This legislation before us today recognizes the important role of that National Highway System and its key component the interstate system. Under the bill, about $12 billion a year will be spent on the National Highway System and at least half of that, about $6 billion, will be spent to maintain the interstate system of roads and bridges.

While we have eliminated the current bridge program, and I won't get into details except to say a lot of communities have abused the current bridge program; that is, they say they need all this money for bridges and then they take the money and don't spend it on bridges but spend it on something else. Obviously, we want to reduce that dodge but yet maintain the quality of our bridges. So we have folded the current bridge program into other categories. States will receive about $4.2 billion under certain bridge apportionment factors, and they will be required to spend at least what they are spending on bridges today. This will help ensure improvements in the conditions of our bridges.

The second category, the Surface Transportation Program, is retained. That is a very flexible funding category. It is very important to give State highway commissions flexibility because, after all, they know what their needs are. This STP, Surface Transportation Program, provides this flexibility for all kinds of transportation projects from new construction to improvements in current highways, just to name a couple examples.

In addition to this second program, Surface Transportation Program can be used for bike paths or pedestrian walkways or transit capital projects, transportation enhancement projects, rail highway crossing safety improvements, hazard elimination projects—again, a lot of flexibility to the highway commissions.

We also maintain a very important program to improve air quality and reduce congestion around the country. That program is called the Congestion Mitigation and Air Quality Program, otherwise known as CMAQ. This program provides dollars to nonattainment areas so they can undertake projects to improve their air quality.

What does that mean? Mr. President, as you well know, under the Clean Air Act that was passed in 1991, certain regions and certain cities of our country are ''not in attainment'' of air quality standards which they are working toward. We want to make sure that the highway program doesn't make attainment or air quality worse, because sometimes if you have a lot more traffic in a certain city that is having a hard time meeting its level of air quality, that is going to make it even more difficult for that community to meet air quality standards. We are trying to figure how to work the two together.

The solution, as in last year's bill, is the CMAQ Program. States then will use these dollars on certain projects that help reduce congestion in certain areas, therefore, to help that community meet its air quality requirements.

I must say, the past 6 years have demonstrated terrific benefits which CMAQ has contributed to many areas reaching attainment. It has helped areas reach attainment and helped reduce traffic flows and reduce congestion. Most important, we have updated the formulas. These factors are much more current in helping calculate what a State will receive. The bill recognizes the diverse transportation needs of our country, from large southern States to donor States to the densely populated Northeast. The bill uses transportation factors and measures the extent of the use of the highway system.

Use of these factors ensures that the funding is directed to the States based upon their need for highway funding. Just as a sidelight, I must say that the last ISTEA bill, the one we are operating under, uses very dated data. It is based on the 1980 census, for example, even though it was a 1991 bill. The ISTEA program, when it was passed in 1991, used the 1980 census data. It also uses 1916 postal roads requirements. There is a lot in there that doesn't make sense for 1998 and particularly as we move into the next century.

So we have used and changed the formulas, brought them up to date based upon the needs of a State. Just as transit program formulas measure ridership in the extent of an area's transit system, it only makes sense that highway formulas do the same. That is what we have done in this bill.

In addition to providing funding to improve infrastructure, the bill before us today also pays for more research, more development of new transportation technologies. We are not saying we are as up to date and as fancy with new technologies on our highway system as the Internet is with all the advances in computer technology, but we are developing intelligent transportation systems—shorthand ITS technologies—that will help increase the capacity of existing transportation systems without having to add new lanes and make this more efficient with the use of technologies and increase safety on our roads with new technology.

An example I might give is transponders on cars which could read the ownership and the distance a car is traveling going through a toll so you don't have to stop and pay the toll every time.

In addition to that, in my State of Montana, and I know yours, too, Mr. President, in Colorado, sometimes we drive along and there are deer and elk on the road ahead, livestock in my State. Sometimes in the southern part of the State we have bison on the road, or winter range. We are developing technology to warn cars ahead of time that there is livestock on the road, there is bison, deer and elk on the road. It is not fully developed, but it is an example of the kind of things we are working on just to help improve and update our highways.

Let me sum up by saying that I think this bill is very balanced. It passed the committee by a unanimous vote. It is a fair bill. It is good for the country and for our future, and I think it is very important we begin work today so we can meet our May 1 deadline.

I strongly urge Senators who have amendments, and under the agreement we are operating right now, as you know, we are providing only for nonfunding amendments; that is, amendments that don't deal with money in the bill, and there are a lot of them. So I ask Senators who have those amendments to come to the floor now today because we all know that when we get up to the deadline—a weekend—that things get pretty tight. It is far better to bring your amendments up earlier

than later if you want them to be considered, otherwise they will not be fully considered and will go down the drain most likely.

Mr. President, I also want to mention and give tremendous credit to the Senator from Virginia, Senator WARNER, chairman of the transportation subcommittee of our full committee. He has worked very, very hard. He has many, many responsibilities around here with everything under the Sun, frankly, yet he has diligently, with his staff, worked to come up with this compromise, and I might say, also, with tremendous grace and style and class. And it has been a real pleasure to work with the Senator from Virginia.

In addition, we are here today in large part, Mr. President, because of the efforts of Senator BYRD, from West Virginia, and Senator GRAMM, from Texas. There was a problem as to whether—we did not know whether we were going to get this bill up before the budget bill. But Senators BYRD and GRAMM have offered an amendment. It is very simple. The amendment is not before us now. It is part of the matrix of this whole highway bill.

It is a very simple amendment which says, essentially, of the 4.3 cents of Federal gasoline taxes, which we last year transferred from general revenue into the highway trust fund, that money should also be spent back on highway programs, at least that portion dedicated to highways.

That is the amendment. And because of that amendment, and because of the urgency of making sure that our motorists in our States get what they pay in taxes, we are here now today, before the budget resolution is before us, and again it is Senator BYRD and Senator GRAMM who in large part are responsible, in addition to the leader and Senator WARNER and others as to why we are here.

So I close, Mr. President, because I see my good friend, Senator WARNER, standing over here ready to speak. And I thank him for what he has done.

Mr. WARNER. Mr. President, I thank my distinguished colleague. And indeed the Senator from Montana and I have been partners on this throughout. There was a time when it was just the two of us together. And we stood steadfast and put together the basic coalition of States that gave us the nucleus of concepts and ideas which were incorporated in the subcommittee bill, of which I am privileged to chair and the distinguished Senator from Montana is not only ranking on the full committee but he is ranking on the subcommittee that drew up this bill.

I thank him because there were some lonely days in the course of the development of this bill, and we stood together as we have throughout. He has quite properly acknowledged the important contributions of Senator BYRD and Senator PHIL GRAMM of Texas. And we have been meeting together with the distinguished majority leader, the chairman of the Budget Committee, chairman CHAFEE, Chairman D'AMATO, as we try to work through a solution to the timing and the presentation of that amendment.

So, Mr. President, I want to give a statement on behalf of the bill. But two of our colleagues have time constraints, and if it is agreeable to the distinguished floor manager here on the Democrat side, I would like to yield at this point in time the floor such that these Senators can get recognition and do their important work.

I yield the floor.

Mr. HUTCHINSON addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. HUTCHINSON. Mr. President, I ask unanimous consent that I might proceed as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUTCHINSON. I would also like to add my commendation to the distinguished Senator from Virginia for his outstanding leadership on the ISTEA II bill and on his commitment to the infrastructure of this country. It has been my privilege in my first year in the Senate to serve with Senator WARNER on the Environment and Public Works Committee, and it has been an honor indeed to see his commitment to improving the infrastructure of this Nation and his willingness to work with me on our particular needs in my home State. I commend you for your leadership.

(The remarks of Mr. HUTCHINSON pertaining to the introduction of S. 1684, S. 1685, and S. 1686 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. HUTCHINSON. Mr. President, I yield the floor.

Mr. THOMPSON addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. THOMPSON. Mr. President, I ask unanimous consent to speak as in morning business for 10 minutes for the purpose of introducing legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. THOMPSON pertaining to the introduction of S. 1687 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. THOMPSON. 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. GREGG. 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. GREGG. Mr. President, I ask unanimous consent to proceed for 5 minutes as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

TAX MORATORIUM ON INTERNET TRANSACTIONS

Mr. GREGG. Mr. President, the administration comes in for a fair amount of criticism from our side of the aisle, and I think most of it is well directed. So when they do something that is positive and which is, in my opinion, proper policy, it should also be acknowledged.

The administration's decision today, the White House decision, the decision of the President, as presented by the President's people at Treasury, Deputy Secretary Summers, to put in place a moratorium, or send up legislation to put in place a moratorium on any tax relative to transactions over the Internet which States might try to assess is the absolute right decision.

I know that the Governors of the different States were in Washington this week, and that they made one of their priorities the ability to assess a tax on transactions which occur over the Internet. That is wrong. The Internet is obviously the last Wild West of American and world entrepreneurship. It is an explosive technology of which, as we all know, we have only seen the tip of the iceberg.

I can't think of any quicker way to retard that explosion of technology, creativity, entrepreneurship, and the prosperity which will arise from it, than to create a hodgepodge of taxation across this country assessed against the Internet by each State. I can't think of anything that would have a more chilling effect on the capacity of people using the Internet to participate in transactions involving commercial sales than if they were subjected to a tax policy which would vary from border to border, and probably within States from community to community.

This would definitely undermine the condition in which the Internet has become one of the more effective ways that this Nation markets its products, not only within the United States but internationally. It would also undermine our capacity as a Nation to speak to other countries in this world which might be considering putting a tax on the Internet or Internet transactions, which would create a waterfall effect as other nations tried to join into it. It would be truly not only a bad example, it would end up being an incredibly bad policy for our Nation as a world leader in the area of technology. So the White House has chosen the right course here.

I recognize that for years many of the Governors have sought the ability to tax interstate sales which occur through the mails. The Bellas Hess case has been the law of the land, which says that is not something that States can do and that the catalog companies that are based around the Nation, when they sell through the catalogs, are not subject in many instances to the sales taxes of the local States. I happen to think that is also the correct policy, but I recognize that many of the Governors do not.

However, if they have a grievance with the issue that addresses the sales through catalogs, then that issue should be separated and settled independent of the Internet, and that issue should be settled first before we move into the Internet. They should not use taxation of transactions over the Internet as an attempt to leverage the issue of taxing catalog sales across the country, and that is basically what the goal of the Governors was here. They obviously cared about the Internet tax policy, but they were more interested in trying to get the catalog sale issue, which is a much bigger item right now—maybe not in the future, but right now—for these States.

But in trying to do that, the Governors have, unfortunately—and speaking as a former Governor, I say that with genuine regret—pursued a policy which is wrong. Added taxes are not a good idea in most instances anyway, but added taxes which would be assessed across this country in all sorts of different varieties against the Internet transactions would undermine, as I mentioned, one of the great entrepreneurial issues, certainly in the latter half of this century and potentially as we go into the next century, for the beginning of the next century.

I congratulate the White House for its decision to send up to the Congress a moratorium on any taxes which might be assessed by States against the Internet. I will strongly support that moratorium. I look forward to prompt action on it.

I yield back my time and make a point of order a quorum is not present.

The PRESIDING OFFICER (Mr. GORTON). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DORGAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

INTERMODAL SURFACE TRANSPORTATION EFFICIENCY ACT

The Senate continued with the consideration of the bill.

Mr. DORGAN. Mr. President, I am relieved, as are many of my colleagues, that the highway reauthorization bill is now on the floor of the Senate. I compliment the Senate majority leader, Senator LOTT, for bringing this piece of legislation, which is so important to this country, to the floor for debate. Not only do I compliment and thank the Senate majority leader, I thank publicly the Senator from Virginia, Mr. WARNER, Senator BAUCUS from Montana, Senator BYRD from West Virginia, Senator GRAMM from Texas, and so many others who have come to the floor of the Senate and who, prior to that time, have worked in the committees and subcommittees to produce a piece of legislation that I think is a very good and very important for this country.

Again, I express my appreciation to all of those folks who I think have crafted a bill that continues to understand that roads and highways represent a national priority and represent a national need.

There are some things in this country that we don't describe as a national need or a national priority. We decide that these are things that State and local governments make decisions on individually around the country. But there are some things that are national in scope. We decided some long while ago that if we were to be a world-class economy, we must have a first-class infrastructure, and we must have a nationwide network of roads over which we can move commerce and trade back and forth across the country. Roads that we can be proud of, roads that we keep maintained through the investment that we make in legislation like this.

The difficulty that we have had over the years in constructing a highway program has been a disagreement among the various States about who should get what, and how much money should go to one State versus another for the investment in the infrastructure of roads and bridges.

In the Senate, we have now constructed a piece of legislation that I think has an awfully good formula. It is a compromise, a compromise that has been worked out by not only Senator WARNER and Senator BAUCUS, but Senator CHAFEE and so many others. This compromise, in my judgment, is fair and makes a great deal of sense for this country.

It is my hope that the Senate, now having this piece of legislation on the floor, will move expeditiously to offer amendments, to consider amendments and get final passage. And then, hopefully, persuade the other body to do the same so that we can get to a conference and finally adopt a conference report on this important legislation.

I am going to be offering an amendment, perhaps two amendments. I will not offer them at this moment, but I want to describe one of the amendments that I will offer to this piece of legislation.

Not only is it important that we have good highways and good roads in this country, it is important that the roads be safe. This legislation deals with safety standards; it deals with highway safety programs and the investment necessary to educate the American people and to provide assistance to the States in that education process.

One of the issues of safety in our country is the issue of drinking and driving. It is interesting that if you ask the question, ''Have you been touched or affected, do you have a relative or an acquaintance that you know who has been killed by a drunk driver?'' almost every American will raise their hand and say, ''Yes, I know someone who has been killed by a drunk driver.''

Every 30 minutes in this country someone else dies on this Nation's roads because of a drunk driver. Someone who took a drink, and then took a car out on a public highway and caused a death. Every 30 minutes another American dies on our roads because of drunk driving.

My family has experienced that tragedy twice. The call that I received, like the calls that so many other Americans have received, to tell me that my mother had been killed by a drunk driver is a moment that I will never forget.

My mother was driving home from a hospital at 9 o'clock in the evening in Bismarck, ND, traveling at about 25 miles an hour, about 4 blocks from home, and a drunk driver in a pickup truck, being pursued by the police, according to eyewitnesses, at about 80 to 100 miles per hour, on a city street, hit my mother's car. She was killed instantly.

It took a long, long time for me to overcome the anger that I felt about that. I still today think of not only what a tragedy it was for our family to lose such a wonderful woman, but every time I pick up a newspaper and read a story or watch the television or listen to the radio news about another death on our highways caused by drunk drivers, stop when I hear it and understand again what a tragic, tragic thing it is. This not some mysterious disease for which we do not have a cure. We understand what causes these deaths. And we understand how to stop it.

This country does not, regrettably, view drunk driving as do some other countries in the world. In Europe, if you drink and drive and are picked up under the influence of alcohol, the penalties are so severe that you don't want to think about them. So almost inevitably in Europe, whenever several people are out drinking, one person is not drinking because that is the person who drives. You cannot afford to drink and drive in some European countries.

In this country, regrettably, for a long while, when someone was picked up for drunk driving, someone else would give them a knowing grin and a slap on the back, and say, ''That's OK, Charlie.'' Well, it is not OK. Organizations have developed in this country—Mothers Against Drunk Driving, and others—who began to raise an awareness, State by State, on these issues, that the carnage on American roads does not have to continue.

But do you know that, despite all of the work that has been done and despite all of the efforts in the States, in the cities, and here in the U.S. Congress; do you know that there are States in this country where you can put one hand on the neck of a whiskey bottle and you can put your other hand on a set of car keys? You can slip behind the wheel of that car, put the key in, start the engine and drive off and drink from that whiskey bottle, and you are still perfectly legal?

There are still States in this country, nearly a half a dozen of them, that do not prohibit drinking and driving. It is

unforgivable, in my judgment, that anywhere in this country someone can legally drink alcohol while they drive down the roads. I do not want it to be legal for someone to be driving a vehicle and drinking.

There are a couple of ways to stop that. One simple way is to describe, as a matter of Federal policy, with the incentives to make it stick, that there shall not be open containers of alcohol in vehicles anywhere in this country.

I come from a State that already prohibits open containers of alcohol in vehicles. Most States do that. But many States do not. In fact, nearly half a dozen States not only allow open containers; they allow the driver to drink. I intend to offer an amendment to this piece of legislation that complements an amendment offered by the Senator from West Virginia and others. That amendment would establish a .08 national uniform standard for determining who is under the influence of alcohol.

I intend to offer a complementary amendment that says: In addition to that, in no State in this country shall we allow drivers to drink and drive at the same time and be perfectly legal. That ought not to exist on any road or at any intersection in this country's road system.

Now, having said that, Mr. President, that is one issue that I obviously feel very strongly about. I feel strongly about that, not only because——

Mr. WARNER. Mr. President, will the Senator yield?

Mr. DORGAN. I am happy to yield.

Mr. WARNER. Mr. President, that is the first time I ever heard a rendition of these facts in some States. As one of the floor managers of this legislation, I assure the Senator that that amendment will be given most careful consideration.

I thank the Senator for coming to the floor and sharing with us that personal experience because that is the true essence of our legislative process where those here in the Senate or the House or in any of the legislatures across this country bring their own life's experiences to help prepare legislation that will make it a better world for others to live in.

Mr. President, I thank the Senator for yielding.

Mr. DORGAN. Mr. President, I very much appreciate the kind words of the Senator from Virginia. I know that my experience is not any different than the experience of so many other families in this country who have suffered the tragedy of death as a result of drunk drivers.

I have worked for some long while, not only supporting the efforts of Mothers Against Drunk Driving all across this country, but worked to see if we cannot, in some way, effect public policy to say to the American people: ''When you drink and drive, you can turn a vehicle into an instrument of murder. And we cannot allow that to continue to happen.''

I just read the other day of someone in my State, regrettably, who was picked up for drunk driving for, I believe, the 13th or 14th time—14th time. The fact is, we must decide as a country that we will not tolerate drunk driving. It is not an insignificant event. It is not an infraction and is something to be considered seriously. It is in all too many instances something that causes the loss of life for someone else in this country. And we can do something about it.

The important thing is to understand this is not some mysterious ailment for which there is no cure. We understand what happens on our highways, and during the period that I am standing on the floor, if averages hold up, another American will have been killed because some other American was drinking and got in a vehicle.

Not only has the Senator from West Virginia, Mr. BYRD, spoken a great deal about this, but Senator BUMPERS, who lost his parents to a drunk driver, and others who have come to the floor when we have discussed this in the past understand the human toll and the tragedy of drunk driving.

The legislation that comes to the floor now is a wonderful piece of legislation that not only contains much needed investments in our country's infrastructure and jobs and economic growth, but it also includes very important highway safety issues, which I know the Senator from Virginia and others have worked very hard on. Those safety issues are a critically important component of this piece of legislation.

I will be happy to yield to the Senator from West Virginia.

Mr. BYRD. Mr. President, I congratulate the Senator for speaking on this subject. We have developed a strong moral sense of outrage against smoking. We have talked about the effects of smoking on health. The administration has picked it up, and there has been a great crusade in this country against smoking. There have been laws passed against smoking. And there have been bills passed against this or that aspect of smoking.

Tobacco is a very unwelcome—we have a good many tobacco farmers in West Virginia. We have tobacco farmers in many States that make their living farming tobacco. I am not opposed to this crusade against smoking. I am not opposed to that at all. But why not have an equally strong crusade against drinking?

When I am called upon to participate in any program before Christmas or before any holiday or before school graduations in which the thrust of the message is: ''Don't drink and drive,'' I do not say it that way. I say, ''Don't drink, period.''

When is the country going to develop a sense of moral indignation and outrage at drinking? Those who smoke may injure their own health. I hear a great deal about secondhand smoke. I do not know how much of that can be proved. But drinking alcohol injures the health of the person who drinks. All of us can say, ''Well, our granddaddies or great granddaddies drank a little toddy each morning, put a little whiskey in the coffee, and so on.'' But that is as far as it went.

We have conducted a great war against drugs in this country, illegal drugs. The most popular drug in this country is alcohol. When are we going to say, ''Stop it''? When are we going to teach our young people not to drink? It is not good for them. It will get them into trouble. It has been the cause of unemployment for tens of thousands of men and women in this country. It causes men who drink to go home and beat up on their wives and to mistreat their children.

Not only does it injure the health of those who drink, but it also constitutes a threat to others. The person who drinks may pick up a club and beat you to death. He may pull out a gun and shoot you. He may get behind that automobile wheel, because he is already inebriated. But if he had been taught, if it had been ingrained into him by his parents in the home to ''Stay away from that drug. Stay away from it. There is nothing good in it, nothing!'' If he had been taught to stay away from it, he would not be drunk when he gets behind the wheel of an automobile.

When is a sense of moral outrage and indignation going to rise in this country to the point that people will teach their children not to touch it? ''Stay away from it. Don't drink.''

I would be very happy to see this administration, and other administrations in our party and other parties, join in a crusade against strong drink—against alcoholic beverages. But there is no sense of outrage, no sense of outrage about this drug.

It is a drug. And it is habit forming. And there is no good in it. When one gets on that path, it has an unfortunate end. It costs money. It costs jobs. It breaks up families. It destroys homes. It destroys marriages. And it kills people. And many times, the people who are killed are the innocent people —the wives, the children—who are out there going to the grocery store or going home from school or going to the child-care center. And they are killed by a drunk driver.

We talk about people who have been charged with drunk driving 13, 14, 15 times. That is outrageous!

When are we going to have judges and people who enforce the law in this country throw the book at them? We should simply not tolerate this drug. I don't want to be an extremist about anything, and I'm not one who would see harm in an old person that takes a little ''toddy'' as we say, a little whiskey, but we don't look at it that way. We look at it with an attitude that there is nothing wrong with drinking alcohol, it is the thing to do, it is the ''in thing.''

How many students at the universities around this country have lost

their lives, who have committed suicide or died in automobile accidents as a result of binge drinking? We have read about it in the papers—the University of Virginia and other universities. It is bad. When are we going to teach our children that it is bad? Don't follow the crowd. It is not the ''in thing'' to do. It is a drug that kills. It may kill you. It may kill someone else. You will have the blood of that person's life on your hands.

Why don't the legislators of this country get up and talk about it? Talk about booze, booze that kills people. They don't want to talk about it. We would not hear anything about drunk driving if people would teach their children not to drink. There wouldn't then be any problem with drunk driving. It is not the ''in thing.'' It is a drug that kills, and it is America's most popular drug.

So count me as one who feels that we ought to have a crusade against booze—not just a crusade against smoking, but also a crusade against booze. I hope my fellow legislators will rise and stand with me. It may not be a very popular thing to say but it is right. I'm right in saying that. I'm not right in everything I say, but alcohol is destructive. The sooner we teach our young people by our own example not to drink, the sooner we won't have as many drunk drivers.

I smoke a cigar, and have been smoking cigars for more than 35 years, but I am supportive of the crusade against smoking. It is not good for one's health, but neither is alcohol. I will be happy to have others join me in cracking down on drinking and in really, really making it tough on drunk drivers. Why should they be allowed to continue to drive an automobile if they are going to drive while drunk? Why not take that driver's license away? Why not put them in jail, too? And if they insist on driving while under the influence of intoxicating liquors, put them in jail, fine them. Make it tough on them—the tougher the better. Just stop them from driving at all. If they kill other people, they might as well have had a pistol. I might as well carry a pistol around, just pull it out, shoot anywhere, just let the bullets fly in any direction and kill somebody—I ought to go to jail. Let the drunk drivers go to jail. Put them in jail and keep them there until they dry out.

Let's try in our churches to create that moral indignation against drinking.

I cannot compliment the distinguished Senator too highly for what he has said on the floor today. He has a story that all people ought to hear and I commend him for what he has said.

Now, with respect to the bill, the bill is a good bill but it doesn't go far enough. Those who have joined with me in offering the Byrd-Gramm-Baucus-Warner amendment are saying let's take that money the people pay as a tax when they buy gasoline, and spend it on highways and mass transit. We are not doing that. The American people, I think, are very supportive. I know they are. Our amendment would do just that. It would provide that the 4.3 cent per gallon gas tax go for highways and mass transit. I have no doubt the American people want it to be that way. That is the purpose of our amendment.

So it is a good bill but we are trying to make it better. I hope we will have the support of all our colleagues.

I thank the Senator for yielding.

Mr. DORGAN. Mr. President, I thank very much the Senator from West Virginia for his generous statement.

The Senator from Rhode Island was not in the Chamber when I complimented him for his work on the piece of legislation that is before the Senate, and I appreciate very much the work he has done.

Let me finish the discussion for a moment on the drunk driving issue and the legislation that I will intend to offer. There are a couple of statistics that I think are important about this. The Senator from West Virginia described the circumstances with young people in this country. Drunk driving is killing a disproportionate number of young adults and youth in this country. In 1995, over 25,000 children under the age of 21 were injured because of drinking and driving. In 1995, while 30 percent of the driving population was between the age of 21 and 34, 50 percent of the fatalities and 50 percent of the drunk driving injuries were in that same group. That amounts to 6,760 deaths and 95,800 injuries. A couple of other statistics. Hard-core drunk drivers cost us thousands of lives and billions of dollars. Fifty-five percent of the drunk driving offenders, an estimated 790,000 each year, are repeat offenders. An estimated $33 billion in economic costs can be attributed to hard-core drunk drivers involved in alcohol-related traffic fatalities in 1995.

I mentioned earlier, there are five States in which it is still legal to drink and drive at the same time. There are 22 States in which there are no open container restrictions. So there are nearly half of the States in this country that say it is just fine to have booze in your car, just go ahead and have some whiskey or beer and drive down the road, and it is just fine. That ought not to exist anywhere in this country. You ought to be able to drive on any road, any place in this country, at any time of the day, and not worry about whether the car you are meeting is going to cross the intersection has a passenger or a driver that is involved in drinking alcohol. You ought not to have to worry about that on any road in this country. We ought to be able to have some sort of uniform standard on this kind of issue.

In 1996, the last year for which I have data from DOT, there were 17,272 alcohol-related traffic fatalities. One every half-hour. Now, we have made some progress. I mentioned Mothers Against Drunk Driving, an organization for which I have great respect. There has been much greater awareness of the drunk driving problem all across the country, and organizations like Mothers Against Drunk Driving and others have pressed for tougher laws. The fact is fatalities have come down, but they are far too high all over this country.

I mentioned a moment ago a North Dakota driver that the Bismarck Tribune, on the 13th of February of this year had an article, ''Driver Tops North Dakota's Worst.'' It lists North Dakota's 10 worst drunk drivers according to the Department of Transportation information.

It says, Bismarck man fails to appear on the 11th drunk driving charge because he is in a South Dakota jail awaiting trial on the 12th drunk driving charge. A Bismarck man labeled the worst driver in North Dakota by driver's license officials missed trial Thursday on his 10th and 11th drunk driving charges. Why? He is in South Dakota, in jail, on another DUI arrest.

Some might smile at that. This man, if he hasn't already, will kill someone. He will get drunk, get in a car, meet a family on the road and there will be dead people in his wake. Then no one will smile and everyone will understand the tragedy of it and ask why wasn't he prevented from being on the road. Why didn't someone lock this person up?

Mr. BYRD. Will the Senator yield?

Mr. DORGAN. I am happy to yield to the Senator.

Mr. BYRD. And the chances are that the drunk driving escape with only a few bruises.

Mr. DORGAN. That is all too often the case.

Let me read to you a letter that I received a while back from a woman named Brenda Olmsted from North Dakota. I mentioned my family's circumstances, the experience that we have had, the tragedy of death from a drunk driver. It has happened in family after family across this country.

This young woman wrote to me, and I just want to read a portion of her letter.

My name is Brenda Olmsted, and my life as well as many others was dramatically changed. My father and mother had just picked up my brother and myself from college and we were returning home to Watford City, ND. Our happiness of being reunited was shattered in an instant when we were struck by a drunk driver. My father was killed and my mother left in critical condition. . . . my brother and I were injured. This event took place just over a year ago but its memories are still very vivid and the effects are continuing. My mother is slowly recovering from a broken back that we have been told will never fully heal and bulging disks in her neck and various other serious injuries. She is slowly learning to cope with the permanent brain damage that has slowed down her thinking process. My brother is slowly struggling to overcome some traumas

to the head as well as the terrors of the vivid memories of that night. My father was a pastor, which meant his job provided us with a house. With his death we not only lost a father (which hurts more than words can tell) but we also lost our home.

I write this by no means to ask for a hand out but instead to ask that you do all you can to make the penalties against drunk driving as strict as possible.

Most of us have seen the public service advertisements on television about drunk driving, and most of the advertisements we see these days from nonprofit organizations are of some wonderful people—in many instances children—on a video camera. Then we learn after 15 or 20 seconds of the video that this is a young child who was killed in a drunk driving accident.

Let me again reiterate that we can prevent many of these accidents if we as a country decide to treat drunk driving differently, if we get serious about dealing with this issue. One amendment which is going to be offered to this legislation deals with a national standard of .08 blood alcohol content. The other, I hope, will be a prohibition of open containers of alcohol in vehicles across this country.

Mr. President, I have spoken longer than I intended. I appreciate the contribution of the Senator from West Virginia, as well as the contribution of the Senator from Virginia, Senator WARNER. I look forward to coming back to the floor and offering my amendment. Again, I hope very much that we will move quickly with this piece of legislation.

Let me finish, as I started, by complimenting Senator LOTT, the majority leader, for bringing this legislation to the floor now. I commit, and I hope my colleagues will, as well, to work in a very serious way to move this legislation along as quickly as possible and get it to conference so we can finally pass a highway bill and provide some certainty about highway investment and safety programs in this country's future.

I yield the floor and 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. LEAHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AVOIDING WAR IN IRAQ

Mr. LEAHY. Mr. President, the agreement signed by UN Secretary General Kofi Annan and Iraqi Deputy Prime Minister Tariq Aziz has averted, for at least the time being, the use of military force against Iraq.

Contrary to the statements of some Members of Congress, I do not believe this signifies that the President of the United States has subcontracted the nation's foreign policy to the United Nations. Rather, I believe the President, who has said he would use force as a last resort, had good reason, indeed an obligation, to delay while the Secretary General sought a diplomatic resolution of this crisis.

I also believe the agreement, while not perfect, deserves the support of the international community, including the United States, and I say that even if, as many predict, Saddam violates this agreement as he has every other agreement since the end of the Gulf War.

I have said repeatedly that force cannot be justified until every diplomatic option has been exhausted. The agreement obtained by the Secretary General shows that we have not yet reached that point.

Seven years ago the United States led a military coalition of Western and Arab nations to force Iraqi President Saddam Hussein to withdraw from Kuwait. The United States invested an enormous amount in the Gulf War. 246 American soldiers lost their lives. Since then, we have maintained the no-fly zone and provided humanitarian relief to Iraqi Kurds who have been brutalized repeatedly by Saddam Hussein's army.

The Gulf War ended when Iraq signed a cease-fire agreement, in which Iraq agreed to promptly disclose and destroy its entire arsenal of weapons of mass destruction. Shortly thereafter, the UN Security Council adopted Resolution 687, which clearly described Iraq's obligations under the cease-fire agreement. Those obligations have the force of international law. Subsequent resolutions have reaffirmed the need for complete Iraqi compliance.

Since that time, Saddam Hussein has systematically reneged on his commitments under the cease-fire agreement. He and his government have repeatedly denied the UN weapons inspectors access to sites they sought to inspect and which they have every right to inspect.

In his speech last Tuesday, President Clinton described the numerous instances that the Iraqis have lied about their chemical and biological weapons programs, and revised their reports describing what they possess only after their lies were exposed. Any number of times the inspectors have closed in on a suspicious site only to be refused access, or to see an Iraqi truck drive away in an obvious attempt to hide incriminating evidence.

If Saddam Hussein had nothing to hide, why would he have gone to such lengths to prevent the UN inspectors from doing their job, particularly since there is no way the UN sanctions will be lifted as long as the Iraqis fail to cooperate fully with the weapons inspectors? There is no doubt that since 1991, Saddam Hussein has squandered his country's resources to maintain his capacity to produce and stockpile chemical and biological weapons.

That history of deception is what brought us to the brink of war. The agreement obtained by the Secretary General reaffirms, at least on paper, Iraq's obligations regarding the UN inspectors. It also gives Iraq some basis to hope that the sanctions could eventually be lifted.

Had the Secretary General failed, the missiles and bombs might already be raining down on Iraq. We would have had to expect American casualties. Out of hundreds or thousands of sorties, some American pilots may well have been shot down and taken prisoner. Iraqi civilian casualties were predicted to number in the thousands.

While there is no doubt that we can do tremendous damage to Iraq's military capabilities, war is fraught with uncertainties. Victory can be bitter sweet, and short-lived. Those who have taken the Secretary General to task should explain what gives them confidence that more would have been achieved through bombing. Do they really believe that the lives of thousands of innocent people are not worth the time it takes to test the agreement? Are they prepared to refight the Gulf War, with ground troops, to get rid of Saddam? I seriously doubt it.

I fully agree with the President that nothing short of free, full and unfettered access for UNSCOM must be our objective. I have been deeply concerned, however, that the use of military force would not achieve that objective, and that it might well cause the inspectors, who have been doing 90 percent of their job without interference, to be barred from Iraq entirely.

Then we would know even less about his arsenal of biological and chemical weapons, while Saddam Hussein emerges defiant and victorious in the Arab world for having successfully stood up to the military might of the United States. Damaging Iraq's facilities is a poor substitute for Iraq's compliance with the terms of the cease-fire agreement, if that can be achieved by other means.

Having said that, I am not against using force under any circumstances. Nor do I believe that we can achieve our objectives in Iraq without the credible threat of force, because it is the only thing Saddam Hussein understands. The Secretary General suggested as much himself, although he used the words of a diplomat. But if it is as likely as not that force will not coerce Saddam to permit full access for UNSCOM, and that it could even result in an end to inspections in addition to thousands of civilian casualties, and enhance Saddam's standing in the Arab world. This may show again that it would have been wrong to give up on diplomacy.

It is elementary that diplomacy requires flexibility, just as it requires creative thinking. Both, I am sad to say, have been in short supply during this crisis. I was not prepared to support the use of force against Iraq prior to the Secretary General's trip to Baghdad because I was not convinced

that there had been a serious attempt at creative diplomacy. In fact, I was concerned about the apparent inflexibility of the administration, not on the question of access for the UN inspectors which I do not believe can be compromised, but on other issues such as the sale of oil so Iraq has some realistic hope of being able to meet its obligations under the cease-fire agreement, which include compensation for Kuwait and Israel.

I was also concerned that administration assertions that the embargo would not be lifted until Saddam Hussein is removed from power, as desirable as that is, were inconsistent with the cease-fire agreement, and gave the Iraqi Government little reason to even attempt to comply.

The Secretary General's initiative showed that a degree of flexibility and creative thinking can prevent bloodshed. While Saddam has shown many times that he is ruthless and untrustworthy, that is not a reason to abandon diplomacy as long as there is a glimmer of hope. It may produce a better outcome. That is worth finding out.

Or it may not. Saddam has not agreed to anything different than he had before and the agreement is devoid of details on several important points. There is uncertainty about which facilities are ''presidential sites,'' and the procedures for inspections of such sites have yet to be determined.

There are concerns that the agreement could undercut the independence of UNSCOM if its authority is shifted to a commission named by the Secretary General. However, according to Secretary of State Albright, the Secretary General has assured her that Richard Butler, the current head of UNSCOM, will remain in charge.

There are unresolved questions about the role of the diplomats who are to accompany the inspectors. UNSCOM's success has been a result of its independence, and that absolutely must be preserved, both for purposes of its activities in Iraq and for inspections elsewhere. The wrong precedent here could come back to haunt us years from now somewhere else. The proof will be in the interpretation, and whether or not UNSCOM is able to do its job without physical or political interference.

Whether the use of force would be justified, or wise, if the agreement fails I will leave for another day. But we should remember that despite all the destruction leveled on Iraq during the Gulf War, it was not enough to prevent Saddam Hussein from defying the international community and using every trick in the book to rebuild his military arsenal.

If we bomb Iraq again, he would be right back at it, claiming victory for standing up to the US, but no longer under the watchful eye of UNSCOM's cameras. Then what would we do, after we are blamed for causing more innocent deaths on top of the Iraqi victims of the embargo for which we are deemed primarily responsible?

How do we avoid being back in the same situation in six months or a year? What about the risk of exposing our forces to poison gas or biological toxins, which might be inadvertently released in a bombing attack?

How do we weigh the risks of further damaging our relations with the Arab world, and with Russia? If we cannot get rid of Saddam, what is our long-term policy? Or are we prepared to do what it takes to get rid of him?

These questions need answers, especially if Saddam breaks his word again and the President decides to use force. If that day comes I would urge him, as others have done, to first seek authorization from the Congress.

This is not a situation where the United States is facing imminent attack. It is not the type of situation that was contemplated by the War Powers Act, when the President could single-handedly involve the country in a war for a limited period of time because there was not adequate time for the Congress to declare war. There would be time. The Congress has that responsibility. Some Members of Congress would duck that responsibility and put it all on the President. That is not why we are here. We owe it to the American people to speak.

The use of force on this scale, under the circumstances contemplated here, would have grave consequences for the American people, for our entire country. Likewise, the failure to use force if Iraq again violates the cease-fire agreement could have lasting implications for the international community's efforts to deter the manufacture and use of chemical and biological weapons and to uphold international law. For these and other reasons, the Congress should fully debate these issues and render its own judgment.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, I ask unanimous consent to speak as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

MICROSOFT

Mr. GORTON. Mr. President, the Senate Judiciary Committee has scheduled a hearing on Tuesday March 3 entitled ''Market Power and Structural Change in the Software Industry.'' As most of my colleagues know, I am deeply concerned that the true aim of this hearing is not to improve the software industry, but to attack Microsoft and to give the federal government more control over the future of this company. If my suspicions are correct, this attack is not, as some may argue, an attempt to protect the American consumer, but rather, a concerted effort to handcuff Microsoft and provide its competitors with an opportunity to play catch-up that their competitive merits have not provided them in a free market.

In a recent interview with Salon, the Chairman of the Judiciary Committee, my friend and colleague Senator HATCH, announced that his committee will release a report the morning of the hearing detailing its findings from an in-depth investigation of Microsoft. That report, no doubt, will claim that Microsoft is engaging in anti-competitive business practices. Releasing such a report only minutes before Bill Gates is scheduled to testify before the committee, without giving him adequate time to read and respond to its allegations, would be grossly unfair.

I raised these concerns with the committee and was assured that the report would not be released before Mr. Gates has an opportunity to testify. I trust that my friend Senator HATCH will stand by his word and do what is fair and right.

Witnesses at the hearing include some of the biggest players in the high-tech industry: Bill Gates, Scott McNealy of Sun Microsystems, Jim Barksdale of Netscape, Michael Dell of Dell Computer, and Doug Burgum of Great Plains. These men and their colleagues in the high-tech industry are responsible for the technological revolution that has taken place in America. Twenty years ago, computers were hulking, outrageously expensive, inefficient machines accessible to only the wealthiest corporations. Today, personal computers are in virtually every business and in many homes and schools. This is the modern day version of the Industrial Revolution.

Not only are the men and women of the hi-tech industry properly credited with allowing businesses to run more efficiently, making information on virtually any subject imaginable accessible to anyone with a PC and a modem, and providing our schools with increasingly effective learning tools, they are also responsible for the amazing pace of economic growth the United States has witnessed over the past 20 years.

The computer software industry has grown more than seven times faster than the U.S. economy as a whole, and today provides 600,000 good paying jobs to Americans across the nation. Indirectly, thousands more jobs are provided through subcontractors and small businesses serving these corporations and their employees. Industry revenues totaled $253 billion last year.

Clearly, Mr. President, the software industry is the quintessential American success story with Microsoft, Sun Microsystems, and Netscape at the helm. The women and men responsible for these amazing achievements should be congratulated and thanked for their contribution to a better, smarter, richer America.

But, Mr. President, the high-technology industry achieved these successes in a free market environment from which government was virtually absent. Government, of course, always lags behind commerce. When Bill Gates first developed what has today become

the world's most popular personal computer operating system, the government didn't even know what an operating system was. When Jim Barksdale invented software enabling the average person to surf the web, the government was nowhere to be found. When Scott McNealy began marketing his Java system products government regulators did not place limits on his business opportunities.

In fact, I would venture to say that the very corporations attacking Microsoft's successes are those that have gained the most from the absence of government interference in their businesses. But these companies, in their lust to gain a competitive advantage over Microsoft, are now advocating the unthinkable—big government intervention in the industry.

According to an article in the Financial Times last week, Scott McNealy wants the big hand of government to step in and help his company compete with Microsoft. Mr. McNealy is quoted as announcing to a group of software industry executives in Silicon Valley that, ''only with government intervention will we be able to deal with this,'' this meaning competition from Microsoft.

Many other unsuccessful corporate executives, Mr. President, have to come to Congress to petition for government interventions to save them from successful competitors. Only rarely, however, do members of my political party entertain those suggestions. But unfortunately, a member of this body from this side of the aisle, the party known for its embrace of free market principles and rejection of big-government solutions, has joined Mr. McNealy in his efforts not only in calling for a hearing on the matter, but in proposing an entirely new Federal regulatory agency, a ''network commerce commission'' to regulate online commerce.

I am flabbergasted. It is truly a strange day when business speaks out against free enterprise and promotes big government. It goes against the grain.

Sun Microsystems, Netscape and Novell, Microsoft's biggest detractors, are envious of Microsoft's success. Instead of doing business the old fashioned way and marshaling their forces for competition, they are going in a different, more dangerous direction. They are crying for help from big government in order to protect them from their more successful competitor.

The anti-market forces led by Netscape, Sun Microsystems, and Novell are amassing in a dangerous attempt to pilfer the market share Microsoft has earned by being a leader in the industry, always out in front of the pack with new ideas and solutions. Adam Smith must be turning over in his grave, Mr. President.

For it is precisely the absence of government intervention that has allowed all of these corporations to succeed. Competition has made this country great. America did not become the biggest economic power in the world through government regulation. And those nations that chose the path of government control of the economy are in a shambles today in almost direct proportion to the breadth of those controls.

When you consider the impact that centralized control in Washington, D.C. has had on our nation's schools and the federal income tax code, I must admit that I'm amazed that anyone in the computer software industry would be calling out for more regulation, influence and decision-making from Washington, D.C.

Let's consider how the Federal Government's gradual taking of authority from parents, teachers and school boards for education decisions has impacted children in our local schools. Test scores are falling, embittered educators are spending more time filling out forms than teaching our children, and schools are more dangerous than ever in the past.

Instead of new ideas and new solutions to these problems, Washington, D.C. bureaucrats are capable of only one answer to these challenges—more power for Washington, D.C. to decide how our local schools should be run. I ask my colleagues—based on the current state of public education in America, do you really think that Washington, D.C. bureaucrats know better than parents, teachers and locally-elected school boards what's best for the schools in your state?

I believe that people in local communities know what's best for their children and their schools, not Washington, D.C. bureaucrats.

I believe the same for the computer software industry. Knowing how the burdensome hand of the federal government has impacted our local schools, why would anyone in the software industry ask to have Washington, D.C. play a more burdensome role in the future of their industry?

Another example of how centralized decision-making has hurt American life is the Federal income tax code.

Instead of a simple, fair tax code in place to fund necessary Government programs, the tax code has become a social-engineering mechanism empowering Washington, D.C. to decide which activities in society should be rewarded, and which activities should be punished. More importantly, our complicated, messy tax code simply gives more control over our daily lives to Washington, D.C. bureaucrats in virtually every Federal Government agency. I ask my friends in the computer software industry—based on how warmly the American people have embraced the current tax code and the Internal Revenue Service, how could you possibly want the same federal government that created the tax monster to take a more powerful role in your business?

Further, I find it troubling that the request for government intervention has come not from the American consumer, whom our antitrust laws were designed to protect, but from Microsoft's competitors. The consumer has benefited greatly from Microsoft's innovations and the innovations of its competitors.

Bill Gates, summed it up best in a recent editorial in the Wall Street Journal:

> If you asked customers whom they would rather have deciding what innovations go into their computer—the government or software companies—the answer would be clear. They'd want the decision left to the marketplace, with competition driving improvements.

I vow today to do my best to ensure that consumers get exactly that.

Microsoft is the American dream, arrived at through hard work and innovation. I want to assure my colleagues that I will not stand by and allow Bill Gates' adversaries to destroy the principles upon which this nation's success is based. I urge those of you who value the free market to join me in my fight against those who want the Federal Government to gain further control over the computer software industry.

Big government is not now, has never been, and will never be the answer.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ALLARD. Mr. President, are we in morning business?

The PRESIDING OFFICER. The Presiding Officer advises the Senator that the pending business is S. 1173, the highway authorization bill.

Mr. ALLARD. Since we have a break in the pending business, I would like to ask unanimous consent that we go into morning business for 10 minutes.

The PRESIDING OFFICER. The Senator may ask unanimous consent to proceed as in morning business.

Mr. ALLARD. I ask unanimous consent we proceed as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

CSU-WYOMING GAME

Mr. ALLARD. Mr. President, I would like to take a few minutes to congratulate my good friend, Senator ENZI, and the University of Wyoming's basketball team on their hard-fought overtime victory over my alma mater, Colorado State University. Senator ENZI and I have engaged in a friendly competition whenever our schools play each other. These two universities are located just an hour apart on the border of Colorado and Wyoming and have always had quite a rivalry between them. Earlier this year, Senator ENZI had the opportunity to praise the Rams as CSU defeated Wyoming on January 24, with the score of 53 to 46. But like most border wars, the tables have turned and now the pleasure is mine. Not only do I have the tremendous opportunity to talk about the Wyoming basketball team on the Senate floor, but I have a tremendous opportunity to

wear the Wyoming tie here for a day while I talk about that great basketball team from the University of Wyoming.

Last Saturday's game marked the 184th time over 88 years that these two teams have met when CSU went head to head with the University of Wyoming in yet another border war. To my dismay, the Rams were defeated in overtime, 69 to 64. It was a hard-fought victory where both teams played outstanding games. Although CSU outrebounded Wyoming and played a tough defensive game, the Cowboys' offense was the deciding factor.

Wyoming should be commended for having a great season this year, with a record of 18 and 6. Coach Larry Shyatt should also be recognized for bringing this team to the best season they have had in 11 years. The Cowboys certainly cannot be labeled ''slowpokes,'' considering they have defeated top-ranking teams such as New Mexico and Utah. In fact, the Cowboys are now in third place in the Western Athletic Conference Mountain Division and will be competing for postseason tournament consideration in March. Wyoming will be given serious consideration as a WAC entry for the NCAA Tournament. I commend Wyoming's basketball team, their athletic department, and the University of Wyoming for a job well done.

Although Wyoming won the most recent border war, I would be remiss if I did not congratulate at least the Rams' seniors and wish CSU the best of luck in their remaining games. I look forward to a strong WAC contingent in the NCAA tournament and hope that CSU will be there to represent the Western Athletic Conference as well.

The University of Wyoming basketball team is to be commended for a great win against Colorado State University. I am excited about the competition in the WAC, typified by the longstanding rivalry between the border universities.

Great job, to the University of Wyoming.

I yield the remainder of my time.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. ENZI. Mr. President, I also ask for just a couple of minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

CSU-WYOMING GAME

Mr. ENZI. Mr. President, I would like to take this opportunity to thank my colleague from Colorado for his outstanding sportsmanship and for recognition of this great rivalry between two universities that are part of the Western Athletic Conference, a conference that is coming into its own and being recognized nationally. We are certain that because of rankings of two of the teams, and probably three of the teams, they will be in the NCAA National Tournament. There are a lot of kids out there who are well deserving of being in that. They are fierce competitors. Of course, this is one of the old rivalries of basketball. They have been isolated by being in the far West for a long time, and, as a result, have enjoyed playing each other because of what is a close proximity out there. Just being an hour's transportation away is quite a feat in the far West.

Both schools have outstanding basketball teams. But I would be remiss if I didn't mention the outstanding schools that these basketball teams represent, particularly a portion of the school at Fort Collins that Senator ALLARD is a graduate of, the veterinarian school, which is world renowned. But both schools have a number of schools that are well recognized throughout the United States and around the world. We hope that kids take a look at both universities when they are interested attending in school.

Again, I thank my colleague for his gracious comments about the University of Wyoming. The kids there appreciate it.

I yield my time.

Mr. CHAFEE. 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. JEFFORDS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CHANGE OF VOTE

Mr. JEFFORDS. Mr. President, on rollcall vote No. 17, I am recorded as voting ''yes'' when I actually voted ''no.'' I ask unanimous consent that the record of my vote be changed to ''no.'' This will in no way change the final outcome of the vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The foregoing tally has been changed to reflect the above order.)

Mr. JEFFORDS. Mr. President, I 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. CHAFEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BENNETT). Without objection, it is so ordered.

THE OCEAN SHIPPING REFORM ACT

Mr. LOTT. Mr. President, I rise today to report on the status of the Ocean Shipping Reform bill, S. 414. This bill is one of two very important bills in the Senate which are badly needed to reform America's maritime industry. The other such bill would implement the OECD Shipbuilding Agreement.

A few months ago, I reported that the Ocean Shipping Act was D.I.W.—''dead in the water''. Down on my native Gulf Coast, that usually means the engines are broken. ''D.I.W'' doesn't mean you're sinking—it just means you've got some work to do. It means that everyone's got to roll up their sleeves, get down in the engine space, pitch in and get the problem fixed.

And, I'm glad to say, that's just what the maritime industry has done. Rolled up their sleeves and fixed the engine of the Ocean Shipping Reform bill.

I am pleased to report that staff members of the shippers, port authorities, ocean carriers, and labor unions—all rolled up their sleeves and have fixed this legislation.

It was very important to get everyone working together on this bill. The maritime industry is very large and very complex. Given the many interests involved, it is not surprising it has required slow, steady, and difficult work to get this bill ship-shape and steaming along.

But that work has been done—and I want to congratulate those who have done the heavy repair work. We are now prepared to move quickly to pass this legislation.

Mr. BREAUX. Mr. President, I too am pleased to report on the successful efforts to prepare S. 414 for Senate passage. I would concur with the Majority Leader that the OECD Shipbuilding Agreement bill is badly needed and I believe it is long overdue. I am hopeful that the progress made on S. 414 would provide momentum to pass the OECD Shipbuilding Trade Agreement implementing legislation.

At the end of the last session, we prepared a draft Senate floor manager's amendment to this bill and circulated it within the industry and to members of the Senate. That draft manager's amendment was helpful in moving S. 414 along, but it also continued to present some serious problems to various sectors of the maritime community.

Accordingly, over the past several months, representatives of those affected maritime sectors have worked to find an acceptable solution and to resolve their differences. With the Commerce Committee staff's help and guidance, a package of modifications to that original manager's amendment have been agreed upon.

The diverse segments of the industry—U.S. ocean carriers, foreign ocean carriers, shippers, labor, and the ports—are now in agreement on how to reform and reduce government's role in international ocean transportation. More importantly, all these industry sectors have agreed on meaningful deregulation of the ocean shipping industry to allow greater choice, flexibility, and competition in this transportation mode.

Let me say that again. Mr. President, all these industry sectors are now in agreement. Although it is a delicate balance, it is still an agreement.

This agreement will lead to greater efficiency in providing ocean transportation services to U.S. importers and exporters, and will benefit American consumers. U.S. importers and exporters will now, under the reforms of S. 414, be able to enter into more comprehensive and productive contractual relationships with ocean carriers. At the same time, S. 414 provides important protections for ports and labor which will safeguard their interests in a more deregulated environment.

Mrs. HUTCHISON. Mr. President, I'd like to join my colleagues in commending the industry representatives for their efforts in crafting the modifications which have allowed them to join together in support of ocean shipping reform. The scope of industry support is impressive and includes U.S. and foreign flag carriers, the National Industrial Transportation League, the American Association of Port Authorities, and organized labor.

I would like to detail some of the modifications to the manager's amendment of S. 414. I believe these modifications show how much thought and work have gone into this agreement. Those modifications being made to the manager's amendment of S. 414 are as follows:

1. Amend section 8(c) of the 1984 Act to provide that all service contracts are treated in a uniform manner. Individual ocean carrier and agreement service contracts would be filed confidentially with the FMC, and an abbreviated set of essential terms would be made publicly available. A similar uniform method of contract regulation was unanimously adopted by the Senate Committee on Commerce, Science, and Transportation for S. 414 and was included in the bill as reported. This addresses the core concern and goal of shippers and various carriers who want to be able to enter into contracts with confidential rates and service terms. At the same time, it allows for some transparency, thereby addressing the concerns of ports, labor and some small shippers and carrier interests.

2. Revise section 8(c) of the 1984 Act to provide for a mechanism for labor organizations to obtain information on the movement of cargo in the dock or port area that would otherwise not be disclosed as a result of these amended service contract publication requirements. This will help these organizations to continue to enforce their collective bargaining agreements with ocean carriers.

3. Continue the existing requirement that NVOCCs offer their services to shippers pursuant to tariffs, instead of service contracts. NVOCCs, as shippers, are free to pursue the purchase of ocean carrier service through the amended service contract process.

4. Amend section 10(c)(4) of the 1984 Act to permit ocean carriers to jointly negotiate U.S. inland transportation rates and services with truck, rail or air carriers when such negotiations are subject to pro-competitive restrictions, such as the antitrust laws. Today, ocean carriers cooperate with respect to the utilization of space on vessels. Enabling them to cooperate in connection with rail service, for example, will allow for greater efficiencies. Such cooperation could improve movement of containers in and out of the port area.

5. Revise section 13(f) of the 1984 Act to make clear that, while a common carrier may be penalized for charging shippers less than its tariff or service contract rates, a carrier should not be able to collect from the shipper the difference between the tariff or contract rate and the rate actually charged and agreed upon in writing. The collection of these so-called ''undercharges'' was a major problem for shippers when the trucking industry was deregulated. We want to avoid any recurrence of that problem in connection with ocean shipping reform.

Finally, we will clarify that members of an agreement will not be penalized under the revised 1984 Act because a member divulges confidential service contract information. The offending member will be liable for breach of contract damages, but the government should have no role in policing the confidential agreements of carriers and shippers. While no revision to S. 414 is needed to accomplish this objective, an appropriate statement of clarification will be made by the managers of the bill.

Mr. President, again let me express my appreciation to all those who have worked on and support these modifications and the passage of meaningful ocean shipping reform. I and my colleagues, as well as the maritime industry, look forward to enacting this bill this year.

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 a withdrawal and 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 10:40 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1544, An act to prevent Federal agencies from pursuing policies of unjustifiable nonacquiescence in, and relitigation of, precedents established in the Federal judicial circuits.

H.R. 2181. An act to ensure the safety of witnesses and to promote notification of the interstate relocation of witnesses by States and localities engaging in that relocation, and for other purposes.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent and referred as indicated:

H.R. 1544. An act to prevent Federal agencies from pursuing policies of unjustifiable nonacquiescence in, and relitigation of, precedents established in the Federal judicial circuits; to the Committee on the Judiciary.

H.R. 2181. An act to ensure the safety of witnesses and to promote notification of the interstate relocation of witnesses by States and localities engaging in that relocation, and for other purposes; to the Committee on the Judiciary.

ENROLLED BILLS SIGNED

The following enrolled bills, previously signed by the Speaker of the House, were signed on February 25, 1998, by the President pro tempore (Mr. THURMOND):

S. 916. An act to designate the United States Post Office building located at 750 Highway 28 East in Taylorsville, Mississippi, as the ''Blaine H. Eaton Post Office Building.''

S. 985. An act to designate the post office located at 194 Ward Street in Paterson, New Jersey, as the ''Larry Doby Post Office.''

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on February 26, 1998 he had presented to the President of the United States, the following enrolled bills:

S. 916. An act to designate the United States Post Office building located at 750 Highway 28 East in Taylorsville, Mississippi, as the ''Blaine H. Eaton Post Office Building.''

S. 985. An act to designate the post office located at 194 Ward Street in Paterson, New Jersey, as the ''Larry Doby Post Office.''

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HATCH, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

H.R. 1534. A bill to simplify and expedite access to the Federal courts for injured parties whose rights and privileges, secured by the United States Constitution, have been deprived by final actions of Federal agencies, or other government officials or entities acting under color of State law; to prevent Federal courts from abstaining from exercising Federal jurisdiction in actions where no State law claim is alleged; to permit certification of unsettled State law questions that are essential to resolving Federal claims arising under the Constitution; and to clarify when government action is sufficiently final to ripen certain Federal claims arising under the Constitution.

By Mr. HATCH, from the Committee on the Judiciary, without amendment:

S. Res. 181. A resolution expressing the sense of the Senate that on March 2nd, every child in America should be in the company of someone who will read to him or her.

By Mr. HATCH, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

S. 1244. A bill to amend title 11, United States Code, to protect certain charitable contributions, and for other purposes.

By Mr. HATCH, from the Committee on the Judiciary, with an amendment:

S. 1605. A bill to establish a matching grant program to help States, units of local government, and Indian tribes to purchase armor vests for use by law enforcement officers.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. THURMOND, from the Committee on Armed Services:

The following named officer for appointment in the United States Air Force to the grade indicated under title 10, U.S.C., section 624:

To be major general

Brig. Gen. Robert C. Hinson, 6467

The following named officer for appointment in the United States Air Force to the grade indicated under title 10, U.S.C., section 624:

To be brigadier general

Col. Gary A. Winterberger, 7009

The following Air National Guard of the United States officer for appointment in the Reserve of the Air Force to the grade indicated under title 10, U.S.C., section 12203:

To be brigadier general

Col. Russell C. Axtell, 1784

The following named officer for appointment in the United States Air Force to the grade indicated under title 10, U.S.C., section 624:

To be major general

Brig. Gen. Garry R. Trexler, 6465

The following Air National Guard of the United States officers for appointment in the Reserve of the Air Force, to the grade indicated under title 10, U.S.C., section 12203:

To be major general

Brig. Gen. Larry K. Arnold, 3721
Brig. Gen. James H. Bassham, 8202
Brig. Gen. George F. Scoggins, Jr., 5952

To be brigadier general

Col. James F. Barnette, 4440
Col. Ralph J. Clifft, 6308
Col. Harold A. Cross, 6940
Col. Thomas G. Cutler, 0206
Col. Gilbert R. Dardis, 0949
Col. Thomas P. Maguire, Jr., 5939
Col. Barbara J. Nelson, 8708
Col. Avrum M. Rabin, 7297
Col. Gary L. Sayler, 7927
Col. Andrew J. Thompson, IV, 0451
Col. Harry A. Trosclair, 5962
Col. Stephen L. Vonderheide, 3217

The following Air National Guard of the United States officers for appointment in the Reserve of the Air Force to the grade indicated under title 10, U.S.C., section 12203:

To be major general

Brig. Gen. Fred E. Ellis, 9826
Brig. Gen. Edward R. Jayne, II, 0797
Brig. Gen. Carl A. Lorenzen, 9580
Brig. Gen. Richard A. Platt, 5817
Brig. Gen. John H. Smith, 7849
Brig. Gen. Irene Trowell-Harris, 0379

To be brigadier general

Col. William E. Bonnell, 6991
Col. Edward H. Greene, II, 8459
Col. Robert H. Harkins, III, 3718
Col. James W. Higgins, 5324
Col. Robert F. Howarth, Jr., 5285
Col. Thomas C. Hruby, 4185
Col. Richard S. Kenney, 4868
Col. Phil P. Leventis, 5798
Col. Charles A. Morgan, III, 9002
Col. Jerry W. Ragsdale, 4281
Col. Lawrence D. Rusconi, 1916
Col. Richard H. Santoro, 9860
Col. Wayne L. Schultz, 7036
Col. Ralph S. Smith, Jr., 2016
Col. Ronald C. Szarlan, 0548
Col. James K. Wilson, 1397
Col. Ruth A. Wong, 1961

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Maj. Gen. William P. Tangney, 4937

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Lt. Gen. John M. Keane, 9856

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Maj. Gen. John M. McDuffie, 7976

The following named officer for appointment in the United States Army to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be lieutenant general

Maj. Gen. William F. Kernan, 5841

The following Army National Guard of the United States officer for appointment in the Reserve of the Army to the grade indicated under title 10, U.S.C., section 12203:

To be brigadier general

Col. Joseph W. Godwin, 9278

The following Army National Guard of the United States officers for appointment in the Reserve of the Army to the grade indicated under title 10, U.S.C. section 12203:

To be brigadier general

Col. James E. Caldwell, III, 1384
Col. Robert C. Hughes, Jr., 4532

The following named officer for appointment in the Reserve of the United States Marine Corps to the grade indicated under title 10, U.S.C., section 12203:

To be major general

Brig. Gen. Arnold L. Punaro, 5023

The following named officers for appointment in the Reserve of the United States Marine Corps to the grade indicated under title 10, U.S.C., section 12203:

To be brigadier general

Col. John W. Bergman, 6022
Col. John J. McCarthy, Jr., 8507

The following named officers for appointment in the United States Marine Corps to the grade indicated under title 10, U.S.C., section 624:

To be major general

Brig. Gen. Martin R. Berndt, 8515
Brig. Gen. David F. Bice, 8140
Brig. Gen. Wallace C. Gregson, Jr., 5925
Brig. Gen. Michael W. Hagee, 5620
Brig. Gen. Michael A. Hough, 9437
Brig. Gen. Dennis T. Krupp, 6282
Brig. Gen. Robert Magnus, 6252
Brig. Gen. David M. Mize, 9683
Brig. Gen. Henry P. Osman, 9358
Brig. Gen. Garry L. Parks, 1088
Brig. Gen. Randall L. West, 8789

The following named officers for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

To be rear admiral

Rear Adm. (1h)Jay A. Campbell, 8580
Rear Adm. (1h)Robert C. Chaplin, 7451
Rear Adm. (1h)James C. Dawson, Jr., 7743
Rear Adm. (1h)MalcolmI Fages, 4038
Rear Adm. (1h)Scott A. Fry, 5541
Rear Adm. (1h)Gregory G. Johnson, 3052
Rear Adm. (1h)Albert H. Konetzni, Jr., 2358
Rear Adm. (1h)Joseph J. Krol, Jr., 6388
Rear Adm. (1h)Richard W. Mayo, 4195
Rear Adm. (1h)Michael G. Mullen, 9509
Rear Adm. (1h)Larry D. Newsome, 7662
Rear Adm. (1h)William W. Pickavance, Jr., 9782
Rear Adm. (1h)William L. Putnam, 6795
Rear Adm. (1h)Paul S. Semko, 1736
Rear Adm. (1h)Robert G. Sprigg, 0549
Rear Adm. (1h)Donald A. Weiss, 7917
Rear Adm. (1h)Richard D. West, 7494
Rear Adm. (1h)Harry W. Whiton, 2916
Rear Adm. (1h)Thomas R. Wilson, 1606
Rear Adm. (1h)George R. Yount, 7416

The following named officer for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

To be rear admiral (lower half)

Capt. (lh) Kathleen L. Martin, 3639

(The above nominations were reported with the recommendation that they be confirmed.)

Mr. THURMOND. Mr. President, for the Committee on Armed Services, I report favorably 23 nomination lists in the Air Force, Army, Marine Corps, and the Navy which were printed in full in the Records of November 6, 1997, January 29, February 11 and 12, 1998, 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 November 6, 1997, January 29, February 11 and 12, 1998, at the end of the Senate proceedings.)

In the Air Force nominations beginning Naomi A. Behler, and ending Bryce C. Shutt, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of November 6, 1997.

In the Air Force nominations beginning John G. Bitwinski, and ending Gary A. Howell, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 29, 1998.

In the Air Force nominations beginning Kurt W. Andreason, and ending Rawson L. Wood, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 29, 1998.

In the Air Force nominations beginning David W. Arnett, II, and ending Bruce E. Vanderven, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 29, 1998.

In the Army nominations beginning James P. Neely, and ending John C. Warnke, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 29, 1998.

In the Army nominations beginning Roland G. Alger, and ending Johnniel Young, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 29, 1998.

In the Army nominations beginning Stephen E. Castlen, and ending John I. Winn, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 29, 1998.

In the Army nominations beginning John P. Barbee, and ending Paul L. Vicalvi, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 29, 1998.

In the Army nominations beginning Steven G. Bolton, and ending Timothy J. Wright, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 29, 1998.

In the Army nomination of Bruce F. Brown, which was received by the Senate and appeared in the CONGRESSIONAL RECORD of January 29, 1998. In the Army nominations beginning Donald E. Ballard, and ending Merrel W. Yocum, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 29, 1998.

In the Army nomination of Morris C. McKee, Jr., which was received by the Senate and appeared in the CONGRESSIONAL RECORD of January 29, 1998.

In the Army nominations beginning Edward S. Crosbie, and ending Martha A. Sanders, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 29, 1998.

In the Army nominations beginning Gary A. Doll, and ending Gordon E. Wise, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 29, 1998.

In the Army nominations beginning Benjamin J. Adamcik, and ending Joy L. Ziemann, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 29, 1998.

In the Marine Corps nominations beginning Hugh J. Bettendorf, and ending William J. Cook, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 29, 1998.

In the Marine Corps nominations beginning Charles G. Hughes, II, and ending William S. Watkins, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 29, 1998.

In the Marine Corps nomination of Kent J. Keith, which was received by the Senate and appeared in the CONGRESSIONAL RECORD of January 29, 1998.

In the Navy nomination of Albert W. Schmidt, which was received by the Senate and appeared in the CONGRESSIONAL RECORD of January 29, 1998.

In the Navy nomination of Jeffery W. Levi, which was received by the Senate and appeared in the CONGRESSIONAL RECORD of January 29, 1998.

In the Navy nominations beginning David Avencio, and ending Daniel Way, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of January 29, 1998.

In the Army nominations beginning Craig H. Anderson, and ending Bruce E. Zukauskas, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 11, 1998.

In the Air Force nominations beginning John R. Abel, and ending Helen R. Yosko, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 12, 1998.

By Mr. HATCH, from the Committee on the Judiciary:

M. Margaret McKeown, of Washington, to be United States Circuit Judge for the Ninth Circuit, vice J. Jerome Farris, retired.

Thomas J. Umberg, of California, to be Deputy Director for Supply Reduction, Office of National Drug Control Policy, vice John P. Walters, resigned.

Robert A. Miller, of South Dakota, to be a Member of the Board of Directors of the State Justice Institute for a term expiring September 17, 2000, vice David Allen Brock, term expired.

Randall Dean Anderson, of Utah, to be United States Marshal for the District of Utah for the term of four years, vice Daniel C. Dotson, retired.

(The above nominations were reported with the recommendation that they be confirmed.)

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. CONRAD:

S. 1681. A bill to shorten the campaign period for congressional elections; to the Committee on Rules and Administration.

By Mr. D'AMATO (for himself, Mr. GRAHAM, Mr. ABRAHAM, Mr. MOYNIHAN, Mr. BIDEN, Mr. INHOFE and Mrs. FEINSTEIN):

S. 1682. A bill to amend the Internal Revenue Code of 1986 to repeal joint and several liability of spouses on joint returns of Federal income tax, and for other purposes; to the Committee on Finance.

By Mr. GORTON:

S. 1683. A bill to transfer administrative jurisdiction over part of the Lake Chelan National Recreation Area from the Secretary of the Interior to the Secretary of Agriculture for inclusion in the Wenatchee National Forest; to the Committee on Energy and Natural Resources.

By Mr. HUTCHINSON:

S. 1684. A bill to allow the recovery of attorneys' fees and costs by certain employers and labor organizations who are prevailing parties in proceedings brought against them by the National Labor Relations Board; to the Committee on Labor and Human Resources.

S. 1685. A bill to amend the National Labor Relations Act to require the National Labor Relations Board to resolve unfair labor practice complaints in a timely manner; to the Committee on Labor and Human Resources.

By Mr. HUTCHINSON (for himself, Mr. DEWINE, and Mr. MACK):

S. 1686. A bill to amend the National Labor Relations Act to determine the appropriateness of certain bargaining units in the absence of a stipulation or consent; to the Committee on Labor and Human Resources.

By Mr. THOMPSON:

S. 1687. A bill to provide for notice to owners of property that may be subject to the exercise of eminent domain by private nongovernmental entities under certain Federal authorization statutes, and for other purposes; to the Committee on Governmental Affairs.

By Mr. DORGAN:

S. 1688. A bill to amend the Communications Act of 1934 to limit types of communications made by candidates that receive the lowest unit charge; to the Committee on Commerce, Science, and Transportation.

By Mr. DOMENICI:

S. 1689. A bill to reform Federal election law; to the Committee on Rules and Administration.

By Mr. FAIRCLOTH:

S. 1690. A bill to provide for the transfer of certain employees of the Internal Revenue Service to the Department of Justice, Drug Enforcement Administration, to establish the Department of National Drug Control Policy, and for other purposes; to the Committee on Governmental Affairs.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. D'AMATO (for himself and Mr. TORRICELLI):

S. Res. 184. A resolution expressing the sense of the Senate that the United States should support Italy's inclusion as a permanent member of the United Nations Security Council if there is to be an expansion of this important international body; to the Committee on Foreign Relations.

By Mr. HOLLINGS (for himself, Mr. DORGAN, Mr. DASCHLE, Mrs. MURRAY, Mr. JOHNSON, Mr. FORD, Mr. CONRAD, Mr. LAUTENBERG, and Mr. REID):

S. Res. 185. A resolution to express the sense of the Senate that Congress should save Social Security first and should finance any tax cuts or new investments with other funds until legislation is enacted to make Social Security actuarially sound and capable of paying future retirees the benefits to which they are entitled; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CONRAD:

S. 1681. A bill to shorten the campaign period for congressional elections; to the Committee on Rules and Administration.

CAMPAIGN FINANCE LEGISLATION

Mr. CONRAD. Mr. President, I want to commend the Senator from Wisconsin, Senator FEINGOLD. Nobody has shown a greater commitment to try to change the system that is broken than the Senator from Wisconsin. He has worked diligently with Members on the other side of the aisle to fashion a plan that would command a majority of support.

I am certain there are people watching today who wonder how can it be that a majority is in favor but it does not get passed, because we all learn in our civics classes that majority rules in America. Well, majority rules at election time; unfortunately, it does not rule on the floor of the U.S. Senate because, if it did, McCain-Feingold would be passed with votes to spare and we would have our first serious reform of the campaign financing system in this country in years. Is there any question that it is needed? Is there any American who seriously believes that the system that we have is the right system? I can tell you, as one who has run three times for the U.S. Senate, this system is broken, this system is rotten, this system is corrupting and it ought to be changed.

Mr. President, last October we began this debate—last October. We resumed it on Monday. And once again we appear to be in gridlock on this important issue. During my 11 years in the Senate, there have been numerous attempts to address the problems that confront the financing of American elections. Unfortunately, all of these initiatives have failed. It is clear, I think, now more than ever that we

need to change the system. Simply put, campaigns are too long and they are too expensive. I tell you, anywhere I go in my constituency, people say to me, ''Gee, do we really have to be subjected to ads for a year?''

In my last campaign, the campaign ads started almost a year before the election. And we are not the exception. People are saying, ''Wait a minute. That is too much.'' I saw last night on television, Presidential candidates are already in New Hampshire, and the election is 3 years away. Campaigns are too long and they are too expensive.

That is why today I am introducing legislation that will reduce the length and the cost of campaigns. I think increasingly the electorate is saying to us, ''look, shorten these campaigns. That's the one sure way to reduce the money that is flowing into them.''

During the 1996 election cycle, we saw record amounts of money spent on campaigns. Total costs for congressional elections have increased sixfold since 1976. We can see back in 1976, all congressional campaigns, $99 million. Look at this, up, up, and away; every election, up, up, up—$765 million in the last election cycle.

Where does this stop? We have Senators who are supposed to be raising $10,000 a day. It is the average for a Senator to run a campaign. There is talk now in California that a typical Senate race will cost $30 million. We are turning Senators into full-time fundraisers. Is that what we want in this country? I do not think so. I do not think that is what the American people want us to be doing with our time.

Let me go to the next chart that shows the average cost of winning a Senate seat went from $600,000 in 1976—$600,000—to nearly $4 million today. Those increased costs are primarily due to the skyrocketing cost of campaign advertising.

Let me go to the next chart. The total amount of money spent on campaign advertising jumped nearly eightfold during this period, from $51 million in 1976 to over $400 million in 1996.

It has been estimated that television advertising accounts for nearly half of the funds spent on Senate campaigns.

Clearly, candidates are being forced to spend too much time raising campaign money and not enough time debating the issues adn listening to the concerns of the voters. Our current system threatens to push average Americans out of the electoral process.

I hear it all the time when we go out to recruit candidates—how can I possibly raise that amount of money to be competitive? Now, that should not be the determinant. The determinant on whether somebody is a candidate should be their qualifications, their skills and abilities to serve their constituents.

In 1960, the total amount of money spent on all political campaigns in the United States was $175 million. In 1996, that figure increased to $4 billion. Here it is, $175 million in 1960, $4 billion in 1996.

What has happened to participation? Participation was 63 percent of the American people who voted in 1960. In 1996, less than half of those eligible voted. People are turning off to this process. One of the big reasons is the money. They know money is dominating political campaigns in America and they are sick of it and they fell disenfranchised by it. Most people understand the corrosive effect of the current campaign system.

The people of my State, and I believe the people of the Nation, want the system changed. My legislation addresses in a fair and reasonable manner the problems associated with the length and costs of campaigns. Under my bill, if candidates agree to limit their campaign ads to 2 months before a general election and 1 month before a primary election, they will receive reduced broadcast advertising rates. I have been advised by the Congressional Research Service that my proposal would be upheld as fully constitutional. Under current law, broadcasters must sell time to candidates at the lowest unit rate in the 45 days before a primary and the last 60 days before a general election. My bill modifies this provision by requiring broadcasters to sell time to eligible candidates at 50 percent of the lowest unit rate in the last 30 days of a primary election and in the last 60 days of a general election. This time cannot be preempted.

In addition, for a candidate to qualify, the ads must be at least 1 minute in length. Broadcasters can't preempt this time. I want to emphasize that. Nonparticipating candidates will not be eligible for this lower rate. I would even support using broadcast spectrum revenues to offset the cost to broadcasters of these lower rates for candidates in order to provide an incentive for people to sign up for the shorter campaign period. I think that would be supported by not only both parties—I noted the majority leader indicated that he would strongly support reducing the length of campaigns, but I think it would also be welcomed by the American people who are tired of the deluge of political ads.

My legislation will achieve this end in a constitutional manner and reduce the amount of money spent on campaigns. It is high time to change this system.

I want to again commend the Senator from Wisconsin for his outstanding leadership on this subject and submit to my colleagues it is time for us to consider a radical restructuring of how we run our elections.

I yield the floor.

Mr. FEINGOLD. Mr. President, I thank the Senator from North Dakota very much and look forward to looking carefully at his proposal.

By Mr. D'AMATO (for himself, Mr. GRAHAM, Mr. ABRAHAM, Mr. MOYNIHAN, Mr. BIDEN, and Mr. INHOFE):

S. 1682. A bill to amend the Internal Revenue Code of 1986 to repeal joint and several liability of spouses on joint returns of Federal income tax, and for other purposes; to the Committee on Finance.

INTERNAL REVENUE CODE LEGISLATION

Mr. D'AMATO. Mr. President, I rise today to introduce legislation with my good friends and distinguished colleagues, the senior Senator from New York, Senator MOYNIHAN, Senator GRAHAM of Florida and Senator ABRAHAM. Our bill is rightfully entitled the ''Innocent Spouse Tax Relief Act of 1998.''

Mr. President, this bill will bring relief to innocent spouses, predominantly women, women who have been held responsible now for the tax liabilities incurred by their husbands. Merely because they happen to file a joint return, they then become held hostage and are liable in some cases. The Finance Committee, these past several weeks, has been holding hearings.

On February 11, we held hearings on how the IRS administers the tax law after a divorce or separation. We had a number of women who came forward, women who related the most shocking tales of how they have been harassed, how they have been pursued for overdue tax debts, not that they incurred but that were incurred by their husbands.

Under the current law, when a spouse signs a joint tax return, they become 100 percent responsible and liable for the other spouse's tax errors. This law exposes the innocent spouse to incredible financial obligations and emotional harm that follows thereafter.

Let me give you the case in point that one person brought to our attention—Elizabeth Cockrell. Elizabeth came to this country from Canada at the age of 28, married a commodities broker. The marriage lasted 3 years. Now, 9 years after her divorce—9 years after her divorce—the Internal Revenue Service came to her and said her husband owed initially $100,000 because he had taken deductions with tax shelters that they disallowed.

They came after her and they said, ''You owe $500,000.'' Now, here is this single person—no fault of her own—she was not involved in the business, had no knowledge that these tax shelters would be declared illegal, and 9 years after her marriage they come to her and say, ''You owe $500,000.'' Today, as a result of the interest and penalties that have accrued, she is now in debt to the tune, according to the IRS, of $650,000.

Her only mistake was signing a joint return with her husband. Because she signed that return, she became individually responsible for 100 percent of that tax. Thus far, the IRS has only pursued her and not her husband and refuses to let her lawyer know that, if anything, they are going to pursue her husband. They have not been able to collect from him, so they go after her. She has a child, a job; she has community

roots, so she is an easy target and they go after her.

She has done nothing wrong. She has attempted to settle with the IRS, but they refuse. This is just one case. But, Mr. President, let me say that the General Accounting Office has estimated that there are 50,000 cases a year—every year 50,000 new cases come up.

Every year we have innocent spouses who are being pursued, not because they have incurred a tax liability which they are responsible for but because of the arcane law they are held to, what we call joint and several liability. So they may have had no knowledge of the misdeeds or of the mistake, and they are held responsible.

So Elizabeth Cockrell represents what is taking place repeatedly. Now we have literally hundreds of thousands of women who are being pursued by the Internal Revenue Service whose husbands or spouses may have left owing the IRS moneys. And now they have multiplied, in the case of Elizabeth Cockrell where her husband, former husband, initially owed $100,000, and he is now being pursued, and it is up to $650,000. Next year it will rise.

So these are not nameless and faceless people; these are people, and 90 percent of them are women. Tremendous hardship. Our bill will say clearly that a person can only be held liable for the income that he or she has earned, and the failure to report properly, yes, they will be held liable, but not an innocent spouse.

Mr. President, the American Bar Association has recommended this legislation and, indeed, has worked with myself and Senator GRAHAM—I see my colleague from Florida who has cosponsored this along with Senator MOYNIHAN—and they have recommended this change. They do not recommend changes in the tax laws easily. They recognize that this is absolutely discriminatory.

In addition, the National Taxpayers Union—300,000 members—they have recommended this legislation. It is long overdue.

Last, but not least, we have hundreds of thousands of people today, mostly women—90 percent of them are women—who are being pursued improperly. The Internal Revenue Service has no choice, given the way the legislation now exists. Our bill would free these people from this unfair obligation which is now being thrust upon them. The hundreds of thousands of working women who are now being pursued unfairly, not because they have incurred any tax liability on their own, but simply because they were married and they were the innocent spouse of someone who filed incorrectly, improperly, or withheld information that they were not aware of.

Mr. BIDEN. Will the Senator yield for a question?

Mr. D'AMATO. Yes.

Mr. BIDEN. Will you be kind enough to add me as a cosponsor?

Mr. D'AMATO. I will be glad to add Senator BIDEN, the senior Senator—he has been here a long time, but he is not the senior Senator—as an original cosponsor.

Mr. President, I ask unanimous consent to add Senator BIDEN as a cosponsor of my legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. D'AMATO. Mr. President, I urge my colleagues to support this important, bipartisan proposal to improve fairness.

We talk about fairness. I do not know when we are going to change the overall IRS Code, et cetera, but this certainly will restore confidence among taxpayers and give desperately needed relief to hundreds and hundreds of thousands of working moms out there who are now being pursued improperly.

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

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

S. 1682

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

SECTION 1. REPEAL OF JOINT AND SEVERAL LIABILITY ON JOINT RETURNS.

(a) IN GENERAL.—Paragraph (3) of section 6013(d) of the Internal Revenue Code of 1986 (relating to special rules) is amended to read as follows:

''(3) if a joint return is made, the tax shall be computed on the aggregate income, and liability for tax shall be determined under subsection (e).''

(b) DETERMINATION OF PROPORTIONAL OR SEPARATE LIABILITY FOR PAYMENT OF TAX WITH RESPECT TO JOINT RETURNS.—Section 6013(e) of the Internal Revenue Code of 1986 (relating to spouse relieved of liability in certain cases) is amended to read as follows:

''(e) LIABILITY FOR PAYMENT OF TAX WITH RESPECT TO JOINT RETURNS.—When spouses elect to file a joint return for a taxable year, the liability for tax with respect to that year shall be determined as follows:

''(1) TAX REPORTED ON THE RETURN.—The liability for the tax computed with respect to income and deductions as reported on the return shall be in proportion to the tax liability which each spouse would have incurred if each had reported his or her apportionable items on a separate return of a married individual, provided that a payment by one spouse in excess of such spouse's proportionate share of liability for the tax reported on the return shall not be refunded unless there is an overpayment with respect to the return.

''(2) LIABILITY FOR DEFICIENCIES IMPOSED ON THE RESPONSIBLE SPOUSE.—Liability for a deficiency shall be imposed as follows:

''(A) With respect to an item of income, on the individual spouse to whom the item is apportionable.

''(B) With respect to an item of deduction, on the individual spouse to whom the item is apportionable to the extent that income apportioned to such spouse was offset by the deduction.

Liability for deficiency in excess of the amount allocated under subparagraph (B) shall be imposed on the other spouse.

''(3) APPORTIONABLE ITEMS.—A taxpayer's apportionable items shall be the taxpayer's share of the income and deductions reportable on the joint return of the taxpayer and his spouse, apportioned in the same manner as income and deductions are apportioned under section 861 (determination of income from sources within the United States). The Secretary may prescribe regulations under which simplified apportionment methods are authorized in making these determinations.''

SEC. 2. COMMUNITY PROPERTY LAWS DISREGARDED IN DETERMINING TAX LIABILITY.

(a) IN GENERAL.—Section 66 of the Internal Revenue Code of 1986 (relating to treatment of community income) is amended to read as follows:

''SEC. 66. COMMUNITY PROPERTY LAWS.

''(a) TAX LIABILITY.—For the purpose of determining the tax liability of an individual under this chapter, community property laws shall be disregarded.

''(b) ATTRIBUTION OF INCOME AND DEDUCTIONS UNDER COMMUNITY PROPERTY LAW.—

''(1) IN GENERAL.—For purposes of chapter 1, the income and deductions of a taxpayer and his spouse under community property law shall be allocated between the spouses under rules similar to the allocation rules of section 879(a) (relating to treatment of community income of nonresident alien individuals).

''(2) INCOME DERIVED FROM PROPERTY ALLOCATED ACCORDING TO TITLE.—Notwithstanding paragraph (1), community income which is derived from property shall be allocated in the same manner as the spouses hold title to such property and not as provided in paragraph (4) of section 879(a).''

(b) CONFORMING AMENDMENT.—The table of sections for part I of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended by striking the item relating to section 66 and inserting:

''Sec. 66. Community property laws.''

SEC. 3. EFFECTIVE DATE.

The amendments made by this Act shall apply to taxable years beginning before, on, or after the date of the enactment of this Act.

Mr. GRAHAM. Mr. President, I join with my colleague, Senator D'AMATO, Senator MOYNIHAN, Senator BIDEN and others in cosponsoring the innocent spouse legislation.

Under existing law, married taxpayers are liable for their spouse's Federal income taxes when they file a joint return. This is true regardless of which spouse earns what income, which spouse is responsible for expenses that qualify as deductions or credits. Each spouse is potentially liable for all of the couple's tax debts. You might ask why do couples agree to take on each other's debts. There are probably multiple reasons. For one, many couples want to intermingle all their finances as part of their marriage. Most couples filing jointly reduce the couple's overall tax liability. Most married couples do not contemplate a subsequent separation or divorce and unpaid taxes when they file a joint return.

Unfortunately, separations and divorces do occur. It is in dividing up the assets and liabilities of the marriage that many women discover that their ex-husband erred on the joint tax return and that the IRS is in pursuit of the unpaid taxes. The Finance Committee hearings and reports issued by the Treasury Department demonstrate that many times the IRS does not focus on collecting money from the ex-husband either because he cannot be found as easily or because he has few

assets or income-earning potential. Instead, it is the innocent spouse who becomes the target of the collection effort. This is true despite the fact that when the return was completed and filed the wife may have had little or no income and may have had little, if any, knowledge about the couple's financial affairs.

If I could use as a specific example that illustrates literally thousands of cases, one of the witnesses who testified before the Finance Committee at the February 11, 1998, meeting was Ms. Karen Andreasen of Tampa, FL. Here is her story. Unfortunately it is all too topical of many American women.

Ms. Andreasen testified that her husband, who ironically was a former IRS employee and financial consultant operating his own business, had handled most of the family's financial affairs including completing tax returns. When the couple decided to divorce, Ms. Andreasen learned that the couple had significant potential IRS debts. She testified that her ex-husband had forged her name on joint returns, yet the IRS was holding her responsible for the tax liability resulting from her ex-husband's business. Even though Ms. Andreasen had no individual income for the years in question, she had been saddled for several years with the obligation for her husband's taxes, and her home today remains subject to a tax lien.

Why doesn't our current tax law provide protection for innocent spouses such as Ms. Andreasen? Well, Congress did pass what is called the innocent spouse rule several years ago. Under this law, in certain narrow circumstances, a spouse can be relieved of liability for taxes assessed by an IRS audit after a joint return is filed. However, its provisions are so complicated and narrow that few can meet all of its tests. There is a growing acceptance of the principle that now Congress needs to change the rules.

In 1995, the American Bar Association recommended the legislation which is being introduced today. The House has taken a different approach. It has adopted as part of its IRS reform bill liberalizations in the innocent spouse rule for purposes of providing relief to more innocent spouses. Even the Treasury and the IRS have acknowledged the need for reform and have already taken steps to provide taxpayers with more information regarding the current innocent spouse rules. They have also suggested several statutory and regulatory changes which would expand the innocent spouse provisions to accommodate more cases. However, neither the House bill nor the Treasury's proposals will solve the underlying problem. We must grant individuals fair treatment where the individual spouse makes an error on the return. To do that, we must allow individuals to take responsibility for their individual share of the joint tax liability.

The legislation which has been introduced today provides that all married taxpayers be taxed only on their individual incomes. The bill would not eliminate joint filing. It would not change the tax tables to eliminate the reduced taxes that many times accompany joint filings. The bill does simply say that if the IRS asserts a tax deficiency on a joint return, each spouse will be individually liable for his or her portion of the liability.

In other words, income and deductions attributable to activities will be used to calculate the husband's portion of the tax liability and a similar calculation of the wife or ex-wife's portion of the tax liability.

The bill specifically provides that it will be applicable to all open tax cases, including ones originating in years prior to the date of enactment. Mr. President, this legislation provides that its application will be retroactive to current open tax cases. This approach will guarantee relief for Karen Andreasen and the many other spouses who have, through no fault of their own, been placed in extreme financial and emotional distress.

Repealing the joint liability of spouses will simply the tax system and it will give the IRS clear guidance as to where to go to collect tax debts.

I want to thank Senator ROTH for organizing a thorough examination of the IRS in preparation for markup of the Internal Revenue Service reform bill. The legislation Senator D'AMATO, others, and I introduce today was generated as a result of that thorough investigation.

Mr. President, there have been unknown thousands of innocent spouses who have been subjected to extreme emotional and financial distress solely because they filed joint returns with their spouses. This legislation establishes fundamental equity in providing that each individual is responsible for his or her own actions, but will not be held accountable for actions or conduct of another.

By applying this legislation retroactively to currently open cases, we will provide significant and immediate relief to those who have been unfairly charged with taxes they did not rightly owe. We will establish the principle that liability for an erroneous item tracks responsibility and will force the IRS to collect taxes from the person who rightfully owes those taxes.

By Mr. GORTON:

S. 1683. A bill to transfer administrative jurisdiction over part of the Lake Chelan National Recreation Area from the Secretary of the Interior to the Secretary of Agriculture for inclusion in the Wenatchee National Forest; to the Committee on Energy and Natural Resources.

THE WENATCHEE NATIONAL FOREST INCLUSION ACT OF 1998

Mr. GORTON. Mr. President, today I am introducing S. 1683, legislation to transfer approximately 23 acres of land from the Lake Chelan National Recreation Area to the Wenatchee National Forest. This legislation is supported by both the National Park Service and the United States Forest Service, and would end a 10-year ordeal for my constituent, Mr. George C. Wall. Mr. Wall has been trying since 1987 to shift his 23 acres from the Recreation Area to the National Forest in order to more effectively manage his entire 168 plot of land. S. 1683 is non-controversial and I hope this body will approve it as expeditiously as possible.

By Mr. HUTCHINSON:

S. 1684. A bill to allow the recovery of attorneys' fees and costs by certain employers and labor organizations who are prevailing parties in proceedings brought against them by the National Labor Relations Board; to the Committee on Labor and Human Resources.

THE FAIR ACCESS TO INDEMNITY AND REIMBURSEMENT ACT

By Mr. HUTCHINSON:

S. 1685. A bill to amend the National Labor Relations Act to require the National Labor Relations Board to resolve unfair labor practice complaints in a timely manner; to the Committee on Labor and Human Resources.

THE JUSTICE ON TIME ACT OF 1998

By Mr. HUTCHINSON (for himself, Mr. DEWINE, and Mr. MACK):

S. 1686. A bill to amend the National Labor Relations Act to determine the appropriateness of certain bargaining units in the absence of a stipulation or consent; to the Committee on Labor and Human Resources.

THE FAIR HEARING ACT

Mr. HUTCHINSON. Mr. President, our economy is doing well. Over 13 million new jobs have been created in the last 5 years and unemployment is at a 24-year low. The engine behind this growth is America's entrepreneurs. Last year, over 840,000 new small businesses were started in this country adding to the 22 million small businesses already in existence in the United States.

Not only are new jobs being created at an astounding rate, but job satisfaction levels are on the rise as well. While these statistics are good news for America, they are a bitter pill for America's labor unions. Because of the strong employment conditions, unions are finding it increasingly difficult to identify workplaces that feel they need labor representation. In short, union membership is in a free-fall.

Last month, the Bureau of Labor Statistics reported that unions lost 159,000 members in 1997 alone. Union membership has declined from 14.5 percent of the work force to 14.1 percent this year. This drop in membership is hitting the unions where it hurts most, their pocketbooks. Unfortunately, rather than fighting back with legitimate, honest organizing tactics, unions are lashing out against America's merit shop employers with tactics aimed at undermining their very existence.

Mr. President, I am always reluctant to propose legislation that interferes in

private matters, particularly matters that deal with contractual relationships between employers and employees. However, in this case, the Federal Government, through the National Labor Relations Board, is a coconspirator in this union attack on small businesses.

For example, Little Rock Electrical Contractors, which is a merit shop contractor in my home State that hires both union and nonunion labor, has found itself on the barrel end of several unfair labor cases filed by workers the company has no record of ever even having hired or even interviewed.

Last year, George Smith of Little Rock Electrical Contractors testified before the Senate Labor and Human Resources Committee, on which I serve, that they often settle these meritless cases simply because of the cost of litigating them through the NLRB and the courts, which is a very, very expensive process indeed.

Mr. Smith said that his business cannot compete against the flood of cases that are filed against them and which are being litigated by Government lawyers working for the NLRB. Rather than fight, they simply pay. In the end, this not only hurts the employer but it hurts employees and consumers who bear the brunt of this cost in lower wages and in higher prices.

Mr. President, unfortunately, this case is not unique. Both the House and Senate Labor Committees have been flooded with testimony showing similar efforts by unions across the country to harass and intimidate employers whose employees have chosen not to organize. Interestingly, this practice, which is known as ''salting,'' rarely, if ever, results in a formal petition to organize. In fact, the true nature and intent of salting was best explained by Mr. Gene Ellis, an IBEW organizer, who wrote in the Maine Labor RECORD the following words. And I quote:

> We've had members get monetary awards in the thousands of dollars just for applying for a job, just a couple hours of effort. At this writing, I'm pleased to announce that five of our members will be sharing in $32,000 of BE&K's profits. All for just filling out an application.

On February 13, 1997, I introduced legislation that addresses the issue of salting. This legislation—called the Truth In Employment Act of 1997—would allow employers to reject an applicant that has no intention of actually working for the company but is instead solely interested in disrupting the workplace and harassing their employer and fellow employees.

Today, I am introducing three new bills which seek to further protect small businesses from stern and intimidating union practices by forcing Government bureaucrats to seriously evaluate the actions they take against America's small businesses and requiring that the NLRB expeditiously resolve cases that are brought before it.

First, I am introducing the Fair Access to Indemnity and Reimbursement Act. The FAIR Act will provide small businesses the incentive they need to fight back against meritless claims brought against them with the assistance of the NLRB and its team of lawyers.

Simply put, the FAIR Act will allow small businesses to recoup the attorney's fees and expenses it spends defending itself should they prevail. So if a charge is brought against them, and they defend themselves and prevail, they will receive their attorney's fees. This will put some disincentive into the current practice of filing absolutely meritless cases in the hopes that they will tie up and disrupt the workplace and eventually destroy the employer. It ensures that those with modest means, the small company, the small business man or woman, will be able to fight frivolous actions brought before the NLRB—making the agency's bureaucrats closely consider each and every case before they initiate litigation.

Mr. President, passage of the FAIR Act would be welcome news to small businesses across America. In particular, John Gaylor of Gaylor Electric from Indiana, who budgets $200,000 each year to combat frivolous labor charges brought against him, would finally be able to recoup a large portion of these annual costs and would be able to reinvest this money into his business and into the welfare of his employees.

Mr. President, the second bill that I am introducing is the Justice on Time Act. This legislation eliminates another obstacle small business must cross before they can consider fighting meritless cases brought before the NLRB. It currently takes the National Labor Relations Board an average of 546 days—546 days—to process unfair labor claims. This delay compounds the back pay rewards that businesses must pay if they are found to be in violation of the National Labor Relations Act.

Furthermore, it delays the reinstatement of employees who are in limbo waiting to learn if they will get their jobs back. The Justice on Time Act is reasonable legislation that will force the NLRB to resolve unfair labor cases involving the dismissal of an employee within 1 year. And 1 year ought to be long enough.

Finally, Mr. President, I am introducing the Fair Hearing Act which will require the NLRB to conduct a hearing to determine the appropriate bargaining unit in cases where labor organizations attempt to organize employees at one or more facilities of a multifacility employer.

The NLRB, at the behest I believe of organized labor, has recently considered regulations that would end the NLRB's decade-long practice of resolving disputes over what constitutes an appropriate bargaining unit in an open hearing. While the NLRB recently pulled its proposed rule ending the use of hearings, and replacing it with a fairly broad set of ''union favoring'' criteria, the Fair Hearing Act would ensure that this practice is never again jeopardized by bureaucrats at the National Labor Relations Board.

Mr. President, these three bills simply seek to level the playing field on which organized labor and small employers compete. The strength of this country rests on the freedom of individuals to pursue their dreams, to pursue their ideas and risk their capital to open and operate a small business. With a level playing field, these dreams can continue to be met and can continue to be realized.

The three bills that I am introducing today will help ensure that the efforts of small business men and women across this country are not hindered by intrusive and misused Government regulations. I ask my colleagues for their consideration and support of this legislation.

Mr. President, I ask unanimous consent that the texts of the bills be printed in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 1684

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 ''Fair Access to Indemnity and Reimbursement Act''.

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds as follows:

(1) Certain small businesses and labor organizations are at a great disadvantage in terms of expertise and resources when facing actions brought by the National Labor Relations Board.

(2) The attempt to ''level the playing field'' for small businesses and labor organizations by means of the Equal Access to Justice Act has proven ineffective and has been underutilized by these small entities in their actions before the National Labor Relations Board.

(3) The greater expertise and resources of the National Labor Relations Board as compared with those of small businesses and labor organizations necessitate a standard that awards fees and costs to certain small entities when they prevail against the National Labor Relations Board.

(b) PURPOSE.—It is the purpose of this Act—

(1) to ensure that certain small businesses and labor organizations will not be deterred from seeking review of, or defending against, actions brought against them by the National Labor Relations Board because of the expense involved in securing vindication of their rights;

(2) to reduce the disparity in resources and expertise between certain small businesses and labor organizations and the National Labor Relations Board; and

(3) to make the National Labor Relations Board more accountable for its enforcement actions against certain small businesses and labor organizations by awarding fees and costs to these entities when they prevail against the National Labor Relations Board.

SEC. 3. AMENDMENT TO NATIONAL LABOR RELATIONS ACT.

The National Labor Relations Act (29 U.S.C. 151 et seq.) is amended by adding at the end the following:

''AWARDS OF ATTORNEYS' FEES AND COSTS

''SEC. 20. (a) ADMINISTRATIVE PROCEEDINGS.—An employer who, or a labor organization that—

''(1) is the prevailing party in an adversary adjudication conducted by the Board under this or any other Act, and

''(2) had not more than 100 employees and a net worth of not more than $1,400,000 at the time the adversary adjudication was initiated,

shall be awarded fees and other expenses as a prevailing party under section 504 of title 5, United States Code, in accordance with the provisions of that section, but without regard to whether the position of the Board was substantially justified or special circumstances make an award unjust. For purposes of this subsection, the term 'adversary adjudication' has the meaning given that term in section 504(b)(1)(C) of title 5, United States Code.

''(b) COURT PROCEEDINGS.—An employer who, or a labor organization that—

''(1) is the prevailing party in a civil action, including proceedings for judicial review of agency action by the Board, brought by or against the Board, and

''(2) had not more than 100 employees and a net worth of not more than $1,400,000 at the time the civil action was filed,

shall be awarded fees and other expenses as a prevailing party under section 2412(d) of title 28, United States Code, in accordance with the provisions of that section, but without regard to whether the position of the United States was substantially justified or special circumstances make an award unjust. Any appeal of a determination of fees pursuant to subsection (a) or this subsection shall be determined without regard to whether the position of the United States was substantially justified or special circumstances make an award unjust.''.

SEC. 4. APPLICABILITY.

(a) AGENCY PROCEEDINGS.—Subsection (a) of section 20 of the National Labor Relations Act, as added by section 3 of this Act, applies to agency proceedings commenced on or after the date of the enactment of this Act.

(b) COURT PROCEEDINGS.—Subsection (b) of section 20 of the National Labor Relations Act, as added by section 3 of this Act, applies to civil actions commenced on or after the date of the enactment of this Act.

S. 1685

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 ''Justice on Time Act of 1998''.

SEC. 2. FINDINGS.

The Congress finds the following:

(1) An employee has a right under the National Labor Relations Act (29 U.S.C. 151 et seq.) to be free from discrimination with regard to hire or tenure of employment or any term or condition of employment to encourage or discourage membership in any labor organization. The Congress, the National Labor Relations Board, and the courts have recognized that the discharge of an employee to encourage or discourage union membership has a particularly chilling effect on the exercise of rights provided under section 7 of such Act.

(2) Although an employee who has been discharged because of support or lack of support for a labor organization has a right to be reinstated to the previously held position with backpay, reinstatement is often ordered months and even years after the initial discharge due to the lengthy delays in the processing of unfair labor practice charges by the National Labor Relations Board and to the several layers of appeal under the National Labor Relations Act.

(3) In order to minimize the chilling effect on the exercise of rights provided under section 7 of the National Labor Relations Act (29 U.S.C. 157) caused by an unlawful discharge and to maximize the effectiveness of the remedies for unlawful discrimination under the National Labor Relations Act, the National Labor Relations Board should endeavor to resolve in a timely manner all unfair labor practice complaints alleging that an employee has been unlawfully discharged to encourage or discourage membership in a labor organization.

(4) Expeditious resolution of such complaints would benefit all parties not only by ensuring swift justice, but also by reducing the costs of litigation and backpay awards.

SEC. 3. PURPOSE.

The purpose of this Act is to ensure that the National Labor Relations Board resolves in a timely manner all unfair labor practice complaints alleging that an employee has been unlawfully discharged to encourage or discourage membership in a labor organization.

SEC. 4. TIMELY RESOLUTION.

Section 10(m) of the National Labor Relations Act (29 U.S.C. 160) is amended by adding at the end the following: ''Whenever a complaint is issued as provided in subsection (b) upon a charge that any person has engaged in or is engaging in an unfair labor practice within the meaning of subsection (a)(3) or (b)(2) of section 8 involving an unlawful discharge, the Board shall state its findings of fact and issue and cause to be served on such person an order requiring such person to cease and desist from such unfair labor practice and to take such affirmative action, including reinstatement of an employee with or without backpay, as will effectuate the policies of this Act, or shall state its findings of fact and issue an order dismissing the said complaint, not later than 365 days after the filing of the unfair labor practice charge with the Board.''.

SEC. 5. REGULATIONS.

The National Labor Relation Board may issue such regulations as are necessary to carry out the purposes of this Act.

S. 1686

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 ''Fair Hearing Act''.

SEC. 2. REPRESENTATIVES AND ELECTIONS.

Section 9(c) of the National Labor Relations Act (29 U.S.C. 159(c)) is amended by adding at the end the following:

''(6) If a petition for an election requests the Board to certify a unit which includes the employees employed at one or more facilities of a multi-facility employer, and in the absence of an agreement by the parties (stipulation for certification upon consent election or agreement for consent election) regarding the appropriateness of the bargaining unit at issue for purposes of subsection (b), the Board shall provide for a hearing upon due notice to determine the appropriateness of the bargaining unit. The Board shall consider factors, including functional integration, centralized control, common skills, functions and working conditions, permanent and temporary employee interchange, geographical separation, local autonomy, the number of employees, bargaining history, and such other factors as the Board considers appropriate.''.

By Mr. THOMPSON:

S. 1687. A bill to provide for notice to owners of property that may be subject to the exercise of eminent domain by private nongovernmental entities under certain Federal authorization statutes, and for other purposes; to the Committee on Governmental Affairs.

THE NOTICE TO PROPERTY OWNERS ACT OF 1998

Mr. THOMPSON. Mr. President, I rise today to introduce a bill aimed at preventing private property owners from being caught by surprise when a private company asks the Federal Government for the power to take their land.

We had a situation in Marion County, TN, recently where the Federal Energy Regulatory Commission decided to grant the power of eminent domain to a private company for the purpose of building a natural gas pipeline through the county and then into Alabama.

This pipeline will exclusively serve a new wallboard plant that the company plans to build in the area. And that is fine. But in the process, about 50 private property owners—homeowners, businessmen, farmers—are being forced to allow their property to be used for the exclusive benefit—and profit—of this private company.

Now, that in and of itself raises a serious question in my mind. I wonder whether some greater public benefit needs to be demonstrated than simply the economic value of having this plant in the community. Again, we are talking about a situation where a private company is essentially being allowed to stand in the shoes of the Federal Government and seize an interest in the property of ordinary citizens but without committing that property to the direct use and benefit of the larger public. Now, that is the law as it stands today, as permitted, but it is a very serious matter and one which should not be taken lightly.

But what I find especially troubling is the fact that these private land owners—my constituents—were never given personal notice that their lands could be taken for this private pipeline. Current regulations require only that notice be published in the Federal Register.

If you do not happen to read the Federal Register on a daily basis you will never know that your property is about to be taken. Quite frankly, the Federal Register is not likely read in Marion County, TN, not by them and not by me, either, I might add. If you do not read it, the fact that your land is in jeopardy might be news to you until it is too late for you to participate meaningfully in the process in order to protect yourself and your interests. I think that is wrong.

This legislation is very simple and straightforward. It would simply guarantee that property owners get personal notice by certified mail whenever a private company is seeking to acquire an interest in their property through the power of eminent domain. This would at the very least allow the landowners to meaningfully participate in the Government's decision-making process.

That is something they did not get in this case. I do not think it is right. I

think it is pretty hard to argue that people should not have a right to know when the Federal Government is considering giving a private company the right to take their land. I do not think that anyone would argue that these folks should not be made aware of the rights they already have under the law. If you don't know about it, you can't protect it. That is what this bill would do.

Just let me quickly mention a couple of things that this bill would not do. It would not affect State law. It only addresses a situation involving the Federal power of eminent domain. It would not restrict the Federal Government's ability to exercise the power of eminent domain itself. It only deals with situations where the Federal Government is considering whether or not to delegate the power of eminent domain to a private company. No Federal agency will find its right to acquire Federal lands through eminent domain restricted by this legislation. It would not cost the Federal Government any money. Under my bill the private companies seeking the right to exercise eminent domain—not the Government—would be responsible for notifying the property owners whose lands might be affected.

What this bill does is state that property owners have the right to be notified when the Federal Government is considering giving a private company the right to take their land. It is basic fairness. They have a right to be notified at the outset of the proceedings in time for them to participate in the process. It gives them a chance to make sure that their voices are heard.

That did not happen in Marion County. The folks there were not personally notified that their land was in jeopardy and they did not find out until it was too late. I just don't think that that is right.

I hope the Senate will agree and will support this basic commonsense bill that I am introducing today.

By Mr. DORGAN:

S. 1688. A bill to amend the Communications Act of 1934 to limit types of communications made by candidates that receive the lowest unit charge; to the Committee on Commerce, Science, and Transportation.

THE COMMUNICATIONS ACT OF 1934 AMENDMENT ACT OF 1998

Mr. DORGAN. Mr. President, I rise today to discuss legislation I am introducing to address a significant air pollution problem we have in this country.

No, I'm not talking about smog, or acid rain, or the ozone layer, I'm talking about broadcast air pollution. And by that I mean the 30-second, slash-and-burn, hit-and-run political ad that does nothing but cut down an opponent.

Can you think of any other business in this country that sells its wares only by tearing down the opposition? Do airlines ask you to consider their services because their competitors' mechanics are unreliable, and try to conjure up images of plane crashes to get you to switch carriers? Do car manufacturers sell their products by raising dark, misleading doubts about the safety of their competitors' autos? Does McDonald's run ads raising the threat of E-coli bacteria in Burger King's hamburgers?

Of course not, but that's precisely the way we compete in politics against each other.

It is a pretty sad state of affairs when the American people get a more informative and dignified discussion about the soda they drink or the fast food restaurant they prefer than they do in the debate about what choices to make for our country's future. It is time to do something about it.

We cannot and should not attempt to limit speech. But there is something we can do to provide the right incentives. Under current law, television stations are required to offer the lowest unit rate to political candidates for television advertising within 45 days of a primary election, and within 60 days of a general election.

The legislation I am proposing today would change that law to provide that the low rate must be made available only to candidates who run ads that are at least one minute in length, in which the candidate appears at least 75 percent of the time.

Now I want to be clear on one point. Candidates can still run any ad they desire. They can continue to scorch the earth with their ''hit-and-run'' ads to their heart's content. But they will not get the lowest rate unless the two conditions are met. If federal law can require broadcasters to offer the lowest unit rate for all political advertising, there's no reason we cannot place some content-neutral restrictions on the discount, in order to improve the quality of political discourse in this country.

How would my proposal improve the debate? It is my hope that by offering incentives for longer ads, candidates will discuss their positions on issues in greater detail. Certainly the 30-second political attack ad does little, if anything, to inform the public about the issues and advance the debate. And by appearing in the commercials, candidates will be more accountable to the voters for what their ads say, and will likely be more responsible about their content.

When selecting their leaders, the American people deserve better than a ''hit and run'' debate. Let us do something about it.

I would like to conclude by saying that it is still very much my hope that Congress will succeed in passing meaningful, comprehensive campaign finance reform this year. I am a co-sponsor of McCain-Feingold, and it is very much my hope that this legislation is passed by Congress and signed by the President. Although it is not perfect, it will address many of the abuses of the current system, most notably the problem of unregulated ''soft money'' pouring into our political process through ever-widening cracks in the law. Passing McCain-Feingold would help to restore the American people's eroding confidence in the way we run campaigns in this country.

But whether Congress succeeds in passing comprehensive reform or not, I believe this legislation would be a modest but worthwhile step towards making the political debate in this country more civil, more informative and more meaningful to the American people. I urge my colleagues to support me in this effort.

By Mr. DOMENICI:

S. 1689. A bill to reform Federal election law; to the Committee on Rules and Administration.

THE GRASSROOTS CAMPAIGN AND COMMON SENSE FEDERAL ELECTION REFORM ACT OF 1998

Mr. DOMENICI. Mr. President, I rise today to introduce my own version of campaign finance reform, the ''Grassroots Campaign and Common Sense Federal Election Reform Act of 1998.''

During the past several Congresses, I continuously have introduced straightforward reform legislation to deal with four specific campaign finance issues: (1) out-of-state contributions; (2) PACs; (3) soft money; and (4) super-wealthy candidates.

This legislation again addresses these age-old concerns, and also attempts to deal with some of the new problems we discovered during the investigation of campaign abuses in the 1996 election cycle by the Senate Committee on Governmental Affairs.

Before I get to those new issues, I'd like to talk a little about how this bill will address the major problem I have raised over and over again on the floor of the Senate whenever we have debated campaign finance reform. For many years, I have felt that the biggest problem with our elections is that they no longer belong to the voters, to those at the grassroots level, to the constituents we originally were sent here to serve.

Instead, our campaigns now belong to special-interest PACs, super-wealthy candidates who can essentially buy their congressional seats, and rich contributors who donate large sums of soft money to political parties and groups for use in so-called ''issue advocacy'' ads and contribute the maximum allowable under the law to candidates, even if those candidates do not come from their own home state.

My bill begins by making four straightforward changes to return campaigns to the voters. First, it requires that candidates raise at least sixty percent of their money from sources within their own state. In my mind, the best campaigns are those funded by a large number of contributions from among the candidate's own constituents. This bill would make that a reality in virtually every federal campaign.

Second, the bill bans all corporate, bank and labor union PACs and limits so-called ideological PAC contributions to $500 per candidate. I understand that there are concerns about a PAC ban, but I believe the best way to return elections to the electorate is to eliminate special interest PAC contributions to candidates.

Third, the bill deals with the wealthy candidate problem in a way that I believe is consistent with the First Amendment. Rather than place arbitrary and unconstitutional limits on the amount of personal wealth a candidate could spend on behalf of his or her own campaign, the bill simply requires the candidate to disclose the fact that they plan to spend their own money and raises the contribution limits for the opponents of Senate candidates who intend to spend more than $250,000 of their own money or House candidates who intend to spend more than $100,000. The bill in no way prohibits wealthy candidates from spending their own money- that is their constitutional right. But the bill does level the playing field by raising contribution limits for candidates who face opponents with massive personal wealth at their disposal.

Finally, the bill gets at the biggest problem we face today—soft money and its use for so-called issue advocacy. My bill limits soft money contributions to $100,000 per individual per party during each election cycle, while simultaneously increasing and indexing the limits on regulated federal contributions to candidates and national parties. I have long felt that Congress should limit soft money because soft money confuses the electorate and permits campaign contributions to come from clandestine, obscure sources.

After the hearings in the Governmental Affairs Committee this year, I am convinced now more than ever that we must do something to eliminate the pernicious effect of soft money on our political system. Who can forget Roger Tamraz? He's the oil pipeline financier, who told the Committee that he had given $300,000 in soft money to the DNC and gladly would have given $600,000 for a meeting with the decision-makers at the White House and in the Executive Branch. My bill would prohibit the unlimited giving of soft money by wealthy individuals like Mr. Tamraz who use soft money to buy access to government.

My bill also would deal with one of the most pernicious uses of soft money- so-called ''issue advocacy'' political advertisements- and it does so in a way that clearly is constitutional. My bill takes the middle ground on issue advocacy and requires anyone who spends more than $25,000 or more on radio or television advertising which mentions a federal candidate by name or likeness to make certain disclosures to the FEC. I have long felt that disclosure is the best way to pursue campaign reform. It has been said that ''sunlight is the best disinfectant.'' In the context of campaign reform, the sunlight of disclosure also is the best policy because it does no damage to the constitutional rights of individuals and groups to engage in political speech.

Mr. President, last year's Governmental Affairs Committee hearings exposed repeated and rampant violations of the existing campaign laws. We saw on numerous occasions blatant violations of the prohibitions against soliciting and receiving foreign money contributions, against money laundering-making contributions in the name of another, and the law against raising money on federal property. I thought that these laws were pretty clear.

Now, the Attorney General tells us that because soft money is not a ''contribution'' under the federal election laws, it was legal for the President and Vice President to solicit soft money contributions on federal property. While I do not necessarily agree with the Attorney General's interpretation of current law, I certainly believe we need to make it absolutely clear that government officials cannot use federal property to raise any campaign funds, including soft money. My bill does just that.

Finally, Mr. President, my bill deals with one other major issue- the use of union dues for political purposes. Mr. President, I can think of no other campaign activity which is more un-American than the mandatory, compulsory taking of union dues for political purposes. The essence of democracy is that political speech must be voluntary. For many union workers today, that is not the case. My bill would require unions to get the permission of all members before using their dues for political purposes. I know many colleagues on the other side of the aisle are opposed to this idea, but I think they know it is the right thing to do.

Mr. President, I introduce this bill today so my constituents in New Mexico will know where I stand on the issue of campaign finance reform. My record is clear- I have introduced at least three bills which have included the reforms I have discussed here today. But, I am unable to support McCain/Feingold for three key reasons.

First, McCain/Feingold goes too far in its attempts to address the express advocacy-issue advocacy problem. While I am sympathetic to any efforts to deal with the problems of the 1996 election, I believe that we must do so in a way which passes constitutional muster. McCain/Feingold's overly broad definition of ''express advocacy'' fails that test. McCain/Feingold defines express advocacy to include any radio or television ads referring to a federal candidate which are broadcast within 60 days of any election, regardless of whether those ads truly are ''issue advocacy'' ads. I believe that such a ban on the exercise of political speech would eventually be found unconstitutional.

Second, McCain/Feingold fails to ban soft money in a way which will pass Supreme Court scrutiny. Under McCain/Feingold, state parties are prohibited from disbursing soft money for use in ''federal election activity.'' The bill goes on to define ''federal election activity'' to include any ''generic campaign activity'' conducted in connection with an election in which a candidate for Federal office appears on the ballot. To me, this means that a state party could not use non-federal soft money for activity which strictly supports a state candidate just because that candidate appears on the ballot with a federal candidate. While some may believe otherwise, I do not believe that Congress possesses the authority to so regulate state campaigns.

Finally, Mr. President, I cannot support McCain/Feingold because it does very little to address the problem of the compulsory use of union dues for political purposes. McCain/Feingold codifies the Beck decision, which only applies to non-union workers and only requires unions to provide notice of the workers' right to request a refund of the portion of their dues used for political purposes. I believe unions should be prohibited from using any employee dues for political purposes, whether they are taken from members or non-members, unless the union receives permission up front and in advance from the employee.

Mr. President, campaign finance reform is an issue which must be resolved thoughtfully and with respect for the First Amendment. I believe that my bill offers just such an approach. I also believe that, despite the earnest efforts of its proponents, many provisions of McCain/Feingold simply would not pass the constitutional scrutiny of the Supreme Court.

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

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

S. 1689

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 ''Grassroots Campaign and Common Sense Federal Election Reform Act of 1998''.

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

Sec. 1. Short title; table of contents.
Sec. 2. Restriction on out-of-state contributions.
Sec. 3. Limitation on political action committees.
Sec. 4. Use of personal wealth for campaign purposes.
Sec. 5. Increase in contribution limits.
Sec. 6. Limit on soft money donations to political parties.
Sec. 7. Increased disclosure for certain communications.
Sec. 8. Use of union dues for political purposes.
Sec. 9. Prohibition of fundraising on Federal property and other criminal prohibitions.
Sec. 10. Contributions to defray legal expenses of certain officials.
Sec. 11. Increased criminal penalties for violations of foreign national provisions and contributions in the name of another.

Sec. 12. Filing of reports using computers and facsimile machines.
Sec. 13. Term limits for Federal Election Commission.

SEC. 2. RESTRICTION ON OUT-OF-STATE CONTRIBUTIONS.

(a) IN GENERAL.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 301 et seq.) is amended by adding at the end the following:

"SEC. 324. LIMIT ON OUT-OF-STATE CONTRIBUTIONS.

''A candidate for nomination to, or election to, the Senate or House of Representatives or the candidate's authorized committees shall not accept an aggregate amount of funds during an election cycle from individuals, separate segregated funds, and multicandidate political committees that do not reside or have their headquarters within the candidate's State in excess of an amount equal to 40 percent of the total amount of contributions accepted by the candidate and the candidate's authorized committees.''.

(b) DEFINITION OF ELECTION CYCLE.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by adding at the end the following:

''(20) ELECTION CYCLE.—The term 'election cycle' means the period beginning on the day after the date of the most recent general election for the specific office or seat that a candidate is seeking and ending on the date of the next general election for that office or seat.''.

SEC. 3. LIMITATION ON POLITICAL ACTION COMMITTEES.

(a) PROHIBITION OF SEPARATE SEGREGATED FUNDS.—Section 316(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)(2)) is amended—

(1) in subparagraph (A), by inserting ''and'' after the semicolon;

(2) in subparagraph (B), by striking ''; and'' and inserting a period; and

(3) by striking subparagraph (C).

(b) PROHIBITION OF CERTAIN DISBURSEMENTS BY BANKS, CORPORATIONS, AND LABOR ORGANIZATIONS.—Section 316 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b) is amended by adding at the end the following:

''(c) PROHIBITED DISBURSEMENTS.—A bank, labor organization, or corporation referred to in subsection (a) shall not make a disbursement for the establishment or administration of a political committee or the solicitation of contributions to such committee.''

(c) LIMITATION ON CONTRIBUTIONS BY MULTICANDIDATE POLITICAL COMMITTEES.—Section 315(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(2)) is amended—

(1) in subparagraph (A), by striking ''$5,000'' and inserting ''$500''; and

(2) in subparagraph (C), by striking ''in any'' and all that follows through ''$5,000''.

SEC. 4. USE OF PERSONAL WEALTH FOR CAMPAIGN PURPOSES.

Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended by adding at the end the following:

''(i)(1)(A) Not later than 15 days after the date a candidate qualifies for a ballot, under State law, the candidate shall file with the Commission a declaration stating whether or not the candidate intends to expend personal funds in connection with the candidate's election for office, in an aggregate amount equal to or greater than—

''(i) in the case of a candidate for the Senate, $250,000, ; and

''(ii) in the case of a candidate for the House of Representatives, $100,000.

''(B) In this subsection, the term 'personal funds' means—

(i) funds of the candidate or funds from obligations incurred by the candidate in connection with the candidate's campaign; and

(ii) funds of the candidate's spouse, a child, stepchild, parent, grandparent, brother, sister, half-brother, or half-sister of the candidate and the spouse of any such person, and a child, stepchild, parent, grandparent, brother, half-brother, sister, or half-sister of the candidate's spouse and the spouse of such person.

''(C) The statement required by this subsection shall be in such form, and shall contain such information, as the Commission may, by regulation, require.

''(2) Notwithstanding any other provision of law, in any election in which a candidate declares an intention to expend more personal funds than the limits described in paragraph (1)(A), expends personal funds in excess of such limits, or fails to file the declaration required by this subsection—

''(A) subsection (h) shall apply to other eligible candidates in the same election without regard to the $17,500 limit; and

''(B) the limitations on contributions in subsection (a) for other eligible candidates in the same election shall be increased for such election as follows:

''(i) The limitations under subsection (a)(1)(A) shall be increased to an amount equal to 1,000 percent of such limitation; and

''(ii) The limitations under subsection (a)(3) shall be increased to an amount equal to 150 percent of such limitation, but only to the extent that contributions above such limitation are made to candidates affected by the increased levels provided in clause (i).

''(3) For purposes of this paragraph, an eligible candidate is a candidate who is not required to file a declaration under paragraph (1) or notice under paragraph (5).

''(4) If the limitations described in paragraph (2) are increased under paragraph (2) for a convention or a primary election, as they relate to an individual candidate, and such individual candidate is not a candidate in any subsequent election in such campaign, including the general election, the provisions of paragraph (2) shall no longer apply.

''(5) Any candidate who—

''(A) declares under paragraph (1) that the candidate does not intend to expend personal funds in an aggregate amount in excess of the limit described in paragraph (1)(A); and

''(B) subsequently does expend personal funds in excess of such limit or intends to expend personal funds in excess of such limits, such candidate shall notify and file an amended declaration with the Commission and shall notify all other candidates for such office within 24 hours after changing such declaration or exceeding such limits, whichever first occurs, by sending such notice by certified mail, return receipt requested. A candidate that violates this paragraph shall be subject to a civil penalty in an amount equal to 2 times the amount of funds expended in excess of the limits.

''(6) Any candidate who incurs personal loans in connection with his campaign under this Act shall not repay, either directly or indirectly, such loans from any contributions made to such candidate or any authorized committee of such candidate after the date of such election.

''(7) Notwithstanding any other provision of law, no candidate shall make expenditures from personal funds in connection with a general, special, or runoff election for office after the later of—

''(A) the date that is 90 days before the date of the election; or

''(B) the day after the primary election for such office, whichever date occurs later.

The provisions of this paragraph shall apply to all candidates regardless of whether such candidate has reached the limits provided in paragraph (1) of this subsection. A candidate that violates this paragraph shall be subject to a civil penalty in an amount equal to 3 times the amount of funds expended.

''(8) The Commission shall take such action as it deems necessary under the enforcement provisions of this Act to assure compliance with the provisions of this subsection.''.

SEC. 5. INCREASE IN CONTRIBUTION LIMITS.

(a) INCREASE IN LIMITS.—Section 315(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A), by striking ''$1,000'' and inserting ''$5,000''; and

(B) in subparagraph (B), by striking ''$20,000'' and inserting ''$50,000''; and

(2) in paragraph (3), by striking ''$25,000'' and inserting ''$50,000''.

(b) INDEXING.—Section 315(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(c)) is amended—

(1) in paragraph (1)—

(A) by striking the second and third sentences;

(B) by inserting before ''At the beginning'' the following: ''(A)''; and

(C) by adding at the end the following:

''(B) Each limitation established by subparagraphs (A) and (B) of paragraph (1) and paragraph (3) of subsection (a) or subsection (b) or (d) shall be increased by the percent difference determined under subparagraph (A).

''(C) Each amount increased under subparagraph (B) shall remain in effect for the calendar year in which the amount is increased.''; and

(2) in paragraph (2)(B), by striking ''means the calendar year 1974.'' and inserting ''means—

''(i) for purposes of subsections (b) and (d), calendar year 1974; and

''(ii) for purposes of subsection (a), calendar year 1998.''.

SEC. 6. LIMIT ON SOFT MONEY DONATIONS TO POLITICAL PARTIES.

(a) SOFT MONEY OF NATIONAL POLITICAL PARTY COMMITTEES.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) (as amended by section 2) is amended by adding at the end the following:

"SEC. 325. SOFT MONEY OF POLITICAL PARTY COMMITTEES.

''A national committee of a political party, any subordinate committee of a national committee, a Senatorial or Congressional Campaign Committee of a national political party, or an entity that is directly or indirectly established, financed, maintained, or controlled by a national committee or a Senatorial or Congressional Campaign Committee of a national political party or that is an entity acting on behalf of a national committee or a Senatorial or Congressional Campaign Committee of a national political party shall not accept donations from any person during a calendar year in an aggregate amount that exceeds $100,000.''.

SEC. 7. INCREASED DISCLOSURE FOR CERTAIN COMMUNICATIONS.

Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended by adding at the end the following:

''(d) DISCLOSURE OF CERTAIN COMMUNICATIONS.—

''(1) IN GENERAL.—A person shall file a report under paragraph (2) if the person expends an aggregate amount of funds during a calendar year for communications described in paragraph (3) in excess of—

''(A) $25,000 with respect to a candidate; or

''(B) $100,000 with respect to all candidates.

''(2) REPORT.—

''(A) TIME TO FILE.—A report under this paragraph shall be filed in accordance with subsection (a)(2).

''(B) CONTENTS OF REPORT.—A report filed under this paragraph shall contain the same

information required for an independent expenditure under subsection (c).

''(3) COMMUNICATION DESCRIBED.—A communication described in this paragraph is any communication that—

''(A) is broadcast to the general public through radio or television;

''(B) mentions or refers to by name, representation, or likeness any candidate for election to Federal office;

''(C) the payment for which is not a disbursement described in clause (i) or (iii) of section 301(9)(B); and

''(D) the payment for which is not an independent expenditure.''.

SEC. 8. USE OF UNION DUES FOR POLITICAL PURPOSES.

Section 316 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b) (as amended by section 3) is amended by adding at the end the following:

''(d)(1) Except with the separate, prior, written, voluntary authorization of each individual, it shall be unlawful for any labor organization described in this section to collect from or assess its members or nonmembers any dues, initiation fee, or other payment, if any part of such dues, fee, or payment will be used for political activities.

''(2) An authorization described in paragraph (1) shall remain in effect until revoked and may be revoked at any time.

''(3) In this subsection, the term 'political activities' includes communications or other activities which involve carrying on propaganda, attempting to influence legislation, or participating or intervening in any political campaign or political party.''.

SEC. 9. PROHIBITION OF FUNDRAISING ON FEDERAL PROPERTY AND OTHER CRIMINAL PROHIBITIONS.

(a) DEFINITION OF DONATION.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) (as amended by section 2) is amended by adding at the end the following:

''(21) DONATION.—The term 'donation' means a gift, subscription, loan, advance, or deposit of money or anything else of value made by any person to a national committee of a political party or a Senatorial or Congressional Campaign Committee of a national political party for any purpose, but does not include a contribution (as defined in paragraph (8)).''.

(b) PROHIBITION OF FUNDRAISING ON FEDERAL PROPERTY.—Section 607 of title 18, United States Code, is amended—

(1) in subsection (a), by inserting ''or donation within the meaning of section 301(20)'' after ''section 301(8)''; and

(2) in subsection (b)—

(A) by inserting ''or donations'' after ''contributions'' each place it appears;

(B) by inserting ''or donation'' after ''contribution''; and

(C) by inserting ''donator'' after ''contributor''.

(c) AMENDMENT OF TITLE 18 TO INCLUDE PROHIBITION OF DONATIONS.—Chapter 29 of title 18, United States Code, is amended—

(1) in section 602(a)(4), by inserting ''or donation within the meaning of section 301(20)'' after ''section 301(8)''; and

(2) in section 603(a)—

(A) by inserting ''or donation within the meaning of section 301(20)'' after ''section 301(8)''; and

(B) by inserting ''or donation'' after ''contribution'' the second and third time it appears.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to violations occurring on or after the date of enactment of this Act.

SEC. 10. CONTRIBUTIONS TO DEFRAY LEGAL EXPENSES OF CERTAIN OFFICIALS.

(a) CONTRIBUTIONS TO DEFRAY LEGAL EXPENSES.—

(1) PROHIBITION ON MAKING OF CONTRIBUTIONS.—It shall be unlawful for any person to make a contribution to a candidate for nomination to, or election to, a Federal office (as defined in section 301(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(3))), an individual who is a holder of a Federal office, or any head of an Executive department, or any entity established on behalf of any such individual, to defray legal expenses of such individual—

(A) to the extent it would result in the aggregate amount of such contributions from such person to or on behalf of such individual to exceed $10,000 for any calendar year; or

(B) if the person is—

(i) a foreign national (as defined in section 319(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e(b))); or

(ii) a person prohibited from contributing to the campaign of a candidate under section 316 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b).

(2) PROHIBITION ON ACCEPTANCE OF CONTRIBUTIONS.—No person shall accept a contribution if the contribution would violate paragraph (1).

(3) PENALTY.—A person that knowingly and willfully commits a violation of paragraph (1) or (2) shall be fined an amount not to exceed the greater of $25,000 or 300 percent of the contribution involved in such violation, imprisoned for not more than 1 year, or both.

(4) CONSTRUCTION OF PROHIBITION.—Nothing in this section shall be construed to permit the making of a contribution that is otherwise prohibited by law.

(b) REPORTING REQUIREMENTS.—A candidate for nomination to, or election to, a Federal office, an individual who is a holder of a Federal office, or any head of an Executive department, or any entity established on behalf of any such individual, that accepts contributions to defray legal expenses of such individual shall file a quarterly report with the Federal Election Commission including the following information:

(1) The name and address of each contributor who makes a contribution in excess of $25.

(2) The amount of each contribution.

(3) The name and address of each individual or entity receiving disbursements from the fund.

(4) A brief description of the nature and amount of each disbursement.

(5) The name and address of any provider of pro bono services to the fund.

(6) The fair market value of any pro bono services provided to the fund.

SEC. 11. INCREASED CRIMINAL PENALTIES FOR VIOLATIONS OF FOREIGN NATIONAL PROVISIONS AND CONTRIBUTIONS IN THE NAME OF ANOTHER.

Section 309(d)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(d)(1)) is amended by adding at the end the following:

''(D) In the case of a person who knowingly and willfully violates section 319 or 320, the person shall be fined an amount not to exceed $10,000, imprisoned for not more than 10 years, or both.''.

SEC. 12. FILING OF REPORTS USING COMPUTERS AND FACSIMILE MACHINES.

Section 304(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended by striking paragraph (11) and inserting the following:

''(11) FILING REPORTS USING COMPUTERS AND FACSIMILE MACHINES.—

''(A) SOFTWARE.—The Commission shall—

''(i) develop software for use to file a designation, statement, or report under this Act; and

''(ii) provide a copy of the software at no cost to a person required to file a designation, statement, or report under this Act.

''(B) COMPUTERS.—The Commission shall promulgate a regulation under which a person required to file a designation, statement, or report under this Act—

''(i) is required to maintain and file the designation, statement, or report for any calendar year in electronic form accessible by computers if the person has, or has reason to expect to have, aggregate contributions or expenditures in excess of a threshold amount determined by the Commission; and

''(ii) may maintain and file a designation, statement, or report in that manner if not required to do so under a regulation promulgated under clause (i).

''(C) FACSIMILE MACHINE.—The Commission shall promulgate a regulation which allows a person to file a designation, statement, or report required by this Act through the use of a facsimile machine.

''(D) VERIFICATION OF SIGNATURE.—In promulgating a regulation under this paragraph, the Commission shall provide methods (other than requiring a signature on the document being filed) for verifying a designation, statement, or report covered by the regulation. A document verified under any of the methods shall be treated for all purposes (including penalties for perjury) in the same manner as a document verified by signature.''.

SEC. 13. TERM LIMITS FOR FEDERAL ELECTION COMMISSION.

(a) IN GENERAL.—Section 306(a)(2)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437c(a)(2)(A)) is amended in the matter preceding clause (i) by striking ''terms of 6 years'' and inserting ''no more than 1 term of 8 years''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to appointments made after the date of enactment of this Act and to Commissioners serving a term on the date of enactment of this section except that such Commissioner shall continue to serve until the expiration of such term.

By Mr. FAIRCLOTH:

S. 1690. A bill to provide for the transfer of certain employees of the Internal Revenue Service to the Department of Justice, Drug Enforcement Administration, to establish the Department of National Drug Control Policy, and for other purposes; to the Committee on Governmental Affairs.

THE AMERICAN PRIORITIES ACT

Mr. FAIRCLOTH. Mr. President, I am pleased to today introduce the ''American Priorities Act.''

First, and most importantly, this bill corrects a serious imbalance in our national priorities by transferring one-third of the enforcement agents at the Internal Revenue Service to the Drug Enforcement Agency, by January 1, 1999.

Second, and by the same time, the bill establishes a cabinet level department to marshall the resources necessary to adequately fight a real war on drugs. By so doing we would affirm our resolve to the American people and those abroad that this is a war we intend to win.

Over the last 5 years, drug use, which slowed in the later 1980's and early 1990's, has increased with a vengeance. Particularly hard-hit have been our children. Schools are not safe; children are born addicted to crack and other hard drugs which are now cheap and

plentiful in most of our nation; and drug-related violent crime is soaring.

Most troubling of all has been the creation of a class of violent, drug-addicted youth predators who terrorize our citizens with almost irrational and depraved violent crimes, from carjackings in shopping malls, to drive-by shooting on city streets, to gang-related violence in schools.

Yet what is the Administration's reaction? It claims that the so-called ''war on drugs'' cannot be easily won, that it will take 10 or more years to even begin to control the drug trade.

Such a piecemeal application of resources is not a recipe for victory. We need a bold and dramatic shift in federal resources to end the drug scourge once and for all. If this is to be a true war on drugs, then we need a Desert Storm, not a Vietnam.

The IRS has over 100,000 employees, 46,000 of whom are enforcement officials. Recent Congressional oversight has revealed that the agency has excess enforcement resources, which are not serving the public interest.

Instead, these excess resources are often engaged in the bullying of law-abiding Americans. And it's no wonder. With over 100,000 employees, 46,000 of which are enforcement agents, the IRS is running out of legitimate things to do.

By contrast, the DEA, which is at the forefront of stemming the drug trade, has only 8,500 personnel, half of whom are special agents. If the war on drugs is to be won, we need to radically reallocate our national resources, and I would suggest that moving 1/3 of the IRS enforcement agents to the DEA is a good first step.

Further, as a member of the Treasury and General Government Appropriations Subcommittee, I plan to offer a version of this bill as a rider to this year's budget.

Mr. President, it is high time that the federal government started investing drug dealers as intensely as the IRS investigates American taxpayers.

SENATE RESOLUTION 185—RELATIVE TO SOCIAL SECURITY

Mr. HOLLINGS (for himself, Mr. DORGAN, Mr. DASCHLE, Mrs. MURRAY, Mr. JOHNSON, Mr. FORD, Mr. CONRAD, Mr. LAUTENBERG, and Mr. REID) submitted the following resolution; which was referred to the Committee on Finance:

S. RES. 185

Resolved,

SECTION 1. SENSE OF THE SENATE ON THE BUDGET AND SOCIAL SECURITY.

(a) FINDINGS.—The Senate finds that—

(1) the Social Security system provides benefits to 44,000,000 Americans, including 27,300,000 retirees, over 4,500,000 people with disabilities, 3,800,000 surviving children, and 8,400,000 surviving adults, and is essential to the dignity and security of the Nation's elderly and disabled;

(2) the Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds have reported to Congress that the ''total income'' of the Social Security system ''is estimated to fall short of expenditures beginning in 2019 and in each year thereafter...until [trust fund] assets are exhausted in 2029'';

(3) intergenerational fairness, honest accounting principles, prudent budgeting, and sound economic policy all require saving Social Security first, in order that the Nation may better afford the retirement of the baby boom generation beginning in 2010;

(4) in reforming Social Security in 1983, Congress intended that near-term Social Security trust fund surpluses be used to prefund the retirement of the baby boom generation;

(5) in his State of the Union message to the joint session of Congress on January 27, 1998, President Clinton called on Congress to ''save Social Security first'' and to ''reserve one hundred percent of the surplus, that is any penny of any surplus, until we have taken all the necessary measures to strengthen the Social Security system for the twenty-first century''; and

(6) saving Social Security first would work to expand national savings, reduce interest rates, enhance private investment, increase labor productivity, and boost economic growth.

(b) SENSE OF THE SENSE.—It is the sense of the Senate that Congress should save Social Security first by reserving any unified budget surplus until legislation is enacted to make Social Security actuarially sound and capable of paying future retirees the benefits to which they are entitled.

Mr. HOLLINGS. Mr. President, today I address President Clinton's admonition: ''save Social Security first.'' I consider the President's plea essential; in fact, it is the most important business confronting this body. Saving Social Security is not a new crusade for me; for over two decades, I have dedicated myself to this cause. As a former Chairman and the senior member of the Budget Committee, I have worked to ensure that we are honest and responsible in our treatment of the trust funds and that Social Security will be viable for decades to come.

The debate over Social Security is not a new one. I recall when we formed the Greenspan Commission in 1983 for just this purpose: to save Social Security. That commission recommended the higher Social Security payroll tax that took effect in the mid-1980s. This tax was intended to produce a large surplus in the Social Security trust fund, to be used to support the retirement of the Baby Boom generation in the next century. But because the surplus has been used to pay for general operations of the federal government, there is in fact an enormous deficit in Social Security. This government owes a great deal of money to current workers; under the current system, we will be unable to pay them their benefits when they retire. That is why it is crucial we reform Social Security.

Consider President Clinton's Social Security proposal—as elaborated in his State of the Union address—in its entirety: ''Tonight I propose we reserve 100 percent of the surplus. That's every penny of any surplus.''

The President is right. Reserving any surplus is essential to ensuring that Social Security remains not only solvent, but fully capable of paying benefits to future retirees. If we are serious about saving Social Security—the most effective federal program since its enactment in 1935—we must protect the Social Security trust fund.

To help achieve this, I am dropping in a resolution that would express the sense of the Senate that Congress must not use any Social Security surplus to increase spending or cut taxes. I will offer this as an amendment to the first appropriate piece of legislation.

The first way to save Social Security is to stop spending the trust funds. One way to do this is to force an up-or-down vote on my resolution. Force Congress to promise not to use surpluses for irresponsible spending or tax cuts. If we can do this, we will have eliminated the immediate obstacle to saving Social Security.

This sense of the Senate is the first step towards saving Social Security. The next step is to address the program's long-term solvency. But before we can remedy Social Security's fundamental problems and save it for future retirees, we must restore truth in budgeting and put the ''trust'' back in trust funds. That is why I have introduced this resolution, and that is why I strongly urge my colleagues to support it.

SENATE RESOLUTION 184—EXPRESSING THE SENSE OF THE SENATE SUPPORTING ITALY'S INCLUSION AS A PERMANENT MEMBER OF THE UNITED NATIONS SECURITY COUNCIL

Mr. D'AMATO (for himself and Mr. TORRICELLI) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 184

Whereas Italy organized and led a multinational peace enforcement operation in Albania last spring under United Nations authority to restore order and organize democratic elections;

Whereas Italy provided the second largest United Nations troop contingent in Somalia;

Whereas in 1983 Italy joined the United States in a multilateral force to bring peace and stability to Lebanon and Italy still participates in the ongoing United Nations peacekeeping force in Lebanon;

Whereas Italy brokered the peace settlement in Mozambique and led the peacekeeping force that implemented it;

Whereas Italy hosts at Brindisi the sole United Nations logistical base supporting peacekeeping operations worldwide;

Whereas Italy's strategic location in the Mediterranean makes it an indispensable partner in security operations in multiple zones of instability;

Whereas Italy hosts air bases from which the United States and its NATO partners have conducted air operations over the former Yugoslavia;

Whereas Italy is the world's fifth largest economy and next year becomes the U.N.'s fifth largest assessed contributor;

Whereas Italy's contribution to the United Nations is greater than that of Britain, Russia and China, three permanent members of the Security Council;

Whereas President Clinton stated, ''Italy has been and continues to be one of our closest allies and strategic partners in the world community''; and

Whereas the United States Department of State has been actively supporting a reorganization plan that would give Germany and Japan permanent seats on the United Nations Security Council, to the exclusion of Italy: Now, therefore, be it

Resolved, That the Senate—

(1) urges the President to oppose any reorganization plan for the expansion of the Security Council which does not include Italy;

(2) urges the President to support Italy's inclusion as a permanent member if there is to be an expansion of the United Nations Security Council; and

(3) urges the Department of State to develop a reorganization plan of the United Nations Security Council that would incorporate nations that have played a significant role in fostering world peace and stability such as Italy.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the President and the Secretary of State.

Mr. D'AMATO. Mr. President, I rise with my colleague, Senator ROBERT TORRICELLI from New Jersey, to submit a resolution which calls upon the President to support the inclusion of Italy as a permanent member of the United Nations Security Council in any future expansion of that body. Anyone who is aware of the indispensable aide Italy has offered in the past and promises to continue providing in the future would share this view. I would like to now note just a few of Italy's numerous accomplishments with the United Nations and the Security Council in order to highlight the reasons why I believe Italy should be invited to join the United Nations Security Council.

Italy's peace-keeping efforts in the past have been invaluable in aiding the United Nations on numerous fronts. It organized and led a multi-national peace enforcement operation in Albania last spring under United Nations authority to restore order and organize democratic elections. It provided the second largest United Nations troop contingent in Somalia. In 1983 Italy joined the United States in a multilateral force to bring peace and stability to Lebanon, and is still participating in the ongoing United Nations peacekeeping force there. Italy was also essential in brokering the peace settlement in Mozambique, as well as leading the peacekeeping forces that implemented it. Finally, Italy plays a key role in hosting the sole United Nations logistical base supporting peacekeeping operations worldwide at Brindisi on the Adriatic.

Moreover, Italy's strategic location in the Mediterranean has made it an indispensable partner in security operations in a multitude of international regions. As such, Italy's assistance has been crucial in hosting air bases from which the United States and its NATO partners have conducted air operations over the former Yugoslavia. Italy has the world's fifth largest economy, and will this year increase its monetary contributions to 5.4% of that sum, becoming the United Nation's fifth largest assessed contributor. It's contribution has surpassed that of Britain, Russia, and China, three permanent members of the Security Council. In addition, with an estimated contribution of $72 million in peace-keeping operations for the upcoming year, Italy's efforts in financial aid to the United Nations have also been tremendous.

As one of our closest allies and strategic partners in the world community, Italy continues to be an asset to the United Nation's peace keeping efforts, and is thus not only worthy, but essential in continued progress toward the Security Council's goals. I thus urge the President to oppose any reorganization plan for the expansion of the Security Council which does not include Italy, and strongly encourage Italy's inclusion as a permanent member if such an expansion is to take place.

Mr. TORRICELLI. Mr, President, I rise today in support of Senator D'AMATO's resolution supporting Italy's inclusion as a permanent member of the United Nations Security Council. Should this international body expand, I can think of no country more worthy of inclusion than Italy, and I hope my colleagues will join me in expressing their support for this idea.

Italy is a major economic player on the world stage and in terms of United Nations contributions. She forms a critical part of the UN's global peacekeeping operations and has been active in a number of international conflicts and crises. Last spring, Italy acted under UN auspices to organize and lead a multi-national peace enforcement operation in Albania. This effort was critical to restoring order and helping Albania organize democratic elections.

In more general terms, Italy's strategic location in the Mediterranean makes it an important partner for the international community as it launches security operations in many zones of potential instability. Already, Italy has hosted the air bases that the United States and other NATO members have used to conduct air operations over the former Yugoslavia. These efforts, in conjunction with Italy's status as the fifth largest economy in the world, mean that we can no longer ignore its present position in the international community. It plays a vital role in protecting and enhancing our economic and military security, and I believe the time has come to recognize these efforts.

Italy's contributions to world history and culture, her continuing support for humanitarian and developmental objectives throughout the world, and status as a thriving democracy which has overcome a fascist past all argue for Italy's inclusion in any plans to revise and expand the permanent membership of the United Nations Security Council.

ADDITIONAL COSPONSORS

S. 358

At the request of Mr. DEWINE, the names of the Senator from Oregon (Mr. SMITH) and the Senator from Kansas (Mr. ROBERTS) were added as cosponsors of S. 358, a bill to provide for compassionate payments with regard to individuals with blood-clotting disorders, such as hemophilia, who contracted human immunodeficiency virus due to contaminated blood products, and for other purposes.

S. 412

At the request of Mr. LAUTENBERG, the name of the Senator from South Carolina (Mr. THURMOND) was added as a cosponsor of S. 412, A bill to provide for a national standard to prohibit the operation of motor vehicles by intoxicated individuals.

S. 887

At the request of Ms. MOSELEY-BRAUN, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 887, A bill to establish in the National Service the National Underground Railroad Network to Freedom program, and for other purposes.

S. 1021

At the request of Mr. HAGEL, the name of the Senator from Oklahoma (Mr. INHOFE) was added as a cosponsor of S. 1021, a bill to amend title 5, United States Code, to provide that consideration may not be denied to preference eligibles applying for certain positions in the competitive service, and for other purposes.

S. 1244

At the request of Mr. GRASSLEY, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 1244, a bill to amend title 11, United States Code, to protect certain charitable contributions, and for other purposes.

S. 1360

At the request of Mr. ABRAHAM, the name of the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 1360, a bill to amend the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 to clarify and improve the requirements for the development of an automated entry-exit control system, to enhance land border control and enforcement, and for other purposes.

S. 1427

At the request of Mr. FORD, the names of the Senator from Georgia (Mr. CLELAND), the Senator from Minnesota (Mr. WELLSTONE), and the Senator from Kansas (Mr. BROWNBACK) were added as cosponsors of S. 1427, a bill to amend the Communications Act of 1934 to require the Federal Communications Commission to preserve lowpower television stations that provide community broadcasting, and for other purposes.

S. 1572

At the request of Mr. BRYAN, the name of the Senator from Kansas (Mr.

BROWNBACK) was added as a cosponsor of S. 1572, a bill to prohibit the Secretary of the Interior from promulgating certain regulations relating to Indian gaming activities.

S. 1577

At the request of Mr. CHAFEE, the name of the Senator from North Carolina (Mr. HELMS) was withdrawn as a cosponsor of S. 1577, a bill to amend the Internal Revenue Code of 1986 to provide additional tax relief to families to increase the affordability of child care, and for other purposes.

SENATE JOINT RESOLUTION 30

At the request of Mr. WARNER, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of Senate Joint Resolution 30, A joint resolution designating March 1, 1998 as ''United States Navy Asiatic Fleet Memorial Day,'' and for other purposes.

SENATE CONCURRENT RESOLUTION 30

At the request of Mr. HELMS, the name of the Senator from Oregon (Mr. SMITH) was added as a cosponsor of Senate Concurrent Resolution 30, A concurrent resolution expressing the sense of the Congress that the Republic of China should be admitted to multilateral economic institutions, including the International Monetary Fund and the International Bank for Reconstruction and Development.

SENATE RESOLUTION 181

At the request of Mr. ROBB, the names of the Senator from Hawaii (Mr. AKAKA), the Senator from Montana (Mr. BAUCUS), the Senator from Delaware (Mr. BIDEN), the Senator from New Mexico (Mr. BINGAMAN), the Senator from California (Mrs. BOXER), the Senator from Louisiana (Mr. BREAUX), the Senator from Nevada (Mr. BRYAN), the Senator from Arkansas (Mr. BUMPERS), the Senator from West Virginia (Mr. BYRD), the Senator from Georgia (Mr. CLELAND), the Senator from North Dakota (Mr. CONRAD), the Senator from South Dakota (Mr. DASCHLE), the Senator from Connecticut (Mr. DODD), the Senator from North Dakota (Mr. DORGAN), the Senator from Illinois (Mr. DURBIN), the Senator from Wisconsin (Mr. FEINGOLD), the Senator from California (Mrs. FEINSTEIN), the Senator from Kentucky (Mr. FORD), the Senator from Ohio (Mr. GLENN), the Senator from Florida (Mr. GRAHAM), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Hawaii (Mr. INOUYE), the Senator from South Dakota (Mr. JOHNSON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Nebraska (Mr. KERREY), the Senator from Massachusetts (Mr. KERRY), the Senator from Wisconsin (Mr. KOHL), the Senator from Louisiana (Ms. LANDRIEU), the Senator from New Jersey (Mr. LAUTENBERG), the Senator from Vermont (Mr. LEAHY), the Senator from Michigan (Mr. LEVIN), the Senator from Connecticut (Mr. LIEBERMAN), the Senator from Maryland (Ms. MIKULSKI), the Senator from Illinois (Ms. MOSELEY-BRAUN), the Senator from New York (Mr. MOYNIHAN), the Senator from Washington (Mrs. MURRAY), the Senator from Rhode Island (Mr. REED), the Senator from Nevada (Mr. REID), the Senator from West Virginia (Mr. ROCKEFELLER), the Senator from Maryland (Mr. SARBANES), the Senator from New Jersey (Mr. TORRICELLI), the Senator from Minnesota (Mr. WELLSTONE), the Senator from Oregon (Mr. WYDEN), the Senator from Michigan (Mr. ABRAHAM), the Senator from Colorado (Mr. ALLARD), the Senator from Missouri (Mr. ASHCROFT), the Senator from Utah (Mr. BENNETT), the Senator from Missouri (Mr. BOND), the Senator from Montana (Mr. BURNS), the Senator from Kansas (Mr. BROWNBACK), the Senator from Colorado (Mr. CAMPBELL), the Senator from Rhode Island (Mr. CHAFEE), the Senator from Indiana (Mr. COATS), the Senator from Mississippi (Mr. COCHRAN), the Senator from Maine (Ms. COLLINS), the Senator from Georgia (Mr. COVERDELL), the Senator from Idaho (Mr. CRAIG), the Senator from New York (Mr. D'AMATO), the Senator from Ohio (Mr. DEWINE), the Senator from New Mexico (Mr. DOMENICI), the Senator from Wyoming (Mr. ENZI), the Senator from North Carolina (Mr. FAIRCLOTH), the Senator from Tennessee (Mr. FRIST), the Senator from Washington (Mr. GORTON), the Senator from Minnesota (Mr. GRAMS), the Senator from New Hampshire (Mr. GREGG), the Senator from Nebraska (Mr. HAGEL), the Senator from Utah (Mr. HATCH), the Senator from North Carolina (Mr. HELMS), the Senator from Arkansas (Mr. HUTCHINSON), the Senator from Oklahoma (Mr. INHOFE), the Senator from Idaho (Mr. KEMPTHORNE), the Senator from Mississippi (Mr. LOTT), the Senator from Indiana (Mr. LUGAR), the Senator from Florida (Mr. MACK), the Senator from Arizona (Mr. MCCAIN), the Senator from Kentucky (Mr. MCCONNELL), the Senator from Alaska (Mr. MURKOWSKI), the Senator from Oklahoma (Mr. NICKLES), the Senator from Kansas (Mr. ROBERTS), the Senator from Alabama (Mr. SESSIONS), the Senator from Alabama (Mr. SHELBY), the Senator from New Hampshire (Mr. SMITH), the Senator from Oregon (Mr. SMITH), the Senator from Maine (Ms. SNOWE), the Senator from Pennsylvania (Mr. SPECTER), the Senator from Alaska (Mr. STEVENS), the Senator from Wyoming (Mr. THOMAS), the Senator from Tennessee (Mr. THOMPSON), the Senator from South Carolina (Mr. THURMOND), and the Senator from Virginia (Mr. WARNER) were added as cosponsors of Senate Resolution 181, A resolution expressing the sense of the Senate that on March 2nd, every child in America should be in the company of someone who will read to him or her.

AMENDMENTS SUBMITTED

THE INTERMODAL SURFACE TRANSPORTATION EFFICIENCY ACT OF 1998

CHAFEE AMENDMENT NO. 1676

Mr. LOTT (for Mr. CHAFEE) proposed an amendment to the bill (S. 1173) to authorize funds for construction of highways, for highway safety programs, and for mass transit programs, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Intermodal Surface Transportation Efficiency Act of 1997''.

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

Sec. 1. Short title; table of contents.
Sec. 2. Definition.

TITLE I—SURFACE TRANSPORTATION

Sec. 1001. Short title.

Subtitle A—General Provisions

Sec. 1101. Authorizations.
Sec. 1102. Apportionments.
Sec. 1103. Obligation ceiling.
Sec. 1104. Obligation authority under surface transportation program.
Sec. 1105. Emergency relief.
Sec. 1106. Federal lands highways program.
Sec. 1107. Recreational trails program.
Sec. 1108. Value pricing pilot program.
Sec. 1109. Highway use tax evasion projects.
Sec. 1110. Bicycle transportation and pedestrian walkways.
Sec. 1111. Disadvantaged business enterprises.
Sec. 1112. Federal share payable.
Sec. 1113. Studies and reports.
Sec. 1114. Definitions.
Sec. 1115. Cooperative Federal Lands Transportation Program.
Sec. 1116. Trade corridor and border crossing planning and border infrastructure.
Sec. 1117. Appalachian development highway system.
Sec. 1118. Interstate 4R and bridge discretionary program.
Sec. 1119. Magnetic levitation transportation technology deployment program.
Sec. 1120. Woodrow Wilson Memorial Bridge.
Sec. 1121. National Highway System components.
Sec. 1122. Highway bridge replacement and rehabilitation.
Sec. 1123. Congestion mitigation and air quality improvement program.
Sec. 1124. Safety belt use law requirements.
Sec. 1125. Sense of the Senate concerning reliance on private enterprise.
Sec. 1126. Study of use of uniformed police officers on Federal-aid highway construction projects.
Sec. 1127. Contracting for engineering and design services.

Subtitle B—Program Streamlining and Flexibility

CHAPTER 1—GENERAL PROVISIONS

Sec. 1201. Administrative expenses.
Sec. 1202. Real property acquisition and corridor preservation.
Sec. 1203. Availability of funds.
Sec. 1204. Payments to States for construction.
Sec. 1205. Proceeds from the sale or lease of real property.

Sec. 1206. Metric conversion at State option.
Sec. 1207. Report on obligations.
Sec. 1208. Terminations.
Sec. 1209. Interstate maintenance.
CHAPTER 2—PROJECT APPROVAL
Sec. 1221. Transfer of highway and transit funds.
Sec. 1222. Project approval and oversight.
Sec. 1223. Surface transportation program.
Sec. 1224. Design-build contracting.
Sec. 1225. Integrated decisionmaking process.
CHAPTER 3—ELIGIBILITY AND FLEXIBILITY
Sec. 1231. Definition of operational improvement.
Sec. 1232. Eligibility of ferry boats and ferry terminal facilities.
Sec. 1233. Flexibility of safety programs.
Sec. 1234. Eligibility of projects on the National Highway System.
Sec. 1235. Eligibility of projects under the surface transportation program.
Sec. 1236. Design flexibility.
Subtitle C—Finance
CHAPTER 1—GENERAL PROVISIONS
Sec. 1301. State infrastructure bank program.
CHAPTER 2—TRANSPORTATION INFRASTRUCTURE FINANCE AND INNOVATION
Sec. 1311. Short title.
Sec. 1312. Findings.
Sec. 1313. Definitions.
Sec. 1314. Determination of eligibility and project selection.
Sec. 1315. Secured loans.
Sec. 1316. Lines of credit.
Sec. 1317. Project servicing.
Sec. 1318. Office of Infrastructure Finance.
Sec. 1319. State and local permits.
Sec. 1320. Regulations.
Sec. 1321. Funding.
Sec. 1322. Report to Congress.
Subtitle D—Safety
Sec. 1401. Operation lifesaver.
Sec. 1402. Railway-highway crossing hazard elimination in high speed rail corridors.
Sec. 1403. Railway-highway crossings.
Sec. 1404. Hazard elimination program.
Sec. 1405. Minimum penalties for repeat offenders for driving while intoxicated or driving under the influence.
Sec. 1406. Safety incentive grants for use of seat belts.
Sec. 1407. Automatic crash protection unbelted testing standard.
Subtitle E—Environment
Sec. 1501. National scenic byways program.
Sec. 1502. Public-private partnerships.
Sec. 1503. Wetland restoration pilot program.
Subtitle F—Planning
Sec. 1601. Metropolitan planning.
Sec. 1602. Statewide planning.
Sec. 1603. Advanced travel forecasting procedures program.
Sec. 1604. Transportation and community and system preservation pilot program.
Subtitle G—Technical Corrections
Sec. 1701. Federal-aid systems.
Sec. 1702. Miscellaneous technical corrections.
Sec. 1703. Nondiscrimination.
Sec. 1704. State transportation department.
Subtitle H—Miscellaneous Provisions
Sec. 1801. Designation of portion of State Route 17 in New York and Pennsylvania as Interstate Route 86.
TITLE II—RESEARCH AND TECHNOLOGY
Subtitle A—Research and Training
Sec. 2001. Strategic research plan.
Sec. 2002. Multimodal Transportation Research and Development Program.
Sec. 2003. National university transportation centers.
Sec. 2004. Bureau of Transportation Statistics.
Sec. 2005. Research and technology program.
Sec. 2006. Advanced research program.
Sec. 2007. Long-term pavement performance program.
Sec. 2008. State planning and research program.
Sec. 2009. Education and training.
Sec. 2010. International highway transportation outreach program.
Sec. 2011. National technology deployment initiatives and partnerships program.
Sec. 2012. Infrastructure investment needs report.
Sec. 2013. Innovative bridge research and construction program.
Sec. 2014. Use of Bureau of Indian Affairs administrative funds.
Sec. 2015. Study of future strategic highway research program.
Sec. 2016. Joint partnerships for advanced vehicles, components, and infrastructure program.
Sec. 2017. Transportation and environment cooperative research program.
Sec. 2018. Conforming amendments.
Subtitle B—Intelligent Transportation Systems
Sec. 2101. Short title.
Sec. 2102. Findings.
Sec. 2103. Intelligent transportation systems.
Sec. 2104. Conforming amendment.
Subtitle C—Funding
Sec. 2201. Funding.

SEC. 2. DEFINITION.

In this Act, the term ''Secretary'' means the Secretary of Transportation.

TITLE I—SURFACE TRANSPORTATION

SEC. 1001. SHORT TITLE.

This title may be cited as the ''Surface Transportation Act of 1997''.

Subtitle A—General Provisions

SEC. 1101. AUTHORIZATIONS.

For the purpose of carrying out title 23, United States Code, the following sums shall be available from the Highway Trust Fund (other than the Mass Transit Account):

(1) INTERSTATE AND NATIONAL HIGHWAY SYSTEM PROGRAM.—For the Interstate and National Highway System program under section 103 of that title $11,979,000,000 for fiscal year 1998, $11,808,000,000 for fiscal year 1999, $11,819,000,000 for fiscal year 2000, $11,916,000,000 for fiscal year 2001, $12,242,000,000 for fiscal year 2002, and $12,776,000,000 for fiscal year 2003, of which—

(A) $4,600,000,000 for fiscal year 1998, $4,609,000,000 for fiscal year 1999, $4,637,000,000 for fiscal year 2000, $4,674,000,000 for fiscal year 2001, $4,773,000,000 for fiscal year 2002, and $4,918,000,000 for fiscal year 2003 shall be available for the Interstate maintenance component; and

(B) $1,400,000,000 for fiscal year 1998, $1,403,000,000 for fiscal year 1999, $1,411,000,000 for fiscal year 2000, $1,423,000,000 for fiscal year 2001, $1,453,000,000 for fiscal year 2002, and $1,497,000,000 for fiscal year 2003 shall be available for the Interstate bridge component.

(2) SURFACE TRANSPORTATION PROGRAM.—For the surface transportation program under section 133 of that title $7,000,000,000 for fiscal year 1998, $7,014,000,000 for fiscal year 1999, $7,056,000,000 for fiscal year 2000, $7,113,000,000 for fiscal year 2001, $7,263,000,000 for fiscal year 2002, and $7,484,000,000 for fiscal year 2003.

(3) CONGESTION MITIGATION AND AIR QUALITY IMPROVEMENT PROGRAM.—For the congestion mitigation and air quality improvement program under section 149 of that title $1,150,000,000 for fiscal year 1998, $1,152,000,000 for fiscal year 1999, $1,159,000,000 for fiscal year 2000, $1,169,000,000 for fiscal year 2001, $1,193,000,000 for fiscal year 2002, and $1,230,000,000 for fiscal year 2003.

(4) FEDERAL LANDS HIGHWAYS PROGRAM.—

(A) INDIAN RESERVATION ROADS.—For Indian reservation roads under section 204 of that title $200,000,000 for each of fiscal years 1998 through 2003.

(B) PARKWAYS AND PARK ROADS.—For parkways and park roads under section 204 of that title $90,000,000 for each of fiscal years 1998 through 2003.

(C) PUBLIC LANDS HIGHWAYS.—For public lands highways under section 204 of that title $172,000,000 for each of fiscal years 1998 through 2003.

(D) COOPERATIVE FEDERAL LANDS TRANSPORTATION PROGRAM.—For the Cooperative Federal Lands Transportation Program under section 207 of that title $74,000,000 for each of fiscal years 1998 through 2003.

SEC. 1102. APPORTIONMENTS.

(a) IN GENERAL.—Section 104 of title 23, United States Code, is amended by striking subsection (b) and inserting the following:

''(b) APPORTIONMENTS.—On October 1 of each fiscal year, the Secretary, after making the deduction authorized by subsection (a) and the set-asides authorized by subsection (f), shall apportion the remainder of the sums authorized to be appropriated for expenditure on the National Highway System, the congestion mitigation and air quality improvement program, and the surface transportation program, for that fiscal year, among the States in the following manner:

''(1) INTERSTATE AND NATIONAL HIGHWAY SYSTEM PROGRAM.—

''(A) INTERSTATE MAINTENANCE COMPONENT.—For resurfacing, restoring, rehabilitating, and reconstructing the Interstate System—

''(i) 50 percent in the ratio that—

''(I) the total lane miles on Interstate System routes designated under—

''(aa) section 103;

''(bb) section 139(a) before March 9, 1984 (other than routes on toll roads not subject to a Secretarial agreement under section 105 of the Federal-Aid Highway Act of 1978 (92 Stat. 2692)); and

''(cc) section 139(c) (as in effect on the day before the date of enactment of the Intermodal Surface Transportation Efficiency Act of 1997);

in each State; bears to

''(II) the total of all such lane miles in all States; and

''(ii) 50 percent in the ratio that—

''(I) the total vehicle miles traveled on lanes on Interstate System routes designated under—

''(aa) section 103;

''(bb) section 139(a) before March 9, 1984 (other than routes on toll roads not subject to a Secretarial agreement under section 105 of the Federal-Aid Highway Act of 1978 (92 Stat. 2692)); and

''(cc) section 139(c) (as in effect on the day before the date of enactment of the Intermodal Surface Transportation Efficiency Act of 1997);

in each State; bears to

''(II) the total of all such vehicle miles traveled in all States.

''(B) INTERSTATE BRIDGE COMPONENT.—For resurfacing, restoring, rehabilitating, and reconstructing bridges on the Interstate System, in the ratio that—

''(i) the total square footage of structurally deficient and functionally obsolete

bridges on the Interstate System (other than bridges on toll roads not subject to a Secretarial agreement under section 105 of the Federal-Aid Highway Act of 1978 (92 Stat. 2692)) in each State; bears to

''(ii) the total square footage of structurally deficient and functionally obsolete bridges on the Interstate System (other than bridges on toll roads not subject to a Secretarial agreement under section 105 of the Federal-Aid Highway Act of 1978 (92 Stat. 2692)) in all States.

''(C) OTHER NATIONAL HIGHWAY SYSTEM COMPONENT.—

''(i) IN GENERAL.—For the National Highway System (excluding funds apportioned under subparagraph (A) or (B)), $36,400,000 for each fiscal year to the Virgin Islands, Guam, American Samoa, and the Commonwealth of Northern Mariana Islands and the remainder apportioned as follows:

''(I) 20 percent of the apportionments in the ratio that—

''(aa) the total lane miles of principal arterial routes (excluding Interstate System routes) in each State; bears to

''(bb) the total lane miles of principal arterial routes (excluding Interstate System routes) in all States.

''(II) 29 percent of the apportionments in the ratio that—

''(aa) the total vehicle miles traveled on lanes on principal arterial routes (excluding Interstate System routes) in each State; bears to

''(bb) the total vehicle miles traveled on lanes on principal arterial routes (excluding Interstate System routes) in all States.

''(III) 18 percent of the apportionments in the ratio that—

''(aa) the total square footage of structurally deficient and functionally obsolete bridges on principal arterial routes (excluding bridges on Interstate System routes (other than bridges on toll roads not subject to a Secretarial agreement under section 105 of the Federal-Aid Highway Act of 1978 (92 Stat. 2692))) in each State; bears to

''(bb) the total square footage of structurally deficient and functionally obsolete bridges on principal arterial routes (excluding bridges on Interstate System routes (other than bridges on toll roads not subject to a Secretarial agreement under section 105 of the Federal-Aid Highway Act of 1978 (92 Stat. 2692))) in all States.

''(IV) 24 percent of the apportionments in the ratio that—

''(aa) the total diesel fuel used on highways in each State; bears to

''(bb) the total diesel fuel used on highways in all States.

''(V) 9 percent of the apportionments in the ratio that—

''(aa) the quotient obtained by dividing the total lane miles on principal arterial highways in each State by the total population of the State; bears to

''(bb) the quotient obtained by dividing the total lane miles on principal arterial highways in all States by the total population of all States.

''(ii) DATA.—Each calculation under clause (i) shall be based on the latest available data.

''(D) MINIMUM APPORTIONMENT.—Notwithstanding subparagraphs (A) through (C), each State shall receive a minimum of ½ of 1 percent of the funds apportioned under this paragraph.

''(2) CONGESTION MITIGATION AND AIR QUALITY IMPROVEMENT PROGRAM.—

''(A) IN GENERAL.—For the congestion mitigation and air quality improvement program, in the ratio that—

''(i) the total of all weighted nonattainment and maintenance area populations in each State; bears to

''(ii) the total of all weighted nonattainment and maintenance area populations in all States.

''(B) CALCULATION OF WEIGHTED NONATTAINMENT AND MAINTENANCE AREA POPULATION.—Subject to subparagraph (C), for the purpose of subparagraph (A), the weighted nonattainment and maintenance area population shall be calculated by multiplying the population of each area in a State that was a nonattainment area or maintenance area as described in section 149(b) for ozone or carbon monoxide by a factor of—

''(i) 0.8 if—

''(I) at the time of the apportionment, the area is a maintenance area; or

''(II) at the time of the apportionment, the area is classified as a submarginal ozone nonattainment area under the Clean Air Act (42 U.S.C. 7401 et seq.);

''(ii) 1.0 if, at the time of the apportionment, the area is classified as a marginal ozone nonattainment area under subpart 2 of part D of title I of the Clean Air Act (42 U.S.C. 7511 et seq.);

''(iii) 1.1 if, at the time of the apportionment, the area is classified as a moderate ozone nonattainment area under that subpart;

''(iv) 1.2 if, at the time of the apportionment, the area is classified as a serious ozone nonattainment area under that subpart;

''(v) 1.3 if, at the time of the apportionment, the area is classified as a severe ozone nonattainment area under that subpart;

''(vi) 1.4 if, at the time of the apportionment, the area is classified as an extreme ozone nonattainment area under that subpart; or

''(vii) 1.0 if, at the time of the apportionment, the area is not a nonattainment or maintenance area as described in section 149(b) for ozone, but is classified under subpart 3 of part D of title I of that Act (42 U.S.C. 7512 et seq.) as a nonattainment area described in section 149(b) for carbon monoxide.

''(C) ADDITIONAL ADJUSTMENT FOR CARBON MONOXIDE AREAS.—

''(i) CARBON MONOXIDE NONATTAINMENT AREAS.—If, in addition to being classified as a nonattainment or maintenance area for ozone, the area was also classified under subpart 3 of part D of title I of that Act (42 U.S.C. 7512 et seq.) as a nonattainment area described in section 149(b) for carbon monoxide, the weighted nonattainment or maintenance area population of the area, as determined under clauses (i) through (vi) of subparagraph (B), shall be further multiplied by a factor of 1.2.

''(ii) CARBON MONOXIDE MAINTENANCE AREAS.—If, in addition to being classified as a nonattainment or maintenance area for ozone, the area was at one time also classified under subpart 3 of part D of title I of that Act (42 U.S.C. 7512 et seq.) as a nonattainment area described in section 149(b) for carbon monoxide but has been redesignated as a maintenance area, the weighted nonattainment or maintenance area population of the area, as determined under clauses (i) through (vi) of subparagraph (B), shall be further multiplied by a factor of 1.1.

''(D) MINIMUM APPORTIONMENT.—Notwithstanding any other provision of this paragraph, each State shall receive a minimum of ½ of 1 percent of the funds apportioned under this paragraph.

''(E) DETERMINATIONS OF POPULATION.—In determining population figures for the purposes of this paragraph, the Secretary shall use the latest available annual estimates prepared by the Secretary of Commerce.

''(3) SURFACE TRANSPORTATION PROGRAM.—

''(A) IN GENERAL.—For the surface transportation program, in accordance with the following formula:

''(i) 20 percent of the apportionments in the ratio that—

''(I) the total lane miles of Federal-aid highways in each State; bears to

''(II) the total lane miles of Federal-aid highways in all States.

''(ii) 30 percent of the apportionments in the ratio that—

''(I) the total vehicle miles traveled on lanes on Federal-aid highways in each State; bears to

''(II) the total vehicle miles traveled on lanes on Federal-aid highways in all States.

''(iii) 25 percent of the apportionments in the ratio that—

''(I) the total square footage of structurally deficient and functionally obsolete bridges on Federal-aid highways (excluding bridges described in subparagraphs (B) and (C)(i)(III) of paragraph (1)) in each State; bears to

''(II) the total square footage of structurally deficient and functionally obsolete bridges on Federal-aid highways (excluding bridges described in subparagraphs (B) and (C)(i)(III) of paragraph (1)) in all States.

''(iv) 25 percent of the apportionments in the ratio that—

''(I) the estimated tax payments attributable to highway users in each State paid into the Highway Trust Fund (other than the Mass Transit Account) in the latest fiscal year for which data are available; bears to

''(II) the estimated tax payments attributable to highway users in all States paid into the Highway Trust Fund (other than the Mass Transit Account) in the latest fiscal year for which data are available.

''(B) DATA.—Each calculation under subparagraph (A) shall be based on the latest available data.

''(C) MINIMUM APPORTIONMENT.—Notwithstanding subparagraph (A), each State shall receive a minimum of ½ of 1 percent of the funds apportioned under this paragraph.''.

(b) EFFECT OF CERTAIN AMENDMENTS.—Section 104 of title 23, United States Code, is amended by striking subsection (h) and inserting the following:

''(h) EFFECT OF CERTAIN AMENDMENTS.—Notwithstanding any other provision of law, deposits into the Highway Trust Fund resulting from the amendments made by section 901 of the Taxpayer Relief Act of 1997 shall not be taken into account in determining the apportionments and allocations that any State shall be entitled to receive under the Intermodal Surface Transportation Efficiency Act of 1997 and this title .''.

(c) ISTEA TRANSITION.—

(1) IN GENERAL.—For each of fiscal years 1998 through 2003, the Secretary shall determine, with respect to each State—

(A) the total apportionments for the fiscal year under section 104 of title 23, United States Code, for the Interstate and National Highway System program, the surface transportation program, metropolitan planning, and the congestion mitigation and air quality improvement program;

(B) the annual average of the total apportionments during the period of fiscal years 1992 through 1997 for all Federal-aid highway programs (as defined in section 101 of title 23, United States Code), excluding apportionments for the Federal lands highways program under section 204 of that title;

(C) the annual average of the total apportionments during the period of fiscal years 1992 through 1997 for all Federal-aid highway programs (as defined in section 101 of title 23, United States Code), excluding—

(i) apportionments authorized under section 104 of that title for construction of the Interstate System;

(ii) apportionments for the Interstate substitute program under section 103(e)(4) of

that title (as in effect on the day before the date of enactment of this Act);

(iii) apportionments for the Federal lands highways program under section 204 of that title; and

(iv) adjustments to sums apportioned under section 104 of that title due to the hold harmless adjustment under section 1015(a) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 104 note; 105 Stat. 1943);

(D) the product obtained by multiplying—

(i) the annual average of the total apportionments determined under subparagraph (B); by

(ii) the applicable percentage determined under paragraph (2); and

(E) the product obtained by multiplying—

(i) the annual average of the total apportionments determined under subparagraph (C); by

(ii) the applicable percentage determined under paragraph (2).

(2) APPLICABLE PERCENTAGES.—

(A) FISCAL YEAR 1998.—For fiscal year 1998—

(i) the applicable percentage referred to in paragraph (1)(D)(ii) shall be 145 percent; and

(ii) the applicable percentage referred to in paragraph (1)(E)(ii) shall be 107 percent.

(B) FISCAL YEARS THEREAFTER.—For each of fiscal years 1999 through 2003, the applicable percentage referred to in paragraph (1)(D)(ii) or (1)(E)(ii), respectively, shall be a percentage equal to the product obtained by multiplying—

(i) the percentage specified in clause (i) or (ii), respectively, of subparagraph (A); by

(ii) the percentage that—

(I) the total contract authority made available under this Act and title 23, United States Code, for Federal-aid highway programs for the fiscal year; bears to

(II) the total contract authority made available under this Act and title 23, United States Code, for Federal-aid highway programs for fiscal year 1998.

(3) MAXIMUM TRANSITION.—

(A) IN GENERAL.—For each of fiscal years 1998 through 2003, in the case of each State with respect to which the total apportionments determined under paragraph (1)(A) is greater than the product determined under paragraph (1)(D), the Secretary shall reduce proportionately the apportionments to the State under section 104 of title 23, United States Code, for the National Highway System component of the Interstate and National Highway System program, the surface transportation program, and the congestion mitigation and air quality improvement program so that the total of the apportionments is equal to the product determined under paragraph (1)(D).

(B) REDISTRIBUTION OF FUNDS.—

(i) IN GENERAL.—Subject to clause (ii), funds made available under subparagraph (A) shall be redistributed proportionately under section 104 of title 23, United States Code, for the Interstate and National Highway System program, the surface transportation program, and the congestion mitigation and air quality improvement program, to States not subject to a reduction under subparagraph (A).

(ii) LIMITATION.—The ratio that—

(I) the total apportionments to a State under section 104 of title 23, United States Code, for the Interstate and National Highway System program, the surface transportation program, metropolitan planning, and the congestion mitigation and air quality improvement program, after the application of clause (i); bears to

(II) the annual average of the total apportionments determined under paragraph (1)(B) with respect to the State;

may not exceed, in the case of fiscal year 1998, 145 percent, and, in the case of each of fiscal years 1999 through 2003, 145 percent as adjusted in the manner described in paragraph (2)(B).

(4) MINIMUM TRANSITION.—

(A) IN GENERAL.—For each of fiscal years 1998 through 2003, the Secretary shall apportion to each State such additional amounts as are necessary to ensure that—

(i) the total apportionments to the State under section 104 of title 23, United States Code, for the Interstate and National Highway System program, the surface transportation program, metropolitan planning, and the congestion mitigation and air quality improvement program, after the application of paragraph (3); is equal to

(ii) the greater of—

(I) the product determined with respect to the State under paragraph (1)(E); or

(II) the total apportionments to the State for fiscal year 1997 for all Federal-aid highway programs, excluding—

(aa) apportionments for the Federal lands highways program under section 204 of title 23, United States Code;

(bb) adjustments to sums apportioned under section 104 of that title due to the hold harmless adjustment under section 1015(a) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 104 note; 105 Stat. 1943); and

(cc) demonstration projects under the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102–240).

(B) OBLIGATION.—Amounts apportioned under subparagraph (A)—

(i) shall be considered to be sums made available for expenditure on the surface transportation program, except that—

(I) the amounts shall not be subject to paragraphs (1) and (2) of section 133(d) of title 23, United States Code; and

(II) 50 percent of the amounts shall be subject to section 133(d)(3) of that title;

(ii) shall be available for any purpose eligible for funding under section 133 of that title; and

(iii) shall remain available for obligation for a period of 3 years after the last day of the fiscal year for which the amounts are apportioned.

(C) AUTHORIZATION OF CONTRACT AUTHORITY.—

(i) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) such sums as are necessary to carry out this paragraph.

(ii) CONTRACT AUTHORITY.—Funds authorized under this subparagraph shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code.

(d) MINIMUM GUARANTEE.—

(1) IN GENERAL.—Section 105 of title 23, United States Code, is amended to read as follows:

"§ 105. Minimum guarantee

"(a) ADJUSTMENT.—

"(1) IN GENERAL.—In fiscal year 1998 and each fiscal year thereafter on October 1, or as soon as practicable thereafter, the Secretary shall allocate among the States amounts sufficient to ensure that—

"(A) the ratio that—

"(i) each State's percentage of the total apportionments for the fiscal year—

"(I) under section 104 for the Interstate and National Highway System program, the surface transportation program, metropolitan planning, and the congestion mitigation and air quality improvement program; and

"(II) under this section and section 1102(c) of the Intermodal Surface Transportation Efficiency Act of 1997 for ISTEA transition; bears to

"(ii) each State's percentage of estimated tax payments attributable to highway users in the State paid into the Highway Trust Fund (other than the Mass Transit Account) in the latest fiscal year for which data are available;

is not less than 0.90; and

"(B) in the case of a State specified in paragraph (2), the State's percentage of the total apportionments for the fiscal year described in subclauses (I) and (II) of subparagraph (A)(i) is—

"(i) not less than the percentage specified for the State in paragraph (2); but

"(ii) not greater than the product determined for the State under section 1102(c)(1)(D) of the Intermodal Surface Transportation Efficiency Act of 1997 for the fiscal year.

"(2) STATE PERCENTAGES.—The percentage referred to in paragraph (1)(B) for a specified State shall be determined in accordance with the following table:

"State	Percentage
Alaska	1.24
Arkansas	1.33
Delaware	0.47
Hawaii	0.55
Idaho	0.82
Montana	1.06
Nevada	0.73
New Hampshire	0.52
New Jersey	2.41
New Mexico	1.05
North Dakota	0.73
Rhode Island	0.58
South Dakota	0.78
Vermont	0.47
Wyoming	0.76.

"(b) TREATMENT OF ALLOCATIONS.—

"(1) OBLIGATION.—Amounts allocated under subsection (a)—

"(A) shall be available for obligation when allocated and shall remain available for obligation for a period of 3 years after the last day of the fiscal year for which the amounts are allocated; and

"(B) shall be available for any purpose eligible for funding under this title.

"(2) SET-ASIDE.—Fifty percent of the amounts allocated under subsection (a) shall be subject to section 133(d)(3).

"(c) TREATMENT OF WITHHELD APPORTIONMENTS.—For the purpose of subsection (a), any funds that, but for section 158(b) or any other provision of law under which Federal-aid highway funds are withheld from apportionment, would be apportioned to a State for a fiscal year under a section referred to in subsection (a) shall be treated as being apportioned in that fiscal year.

"(d) AUTHORIZATION OF CONTRACT AUTHORITY.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) such sums as are necessary to carry out this section.".

(2) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section 105 and inserting the following:

"105. Minimum guarantee.".

(e) AUDITS OF HIGHWAY TRUST FUND.—Section 104 of title 23, United States Code, is amended by striking subsection (i) and inserting the following:

"(i) AUDITS OF HIGHWAY TRUST FUND.—From available administrative funds deducted under subsection (a), the Secretary may reimburse the Office of Inspector General of the Department of Transportation for the conduct of annual audits of financial statements in accordance with section 3521 of title 31.".

(f) TECHNICAL AMENDMENTS.—Section 104 of title 23, United States Code, is amended—

(1) in subsection (e)—

(A) by inserting "NOTIFICATION TO STATES.—" after "(e)";

(B) in the first sentence—

(i) by striking ''(other than under subsection (b)(5) of this section)''; and

(ii) by striking ''and research'';

(C) by striking the second sentence; and

(D) in the last sentence, by striking '', except that'' and all that follows through ''such funds''; and

(2) in subsection (f)—

(A) by striking ''(f)(1) On'' and inserting the following:

''(f) METROPOLITAN PLANNING.—

''(1) SET-ASIDE.—On'';

(B) by striking ''(2) These'' and inserting the following:

''(2) APPORTIONMENT TO STATES OF SET-ASIDE FUNDS.—These'';

(C) by striking ''(3) The'' and inserting the following:

''(3) USE OF FUNDS.—The''; and

(D) by striking ''(4) The'' and inserting the following:

''(4) DISTRIBUTION OF FUNDS WITHIN STATES.—The''.

(g) CONFORMING AMENDMENTS.—

(1) Section 146(a) of title 23, United States Code, is amended in the first sentence by striking '', 104(b)(2), and 104(b)(6)'' and inserting ''and 104(b)(2)''.

(2)(A) Section 150 of title 23, United States Code, is repealed.

(B) The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section 150.

(3) Section 158 of title 23, United States Code, is amended—

(A) in subsection (a)—

(i) by striking paragraph (1);

(ii) by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively;

(iii) in paragraph (1) (as so redesignated)—

(I) by striking ''AFTER THE FIRST YEAR'' and inserting ''IN GENERAL''; and

(II) by striking '', 104(b)(2), 104(b)(5), and 104(b)(6)'' and inserting ''and 104(b)(2)''; and

(iv) in paragraph (2) (as redesignated by clause (ii)), by striking ''paragraphs (1) and (2) of this subsection'' and inserting ''paragraph (1)''; and

(B) by striking subsection (b) and inserting the following:

''(b) EFFECT OF WITHHOLDING OF FUNDS.—No funds withheld under this section from apportionment to any State after September 30, 1988, shall be available for apportionment to that State.''.

(4)(A) Section 157 of title 23, United States Code, is repealed.

(B) The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section 157.

(5)(A) Section 115(b)(1) of title 23, United States Code, is amended by striking ''or 104(b)(5), as the case may be,''.

(B) Section 137(f)(1) of title 23, United States Code, is amended by striking ''section 104(b)(5)(B) of this title'' and inserting ''section 104(b)(1)(A)''.

(C) Section 141(c) of title 23, United States Code, is amended by striking ''section 104(b)(5) of this title'' each place it appears and inserting ''section 104(b)(1)(A)''.

(D) Section 142(c) of title 23, United States Code, is amended by striking ''(other than section 104(b)(5)(A))''.

(E) Section 159 of title 23, United States Code, is amended—

(i) by striking ''(5) of'' each place it appears and inserting ''(5) (as in effect on the day before the date of enactment of the Intermodal Surface Transportation Efficiency Act of 1997) of''; and

(ii) in subsection (b)—

(I) in paragraphs (1)(A)(i) and (3)(A), by striking ''section 104(b)(5)(A)'' each place it appears and inserting ''section 104(b)(5)(A) (as in effect on the day before the date of enactment of the Intermodal Surface Transportation Efficiency Act of 1997)'';

(II) in paragraph (1)(A)(ii), by striking ''section 104(b)(5)(B)'' and inserting ''section 104(b)(5)(B) (as in effect on the day before the date of enactment of the Intermodal Surface Transportation Efficiency Act of 1997)'';

(III) in paragraph (3)(B), by striking ''(5)(B)'' and inserting ''(5)(B) (as in effect on the day before the date of enactment of the Intermodal Surface Transportation Efficiency Act of 1997)''; and

(IV) in paragraphs (3) and (4), by striking ''section 104(b)(5)'' each place it appears and inserting ''section 104(b)(5) (as in effect on the day before the date of enactment of the Intermodal Surface Transportation Efficiency Act of 1997)''.

(F) Section 161(a) of title 23, United States Code, is amended by striking ''paragraphs (1), (3), and (5)(B) of section 104(b)'' each place it appears and inserting ''paragraphs (1) and (3) of section 104(b)''.

(6)(A) Section 104(g) of title 23, United States Code, is amended—

(i) in the first sentence, by striking ''sections 130, 144, and 152 of this title'' and inserting ''subsection (b)(1)(B) and sections 130 and 152'';

(ii) in the first and second sentences—

(I) by striking ''section'' and inserting ''provision''; and

(II) by striking ''such sections'' and inserting ''those provisions''; and

(iii) in the third sentence—

(I) by striking ''section 144'' and inserting ''subsection (b)(1)(B)''; and

(II) by striking ''subsection (b)(1)'' and inserting ''subsection (b)(1)(C)''.

(B) Section 115 of title 23, United States Code, is amended—

(i) in subsection (a)(1)(A)(i), by striking ''104(b)(2), 104(b)(3), 104(f), 144,'' and inserting ''104(b)(1)(B), 104(b)(2), 104(b)(3), 104(f),''; and

(ii) in subsection (c), by striking ''144,,''.

(C) Section 120(e) of title 23, United States Code, is amended in the last sentence by striking ''and in section 144 of this title''.

(D) Section 151(d) of title 23, United States Code, is amended by striking ''section 104(a), section 307(a), and section 144 of this title'' and inserting ''subsections (a) and (b)(1)(B) of section 104 and section 307(a)''.

(E) Section 204(c) of title 23, United States Code, is amended in the first sentence by striking ''or section 144 of this title''.

(F) Section 303(g) of title 23, United States Code, is amended by striking ''section 144 of this title'' and inserting ''section 104(b)(1)(B)''.

SEC. 1103. OBLIGATION CEILING.

(a) GENERAL LIMITATIONS.—Subject to the other provisions of this section and notwithstanding any other provision of law, the total amount of all obligations for Federal-aid highways and highway safety construction programs shall not exceed—

(1) $21,800,000,000 for fiscal year 1998;

(2) $22,802,000,000 for fiscal year 1999;

(3) $22,939,000,000 for fiscal year 2000;

(4) $23,183,000,000 for fiscal year 2001;

(5) $23,699,000,000 for fiscal year 2002; and

(6) $24,548,000,000 for fiscal year 2003.

(b) EXCEPTIONS.—

(1) IN GENERAL.—The limitations under subsection (a) shall not apply to obligations of funds under—

(A) section 105(a) of title 23, United States Code (but, for each of fiscal years 1998 through 2003, only in an amount equal to the amount included for section 157 of title 23, United States Code, in the baseline determined by the Congressional Budget Office for the fiscal year 1998 budget (as specified in the letter from the Director of the Congressional Budget Office to the Chairman of the Senate Committee on Environment and Public Works, dated October 6, 1997), excluding amounts allocated under section 105(a)(1)(B) of that title;

(B) section 125 of that title;

(C) section 157 of that title (as in effect on the day before the date of enactment of this Act);

(D) section 147 of the Surface Transportation Assistance Act of 1978 (23 U.S.C. 144 note; 92 Stat. 2714);

(E) section 9 of the Federal-Aid Highway Act of 1981 (95 Stat. 1701);

(F) subsections (b) and (j) of section 131 of the Surface Transportation Assistance Act of 1982 (96 Stat. 2119);

(G) subsections (b) and (c) of section 149 of the Surface Transportation and Uniform Relocation Assistance Act of 1987 (101 Stat. 198); and

(H) sections 1103 through 1108 of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2027).

(2) EFFECT OF OTHER LAW.—A provision of law establishing a limitation on obligations for Federal-aid highways and highway safety construction programs may not amend or limit the applicability of this subsection, unless the provision specifically amends or limits that applicability.

(c) APPLICABILITY TO TRANSPORTATION RESEARCH PROGRAMS.—Obligation limitations for Federal-aid highways and highway safety construction programs established by subsection (a) shall apply to transportation research programs carried out under chapter 5 of title 23, United States Code.

(d) OBLIGATION AUTHORITY.—Section 118 of title 23, United States Code, is amended by adding at the end the following:

''(g) OBLIGATION AUTHORITY.—

''(1) DISTRIBUTION.—For each fiscal year, the Secretary shall—

''(A) distribute the total amount of obligation authority for Federal-aid highways and highway safety construction programs made available for the fiscal year by allocation in the ratio that—

''(i) the total of the sums made available for Federal-aid highways and highway safety construction programs that are apportioned or allocated to each State for the fiscal year; bears to

''(ii) the total of the sums made available for Federal-aid highways and highway safety construction programs that are apportioned or allocated to all States for the fiscal year;

''(B) provide all States with authority sufficient to prevent lapses of sums authorized to be appropriated for Federal-aid highways that have been apportioned to a State; and

''(C) notwithstanding subparagraphs (A) and (B), not distribute—

''(i) amounts deducted under section 104(a) for administrative expenses;

''(ii) amounts set aside under section 104(k) for Interstate 4R and bridge projects;

''(iii) amounts made available under sections 143, 164, 165, 204, 206, 207, and 322;

''(iv) amounts made available under section 111 of title 49;

''(v) amounts made available under section 201 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.);

''(vi) amounts made available under section 1012(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 149 note; 105 Stat. 1938);

''(vii) amounts made available under sections 1503, 1603, and 1604 of the Intermodal Surface Transportation Efficiency Act of 1997;

''(viii) amounts made available under section 149(d) of the Surface Transportation and Uniform Relocation Assistance Act of 1987 (101 Stat. 201);

''(ix) amounts made available under section 105(a)(1)(A) to the extent that the

amounts are subject to any obligation limitation under section 1103(a) of the Intermodal Surface Transportation Efficiency Act of 1997;

''(x) amounts made available for implementation of programs under chapter 5 of this title and sections 5222, 5232, and 5241 of title 49; and

''(xi) amounts made available under section 412 of the Woodrow Wilson Memorial Bridge Authority Act of 1995.

''(2) REDISTRIBUTION.—Notwithstanding paragraph (1), the Secretary shall, after August 1 of each of fiscal years 1998 through 2003—

''(A) revise a distribution of the funds made available under paragraph (1) for the fiscal year if a State will not obligate the amount distributed during the fiscal year; and

''(B) redistribute sufficient amounts to those States able to obligate amounts in addition to the amounts previously distributed during the fiscal year, giving priority to those States that have large unobligated balances of funds apportioned under section 104 and under section 144 (as in effect on the day before the date of enactment of this subparagraph).''.

(e) APPLICABILITY OF OBLIGATION LIMITATIONS.—An obligation limitation established by a provision of any other Act shall not apply to obligations under a program funded under this Act or title 23, United States Code, unless—

(1) the provision specifically amends or limits the applicability of this subsection; or

(2) an obligation limitation is specified in this Act with respect to the program.

SEC. 1104. OBLIGATION AUTHORITY UNDER SURFACE TRANSPORTATION PROGRAM.

Section 133 of title 23, United States Code, is amended by striking subsection (f) and inserting the following:

''(f) OBLIGATION AUTHORITY.—

''(1) IN GENERAL.—A State that is required to obligate in an urbanized area with an urbanized area population of over 200,000 individuals under subsection (d) funds apportioned to the State under section 104(b)(3) shall make available during the 3-fiscal year period of 1998 through 2000, and the 3-fiscal year period of 2001 through 2003, an amount of obligation authority distributed to the State for Federal-aid highways and highway safety construction programs for use in the area that is equal to the amount obtained by multiplying—

''(A) the aggregate amount of funds that the State is required to obligate in the area under subsection (d) during each such period; by

''(B) the ratio that—

''(i) the aggregate amount of obligation authority distributed to the State for Federal-aid highways and highway safety construction programs during the period; bears to

''(ii) the total of the sums apportioned to the State for Federal-aid highways and highway safety construction programs (excluding sums not subject to an obligation limitation) during the period.

''(2) JOINT RESPONSIBILITY.—Each State, each affected metropolitan planning organization, and the Secretary shall jointly ensure compliance with paragraph (1).''.

SEC. 1105. EMERGENCY RELIEF.

(a) FEDERAL SHARE.—Section 120(e) of title 23, United States Code, is amended in the first sentence by striking ''highway system'' and inserting ''highway''.

(b) ELIGIBILITY AND FUNDING.—Section 125 of title 23, United States Code, is amended—

(1) by striking subsection (a);

(2) by redesignating subsections (b), (c), and (d) as subsections (d), (e), and (f), respectively;

(3) by inserting after the section heading the following:

''(a) GENERAL ELIGIBILITY.—Subject to this section and section 120, an emergency fund is authorized for expenditure by the Secretary for the repair or reconstruction of highways, roads, and trails, in any part of the United States, including Indian reservations, that the Secretary finds have suffered serious damage as a result of—

''(1) natural disaster over a wide area, such as by a flood, hurricane, tidal wave, earthquake, severe storm, or landslide; or

''(2) catastrophic failure from any external cause.

''(b) RESTRICTION ON ELIGIBILITY.—In no event shall funds be used pursuant to this section for the repair or reconstruction of bridges that have been permanently closed to all vehicular traffic by the State or responsible local official because of imminent danger of collapse due to a structural deficiency or physical deterioration.

''(c) FUNDING.—Subject to the following limitations, there are hereby authorized to be appropriated from the Highway Trust Fund (other than the Mass Transit Account) such sums as may be necessary to establish the fund authorized by this section and to replenish it on an annual basis:

''(1) Not more than $100,000,000 is authorized to be obligated in any 1 fiscal year commencing after September 30, 1980, to carry out the provisions of this section, except that, if in any fiscal year the total of all obligations under this section is less than the amount authorized to be obligated in such fiscal year, the unobligated balance of such amount shall remain available until expended and shall be in addition to amounts otherwise available to carry out this section each year.

''(2) Pending such appropriation or replenishment, the Secretary may obligate from any funds heretofore or hereafter appropriated for obligation in accordance with this title, including existing Federal-aid appropriations, such sums as may be necessary for the immediate prosecution of the work herein authorized, provided that such funds are reimbursed from the appropriations authorized in paragraph (1) of this subsection when such appropriations are made.'';

(4) in subsection (d) (as so redesignated), by striking ''subsection (c)'' both places it appears and inserting ''subsection (e)''; and

(5) in subsection (e) (as so redesignated), by striking ''on any of the Federal-aid highway systems'' and inserting ''Federal-aid highways''.

(c) SAN MATEO COUNTY, CALIFORNIA.—Notwithstanding any other provision of law, a project to repair or reconstruct any portion of a Federal-aid primary route in San Mateo County, California, that—

(1) was destroyed as a result of a combination of storms in the winter of 1982–1983 and a mountain slide; and

(2) until its destruction, served as the only reasonable access route between 2 cities and as the designated emergency evacuation route of 1 of the cities;

shall be eligible for assistance under section 125(a) of title 23, United States Code, if the project complies with the local coastal plan.

SEC. 1106. FEDERAL LANDS HIGHWAYS PROGRAM.

(a) FEDERAL SHARE PAYABLE.—Section 120 of title 23, United States Code, is amended by adding at the end the following:

''(j) USE OF FEDERAL LAND MANAGEMENT AGENCY FUNDS.—Notwithstanding any other provision of law, the funds appropriated to any Federal land management agency may be used to pay the non-Federal share of the cost of any Federal-aid highway project the Federal share of which is funded under section 104.

''(k) USE OF FEDERAL LANDS HIGHWAYS PROGRAM FUNDS.—Notwithstanding any other provision of law, the funds made available to carry out the Federal lands highways program under section 204 may be used to pay the non-Federal share of the cost of any project that is funded under section 104 and that provides access to or within Federal or Indian lands.''.

(b) AVAILABILITY OF FUNDS.—Section 203 of title 23, United States Code, is amended by adding at the end the following: ''Notwithstanding any other provision of law, the authorization by the Secretary of engineering and related work for a Federal lands highways program project, or the approval by the Secretary of plans, specifications, and estimates for construction of a Federal lands highways program project, shall be deemed to constitute a contractual obligation of the Federal Government to the pay the Federal share of the cost of the project.''.

(c) PLANNING AND AGENCY COORDINATION.—Section 204 of title 23, United States Code, is amended—

(1) by striking subsection (a) and inserting the following:

''(a) ESTABLISHMENT.—

''(1) IN GENERAL.—Recognizing the need for all Federal roads that are public roads to be treated under uniform policies similar to the policies that apply to Federal-aid highways, there is established a coordinated Federal lands highways program that shall apply to public lands highways, park roads and parkways, and Indian reservation roads and bridges.

''(2) TRANSPORTATION PLANNING PROCEDURES.—In consultation with the Secretary of each appropriate Federal land management agency, the Secretary shall develop, by rule, transportation planning procedures that are consistent with the metropolitan and statewide planning processes required under sections 134 and 135.

''(3) APPROVAL OF TRANSPORTATION IMPROVEMENT PROGRAM.—The transportation improvement program developed as a part of the transportation planning process under this section shall be approved by the Secretary.

''(4) INCLUSION IN OTHER PLANS.—All regionally significant Federal lands highways program projects—

''(A) shall be developed in cooperation with States and metropolitan planning organizations; and

''(B) shall be included in appropriate Federal lands highways program, State, and metropolitan plans and transportation improvement programs.

''(5) INCLUSION IN STATE PROGRAMS.—The approved Federal lands highways program transportation improvement program shall be included in appropriate State and metropolitan planning organization plans and programs without further action on the transportation improvement program.

''(6) DEVELOPMENT OF SYSTEMS.—The Secretary and the Secretary of each appropriate Federal land management agency shall, to the extent appropriate, develop safety, bridge, pavement, and congestion management systems for roads funded under the Federal lands highways program.'';

(2) in subsection (b), by striking the first 3 sentences and inserting the following: ''Funds available for public lands highways, park roads and parkways, and Indian reservation roads shall be used by the Secretary and the Secretary of the appropriate Federal land management agency to pay for the cost of transportation planning, research, engineering, and construction of the highways, roads, and parkways, or of transit facilities

within public lands, national parks, and Indian reservations. In connection with activities under the preceding sentence, the Secretary and the Secretary of the appropriate Federal land management agency may enter into construction contracts and other appropriate contracts with a State or civil subdivision of a State or Indian tribe.'';

(3) in the first sentence of subsection (e), by striking ''Secretary of the Interior'' and inserting ''Secretary of the appropriate Federal land management agency'';

(4) in subsection (h), by adding at the end the following:

''(8) A project to build a replacement of the federally owned bridge over the Hoover Dam in the Lake Mead National Recreation Area between Nevada and Arizona.'';

(5) by striking subsection (i) and inserting the following:

''(i) TRANSFERS OF COSTS TO SECRETARIES OF FEDERAL LAND MANAGEMENT AGENCIES.—

''(1) ADMINISTRATIVE COSTS.—The Secretary shall transfer to the appropriate Federal land management agency from amounts made available for public lands highways such amounts as are necessary to pay necessary administrative costs of the agency in connection with public lands highways.

''(2) TRANSPORTATION PLANNING COSTS.—The Secretary shall transfer to the appropriate Federal land management agency from amounts made available for public lands highways such amounts as are necessary to pay the cost to the agency to conduct necessary transportation planning for Federal lands, if funding for the planning is not otherwise provided under this section.''; and

(6) in subsection (j), by striking the second sentence and inserting the following: ''The Indian tribal government, in cooperation with the Secretary of the Interior, and as appropriate, with a State, local government, or metropolitan planning organization, shall carry out a transportation planning process in accordance with subsection (a).''.

SEC. 1107. RECREATIONAL TRAILS PROGRAM.

(a) IN GENERAL.—Chapter 2 of title 23, United States Code, is amended by inserting after section 205 the following:

''§ 206. Recreational trails program

''(a) DEFINITIONS.—

''(1) MOTORIZED RECREATION.—The term 'motorized recreation' means off-road recreation using any motor-powered vehicle, except for a motorized wheelchair.

''(2) RECREATIONAL TRAIL; TRAIL.—The term 'recreational trail' or 'trail' means a thoroughfare or track across land or snow, used for recreational purposes such as—

''(A) pedestrian activities, including wheelchair use;

''(B) skating or skateboarding;

''(C) equestrian activities, including carriage driving;

''(D) nonmotorized snow trail activities, including skiing;

''(E) bicycling or use of other human-powered vehicles;

''(F) aquatic or water activities; and

''(G) motorized vehicular activities, including all-terrain vehicle riding, motorcycling, snowmobiling, use of off-road light trucks, or use of other off-road motorized vehicles.

''(b) PROGRAM.—In accordance with this section, the Secretary, in consultation with the Secretary of the Interior and the Secretary of Agriculture, shall carry out a program to provide and maintain recreational trails (referred to in this section as the 'program').

''(c) STATE RESPONSIBILITIES.—To be eligible for apportionments under this section—

''(1) a State may use apportionments received under this section for construction of new trails crossing Federal lands only if the construction is—

''(A) permissible under other law;

''(B) necessary and required by a statewide comprehensive outdoor recreation plan required by the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–4 et seq.);

''(C) approved by the administering agency of the State designated under paragraph (2); and

''(D) approved by each Federal agency charged with management of the affected lands, which approval shall be contingent on compliance by the Federal agency with all applicable laws, including the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1600 et seq.), and the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.);

''(2) the Governor of a State shall designate the State agency or agencies that will be responsible for administering apportionments received under this section; and

''(3) the State shall establish within the State a State trail advisory committee that represents both motorized and nonmotorized trail users.

''(d) USE OF APPORTIONED FUNDS.—

''(1) IN GENERAL.—Funds made available under this section shall be obligated for trails and trail-related projects that—

''(A) have been planned and developed under the laws, policies, and administrative procedures of each State; and

''(B) are identified in, or further a specific goal of, a trail plan or trail plan element included or referenced in a metropolitan transportation plan required under section 134 or a statewide transportation plan required under section 135, consistent with the statewide comprehensive outdoor recreation plan required by the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–4 et seq.).

''(2) PERMISSIBLE USES.—Permissible uses of funds made available under this section include—

''(A) maintenance and restoration of existing trails;

''(B) development and rehabilitation of trailside and trailhead facilities and trail linkages;

''(C) purchase and lease of trail construction and maintenance equipment;

''(D) construction of new trails;

''(E) acquisition of easements and fee simple title to property for trails or trail corridors;

''(F) payment of costs to the State incurred in administering the program, but in an amount not to exceed 7 percent of the apportionment received by the State for a fiscal year; and

''(G) operation of educational programs to promote safety and environmental protection as these objectives relate to the use of trails.

''(3) USE OF APPORTIONMENTS.—

''(A) IN GENERAL.—Except as provided in subparagraphs (B), (C), and (D), of the apportionments received for a fiscal year by a State under this section—

''(i) 40 percent shall be used for trail or trail-related projects that facilitate diverse recreational trail use within a trail corridor, trailside, or trailhead, regardless of whether the project is for diverse motorized use, for diverse nonmotorized use, or to accommodate both motorized and nonmotorized recreational trail use;

''(ii) 30 percent shall be used for uses relating to motorized recreation; and

''(iii) 30 percent shall be used for uses relating to nonmotorized recreation.

''(B) SMALL STATE EXCLUSION.—Any State with a total land area of less than 3,500,000 acres, and in which nonhighway recreational fuel use accounts for less than 1 percent of all such fuel use in the United States, shall be exempted from the requirements of subparagraph (A) upon application to the Secretary by the State demonstrating that the State meets the conditions of this subparagraph.

''(C) WAIVER AUTHORITY.—Upon the request of a State trail advisory committee established under subsection (c)(3), the Secretary may waive, in whole or in part, the requirements of subparagraph (A) with respect to the State if the State certifies to the Secretary that the State does not have sufficient projects to meet the requirements of subparagraph (A).

''(D) STATE ADMINISTRATIVE COSTS.—State administrative costs eligible for funding under paragraph (2)(F) shall be exempt from the requirements of subparagraph (A).

''(e) ENVIRONMENTAL BENEFIT OR MITIGATION.—To the extent practicable and consistent with the other requirements of this section, a State should give consideration to project proposals that provide for the redesign, reconstruction, nonroutine maintenance, or relocation of trails to benefit the natural environment or to mitigate and minimize the impact to the natural environment.

''(f) FEDERAL SHARE.—

''(1) IN GENERAL.—Subject to the other provisions of this subsection, the Federal share of the cost of a project under this section shall not exceed 80 percent.

''(2) FEDERAL AGENCY PROJECT SPONSOR.—Notwithstanding any other provision of law, a Federal agency that sponsors a project under this section may contribute additional Federal funds toward the cost of a project, except that—

''(A) the share attributable to the Secretary of Transportation may not exceed 80 percent; and

''(B) the share attributable to the Secretary and the Federal agency jointly may not exceed 95 percent.

''(3) USE OF FUNDS FROM FEDERAL PROGRAMS TO PROVIDE NON-FEDERAL SHARE.—Notwithstanding any other provision of law, amounts made available by the Federal Government under any Federal program that are—

''(A) expended in accordance with the requirements of the Federal program relating to activities funded and populations served; and

''(B) expended on a project that is eligible for assistance under this section;

may be credited toward the non-Federal share of the cost of the project.

''(4) PROGRAMMATIC NON-FEDERAL SHARE.—A State may allow adjustments to the non-Federal share of an individual project under this section if the Federal share of the cost of all projects carried out by the State under the program (excluding projects funded under paragraph (2) or (3)) using funds apportioned to the State for a fiscal year does not exceed 80 percent.

''(5) STATE ADMINISTRATIVE COSTS.—The Federal share of the administrative costs of a State under this subsection shall be determined in accordance with section 120(b).

''(g) USES NOT PERMITTED.—A State may not obligate funds apportioned under this section for—

''(1) condemnation of any kind of interest in property;

''(2) construction of any recreational trail on National Forest System land for any motorized use unless—

''(A) the land has been apportioned for uses other than wilderness by an approved forest land and resource management plan or has been released to uses other than wilderness by an Act of Congress; and

''(B) the construction is otherwise consistent with the management direction in the

approved forest land and resource management plan;

''(3) construction of any recreational trail on Bureau of Land Management land for any motorized use unless the land—

''(A) has been apportioned for uses other than wilderness by an approved Bureau of Land Management resource management plan or has been released to uses other than wilderness by an Act of Congress; and

''(B) the construction is otherwise consistent with the management direction in the approved management plan; or

''(4) upgrading, expanding, or otherwise facilitating motorized use or access to trails predominantly used by nonmotorized trail users and on which, as of May 1, 1991, motorized use is prohibited or has not occurred.

''(h) PROJECT ADMINISTRATION.—

''(1) CREDIT FOR DONATIONS OF FUNDS, MATERIALS, SERVICES, OR NEW RIGHT-OF-WAY.—

''(A) IN GENERAL.—Nothing in this title or other law shall prevent a project sponsor from offering to donate funds, materials, services, or a new right-of-way for the purposes of a project eligible for assistance under this section. Any funds, or the fair market value of any materials, services, or new right-of-way, may be donated by any project sponsor and shall be credited to the non-Federal share in accordance with subsection (f).

''(B) FEDERAL PROJECT SPONSORS.—Any funds or the fair market value of any materials or services may be provided by a Federal project sponsor and shall be credited to the Federal agency's share in accordance with subsection (f).

''(2) RECREATIONAL PURPOSE.—A project funded under this section is intended to enhance recreational opportunity and is not subject to section 138 of this title or section 303 of title 49.

''(3) CONTINUING RECREATIONAL USE.—At the option of each State, funds made available under this section may be treated as Land and Water Conservation Fund apportionments for the purposes of section 6(f)(3) of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–8(f)(3)).

''(4) COOPERATION BY PRIVATE PERSONS.—

''(A) WRITTEN ASSURANCES.—As a condition of making available apportionments for work on recreational trails that would affect privately owned land, a State shall obtain written assurances that the owner of the land will cooperate with the State and participate as necessary in the activities to be conducted.

''(B) PUBLIC ACCESS.—Any use of the apportionments to a State under this section on privately owned land must be accompanied by an easement or other legally binding agreement that ensures public access to the recreational trail improvements funded by the apportionments.

''(i) APPORTIONMENT.—

''(1) DEFINITION OF ELIGIBLE STATE.—In this subsection, the term 'eligible State' means a State that meets the requirements of subsection (c).

''(2) APPORTIONMENT.—Subject to subsection (j), for each fiscal year, the Secretary shall apportion—

''(A) 50 percent of the amounts made available to carry out this section equally among eligible States; and

''(B) 50 percent of the amounts made available to carry out this section among eligible States in proportion to the quantity of nonhighway recreational fuel used in each eligible State during the preceding year.

''(j) ADMINISTRATIVE COSTS.—

''(1) IN GENERAL.—Whenever an apportionment is made under subsection (i) of the amounts made available to carry out this section, the Secretary shall first deduct an amount, not to exceed 1 percent of the authorized amounts, to pay the costs to the Secretary for administration of, and research authorized under, the program.

''(2) USE OF CONTRACTS.—To carry out research funded under paragraph (1), the Secretary may—

''(A) enter into contracts with for-profit organizations; and

''(B) enter into contracts, partnerships, or cooperative agreements with other government agencies, institutions of higher learning, or nonprofit organizations.

''(k) AUTHORIZATION OF CONTRACT AUTHORITY.—

''(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $17,000,000 for fiscal year 1998, $20,000,000 for fiscal year 1999, $22,000,000 for fiscal year 2000, $23,000,000 for fiscal year 2001, $24,000,000 for fiscal year 2002, and $25,000,000 for fiscal year 2003.

''(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1, except that the Federal share of the cost of a project under this section shall be determined in accordance with this section.''.

(b) CONFORMING AMENDMENTS.—

(1) The Intermodal Surface Transportation Efficiency Act of 1991 is amended by striking part B of title I (16 U.S.C. 1261 et seq.).

(2) The analysis for chapter 2 of title 23, United States Code, is amended by striking the item relating to section 206 and inserting the following:

''206. Recreational trails program.''.

SEC. 1108. VALUE PRICING PILOT PROGRAM.

(a) IN GENERAL.—Section 1012(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 149 note; 105 Stat. 1938) is amended—

(1) in the subsection heading, by striking ''CONGESTION'' and inserting ''VALUE''; and

(2) in paragraph (1), by striking ''congestion'' each place it appears and inserting ''value''.

(b) INCREASED NUMBER OF PROJECTS.—Section 1012(b)(1) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 149 note; 105 Stat. 1938) is amended in the second sentence by striking ''5'' and inserting ''15''.

(c) ELIGIBILITY OF PREIMPLEMENTATION COSTS.— Section 1012(b)(2) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 149 note; 105 Stat. 1938) is amended in the second sentence—

(1) by inserting after ''Secretary shall fund'' the following: ''all preimplementation costs and project design, and''; and

(2) by inserting after ''Secretary may not fund'' the following: ''the implementation costs of''.

(d) TOLLING.—Section 1012(b)(4) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 149 note; 105 Stat. 1938) is amended by striking ''a pilot program under this section, but not on more than 3 of such programs'' and inserting ''any value pricing pilot program under this subsection''.

(e) HOV PASSENGER REQUIREMENTS.—Section 1012(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 149 note; 105 Stat. 1938) is amended by striking paragraph (6) and inserting the following:

''(6) HOV PASSENGER REQUIREMENTS.—Notwithstanding section 146(c) of title 23, United States Code, a State may permit vehicles with fewer than 2 occupants to operate in high occupancy vehicle lanes if the vehicles are part of a value pricing pilot program under this subsection.''.

(f) FUNDING.—Section 1012(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 149 note; 105 Stat. 1938) is amended by adding at the end the following:

''(7) AUTHORIZATION OF CONTRACT AUTHORITY.—

''(A) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this subsection $8,000,000 for each of fiscal years 1998 through 2003.

''(B) AVAILABILITY.—

''(i) IN GENERAL.—Funds allocated by the Secretary to a State under this subsection shall remain available for obligation by the State for a period of 3 years after the last day of the fiscal year for which the funds are authorized.

''(ii) USE OF UNALLOCATED FUNDS.—If the total amount of funds made available from the Highway Trust Fund under this subsection but not allocated exceeds $8,000,000 as of September 30 of any year, the excess amount—

''(I) shall be apportioned in the following fiscal year by the Secretary to all States in accordance with section 104(b)(3) of title 23, United States Code;

''(II) shall be considered to be a sum made available for expenditure on the surface transportation program, except that the amount shall not be subject to section 133(d) of that title; and

''(III) shall be available for any purpose eligible for funding under section 133 of that title.

''(C) CONTRACT AUTHORITY.—Funds authorized under this paragraph shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code, except that the Federal share of the cost of any project under this subsection and the availability of funds authorized by this paragraph shall be determined in accordance with this subsection.''.

(g) CONFORMING AMENDMENTS.—Section 1012(b) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 149 note; 105 Stat. 1938) is amended—

(1) in paragraph (1), by striking ''projects'' each place it appears and inserting ''programs''; and

(2) in paragraph (5)—

(A) by striking ''projects'' and inserting ''programs''; and

(B) by striking ''traffic, volume'' and inserting ''traffic volume''.

SEC. 1109. HIGHWAY USE TAX EVASION PROJECTS.

(a) IN GENERAL.—Section 143 of title 23, United States Code, is amended to read as follows:

''§ 143. Highway use tax evasion projects

''(a) DEFINITION OF STATE.—In this section, the term 'State' means the 50 States and the District of Columbia.

''(b) PROJECTS.—

''(1) IN GENERAL.—The Secretary shall use funds made available under paragraph (7) to carry out highway use tax evasion projects in accordance with this subsection.

''(2) ALLOCATION OF FUNDS.—The funds may be allocated to the Internal Revenue Service and the States at the discretion of the Secretary.

''(3) CONDITIONS ON FUNDS ALLOCATED TO INTERNAL REVENUE SERVICE.—The Secretary shall not impose any condition on the use of funds allocated to the Internal Revenue Service under this subsection.

''(4) LIMITATION ON USE OF FUNDS.—Funds made available under paragraph (7) shall be used only—

''(A) to expand efforts to enhance motor fuel tax enforcement;

''(B) to fund additional Internal Revenue Service staff, but only to carry out functions described in this paragraph;

''(C) to supplement motor fuel tax examinations and criminal investigations;

''(D) to develop automated data processing tools to monitor motor fuel production and sales;

''(E) to evaluate and implement registration and reporting requirements for motor fuel taxpayers;

''(F) to reimburse State expenses that supplement existing fuel tax compliance efforts; and

''(G) to analyze and implement programs to reduce tax evasion associated with other highway use taxes.

''(5) MAINTENANCE OF EFFORT.—The Secretary may not make an allocation to a State under this subsection for a fiscal year unless the State certifies that the aggregate expenditure of funds of the State, exclusive of Federal funds, for motor fuel tax enforcement activities will be maintained at a level that does not fall below the average level of such expenditure for the preceding 2 fiscal years of the State.

''(6) FEDERAL SHARE.—The Federal share of the cost of a project carried out under this subsection shall be 100 percent.

''(7) AUTHORIZATION OF CONTRACT AUTHORITY.—

''(A) IN GENERAL.—There shall be available to the Secretary from the Highway Trust Fund (other than the Mass Transit Account) to carry out this subsection $5,000,000 for each of fiscal years 1998 through 2003.

''(B) AVAILABILITY OF FUNDS.—Funds authorized under this paragraph shall remain available for obligation for a period of 1 year after the last day of the fiscal year for which the funds are authorized.

''(c) EXCISE FUEL REPORTING SYSTEM.—

''(1) IN GENERAL.—Not later than April 1, 1998, the Secretary shall enter into a memorandum of understanding with the Commissioner of the Internal Revenue Service for the purposes of the development and maintenance by the Internal Revenue Service of an excise fuel reporting system (referred to in this subsection as the 'system').

''(2) ELEMENTS OF MEMORANDUM OF UNDERSTANDING.—The memorandum of understanding shall provide that—

''(A) the Internal Revenue Service shall develop and maintain the system through contracts;

''(B) the system shall be under the control of the Internal Revenue Service; and

''(C) the system shall be made available for use by appropriate State and Federal revenue, tax, or law enforcement authorities, subject to section 6103 of the Internal Revenue Code of 1986.

''(3) AUTHORIZATION OF APPROPRIATIONS FROM HIGHWAY TRUST FUND.—There are authorized to be appropriated to the Secretary from the Highway Trust Fund (other than the Mass Transit Account) to carry out this subsection—

''(A) $8,000,000 for development of the system; and

''(B) $2,000,000 for each of fiscal years 1998 through 2003 for operation and maintenance of the system.''.

(b) CONFORMING AMENDMENTS.—

(1) The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section 143 and inserting the following:

''143. Highway use tax evasion projects.''.

(2) Section 1040 of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 101 note; 105 Stat. 1992) is repealed.

(3) Section 8002 of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 101 note; 105 Stat. 2203) is amended—

(A) in the first sentence of subsection (g), by striking ''section 1040 of this Act'' and inserting ''section 143 of title 23, United States Code,''; and

(B) by striking subsection (h).

SEC. 1110. BICYCLE TRANSPORTATION AND PEDESTRIAN WALKWAYS.

Section 217 of title 23, United States Code, is amended—

(1) in subsection (b)—

(A) by inserting ''pedestrian walkways and'' after ''construction of''; and

(B) by striking ''(other than the Interstate System)'';

(2) in subsection (e), by striking '', other than a highway access to which is fully controlled,'';

(3) by striking subsection (g) and inserting the following:

''(g) PLANNING AND DESIGN.—

''(1) IN GENERAL.—Bicyclists and pedestrians shall be given consideration in the comprehensive transportation plans developed by each metropolitan planning organization and State in accordance with sections 134 and 135, respectively.

''(2) CONSTRUCTION.—Bicycle transportation facilities and pedestrian walkways shall be considered, where appropriate, in conjunction with all new construction and reconstruction of transportation facilities, except where bicycle and pedestrian use are not permitted.

''(3) SAFETY AND CONTIGUOUS ROUTES.—Transportation plans and projects shall provide consideration for safety and contiguous routes for bicyclists and pedestrians.'';

(4) in subsection (h)—

(A) by striking ''No motorized vehicles shall'' and inserting ''Motorized vehicles may not''; and

(B) by striking paragraph (3) and inserting the following:

''(3) wheelchairs that are powered; and''; and

(5) by striking subsection (j) and inserting the following:

''(j) DEFINITIONS.—In this section:

''(1) BICYCLE TRANSPORTATION FACILITY.—The term 'bicycle transportation facility' means a new or improved lane, path, or shoulder for use by bicyclists or a traffic control device, shelter, or parking facility for bicycles.

''(2) PEDESTRIAN.—The term 'pedestrian' means any person traveling by foot or any mobility impaired person using a wheelchair.

''(3) WHEELCHAIR.—The term 'wheelchair' means a mobility aid, usable indoors, and designed for and used by individuals with mobility impairments, whether operated manually or powered.''.

SEC. 1111. DISADVANTAGED BUSINESS ENTERPRISES.

(a) GENERAL RULE.—Except to the extent that the Secretary determines otherwise, not less than 10 percent of the amounts made available for any program under titles I and II of this Act shall be expended with small business concerns owned and controlled by socially and economically disadvantaged individuals.

(b) DEFINITIONS.—For purposes of this section, the following definitions apply:

(1) SMALL BUSINESS CONCERN.—The term ''small business concern'' has the meaning such term has under section 3 of the Small Business Act (15 U.S.C. 632); except that such term shall not include any concern or group of concerns controlled by the same socially and economically disadvantaged individual or individuals which has average annual gross receipts over the preceding 3 fiscal years in excess of $16,600,000, as adjusted by the Secretary for inflation.

(2) SOCIALLY AND ECONOMICALLY DISADVANTAGED INDIVIDUALS.—The term ''socially and economically disadvantaged individuals'' has the meaning such term has under section 8(d) of the Small Business Act (15 U.S.C. 637(d)) and relevant subcontracting regulations promulgated pursuant thereto; except that women shall be presumed to be socially and economically disadvantaged individuals for purposes of this section.

(c) ANNUAL LISTING OF DISADVANTAGED BUSINESS ENTERPRISES.—Each State shall annually survey and compile a list of the small business concerns referred to in subsection (a) and the location of such concerns in the State and notify the Secretary, in writing, of the percentage of such concerns which are controlled by women, by socially and economically disadvantaged individuals (other than women), and by individuals who are women and are otherwise socially and economically disadvantaged individuals.

(d) UNIFORM CERTIFICATION.—The Secretary shall establish minimum uniform criteria for State governments to use in certifying whether a concern qualifies for purposes of this section. Such minimum uniform criteria shall include but not be limited to on-site visits, personal interviews, licenses, analysis of stock ownership, listing of equipment, analysis of bonding capacity, listing of work completed, resume of principal owners, financial capacity, and type of work preferred.

SEC. 1112. FEDERAL SHARE PAYABLE.

Section 120 of title 23, United States Code (as amended by section 1106(a)), is amended—

(1) in each of subsections (a) and (b), by adding at the end the following: ''In the case of any project subject to this subsection, a State may determine a lower Federal share than the Federal share determined under the preceding sentences of this subsection.''; and

(2) by adding at the end the following:

''(l) CREDIT FOR NON-FEDERAL SHARE.—

''(1) ELIGIBILITY.—A State may use as a credit toward the non-Federal share requirement for any program under the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102–240) or this title, other than the emergency relief program authorized by section 125, toll revenues that are generated and used by public, quasi-public, and private agencies to build, improve, or maintain, without the use of Federal funds, highways, bridges, or tunnels that serve the public purpose of interstate commerce.

''(2) MAINTENANCE OF EFFORT.—

''(A) IN GENERAL.—The credit toward any non-Federal share under paragraph (1) shall not reduce nor replace State funds required to match Federal funds for any program under this title.

''(B) CONDITIONS ON RECEIPT OF CREDIT.—

''(i) AGREEMENT WITH THE SECRETARY.—To receive a credit under paragraph (1) for a fiscal year, a State shall enter into such agreements as the Secretary may require to ensure that the State will maintain its non-Federal transportation capital expenditures at or above the average level of such expenditures for the preceding 3 fiscal years.

''(ii) EXCEPTION.—Notwithstanding clause (i), a State may receive a credit under paragraph (1) for a fiscal year if, for any 1 of the preceding 3 fiscal years, the non-Federal transportation capital expenditures of the State were at a level that was greater than 30 percent of the average level of such expenditures for the other 2 of the preceding 3 fiscal years.

''(3) TREATMENT.—

''(A) IN GENERAL.—Use of the credit toward a non-Federal share under paragraph (1) shall not expose the agencies from which the credit is received to additional liability, additional regulation, or additional administrative oversight.

''(B) CHARTERED MULTISTATE AGENCIES.—When credit is applied from a chartered multistate agency under paragraph (1), the credit shall be applied equally to all charter States.

''(C) NO ADDITIONAL STANDARDS.—A public, quasi-public, or private agency from which the credit for which the non-Federal share is calculated under paragraph (1) shall not be subject to any additional Federal design standards or laws (including regulations) as a result of providing the credit beyond the standards and laws to which the agency is already subject.''.

SEC. 1113. STUDIES AND REPORTS.

(a) HIGHWAY ECONOMIC REQUIREMENT SYSTEM.—

(1) METHODOLOGY.—

(A) EVALUATION.—The Comptroller General of the United States shall conduct an evaluation of the methodology used by the Department of Transportation to determine highway needs using the highway economic requirement system (referred to in this subsection as the ''model'').

(B) REQUIRED ELEMENT.—The evaluation shall include an assessment of the extent to which the model estimates an optimal level of highway infrastructure investment, including an assessment as to when the model may be overestimating or underestimating investment requirements.

(C) REPORT TO CONGRESS.—Not later than 2 years after the date of enactment of this Act, the Comptroller General shall submit a report to Congress on the results of the evaluation.

(2) STATE INVESTMENT PLANS.—

(A) STUDY.—In consultation with State transportation departments and other appropriate State and local officials, the Comptroller General of the United States shall conduct a study on the extent to which the highway economic requirement system of the Federal Highway Administration can be used to provide States with useful information for developing State transportation investment plans and State infrastructure investment projections.

(B) REQUIRED ELEMENTS.—The study shall—

(i) identify any additional data that may need to be collected beyond the data submitted, prior to the date of enactment of this Act, to the Federal Highway Administration through the highway performance monitoring system; and

(ii) identify what additional work, if any, would be required of the Federal Highway Administration and the States to make the model useful at the State level.

(C) REPORT TO CONGRESS.—Not later than 3 years after the date of enactment of this Act, the Comptroller General shall submit a report to Congress on the results of the study.

(b) INTERNATIONAL ROUGHNESS INDEX.—

(1) STUDY.—The Comptroller General of the United States shall conduct a study on the international roughness index that is used as an indicator of pavement quality on the Federal-aid highway system.

(2) REQUIRED ELEMENTS.—The study shall specify the extent of usage of the index and the extent to which the international roughness index measurement is reliable across different manufacturers and types of pavement.

(3) REPORT TO CONGRESS.—Not later than 2 years after the date of enactment of this Act, the Comptroller General shall submit a report to Congress on the results of the study.

(c) REPORTING OF RATES OF OBLIGATION.—Section 104 of title 23, United States Code, is amended—

(1) by redesignating subsection (j) as subsection (m); and

(2) by inserting after subsection (i) the following:

''(j) REPORTING OF RATES OF OBLIGATION.—On an annual basis, the Secretary shall publish or otherwise report rates of obligation of funds apportioned or set aside under this section and sections 103 and 133 according to—

''(1) program;

''(2) funding category or subcategory;

''(3) type of improvement;

''(4) State; and

''(5) sub-State geographic area, including urbanized and rural areas, on the basis of the population of each such area.''.

SEC. 1114. DEFINITIONS.

(a) FEDERAL-AID HIGHWAY FUNDS AND PROGRAM.—

(1) IN GENERAL.—Section 101(a) of title 23, United States Code, is amended by inserting before the undesignated paragraph defining ''Federal-aid highways'' the following:

''The term 'Federal-aid highway funds' means funds made available to carry out the Federal-aid highway program.

''The term 'Federal-aid highway program' means all programs authorized under chapters 1, 3, and 5.''.

(2) CONFORMING AMENDMENTS.—

(A) Section 101(d) of title 23, United States Code, is amended by striking ''the construction of Federal-aid highways or highway planning, research, or development'' and inserting ''the Federal-aid highway program''.

(B) Section 104(m)(1) of title 23, United States Code (as redesignated by section 1113(c)(1)), is amended by striking ''Federal-aid highways and the highway safety construction programs'' and inserting ''the Federal-aid highway program''.

(C) Section 107(b) of title 23, United States Code, is amended in the second sentence by striking ''Federal-aid highways'' and inserting ''the Federal-aid highway program''.

(b) ALPHABETIZATION OF DEFINITIONS.—Section 101(a) of title 23, United States Code, is amended by reordering the undesignated paragraphs so that they are in alphabetical order.

SEC. 1115. COOPERATIVE FEDERAL LANDS TRANSPORTATION PROGRAM.

(a) IN GENERAL.—Chapter 2 of title 23, United States Code (as amended by section 1107(a)), is amended by inserting after section 206 the following:

''§ 207. Cooperative Federal Lands Transportation Program

''(a) IN GENERAL.—There is established the Cooperative Federal Lands Transportation Program (referred to in this section as the 'program'). Funds available for the program may be used for projects, or portions of projects, on highways that are owned or maintained by States or political subdivisions of States and that cross, are adjacent to, or lead to federally owned land or Indian reservations (including Army Corps of Engineers reservoirs), as determined by the State. Such projects shall be proposed by a State and selected by the Secretary. A project proposed by a State under this section shall be on a highway or bridge owned or maintained by the State, or 1 or more political subdivisions of the State, and may be a highway or bridge construction or maintenance project eligible under this title or any project of a type described in section 204(h).

''(b) DISTRIBUTION OF FUNDS FOR PROJECTS.—

''(1) IN GENERAL.—

''(A) IN GENERAL.—The Secretary—

''(i) after consultation with the Administrator of General Services, the Secretary of the Interior, and other agencies as appropriate (including the Army Corps of Engineers), shall determine the percentage of the total land in each State that is owned by the Federal Government or that is held by the Federal Government in trust;

''(ii) shall determine the sum of the percentages determined under clause (i) for States with respect to which the percentage is 4.5 or greater; and

''(iii) shall determine for each State included in the determination under clause (ii) the percentage obtained by dividing—

''(I) the percentage for the State determined under clause (i); by

''(II) the sum determined under clause (ii).

''(B) ADJUSTMENT.—The Secretary shall—

''(i) reduce any percentage determined under subparagraph (A)(iii) that is greater than 7.5 percent to 7.5 percent; and

''(ii) redistribute the percentage points equal to any reduction under clause (i) among other States included in the determination under subparagraph (A)(ii) in proportion to the percentages for those States determined under subparagraph (A)(iii).

''(2) AVAILABILITY TO STATES.—Except as provided in paragraph (3), for each fiscal year, the Secretary shall make funds available to carry out eligible projects in a State in an amount equal to the amount obtained by multiplying—

''(A) the percentage for the State, if any, determined under paragraph (1); by

''(B) the funds made available for the program for the fiscal year.

''(3) SELECTION OF PROJECTS.—The Secretary may establish deadlines for States to submit proposed projects for funding under this section, except that in the case of fiscal year 1998 the deadline may not be earlier than January 1, 1998. For each fiscal year, if a State does not have pending, by that deadline, applications for projects with an estimated cost equal to at least 3 times the amount for the State determined under paragraph (2), the Secretary may distribute, to 1 or more other States, at the Secretary's discretion, ⅓ of the amount by which the estimated cost of the State's applications is less than 3 times the amount for the State determined under paragraph (2).

''(c) TRANSFERS.—

''(1) IN GENERAL.—Notwithstanding any other provision of law, a State and the Secretary may agree to transfer amounts made available to a State under this section to the allocations of the State under section 202 for use in carrying out projects on any Federal lands highway that is located in the State.

''(2) SPECIAL RULE.—This paragraph applies to a State that contains a national park that was visited by more than 2,500,000 people in 1996 and comprises more than 3,000 square miles of land area, including surface water, that is located in the State. For such a State, 50 percent of the amount that would otherwise be made available to the State for each fiscal year under the program shall be made available only for eligible highway uses in the national park and within the borders of the State. For the purpose of making allocations under section 202(c), the Secretary may not take into account the past or future availability, for use on park roads and parkways in a national park, of funds made available for use in a national park by this paragraph.

''(d) RIGHTS-OF-WAY ACROSS FEDERAL LAND.—Nothing in this section affects any claim for a right-of-way across Federal land.

''(e) AUTHORIZATION OF CONTRACT AUTHORITY.—

''(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $74,000,000 for each of fiscal years 1998 through 2003.

''(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1.''.

(b) CONFORMING AMENDMENT.—The analysis for chapter 2 of title 23, United States Code, is amended by striking the item relating to section 207 and inserting the following:

''207. Cooperative Federal Lands Transportation Program.''.

SEC. 1116. TRADE CORRIDOR AND BORDER CROSSING PLANNING AND BORDER INFRASTRUCTURE.

(a) DEFINITIONS.—In this section:

(1) BORDER REGION.—The term ''border region'' means—

(A) the region located within 60 miles of the United States border with Mexico; and

(B) the region located within 60 miles of the United States border with Canada.

(2) BORDER STATE.—The term ''border State'' means a State of the United States that—

(A) is located along the border with Mexico; or

(B) is located along the border with Canada.

(3) BORDER STATION.—The term ''border station'' means a controlled port of entry into the United States located in the United States at the border with Mexico or Canada, consisting of land occupied by the station and the buildings, roadways, and parking lots on the land.

(4) FEDERAL INSPECTION AGENCY.—The term ''Federal inspection agency'' means a Federal agency responsible for the enforcement of immigration laws (including regulations), customs laws (including regulations), and agriculture import restrictions, including the United States Customs Service, the Immigration and Naturalization Service, the Animal and Plant Health Inspection Service, the Food and Drug Administration, the United States Fish and Wildlife Service, and the Department of State.

(5) GATEWAY.—The term ''gateway'' means a grouping of border stations defined by proximity and similarity of trade.

(6) NON-FEDERAL GOVERNMENTAL JURISDICTION.—The term ''non-Federal governmental jurisdiction'' means a regional, State, or local authority involved in the planning, development, provision, or funding of transportation infrastructure needs.

(b) BORDER CROSSING PLANNING INCENTIVE GRANTS.—

(1) IN GENERAL.—The Secretary shall make incentive grants to States and to metropolitan planning organizations designated under section 134 of title 23, United States Code.

(2) USE OF GRANTS.—The grants shall be used to encourage joint transportation planning activities and to improve people and vehicle movement into and through international gateways as a supplement to statewide and metropolitan transportation planning funding made available under other provisions of this Act and under title 23, United States Code.

(3) CONDITION OF GRANTS.—As a condition of receiving a grant under paragraph (1), a State transportation department or a metropolitan planning organization shall certify to the Secretary that it commits to be engaged in joint planning with its counterpart agency in Mexico or Canada.

(4) LIMITATION ON AMOUNT.—Each State transportation department or metropolitan planning organization may receive not more than $100,000 under this subsection for any fiscal year.

(5) AUTHORIZATION OF CONTRACT AUTHORITY.—

(A) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this subsection $1,400,000 for each of fiscal years 1998 through 2003.

(B) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code, except that the Federal share of the cost of a project under this subsection shall be determined in accordance with subsection (f).

(c) TRADE CORRIDOR PLANNING INCENTIVE GRANTS.—

(1) GRANTS.—

(A) IN GENERAL.—The Secretary shall make grants to States to encourage, within the framework of the statewide transportation planning process of the State under section 135 of title 23, United States Code, cooperative multistate corridor analysis of, and planning for, the safe and efficient movement of goods along and within international or interstate trade corridors of national importance.

(B) IDENTIFICATION OF CORRIDORS.—Each corridor referred to in subparagraph (A) shall be cooperatively identified by the States along the corridor.

(2) CORRIDOR PLANS.—

(A) IN GENERAL.—As a condition of receiving a grant under paragraph (1), a State shall enter into an agreement with the Secretary that specifies that, in cooperation with the other States along the corridor, the State will submit a plan for corridor improvements to the Secretary not later than 2 years after receipt of the grant.

(B) COORDINATION OF PLANNING.—Planning with respect to a corridor under this subsection shall be coordinated with transportation planning being carried out by the States and metropolitan planning organizations along the corridor and, to the extent appropriate, with transportation planning being carried out by Federal land management agencies, by tribal governments, or by government agencies in Mexico or Canada.

(3) MULTISTATE AGREEMENTS FOR TRADE CORRIDOR PLANNING.—The consent of Congress is granted to any 2 or more States—

(A) to enter into multistate agreements, not in conflict with any law of the United States, for cooperative efforts and mutual assistance in support of interstate trade corridor planning activities; and

(B) to establish such agencies, joint or otherwise, as the States may determine desirable to make the agreements effective.

(4) AUTHORIZATION OF CONTRACT AUTHORITY.—

(A) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this subsection $3,000,000 for each of fiscal years 1998 through 2003.

(B) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code, except that the Federal share of the cost of a project under this subsection shall be determined in accordance with subsection (f).

(d) FEDERAL ASSISTANCE FOR TRADE CORRIDORS AND BORDER INFRASTRUCTURE SAFETY AND CONGESTION RELIEF.—

(1) APPLICATIONS FOR GRANTS.—The Secretary shall make grants to States or metropolitan planning organizations that submit an application that—

(A) demonstrates need for assistance in carrying out transportation projects that are necessary to relieve traffic congestion or improve enforcement of motor carrier safety laws; and

(B) includes strategies to involve both the public and private sectors in the proposed project.

(2) SELECTION OF STATES, METROPOLITAN PLANNING ORGANIZATIONS, AND PROJECTS TO RECEIVE GRANTS.—In selecting States, metropolitan planning organizations, and projects to receive grants under this subsection, the Secretary shall consider—

(A) the annual volume of commercial vehicle traffic at the border stations or ports of entry of each State as compared to the annual volume of commercial vehicle traffic at the border stations or ports of entry of all States;

(B) the extent to which commercial vehicle traffic in each State has grown since the date of enactment of the North American Free Trade Agreement Implementation Act (Public Law 103–182) as compared to the extent to which that traffic has grown in each other State;

(C) the extent of border transportation improvements carried out by each State since the date of enactment of that Act;

(D) the reduction in commercial and other travel time through a major international gateway expected as a result of the project;

(E) the extent of leveraging of Federal funds provided under this subsection, including—

(i) use of innovative financing;

(ii) combination with funding provided under other sections of this Act and title 23, United States Code; and

(iii) combination with other sources of Federal, State, local, or private funding;

(F) improvements in vehicle and highway safety and cargo security in and through the gateway concerned;

(G) the degree of demonstrated coordination with Federal inspection agencies;

(H) the extent to which the innovative and problem solving techniques of the proposed project would be applicable to other border stations or ports of entry;

(I) demonstrated local commitment to implement and sustain continuing comprehensive border planning processes and improvement programs; and

(J) other factors to promote transport efficiency and safety, as determined by the Secretary.

(3) USE OF GRANTS.—

(A) IN GENERAL.—A grant under this subsection shall be used to develop project plans, and implement coordinated and comprehensive programs of projects, to improve efficiency and safety.

(B) TYPE OF PLANS AND PROGRAMS.—The plans and programs may include—

(i) improvements to transport and supporting infrastructure;

(ii) improvements in operational strategies, including electronic data interchange and use of telecommunications to expedite vehicle and cargo movement;

(iii) modifications to regulatory procedures to expedite vehicle and cargo flow;

(iv) new infrastructure construction;

(v) purchase, installation, and maintenance of weigh-in-motion devices and associated electronic equipment in Mexico or Canada if real time data from the devices is provided to the nearest border station and to State commercial vehicle enforcement facilities that serve the border station; and

(vi) other institutional improvements, such as coordination of binational planning, programming, and border operation, with special emphasis on coordination with—

(I) Federal inspection agencies; and

(II) their counterpart agencies in Mexico and Canada.

(4) CONSTRUCTION OF TRANSPORTATION INFRASTRUCTURE FOR LAW ENFORCEMENT PURPOSES.—At the request of the Administrator of General Services, in consultation with the Attorney General, the Secretary may transfer, during the period of fiscal years 1998 through 2001, not more than $10,000,000 of the amounts made available under paragraph (5) to the Administrator of General Services for the construction of transportation infrastructure necessary for law enforcement in border States.

(5) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection $125,000,000 for each of fiscal years 1998 through 2003.

(e) COORDINATION OF PLANNING.—

(1) PLANNING AND DEVELOPMENT OF BORDER STATIONS.—The General Services Administration shall be the coordinating Federal agency in the planning and development of new or expanded border stations.

(2) COOPERATIVE ACTIVITIES.—In carrying out paragraph (1), the Administrator of General Services shall cooperate with Federal inspection agencies and non-Federal governmental jurisdictions to ensure that—

(A) improvements to border station facilities take into account regional and local conditions, including the alignment of highway systems and connecting roadways; and

(B) all facility requirements, associated costs, and economic impacts are identified.

(f) COST SHARING.—A grant under this section shall be used to pay the Federal share of the cost of a project. The Federal share shall not exceed 80 percent.

(g) USE OF UNALLOCATED FUNDS.—If the total amount of funds made available from the Highway Trust Fund under this section but not allocated exceeds $4,000,000 as of September 30 of any year, the excess amount—

(1) shall be apportioned in the following fiscal year by the Secretary to all States in accordance with section 104(b)(3) of title 23, United States Code;

(2) shall be considered to be a sum made available for expenditure on the surface transportation program, except that the amount shall not be subject to section 133(d) of that title; and

(3) shall be available for any purpose eligible for funding under section 133 of that title.

SEC. 1117. APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM.

(a) AVAILABILITY, RELEASE, AND REALLOCATION OF FUNDS.—Section 201(a) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended—

(1) in the second sentence, by inserting before the period at the end the following: ", except that each allocation to a State shall remain available for expenditure in the State for the fiscal year in which the allocation is allocated and for the 3 following fiscal years"; and

(2) by inserting after the second sentence the following: "Funds authorized under this section for fiscal year 1998 or a fiscal year thereafter, and not expended by a State during the 4 fiscal years referred to in the preceding sentence, shall be released to the Commission for reallocation and shall remain available until expended.".

(b) SUBSTITUTE CORRIDOR.—Section 201(b) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended—

(1) by redesignating paragraphs (1) through (4) as subparagraphs (A) through (D), respectively;

(2) by striking "(b) The Commission" and inserting the following:

"(b) DESIGNATIONS.—

"(1) IN GENERAL.—The Commission"; and

(3) by adding at the end the following:

"(2) SUBSTITUTE CORRIDOR.—In lieu of Corridor H in Virginia, the Appalachian development highway system shall include the Virginia portion of the segment identified in section 1105(c)(29) of the Intermodal Surface Transportation Efficiency Act of 1991 (109 Stat. 597).".

(c) FEDERAL SHARE FOR PREFINANCED PROJECTS.—Section 201(h)(1) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by striking "70 per centum" and inserting "80 percent".

(d) AUTHORIZATION OF CONTRACT AUTHORITY.—Section 201 of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended by striking subsection (g) and inserting the following:

"(g) AUTHORIZATION OF CONTRACT AUTHORITY.—

"(1) IN GENERAL.—

"(A) FISCAL YEARS 1998 THROUGH 2003.—For the continued construction of the Appalachian development highway system approved as of September 30, 1996, in accordance with this section, there shall be available from the Highway Trust Fund (other than the Mass Transit Account) $40,000,000 for each of fiscal years 1998 through 2000, $50,000,000 for fiscal year 2001, $60,000,000 for fiscal year 2002, and $70,000,000 for fiscal year 2003.

"(B) OBLIGATION AUTHORITY.—The Secretary shall provide equivalent amounts of obligation authority for the funds authorized under subparagraph (A).

"(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code, except that the Federal share shall be determined in accordance with this section and the funds shall remain available in accordance with subsection (a).".

SEC. 1118. INTERSTATE 4R AND BRIDGE DISCRETIONARY PROGRAM.

(a) IN GENERAL.—Section 104 of title 23, United States Code (as amended by section 1113(c)(1)), is amended by inserting after subsection (j) the following:

"(k) SET-ASIDE FOR INTERSTATE 4R AND BRIDGE PROJECTS.—

"(1) IN GENERAL.—For each of fiscal years 1998 through 2003, before any apportionment is made under subsection (b)(1), the Secretary shall set aside $70,000,000 from amounts to be apportioned under subsection (b)(1)(A), and $70,000,000 from amounts to be apportioned under subsection (b)(1)(B), for allocation by the Secretary—

"(A) for projects for resurfacing, restoring, rehabilitating, or reconstructing any route or portion of a route on the Interstate System (other than any highway designated as a part of the Interstate System under section 103(c)(4) and any toll road on the Interstate System that is not subject to an agreement under section 119(e) (as in effect on December 17, 1991) or an agreement under section 129(a));

"(B) for projects for a highway bridge the replacement, rehabilitation, or seismic retrofit cost of which is more than $10,000,000; and

"(C) for projects for a highway bridge the replacement, rehabilitation, or seismic retrofit cost of which is less than $10,000,000 if the cost is at least twice the amount reserved under section 144(c) by the State in which the bridge is located for the fiscal year in which application is made for an allocation for the bridge under this subsection.

"(2) REQUIRED ALLOCATION.—

"(A) IN GENERAL.—Subject to subparagraph (B), for each of fiscal years 1998 through 2003, the Secretary shall allocate on October 1, for use for highway bridge projects, at least $20,000,000 of the amounts set aside under paragraph (1) to any State that—

"(i) is apportioned for fiscal year 1998 under paragraphs (1)(B), (1)(C)(i)(III), and (3)(A)(iii) of subsection (b) an amount that is less than the amount apportioned to the State for the highway bridge replacement and rehabilitation program under section 144 for fiscal year 1997; and

"(ii) was apportioned for that program for fiscal year 1997 an amount greater than $125,000,000.

"(B) EXCEPTION.—A State that transferred funds from the highway bridge replacement and rehabilitation program during any of fiscal years 1995 through 1997 in an amount greater than 10 percent of the apportionments for that program for the fiscal year shall not be eligible for an allocation under subparagraph (A).

"(C) ADDITIONAL ALLOCATION.—An allocation to a State under subparagraph (A) shall be in addition to any allocation to the State under paragraph (1).

"(3) AVAILABILITY TO STATES OF INTERSTATE 4R FUNDS.—The Secretary may grant the application of a State for funds made available for a fiscal year for a project described in paragraph (1)(A) if the Secretary determines that—

"(A) the State has obligated or demonstrates that it will obligate for the fiscal year all of the apportionments to the State under subparagraphs (A) and (B) of subsection (b)(1) other than an amount that, by itself, is insufficient to pay the Federal share of the cost of a project described in paragraph (1)(A) that has been submitted by the State to the Secretary for approval; and

"(B) the State is willing and able to—

"(i) obligate the funds within 1 year after the date on which the funds are made available;

"(ii) apply the funds to a project that is ready to be commenced; and

"(iii) in the case of construction work, begin work within 90 days after the date of obligation of the funds.

"(4) ELIGIBILITY OF CERTAIN BRIDGES.—

"(A) IN GENERAL.—Notwithstanding any other provision of law, any bridge that is owned and operated by an agency that does not have taxing powers and whose functions include operating a federally assisted public transit system subsidized by toll revenues shall be eligible for assistance under this subsection.

"(B) LIMITATION.—The amount of assistance under subparagraph (A) shall not exceed the cumulative amount that the agency has expended for capital and operating costs to subsidize the transit system.

"(C) DETERMINATION BY THE SECRETARY.—Before authorizing an expenditure of funds under this paragraph, the Secretary shall make a determination that the applicant agency has insufficient reserves, surpluses, and projected revenues (over and above those required for bridge and transit capital and operating costs) to fund the necessary bridge replacement, seismic retrofitting, or rehabilitation project.

"(D) CREDITING OF NON-FEDERAL FUNDS.—Any non-Federal funds expended for the seismic retrofit of the bridge may be credited toward the non-Federal share required as a condition of receipt of any Federal funds for seismic retrofit of the bridge made available after the date of expenditure.

"(5) PERIOD OF AVAILABILITY OF DISCRETIONARY FUNDS.—Amounts made available under this subsection shall remain available until expended.".

(b) CONFORMING AMENDMENT.—Section 118 of title 23, United States Code, is amended by striking subsection (c).

SEC. 1119. MAGNETIC LEVITATION TRANSPORTATION TECHNOLOGY DEPLOYMENT PROGRAM.

(a) IN GENERAL.—Chapter 3 of title 23, United States Code, is amended by inserting after section 321 the following:

"§ 322. Magnetic levitation transportation technology deployment program

"(a) DEFINITIONS.—In this section:

"(1) ELIGIBLE PROJECT COSTS.—The term 'eligible project costs' means the capital cost of the fixed guideway infrastructure of a MAGLEV project, including land, piers, guideways, propulsion equipment and other components attached to guideways, power distribution facilities (including substations), control and communications facilities, access roads, and storage, repair, and maintenance facilities, but not including costs incurred for a new station.

"(2) FULL PROJECT COSTS.—The term 'full project costs' means the total capital costs

of a MAGLEV project, including eligible project costs and the costs of stations, vehicles, and equipment.

''(3) MAGLEV.—The term 'MAGLEV' means transportation systems employing magnetic levitation that would be capable of safe use by the public at a speed in excess of 240 miles per hour.

''(4) PARTNERSHIP POTENTIAL.—The term 'partnership potential' has the meaning given the term in the commercial feasibility study of high-speed ground transportation conducted under section 1036 of the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102–240; 105 Stat. 1978).

''(b) ASSISTANCE.—

''(1) IN GENERAL.—The Secretary shall make available financial assistance to provide the Federal share of full project costs of eligible projects selected under this section.

''(2) FEDERAL SHARE.—The Federal share of full project costs under paragraph (1) shall be not more than ⅔.

''(3) USE OF ASSISTANCE.—Financial assistance provided under paragraph (1) shall be used only to pay eligible project costs of projects selected under this section.

''(c) SOLICITATION OF APPLICATIONS FOR ASSISTANCE.—Not later than 180 days after the date of enactment of the Intermodal Surface Transportation Efficiency Act of 1997, the Secretary shall solicit applications from States, or authorities designated by 1 or more States, for financial assistance authorized by subsection (b) for planning, design, and construction of eligible MAGLEV projects.

''(d) PROJECT ELIGIBILITY.—To be eligible to receive financial assistance under subsection (b), a project shall—

''(1) involve a segment or segments of a high-speed ground transportation corridor that exhibit partnership potential;

''(2) require an amount of Federal funds for project financing that will not exceed the sum of—

''(A) the amounts made available under subsection (h)(1)(A); and

''(B) the amounts made available by States under subsection (h)(4);

''(3) result in an operating transportation facility that provides a revenue producing service;

''(4) be undertaken through a public and private partnership, with at least ⅓ of full project costs paid using non-Federal funds;

''(5) satisfy applicable statewide and metropolitan planning requirements;

''(6) be approved by the Secretary based on an application submitted to the Secretary by a State or authority designated by 1 or more States;

''(7) to the extent that non-United States MAGLEV technology is used within the United States, be carried out as a technology transfer project; and

''(8) be carried out using materials at least 70 percent of which are manufactured in the United States.

''(e) PROJECT SELECTION CRITERIA.—Prior to soliciting applications, the Secretary shall establish criteria for selecting which eligible projects under subsection (d) will receive financial assistance under subsection (b). The criteria shall include the extent to which—

''(1) a project is nationally significant, including the extent to which the project will demonstrate the feasibility of deployment of MAGLEV technology throughout the United States;

''(2) timely implementation of the project will reduce congestion in other modes of transportation and reduce the need for additional highway or airport construction;

''(3) States, regions, and localities financially contribute to the project;

''(4) implementation of the project will create new jobs in traditional and emerging industries;

''(5) the project will augment MAGLEV networks identified as having partnership potential;

''(6) financial assistance would foster public and private partnerships for infrastructure development and attract private debt or equity investment;

''(7) financial assistance would foster the timely implementation of a project; and

''(8) life-cycle costs in design and engineering are considered and enhanced.

''(f) PROJECT SELECTION.—Not later than 90 days after a deadline established by the Secretary for the receipt of applications, the Secretary shall evaluate the eligible projects in accordance with the selection criteria and select 1 eligible project for financial assistance.

''(g) JOINT VENTURES.—A project undertaken by a joint venture of United States and non-United States persons (including a project involving the deployment of non-United States MAGLEV technology in the United States) shall be eligible for financial assistance under this section if the project is eligible under subsection (d) and selected under subsection (f).

''(h) FUNDING.—

''(1) IN GENERAL.—

''(A) AUTHORIZATION OF CONTRACT AUTHORITY.—

''(i) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $10,000,000 for fiscal year 1999 and $20,000,000 for fiscal year 2000.

''(ii) CONTRACT AUTHORITY.—Funds authorized under this subparagraph shall be available for obligation in the same manner as if the funds were apportioned under chapter 1, except that—

''(I) the Federal share of the cost of a project carried out under this section shall be determined in accordance with subsection (b); and

''(II) the availability of the funds shall be determined in accordance with paragraph (2).

''(B) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $200,000,000 for each of fiscal years 2000 and 2001, $250,000,000 for fiscal year 2002, and $300,000,000 for fiscal year 2003.

''(2) AVAILABILITY OF FUNDS.—Funds made available under paragraph (1) shall remain available until expended.

''(3) OTHER FEDERAL FUNDS.—Notwithstanding any other provision of law, funds made available to a State to carry out the surface transportation program under section 133 and the congestion mitigation and air quality improvement program under section 149 may be used by the State to pay a portion of the full project costs of an eligible project selected under this section, without requirement for non-Federal funds.

''(4) OTHER ASSISTANCE.—Notwithstanding any other provision of law, an eligible project selected under this section shall be eligible for other forms of financial assistance provided under this title and the Transportation Infrastructure Finance and Innovation Act of 1997, including loans, loan guarantees, and lines of credit.''.

(b) CONFORMING AMENDMENT.—The analysis for chapter 3 of title 23, United States Code, is amended by inserting after the item relating to section 321 the following:

''322. Magnetic levitation transportation technology deployment program.''.

SEC. 1120. WOODROW WILSON MEMORIAL BRIDGE.

(a) DEFINITIONS.—Section 404 of the Woodrow Wilson Memorial Bridge Authority Act of 1995 (109 Stat. 628) is amended—

(1) in paragraph (3), by striking '', including approaches thereto''; and

(2) in paragraph (5), by striking ''to be determined under section 407. Such'' and all that follows and inserting the following: ''as described in the record of decision executed by the Secretary in compliance with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.). The term includes ongoing short-term rehabilitation and repairs to the Bridge.''.

(b) OWNERSHIP OF BRIDGE.—

(1) CONVEYANCE BY THE SECRETARY.—Section 407(a)(1) of the Woodrow Wilson Memorial Bridge Authority Act of 1995 (109 Stat. 630) is amended by inserting ''or any Capital Region jurisdiction'' after ''Authority'' each place it appears.

(2) AGREEMENT.—Section 407 of the Woodrow Wilson Memorial Bridge Authority Act of 1995 (109 Stat. 630) is amended by striking subsection (c) and inserting the following:

''(c) AGREEMENT.—

''(1) IN GENERAL.—The agreement referred to in subsection (a) is an agreement concerning the Project that is executed by the Secretary and the Authority or any Capital Region jurisdiction that accepts ownership of the Bridge.

''(2) TERMS OF THE AGREEMENT.—The agreement shall—

''(A) identify whether the Authority or a Capital Region jurisdiction will accept ownership of the Bridge;

''(B) contain a financial plan satisfactory to the Secretary, which shall be prepared before the execution of the agreement, that specifies—

''(i) the total cost of the Project, including any cost-saving measures;

''(ii) a schedule for implementation of the Project, including whether any expedited design and construction techniques will be used; and

''(iii) the sources of funding that will be used to cover any costs of the Project not funded from funds made available under section 412; and

''(C) contain such other terms and conditions as the Secretary determines to be appropriate.''.

(c) FEDERAL CONTRIBUTION.—The Woodrow Wilson Memorial Bridge Authority Act of 1995 (109 Stat. 627) is amended by adding at the end the following:

''SEC. 412. FEDERAL CONTRIBUTION.

''(a) AUTHORIZATION OF CONTRACT AUTHORITY.—

''(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) $100,000,000 for fiscal year 1998, $100,000,000 for fiscal year 1999, $125,000,000 for fiscal year 2000, $175,000,000 for fiscal year 2001, $200,000,000 for fiscal year 2002, and $200,000,000 for fiscal year 2003, to pay the costs of planning, preliminary engineering and design, final engineering, acquisition of rights-of-way, and construction of the Project, except that the costs associated with the Bridge shall be given priority over other eligible costs, other than design costs, of the Project.

''(2) CONTRACT AUTHORITY.—Funds authorized under this section shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code, except that—

''(A) the funds shall remain available until expended;

''(B) the Federal share of the cost of the Bridge component of the Project shall not exceed 100 percent; and

''(C) the Federal share of the cost of any other component of the Project shall not exceed 80 percent.

''(b) USE OF APPORTIONED FUNDS.—Nothing in this title limits the authority of any Capital Region jurisdiction to use funds apportioned to the jurisdiction under paragraph (1) or (3) of section 104(b) of title 23, United States Code, in accordance with the requirements for such funds, to pay any costs of the Project.

''(c) AVAILABILITY OF APPORTIONED FUNDS.—None of the funds made available under this section shall be available before the execution of the agreement described in section 407(c), except that the Secretary may fund the maintenance and rehabilitation of the Bridge and the design of the Project.''.

(d) CONFORMING AMENDMENT.—Section 405(b)(1) of the Woodrow Wilson Memorial Bridge Authority Act of 1995 (109 Stat. 629) is amended by striking ''the Signatories as to the Federal share of the cost of the Project and the terms and conditions related to the timing of the transfer of the Bridge to''.

SEC. 1121. NATIONAL HIGHWAY SYSTEM COMPONENTS.

The National Highway System consists of the routes and transportation facilities depicted on the map submitted by the Secretary to Congress with the report entitled ''Pulling Together: The National Highway System and its Connections to Major Intermodal Terminals'' and dated May 24, 1996.

SEC. 1122. HIGHWAY BRIDGE REPLACEMENT AND REHABILITATION.

(a) IN GENERAL.—Section 144 of title 23, United States Code, is amended—

(1) in the section heading, by striking ''**program**'';

(2) by striking subsections (a) through (n), (p), and (q);

(3) by inserting after the section heading the following:

''(a) DEFINITION OF REHABILITATE.—In this section, the term 'rehabilitate' (in any of its forms), with respect to a bridge, means to carry out major work necessary—

''(1) to address the structural deficiencies, functional obsolescence, or physical deterioration of the bridge; or

''(2) to correct a major safety defect of the bridge, including seismic retrofitting.

''(b) BRIDGE INVENTORY.—

''(1) IN GENERAL.—In consultation with the States, the Secretary shall—

''(A) annually inventory all highway bridges on public roads that cross waterways, other topographical barriers, other highways, and railroads;

''(B) classify each such bridge according to serviceability, safety, and essentiality for public use; and

''(C) assign each such bridge a priority for replacement or rehabilitation based on the classification under subparagraph (B).

''(2) CONSULTATION.—In preparing an inventory of highway bridges on Indian reservation roads and park roads under paragraph (1), the Secretary shall consult with the Secretary of the Interior and the States.

''(3) INVENTORY OF HISTORICAL BRIDGES.—At the request of a State, the Secretary may inventory highway bridges on public roads for historical significance.

''(c) CERTIFICATION BY THE STATE.—Not later than 180 days after the end of each fiscal year beginning with fiscal year 1998, each State shall certify to the Secretary, either that—

''(1) the State has reserved, from funds apportioned to the State for the preceding fiscal year, to carry out bridge projects eligible under sections 103(b)(5), 119, and 133(b), an amount that is not less than the amount apportioned to the State under this section for fiscal year 1997; or

''(2) the amount that the State will reserve, from funds apportioned to the State for the period consisting of fiscal years 1998 through 2001, to carry out bridge projects eligible under sections 103(b)(5), 119, and 133(b), will be not less than 4 times the amount apportioned to the State under this section for fiscal year 1997.

''(d) USE OF RESERVED FUNDS.—A State may use funds reserved under subsection (c) to replace, rehabilitate, reconstruct, seismically retrofit, paint, apply calcium magnesium acetate to, apply sodium acetate/formate deicer to, or install scour countermeasures on a highway bridge on a public road that crosses a waterway, other topographical barrier, other highway, or railroad.

''(e) OFF-SYSTEM BRIDGES.—

''(1) REQUIRED EXPENDITURE.—For each fiscal year, an amount equal to not less than 15 percent of the amount apportioned to a State under this section for fiscal year 1997 shall be expended by the State for projects to replace, rehabilitate, reconstruct, seismically retrofit, paint, apply calcium magnesium acetate to, apply sodium acetate/formate deicer to, or install scour countermeasures on highway bridges located on public roads that are functionally classified as local roads or rural minor collectors.

''(2) USE OF FUNDS TO MEET REQUIRED EXPENDITURE.—Funds reserved under subsection (c) and funds made available under section 104(b)(1) for the National Highway System or under section 104(b)(3) for the surface transportation program may be used to meet the requirement for expenditure under paragraph (1).

''(3) REDUCTION OF REQUIRED EXPENDITURE.—After consultation with local and State officials in a State, the Secretary may, with respect to the State, reduce the requirement for expenditure under paragraph (1) if the Secretary determines that the State has inadequate needs to justify the expenditure.

''(f) FEDERAL SHARE.—The Federal share of the cost of a project under this section shall be as determined under section 120(b).

''(g) BRIDGE PERMIT EXEMPTION.—

''(1) IN GENERAL.—Subject to paragraph (2), notwithstanding any other provision of law, the General Bridge Act of 1946 (33 U.S.C. 525 et seq.) shall apply to each bridge authorized to be replaced, in whole or in part, under this section.

''(2) EXCEPTION.—Section 502(b) of the General Bridge Act of 1946 (33 U.S.C. 525(b)) and section 9 of the Act of March 3, 1899 (30 Stat. 1151, chapter 425; 33 U.S.C. 401), shall not apply to any bridge constructed, reconstructed, rehabilitated, or replaced with assistance under this title if the bridge is over waters that are—

''(A) not used and not susceptible to use in their natural condition or by reasonable improvement as a means to transport interstate or foreign commerce; and

''(B)(i) not tidal; or

''(ii) tidal but used only by recreational boating, fishing, and other small vessels that are less than 21 feet in length.

''(h) INDIAN RESERVATION ROAD BRIDGES.—

''(1) NATIONWIDE PRIORITY PROGRAM.—The Secretary shall establish a nationwide priority program for improving deficient Indian reservation road bridges.

''(2) RESERVATION OF FUNDS.—

''(A) IN GENERAL.—Of the amounts authorized for Indian reservation roads for each fiscal year, the Secretary, in cooperation with the Secretary of the Interior, shall reserve not less than $9,000,000 for projects to replace, rehabilitate, seismically retrofit, paint, apply calcium magnesium acetate to, apply sodium acetate/formate deicer to, or install scour countermeasures for deficient Indian reservation road bridges, including multiple-pipe culverts.

''(B) ELIGIBLE BRIDGES.—To be eligible to receive funding under this subsection, a bridge described in subparagraph (A) must—

''(i) have an opening of 20 feet or more;

''(ii) be on an Indian reservation road;

''(iii) be unsafe because of structural deficiencies, physical deterioration, or functional obsolescence; and

''(iv) be recorded in the national bridge inventory administered by the Secretary under subsection (b).

''(3) APPROVAL REQUIREMENT.—Funds to carry out Indian reservation road bridge projects under this subsection shall be made available only on approval of plans, specifications, and estimates by the Secretary.'';

(4) by redesignating subsection (o) as subsection (i); and

(5) in subsection (i) (as so redesignated)—

(A) in paragraph (1), by inserting ''for alternative transportation purposes (including bikeway and walkway projects eligible for funding under this title)'' after ''adaptive reuse'';

(B) in paragraph (3)—

(i) by inserting ''(regardless of whether the intended use is for motorized vehicular traffic or for alternative public transportation purposes)'' after ''intended use''; and

(ii) by inserting ''or for alternative public transportation purposes'' after ''no longer used for motorized vehicular traffic''; and

(C) in the second sentence of paragraph (4)—

(i) by inserting ''for motorized vehicles, alternative vehicular traffic, or alternative public transportation'' after ''historic bridge''; and

(ii) by striking ''up to an amount not to exceed the cost of demolition''.

(b) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section 144 and inserting the following:

''144. Highway bridge replacement and rehabilitation.''.

SEC. 1123. CONGESTION MITIGATION AND AIR QUALITY IMPROVEMENT PROGRAM.

(a) ESTABLISHED PROGRAM.—Section 149(a) of title 23, United States Code, is amended by striking ''ESTABLISHMENT.—The Secretary shall establish'' and inserting ''IN GENERAL.—The Secretary shall carry out''.

(b) ELIGIBLE PROJECTS.—Section 149(b) of title 23, United States Code, is amended in the first sentence—

(1) by striking ''that was designated as a nonattainment area under section 107(d) of the Clean Air Act (42 U.S.C. 7407(d)) during any part of fiscal year 1994'' and inserting ''that is designated as a nonattainment area under section 107(d) of the Clean Air Act (42 U.S.C. 7407(d)) or classified as a submarginal ozone nonattainment area under that Act, or if the project or program is for a maintenance area,'';

(2) in paragraph (1)—

(A) in subparagraph (A), by striking ''clauses (xii) and'' and inserting ''clause''; and

(B) in subparagraph (B), by striking ''such section'' and inserting ''section 108(f)(1)(A) (other than clause (xvi)) of the Clean Air Act (42 U.S.C. 7408(f)(1)(A))'';

(3) in paragraph (2), by inserting ''or maintenance'' after ''State implementation'';

(4) in paragraph (3), by inserting ''or maintenance of the standard'' after ''standard''; and

(5) in paragraph (4), by inserting ''or maintenance'' after ''attainment''.

(c) STATES RECEIVING MINIMUM APPORTIONMENT.—Section 149 of title 23, United States Code, is amended by striking subsection (c) and inserting the following:

''(c) STATES RECEIVING MINIMUM APPORTIONMENT.—

''(1) STATES WITHOUT A NONATTAINMENT AREA.—If a State does not have, and never has had, a nonattainment area designated under the Clean Air Act (42 U.S.C. 7401 et seq.), the State may use funds apportioned to the State under section 104(b)(2) for any project eligible under the surface transportation program under section 133.

''(2) STATES WITH A NONATTAINMENT AREA.—If a State has a nonattainment area or maintenance area and receives funds under section 104(b)(2)(D) above the amount of funds that the State would have received based on its nonattainment and maintenance area population under subparagraphs (B) and (C) of section 104(b)(2), the State may use that portion of the funds not based on its nonattainment and maintenance area population under subparagraphs (B) and (C) of section 104(b)(2) for any project in the State eligible under section 133.''.

(d) FEDERAL SHARE.—Section 120(c) of title 23, United States Code, is amended in the first sentence by striking ''The'' and inserting ''Except in the case of a project funded from sums apportioned under section 104(b)(2), the''.

(e) CONFORMING AMENDMENTS.—

(1) Section 101(a) of title 23, United States Code, is amended by inserting after the undesignated paragraph defining ''maintenance'' the following:

''The term 'maintenance area' means an area that was designated as a nonattainment area, but was later redesignated by the Administrator of the Environmental Protection Agency as an attainment area, under section 107(d) of the Clean Air Act (42 U.S.C. 7407(d)).''.

(2) Section 149(b)(1)(A)(ii) of title 23, United States Code, is amended by striking ''an area'' and all that follows and inserting ''a maintenance area; or''.

SEC. 1124. SAFETY BELT USE LAW REQUIREMENTS.

Section 355 of the National Highway System Designation Act of 1995 (109 Stat. 624) is amended—

(1) in the section heading, by striking ''and maine'';

(2) in subsection (a)—

(A) by striking ''States of New Hampshire and Maine shall each'' and inserting ''State of New Hampshire shall''; and

(B) in paragraph (1), by striking ''and 1996'' and inserting ''through 2000''; and

(3) by striking ''or Maine'' each place it appears.

SEC. 1125. SENSE OF THE SENATE CONCERNING RELIANCE ON PRIVATE ENTERPRISE.

(a) IN GENERAL.—It is the sense of the Senate that each agency authorized to expend funds made available under this Act, or an amendment made by this Act, or a recipient of any form of a grant or other Federal assistance under this Act, or an amendment made by this Act—

(1) should, in expending the funds or assistance, rely on entities in the private enterprise system to provide such goods and services as are reasonably and expeditiously available through ordinary business channels; and

(2) shall not duplicate or compete with entities in the private enterprise system.

(b) PROCEDURES.—The Secretary should provide procedures to inform each agency that administers this Act and each recipient of a grant or other Federal assistance of the sense of the Senate expressed in subsection (a).

SEC. 1126. STUDY OF USE OF UNIFORMED POLICE OFFICERS ON FEDERAL-AID HIGHWAY CONSTRUCTION PROJECTS.

(a) IN GENERAL.—In consultation with the States and State transportation departments, the Secretary shall conduct a study on the extent and effectiveness of use by States of uniformed police officers on Federal-aid highway construction projects.

(b) REPORT.—Not later than 2 years after the date of enactment of this Act, the Secretary shall submit to Congress a report on the results of the study conducted under subsection (a), including any legislative and administrative recommendations of the Secretary.

SEC. 1127. CONTRACTING FOR ENGINEERING AND DESIGN SERVICES.

Section 112(b)(2) of title 23, United States Code, is amended—

(1) in subparagraph (B)(i), by striking '', except to'' and all that follows through ''services'';

(2) by striking subparagraph (C) and inserting the following:

''(C) SELECTION, PERFORMANCE, AND AUDITS.—

''(i) IN GENERAL.—All requirements for architectural, engineering, and related services at any phase of a highway project funded in whole or in part with Federal-aid highway funds shall be performed by a contract awarded in accordance with subparagraph (A).

''(ii) PROHIBITION ON STATE RESTRICTION.—A State shall not impose any overhead restriction that would preclude any qualified firm from being eligible to compete for contracts awarded in accordance with subparagraph (A).

''(iii) COMPLIANCE WITH FEDERAL ACQUISITION REGULATIONS.—The process for selection, award, performance, administration, and audit of the resulting contracts shall comply with the cost principles and cost accounting principles of the Federal Acquisition Regulations, including parts 30, 31, and 36 of the Regulations.''; and

(3) by adding at the end the following:

''(H) COMPLIANCE.—

''(i) IN GENERAL.—A State shall comply with the qualifications-based selection process, contracting based on the Federal Acquisition Regulations, and the single audit procedures required under this paragraph, or with an existing State law or a statute enacted in accordance with the legislative session exemption under subparagraph (G), with respect to any architecture, engineering, or related service contract for any phase of a Federal-aid highway project.

''(ii) STATES WITH ALTERNATIVE PROCESS.—Any State that, after November 28, 1995, enacted legislation to establish an alternative State process as a substitute for the contract administration and audit procedures required under this paragraph or was granted a waiver under subparagraph (G) shall submit the legislation to the Secretary, not later than 60 days after the date of enactment of this subparagraph, for certification that the State legislation is in compliance with the statutory timetable and substantive criteria specified in subparagraph (G).''.

Subtitle B—Program Streamlining and Flexibility

CHAPTER 1—GENERAL PROVISIONS

SEC. 1201. ADMINISTRATIVE EXPENSES.

Section 104 of title 23, United States Code, is amended by striking subsection (a) and inserting the following:

''(a) ADMINISTRATIVE EXPENSES.—

''(1) IN GENERAL.—Whenever an apportionment is made of the sums made available for expenditure on the surface transportation program under section 133, the congestion mitigation and air quality improvement program under section 149, or the Interstate and National Highway System program under section 103, the Secretary shall deduct a sum, in an amount not to exceed 1½ percent of all sums so made available, as the Secretary determines necessary to administer the provisions of law to be financed from appropriations for the Federal-aid highway program and programs authorized under chapter 2.

''(2) CONSIDERATION OF UNOBLIGATED BALANCES.—In making the determination described in paragraph (1), the Secretary shall take into account the unobligated balance of any sums deducted under this subsection in prior fiscal years.

''(3) AVAILABILITY.—The sum deducted under paragraph (1) shall remain available until expended.''.

SEC. 1202. REAL PROPERTY ACQUISITION AND CORRIDOR PRESERVATION.

(a) ADVANCE ACQUISITION OF REAL PROPERTY.—Section 108 of title 23, United States Code, is amended—

(1) by striking the section heading and inserting the following:

''§ 108. Advance acquisition of real property''; and

(2) by striking subsection (a) and inserting the following:

''(a) IN GENERAL.—

''(1) AVAILABILITY OF FUNDS.—For the purpose of facilitating the timely and economical acquisition of real property for a transportation improvement eligible for funding under this title, the Secretary, upon the request of a State, may make available, for the acquisition of real property, such funds apportioned to the State as may be expended on the transportation improvement, under such rules and regulations as the Secretary may issue.

''(2) CONSTRUCTION.—The agreement between the Secretary and the State for the reimbursement of the cost of the real property shall provide for the actual construction of the transportation improvement within a period not to exceed 20 years following the fiscal year for which the request is made, unless the Secretary determines that a longer period is reasonable.''.

(b) CREDIT FOR ACQUIRED LANDS.—Section 323(b) of title 23, United States Code, is amended—

(1) in the subsection heading, by striking ''DONATED'' and inserting ''ACQUIRED'';

(2) by striking paragraphs (1) and (2) and inserting the following:

''(1) IN GENERAL.—Notwithstanding any other provision of this title, the State share of the cost of a project with respect to which Federal assistance is provided from the Highway Trust Fund (other than the Mass Transit Account) may be credited in an amount equal to the fair market value of any land that—

''(A) is obtained by the State, without violation of Federal law; and

''(B) is incorporated into the project.

''(2) ESTABLISHMENT OF FAIR MARKET VALUE.—The fair market value of land incorporated into a project and credited under paragraph (1) shall be established in the manner determined by the Secretary, except that—

''(A) the fair market value shall not include any increase or decrease in the value of donated property caused by the project; and

''(B) the fair market value of donated land shall be established as of the earlier of—

''(i) the date on which the donation becomes effective; or

''(ii) the date on which equitable title to the land vests in the State.'';

(3) by striking paragraph (3);

(4) in paragraph (4), by striking ''to which the donation is applied''; and

(5) by redesignating paragraph (4) as paragraph (3).

(c) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section 108 and inserting the following:

''108. Advance acquisition of real property.''.

SEC. 1203. AVAILABILITY OF FUNDS.

Section 118 of title 23, United States Code, is amended by striking subsection (e) and inserting the following:

''(e) AVAILABILITY OF FUNDS.—

''(1) IN GENERAL.—Any Federal-aid highway funds released by the final payment on a project, or by the modification of a project agreement, shall be credited to the same program funding category for which the funds were previously apportioned and shall be immediately available for obligation.

''(2) TRANSFER OF INTERSTATE CONSTRUCTION FUNDS.—Any Federal-aid highway funds apportioned to a State under section 104(b)(5)(A) (as in effect on the day before the date of enactment of this paragraph) and credited under paragraph (1) may be transferred by the Secretary in accordance with section 103(d).''.

SEC. 1204. PAYMENTS TO STATES FOR CONSTRUCTION.

Section 121 of title 23, United States Code, is amended—

(1) in subsection (a), by striking the second and third sentences and inserting the following: ''The payments may also be made for the value of such materials as—

''(1) have been stockpiled in the vicinity of the construction in conformity to plans and specifications for the projects; and

''(2) are not in the vicinity of the construction if the Secretary determines that because of required fabrication at an off-site location the materials cannot be stockpiled in the vicinity.'';

(2) by striking subsection (b) and inserting the following:

''(b) PROJECT AGREEMENTS.—

''(1) PAYMENTS.—A payment under this chapter may be made only for a project covered by a project agreement.

''(2) SOURCE OF PAYMENTS.—After completion of a project in accordance with the project agreement, a State shall be entitled to payment, out of the appropriate sums apportioned or allocated to the State, of the unpaid balance of the Federal share of the cost of the project.'';

(3) by striking subsections (c) and (d); and

(4) by redesignating subsection (e) as subsection (c).

SEC. 1205. PROCEEDS FROM THE SALE OR LEASE OF REAL PROPERTY.

(a) IN GENERAL.—Section 156 of title 23, United States Code, is amended to read as follows:

''§ 156. Proceeds from the sale or lease of real property

''(a) MINIMUM CHARGE.—Subject to section 142(f), a State shall charge, at a minimum, fair market value for the sale, use, lease, or lease renewal (other than for utility use and occupancy or for a transportation project eligible for assistance under this title) of real property acquired with Federal assistance made available from the Highway Trust Fund (other than the Mass Transit Account).

''(b) EXCEPTIONS.—The Secretary may grant an exception to the requirement of subsection (a) for a social, environmental, or economic purpose.

''(c) USE OF FEDERAL SHARE OF INCOME.—The Federal share of net income from the revenues obtained by a State under subsection (a) shall be used by the State for projects eligible under this title.''.

(b) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section 156 and inserting the following:

''156. Proceeds from the sale or lease of real property.''.

SEC. 1206. METRIC CONVERSION AT STATE OPTION.

Section 205(c)(2) of the National Highway System Designation Act of 1995 (23 U.S.C. 109 note; 109 Stat. 577) is amended by striking ''Before September 30, 2000, the'' and inserting ''The''.

SEC. 1207. REPORT ON OBLIGATIONS.

Section 104(m) of title 23, United States Code (as redesignated by section 1113(c)(1)), is amended—

(1) by inserting ''REPORT TO CONGRESS.—'' before ''The Secretary'';

(2) by striking ''not later than'' and all that follows through ''a report'' and inserting ''a report for each fiscal year'';

(3) in paragraph (1), by striking ''preceding calendar month'' and inserting ''preceding fiscal year'';

(4) by striking paragraph (2);

(5) in paragraph (3), by striking ''such preceding month'' and inserting ''that preceding fiscal year''; and

(6) by redesignating paragraphs (3) and (4) as paragraphs (2) and (3), respectively.

SEC. 1208. TERMINATIONS.

(a) RIGHT-OF-WAY REVOLVING FUND.—Section 108 of title 23, United States Code, is amended by striking subsection (c) and inserting the following:

''(c) TERMINATION OF RIGHT-OF-WAY REVOLVING FUND.—

''(1) IN GENERAL.—Funds apportioned and advanced to a State by the Secretary from the right-of-way revolving fund established by this section prior to the date of enactment of the Intermodal Surface Transportation Efficiency Act of 1997 shall remain available to the State for use on the projects for which the funds were advanced for a period of 20 years from the date on which the funds were advanced.

''(2) CREDIT TO HIGHWAY TRUST FUND.—With respect to a project for which funds have been advanced from the right-of-way revolving fund, upon the termination of the 20-year period referred to in paragraph (1), when actual construction is commenced, or upon approval by the Secretary of the plans, specifications, and estimates for the actual construction of the project on the right-of-way, whichever occurs first—

''(A) the Highway Trust Fund shall be credited with an amount equal to the Federal share of the funds advanced, as provided in section 120, out of any Federal-aid highway funds apportioned to the State in which the project is located and available for obligation for projects of the type funded; and

''(B) the State shall reimburse the Secretary in an amount equal to the non-Federal share of the funds advanced for deposit in, and credit to, the Highway Trust Fund.''.

(b) PILOT TOLL COLLECTION PROGRAM.—Section 129 of title 23, United States Code, is amended by striking subsection (d).

(c) NATIONAL RECREATIONAL TRAILS ADVISORY COMMITTEE.—As soon as practicable after the date of enactment of this Act, the Secretary shall take such action as is necessary for the termination of the National Recreational Trails Advisory Committee established by section 1303 of the Intermodal Surface Transportation Efficiency Act of 1991 (16 U.S.C. 1262) (as in effect on the day before the date of enactment of this Act).

(d) CONGRESSIONAL BRIDGE COMMISSIONS.—Public Law 87–441 (76 Stat. 59) is repealed.

SEC. 1209. INTERSTATE MAINTENANCE.

(a) INTERSTATE FUNDS.—Section 119 of title 23, United States Code, is amended—

(1) in subsection (a), by striking the second sentence;

(2) by striking subsection (d); and

(3) by striking subsection (f) and inserting the following:

''(f) TRANSFERABILITY OF FUNDS.—

''(1) UNCONDITIONAL.—A State may transfer an amount not to exceed 30 percent of the sums apportioned to the State under subparagraphs (A) and (B) of section 104(b)(1) to the apportionment of the State under paragraphs (1)(C) and (3) of section 104(b).

''(2) UPON ACCEPTANCE OF CERTIFICATION.—If a State certifies to the Secretary that any part of the sums apportioned to the State under subparagraphs (A) and (B) of section 104(b)(1) is in excess of the needs of the State for resurfacing, restoring, rehabilitating, or reconstructing routes and bridges on the Interstate System in the State and that the State is adequately maintaining the routes and bridges, and the Secretary accepts the certification, the State may transfer, in addition to the amount authorized to be transferred under paragraph (1), an amount not to exceed 20 percent of the sums apportioned to the State under subparagraphs (A) and (B) of section 104(b)(1) to the apportionment of the State under paragraphs (1)(C) and (3) of section 104(b).''.

(b) ELIGIBILITY.—Section 119 of title 23, United States Code, is amended—

(1) in the first sentence of subsection (a), by striking ''and rehabilitating'' and inserting '', rehabilitating, and reconstructing'';

(2) by striking subsections (b), (c), (e), and (g);

(3) by inserting after subsection (a) the following:

''(b) ELIGIBLE ACTIVITIES.—

''(1) IN GENERAL.—A State—

''(A) may use funds apportioned under subparagraph (A) or (B) of section 104(b)(1) for resurfacing, restoring, rehabilitating, and reconstructing routes on the Interstate System, including—

''(i) resurfacing, restoring, rehabilitating, and reconstructing bridges, interchanges, and overcrossings;

''(ii) acquiring rights-of-way; and

''(iii) intelligent transportation system capital improvements that are infrastructure-based to the extent that they improve the performance of the Interstate System; but

''(B) may not use the funds for construction of new travel lanes other than high-occupancy vehicle lanes or auxiliary lanes.

''(2) EXPANSION OF CAPACITY.—

''(A) USING TRANSFERRED FUNDS.—Notwithstanding paragraph (1), funds transferred under subsection (c)(1) may be used for construction to provide for expansion of the capacity of an Interstate System highway (including a bridge).

''(B) USING FUNDS NOT TRANSFERRED.—

''(i) IN GENERAL.—In lieu of transferring funds under subsection (c)(1) and using the transferred funds for the purpose described in subparagraph (A), a State may use an amount of the sums apportioned to the State under subparagraph (A) or (B) of section 104(b)(1) for the purpose described in subparagraph (A).

''(ii) LIMITATION.—The sum of the amount used under clause (i) and any amount transferred under subsection (c)(1) by a State may not exceed 30 percent of the sums apportioned to the State under subparagraphs (A) and (B) of section 104(b)(1).''; and

(4) by redesignating subsection (f) as subsection (c).

(c) CONFORMING AMENDMENTS.—

(1) Section 119(a) of title 23, United States Code, is amended in the first sentence by striking ''; except that the Secretary may only approve a project pursuant to this subsection on a toll road if such road is subject to a Secretarial agreement provided for in subsection (e)''.

(2) Section 1009(c)(2) of the Intermodal Surface Transportation Efficiency Act of 1991 (23 U.S.C. 119 note; 105 Stat. 1934) is amended by striking ''section 119(f)(1)'' and inserting ''section 119(c)(1)''.

CHAPTER 2—PROJECT APPROVAL

SEC. 1221. TRANSFER OF HIGHWAY AND TRANSIT FUNDS.

Section 104 of title 23, United States Code (as amended by section 1118), is amended by inserting after subsection (k) the following:

''(l) TRANSFER OF HIGHWAY AND TRANSIT FUNDS.—

''(1) TRANSFER OF HIGHWAY FUNDS.—Funds made available under this title and transferred for transit projects shall be administered by the Secretary in accordance with chapter 53 of title 49, except that the provisions of this title relating to the non-Federal share shall apply to the transferred funds.

''(2) TRANSFER OF TRANSIT FUNDS.—Funds made available under chapter 53 of title 49 and transferred for highway projects shall be administered by the Secretary in accordance with this title, except that the provisions of that chapter relating to the non-Federal share shall apply to the transferred funds.

''(3) TRANSFER TO AMTRAK AND PUBLICLY-OWNED PASSENGER RAIL LINES.—Funds made available under this title or chapter 53 of title 49 and transferred to the National Railroad Passenger Corporation or to any publicly-owned intercity or intracity passenger rail line shall be administered by the Secretary in accordance with subtitle V of title 49, except that the provisions of this title or chapter 53 of title 49, as applicable, relating to the non-Federal share shall apply to the transferred funds.

''(4) TRANSFER OF OBLIGATION AUTHORITY.—Obligation authority provided for projects described in paragraphs (1) through (3) shall be transferred in the same manner and amount as the funds for the projects are transferred.''.

SEC. 1222. PROJECT APPROVAL AND OVERSIGHT.

(a) IN GENERAL.—Section 106 of title 23, United States Code, is amended—

(1) by striking the section heading and inserting the following:

''§ 106. Project approval and oversight'';

(2) by redesignating subsections (e) and (f) as subsections (g) and (h), respectively;

(3) by striking subsections (a) through (d) and inserting the following:

''(a) IN GENERAL.—Except as otherwise provided in this section, the State transportation department shall submit to the Secretary for approval such plans, specifications, and estimates for each proposed project as the Secretary may require. The Secretary shall act upon such plans, specifications, and estimates as soon as practicable after they have been submitted, and shall enter into a formal project agreement with the State transportation department formalizing the conditions of the project approval. The execution of such project agreement shall be deemed a contractual obligation of the Federal Government for the payment of its proportional contribution thereto. In taking such action, the Secretary shall be guided by the provisions of section 109 of this title.

''(b) PROJECT AGREEMENT.—The project agreement shall make provision for State funds required for the State's pro rata share of the cost of construction of the project and for the maintenance of the project after completion of construction. The Secretary may rely upon representations made by the State transportation department with respect to the arrangements or agreements made by the State transportation department and appropriate local officials where a part of the project is to be constructed at the expense of, or in cooperation with, local subdivisions of the State.

''(c) SPECIAL RULES FOR PROJECT OVERSIGHT.—

''(1) NHS PROJECTS.—Except as otherwise provided in subsection (d) of this section, the Secretary may discharge to the State any of the Secretary's responsibilities for the design, plans, specifications, estimates, contract awards, and inspection of projects under this title on the National Highway System. Before discharging responsibilities to the State, the Secretary shall reach agreement with the State as to the extent to which the State may assume the responsibilities of the Secretary under this subsection. The Secretary may not assume any greater responsibility than the Secretary is permitted under this title as of September 30, 1997, except upon agreement by the Secretary and the State.

''(2) NON-NHS PROJECTS.—For all projects under this title that are off the National Highway System, the State may request that the Secretary no longer review and approve the design, plans, specifications, estimates, contract awards, and inspection of projects under this title. After receiving any such request, the Secretary shall undertake project review only as requested by the State.

''(d) RESPONSIBILITIES OF THE SECRETARY.—

''(1) IN GENERAL.—Subject to paragraph (2), nothing in this section, section 133, or section 149 shall affect or discharge any responsibility or obligation of the Secretary under any Federal law other than this title.

''(2) LIMITATION.—Any responsibility or obligation of the Secretary under sections 113 and 114 of this title shall not be affected and may not be discharged under this section, section 133, or section 149.

''(e) VALUE ENGINEERING ANALYSIS.—In such cases as the Secretary determines advisable, plans, specifications, and estimates for proposed projects on any Federal-aid highway shall be accompanied by a value engineering or other cost reduction analysis.

''(f) FINANCIAL PLAN.—The Secretary shall require a financial plan to be prepared for any project with an estimated total cost of $1,000,000,000 or more.''.

(b) STANDARDS.—

(1) ELIMINATION OF GUIDELINES AND ANNUAL CERTIFICATION REQUIREMENTS.—Section 109 of title 23, United States Code, is amended—

(A) by striking subsection (m); and

(B) by redesignating subsections (n) through (q) as subsections (m) through (p), respectively.

(2) SAFETY STANDARDS.—Section 109 of title 23, United States Code (as amended by paragraph (1)), is amended by adding at the end the following:

''(q) PHASE CONSTRUCTION.—Safety considerations for a project under this title may be met by phase construction.''.

(c) PROGRAMS; PROJECT AGREEMENTS; CERTIFICATION ACCEPTANCE.—Sections 110 and 117 of title 23, United States Code, are repealed.

(d) CONFORMING AMENDMENTS.—

(1) The analysis for chapter 1 of title 23 is amended—

(A) by striking the item relating to section 106 and inserting the following:

''106. Project approval and oversight.'';

and

(B) by striking the items relating to sections 110 and 117.

(2) Section 101(a) of title 23, United States Code, is amended in the undesignated paragraph defining ''project agreement'' by striking ''the provisions of subsection (a) of section 110 of this title'' and inserting ''section 106''.

(3) Section 114(a) of title 23, United States Code, is amended in the second sentence by striking ''section 117 of this title'' and inserting ''section 106''.

SEC. 1223. SURFACE TRANSPORTATION PROGRAM.

(a) TRANSPORTATION ENHANCEMENT ACTIVITIES.—Section 133 of title 23, United States Code, is amended—

(1) in subsection (d)—

(A) in paragraph (2), by striking ''10'' and inserting ''8''; and

(B) in the first sentence of paragraph (3)(A), by striking ''80'' and inserting ''82''; and

(2) in subsection (e)—

(A) in paragraph (3)(B)(i), by striking ''if the Secretary'' and all that follows through ''activities''; and

(B) in paragraph (5), by adding at the end the following:

''(C) INNOVATIVE FINANCING.—

''(i) IN GENERAL.—For each fiscal year, the average annual non-Federal share of the total cost of all projects to carry out transportation enhancement activities in a State shall be not less than the non-Federal share authorized for the State under section 120(b).

''(ii) EXCEPTION.—Subject to clause (i), notwithstanding section 120, in the case of projects to carry out transportation enhancement activities—

''(I) funds from other Federal agencies, and other contributions that the Secretary determines are of value, may be credited toward the non-Federal share of project costs;

''(II) the non-Federal share may be calculated on a project, multiple-project, or program basis; and

''(III) the Federal share of the cost of an individual project subject to subclause (I) or (II) may be equal to 100 percent.''.

(b) PROGRAM APPROVAL.—Section 133(e) of title 23, United States Code, is amended by striking paragraph (2) and inserting the following:

''(2) PROGRAM APPROVAL.—

''(A) SUBMISSION OF PROJECT AGREEMENT.—For each fiscal year, each State shall submit a project agreement that—

''(i) certifies that the State will meet all the requirements of this section; and

''(ii) notifies the Secretary of the amount of obligations needed to carry out the program under this section.

''(B) REQUEST FOR ADJUSTMENTS OF AMOUNTS.—As necessary, each State shall request from the Secretary adjustments to the amount of obligations referred to in subparagraph (A)(ii).

''(C) EFFECT OF APPROVAL BY THE SECRETARY.—Approval by the Secretary of a project agreement under subparagraph (A) shall be deemed a contractual obligation of the United States to pay surface transportation program funds made available under this title.''.

(c) PAYMENTS.—Section 133(e)(3)(A) of title 23, United States Code, is amended by striking the second sentence.

SEC. 1224. DESIGN-BUILD CONTRACTING.

(a) AUTHORITY.—Section 112(b) of title 23, United States Code, is amended—

(1) in the first sentence of paragraph (1), by striking ''paragraph (2)'' and inserting ''paragraphs (2) and (3)'';

(2) in paragraph (2)(A), by striking ''Each'' and inserting ''Subject to paragraph (3), each''; and

(3) by adding at the end the following:

''(3) DESIGN-BUILD CONTRACTING.—

''(A) IN GENERAL.—A State transportation department may award a contract for the design and construction of a qualified project described in subparagraph (B) using competitive selection procedures approved by the Secretary.

''(B) QUALIFIED PROJECTS.—A qualified project referred to in subparagraph (A) is a project under this chapter that involves installation of an intelligent transportation system or that consists of a usable project segment and for which—

''(i) the Secretary has approved the use of design-build contracting described in subparagraph (A) under criteria specified in regulations promulgated by the Secretary; and

''(ii) the total costs are estimated to exceed—

''(I) in the case of a project that involves installation of an intelligent transportation system, $5,000,000; and

''(II) in the case of a usable project segment, $50,000,000.''.

(b) COMPETITIVE BIDDING DEFINED.—Section 112 of title 23, United States Code, is amended by striking subsection (f) and inserting the following:

''(f) COMPETITIVE BIDDING DEFINED.—In this section, the term 'competitive bidding' means the procedures used to award contracts for engineering and design services under subsection (b)(2) and design-build contracts under subsection (b)(3).''.

(c) REGULATIONS.—

(1) IN GENERAL.—Not later than the effective date specified in subsection (e), the Secretary shall promulgate regulations to carry out the amendments made by this section.

(2) CONTENTS.—The regulations shall—

(A) identify the criteria to be used by the Secretary in approving the use by a State transportation department of design-build contracting; and

(B) establish the procedures to be followed by a State transportation department for obtaining the Secretary's approval of the use of design-build contracting by the department and the selection procedures used by the department.

(d) EFFECT ON EXPERIMENTAL PROGRAM.—Nothing in this section or the amendments made by this section affects the authority to carry out, or any project carried out under, any experimental program concerning design-build contracting that is being carried out by the Secretary as of the date of enactment of this Act.

(e) EFFECTIVE DATE FOR AMENDMENTS.—The amendments made by this section take effect 2 years after the date of enactment of this Act.

SEC. 1225. INTEGRATED DECISIONMAKING PROCESS.

(a) IN GENERAL.—Subchapter III of chapter 3 of title 49, United States Code, is amended by adding at the end the following:

''§ 354. Integrated decisionmaking process

''(a) DEFINITIONS.—In this section:

''(1) INTEGRATED DECISIONMAKING PROCESS.—The term 'integrated decisionmaking process' means the integrated decisionmaking process established with respect to a surface transportation project under subsection (b).

''(2) NEPA PROCESS.—The term 'NEPA process' means the process of complying with the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) with respect to a surface transportation project.

''(3) SECRETARY.—The term 'Secretary' means the Secretary of Transportation.

''(4) SURFACE TRANSPORTATION PROJECT.—The term 'surface transportation project' means—

''(A) a highway construction project that is subject to the approval of the Secretary under title 23; and

''(B) a capital project (as defined in section 5302(a)(1)).

''(b) ESTABLISHMENT OF INTEGRATED DECISIONMAKING PROCESSES FOR SURFACE TRANSPORTATION PROJECTS.—The Secretary shall—

''(1) establish an integrated decisionmaking process for surface transportation projects that designates major decision points likely to have significant environmental effects and conflicts; and

''(2) integrate the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) with the requirements established by the Secretary for transportation planning and decisionmaking.

''(c) INTEGRATED DECISIONMAKING GOALS.—The integrated decisionmaking process for surface transportation projects should, to the maximum extent practicable, accomplish the following major goals:

''(1) Integrate the NEPA process with the planning, predesign stage, and decisionmaking for surface transportation projects at the earliest possible time.

''(2) Integrate all applicable Federal, State, tribal, and local permitting requirements.

''(3) Integrate national transportation, social, safety, economic, and environmental goals with State, tribal, and local land use and growth management initiatives.

''(4) Consolidate Federal, State, tribal, and local decisionmaking to achieve the best overall public interest according to an agreed schedule.

''(d) STREAMLINING.—

''(1) AVOIDANCE OF DELAYS, PREVENTION OF CONFLICTS, AND ELIMINATION OF UNNECESSARY DUPLICATION.—The Secretary shall design the integrated decisionmaking process to avoid delays in decisionmaking, prevent conflicts between cooperating agencies and members of the public, and eliminate unnecessary duplication of review and decisionmaking relating to surface transportation projects.

''(2) INTEGRATION; COMPREHENSIVE PROCESS.—The NEPA process—

''(A) shall be integrated with the transportation planning and decisionmaking of the Federal, State, tribal, and local transportation agencies; and

''(B) serve as a comprehensive decisionmaking process.

''(3) OTHER REQUIREMENTS.—

''(A) IN GENERAL.—The Secretary shall—

''(i) establish a concurrent transportation and environmental coordination process to reduce paperwork, combine review documents, and eliminate duplicative reviews;

''(ii) develop interagency agreements to streamline and improve interagency coordination and processing time;

''(iii) apply strategic and programmatic approaches to better integrate and expedite the NEPA process and transportation decisionmaking; and

''(iv) ensure, in appropriate cases, by conducting concurrent reviews whenever possible, that any analyses and reviews conducted by the Secretary consider the needs of other reviewing agencies.

''(B) TIME SCHEDULES.—To comply with subparagraph (A)(ii), time schedules shall be consistent with sections 1501.8 and 1506.10 of title 40, Code of Federal Regulations (or any successor regulations).

''(4) CONCURRENT PROCESSING.—

''(A) IN GENERAL.—The integrated decisionmaking process shall, to the extent practicable, include a procedure to provide for concurrent (rather than sequential) processing of all Federal, State, tribal, and local reviews and decisions emanating from those reviews.

''(B) INCONSISTENCY WITH OTHER REQUIREMENTS.—Subparagraph (A) does not require concurrent review if concurrent review would be inconsistent with other statutory or regulatory requirements.

''(e) INTERAGENCY COOPERATION.—

''(1) LEAD AND COOPERATING AGENCY CONCEPTS.—The lead and cooperating agency concepts of section 1501 of title 40, Code of Federal Regulations (or any successor regulation), shall be considered essential elements to ensure integration of transportation decisionmaking.

''(2) RESPONSIBILITIES.—The Secretary shall—

''(A) not later than 60 days after the date on which a surface transportation project is selected for study by a State, identify each Federal agency that may be required to participate in the integrated decisionmaking process relating to the surface transportation project and notify the agency of the surface transportation project;

''(B) afford State, regional, tribal, and local governments with decisionmaking authority on surface transportation projects the opportunity to serve as cooperating agencies;

''(C) provide cooperating agencies the results of any analysis or other information related to a surface transportation project;

''(D) host an early scoping meeting for Federal agencies and, when appropriate, conduct field reviews, as soon as practicable in the environmental review process;

''(E) solicit from each cooperating agency as early as practicable the data and analyses necessary to facilitate execution of the duties of each cooperating agency;

''(F) use, to the maximum extent possible, scientific, technical, and environmental data and analyses previously prepared by or for other Federal, State, tribal, or local agencies, after an independent evaluation by the Secretary of the data and analyses;

''(G) jointly, with the cooperating agencies, host public meetings and other community participation processes; and

''(H) ensure that the NEPA process and documentation provide all necessary information for the cooperating agency to—

''(i) discharge the responsibilities of the cooperating agency under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) and other law; and

''(ii) grant approvals, permits, licenses, and clearances.

''(f) ENHANCED SCOPING PROCESS.—During the scoping process for a surface transportation project, in addition to other statutory and regulatory requirements, the Secretary shall, to the extent practicable—

''(1) provide the public with clearly understandable milestones that occur during an integrated decisionmaking process;

''(2) ensure that all agencies with jurisdiction by law or with special expertise have sufficient information and data to discharge their responsibilities;

''(3) ensure that all agencies with jurisdiction by law or with special expertise, and the public, are invited to participate in the initial scoping process;

''(4) coordinate with other agencies to ensure that the agencies provide to the Secretary, not later than 30 days after the first interagency scoping meeting, any preliminary concerns about how the proposed project may affect matters within their jurisdiction or special expertise based on information available at the time of the scoping meeting; and

''(5) in cooperation with all cooperating agencies, develop a schedule for conducting all necessary environmental and other review processes.

''(g) USE OF TITLE 23 FUNDS.—

''(1) USE BY STATES.—A State may use funds made available under section 104(b) or 105 of title 23 or section 1102(c) of the Intermodal Surface Transportation Efficiency Act of 1997 to provide resources to Federal or State agencies involved in the review or permitting process for a surface transportation project in order to meet a time schedule established under this section.

''(2) USE AT SECRETARY'S DISCRETION.—At the request of another Federal agency involved in the review or permitting process for a surface transportation project, the Secretary may provide funds under chapter 1 of title 23 to the agency to provide resources necessary to meet the time schedules established under this section.

''(2) AMOUNT.—Funds may be provided under paragraph (1) in the amount by which the cost to complete a environmental review

in accordance with a time schedule established under this section exceeds the cost that would be incurred if there were no such time schedule.

''(3) NOT FINAL AGENCY ACTION.—The provision of funds under paragraph (1) does not constitute a final agency action.

''(h) STATE ROLE.—

''(1) IN GENERAL.—For any project eligible for assistance under chapter 1 of title 23, a State may require, by law or agreement coordinating with all related State agencies, that all State agencies that—

''(A) have jurisdiction by Federal or State law over environmental, growth management, or land-use related issues that may be affected by a surface transportation project; or

''(B) have responsibility for issuing any environment related reviews, analyses, opinions, or determinations;

be subject to the coordinated environmental review process provided under this section in issuing any analyses or approvals or taking any other action relating to the project.

''(2) ALL AGENCIES.—If a State requires that any State agency participate in a coordinated environmental review process, the State shall require all affected State agencies to participate.

''(i) EARLY ACTION REGARDING POTENTIALLY INSURMOUNTABLE OBSTACLES.—If, at any time during the integrated decisionmaking process for a proposed surface transportation project, a cooperating agency determines that there is any potentially insurmountable obstacle associated with any of the alternative transportation projects that might be undertaken to address the obstacle, the Secretary shall—

''(1) convene a meeting among the cooperating agencies to address the obstacle;

''(2) initiate conflict resolution efforts under subsection (j); or

''(3) eliminate from consideration the alternative transportation project with which the obstacle is associated.

''(j) CONFLICT RESOLUTION.—

''(1) FORUM.—The NEPA process shall be used as a forum to coordinate the actions of Federal, State, regional, tribal, and local agencies, the private sector, and the public to develop and shape surface transportation projects.

''(2) APPROACHES.—Collaborative, problem solving, and consensus building approaches shall be used (and, when appropriate, mediation may be used) to implement the integrated decisionmaking process with a goal of appropriately considering factors relating to transportation development, economic prosperity, protection of public health and the environment, community and neighborhood preservation, and quality of life for present and future generations.

''(3) UNRESOLVED ISSUES.—

''(A) NOTIFICATION.—If, before the final transportation NEPA document is approved—

''(i) an issue remains unresolved between the lead Federal agency and the cooperating agency; and

''(ii) efforts have been exhausted to resolve the issue at the field levels of each agency—

''(I) within the applicable timeframe of the interagency schedule established under subsection (f)(5); or

''(II) if no timeframe is established, within 90 days;

the field level officer of the lead agency shall notify the field level officer of the cooperating agency that the field level officer of the lead agency intends to bring the issue to the personal attention of the heads of the agencies.

''(B) EFFORTS BY THE AGENCY HEADS.—The head of the lead agency shall contact the head of the cooperating agency and attempt to resolve the issue within 30 days after notification by the field level officer of the unresolved issue.

''(C) CONSULTATION WITH CEQ.—The heads of the agencies are encouraged to consult with the Chair of the Council on Environmental Quality during the 30-day period under subparagraph (B).

''(D) FAILURE TO RESOLVE.—If the heads of the agencies do not resolve the issue within the time specified in subparagraph (B), the referral process under part 1504 of title 40, Code of Federal Regulations (or any successor regulation), shall be initiated with respect to the issue.

''(k) JUDICIAL REVIEW.—Nothing in this section affects the reviewability of any final agency action in a district court of the United States or any State court.

''(l) STATUTORY CONSTRUCTION.—Nothing in this section affects—

''(1) the applicability of the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) or any other statute; or

''(2) the responsibility of any Federal, State, tribal, or local officer to comply with or enforce any statute or regulation.''.

(b) TIMETABLE; REPORT TO CONGRESS.—The Secretary, in consultation with the Chair of the Council on Environmental Quality and after notice and opportunity for public comment—

(1) not later than 180 days after the date of enactment of this Act, shall design the integrated decisionmaking process required by the amendment made by subsection (a);

(2) not later than 1 year after the date of enactment of this Act, shall promulgate a regulation governing implementation of an integrated decisionmaking process in accordance with the amendment made by subsection (a); and

(3) not later than 2 years after the date of enactment of this Act, shall submit to Congress a report identifying any additional legislative or other solutions that would further enhance the integrated decisionmaking process.

(c) CONFORMING AMENDMENT.—The analysis for subchapter III of chapter 3 of title 49, United States Code, is amended by adding at the end the following:

''354. Integrated decisionmaking process.''.

CHAPTER 3—ELIGIBILITY AND FLEXIBILITY

SEC. 1231. DEFINITION OF OPERATIONAL IMPROVEMENT.

Section 101(a) of title 23, United States Code, is amended by striking the undesignated paragraph defining ''operational improvement'' and inserting the following:

''The term 'operational improvement' means the installation, operation, or maintenance, in accordance with subchapter II of chapter 5, of public infrastructure to support intelligent transportation systems and includes the installation or operation of any traffic management activity, communication system, or roadway weather information and prediction system, and any other improvement that the Secretary may designate that enhances roadway safety and mobility during adverse weather.''.

SEC. 1232. ELIGIBILITY OF FERRY BOATS AND FERRY TERMINAL FACILITIES.

(a) IN GENERAL.—Section 129(c) of title 23, United States Code, is amended by inserting ''in accordance with sections 103, 133, and 149,'' after ''toll or free,''.

(b) NATIONAL HIGHWAY SYSTEM.—Section 103(b)(5) of title 23, United States Code (as amended by section 1234), is amended by adding at the end the following:

''(R) Construction of ferry boats and ferry terminal facilities, if the conditions described in section 129(c) are met.''.

(c) SURFACE TRANSPORTATION PROGRAM.—Section 133(b) of title 23, United States Code, is amended by adding at the end the following:

''(12) Construction of ferry boats and ferry terminal facilities, if the conditions described in section 129(c) are met.''.

(d) CONGESTION MITIGATION AND AIR QUALITY IMPROVEMENT PROGRAM.—Section 149(b) of title 23, United States Code, is amended—

(1) in paragraph (3), by striking ''or'' at the end;

(2) in paragraph (4), by striking the period at the end and inserting ''; or''; and

(3) by inserting after paragraph (4) the following:

''(5) if the project or program is to construct a ferry boat or ferry terminal facility and if the conditions described in section 129(c) are met.''.

SEC. 1233. FLEXIBILITY OF SAFETY PROGRAMS.

Section 133(d) of title 23, United States Code, is amended by striking paragraph (1) and inserting the following:

''(1) SAFETY PROGRAMS.—

''(A) IN GENERAL.—With respect to funds apportioned for each of fiscal years 1998 through 2003—

''(i) an amount equal to 2 percent of the amount apportioned to a State under section 104(b)(3) shall be available only to carry out activities eligible under section 130;

''(ii) an amount equal to 2 percent of the amount apportioned to a State under section 104(b)(3) shall be available only to carry out activities eligible under section 152; and

''(iii) an amount equal to 6 percent of the amount apportioned to a State under section 104(b)(3) shall be available only to carry out activities eligible under section 130 or 152.

''(B) TRANSFER OF FUNDS.—If a State certifies to the Secretary that any part of the amount set aside by the State under subparagraph (A)(i) is in excess of the needs of the State for activities under section 130 and the Secretary accepts the certification, the State may transfer that excess part to the set-aside of the State under subparagraph (A)(ii).

''(C) TRANSFERS TO OTHER SAFETY PROGRAMS.—A State may transfer funds set aside under subparagraph (A)(iii) to the apportionment of the State under section 402 or the allocation of the State under section 31104 of title 49.''.

SEC. 1234. ELIGIBILITY OF PROJECTS ON THE NATIONAL HIGHWAY SYSTEM.

Section 103(b) of title 23, United States Code (as amended by section 1701(a)), is amended by adding at the end the following:

''(5) ELIGIBLE PROJECTS FOR NHS.—Subject to approval by the Secretary, funds apportioned to a State under section 104(b)(1)(C) for the National Highway System may be obligated for any of the following:

''(A) Construction, reconstruction, resurfacing, restoration, and rehabilitation of segments of the National Highway System.

''(B) Operational improvements for segments of the National Highway System.

''(C) Construction of, and operational improvements for, a Federal-aid highway not on the National Highway System, construction of a transit project eligible for assistance under chapter 53 of title 49, and capital improvements to any National Railroad Passenger Corporation passenger rail line or any publicly-owned intercity passenger rail line, if—

''(i) the highway, transit, or rail project is in the same corridor as, and in proximity to, a fully access-controlled highway designated as a part of the National Highway System;

''(ii) the construction or improvements will improve the level of service on the fully access-controlled highway described in clause (i) and improve regional traffic flow; and

''(iii) the construction or improvements are more cost-effective than an improvement to the fully access-controlled highway described in clause (i).

''(D) Highway safety improvements for segments of the National Highway System.

''(E) Transportation planning in accordance with sections 134 and 135.

''(F) Highway research and planning in accordance with chapter 5.

''(G) Highway-related technology transfer activities.

''(H) Capital and operating costs for traffic monitoring, management, and control facilities and programs.

''(I) Fringe and corridor parking facilities.

''(J) Carpool and vanpool projects.

''(K) Bicycle transportation and pedestrian walkways in accordance with section 217.

''(L) Development, establishment, and implementation of management systems under section 303.

''(M) In accordance with all applicable Federal law (including regulations), participation in natural habitat and wetland mitigation efforts related to projects funded under this title, which may include participation in natural habitat and wetland mitigation banks, contributions to statewide and regional efforts to conserve, restore, enhance, and create natural habitats and wetland, and development of statewide and regional natural habitat and wetland conservation and mitigation plans, including any such banks, efforts, and plans authorized under the Water Resources Development Act of 1990 (Public Law 101–640) (including crediting provisions). Contributions to the mitigation efforts described in the preceding sentence may take place concurrent with or in advance of project construction, except that contributions in advance of project construction may occur only if the efforts are consistent with all applicable requirements of Federal law (including regulations) and State transportation planning processes.

''(N) Publicly-owned intracity or intercity passenger rail or bus terminals, including terminals of the National Railroad Passenger Corporation and publicly-owned intermodal surface freight transfer facilities, other than seaports and airports, if the terminals and facilities are located on or adjacent to National Highway System routes or connections to the National Highway System selected in accordance with paragraph (2).

''(O) Infrastructure-based intelligent transportation systems capital improvements.

''(P) In the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands, any project eligible for funding under section 133, any airport, and any seaport.

''(Q) Publicly owned components of magnetic levitation transportation systems.''.

SEC. 1235. ELIGIBILITY OF PROJECTS UNDER THE SURFACE TRANSPORTATION PROGRAM.

Section 133(b) of title 23, United States Code (as amended by section 1232(c)), is amended—

(1) in paragraph (2), by striking ''and publicly owned intracity or intercity bus terminals and facilities'' and inserting '', including vehicles and facilities, whether publicly or privately owned, that are used to provide intercity passenger service by bus or rail'';

(2) in paragraph (3)—

(A) by striking ''and bicycle'' and inserting ''bicycle''; and

(B) by inserting before the period at the end the following: '', and the modification of public sidewalks to comply with the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.)'';

(3) in paragraph (4)—

(A) by inserting '', publicly owned passenger rail,'' after ''Highway'';

(B) by inserting ''infrastructure'' after ''safety''; and

(C) by inserting before the period at the end the following: '', and any other noninfrastructure highway safety improvements'';

(4) in the first sentence of paragraph (11)—

(A) by inserting ''natural habitat and'' after ''participation in'' each place it appears;

(B) by striking ''enhance and create'' and inserting ''enhance, and create natural habitats and''; and

(C) by inserting ''natural habitat and'' before ''wetlands conservation''; and

(5) by adding at the end the following:

''(13) Publicly owned intercity passenger rail infrastructure, including infrastructure owned by the National Railroad Passenger Corporation.

''(14) Publicly owned passenger rail vehicles, including vehicles owned by the National Railroad Passenger Corporation.

''(15) Infrastructure-based intelligent transportation systems capital improvements.

''(16) Publicly owned components of magnetic levitation transportation systems.

''(17) Environmental restoration and pollution abatement projects (including the retrofit or construction of storm water treatment systems) to address water pollution or environmental degradation caused or contributed to by transportation facilities, which projects shall be carried out when the transportation facilities are undergoing reconstruction, rehabilitation, resurfacing, or restoration; except that the expenditure of funds under this section for any such environmental restoration or pollution abatement project shall not exceed 20 percent of the total cost of the reconstruction, rehabilitation, resurfacing, or restoration project.''.

SEC. 1236. DESIGN FLEXIBILITY.

Section 109 of title 23, United States Code, is amended by striking subsection (a) and inserting the following:

''(a) IN GENERAL.—

''(1) REQUIREMENTS FOR FACILITIES.—The Secretary shall ensure that the plans and specifications for each proposed highway project under this chapter provide for a facility that will—

''(A) adequately serve the existing traffic of the highway in a manner that is conducive to safety, durability, and economy of maintenance; and

''(B) be designed and constructed in accordance with criteria best suited to accomplish the objectives described in subparagraph (A) and to conform to the particular needs of each locality.

''(2) CONSIDERATION OF PLANNED FUTURE TRAFFIC DEMANDS.—In carrying out paragraph (1), the Secretary shall ensure the consideration of the planned future traffic demands of the facility.''.

Subtitle C—Finance

CHAPTER 1—GENERAL PROVISIONS

SEC. 1301. STATE INFRASTRUCTURE BANK PROGRAM.

(a) IN GENERAL.—Chapter 1 of title 23, United States Code, is amended by adding at the end the following:

''§ 162. State infrastructure bank program

''(a) DEFINITIONS.—In this section:

''(1) OTHER ASSISTANCE.—The term 'other assistance' includes any use of funds in an infrastructure bank—

''(A) to provide credit enhancements;

''(B) to serve as a capital reserve for bond or debt instrument financing;

''(C) to subsidize interest rates;

''(D) to ensure the issuance of letters of credit and credit instruments;

''(E) to finance purchase and lease agreements with respect to transit projects;

''(F) to provide bond or debt financing instrument security; and

''(G) to provide other forms of debt financing and methods of leveraging funds that are approved by the Secretary and that relate to the project with respect to which the assistance is being provided.

''(2) STATE.—The term 'State' has the meaning given the term under section 401.

''(b) COOPERATIVE AGREEMENTS.—

''(1) IN GENERAL.—

''(A) PURPOSE OF AGREEMENTS.—Subject to this section, the Secretary may enter into cooperative agreements with States for the establishment of State infrastructure banks and multistate infrastructure banks for making loans and providing other assistance to public and private entities carrying out or proposing to carry out projects eligible for assistance under this section.

''(B) CONTENTS OF AGREEMENTS.—Each cooperative agreement shall specify procedures and guidelines for establishing, operating, and providing assistance from the infrastructure bank.

''(2) INTERSTATE COMPACTS.—If 2 or more States enter into a cooperative agreement under paragraph (1) with the Secretary for the establishment of a multistate infrastructure bank, Congress grants consent to those States to enter into an interstate compact establishing the bank in accordance with this section.

''(c) FUNDING.—

''(1) CONTRIBUTION.—Notwithstanding any other provision of law, the Secretary may allow, subject to subsection (h)(1), a State that enters into a cooperative agreement under this section to contribute to the infrastructure bank established by the State not to exceed—

''(A)(i) the total amount of funds apportioned to the State under each of paragraphs (1) and (3) of section 104(b), excluding funds set aside under paragraphs (1) and (2) of section 133(d); and

''(ii) the total amount of funds allocated to the State under section 105 and under section 1102 of the Intermodal Surface Transportation Efficiency Act of 1997;

''(B) the total amount of funds made available to the State or other Federal transit grant recipient for capital projects (as defined in section 5302 of title 49) under sections 5307, 5309, and 5311 of title 49; and

''(C) the total amount of funds made available to the State under subtitle V of title 49.

''(2) CAPITALIZATION GRANT.—For the purposes of this section, Federal funds contributed to the infrastructure bank under this subsection shall constitute a capitalization grant for the infrastructure bank.

''(3) SPECIAL RULE FOR URBANIZED AREAS OF OVER 200,000.—Funds that are apportioned or allocated to a State under section 104(b)(3) and attributed to urbanized areas of a State with a population of over 200,000 individuals under section 133(d)(2) may be used to provide assistance from an infrastructure bank under this section with respect to a project only if the metropolitan planning organization designated for the area concurs, in writing, with the provision of the assistance.

''(d) FORMS OF ASSISTANCE FROM INFRASTRUCTURE BANKS.—

''(1) IN GENERAL.—An infrastructure bank established under this section may make loans or provide other assistance to a public or private entity in an amount equal to all or part of the cost of carrying out a project eligible for assistance under this section.

''(2) SUBORDINATION OF LOANS.—The amount of any loan or other assistance provided for the project may be subordinated to any other debt financing for the project.

''(3) INITIAL ASSISTANCE.—Initial assistance provided with respect to a project from Federal funds contributed to an infrastructure bank under this section shall not be made in the form of a grant.

''(e) QUALIFYING PROJECTS.—

''(1) IN GENERAL.—Subject to paragraph (2), funds in an infrastructure bank established under this section may be used only to provide assistance with respect to projects eligible for assistance under this title, for capital projects (as defined in section 5302 of title 49), or for any other project that the Secretary determines to be appropriate.

''(2) INTERSTATE FUNDS.—Funds contributed to an infrastructure bank from funds apportioned to a State under subparagraph (A) or (B) of section 104(b)(1) may be used only to provide assistance with respect to projects eligible for assistance under those subparagraphs.

''(3) RAIL PROGRAM FUNDS.—Funds contributed to an infrastructure bank from funds made available to a State under subtitle V of title 49 shall be used in a manner consistent with any project description specified under the law making the funds available to the State.

''(f) INFRASTRUCTURE BANK REQUIREMENTS.—

''(1) IN GENERAL.—Subject to paragraph (2), in order to establish an infrastructure bank under this section, each State establishing such a bank shall—

''(A) contribute, at a minimum, to the bank from non-Federal sources an amount equal to 25 percent of the amount of each capitalization grant made to the State and contributed to the bank under subsection (c);

''(B) ensure that the bank maintains on a continuing basis an investment grade rating on its debt issuances and its ability to pay claims under credit enhancement programs of the bank;

''(C) ensure that investment income generated by funds contributed to the bank will be—

''(i) credited to the bank;

''(ii) available for use in providing loans and other assistance to projects eligible for assistance from the bank; and

''(iii) invested in United States Treasury securities, bank deposits, or such other financing instruments as the Secretary may approve to earn interest to enhance the leveraging of projects assisted by the bank;

''(D) ensure that any loan from the bank will bear interest at or below market rates, as determined by the State, to make the project that is the subject of the loan feasible;

''(E) ensure that repayment of the loan from the bank will commence not later than 5 years after the project has been completed or, in the case of a highway project, the facility has opened to traffic, whichever is later;

''(F) ensure that the term for repaying any loan will not exceed the lesser of—

''(i) 35 years after the date of the first payment on the loan under subparagraph (E); or

''(ii) the useful life of the investment; and

''(G) require the bank to make a biennial report to the Secretary and to make such other reports as the Secretary may require in guidelines.

''(2) WAIVERS BY THE SECRETARY.—The Secretary may waive a requirement of any of subparagraphs (C) through (G) of paragraph (1) with respect to an infrastructure bank if the Secretary determines that the waiver is consistent with the objectives of this section.

''(g) LIMITATION ON REPAYMENTS.—Notwithstanding any other provision of law, the repayment of a loan or other assistance provided from an infrastructure bank under this section may not be credited toward the non-Federal share of the cost of any project.

''(h) SECRETARIAL REQUIREMENTS.—In administering this section, the Secretary shall—

''(1) ensure that Federal disbursements shall be at an annual rate of not more than 20 percent of the amount designated by the State for State infrastructure bank capitalization under subsection (c)(1), except that the Secretary may disburse funds to a State in an amount needed to finance a specific project; and

''(2) revise cooperative agreements entered into with States under section 350 of the National Highway System Designation Act of 1995 (Public Law 104–59) to comply with this section.

''(i) APPLICABILITY OF FEDERAL LAW.—

''(1) IN GENERAL.—The requirements of this title or title 49 that would otherwise apply to funds made available under that title and projects assisted with those funds shall apply to—

''(A) funds made available under that title and contributed to an infrastructure bank established under this section, including the non-Federal contribution required under section (f); and

''(B) projects assisted by the bank through the use of the funds;

except to the extent that the Secretary determines that any requirement of that title (other than sections 113 and 114 of this title and section 5333 of title 49) is not consistent with the objectives of this section.

''(2) REPAYMENTS.—The requirements of this title or title 49 shall not apply to repayments from non-Federal sources to an infrastructure bank from projects assisted by the bank. Such a repayment shall not be considered to be Federal funds.

''(j) UNITED STATES NOT OBLIGATED.—

''(1) IN GENERAL.—Other than for purposes of section 149 of the Internal Revenue Code of 1986, the contribution of Federal funds to an infrastructure bank established under this section shall not be construed as a commitment, guarantee, or obligation on the part of the United States to any third party. No third party shall have any right against the United States for payment solely by virtue of the contribution.

''(2) STATEMENT.—Any security or debt financing instrument issued by the infrastructure bank shall expressly state that the security or instrument does not constitute a commitment, guarantee, or obligation of the United States.

''(k) MANAGEMENT OF FEDERAL FUNDS.—Sections 3335 and 6503 of title 31, United States Code, shall not apply to funds contributed under this section.

''(l) PROGRAM ADMINISTRATION.—

''(1) IN GENERAL.—A State may expend not to exceed 2 percent of the Federal funds contributed to an infrastructure bank established by the State under this section to pay the reasonable costs of administering the bank.

''(2) NON-FEDERAL FUNDS.—The limitation described in paragraph (1) shall not apply to non-Federal funds.''.

(b) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 23, United States Code, is amended by adding at the end the following:

''162. State infrastructure bank program.''.

CHAPTER 2—TRANSPORTATION INFRASTRUCTURE FINANCE AND INNOVATION

SEC. 1311. SHORT TITLE.

This chapter may be cited as the ''Transportation Infrastructure Finance and Innovation Act of 1997''.

SEC. 1312. FINDINGS.

Congress finds that—

(1) a well-developed system of transportation infrastructure is critical to the economic well-being, health, and welfare of the people of the United States;

(2) traditional public funding techniques such as grant programs are unable to keep pace with the infrastructure investment needs of the United States because of budgetary constraints at the Federal, State, and local levels of government;

(3) major transportation infrastructure facilities that address critical national needs, such as intermodal facilities, border crossings, and multistate trade corridors, are of a scale that exceeds the capacity of Federal and State assistance programs in effect on the date of enactment of this Act;

(4) new investment capital can be attracted to infrastructure projects that are capable of generating their own revenue streams through user charges or other dedicated funding sources; and

(5) a Federal credit program for projects of national significance can complement existing funding resources by filling market gaps, thereby leveraging substantial private co-investment.

SEC. 1313. DEFINITIONS.

In this chapter:

(1) ELIGIBLE PROJECT COSTS.—The term ''eligible project costs'' means amounts substantially all of which are paid by, or for the account of, an obligor in connection with a project, including the cost of—

(A) development phase activities, including planning, feasibility analysis, revenue forecasting, environmental review, permitting, preliminary engineering and design work, and other preconstruction activities;

(B) construction, reconstruction, rehabilitation, replacement, and acquisition of real property (including land related to the project and improvements to land), environmental mitigation, construction contingencies, and acquisition of equipment; and

(C) interest during construction, reasonably required reserve funds, capital issuance expenses, and other carrying costs during construction.

(2) FEDERAL CREDIT INSTRUMENT.—The term ''Federal credit instrument'' means a secured loan, loan guarantee, or line of credit authorized to be made available under this chapter with respect to a project.

(3) LENDER.—The term ''lender'' means any non-Federal qualified institutional buyer (as defined in section 230.144A(a) of title 17, Code of Federal Regulations (or any successor regulation), known as Rule 144A(a) of the Securities and Exchange Commission and issued under the Securities Act of 1933 (15 U.S.C. 77a et seq.)), including—

(A) a qualified retirement plan (as defined in section 4974(c) of the Internal Revenue Code of 1986) that is a qualified institutional buyer; and

(B) a governmental plan (as defined in section 414(d) of the Internal Revenue Code of 1986) that is a qualified institutional buyer.

(4) LINE OF CREDIT.—The term ''line of credit'' means an agreement entered into by the Secretary with an obligor under section 1316 to provide a direct loan at a future date upon the occurrence of certain events.

(5) LOAN GUARANTEE.—The term ''loan guarantee'' means any guarantee or other pledge by the Secretary to pay all or part of the principal of and interest on a loan or other debt obligation issued by an obligor and funded by a lender.

(6) LOCAL SERVICER.—The term ''local servicer'' means—

(A) a State infrastructure bank established under title 23, United States Code; or

(B) a State or local government or any agency of a State or local government that is responsible for servicing a Federal credit instrument on behalf of the Secretary.

(7) OBLIGOR.—The term ''obligor'' means a party primarily liable for payment of the principal of or interest on a Federal credit instrument, which party may be a corporation, partnership, joint venture, trust, or governmental entity, agency, or instrumentality.

(8) PROJECT.—The term ''project'' means any surface transportation project eligible for Federal assistance under title 23 or chapter 53 of title 49, United States Code.

(9) PROJECT OBLIGATION.—The term ''project obligation'' means any note, bond, debenture, or other debt obligation issued by an obligor in connection with the financing of a project, other than a Federal credit instrument.

(10) SECURED LOAN.—The term ''secured loan'' means a direct loan or other debt obligation issued by an obligor and funded by the Secretary in connection with the financing of a project under section 1315.

(11) STATE.—The term ''State'' has the meaning given the term in section 101 of title 23, United States Code.

(12) SUBSTANTIAL COMPLETION.—The term ''substantial completion'' means the opening of a project to vehicular or passenger traffic.

SEC. 1314. DETERMINATION OF ELIGIBILITY AND PROJECT SELECTION.

(a) ELIGIBILITY.—To be eligible to receive financial assistance under this chapter, a project shall meet the following criteria:

(1) INCLUSION IN TRANSPORTATION PLANS AND PROGRAMS.—The project—

(A) shall be included in the State transportation plan required under section 135 of title 23, United States Code; and

(B) at such time as an agreement to make available a Federal credit instrument is entered into under this chapter, shall be included in the approved State transportation improvement program required under section 134 of that title.

(2) APPLICATION.—A State, a local servicer identified under section 1317(a), or the entity undertaking the project shall submit a project application to the Secretary.

(3) ELIGIBLE PROJECT COSTS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), to be eligible for assistance under this chapter, a project shall have eligible project costs that are reasonably anticipated to equal or exceed the lesser of—

(i) $100,000,000; or

(ii) 50 percent of the amount of Federal-aid highway funds apportioned for the most recently-completed fiscal year under title 23, United States Code, to the State in which the project is located.

(B) INTELLIGENT TRANSPORTATION SYSTEM PROJECTS.—In the case of a project involving the installation of an intelligent transportation system, eligible project costs shall be reasonably anticipated to equal or exceed $30,000,000.

(4) DEDICATED REVENUE SOURCES.—

(A) IN GENERAL.—Except as provided in subparagraph (B), project financing shall be repayable in whole or in part by user charges or other dedicated revenue sources.

(B) USE OF PROCEEDS FROM TAX-EXEMPT FINANCING PROHIBITED.—For the purposes of this section and sections 1315 and 1316, the direct or indirect use of proceeds from the issuance by any State or local government of tax-exempt bonds for any portion of any project financing, prepayments, or repayments is prohibited.

(5) PUBLIC SPONSORSHIP OF PRIVATE ENTITIES.—In the case of a project that is undertaken by an entity that is not a State or local government or an agency or instrumentality of a State or local government, the project that the entity is undertaking shall be publicly sponsored as provided in paragraphs (1) and (2).

(b) SELECTION AMONG ELIGIBLE PROJECTS.—

(1) ESTABLISHMENT.—The Secretary shall establish criteria for selecting among projects that meet the eligibility criteria specified in subsection (a).

(2) SELECTION CRITERIA.—The selection criteria shall include the following:

(A) The extent to which the project is nationally or regionally significant, in terms of generating economic benefits, supporting international commerce, or otherwise enhancing the national transportation system.

(B) The creditworthiness of the project, including a determination by the Secretary that any financing for the project has appropriate security features, such as a rate covenant, to ensure repayment. The Secretary shall require each project applicant to provide a preliminary rating opinion letter from a nationally recognized bond rating agency.

(C) The extent to which assistance under this chapter would foster innovative public-private partnerships and attract private debt or equity investment.

(D) The likelihood that assistance under this chapter would enable the project to proceed at an earlier date than the project would otherwise be able to proceed.

(E) The extent to which the project uses new technologies, including intelligent transportation systems, that enhance the efficiency of the project.

(F) The amount of budget authority required to fund the Federal credit instrument made available under this chapter.

(c) FEDERAL REQUIREMENTS.—The following provisions of law shall apply to funds made available under this chapter and projects assisted with the funds:

(1) Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.).

(2) The National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(3) The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601 et seq.).

SEC. 1315. SECURED LOANS.

(a) IN GENERAL.—

(1) AGREEMENTS.—Subject to paragraphs (2) and (3), the Secretary may enter into agreements with 1 or more obligors to make secured loans, the proceeds of which shall be used—

(A) to finance eligible project costs; or

(B) to refinance interim construction financing of eligible project costs;

of any project selected under section 1314.

(2) LIMITATION ON REFINANCING OF INTERIM CONSTRUCTION FINANCING.—A loan under paragraph (1) shall not refinance interim construction financing under paragraph (1)(B) later than 1 year after the date of substantial completion of the project.

(3) AUTHORIZATION PERIOD.—The Secretary may enter into a loan agreement during any of fiscal years 1998 through 2003.

(b) TERMS AND LIMITATIONS.—

(1) IN GENERAL.—A secured loan under this section with respect to a project shall be on such terms and conditions and contain such covenants, representations, warranties, and requirements (including requirements for audits) as the Secretary determines appropriate.

(2) MAXIMUM AMOUNT.—The amount of the secured loan shall not exceed 33 percent of the reasonably anticipated eligible project costs.

(3) PAYMENT.—The secured loan—

(A) shall be payable, in whole or in part, from revenues generated by any rate covenant, coverage requirement, or similar security feature supporting the project obligations or from a dedicated revenue stream; and

(B) may have a lien on revenues described in subparagraph (A) subject to any lien securing project obligations.

(4) INTEREST RATE.—The interest rate on the secured loan shall be equal to the yield on marketable United States Treasury securities of a similar maturity to the maturity of the secured loan on the date of execution of the loan agreement.

(5) MATURITY DATE.—The final maturity date of the secured loan shall be not later than 35 years after the date of substantial completion of the project.

(6) NONSUBORDINATION.—The secured loan shall not be subordinated to the claims of any holder of project obligations in the event of bankruptcy, insolvency, or liquidation of the obligor.

(7) FEES.—The Secretary may establish fees at a level sufficient to cover the costs to the Federal Government of making a secured loan under this section.

(c) REPAYMENT.—

(1) SCHEDULE.—The Secretary shall establish a repayment schedule for each secured loan under this section based on the projected cash flow from project revenues and other repayment sources.

(2) COMMENCEMENT.—Scheduled loan repayments of principal or interest on a secured loan under this section shall commence not later than 5 years after the date of substantial completion of the project.

(3) SOURCES OF REPAYMENT FUNDS.—The sources of funds for scheduled loan repayments under this section shall include tolls, user fees, or other dedicated revenue sources.

(4) DEFERRED PAYMENTS.—

(A) AUTHORIZATION.—If, at any time during the 10 years after the date of substantial completion of the project, the project is unable to generate sufficient revenues to pay scheduled principal and interest on the secured loan, the Secretary may, pursuant to established criteria for the project agreed to by the entity undertaking the project and the Secretary, allow the obligor to add unpaid principal and interest to the outstanding balance of the secured loan.

(B) INTEREST.—Any payment deferred under subparagraph (A) shall—

(i) continue to accrue interest in accordance with subsection (b)(4) until fully repaid; and

(ii) be scheduled to be amortized over the remaining term of the loan beginning not later than 10 years after the date of substantial completion of the project in accordance with paragraph (1).

(5) PREPAYMENT.—

(A) USE OF EXCESS REVENUES.—Any excess revenues that remain after satisfying scheduled debt service requirements on the project obligations and secured loan and all deposit requirements under the terms of any trust agreement, bond resolution, or similar agreement securing project obligations may be applied annually to prepay the secured loan without penalty.

(B) USE OF PROCEEDS OF REFINANCING.—The secured loan may be prepaid at any time without penalty from the proceeds of refinancing from non-Federal funding sources.

(d) SALE OF SECURED LOANS.—As soon as practicable after substantial completion of a project, the Secretary shall sell to another entity or reoffer into the capital markets a secured loan for the project if the Secretary determines that the sale or reoffering can be made on favorable terms.

(e) LOAN GUARANTEES.—

(1) IN GENERAL.—The Secretary may provide a loan guarantee to a lender in lieu of making a secured loan if the Secretary determines that the budgetary cost of the loan guarantee is substantially the same as that of a secured loan.

(2) TERMS.—The terms of a guaranteed loan shall be consistent with the terms set forth in this section for a secured loan, except that

the rate on the guaranteed loan and any prepayment features shall be negotiated between the obligor and the lender, with the consent of the Secretary.

SEC. 1316. LINES OF CREDIT.

(a) IN GENERAL.—

(1) AGREEMENTS.—The Secretary may enter into agreements to make available lines of credit to 1 or more obligors in the form of direct loans to be made by the Secretary at future dates on the occurrence of certain events for any project selected under section 1314.

(2) USE OF PROCEEDS.—The proceeds of a line of credit made available under this section shall be available to pay debt service on taxable project obligations issued to finance eligible project costs, extraordinary repair and replacement costs, operation and maintenance expenses, and costs associated with unexpected Federal or State environmental restrictions.

(b) TERMS AND LIMITATIONS.—

(1) IN GENERAL.—A line of credit under this section with respect to a project shall be on such terms and conditions and contain such covenants, representations, warranties, and requirements (including requirements for audits) as the Secretary determines appropriate.

(2) MAXIMUM AMOUNTS.—

(A) TOTAL AMOUNT.—The total amount of the line of credit shall not exceed 33 percent of the reasonably anticipated eligible project costs.

(B) ONE-YEAR DRAWS.—The amount drawn in any 1 year shall not exceed 20 percent of the total amount of the line of credit.

(3) DRAWS.—Any draw on the line of credit shall represent a direct loan and shall be made only if net revenues from the project (including capitalized interest, any debt service reserve fund, and any other available reserve) are insufficient to pay the costs specified in subsection (a)(2).

(4) INTEREST RATE.—The interest rate on a direct loan resulting from a draw on the line of credit shall be not less than the yield on 30-year marketable United States Treasury securities as of the date on which the line of credit is obligated.

(5) SECURITY.—The line of credit—

(A) shall be made available only in connection with a project obligation secured, in whole or in part, by a rate covenant, coverage requirement, or similar security feature or from a dedicated revenue stream; and

(B) may have a lien on revenues described in subparagraph (A) subject to any lien securing project obligations.

(6) PERIOD OF AVAILABILITY.—The line of credit shall be available during the period beginning on the date of substantial completion of the project and ending not later than 10 years after that date.

(7) RIGHTS OF THIRD PARTY CREDITORS.—

(A) AGAINST FEDERAL GOVERNMENT.—A third party creditor of the obligor shall not have any right against the Federal Government with respect to any draw on the line of credit.

(B) ASSIGNMENT.—An obligor may assign the line of credit to 1 or more lenders or to a trustee on the lenders' behalf.

(8) NONSUBORDINATION.—A direct loan under this section shall not be subordinated to the claims of any holder of project obligations in the event of bankruptcy, insolvency, or liquidation of the obligor.

(9) FEES.—The Secretary may establish fees at a level sufficient to cover the costs to the Federal Government of providing a line of credit under this section.

(10) RELATIONSHIP TO OTHER CREDIT INSTRUMENTS.—A line of credit under this section shall not be issued for a project with respect to which another Federal credit instrument under this chapter is made available.

(c) REPAYMENT.—

(1) SCHEDULE.—The Secretary shall establish a repayment schedule for each direct loan under this section based on the projected cash flow from project revenues and other repayment sources.

(2) TIMING.—All scheduled repayments of principal or interest on a direct loan under this section shall commence not later than 5 years after the end of the period of availability specified in subsection (b)(6) and be fully repaid, with interest, by the date that is 25 years after the end of the period of availability specified in subsection (b)(6).

(3) SOURCES OF REPAYMENT FUNDS.—The sources of funds for scheduled loan repayments under this section shall include tolls, user fees, or other dedicated revenue sources.

SEC. 1317. PROJECT SERVICING.

(a) REQUIREMENT.—The State in which a project that receives financial assistance under this chapter is located may identify a local servicer to assist the Secretary in servicing the Federal credit instrument made available under this chapter.

(b) AGENCY; FEES.—If a State identifies a local servicer under subsection (a), the local servicer—

(1) shall act as the agent for the Secretary; and

(2) may receive a servicing fee, subject to approval by the Secretary.

(c) LIABILITY.—A local servicer identified under subsection (a) shall not be liable for the obligations of the obligor to the Secretary or any lender.

(d) ASSISTANCE FROM EXPERT FIRMS.—The Secretary may retain the services of expert firms in the field of municipal and project finance to assist in the underwriting and servicing of Federal credit instruments.

SEC. 1318. OFFICE OF INFRASTRUCTURE FINANCE.

(a) DUTIES OF THE SECRETARY.—Section 301 of title 49, United States Code, is amended—

(1) in paragraph (7), by striking ''and'' at the end;

(2) in paragraph (8), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(9) develop and coordinate Federal policy on financing transportation infrastructure, including the provision of direct Federal credit assistance and other techniques used to leverage Federal transportation funds.''.

(b) OFFICE OF INFRASTRUCTURE FINANCE.—

(1) IN GENERAL.—Chapter 1 of title 49, United States Code, is amended by adding at the end the following:

''§ 113. Office of Infrastructure Finance

''(a) ESTABLISHMENT.—The Secretary of Transportation shall establish within the Office of the Secretary an Office of Infrastructure Finance.

''(b) DIRECTOR.—The Office shall be headed by a Director who shall be appointed by the Secretary not later than 180 days after the date of enactment of this section.

''(c) FUNCTIONS.—The Director shall be responsible for—

''(1) carrying out the responsibilities of the Secretary described in section 301(9);

''(2) carrying out research on financing transportation infrastructure, including educational programs and other initiatives to support Federal, State, and local government efforts; and

''(3) providing technical assistance to Federal, State, and local government agencies and officials to facilitate the development and use of alternative techniques for financing transportation infrastructure.''.

(2) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 49, United States Code, is amended by adding at the end the following:

''113. Office of Infrastructure Finance.''.

SEC. 1319. STATE AND LOCAL PERMITS.

The provision of financial assistance under this chapter with respect to a project shall not—

(1) relieve any recipient of the assistance of any obligation to obtain any required State or local permit or approval with respect to the project;

(2) limit the right of any unit of State or local government to approve or regulate any rate of return on private equity invested in the project; or

(3) otherwise supersede any State or local law (including any regulation) applicable to the construction or operation of the project.

SEC. 1320. REGULATIONS.

The Secretary may issue such regulations as the Secretary determines appropriate to carry out this chapter and the amendments made by this chapter.

SEC. 1321. FUNDING.

(a) AUTHORIZATION OF CONTRACT AUTHORITY.—

(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this chapter—

(A) $60,000,000 for fiscal year 1998;

(B) $60,000,000 for fiscal year 1999;

(C) $90,000,000 for fiscal year 2000;

(D) $90,000,000 for fiscal year 2001;

(E) $115,000,000 for fiscal year 2002; and

(F) $115,000,000 for fiscal year 2003.

(2) ADMINISTRATIVE COSTS.—From funds made available under paragraph (1), the Secretary may use, for the administration of this chapter, not more than $2,000,000 for each of fiscal years 1998 through 2003.

(3) AVAILABILITY.—Amounts made available under paragraph (1) shall remain available until expended.

(b) CONTRACT AUTHORITY.—

(1) IN GENERAL.—Notwithstanding any other provision of law, approval by the Secretary of a Federal credit instrument that uses funds made available under this chapter shall be deemed to be acceptance by the United States of a contractual obligation to fund the Federal credit instrument.

(2) AVAILABILITY.—Amounts authorized under this section for a fiscal year shall be available for obligation on October 1 of the fiscal year.

(c) LIMITATIONS ON CREDIT AMOUNTS.—For each of fiscal years 1998 through 2003, principal amounts of Federal credit instruments made available under this chapter shall be limited to the amounts specified in the following table:

Fiscal year:	Maximum amount of credit:
1998	$1,200,000,000
1999	$1,200,000,000
2000	$1,800,000,000
2001	$1,800,000,000
2002	$2,000,000,000
2003	$2,000,000,000.

(d) LIMITATIONS ON OBLIGATIONS.—Notwithstanding any other provision of law, the total amount of all obligations under subsection (a) shall not exceed—

(1) $60,000,000 for fiscal year 1998;

(2) $60,000,000 for fiscal year 1999;

(3) $90,000,000 for fiscal year 2000;

(4) $90,000,000 for fiscal year 2001;

(5) $115,000,000 for fiscal year 2002; and

(6) $115,000,000 for fiscal year 2003.

SEC. 1322. REPORT TO CONGRESS.

Not later than 4 years after the date of enactment of this Act, the Secretary shall submit to Congress a report summarizing the financial performance of the projects that are receiving, or have received, assistance under this chapter, including a recommendation as to whether the objectives of this chapter are best served—

(1) by continuing the program under the authority of the Secretary;

(2) by establishing a Government corporation or Government-sponsored enterprise to administer the program; or

(3) by phasing out the program and relying on the capital markets to fund the types of infrastructure investments assisted by this chapter without Federal participation.

Subtitle D—Safety

SEC. 1401. OPERATION LIFESAVER.

Section 104 of title 23, United States Code (as amended by section 1102(a)), is amended—

(1) in the matter preceding paragraph (1) of subsection (b), by striking ''subsection (f)'' and inserting ''subsections (d) and (f)''; and

(2) in subsection (d), by striking paragraph (1) and inserting the following:

''(1) OPERATION LIFESAVER.—Before making an apportionment of funds under subsection (b)(3) for a fiscal year, the Secretary shall set aside $500,000 of the funds authorized to be appropriated for the surface transportation program for the fiscal year to carry out a public information and education program to help prevent and reduce motor vehicle accidents, injuries, and fatalities and to improve driver performance at railway-highway crossings.''.

SEC. 1402. RAILWAY-HIGHWAY CROSSING HAZARD ELIMINATION IN HIGH SPEED RAIL CORRIDORS.

Section 104(d) of title 23, United States Code, is amended by striking paragraphs (2) and (3) and inserting the following:

''(2) RAILWAY-HIGHWAY CROSSING HAZARD ELIMINATION IN HIGH SPEED RAIL CORRIDORS.—

''(A) IN GENERAL.—Before making an apportionment of funds under subsection (b)(3) for a fiscal year, the Secretary shall set aside $5,000,000 of the funds authorized to be appropriated for the surface transportation program for the fiscal year for elimination of hazards of railway-highway crossings.

''(B) ELIGIBLE CORRIDORS.—Funds made available under subparagraph (A) shall be expended for projects in—

''(i) 5 railway corridors selected by the Secretary in accordance with this subsection (as in effect on the day before the date of enactment of this clause); and

''(ii) 3 railway corridors selected by the Secretary in accordance with subparagraphs (C) and (D).

''(C) REQUIRED INCLUSION OF HIGH SPEED RAIL LINES.—A corridor selected by the Secretary under subparagraph (B) shall include rail lines where railroad speeds of 90 miles or more per hour are occurring or can reasonably be expected to occur in the future.

''(D) CONSIDERATIONS IN CORRIDOR SELECTION.—In selecting corridors under subparagraph (B), the Secretary shall consider—

''(i) projected rail ridership volume in each corridor;

''(ii) the percentage of each corridor over which a train will be capable of operating at its maximum cruise speed taking into account such factors as topography and other traffic on the line;

''(iii) projected benefits to nonriders such as congestion relief on other modes of transportation serving each corridor (including congestion in heavily traveled air passenger corridors);

''(iv) the amount of State and local financial support that can reasonably be anticipated for the improvement of the line and related facilities; and

''(v) the cooperation of the owner of the right-of-way that can reasonably be expected in the operation of high speed rail passenger service in each corridor.''.

SEC. 1403. RAILWAY-HIGHWAY CROSSINGS.

Section 130 of title 23, United States Code, is amended—

(1) in the first sentence of subsection (a)—

(A) by striking ''structures, and'' and inserting ''structures,''; and

(B) by inserting after ''grade crossings,'' the following: ''trespassing countermeasures in the immediate vicinity of a public railway-highway grade crossing, railway-highway crossing safety education, enforcement of traffic laws relating to railway-highway crossing safety, and projects at privately owned railway-highway crossings if each such project is publicly sponsored and the Secretary determines that the project would serve a public benefit,'';

(2) in subsection (d), by adding at the end the following: ''In a manner established by the Secretary, each State shall submit a report that describes completed railway-highway crossing projects funded under this section to the Department of Transportation for inclusion in the National Grade Crossing Inventory prepared by the Department of Transportation and the Association of American Railroads.''; and

(3) by striking subsection (e).

SEC. 1404. HAZARD ELIMINATION PROGRAM.

(a) IN GENERAL.—Section 152 of title 23, United States Code, is amended—

(1) in subsection (a), by inserting '', bicyclists,'' after ''motorists'';

(2) in subsection (b), by striking ''highway safety improvement project'' and inserting ''safety improvement project, including a project described in subsection (a)''; and

(3) in subsection (c), by striking ''on any public road (other than a highway on the Interstate System).'' and inserting the following: ''on—

''(1) any public road;

''(2) any public transportation vehicle or facility, any publicly owned bicycle or pedestrian pathway or trail, or any other facility that the Secretary determines to be appropriate; or

''(3) any traffic calming measure.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 101(a) of title 23, United States Code, is amended—

(A) in the undesignated paragraph defining ''highway safety improvement project'', by striking ''highway safety'' and inserting ''safety''; and

(B) by moving that undesignated paragraph to appear before the undesignated paragraph defining ''Secretary''.

(2) Section 152 of title 23, United States Code, is amended in subsections (f) and (g) by striking ''highway safety improvement projects'' each place it appears and inserting ''safety improvement projects''.

SEC. 1405. MINIMUM PENALTIES FOR REPEAT OFFENDERS FOR DRIVING WHILE INTOXICATED OR DRIVING UNDER THE INFLUENCE.

(a) IN GENERAL.—Chapter 1 of title 23, United States Code (as amended by section 1301(a)), is amended by adding at the end the following:

''§ 163. Minimum penalties for repeat offenders for driving while intoxicated or driving under the influence

''(a) DEFINITIONS.—In this section:

''(1) ALCOHOL CONCENTRATION.—The term 'alcohol concentration' means grams of alcohol per 100 milliliters of blood or grams of alcohol per 210 liters of breath.

''(2) DRIVING WHILE INTOXICATED; DRIVING UNDER THE INFLUENCE.—The terms 'driving while intoxicated' and 'driving under the influence' mean driving or being in actual physical control of a motor vehicle while having an alcohol concentration above the permitted limit as established by each State.

''(3) LICENSE SUSPENSION.—The term 'license suspension' means the suspension of all driving privileges.

''(4) MOTOR VEHICLE.—The term 'motor vehicle' means a vehicle driven or drawn by mechanical power and manufactured primarily for use on public highways, but does not include a vehicle operated solely on a rail line or a commercial vehicle.

''(5) REPEAT INTOXICATED DRIVER LAW.—The term 'repeat intoxicated driver law' means a State law that provides, as a minimum penalty, that an individual convicted of a second or subsequent offense for driving while intoxicated or driving under the influence within 5 years after a conviction for that offense whose alcohol concentration with respect to the second or subsequent offense was determined on the basis of a chemical test to be equal to or greater than 0.15 shall receive—

''(A) a license suspension for not less than 1 year;

''(B) an assessment of the individual's degree of abuse of alcohol and treatment as appropriate; and

''(C) either—

''(i) an assignment of 30 days of community service; or

''(ii) 5 days of imprisonment.

''(b) TRANSFER OF FUNDS.—

''(1) FISCAL YEARS 2001 AND 2002.—

''(A) IN GENERAL.—On October 1, 2000, and October 1, 2001, if a State has not enacted or is not enforcing a repeat intoxicated driver law, the Secretary shall transfer an amount equal to 1½ percent of the funds apportioned to the State on that date under paragraphs (1) and (3) of section 104(b) to the apportionment of the State under section 402 to be used for alcohol-impaired driving programs.

''(B) DERIVATION OF AMOUNT TO BE TRANSFERRED.—An amount transferred under subparagraph (A) may be derived—

''(i) from the apportionment of the State under section 104(b)(1);

''(ii) from the apportionment of the State under section 104(b)(3); or

''(iii) partially from the apportionment of the State under section 104(b)(1) and partially from the apportionment of the State under section 104(b)(3).

''(2) FISCAL YEAR 2003 AND FISCAL YEARS THEREAFTER.—On October 1, 2002, and each October 1 thereafter, if a State has not enacted or is not enforcing a repeat intoxicated driver law, the Secretary shall transfer 3 percent of the funds apportioned to the State on that date under each of paragraphs (1) and (3) of section 104(b) to the apportionment of the State under section 402 to be used for alcohol-impaired driving programs.

''(3) FEDERAL SHARE.—The Federal share of the cost of a project carried out under section 402 with funds transferred under paragraph (1) or (2) shall be 100 percent.

''(4) TRANSFER OF OBLIGATION AUTHORITY.—

''(A) IN GENERAL.—If the Secretary transfers under this subsection any funds to the apportionment of a State under section 402 for a fiscal year, the Secretary shall transfer an amount, determined under subparagraph (B), of obligation authority distributed for the fiscal year to the State for Federal-aid highways and highway safety construction programs for carrying out projects under section 402.

''(B) AMOUNT.—The amount of obligation authority referred to in subparagraph (A) shall be determined by multiplying—

''(i) the amount of funds transferred under subparagraph (A) to the apportionment of the State under section 402 for the fiscal year; by

''(ii) the ratio that—

''(I) the amount of obligation authority distributed for the fiscal year to the State for Federal-aid highways and highway safety construction programs; bears to

''(II) the total of the sums apportioned to the State for Federal-aid highways and highway safety construction programs (excluding

sums not subject to any obligation limitation) for the fiscal year.

''(5) LIMITATION ON APPLICABILITY OF HIGHWAY SAFETY OBLIGATIONS.—Notwithstanding any other provision of law, no limitation on the total of obligations for highway safety programs under section 402 shall apply to funds transferred under this subsection to the apportionment of a State under that section.''.

(b) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 23, United States Code (as amended by section 1301(b)), is amended by adding at the end the following:

''163. Minimum penalties for repeat offenders for driving while intoxicated or driving under the influence.''.

SEC. 1406. SAFETY INCENTIVE GRANTS FOR USE OF SEAT BELTS.

(a) IN GENERAL.—Chapter 1 of title 23, United States Code (as amended by section 1405(a)), is amended by adding at the end the following:

''§ 164. Safety incentive grants for use of seat belts

''(a) DEFINITIONS.—In this section:

''(1) MOTOR VEHICLE.—The term 'motor vehicle' means a vehicle driven or drawn by mechanical power and manufactured primarily for use on public highways, but does not include a vehicle operated solely on a rail line.

''(2) MULTIPURPOSE PASSENGER MOTOR VEHICLE.—The term 'multipurpose passenger motor vehicle' means a motor vehicle with motive power (except a trailer), designed to carry not more than 10 individuals, that is constructed on a truck chassis or is constructed with special features for occasional off-road operation.

''(3) NATIONAL AVERAGE SEAT BELT USE RATE.—The term 'national average seat belt use rate' means, in the case of each of calendar years 1995 through 2001, the national average seat belt use rate for that year, as determined by the Secretary.

''(4) PASSENGER CAR.—The term 'passenger car' means a motor vehicle with motive power (except a multipurpose passenger motor vehicle, motorcycle, or trailer) designed to carry not more than 10 individuals.

''(5) PASSENGER MOTOR VEHICLE.—The term 'passenger motor vehicle' means a passenger car or a multipurpose passenger motor vehicle.

''(6) SAVINGS TO THE FEDERAL GOVERNMENT.—The term 'savings to the Federal Government' means the amount of Federal budget savings relating to Federal medical costs (including savings under the medicare and medicaid programs under titles XVIII and XIX of the Social Security Act (42 U.S.C. 1395 et seq.)), as determined by the Secretary.

''(7) SEAT BELT.—The term 'seat belt' means—

''(A) with respect to an open-body passenger motor vehicle, including a convertible, an occupant restraint system consisting of a lap belt or a lap belt and a detachable shoulder belt; and

''(B) with respect to any other passenger motor vehicle, an occupant restraint system consisting of integrated lap and shoulder belts.

''(8) STATE SEAT BELT USE RATE.—The term 'State seat belt use rate' means the rate of use of seat belts in passenger motor vehicles in a State, as measured and submitted to the Secretary—

''(A) for each of calendar years 1995 through 1997, by the State, as adjusted by the Secretary to ensure national consistency in methods of measurement (as determined by the Secretary); and

''(B) for each of calendar years 1998 through 2001, by the State in a manner consistent with the criteria established by the Secretary under subsection (e).

''(b) DETERMINATIONS BY THE SECRETARY.—Not later than 30 days after the date of enactment of this section, and not later than September 1 of each calendar year thereafter through September 1, 2002, the Secretary shall determine—

''(1)(A) which States had, for each of the previous calendar years (referred to in this subsection as the 'previous calendar year') and the year preceding the previous calendar year, a State seat belt use rate greater than the national average seat belt use rate for that year; and

''(B) in the case of each State described in subparagraph (A), the amount that is equal to the savings to the Federal Government due to the amount by which the State seat belt use rate for the previous calendar year exceeds the national average seat belt use rate for that year; and

''(2) in the case of each State that is not a State described in paragraph (1)(A)—

''(A) the base seat belt use rate of the State, which shall be equal to the highest State seat belt use rate for the State for any calendar year during the period of 1995 through the calendar year preceding the previous calendar year; and

''(B) the amount that is equal to the savings to the Federal Government due to any increase in the State seat belt use rate for the previous calendar year over the base seat belt use rate determined under subparagraph (A).

''(c) ALLOCATIONS.—

''(1) STATES WITH GREATER THAN THE NATIONAL AVERAGE SEAT BELT USE RATE.—Not later than 30 days after the date of enactment of this section, and not later than each October 1 thereafter through October 1, 2002, the Secretary shall allocate to each State described in subsection (b)(1)(A) an amount equal to the amount determined for the State under subsection (b)(1)(B).

''(2) OTHER STATES.—Not later than 30 days after the date of enactment of this section, and not later than each October 1 thereafter through October 1, 2002, the Secretary shall allocate to each State described in subsection (b)(2) an amount equal to the amount determined for the State under subsection (b)(2)(B).

''(d) USE OF FUNDS.—For each fiscal year, each State that is allocated an amount under this section shall use the amount for projects eligible for assistance under this title.

''(e) CRITERIA.—Not later than 180 days after the date of enactment of the Intermodal Surface Transportation Efficiency Act of 1997, the Secretary shall establish criteria for the measurement of State seat belt use rates by States to ensure that the measurements are accurate and representative.

''(f) FUNDING.—

''(1) AUTHORIZATION OF CONTRACT AUTHORITY.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $60,000,000 for fiscal year 1998, $70,000,000 for fiscal year 1999, $80,000,000 for fiscal year 2000, $90,000,000 for fiscal year 2001, and $100,000,000 for each of fiscal years 2002 and 2003.

''(2) PROPORTIONATE ADJUSTMENT.—If the total amounts to be allocated under subsection (c) for any fiscal year would exceed the amounts authorized for the fiscal year under paragraph (1), the allocation to each State under subsection (c) shall be reduced proportionately.

''(3) USE OF UNALLOCATED FUNDS.—To the extent that the amounts made available for any fiscal year under paragraph (1) exceed the total amounts to be allocated under subsection (c) for the fiscal year, the excess amounts—

''(A) shall be apportioned in accordance with section 104(b)(3);

''(B) shall be considered to be sums made available for expenditure on the surface transportation program, except that the amounts shall not be subject to section 133(d); and

''(C) shall be available for any purpose eligible for funding under section 133.

''(4) ADMINISTRATIVE EXPENSES.—Not more than 2 percent of the funds made available to carry out this section may be used to pay the necessary administrative expenses incurred in carrying out this section.''.

(b) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 23, United States Code (as amended by section 1405(b)), is amended by adding at the end the following:

''164. Safety incentive grants for use of seat belts.''.

SEC. 1407. AUTOMATIC CRASH PROTECTION UNBELTED TESTING STANDARD.

(a) IN GENERAL.—

(1) TESTING WITH SIMULTANEOUS USE.—Beginning on the date of enactment of this Act, for the purpose of certification under section 30115 of title 49, United States Code, of compliance with the motor vehicle safety standards under section 30111 of that title, a manufacturer or distributor of a motor vehicle shall be deemed to be in compliance with applicable performance standards for occupant crash protection if the motor vehicle meets the applicable requirements for testing with the simultaneous use of both an automatic restraint system and a manual seat belt.

(2) PROHIBITION.—In no case shall a manufacturer or distributor use, for the purpose of the certification referred to in paragraph (1), testing that provides for the use of an automatic restraint system without the use of a manual seat belt.

(b) REVISION OF STANDARDS.—The Secretary shall issue such revised standards under section 30111 of title 49, United States Code, as are necessary to conform to subsection (a).

Subtitle E—Environment

SEC. 1501. NATIONAL SCENIC BYWAYS PROGRAM.

(a) IN GENERAL.—Chapter 1 of title 23, United States Code (as amended by section 1406(a)) is amended by adding at the end the following:

''§ 165. National scenic byways program

''(a) DESIGNATION OF ROADS.—

''(1) IN GENERAL.—The Secretary shall carry out a national scenic byways program that recognizes roads having outstanding scenic, historic, cultural, natural, recreational, and archaeological qualities by designating the roads as National Scenic Byways or All-American Roads.

''(2) CRITERIA.—The Secretary shall designate roads to be recognized under the national scenic byways program in accordance with criteria developed by the Secretary.

''(3) NOMINATION.—To be considered for the designation, a road must be nominated by a State or a Federal land management agency and must first be designated as a State scenic byway or, in the case of a road on Federal land, as a Federal land management agency byway.

''(b) GRANTS AND TECHNICAL ASSISTANCE.—

''(1) IN GENERAL.—The Secretary shall make grants and provide technical assistance to States to—

''(A) implement projects on highways designated as National Scenic Byways or All-American Roads, or as State scenic byways; and

''(B) plan, design, and develop a State scenic byway program.

''(2) PRIORITIES.—In making grants, the Secretary shall give priority to—

''(A) each eligible project that is associated with a highway that has been designated as a National Scenic Byway or All-American Road and that is consistent with the corridor management plan for the byway;

''(B) each eligible project along a State-designated scenic byway that is consistent with the corridor management plan for the byway, or is intended to foster the development of such a plan, and is carried out to make the byway eligible for designation as a National Scenic Byway or All-American Road; and

''(C) each eligible project that is associated with the development of a State scenic byway program.

''(c) ELIGIBLE PROJECTS.—The following are projects that are eligible for Federal assistance under this section:

''(1) An activity related to the planning, design, or development of a State scenic byway program.

''(2) Development and implementation of a corridor management plan to maintain the scenic, historical, recreational, cultural, natural, and archaeological characteristics of a byway corridor while providing for accommodation of increased tourism and development of related amenities.

''(3) Safety improvements to a State scenic byway, National Scenic Byway, or All-American Road to the extent that the improvements are necessary to accommodate increased traffic and changes in the types of vehicles using the highway as a result of the designation as a State scenic byway, National Scenic Byway, or All-American Road.

''(4) Construction along a scenic byway of a facility for pedestrians and bicyclists, rest area, turnout, highway shoulder improvement, passing lane, overlook, or interpretive facility.

''(5) An improvement to a scenic byway that will enhance access to an area for the purpose of recreation, including water-related recreation.

''(6) Protection of scenic, historical, recreational, cultural, natural, and archaeological resources in an area adjacent to a scenic byway.

''(7) Development and provision of tourist information to the public, including interpretive information about a scenic byway.

''(8) Development and implementation of a scenic byways marketing program.

''(d) LIMITATION.—The Secretary shall not make a grant under this section for any project that would not protect the scenic, historical, recreational, cultural, natural, and archaeological integrity of a highway and adjacent areas.

''(e) FEDERAL SHARE.—The Federal share of the cost of carrying out a project under this section shall be 80 percent, except that, in the case of any scenic byways project along a public road that provides access to or within Federal or Indian land, a Federal land management agency may use funds authorized for use by the agency as the non-Federal share.

''(f) AUTHORIZATION OF CONTRACT AUTHORITY.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $17,000,000 for fiscal year 1998, $17,000,000 for fiscal year 1999, $19,000,000 for fiscal year 2000, $19,000,000 for fiscal year 2001, $21,000,000 for fiscal year 2002, and $23,000,000 for fiscal year 2003.''.

(b) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 23, United States Code (as amended by section 1406(b)), is amended by adding at the end the following:

''165. National scenic byways program.''.

SEC. 1502. PUBLIC-PRIVATE PARTNERSHIPS.

Section 149 of title 23, United States Code, is amended by adding at the end the following:

''(e) PARTNERSHIPS WITH NONGOVERNMENTAL ENTITIES.—

''(1) IN GENERAL.—Notwithstanding any other provision of this title and in accordance with this subsection, a metropolitan planning organization, State transportation department, or other project sponsor may enter into an agreement with any public, private, or nonprofit entity to cooperatively implement any project carried out under this section.

''(2) FORMS OF PARTICIPATION BY ENTITIES.—Participation by an entity under paragraph (1) may consist of—

''(A) ownership or operation of any land, facility, vehicle, or other physical asset associated with the project;

''(B) cost sharing of any project expense;

''(C) carrying out of administration, construction management, project management, project operation, or any other management or operational duty associated with the project; and

''(D) any other form of participation approved by the Secretary.

''(3) ALLOCATION TO ENTITIES.—A State may allocate funds apportioned under section 104(b)(2) to an entity described in paragraph (1).

''(4) ALTERNATIVE FUEL PROJECTS.—In the case of a project that will provide for the use of alternative fuels by privately owned vehicles or vehicle fleets, activities eligible for funding under this subsection—

''(A) may include the costs of vehicle refueling infrastructure and other capital investments associated with the project; and

''(B) shall—

''(i) include only the incremental cost of an alternative fueled vehicle compared to a conventionally fueled vehicle that would otherwise be borne by a private party; and

''(ii) apply other governmental financial purchase contributions in the calculation of net incremental cost.

''(5) PROHIBITION ON FEDERAL PARTICIPATION WITH RESPECT TO REQUIRED ACTIVITIES.—A Federal participation payment under this subsection may not be made to an entity to fund an obligation imposed under the Clean Air Act (42 U.S.C. 7401 et seq.) or any other Federal law.''.

SEC. 1503. WETLAND RESTORATION PILOT PROGRAM.

(a) FINDINGS.—Congress finds that—

(1) surface transportation has unintended but negative consequences for wetlands and other water resources;

(2) in almost every State, construction and other highway activities have reduced or eliminated wetland functions and values, such as wildlife habitat, ground water recharge, flood control, and water quality benefits;

(3) the United States has lost more than ½ of the estimated 220,000,000 acres of wetlands that existed during colonial times; and

(4) while the rate of human-induced destruction and conversion of wetlands has slowed in recent years, the United States has suffered unacceptable wetland losses as a result of highway projects.

(b) ESTABLISHMENT.—The Secretary shall establish a national wetland restoration pilot program (referred to in this section as the ''program'') to fund mitigation projects to offset the degradation of wetlands, or the loss of functions and values of the aquatic resource, resulting from projects carried out before December 27, 1977, under title 23, United States Code (or similar projects as determined by the Secretary), for which mitigation has not been performed.

(c) APPLICATIONS.—To be eligible for funding under the program, a State shall submit an application to the Secretary that includes—

(1) a description of the wetland proposed to be restored by a mitigation project described in subsection (b) (referred to in this section as a ''wetland restoration project'') under the program (including the size and quality of the wetland);

(2) such information as is necessary to establish a nexus between—

(A) a project carried out under title 23, United States Code (or a similar project as determined by the Secretary); and

(B) the wetland values and functions proposed to be restored by the wetland restoration project;

(3) a description of the benefits expected from the proposed wetland restoration project (including improvement of water quality, improvement of wildlife habitat, ground water recharge, and flood control);

(4) a description of the State's level of commitment to the proposed wetland restoration project (including the monetary commitment of the State and any development of a State or regional conservation plan that includes the proposed wetland restoration); and

(5) the estimated total cost of the wetland restoration project.

(d) SELECTION OF WETLAND RESTORATION PROJECTS.—

(1) INTERAGENCY COUNCIL.—In consultation with the Secretary of the Army, the Secretary of the Interior, the Secretary of Agriculture, and the Administrator of the Environmental Protection Agency, the Secretary shall establish an interagency advisory council to—

(A) review the submitted applications that meet the requirements of subsection (c); and

(B) not later than 60 days after the application deadline, select wetland restoration projects for funding under the program.

(2) SELECTION CRITERIA FOR PRIORITY WETLAND RESTORATION PROJECTS.—In consultation with the Secretary of the Army, the Secretary of the Interior, the Secretary of Agriculture, and the Administrator of the Environmental Protection Agency, the Secretary shall give priority in funding under this section to wetland restoration projects that—

(A) provide for long-term monitoring and maintenance of wetland resources;

(B) are managed by an entity, such as a nature conservancy, with expertise in the long-term monitoring and protection of wetland resources; and

(C) have a high likelihood of success.

(e) REPORTS.—Not later than April 1, 2000, and April 1, 2003, the Secretary shall submit a report to Congress on the results of the program.

(f) AUTHORIZATION OF CONTRACT AUTHORITY.—

(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $12,000,000 for fiscal year 1998, $13,000,000 for fiscal year 1999, $14,000,000 for fiscal year 2000, $17,000,000 for fiscal year 2001, $20,000,000 for fiscal year 2002, and $24,000,000 for fiscal year 2003.

(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code.

Subtitle F—Planning

SEC. 1601. METROPOLITAN PLANNING.

(a) IN GENERAL.—Section 134 of title 23, United States Code, is amended to read as follows:

''§ 134. Metropolitan planning

''(a) GENERAL REQUIREMENTS.—

''(1) FINDINGS.—Congress finds that it is in the national interest to encourage and promote the safe and efficient management, operation, and development of surface transportation systems that will serve the mobility needs of people and freight within and through urbanized areas, while minimizing transportation-related fuel consumption and air pollution.

''(2) DEVELOPMENT OF PLANS AND PROGRAMS.—To accomplish the objective stated in paragraph (1), metropolitan planning organizations designated under subsection (b), in cooperation with the State and public transit operators, shall develop transportation plans and programs for urbanized areas of the State.

''(3) CONTENTS.—The plans and programs for each metropolitan area shall provide for the development and integrated management and operation of transportation systems and facilities (including pedestrian walkways and bicycle transportation facilities) that will function as an intermodal transportation system for the metropolitan area and as an integral part of an intermodal transportation system for the State and the United States.

''(4) PROCESS.—The process for developing the plans and programs shall provide for consideration of all modes of transportation and shall be continuing, cooperative, and comprehensive to the degree appropriate, based on the complexity of the transportation problems to be addressed.

''(b) DESIGNATION OF METROPOLITAN PLANNING ORGANIZATIONS.—

''(1) IN GENERAL.—To carry out the transportation planning process required by this section, a metropolitan planning organization shall be designated for each urbanized area with a population of more than 50,000 individuals—

''(A) by agreement between the Governor and units of general purpose local government that together represent at least 75 percent of the affected population (including the central city or cities as defined by the Bureau of the Census); or

''(B) in accordance with procedures established by applicable State or local law.

''(2) REDESIGNATION.—A metropolitan planning organization may be redesignated by agreement between the Governor and units of general purpose local government that together represent at least 75 percent of the affected population (including the central city or cities as defined by the Bureau of the Census) as appropriate to carry out this section.

''(3) DESIGNATION OF MORE THAN 1 METROPOLITAN PLANNING ORGANIZATION.—More than 1 metropolitan planning organization may be designated within an existing metropolitan planning area only if the Governor and the existing metropolitan planning organization determine that the size and complexity of the existing metropolitan planning area make designation of more than 1 metropolitan planning organization for the area appropriate.

''(4) STRUCTURE.—Each policy board of a metropolitan planning organization that serves an area designated as a transportation management area, when designated or redesignated under this subsection, shall consist of—

''(A) local elected officials;

''(B) officials of public agencies that administer or operate major modes of transportation in the metropolitan area (including all transportation agencies included in the metropolitan planning organization as of June 1, 1991); and

''(C) appropriate State officials.

''(5) OTHER AUTHORITY.—Nothing in this subsection interferes with the authority, under any State law in effect on December 18, 1991, of a public agency with multimodal transportation responsibilities to—

''(A) develop plans and programs for adoption by a metropolitan planning organization; or

''(B) develop long-range capital plans, coordinate transit services and projects, and carry out other activities under State law.

''(c) METROPOLITAN PLANNING AREA BOUNDARIES.—

''(1) IN GENERAL.—For the purposes of this section, the boundaries of a metropolitan planning area shall be determined by agreement between the metropolitan planning organization and the Governor.

''(2) INCLUDED AREA.—Each metropolitan planning area—

''(A) shall encompass at least the existing urbanized area and the contiguous area expected to become urbanized within a 20-year forecast period; and

''(B) may encompass the entire metropolitan statistical area or consolidated metropolitan statistical area, as defined by the Bureau of the Census.

''(3) EXISTING METROPOLITAN PLANNING AREAS IN NONATTAINMENT.—Notwithstanding paragraph (2), in the case of an area designated as a nonattainment area for ozone or carbon monoxide under the Clean Air Act (42 U.S.C. 7401 et seq.), the boundaries of the metropolitan planning area in existence as of the date of enactment of the Intermodal Surface Transportation Efficiency Act of 1997, shall be retained, except that the boundaries may be adjusted by agreement of the affected metropolitan planning organizations and Governors in the manner described in subsection (b)(2).

''(4) NEW METROPOLITAN PLANNING AREAS IN NONATTAINMENT.—In the case of an urbanized area designated after the date of enactment of the Intermodal Surface Transportation Efficiency Act of 1997 as a nonattainment area for ozone or carbon monoxide, the boundaries of the metropolitan planning area—

''(A) shall be established by agreement between the appropriate units of general purpose local government (including the central city) and the Governor;

''(B) shall encompass at least the urbanized area and the contiguous area expected to become urbanized within a 20-year forecast period;

''(C) may encompass the entire metropolitan statistical area or consolidated metropolitan statistical area, as defined by the Bureau of the Census; and

''(D) may address any nonattainment area identified under the Clean Air Act (42 U.S.C. 7401 et seq.) for ozone or carbon monoxide.

''(d) COORDINATION IN MULTISTATE AREAS.—

''(1) IN GENERAL.—The Secretary shall encourage each Governor with responsibility for a portion of a multistate metropolitan area and the appropriate metropolitan planning organizations to provide coordinated transportation planning for the entire metropolitan area.

''(2) INTERSTATE COMPACTS.—The consent of Congress is granted to any 2 or more States—

''(A) to enter into agreements or compacts, not in conflict with any law of the United States, for cooperative efforts and mutual assistance in support of activities authorized under this section as the activities pertain to interstate areas and localities within the States; and

''(B) to establish such agencies, joint or otherwise, as the States may determine desirable for making the agreements and compacts effective.

''(e) COORDINATION OF METROPOLITAN PLANNING ORGANIZATIONS.—If more than 1 metropolitan planning organization has authority within a metropolitan planning area or an area that is designated as a nonattainment area for ozone or carbon monoxide under the Clean Air Act (42 U.S.C. 7401 et seq.), each such metropolitan planning organization shall consult with the other metropolitan planning organizations designated for the area and the State in the development of plans and programs required by this section.

''(f) SCOPE OF PLANNING PROCESS.—The metropolitan transportation planning process for a metropolitan area under this section shall consider the following:

''(1) Supporting the economic vitality of the metropolitan area, especially by enabling global competitiveness, productivity, and efficiency.

''(2) Increasing the safety and security of the transportation system for motorized and nonmotorized users.

''(3) Increasing the accessibility and mobility options available to people and for freight.

''(4) Protecting and enhancing the environment, promoting energy conservation, and improving quality of life through land use planning.

''(5) Enhancing the integration and connectivity of the transportation system, across and between modes, for people and freight.

''(6) Promoting efficient system management and operation.

''(7) Emphasizing the preservation of the existing transportation system.

''(g) DEVELOPMENT OF LONG-RANGE TRANSPORTATION PLAN.—

''(1) IN GENERAL.—

''(A) DEVELOPMENT.—In accordance with this subsection, each metropolitan planning organization shall develop, and update periodically, according to a schedule that the Secretary determines to be appropriate, a long-range transportation plan for its metropolitan area.

''(B) FORECAST PERIOD.—In developing long-range transportation plans, the metropolitan planning process shall address—

''(i) the considerations under subsection (f); and

''(ii) any State or local goals developed within the cooperative metropolitan planning process;

as they relate to a 20-year forecast period and to other forecast periods as determined by the participants in the planning process.

''(C) FUNDING ESTIMATES.—For the purpose of developing the long-range transportation plan, the State shall consult with the metropolitan planning organization and each public transit agency in developing estimates of funds that are reasonably expected to be available to support plan implementation.

''(2) LONG-RANGE TRANSPORTATION PLAN.—A long-range transportation plan under this subsection shall, at a minimum, contain—

''(A) an identification of transportation facilities (including major roadways and transit, multimodal, and intermodal facilities) that should function as a future integrated transportation system, giving emphasis to those facilities that serve important national, regional, and metropolitan transportation functions;

''(B) an identification of transportation strategies necessary to—

''(i) ensure preservation, including requirements for management, operation, modernization, and rehabilitation, of the existing and future transportation system; and

''(ii) make the most efficient use of existing transportation facilities to relieve congestion, to efficiently serve the mobility needs of people and goods, and to enhance access within the metropolitan planning area; and

''(C) a financial plan that demonstrates how the long-range transportation plan can be implemented, indicates total resources

from public and private sources that are reasonably expected to be available to carry out the plan (without any requirement for indicating project-specific funding sources), and recommends any additional financing strategies for needed projects and programs.

''(3) COORDINATION WITH CLEAN AIR ACT AGENCIES.—In metropolitan areas that are in nonattainment for ozone or carbon monoxide under the Clean Air Act (42 U.S.C. 7401 et seq.), the metropolitan planning organization shall coordinate the development of a long-range transportation plan with the process for development of the transportation control measures of the State implementation plan required by that Act.

''(4) PARTICIPATION BY INTERESTED PARTIES.—Before adopting a long-range transportation plan, each metropolitan planning organization shall provide citizens, affected public agencies, representatives of transportation agency employees, freight shippers, private providers of transportation, and other interested parties with a reasonable opportunity to comment on the long-range transportation plan.

''(5) PUBLICATION OF LONG-RANGE TRANSPORTATION PLAN.—Each long-range transportation plan prepared by a metropolitan planning organization shall be—

''(A) published or otherwise made readily available for public review; and

''(B) submitted for information purposes to the Governor at such times and in such manner as the Secretary shall establish.

''(h) METROPOLITAN TRANSPORTATION IMPROVEMENT PROGRAM.—

''(1) DEVELOPMENT.—

''(A) IN GENERAL.—In cooperation with the State and any affected public transit operator, the metropolitan planning organization designated for a metropolitan area shall develop a transportation improvement program for the area for which the organization is designated.

''(B) OPPORTUNITY FOR COMMENT.—In developing the program, the metropolitan planning organization, in cooperation with the State and any affected public transit operator, shall provide citizens, affected public agencies, representatives of transportation agency employees, other affected employee representatives, freight shippers, private providers of transportation, and other interested parties with a reasonable opportunity to comment on the proposed program.

''(C) FUNDING ESTIMATES.—For the purpose of developing the transportation improvement program, the metropolitan planning organization, public transit agency, and State shall cooperatively develop estimates of funds that are reasonably expected to be available to support program implementation.

''(D) UPDATING AND APPROVAL.—The program shall be updated at least once every 2 years and shall be approved by the metropolitan planning organization and the Governor.

''(2) CONTENTS.—The transportation improvement program shall include—

''(A) a list, in order of priority, of proposed federally supported projects and strategies to be carried out within each 3-year-period after the initial adoption of the transportation improvement program; and

''(B) a financial plan that—

''(i) demonstrates how the transportation improvement program can be implemented;

''(ii) indicates resources from public and private sources that are reasonably expected to be available to carry out the program (without any requirement for indicating project-specific funding sources); and

''(iii) identifies innovative financing techniques to finance projects, programs, and strategies (without any requirement for indicating project-specific funding sources).

''(3) INCLUDED PROJECTS.—

''(A) CHAPTER 1 AND CHAPTER 53 PROJECTS.—A transportation improvement program developed under this subsection for a metropolitan area shall include the projects and strategies within the area that are proposed for funding under chapter 1 of this title and chapter 53 of title 49.

''(B) CHAPTER 2 PROJECTS.—

''(i) REGIONALLY SIGNIFICANT PROJECTS.—Regionally significant projects proposed for funding under chapter 2 of this title shall be identified individually in the transportation improvement program.

''(ii) OTHER PROJECTS.—Projects proposed for funding under chapter 2 of this title that are not determined to be regionally significant shall be grouped in 1 line item or identified individually in the transportation improvement program.

''(C) CONSISTENCY WITH LONG-RANGE TRANSPORTATION PLAN.—Each project shall be consistent with the long-range transportation plan developed under subsection (g) for the area.

''(D) REQUIREMENT OF ANTICIPATED FULL FUNDING.—The program shall include a project, or an identified phase of a project, only if full funding can reasonably be anticipated to be available for the project within the time period contemplated for completion of the project.

''(4) NOTICE AND COMMENT.—Before approving a transportation improvement program, a metropolitan planning organization shall, in cooperation with the State and any affected public transit operator, provide citizens, affected public agencies, representatives of transportation agency employees, private providers of transportation, and other interested parties with reasonable notice of and an opportunity to comment on the proposed program.

''(5) SELECTION OF PROJECTS.—

''(A) IN GENERAL.—Except as otherwise provided in subsection (i)(4) and in addition to the transportation improvement program development required under paragraph (1), the selection of federally funded projects for implementation in metropolitan areas shall be carried out, from the approved transportation improvement program—

''(i) by—

''(I) in the case of projects under chapter 1, the State; and

''(II) in the case of projects under chapter 53 of title 49, the designated transit funding recipients; and

''(ii) in cooperation with the metropolitan planning organization.

''(B) MODIFICATIONS TO PROJECT PRIORITY.—Notwithstanding any other provision of law, action by the Secretary shall not be required to advance a project included in the approved transportation improvement program in place of another project of higher priority in the program.

''(i) TRANSPORTATION MANAGEMENT AREAS.—

''(1) DESIGNATION.—

''(A) REQUIRED DESIGNATIONS.—The Secretary shall designate as a transportation management area each urbanized area with a population of over 200,000 individuals.

''(B) DESIGNATIONS ON REQUEST.—The Secretary shall designate any additional area as a transportation management area on the request of the Governor and the metropolitan planning organization designated for the area.

''(2) TRANSPORTATION PLANS AND PROGRAMS.—Within a transportation management area, transportation plans and programs shall be based on a continuing and comprehensive transportation planning process carried out by the metropolitan planning organization in cooperation with the State and any affected public transit operator.

''(3) CONGESTION MANAGEMENT SYSTEM.—Within a transportation management area, the transportation planning process under this section shall include a congestion management system that provides for effective management of new and existing transportation facilities eligible for funding under this title and chapter 53 of title 49 through the use of travel demand reduction and operational management strategies.

''(4) SELECTION OF PROJECTS.—

''(A) IN GENERAL.—In addition to the transportation improvement program development required under subsection (h)(1), all federally funded projects carried out within the boundaries of a transportation management area under this title (excluding projects carried out on the National Highway System) or under chapter 53 of title 49 shall be selected for implementation from the approved transportation improvement program by the metropolitan planning organization designated for the area in consultation with the State and any affected public transit operator.

''(B) NATIONAL HIGHWAY SYSTEM PROJECTS.—Projects carried out within the boundaries of a transportation management area on the National Highway System shall be selected for implementation from the approved transportation improvement program by the State in cooperation with the metropolitan planning organization designated for the area.

''(5) CERTIFICATION.—

''(A) IN GENERAL.—The Secretary shall—

''(i) ensure that the metropolitan planning process in each transportation management area is being carried out in accordance with applicable provisions of Federal law; and

''(ii) subject to subparagraph (B), certify, not less often than once every 3 years, that the requirements of this paragraph are met with respect to the transportation management area.

''(B) REQUIREMENTS FOR CERTIFICATION.—The Secretary may make the certification under subparagraph (A) if—

''(i) the transportation planning process complies with the requirements of this section and other applicable requirements of Federal law; and

''(ii) there is a transportation improvement program for the area that has been approved by the metropolitan planning organization and the Governor.

''(C) EFFECT OF FAILURE TO CERTIFY.—

''(i) WITHHOLDING OF FUNDS.—If a metropolitan planning process is not certified, the Secretary may withhold up to 20 percent of the apportioned funds attributable to the transportation management area under this title and chapter 53 of title 49.

''(ii) RESTORATION OF WITHHELD FUNDS.—The withheld apportionments shall be restored to the metropolitan area at such time as the metropolitan planning organization is certified by the Secretary.

''(iii) FEASIBILITY OF PRIVATE ENTERPRISE PARTICIPATION.—The Secretary shall not withhold certification under this paragraph based on the policies and criteria established by a metropolitan planning organization or transit grant recipient for determining the feasibility of private enterprise participation in accordance with section 5306(a) of title 49.

''(j) ABBREVIATED PLANS AND PROGRAMS FOR CERTAIN AREAS.—

''(1) IN GENERAL.—Subject to paragraph (2), in the case of a metropolitan area not designated as a transportation management area under this section, the Secretary may provide for the development of an abbreviated metropolitan transportation plan and program that the Secretary determines is appropriate to achieve the purposes of this section, taking into account the complexity of transportation problems in the area.

''(2) NONATTAINMENT AREAS.—The Secretary may not permit abbreviated plans or programs for a metropolitan area that is in nonattainment for ozone or carbon monoxide under the Clean Air Act (42 U.S.C. 7401 et seq.).

''(k) ADDITIONAL REQUIREMENTS FOR CERTAIN NONATTAINMENT AREAS.—

''(1) IN GENERAL.—Notwithstanding any other provision of this title or chapter 53 of title 49, in the case of a transportation management area classified as nonattainment for ozone or carbon monoxide under the Clean Air Act (42 U.S.C. 7401 et seq.), Federal funds may not be programmed in the area for any highway project that will result in a significant increase in carrying capacity for single occupant vehicles unless the project results from an approved congestion management system.

''(2) APPLICABILITY.—This subsection applies to a nonattainment area within the metropolitan planning area boundaries determined under subsection (c).

''(l) LIMITATION.—Nothing in this section confers on a metropolitan planning organization the authority to impose any legal requirement on any transportation facility, provider, or project not eligible for assistance under this title or chapter 53 of title 49.

''(m) FUNDING.—

''(1) IN GENERAL.—Funds set aside under section 104(f) of this title and section 5303 of title 49 shall be available to carry out this section.

''(2) UNUSED FUNDS.—Any funds that are not used to carry out this section may be made available by the metropolitan planning organization to the State to fund activities under section 135.''.

(b) TECHNICAL AMENDMENT.—The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section 134 and inserting the following:

''134. Metropolitan planning.''.

SEC. 1602. STATEWIDE PLANNING.

Section 135 of title 23, United States Code, is amended to read as follows:

''§ 135. Statewide planning

''(a) GENERAL REQUIREMENTS.—

''(1) FINDINGS.—It is in the national interest to encourage and promote the safe and efficient management, operation, and development of surface transportation systems that will serve the mobility needs of people and freight throughout each State.

''(2) DEVELOPMENT OF PLANS AND PROGRAMS.—Subject to section 134 of this title and sections 5303 through 5305 of title 49, each State shall develop transportation plans and programs for all areas of the State.

''(3) CONTENTS.—The plans and programs for each State shall provide for the development and integrated management and operation of transportation systems (including pedestrian walkways and bicycle transportation facilities) that will function as an intermodal State transportation system and an integral part of the intermodal transportation system of the United States.

''(4) PROCESS OF DEVELOPMENT.—The process for developing the plans and programs shall provide for consideration of all modes of transportation and shall be continuing, cooperative, and comprehensive to the degree appropriate, based on the complexity of the transportation problems to be addressed.

''(b) SCOPE OF PLANNING PROCESS.—Each State shall carry out a transportation planning process that shall consider the following:

''(1) Supporting the economic vitality of the United States, the States, and metropolitan areas, especially by enabling global competitiveness, productivity, and efficiency.

''(2) Increasing the safety and security of the transportation system for motorized and nonmotorized users.

''(3) Increasing the accessibility and mobility options available to people and for freight.

''(4) Protecting and enhancing the environment, promoting energy conservation, and improving quality of life through land use planning.

''(5) Enhancing the integration and connectivity of the transportation system, across and between modes throughout the State, for people and freight.

''(6) Promoting efficient system management and operation.

''(7) Emphasizing the preservation of the existing transportation system.

''(c) COORDINATION WITH METROPOLITAN PLANNING; STATE IMPLEMENTATION PLAN.—In carrying out planning under this section, a State shall—

''(1) coordinate the planning with the transportation planning activities carried out under section 134 for metropolitan areas of the State; and

''(2) carry out the responsibilities of the State for the development of the transportation portion of the State air quality implementation plan to the extent required by the Clean Air Act (42 U.S.C. 7401 et seq.).

''(d) ADDITIONAL REQUIREMENTS.—In carrying out planning under this section, each State shall, at a minimum, consider—

''(1) with respect to nonmetropolitan areas, the concerns of local elected officials representing units of general purpose local government;

''(2) the concerns of Indian tribal governments and Federal land management agencies that have jurisdiction over land within the boundaries of the State; and

''(3) coordination of transportation plans, programs, and planning activities with related planning activities being carried out outside of metropolitan planning areas.

''(e) LONG-RANGE TRANSPORTATION PLAN.—

''(1) DEVELOPMENT.—Each State shall develop a long-range transportation plan, with a minimum 20-year forecast period, for all areas of the State, that provides for the development and implementation of the intermodal transportation system of the State.

''(2) CONSULTATION WITH GOVERNMENTS.—

''(A) METROPOLITAN AREAS.—With respect to each metropolitan area in the State, the plan shall be developed in cooperation with the metropolitan planning organization designated for the metropolitan area under section 134 of this title and section 5305 of title 49.

''(B) NONMETROPOLITAN AREAS.—With respect to each nonmetropolitan area, the plan shall be developed in consultation with local elected officials representing units of general purpose local government.

''(C) INDIAN TRIBAL AREAS.—With respect to each area of the State under the jurisdiction of an Indian tribal government, the plan shall be developed in consultation with the tribal government and the Secretary of the Interior.

''(3) PARTICIPATION BY INTERESTED PARTIES.—In developing the plan, the State shall—

''(A) provide citizens, affected public agencies, representatives of transportation agency employees, other affected employee representatives, freight shippers, private providers of transportation, and other interested parties with a reasonable opportunity to comment on the proposed plan; and

''(B) identify transportation strategies necessary to efficiently serve the mobility needs of people.

''(f) STATE TRANSPORTATION IMPROVEMENT PROGRAM.—

''(1) DEVELOPMENT.—

''(A) IN GENERAL.—The State shall develop a transportation improvement program for all areas of the State.

''(B) CONSULTATION WITH GOVERNMENTS.—

''(i) METROPOLITAN AREAS.—With respect to each metropolitan area in the State, the program shall be developed in cooperation with the metropolitan planning organization designated for the metropolitan area under section 134 of this title and section 5305 of title 49.

''(ii) NONMETROPOLITAN AREAS.—With respect to each nonmetropolitan area in the State, the program shall be developed in consultation with units of general purpose local government.

''(iii) INDIAN TRIBAL AREAS.—With respect to each area of the State under the jurisdiction of an Indian tribal government, the program shall be developed in consultation with the tribal government and the Secretary of the Interior.

''(C) PARTICIPATION BY INTERESTED PARTIES.—In developing the program, the Governor shall provide citizens, affected public agencies, representatives of transportation agency employees, other affected employee representatives, freight shippers, private providers of transportation, and other interested parties with a reasonable opportunity to comment on the proposed program.

''(2) INCLUDED PROJECTS.—

''(A) IN GENERAL.—A transportation improvement program developed under this subsection for a State shall include federally supported surface transportation expenditures within the boundaries of the State.

''(B) CHAPTER 2 PROJECTS.—

''(i) REGIONALLY SIGNIFICANT PROJECTS.—Regionally significant projects proposed for funding under chapter 2 shall be identified individually.

''(ii) OTHER PROJECTS.—Projects proposed for funding under chapter 2 that are not determined to be regionally significant shall be grouped in 1 line item or identified individually.

''(C) CONSISTENCY WITH LONG-RANGE TRANSPORTATION PLAN.—Each project shall—

''(i) be consistent with the long-range transportation plan developed under this section for the State;

''(ii) be identical to the project as described in an approved metropolitan transportation improvement program; and

''(iii) be in conformance with the applicable State air quality implementation plan developed under the Clean Air Act (42 U.S.C. 7401 et seq.), if the project is carried out in an area designated as nonattainment for ozone or carbon monoxide under that Act.

''(D) REQUIREMENT OF ANTICIPATED FULL FUNDING.—

''(i) IN GENERAL.—The program shall include a project, or an identified phase of a project, only if full funding can reasonably be anticipated to be available for the project within the time period contemplated for completion of the project.

''(ii) LIMITATION.—Clause (i) does not require the indication of project-specific funding sources.

''(E) PRIORITIES.—The program shall reflect the priorities for programming and expenditures of funds, including transportation enhancements, required by this title.

''(3) PROJECT SELECTION FOR AREAS OF LESS THAN 50,000 POPULATION.—

''(A) IN GENERAL.—Projects carried out in areas with populations of less than 50,000 individuals (excluding projects carried out on the National Highway System) shall be selected, from the approved statewide transportation improvement program, by the State in cooperation with the affected local officials.

''(B) NATIONAL HIGHWAY SYSTEM PROJECTS.—Projects carried out in areas described in subparagraph (A) on the National Highway System shall be selected, from the

approved statewide transportation improvement program, by the State in consultation with the affected local officials.

''(4) BIENNIAL REVIEW AND APPROVAL.—A transportation improvement program developed under this subsection shall be reviewed and, on a finding that the planning process through which the program was developed is consistent with this section and section 134, approved not less frequently than biennially by the Secretary.

''(5) MODIFICATIONS TO PROJECT PRIORITY.—Notwithstanding any other provision of law, action by the Secretary shall not be required to advance a project included in the approved statewide transportation improvement program in place of another project of higher priority in the program.

''(g) FUNDING.—Funds set aside under section 505 of this title and section 5313(b) of title 49 shall be available to carry out this section.

''(h) CONTINUATION OF CURRENT REVIEW PRACTICE.—Since plans and programs described in this section or section 134 are subject to a reasonable opportunity for public comment, since individual projects included in the plans and programs are subject to review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), and since decisions by the Secretary concerning plans and programs described in this section have not been reviewed under that Act as of January 1, 1997, any decision by the Secretary concerning a plan or program described in this section or section 134 shall not be considered to be a Federal action subject to review under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).''.

SEC. 1603. ADVANCED TRAVEL FORECASTING PROCEDURES PROGRAM.

(a) ESTABLISHMENT.—The Secretary shall establish an advanced travel forecasting procedures program—

(1) to provide for completion of the advanced transportation model developed under the Transportation Analysis Simulation System (referred to in this section as ''TRANSIMS''); and

(2) to provide support for early deployment of the advanced transportation modeling computer software and graphics package developed under TRANSIMS and the program established under this section to States, local governments, and metropolitan planning organizations with responsibility for travel modeling.

(b) ELIGIBLE ACTIVITIES.—The Secretary shall use funds made available under this section to—

(1) provide funding for completion of core development of the advanced transportation model;

(2) develop user-friendly advanced transportation modeling computer software and graphics packages;

(3) provide training and technical assistance with respect to the implementation and application of the advanced transportation model to States, local governments, and metropolitan planning organizations with responsibility for travel modeling; and

(4) allocate funds to not more than 12 entities described in paragraph (3), representing a diversity of populations and geographic regions, for a pilot program to enable transportation management areas designated under section 134(i) of title 23, United States Code, to convert from the use of travel forecasting procedures in use by the areas as of the date of enactment of this Act to the use of the advanced transportation model.

(c) AUTHORIZATION OF CONTRACT AUTHORITY.—

(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $4,000,000 for fiscal year 1998, $3,000,000 for fiscal year 1999, $6,500,000 for fiscal year 2000, $5,000,000 for fiscal year 2001, $4,000,000 for fiscal year 2002, and $2,500,000 for fiscal year 2003.

(2) ALLOCATION OF FUNDS.—

(A) FISCAL YEARS 1998 AND 1999.—For each of fiscal years 1998 and 1999, 100 percent of the funds made available under paragraph (1) shall be allocated to activities in described in paragraphs (1), (2), and (3) of subsection (b).

(B) FISCAL YEARS 2000 THROUGH 2003.—For each of fiscal years 2000 through 2003, not more than 50 percent of the funds made available under paragraph (1) may be allocated to activities described in subsection (b)(4).

(3) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code, except that the Federal share of the cost of—

(A) any activity described in paragraph (1), (2), or (3) of subsection (b) shall not exceed 100 percent; and

(B) any activity described in subsection (b)(4) shall not exceed 80 percent.

SEC. 1604. TRANSPORTATION AND COMMUNITY AND SYSTEM PRESERVATION PILOT PROGRAM.

(a) ESTABLISHMENT.—In cooperation with appropriate State, regional, and local governments, the Secretary shall establish a comprehensive initiative to investigate and address the relationships between transportation and community and system preservation.

(b) RESEARCH.—

(1) IN GENERAL.—In cooperation with appropriate Federal agencies, State, regional, and local governments, and other entities eligible for assistance under subsection (d), the Secretary shall carry out a comprehensive research program to investigate the relationships between transportation, community preservation, and the environment.

(2) REQUIRED ELEMENTS.—The program shall provide for monitoring and analysis of projects carried out with funds made available to carry out subsections (c) and (d).

(c) PLANNING.—

(1) IN GENERAL.—The Secretary shall allocate funds made available to carry out this subsection to States, metropolitan planning organizations, and local governments to plan, develop, and implement strategies to integrate transportation and community and system preservation plans and practices.

(2) PURPOSES.—The purposes of the allocations shall be—

(A) to improve the efficiency of the transportation system;

(B) to reduce the impacts of transportation on the environment;

(C) to reduce the need for costly future investments in public infrastructure; and

(D) to provide efficient access to jobs, services, and centers of trade.

(3) CRITERIA.—In allocating funds made available to carry out this subsection, the Secretary shall give priority to applicants that—

(A) propose projects for funding that address the purposes described in paragraph (2);

(B) demonstrate a commitment to public involvement, including involvement of nontraditional partners in the project team; and

(C) demonstrate a commitment of non-Federal resources to the proposed projects.

(d) ALLOCATION OF FUNDS FOR IMPLEMENTATION.—

(1) IN GENERAL.—The Secretary shall allocate funds made available to carry out this subsection to States, metropolitan planning organizations, and local governments to carry out projects to address transportation efficiency and community and system preservation.

(2) CRITERIA.—In allocating funds made available to carry out this subsection, the Secretary shall give priority to applicants that—

(A) have instituted preservation or development plans and programs that—

(i) meet the requirements of title 23 and chapter 53 of title 49, United States Code; and

(ii) are—

(I) coordinated with adopted preservation or development plans; or

(II) intended to promote cost-effective and strategic investments in transportation infrastructure that minimize adverse impacts on the environment;

(B) have instituted other policies to integrate transportation and community and system preservation practices, such as—

(i) spending policies that direct funds to high-growth areas;

(ii) urban growth boundaries to guide metropolitan expansion;

(iii) ''green corridors'' programs that provide access to major highway corridors for areas targeted for efficient and compact development; or

(iv) other similar programs or policies as determined by the Secretary;

(C) have preservation or development policies that include a mechanism for reducing potential impacts of transportation activities on the environment; and

(D) propose projects for funding that address the purposes described in subsection (c)(2).

(3) EQUITABLE DISTRIBUTION.—In allocating funds to carry out this subsection, the Secretary shall ensure the equitable distribution of funds to a diversity of populations and geographic regions.

(4) USE OF ALLOCATED FUNDS.—

(A) IN GENERAL.—An allocation of funds made available to carry out this subsection shall be used by the recipient to implement the projects proposed in the application to the Secretary.

(B) TYPES OF PROJECTS.—The allocation of funds shall be available for obligation for—

(i) any project eligible for funding under title 23 or chapter 53 of title 49, United States Code; or

(ii) any other activity relating to transportation and community and system preservation that the Secretary determines to be appropriate, including corridor preservation activities that are necessary to implement—

(I) transit-oriented development plans;

(II) traffic calming measures; or

(III) other coordinated transportation and community and system preservation practices.

(e) AUTHORIZATION OF CONTRACT AUTHORITY.—

(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $20,000,000 for each of fiscal years 1998 through 2003.

(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, United States Code.

Subtitle G—Technical Corrections

SEC. 1701. FEDERAL-AID SYSTEMS.

(a) IN GENERAL.—Section 103 of title 23, United States Code, is amended to read as follows:

''§ 103. Federal-aid systems

''(a) IN GENERAL.—For the purposes of this title, the Federal-aid systems are the Interstate System and the National Highway System.

''(b) NATIONAL HIGHWAY SYSTEM.—

''(1) DESCRIPTION.—The National Highway System consists of an interconnected system of major routes and connectors that—

''(A) serve major population centers, international border crossings, ports, airports, public transportation facilities, and other intermodal transportation facilities and other major travel destinations;

''(B) meet national defense requirements; and

''(C) serve interstate and interregional travel.

''(2) COMPONENTS.—The National Highway System consists of the following:

''(A) The Interstate System described in subsection (c).

''(B) Other urban and rural principal arterial routes.

''(C) Other connector highways (including toll facilities) that provide motor vehicle access between arterial routes on the National Highway System and a major intermodal transportation facility.

''(D) A strategic highway network consisting of a network of highways that are important to the United States strategic defense policy and that provide defense access, continuity, and emergency capabilities for the movement of personnel, materials, and equipment in both peacetime and wartime. The highways may be highways on or off the Interstate System and shall be designated by the Secretary in consultation with appropriate Federal agencies and the States.

''(E) Major strategic highway network connectors consisting of highways that provide motor vehicle access between major military installations and highways that are part of the strategic highway network. The highways shall be designated by the Secretary in consultation with appropriate Federal agencies and the States.

''(3) MAXIMUM MILEAGE.—The mileage of highways on the National Highway System shall not exceed 178,250 miles.

''(4) MODIFICATIONS TO NHS.—

''(A) IN GENERAL.—The Secretary may make any modification, including any modification consisting of a connector to a major intermodal terminal, to the National Highway System that is proposed by a State or that is proposed by a State and revised by the Secretary if the Secretary determines that the modification—

''(i) meets the criteria established for the National Highway System under this title; and

''(ii) enhances the national transportation characteristics of the National Highway System.

''(B) COOPERATION.—

''(i) IN GENERAL.—In proposing a modification under this paragraph, a State shall cooperate with local and regional officials.

''(ii) URBANIZED AREAS.—In an urbanized area, the local officials shall act through the metropolitan planning organization designated for the area under section 134.

''(c) INTERSTATE SYSTEM.—

''(1) DESCRIPTION.—

''(A) IN GENERAL.—The Dwight D. Eisenhower National System of Interstate and Defense Highways within the United States (including the District of Columbia and Puerto Rico), consists of highways—

''(i) designed—

''(I) in accordance with the standards of section 109(b); or

''(II) in the case of highways in Alaska and Puerto Rico, in accordance with such geometric and construction standards as are adequate for current and probable future traffic demands and the needs of the locality of the highway; and

''(ii) located so as—

''(I) to connect by routes, as direct as practicable, the principal metropolitan areas, cities, and industrial centers;

''(II) to serve the national defense; and

''(III) to the maximum extent practicable, to connect at suitable border points with routes of continental importance in Canada and Mexico.

''(B) SELECTION OF ROUTES.—To the maximum extent practicable, each route of the Interstate System shall be selected by joint action of the State transportation agencies of the State in which the route is located and the adjoining States, in cooperation with local and regional officials, and subject to the approval of the Secretary.

''(2) MAXIMUM MILEAGE.—The mileage of highways on the Interstate System shall not exceed 43,000 miles, exclusive of designations under paragraph (4).

''(3) MODIFICATIONS.—The Secretary may approve or require modifications to the Interstate System in a manner consistent with the policies and procedures established under this subsection.

''(4) INTERSTATE SYSTEM DESIGNATIONS.—

''(A) ADDITIONS.—If the Secretary determines that a highway on the National Highway System meets all standards of a highway on the Interstate System and that the highway is a logical addition or connection to the Interstate System, the Secretary may, upon the affirmative recommendation of the State or States in which the highway is located, designate the highway as a route on the Interstate System.

''(B) DESIGNATIONS AS FUTURE INTERSTATE SYSTEM ROUTES.—

''(i) IN GENERAL.—If the Secretary determines that a highway on the National Highway System would be a logical addition or connection to the Interstate System and would qualify for designation as a route on the Interstate System under subparagraph (A), the Secretary may, upon the affirmative recommendation of the State or States in which the highway is located, designate the highway as a future Interstate System route.

''(ii) WRITTEN AGREEMENT OF STATES.—A designation under clause (i) shall be made only upon the written agreement of the State or States described in that clause that the highway will be constructed to meet all standards of a highway on the Interstate System by the date that is 12 years after the date of the agreement.

''(iii) REMOVAL OF DESIGNATION.—

''(I) IN GENERAL.—If the State or States described in clause (i) have not substantially completed the construction of a highway designated under this subparagraph within the time provided for in the agreement between the Secretary and the State or States under clause (ii), the Secretary shall remove the designation of the highway as a future Interstate System route.

''(II) EFFECT OF REMOVAL.—Removal of the designation of a highway under subclause (I) shall not preclude the Secretary from designating the highway as a route on the Interstate System under subparagraph (A) or under any other provision of law providing for addition to the Interstate System.

''(iv) PROHIBITION ON REFERRAL AS INTERSTATE SYSTEM ROUTE.—No law, rule, regulation, map, document, or other record of the United States, or of any State or political subdivision of a State, shall refer to any highway designated as a future Interstate System route under this subparagraph, nor shall any such highway be signed or marked, as a highway on the Interstate System until such time as the highway is constructed to the geometric and construction standards for the Interstate System and has been designated as a route on the Interstate System.

''(C) FINANCIAL RESPONSIBILITY.—

''(i) IN GENERAL.—Except as provided in clause (ii), the designation of a highway under this paragraph shall create no additional Federal financial responsibility with respect to the highway.

''(ii) CERTAIN HIGHWAYS.—Subject to section 119(b)(1)(B), a State may use funds available to the State under paragraphs (1) and (3) of section 104(b) for the resurfacing, restoration, rehabilitation, and reconstruction of a highway—

''(I) designated before March 9, 1984, as a route on the Interstate System under subparagraph (A) or as a future Interstate System route under subparagraph (B); or

''(II) designated under subparagraph (A) and located in Alaska or Puerto Rico.

''(d) TRANSFER OF INTERSTATE CONSTRUCTION FUNDS.—

''(1) INTERSTATE CONSTRUCTION FUNDS NOT IN SURPLUS.—

''(A) IN GENERAL.—Upon application by a State and approval by the Secretary, the Secretary may transfer to the apportionment of the State under section 104(b)(1) any amount of funds apportioned to the State under section 104(b)(5)(A) (as in effect on the day before the date of enactment of the Intermodal Surface Transportation Efficiency Act of 1997), if the amount does not exceed the Federal share of the costs of construction of segments of the Interstate System in the State included in the most recent Interstate System cost estimate.

''(B) EFFECT OF TRANSFER.—Upon transfer of an amount under subparagraph (A), the construction on which the amount is based, as included in the most recent Interstate System cost estimate, shall be ineligible for funding under section 104(b)(5)(A) (as in effect on the day before the date of enactment of the Intermodal Surface Transportation Efficiency Act of 1997) or 104(k).

''(2) SURPLUS INTERSTATE CONSTRUCTION FUNDS.—Upon application by a State and approval by the Secretary, the Secretary may transfer to the apportionment of the State under section 104(b)(1) any amount of surplus funds apportioned to the State under section 104(b)(5)(A) (as in effect on the day before the date of enactment of the Intermodal Surface Transportation Efficiency Act of 1997), if the State has fully financed all work eligible under the most recent Interstate System cost estimate.

''(3) APPLICABILITY OF CERTAIN LAWS.—Funds transferred under this subsection shall be subject to the laws (including regulations, policies, and procedures) relating to the apportionment to which the funds are transferred.

''(e) UNOBLIGATED BALANCES OF INTERSTATE SUBSTITUTE FUNDS.—Unobligated balances of funds apportioned to a State under section 103(e)(4)(H) (as in effect on the day before the date of enactment of the Intermodal Surface Transportation Efficiency Act of 1997) shall be available for obligation by the State under the law (including regulations, policies, and procedures) relating to the obligation and expenditure of the funds in effect on that date.''.

(b) CONFORMING AMENDMENTS.—

(1)(A) Section 101(a) of title 23, United States Code, is amended in the undesignated paragraph defining ''Interstate System'' by striking ''subsection (e) of section 103 of this title'' and inserting ''section 103(c)''.

(B) Section 104(f)(1) of title 23, United States Code, is amended by striking '', except that'' and all that follows through ''programs''.

(C) Section 115(a) of title 23, United States Code, is amended—

(i) in the subsection heading, by striking ''SUBSTITUTE,''; and

(ii) in paragraph (1)(A)(i), by striking ''103(e)(4)(H),'';

(D) Section 118 of title 23, United States Code (as amended by section 1118(b)), is amended—

(i) by striking subsection (d); and

(ii) by redesignating subsections (e), (f), and (g) (as added by section 1103(d)) as subsections (c), (d), and (e), respectively.

(E) Section 129(b) of title 23, United States Code, is amended in the first sentence by striking ''which has been'' and all that follows through ''and has not'' and inserting ''which is a public road and has not''.

(2)(A) Section 139 of title 23, United States Code, is repealed.

(B) The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section 139.

(C) Section 119(a) of title 23, United States Code, is amended in the first sentence—

(i) by striking ''sections 103 and 139(c) of this title'' and inserting ''section 103(c)(1) and, in Alaska and Puerto Rico, under section 103(c)(4)(A)''; and

(ii) by striking ''section 139 (a) and (b) of this title'' and inserting ''subparagraphs (A) and (B) of section 103(c)(4)''.

(D) Section 127(f) of title 23, United States Code, is amended by striking ''section 139(a)'' and inserting ''section 103(c)(4)(A)''.

(E) Section 1105(e)(5) of the Intermodal Surface Transportation Efficiency Act of 1991 (109 Stat. 597) is amended by striking subparagraph (B) and inserting the following:

''(B) TREATMENT OF SEGMENTS.—Subject to subparagraph (C), segments designated as parts of the Interstate System under this paragraph shall be treated in the same manner as segments designated under section 103(c)(4)(A) of title 23, United States Code.''.

SEC. 1702. MISCELLANEOUS TECHNICAL CORRECTIONS.

(a) DEFINITIONS AND DECLARATION OF POLICY.—

(1) CREATION OF POLICY SECTION.—Section 102 of title 23, United States Code, is amended—

(A) by striking the section heading and inserting the following:

''§ 102. Declaration of policy'';

(B) by redesignating subsection (a) as subsection (c) and moving that subsection to the end of section 146; and

(C) by redesignating subsection (b) as subsection (f) and moving that subsection to the end of section 118 (as amended by section 1701(b)(1)(D)(ii)).

(2) TRANSFER OF POLICY PROVISIONS.—Section 101 of title 23, United States Code, is amended—

(A) by striking the section heading and inserting the following:

''§ 101. Definitions'';

(B) in subsection (a), by striking ''(a)'';

(C) by striking subsection (b); and

(D) by redesignating subsections (c) through (e) as subsections (a) through (c), respectively, and moving those subsections to section 102 (as amended by paragraph (1)).

(3) CONFORMING AMENDMENTS.—

(A) The analysis for chapter 1 of title 23, United States Code, is amended by striking the items relating to sections 101 and 102 and inserting the following:

''101. Definitions.

''102. Declaration of policy.''.

(B) Section 47107(j)(1)(B) of title 49, United States Code, is amended by striking ''section 101(a)'' and inserting ''section 101''.

(b) ADVANCE CONSTRUCTION.—Section 115 of title 23, United States Code, is amended—

(1) in subsection (b)—

(A) by striking ''PROJECTS'' and all that follows through ''When a State'' and inserting ''PROJECTS.—When a State'';

(B) by striking paragraphs (2) and (3); and

(C) by redesignating subparagraphs (A) and (B) as paragraphs (1) and (2), respectively, and indenting appropriately;

(2) by striking subsection (c);

(3) in subsection (d), by striking ''section 135(f)'' and inserting ''section 135''; and

(4) by redesignating subsection (d) as subsection (c).

(c) MAINTENANCE.—Section 116 of title 23, United States Code, is amended—

(1) in subsection (a), by striking the second sentence;

(2) by striking subsection (b);

(3) in subsection (c)—

(A) in the first sentence, by striking ''he'' and inserting ''the Secretary''; and

(B) in the second sentence, by striking ''further projects'' and inserting ''further expenditure of Federal-aid highway program funds''; and

(4) by redesignating subsections (c) and (d) as subsections (b) and (c), respectively.

(d) INTERSTATE MAINTENANCE PROGRAM.—Section 119(a) of title 23, United States Code, is amended in the first sentence by striking ''the date of enactment of this sentence'' and inserting ''March 9, 1984''.

(e) ADVANCES TO STATES.—Section 124 of title 23, United States Code, is amended—

(1) by striking ''(a)''; and

(2) by striking subsection (b).

(f) DIVERSION.—

(1) IN GENERAL.—Section 126 of title 23, United States Code, is repealed.

(2) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section 126.

(g) RAILWAY-HIGHWAY CROSSINGS.—Section 130(f) of title 23, United States Code, is amended by striking ''APPORTIONMENT'' and all that follows through the first sentence and inserting ''FEDERAL SHARE.—''.

(h) SURFACE TRANSPORTATION PROGRAM.—Section 133(a) of title 23, United States Code, is amended by striking ''ESTABLISHMENT.—The Secretary shall establish'' and inserting ''IN GENERAL.—The Secretary shall carry out''.

(i) CONTROL OF JUNKYARDS.—Section 136 of title 23, United States Code, is amended by striking subsection (m) and inserting the following:

''(m) PRIMARY SYSTEM DEFINED.—For purposes of this section, the term 'primary system' means the Federal-aid primary system in existence on June 1, 1991, and any highway which is not on such system but which is on the National Highway System.''.

(j) FRINGE AND CORRIDOR PARKING FACILITIES.—Section 137(a) of title 23, United States Code, is amended in the first sentence by striking ''on the Federal-aid urban system'' and inserting ''on a Federal-aid highway''.

(k) NONDISCRIMINATION.—Section 140 of title 23, United States Code, is amended—

(1) in subsection (a)—

(A) in the first sentence, by striking ''subsection (a) of section 105 of this title,'' and inserting ''section 106(a),'';

(B) by striking ''he'' each place it appears and inserting ''the Secretary'';

(C) in the second sentence, by striking ''He'' and inserting ''The Secretary'';

(D) in the third sentence, by striking ''In approving programs for projects on any of the Federal-aid systems,'' and inserting ''Before approving any project under section 106(a),''; and

(E) in the last sentence, by striking ''him'' and inserting ''the Secretary'';

(2) by striking subsection (b);

(3) in the subsection heading of subsection (d), by striking ''AND CONTRACTING''; and

(4) by redesignating subsections (c) and (d) as subsections (b) and (c), respectively.

(l) PRIORITY PRIMARY ROUTES.—

(1) IN GENERAL.—Section 147 of title 23, United States Code, is repealed.

(2) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section 147.

(m) DEVELOPMENT OF A NATIONAL SCENIC AND RECREATIONAL HIGHWAY.—

(1) IN GENERAL.—Section 148 of title 23, United States Code, is repealed.

(2) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section 148.

(n) HAZARD ELIMINATION PROGRAM.—Section 152(e) of title 23, United States Code, is amended by striking ''apportioned to'' in the first sentence and all that follows through ''shall be'' in the second sentence.

(o) ACCESS HIGHWAYS TO PUBLIC RECREATION AREAS ON CERTAIN LAKES.—

(1) IN GENERAL.—Section 155 of title 23, United States Code, is repealed.

(2) CONFORMING AMENDMENT.—The analysis for chapter 1 of title 23, United States Code, is amended by striking the item relating to section 155.

SEC. 1703. NONDISCRIMINATION.

(a) IN GENERAL.—Section 324 of title 23, United States Code, is amended—

(1) by inserting ''(d) PROHIBITION OF DISCRIMINATION ON THE BASIS OF SEX.—'' before ''No person''; and

(2) by moving subsection (d) (as designated by paragraph (1)) to the end of section 140 (as amended by section 1702(k)).

(b) CONFORMING AMENDMENTS.—

(1) Section 324 of title 23, United States Code, is repealed.

(2) The analysis for chapter 3 of title 23, United States Code, is amended by striking the item relating to section 324.

SEC. 1704. STATE TRANSPORTATION DEPARTMENT.

(a) IN GENERAL.—Section 302 of title 23, United States Code, is amended—

(1) in subsection (a)—

(A) by striking ''(a)'';

(B) by striking the second sentence; and

(C) by adding at the end the following: ''Compliance with this section shall have no effect on the eligibility of costs.''; and

(2) by striking subsection (b).

(b) CONFORMING AMENDMENTS.—

(1) Title 23, United States Code, is amended—

(A) by striking ''State highway department'' each place it appears and inserting ''State transportation department''; and

(B) by striking ''State highway departments'' each place it appears and inserting ''State transportation departments''.

(2) The analysis for chapter 3 of title 23, United States Code, is amended in the item relating to section 302 by striking ''highway'' and inserting ''transportation''.

(3) Section 302 of title 23, United States Code, is amended in the section heading by striking ''**highway**'' and inserting ''**transportation**''.

(4) Section 410(h)(5) of title 23, United States Code, is amended in the paragraph heading by striking ''HIGHWAY'' and inserting ''TRANSPORTATION''.

(5) Section 201(b) of the Appalachian Regional Development Act of 1965 (40 U.S.C. App.) is amended in the second sentence by striking ''State highway department'' and inserting ''State transportation department''.

(6) Section 138(c) of the Surface Transportation Assistance Act of 1978 (40 U.S.C. App. note to section 201 of the Appalachian Regional Development Act of 1965; Public Law 95–599) is amended in the first sentence by striking ''State highway department'' and inserting ''State transportation department''.

Subtitle H—Miscellaneous Provisions

SEC. 1801. DESIGNATION OF PORTION OF STATE ROUTE 17 IN NEW YORK AND PENNSYLVANIA AS INTERSTATE ROUTE 86.

(a) IN GENERAL.—Subject to subsection (b)(2), notwithstanding section 103(c), the portion of State Route 17 located between the junction of State Route 17 and Interstate Route 87 in Harriman, New York, and the junction of State Route 17 and Interstate Route 90 near Erie, Pennsylvania, is designated as Interstate Route 86.

(b) SUBSTANDARD FEATURES.—

(1) UPGRADING.—Each segment of State Route 17 described in subsection (a) that does not substantially meet the Interstate System design standards under section 109(b) of title 23, United States Code, in effect on the date of enactment of this Act shall be upgraded in accordance with plans and schedules developed by the applicable State.

(2) DESIGNATION.—Each segment of State Route 17 that on the date of enactment of this Act is not at least 4 lanes wide, separated by a median, access-controlled, and grade-separated shall—

(A) be designated as a future Interstate System route; and

(B) become part of Interstate Route 86 at such time as the Secretary determines that the segment substantially meets the Interstate System design standards described in paragraph (1).

(c) TREATMENT OF ROUTE.—

(1) MILEAGE LIMITATION.—The mileage of Interstate Route 86 designated under subsection (a) shall not be charged against the limitation established by section 103(c)(2) of title 23, United States Code.

(2) FEDERAL FINANCIAL RESPONSIBILITY.—

(A) IN GENERAL.—Subject to subparagraph (B), the designation of Interstate Route 86 under subsection (a) shall not create increased Federal financial responsibility with respect to the designated Route.

(B) USE OF CERTAIN FUNDS.—A State may use funds available to the State under paragraphs (1) and (3) of section 104(b) of title 23, United States Code, to eliminate substandard features of, and to resurface, restore, rehabilitate, or reconstruct, any portion of the designated Route.

TITLE II—RESEARCH AND TECHNOLOGY

Subtitle A—Research and Training

SEC. 2001. STRATEGIC RESEARCH PLAN.

Subtitle III of title 49, United States Code, is amended—

(1) in the table of chapters, by inserting after the item relating to chapter 51 the following:

''52. RESEARCH AND DEVELOPMENT ... 5201'';

and

(2) by inserting after chapter 51 the following:

''CHAPTER 52—RESEARCH AND DEVELOPMENT

''Sec.
''5201. Definitions.
''SUBCHAPTER I—GENERAL AND ADMINISTRATIVE PROVISIONS
''5211. Transactional authority.
''SUBCHAPTER II—STRATEGIC PLANNING
''5221. Strategic planning.
''5222. Authorization of contract authority.
''SUBCHAPTER III—MULTIMODAL TRANSPORTATION RESEARCH AND DEVELOPMENT PROGRAM
''5231. Multimodal Transportation Research and Development Program.
''5232. Authorization of contract authority.
''SUBCHAPTER IV—NATIONAL UNIVERSITY TRANSPORTATION CENTERS
''5241. National university transportation centers.

''§ 5201. Definitions

''In this chapter:

''(1) DEPARTMENT.—The term 'Department' means the Department of Transportation.

''(2) SECRETARY.—The term 'Secretary' means the Secretary of Transportation.

''SUBCHAPTER I—GENERAL AND ADMINISTRATIVE PROVISIONS

''§ 5211. Transactional authority

''To further the objectives of this chapter, the Secretary may make grants to, and enter into contracts, cooperative agreements, and other transactions with—

''(1) any person or any agency or instrumentality of the United States;

''(2) any unit of State or local government;

''(3) any educational institution; and

''(4) any other entity.

''SUBCHAPTER II—STRATEGIC PLANNING

''§ 5221. Strategic planning

''(a) AUTHORITY.—The Secretary shall establish a strategic planning process to—

''(1) determine national transportation research, development, and technology deployment priorities, strategies, and milestones over the next 5 years;

''(2) coordinate Federal transportation research, development, and technology deployment activities; and

''(3) measure the impact of the research, development, and technology investments described in paragraph (2) on the performance of the transportation system of the United States.

''(b) CRITERIA.—In developing strategic plans for intermodal, multimodal, and mode-specific research, development, and technology deployment, the Secretary shall consider the need to—

''(1) coordinate and integrate Federal, regional, State, and metropolitan planning research, development, and technology activities in urban and rural areas;

''(2) promote standards that facilitate a seamless and interoperable transportation system;

''(3) encourage innovation;

''(4) identify and facilitate initiatives and partnerships to deploy technology with the potential for improving transportation systems during the next 5-year and 10-year periods;

''(5) identify core research to support the long-term transportation technology and system needs of urban and rural areas of the United States, including safety;

''(6) ensure the ability of the United States to compete on a global basis; and

''(7) provide a means of assessing the impact of Federal research and technology investments on the performance of the transportation system of the United States.

''(c) IMPLEMENTATION.—

''(1) IN GENERAL.—In carrying out subsection (a), the Secretary shall adopt such policies and procedures as are appropriate—

''(A) to provide for integrated planning, coordination, and consultation among the Administrators of the operating administrations of the Department and other Federal officials with responsibility for research, development, and technology transfer important to national transportation needs;

''(B) to promote the exchange of information on transportation-related research and development activities among the operating elements of the Department, other Federal departments and agencies, State and local governments, colleges and universities, industry, and other private and public sector organizations engaged in the activities;

''(C) to ensure that the research and development programs of the Department do not duplicate other Federal and, to the maximum extent practicable, private sector research and development programs; and

''(D) to ensure that the research and development activities of the Department—

''(i) make appropriate use of the talents, skills, and abilities at the Federal laboratories; and

''(ii) leverage, to the maximum extent practicable, the research, development, and technology transfer capabilities of institutions of higher education and private industry.

''(2) CONSULTATION.—The procedures and policies adopted under paragraph (1) shall include consultation with State officials and members of the private sector.

''(d) REPORTS.—

''(1) IN GENERAL.—Concurrent with the submission to Congress of the budget of the President for each fiscal year, the Secretary shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report on the strategic plans, goals, and milestones developed under subsections (a) and (b) to help guide research, development, and technology transfer activities during the 5-year period beginning on the date of the report.

''(2) COMPARISON TO PREVIOUS REPORT.—The report shall include a delineation of the progress made with respect to each of the plans, goals, and milestones specified in the previous report.

''(3) PROHIBITION ON OBLIGATION FOR FAILURE TO SUBMIT REPORT.—Beginning on the date of the submission to Congress of the budget of the President for fiscal year 2000, and on the date of the submission for each fiscal year thereafter, none of the funds made available under this chapter or chapter 5 of title 23 may be obligated until the report required under paragraph (1) for that fiscal year is submitted.

''§ 5222. Authorization of contract authority

''(a) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this subchapter $1,500,000 for each of fiscal years 1998 through 2003.

''(b) CONTRACT AUTHORITY.—Funds authorized under this section shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, except that—

''(1) any Federal share of the cost of an activity under this subchapter shall be determined in accordance with this subchapter; and

''(2) the funds shall remain available for obligation for a period of 2 years after the last day of the fiscal year for which the funds are authorized.

''(c) USE OF UNALLOCATED FUNDS.—To the extent that the amounts made available for any fiscal year under subsection (a) exceed the amounts used to carry out section 5221 for the fiscal year, the excess amounts—

''(1) shall be apportioned in accordance with section 104(b)(3) of title 23;

''(2) shall be considered to be sums made available for expenditure on the surface transportation program, except that the amounts shall not be subject to section 133(d) of that title; and

''(3) shall be available for any purpose eligible for funding under section 133 of that title.''.

SEC. 2002. MULTIMODAL TRANSPORTATION RESEARCH AND DEVELOPMENT PROGRAM.

Chapter 52 of title 49, United States Code (as added by section 2001), is amended by adding at the end the following:

''SUBCHAPTER III—MULTIMODAL TRANSPORTATION RESEARCH AND DEVELOPMENT PROGRAM

''§ 5231. Multimodal Transportation Research and Development Program

''(a) ESTABLISHMENT.—The Secretary shall establish a program to be known as the 'Multimodal Transportation Research and Development Program'.

''(b) PURPOSES.—The purposes of the Multimodal Transportation Research and Development Program are to—

''(1) enhance the capabilities of Federal agencies to meet national transportation needs, as defined by the missions of the agencies, through support for long-term and applied research and development that would benefit the various modes of transportation, including research and development in safety, security, mobility, energy and the environment, information and physical infrastructure, and industrial design;

''(2) identify and apply innovative research performed by the Federal Government, academia, and the private sector to the intermodal and multimodal transportation research, development, and deployment needs of the Department and the transportation enterprise of the United States;

''(3) identify and leverage research, technologies, and other information developed by the Federal Government for national defense and nondefense purposes for the benefit of the public, commercial, and defense transportation sectors; and

''(4) share information and analytical and research capabilities among the Federal Government, State and local governments, colleges and universities, and private organizations to advance their ability to meet their transportation research, development, and deployment needs.

''(c) PROCESS FOR CONSULTATION.—To advise the Secretary in establishing priorities within the Program, the Secretary shall establish a process for consultation among the Administrators of the operating administrations of the Department and other Federal officials with responsibility for research.

''§ 5232. Authorization of contract authority

''(a) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this subchapter $2,500,000 for each of fiscal years 1998 through 2003.

''(b) CONTRACT AUTHORITY.—Funds authorized under this section shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23, except that—

''(1) any Federal share of the cost of an activity under this subchapter shall be determined in accordance with this subchapter; and

''(2) the funds shall remain available for obligation for a period of 2 years after the last day of the fiscal year for which the funds are authorized.''.

SEC. 2003. NATIONAL UNIVERSITY TRANSPORTATION CENTERS.

(a) IN GENERAL.—Chapter 52 of title 49, United States Code (as amended by section 2002), is amended by adding at the end the following:

''SUBCHAPTER IV—NATIONAL UNIVERSITY TRANSPORTATION CENTERS

''§ 5241. National university transportation centers

''(a) IN GENERAL.—The Secretary shall make grants to, or enter into contracts with, the nonprofit institutions of higher learning selected under section 5317 (as in effect on the day before the date of enactment of this section)—

''(1) to operate 1 university transportation center in each of the 10 Federal administrative regions that comprise the Standard Federal Regional Boundary System; and

''(2) to continue operation of university transportation centers at the Mack-Blackwell National Rural Transportation Study Center, the National Center for Transportation and Industrial Productivity, the Institute for Surface Transportation Policy Studies, the Urban Transit Institute at the University of South Florida, the National Center for Advanced Transportation Technology, and the University of Alabama Transportation Research Center.

''(b) ADDITIONAL CENTERS.—

''(1) IN GENERAL.—The Secretary may make grants to nonprofit institutions of higher learning to establish and operate not more than 4 additional university transportation centers to address—

''(A) transportation management, research, and development, with special attention to increasing the number of highly skilled minority individuals and women entering the transportation workforce;

''(B) transportation and industrial productivity;

''(C) rural transportation;

''(D) advanced transportation technology;

''(E) international transportation policy studies;

''(F) transportation infrastructure technology;

''(G) urban transportation research;

''(H) transportation and the environment;

''(I) surface transportation safety; or

''(J) infrastructure finance studies.

''(2) SELECTION CRITERIA.—

''(A) APPLICATION.—A nonprofit institution of higher learning that desires to receive a grant under paragraph (1) shall submit an application to the Secretary in such manner and containing such information as the Secretary may require.

''(B) SELECTION OF RECIPIENTS.—The Secretary shall select each grant recipient under paragraph (1) on the basis of—

''(i) the demonstrated research and extension resources available to the recipient to carry out this section;

''(ii) the capability of the recipient to provide leadership in making national and regional contributions to the solution of immediate and long-term transportation problems;

''(iii) the establishment by the recipient of a surface transportation program that encompasses several modes of transportation;

''(iv) the demonstrated ability of the recipient to disseminate results of transportation research and education programs through a statewide or regionwide continuing education program;

''(v) the strategic plan that the recipient proposes to carry out using the grant funds; and

''(vi) the extent to which private funds have been committed to a university and public-private partnerships established to fulfill the objectives specified in paragraph (1).

''(c) OBJECTIVES.—Each university transportation center shall use grant funds under subsection (a) or (b) to carry out—

''(1) multimodal basic and applied research, the products of which are judged by peers or other experts in the field to advance the body of knowledge in transportation;

''(2) an education program that includes multidisciplinary course work and participation in research; and

''(3) an ongoing program of technology transfer that makes research results available to potential users in a form that can be readily implemented, used, or otherwise applied.

''(d) MAINTENANCE OF EFFORT.—Before making a grant under subsection (a) or (b), the Secretary shall require the grant recipient to enter into an agreement with the Secretary to ensure that the recipient will maintain, during the period of the grant, a level of total expenditures from all other sources for establishing and operating a university transportation center and carrying out related research activities that is at least equal to the average level of those expenditures in the 2 fiscal years of the recipient prior to the award of a grant under subsection (a) or (b).

''(e) ADDITIONAL GRANTS AND CONTRACTS.—

''(1) GRANTS OR CONTRACTS.—In addition to grants under subsection (a) or (b), the Secretary may make grants to, or enter into contracts with, university transportation centers without the need for a competitive process.

''(2) USE OF GRANTS OR CONTRACTS.—A noncompetitive grant or contract under paragraph (1) shall be used for transportation research, development, education, or training consistent with the strategic plan approved as part of the selection process for the center.

''(f) FEDERAL SHARE.—The Federal share of the cost of establishing and operating a university transportation center and carrying out related research activities under this section shall be not more than 50 percent.

''(g) PROGRAM COORDINATION.—

''(1) IN GENERAL.—The Secretary shall—

''(A) coordinate research, education, training, and technology transfer activities carried out by grant recipients under this section;

''(B) disseminate the results of the research; and

''(C) establish and operate a clearinghouse for disseminating the results of the research.

''(2) REVIEW AND EVALUATION.—

''(A) IN GENERAL.—Not less often than annually, the Secretary shall review and evaluate programs carried out by grant recipients under this section.

''(B) NOTIFICATION OF DEFICIENCIES.—In carrying out subparagraph (A), if the Secretary determines that a university transportation center is deficient in meeting the objectives of this section, the Secretary shall notify the grant recipient operating the center of each deficiency and provide specific recommendations of measures that should be taken to address the deficiency.

''(C) DISQUALIFICATION.—If, after the end of the 180-day period that begins on the date of notification to a grant recipient under subparagraph (B) with respect to a center, the Secretary determines that the recipient has not corrected each deficiency identified under subparagraph (B), the Secretary may, after notifying the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives of the determination—

''(i) disqualify the university transportation center from further participation under this section; and

''(ii) make a grant for the establishment of a new university transportation center, in lieu of the disqualified center, under subsection (a) or (b), as applicable.

''(3) FUNDING.—The Secretary may use not more than 1 percent of Federal funds made available under this section to carry out this subsection.

''(h) AUTHORIZATION OF CONTRACT AUTHORITY.—

''(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $12,000,000 for each of fiscal years 1998 through 2003.

''(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be made available for obligation in the same manner

as if the funds were apportioned under chapter 1 of title 23, except that the Federal share of the cost of a project under this section shall be determined in accordance with this section.

''(3) TECHNOLOGY TRANSFER ACTIVITIES.—For each fiscal year, not less than 5 percent of the amounts made available to carry out this section shall be available to carry out technology transfer activities.

''(i) LIMITATION ON AVAILABILITY OF FUNDS.—Funds authorized under this section shall remain available for obligation for a period of 2 years after the last day of the fiscal year for which the funds are authorized.''.

(b) CONFORMING AMENDMENTS.—

(1) Sections 5316 and 5317 of title 49, United States Code, are repealed.

(2) The analysis for chapter 53 of title 49, United States Code, is amended by striking the items relating to sections 5316 and 5317.

SEC. 2004. BUREAU OF TRANSPORTATION STATISTICS.

(a) IN GENERAL.—Section 111 of title 49, United States Code, is amended—

(1) in subsection (b)(4), by striking the second sentence;

(2) in subsection (c)—

(A) in paragraph (1)—

(i) in subparagraph (J), by striking ''and'' at the end;

(ii) in subparagraph (K), by striking the period at the end and inserting ''; and''; and

(iii) by adding at the end the following:

''(L) transportation-related variables that influence global competitiveness.'';

(B) in paragraph (2)—

(i) in the first sentence, by striking ''national transportation system'' and inserting ''transportation systems of the United States'';

(ii) by striking subparagraph (A) and inserting the following:

''(A) be coordinated with efforts to measure outputs and outcomes of the Department of Transportation and the transportation systems of the United States under the Government Performance and Results Act of 1993 (Public Law 103–62) and the amendments made by that Act;''; and

(iii) in subparagraph (C), by inserting '', made relevant to the States and metropolitan planning organizations,'' after ''accuracy'';

(C) in paragraph (3), by adding at the end the following: ''The Bureau shall review and report to the Secretary of Transportation on the sources and reliability of the statistics proposed by the heads of the operating administrations of the Department to measure outputs and outcomes as required by the Government Performance and Results Act of 1993 (Public Law 103–62), and the amendments made by that Act, and shall carry out such other reviews of the sources and reliability of other data collected by the heads of the operating administrations of the Department as shall be requested by the Secretary.''; and

(D) by adding at the end the following:

''(7) SUPPORTING TRANSPORTATION DECISIONMAKING.—Ensuring that the statistics compiled under paragraph (1) are relevant for transportation decisionmaking by the Federal Government, State and local governments, transportation-related associations, private businesses, and consumers.'';

(3) by redesignating subsections (d), (e), and (f) as subsections (h), (i), and (j), respectively;

(4) by striking subsection (g);

(5) by inserting after subsection (c) the following:

''(d) TRANSPORTATION DATA BASE.—

''(1) IN GENERAL.—In consultation with the Associate Deputy Secretary, the Assistant Secretaries, and the heads of the operating administrations of the Department of Transportation, the Director shall establish and maintain a transportation data base for all modes of transportation.

''(2) USE.—The data base shall be suitable for analyses carried out by the Federal Government, the States, and metropolitan planning organizations.

''(3) CONTENTS.—The data base shall include—

''(A) information on the volumes and patterns of movement of goods, including local, interregional, and international movement, by all modes of transportation and intermodal combinations, and by relevant classification;

''(B) information on the volumes and patterns of movement of people, including local, interregional, and international movements, by all modes of transportation (including bicycle and pedestrian modes) and intermodal combinations, and by relevant classification;

''(C) information on the location and connectivity of transportation facilities and services; and

''(D) a national accounting of expenditures and capital stocks on each mode of transportation and intermodal combination.

''(e) NATIONAL TRANSPORTATION LIBRARY.—

''(1) IN GENERAL.—The Director shall establish and maintain a National Transportation Library, which shall contain a collection of statistical and other information needed for transportation decisionmaking at the Federal, State, and local levels.

''(2) ACCESS.—The Bureau shall facilitate and promote access to the Library, with the goal of improving the ability of the transportation community to share information and the ability of the Bureau to make statistics readily accessible under subsection (c)(5).

''(3) COORDINATION.—The Bureau shall work with other transportation libraries and other transportation information providers, both public and private, to achieve the goal specified in paragraph (2).

''(f) NATIONAL TRANSPORTATION ATLAS DATA BASE.—

''(1) IN GENERAL.—The Director shall develop and maintain geospatial data bases that depict—

''(A) transportation networks;

''(B) flows of people, goods, vehicles, and craft over the networks; and

''(C) social, economic, and environmental conditions that affect or are affected by the networks.

''(2) INTERMODAL NETWORK ANALYSIS.—The data bases shall be able to support intermodal network analysis.

''(g) RESEARCH AND DEVELOPMENT GRANTS.—The Secretary may make grants to, or enter into cooperative agreements or contracts with, public and nonprofit private entities (including State departments of transportation, metropolitan planning organizations, and institutions of higher education) for—

''(1) investigation of the subjects specified in subsection (c)(1) and research and development of new methods of data collection, management, integration, dissemination, interpretation, and analysis;

''(2) development of electronic clearinghouses of transportation data and related information, as part of the National Transportation Library under subsection (e); and

''(3) development and improvement of methods for sharing geographic data, in support of the national transportation atlas data base under subsection (f) and the National Spatial Data Infrastructure developed under Executive Order No. 12906.'';

(6) by striking subsection (i) (as redesignated by paragraph (3)) and inserting the following:

''(i) PROHIBITION ON CERTAIN DISCLOSURES.—

''(1) IN GENERAL.—An officer or employee of the Bureau may not—

''(A) make any disclosure in which the data provided by an individual or organization under subsection (c)(2) can be identified;

''(B) use the information provided under subsection (c)(2) for a nonstatistical purpose; or

''(C) permit anyone other than an individual authorized by the Director to examine any individual report provided under subsection (c)(2).

''(2) PROHIBITION ON REQUESTS FOR CERTAIN DATA.—

''(A) GOVERNMENT AGENCIES.—No department, bureau, agency, officer, or employee of the United States (except the Director in carrying out this section) may require, for any reason, a copy of any report that has been filed under subsection (c)(2) with the Bureau or retained by an individual respondent.

''(B) COURTS.—Any copy of a report described in subparagraph (A) that has been retained by an individual respondent or filed with the Bureau or any of its employees, contractors, or agents—

''(i) shall be immune from legal process; and

''(ii) shall not, without the consent of the individual concerned, be admitted as evidence or used for any purpose in any action, suit, or other judicial or administrative proceeding.

''(C) APPLICABILITY.—This paragraph shall apply only to information that permits information concerning an individual or organization to be reasonably inferred by direct or indirect means.

''(3) DATA COLLECTED FOR NONSTATISTICAL PURPOSES.—In a case in which the Bureau is authorized by statute to collect data or information for a nonstatistical purpose, the Director shall clearly distinguish the collection of the data or information, by rule and on the collection instrument, so as to inform a respondent that is requested or required to supply the data or information of the nonstatistical purpose.'';

(7) in subsection (j) (as redesignated by paragraph (3)), by striking ''On or before January 1, 1994, and annually thereafter, the'' and inserting ''The''; and

(8) by adding at the end the following:

''(k) STUDY.—

''(1) IN GENERAL.—The Director shall carry out a study—

''(A) to measure the ton-miles and value-miles of international trade traffic carried by highway for each State;

''(B) to evaluate the accuracy and reliability of such measures for use in the formula for highway apportionments;

''(C) to evaluate the accuracy and reliability of the use of diesel fuel data as a measure of international trade traffic by State; and

''(D) to identify needed improvements in long-term data collection programs to provide accurate and reliable measures of international traffic for use in the formula for highway apportionments.

''(2) BASIS FOR EVALUATIONS.—The study shall evaluate the accuracy and reliability of measures for use as formula factors based on statistical quality standards developed by the Bureau in consultation with the Committee on National Statistics of the National Academy of Sciences.

''(3) REPORT.—Not later than 3 years after the date of enactment of this subsection, the Director shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report on the results of the study carried out under paragraph (1), including recommendations for changes in law necessary

to implement the identified needs for improvements in long-term data collection programs.

''(l) PROCEEDS OF DATA PRODUCT SALES.—Notwithstanding section 3302 of title 31, United States Code, funds received by the Bureau from the sale of data products, for necessary expenses incurred, may be credited to the Highway Trust Fund (other than the Mass Transit Account) for the purpose of reimbursing the Bureau for the expenses.

''(m) AUTHORIZATION OF CONTRACT AUTHORITY.—

''(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $26,000,000 for fiscal year 1998, $27,000,000 for fiscal year 1999, $28,000,000 for fiscal year 2000, $29,000,000 for fiscal year 2001, $30,000,000 for fiscal year 2002, and $31,000,000 for fiscal year 2003, except that not more than $500,000 for each fiscal year may be made available to carry out subsection (g).

''(2) AVAILABILITY.—Funds authorized under this subsection shall remain available for a period of 3 years after the last day of the fiscal year for which the funds are authorized.

''(3) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1 of title 23.''.

(b) CONFORMING AMENDMENTS.—Section 5503 of title 49, United States Code, is amended—

(1) by striking subsection (d); and

(2) by redesignating subsections (e), (f), and (g) as subsections (d), (e), and (f), respectively.

SEC. 2005. RESEARCH AND TECHNOLOGY PROGRAM.

Title 23, United States Code, is amended—

(1) in the table of chapters, by adding at the end the following:

''5. Research and Technology ..... 501'';

and

(2) by adding at the end the following:

''CHAPTER 5—RESEARCH AND TECHNOLOGY

''SUBCHAPTER I—RESEARCH AND TRAINING

''Sec.
''501. Definition of safety.
''502. Research and technology program.
''503. Advanced research program.
''504. Long-term pavement performance program.
''505. State planning and research program.
''506. Education and training.
''507. International highway transportation outreach program.
''508. National technology deployment initiatives and partnerships program.
''509. Infrastructure investment needs report.
''510. Innovative bridge research and construction program.
''511. Study of future strategic highway research program.
''512. Transportation and environment cooperative research program.

''SUBCHAPTER II—INTELLIGENT TRANSPORTATION SYSTEMS

''521. Purposes.
''522. Definitions.
''523. Cooperation, consultation, and analysis.
''524. Research, development, and training.
''525. Intelligent transportation system integration program.
''526. Integration program for rural areas.
''527. Commercial vehicle intelligent transportation system infrastructure.
''528. Corridor development and coordination.
''529. Standards.
''530. Funding limitations.
''531. Use of innovative financing.
''532. Advisory committees.

''SUBCHAPTER III—FUNDING

''541. Funding.

''SUBCHAPTER I—RESEARCH AND TRAINING

''§ 501. Definition of safety

''In this chapter, the term 'safety' includes highway and traffic safety systems, research and development relating to vehicle, highway, driver, passenger, bicyclist, and pedestrian characteristics, accident investigations, communications, emergency medical care, and transportation of the injured.

''§ 502. Research and technology program

''(a) GENERAL AUTHORITY AND COLLABORATIVE AGREEMENTS.—

''(1) AUTHORITY OF THE SECRETARY.—

''(A) IN GENERAL.—The Secretary—

''(i) shall carry out research, development, and technology transfer activities with respect to—

''(I) motor carrier transportation;

''(II) all phases of transportation planning and development (including construction, operation, modernization, development, design, maintenance, safety, financing, and traffic conditions); and

''(III) the effect of State laws on the activities described in subclauses (I) and (II); and

''(ii) may test, develop, or assist in testing and developing any material, invention, patented article, or process.

''(B) COOPERATION, GRANTS, AND CONTRACTS.—The Secretary may carry out this section—

''(i) independently;

''(ii) in cooperation with other Federal departments, agencies, and instrumentalities; or

''(iii) by making grants to, or entering into contracts, cooperative agreements, and other transactions with, the National Academy of Sciences, the American Association of State Highway and Transportation Officials, or any State agency, authority, association, institution, for-profit or nonprofit corporation, organization, foreign country, or person.

''(C) TECHNICAL INNOVATION.—The Secretary shall develop and carry out programs to facilitate the application of such products of research and technical innovations as will improve the safety, efficiency, and effectiveness of the transportation system.

''(D) FUNDS.—

''(i) IN GENERAL.—Except as otherwise specifically provided in other sections of this chapter—

''(I) to carry out this subsection, the Secretary shall use—

''(aa) funds made available under section 541 for research, technology, and training; and

''(bb) such funds as may be deposited by any cooperating organization or person in a special account of the Treasury established for this purpose; and

''(II) the funds described in item (aa) shall remain available for obligation for a period of 3 years after the last day of the fiscal year for which the funds are authorized.

''(ii) USE OF FUNDS.—The Secretary shall use funds described in clause (i) to develop, administer, communicate, and promote the use of products of research, development, and technology transfer programs under this section.

''(2) COLLABORATIVE RESEARCH AND DEVELOPMENT.—

''(A) IN GENERAL.—To encourage innovative solutions to surface transportation problems and stimulate the deployment of new technology, the Secretary may carry out, on a cost-shared basis, collaborative research and development with non-Federal entities, including State and local governments, foreign governments, colleges and universities, corporations, institutions, partnerships, sole proprietorships, and trade associations that are incorporated or established under the laws of any State.

''(B) AGREEMENTS.—In carrying out this paragraph, the Secretary may enter into cooperative research and development agreements (as defined in section 12 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a)).

''(C) FEDERAL SHARE.—

''(i) IN GENERAL.—The Federal share of the cost of activities carried out under a cooperative research and development agreement entered into under this paragraph shall not exceed 50 percent, except that if there is substantial public interest or benefit, the Secretary may approve a greater Federal share.

''(ii) NON-FEDERAL SHARE.—All costs directly incurred by the non-Federal partners, including personnel, travel, and hardware development costs, shall be credited toward the non-Federal share of the cost of the activities described in clause (i).

''(D) USE OF TECHNOLOGY.—The research, development, or use of a technology under a cooperative research and development agreement entered into under this paragraph, including the terms under which the technology may be licensed and the resulting royalties may be distributed, shall be subject to the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3701 et seq.).

''(3) WAIVER OF ADVERTISING REQUIREMENTS.—Section 3709 of the Revised Statutes (41 U.S.C. 5) shall not apply to a contract or agreement entered into under this chapter.

''(b) MANDATORY ELEMENTS OF PROGRAM.—The Secretary shall include in the surface transportation research, development, and technology transfer programs under this subsection and as specified elsewhere in this title—

''(1) a coordinated long-term program of research for the development, use, and dissemination of performance indicators to measure the performance of the surface transportation systems of the United States, including indicators for productivity, efficiency, energy use, air quality, congestion, safety, maintenance, and other factors that reflect the overall performance of the system; and

''(2) a program to strengthen and expand surface transportation infrastructure research, development, and technology transfer, which shall include, at a minimum—

''(A) methods and materials for improving the durability of surface transportation infrastructure facilities and extending the life of bridge structures, including new and innovative technologies to reduce corrosion;

''(B) a research and development program directed toward the reduction of costs, and the mitigation of impacts, associated with the construction of highways and mass transit systems;

''(C) a surface transportation research program to develop nondestructive evaluation equipment for use with existing infrastructure facilities and with next-generation infrastructure facilities that use advanced materials;

''(D)(i) information technology, including appropriate computer programs to collect and analyze data on the status of infrastructure facilities described in subparagraph (C) with respect to enhancing management, growth, and capacity; and

''(ii) dynamic simulation models of surface transportation systems for—

''(I) predicting capacity, safety, and infrastructure durability problems;

''(II) evaluating planned research projects; and

''(III) testing the strengths and weaknesses of proposed revisions to surface transportation operation programs;

''(E) new innovative technologies to enhance and facilitate field construction and rehabilitation techniques for minimizing disruption during repair and maintenance of structures;

''(F) initiatives to improve the ability of the United States to respond to emergencies and natural disasters and to enhance national defense mobility; and

''(G) an evaluation of traffic calming measures that promote community preservation, transportation mode choice, and safety.

''(c) REPORT ON GOALS, MILESTONES, AND ACCOMPLISHMENTS.—The goals, milestones, and accomplishments relevant to each of the mandatory program elements described in subsection (b) shall be specified in the report required under section 5221(d) of title 49.''.

SEC. 2006. ADVANCED RESEARCH PROGRAM.

Subchapter I of chapter 5 of title 23, United States Code (as added by section 2005), is amended by adding at the end the following:

''§ 503. Advanced research program

''(a) ESTABLISHMENT.—

''(1) IN GENERAL.—The Secretary shall establish an advanced research program within the Federal Highway Administration to address longer-term, higher-risk research that shows potential benefits for improving the durability, mobility, efficiency, environmental impact, productivity, and safety of transportation systems.

''(2) DEVELOPMENT OF PARTNERSHIPS.—In carrying out the program, the Secretary shall attempt to develop partnerships with the public and private sectors.

''(b) GRANTS, COOPERATIVE AGREEMENTS, AND CONTRACTS.—Under the program, the Secretary may make grants and enter into cooperative agreements and contracts for advanced research.

''(c) AUTHORIZATION OF CONTRACT AUTHORITY.—

''(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $5,000,000 for fiscal year 1998, $7,000,000 for fiscal year 1999, $9,000,000 for fiscal year 2000, and $10,000,000 for each of fiscal years 2001 through 2003.

''(2) CONTRACT AUTHORITY.—Funds authorized under this section shall be available for obligation in the same manner as if the funds were apportioned under chapter 1, except that the Federal share of the cost of any activity funded under this subsection shall be determined by the Secretary.''.

SEC. 2007. LONG-TERM PAVEMENT PERFORMANCE PROGRAM.

Subchapter I of chapter 5 of title 23, United States Code (as amended by section 2006), is amended by adding at the end the following:

''§ 504. Long-term pavement performance program

''(a) AUTHORITY.—The Secretary shall complete the long-term pavement performance program tests initiated under the strategic highway research program established under section 307(d) (as in effect on the day before the date of enactment of this section) and continued by the Intermodal Surface Transportation Efficiency Act of 1991 (Public Law 102–240) through the midpoint of a planned 20-year life of the long-term pavement performance program (referred to in this section as the 'program').

''(b) GRANTS, COOPERATIVE AGREEMENTS, AND CONTRACTS.—Under the program, the Secretary shall make grants and enter into cooperative agreements and contracts to—

''(1) monitor, material-test, and evaluate highway test sections in existence as of the date of the grant, agreement, or contract;

''(2) analyze the data obtained in carrying out paragraph (1); and

''(3) prepare products to fulfill program objectives and meet future pavement technology needs.

''(c) AUTHORIZATION OF CONTRACT AUTHORITY.—

''(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $15,000,000 for each of fiscal years 1998 through 2003.

''(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1, except that—

''(A) the Federal share of the cost of any activity funded under this section shall be determined by the Secretary; and

''(B) the funds shall remain available for obligation for a period of 3 years after the last day of the fiscal year for which the funds are authorized.''.

SEC. 2008. STATE PLANNING AND RESEARCH PROGRAM.

Subchapter I of chapter 5 of title 23, United States Code (as amended by section 2007), is amended by adding at the end the following:

''§ 505. State planning and research program

''(a) IN GENERAL.—

''(1) AVAILABILITY OF FUNDS.—Two percent of the sums apportioned for fiscal year 1998 and each fiscal year thereafter to any State under section 104 (except section 104(f)) and any transfers or additions to the surface transportation program under section 133 shall be available for expenditure by the State transportation department, in consultation with the Secretary, in accordance with this section.

''(2) USE OF FUNDS.—The sums referred to in paragraph (1) shall be available only for—

''(A) intermodal metropolitan, statewide, and nonmetropolitan planning under sections 134 and 135;

''(B) development and implementation of management systems referred to in section 303;

''(C) studies, research, development, and technology transfer activities necessary for the planning, design, construction, management, operation, maintenance, regulation, and taxation of the use of surface transportation systems, including training and accreditation of inspection and testing on engineering standards and construction materials for the systems; and

''(D) studies of the economy, safety, and convenience of surface transportation usage and the desirable regulation and equitable taxation of surface transportation usage.

''(b) MINIMUM EXPENDITURES ON STUDIES, RESEARCH, DEVELOPMENT, AND TECHNOLOGY TRANSFER ACTIVITIES.—

''(1) IN GENERAL.—For each fiscal year, not less than 25 percent of the funds of a State that are subject to subsection (a) shall be expended by the State transportation department for studies, research, development, and technology transfer activities described in subparagraphs (C) and (D) of subsection (a)(2) unless the State certifies to the Secretary for the fiscal year that the total expenditures by the State transportation department for transportation planning under sections 134 and 135 will exceed 75 percent of the amount of the funds and the Secretary accepts the certification.

''(2) EXEMPTION FROM SMALL BUSINESS ASSESSMENT.—Funds expended under paragraph (1) shall not be considered to be part of the extramural budget of the agency for the purpose of section 9 of the Small Business Act (15 U.S.C. 638).

''(c) FEDERAL SHARE.—The Federal share of the cost of a project financed with funds referred to in subsection (a) shall be 80 percent unless the Secretary determines that the interests of the Federal-aid highway program would be best served by decreasing or eliminating the non-Federal share.

''(d) ADMINISTRATION OF FUNDS.—Funds referred to in subsection (a) shall be combined and administered by the Secretary as a single fund, which shall be available for obligation for the same period as funds apportioned under section 104(b)(1).''.

SEC. 2009. EDUCATION AND TRAINING.

Subchapter I of chapter 5 of title 23, United States Code (as amended by section 2008), is amended by adding at the end the following:

''§ 506. Education and training

''(a) LOCAL TECHNICAL ASSISTANCE PROGRAM.—

''(1) AUTHORITY.—The Secretary shall carry out a transportation assistance program that will provide access to modern highway technology to—

''(A) highway and transportation agencies in urbanized areas with populations of between 50,000 and 1,000,000 individuals;

''(B) highway and transportation agencies in rural areas; and

''(C) contractors that do work for the agencies.

''(2) GRANTS, COOPERATIVE AGREEMENTS, AND CONTRACTS.—The Secretary may make grants and enter into cooperative agreements and contracts to provide education and training, technical assistance, and related support services that will—

''(A) assist rural, local transportation agencies and tribal governments, and the consultants and construction personnel working for the agencies and governments, to—

''(i) develop and expand their expertise in road and transportation areas (including pavement, bridge, safety management systems, and traffic safety countermeasures);

''(ii) improve roads and bridges;

''(iii) enhance—

''(I) programs for the movement of passengers and freight; and

''(II) intergovernmental transportation planning and project selection; and

''(iv) deal effectively with special transportation-related problems by preparing and providing training packages, manuals, guidelines, and technical resource materials;

''(B) identify, package, and deliver transportation technology and traffic safety information to local jurisdictions to assist urban transportation agencies in developing and expanding their ability to deal effectively with transportation-related problems;

''(C) operate, in cooperation with State transportation departments and universities—

''(i) local technical assistance program centers to provide transportation technology transfer services to rural areas and to urbanized areas with populations of between 50,000 and 1,000,000 individuals; and

''(ii) local technical assistance program centers designated to provide transportation technical assistance to Indian tribal governments; and

''(D) allow local transportation agencies and tribal governments, in cooperation with the private sector, to enhance new technology implementation.

''(3) AUTHORIZATION OF CONTRACT AUTHORITY.—

''(A) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) $7,000,000 for fiscal year 1998, $7,000,000 for fiscal year 1999, $7,000,000 for fiscal year 2000, $8,000,000 for fiscal year 2001, $8,000,000 for fiscal year 2002, and $8,000,000 for fiscal year 2003 to be used to

develop and administer the program established under this section and to provide technical and financial support for the centers operated under paragraph (2)(C).

''(B) CONTRACT AUTHORITY.—Funds authorized under this paragraph shall be available for obligation in the same manner as if the funds were apportioned under chapter 1, except that—

''(i) the Federal share of the cost of any activity under this subsection shall be determined by the Secretary; and

''(ii) the funds shall remain available for obligation for a period of 3 years after the last day of the fiscal year for which the funds are authorized.

''(b) NATIONAL HIGHWAY INSTITUTE.—

''(1) ESTABLISHMENT; DUTIES; PROGRAMS.—

''(A) ESTABLISHMENT.—The Secretary shall establish and operate in the Federal Highway Administration a National Highway Institute (referred to in this subsection as the 'Institute').

''(B) DUTIES.—

''(i) INSTITUTE.—In cooperation with State transportation departments, United States industry, and any national or international entity, the Institute shall develop and administer education and training programs of instruction for—

''(I) Federal Highway Administration, State, and local transportation agency employees;

''(II) regional, State, and metropolitan planning organizations;

''(III) State and local police, public safety, and motor vehicle employees; and

''(IV) United States citizens and foreign nationals engaged or to be engaged in surface transportation work of interest to the United States.

''(ii) SECRETARY.—The Secretary shall administer, through the Institute, the authority vested in the Secretary by this title or by any other law for the development and conduct of education and training programs relating to highways.

''(C) TYPES OF PROGRAMS.—Programs that the Institute may develop and administer may include courses in modern developments, techniques, methods, regulations, management, and procedures relating to—

''(i) surface transportation;

''(ii) environmental factors;

''(iii) acquisition of rights-of-way;

''(iv) relocation assistance;

''(v) engineering;

''(vi) safety;

''(vii) construction;

''(viii) maintenance;

''(ix) operations;

''(x) contract administration;

''(xi) motor carrier activities;

''(xii) inspection; and

''(xiii) highway finance.

''(2) SET ASIDE; FEDERAL SHARE.—Not to exceed ¼ of 1 percent of the funds apportioned to a State under section 104(b)(3) for the surface transportation program shall be available for expenditure by the State transportation department for the payment of not to exceed 80 percent of the cost of tuition and direct educational expenses (excluding travel, subsistence, or salaries) in connection with the education and training of employees of State and local transportation agencies in accordance with this subsection.

''(3) FEDERAL RESPONSIBILITY.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), education and training of employees of Federal, State, and local transportation (including highway) agencies authorized under this subsection may be provided—

''(i) by the Secretary at no cost to the States and local governments if the Secretary determines that provision at no cost is in the public interest; or

''(ii) by the State through grants, cooperative agreements, and contracts with public and private agencies, institutions, individuals, and the Institute.

''(B) PAYMENT OF FULL COST BY PRIVATE PERSONS.—Private agencies, international or foreign entities, and individuals shall pay the full cost of any education and training received by them unless the Secretary determines that a lower cost is of critical importance to the public interest.

''(4) TRAINING FELLOWSHIPS; COOPERATION.—The Institute may—

''(A) engage in training activities authorized under this subsection, including the granting of training fellowships; and

''(B) carry out its authority independently or in cooperation with any other branch of the Federal Government or any State agency, authority, association, institution, for-profit or nonprofit corporation, other national or international entity, or other person.

''(5) COLLECTION OF FEES.—

''(A) GENERAL RULE.—In accordance with this subsection, the Institute may assess and collect fees solely to defray the costs of the Institute in developing or administering education and training programs under this subsection.

''(B) LIMITATION.—Fees may be assessed and collected under this subsection only in a manner that may reasonably be expected to result in the collection of fees during any fiscal year in an aggregate amount that does not exceed the aggregate amount of the costs referred to in subparagraph (A) for the fiscal year.

''(C) PERSONS SUBJECT TO FEES.—Fees may be assessed and collected under this subsection only with respect to—

''(i) persons and entities for whom education or training programs are developed or administered under this subsection; and

''(ii) persons and entities to whom education or training is provided under this subsection.

''(D) AMOUNT OF FEES.—The fees assessed and collected under this subsection shall be established in a manner that ensures that the liability of any person or entity for a fee is reasonably based on the proportion of the costs referred to in subparagraph (A) that relate to the person or entity.

''(E) USE.—All fees collected under this subsection shall be used to defray costs associated with the development or administration of education and training programs authorized under this subsection.

''(6) FUNDING.—

''(A) AUTHORIZATION OF CONTRACT AUTHORITY.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this subsection $5,000,000 for fiscal year 1998, $5,000,000 for fiscal year 1999, $5,000,000 for fiscal year 2000, $6,000,000 for fiscal year 2001, $6,000,000 for fiscal year 2002, and $6,000,000 for fiscal year 2003.

''(B) RELATION TO FEES.—The funds provided under this paragraph may be combined with or held separate from the fees collected under paragraph (5).

''(C) CONTRACT AUTHORITY.—Funds authorized under this paragraph shall be available for obligation in the same manner as if the funds were apportioned under chapter 1, except that—

''(i) the Federal share of the cost of any activity under this subsection shall be determined by the Secretary; and

''(ii) the funds shall remain available for obligation for a period of 1 year after the last day of the fiscal year for which the funds are authorized.

''(7) CONTRACTS.—Section 3709 of the Revised Statutes (41 U.S.C. 5) shall not apply to a contract or agreement entered into under this subsection.

''(c) DWIGHT DAVID EISENHOWER TRANSPORTATION FELLOWSHIP PROGRAM.—

''(1) GENERAL AUTHORITY.—The Secretary, acting independently or in cooperation with other Federal departments, agencies, and instrumentalities, may make grants for fellowships for any purpose for which research, technology, or capacity building is authorized under this chapter.

''(2) DWIGHT DAVID EISENHOWER TRANSPORTATION FELLOWSHIP PROGRAM.—

''(A) IN GENERAL.—The Secretary shall carry out a transportation fellowship program, to be known as the 'Dwight David Eisenhower Transportation Fellowship Program', for the purpose of attracting qualified students to the field of transportation.

''(B) TYPES OF FELLOWSHIPS.—The program shall offer fellowships at the junior through postdoctoral levels of college education.

''(C) CITIZENSHIP.—Each recipient of a fellowship under the program shall be a United States citizen.

''(3) AUTHORIZATION OF CONTRACT AUTHORITY.—

''(A) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this subsection $2,000,000 for each of fiscal years 1998 through 2003.

''(B) CONTRACT AUTHORITY.—Funds authorized under this paragraph shall be available for obligation in the same manner as if the funds were apportioned under chapter 1, except that—

''(i) the Federal share of the cost of any activity funded under this subsection shall be determined by the Secretary; and

''(ii) the funds shall remain available for obligation for a period of 1 year after the last day of the fiscal year for which the funds are authorized.

''(d) HIGHWAY CONSTRUCTION TRAINING PROGRAMS.—

''(1) USE OF FUNDS BY THE SECRETARY.—

''(A) IN GENERAL.—The Secretary, in cooperation with any other department or agency of the Federal Government, State agency, authority, association, institution, Indian tribal government, for-profit or nonprofit corporation, or other organization or person, may—

''(i) develop, conduct, and administer highway construction and technology training, including skill improvement, programs; and

''(ii) develop and fund Summer Transportation Institutes.

''(B) WAIVER OF ADVERTISING REQUIREMENTS.—Section 3709 of the Revised Statutes (41 U.S.C. 5) shall not apply to a contract or agreement entered into by the Secretary under this subsection.

''(C) FUNDING.—

''(i) IN GENERAL.—Before making apportionments under section 104(b) for a fiscal year, the Secretary shall deduct such sums as the Secretary determines are necessary, but not to exceed $10,000,000 for each fiscal year, to carry out this subsection.

''(ii) AVAILABILITY.—Sums deducted under clause (i) shall remain available until expended.

''(2) USE OF FUNDS APPORTIONED TO STATES.—Notwithstanding any other provision of law, upon request of a State transportation department to the Secretary, not to exceed ½ of 1 percent of the funds apportioned to the State for a fiscal year under paragraphs (1) and (3) of section 104(b) may be made available to carry out this subsection.

''(3) RESERVATION OF TRAINING POSITIONS FOR INDIVIDUALS RECEIVING WELFARE ASSISTANCE.—In carrying out this subsection, the Secretary and States may reserve training

positions for individuals who receive welfare assistance from a State.''.

SEC. 2010. INTERNATIONAL HIGHWAY TRANSPORTATION OUTREACH PROGRAM.

(a) IN GENERAL.—Title 23, United States Code, is amended—

(1) by redesignating section 325 as section 507;

(2) by moving that section to appear at the end of subchapter I of chapter 5 (as amended by section 2009);

(3) in subsection (a) of that section, by inserting '', goods, and services'' after ''expertise''; and

(4) by striking subsection (c) of that section and inserting the following:

''(c) USE OF FUNDS.—

''(1) FUNDS DEPOSITED IN SPECIAL ACCOUNT.—Funds available to carry out this section shall include funds deposited by any cooperating organization or person in a special account for the program established under this section with the Secretary of the Treasury.

''(2) USE OF FUNDS.—The funds deposited in the special account and other funds available to carry out this section shall be available to pay the cost of any activity eligible under this section, including the cost of promotional materials, travel, reception and representation expenses, and salaries and benefits of officers and employees of the Department of Transportation.

''(3) REIMBURSEMENTS.—Reimbursements for the salaries and benefits of Federal Highway Administration employees who provide services under this section shall be credited to the special account.

''(d) ELIGIBLE USE OF STATE PLANNING AND RESEARCH FUNDS.—A State, in coordination with the Secretary, may obligate funds made available to carry out section 505 for any activity authorized under subsection (a).''.

(b) CONFORMING AMENDMENT.—The analysis for chapter 3 of title 23, United States Code, is amended by striking the item relating to section 325.

SEC. 2011. NATIONAL TECHNOLOGY DEPLOYMENT INITIATIVES AND PARTNERSHIPS PROGRAM.

Subchapter I of chapter 5 of title 23, United States Code (as amended by section 2010), is amended by adding at the end the following:

''§ 508. National technology deployment initiatives and partnerships program

''(a) ESTABLISHMENT.—The Secretary shall develop and administer a national technology deployment initiatives and partnerships program (referred to in this section as the 'program').

''(b) PURPOSE.—The purpose of the program is to significantly accelerate the adoption of innovative technologies by the surface transportation community.

''(c) DEPLOYMENT GOALS.—

''(1) ESTABLISHMENT.—Not later than 180 days after the date of enactment of this Act, the Secretary shall establish not more than 5 deployment goals to carry out subsection (a).

''(2) DESIGN.—Each of the goals and the program developed to achieve the goals shall be designed to provide tangible benefits, with respect to transportation systems, in the areas of efficiency, safety, reliability, service life, environmental protection, or sustainability.

''(3) STRATEGIES FOR ACHIEVEMENT.—For each goal, the Secretary, in cooperation with representatives of the transportation community such as States, local governments, the private sector, and academia, shall use domestic and international technology to develop strategies and initiatives to achieve the goal, including technical assistance in deploying technology and mechanisms for sharing information among program participants.

''(d) CONTINUATION OF SHRP PARTNERSHIPS.—Under the program, the Secretary shall continue the partnerships established through the strategic highway research program established under section 307(d) (as in effect on the day before the date of enactment of this section).

''(e) GRANTS, COOPERATIVE AGREEMENTS, AND CONTRACTS.—Under the program, the Secretary may make grants and enter into cooperative agreements and contracts to foster alliances and support efforts to stimulate advances in transportation technology, including—

''(1) the testing and evaluation of products of the strategic highway research program;

''(2) the further development and implementation of technology in areas such as the Superpave system and the use of lithium salts to prevent and mitigate alkali silica reactivity; and

''(3) the provision of support for long-term pavement performance product implementation and technology access.

''(f) REPORTS.—Not later than 18 months after the date of enactment of this section, and biennially thereafter, the Secretary shall submit to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a report on the progress and results of activities carried out under this section.

''(g) FUNDING.—

''(1) AUTHORIZATION OF CONTRACT AUTHORITY.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $50,000,000 for each of fiscal years 1998 through 2003.

''(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1, except that—

''(A) the Federal share of the cost of any activity under this section shall be determined by the Secretary; and

''(B) the funds shall remain available for obligation for a period of 3 years after the last day of the fiscal year for which the funds are authorized.

''(3) ALLOCATION.—To the extent appropriate to achieve the goals established under subsection (c), the Secretary may further allocate funds made available under this subsection to States for their use.''.

SEC. 2012. INFRASTRUCTURE INVESTMENT NEEDS REPORT.

Subchapter I of chapter 5 of title 23, United States Code (as amended by section 2011), is amended by adding at the end the following:

''§ 509. Infrastructure investment needs report

''Not later than January 31, 1999, and January 31 of every second year thereafter, the Secretary shall report to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives on estimates of the future highway and bridge needs of the United States.''.

SEC. 2013. INNOVATIVE BRIDGE RESEARCH AND CONSTRUCTION PROGRAM.

Subchapter I of chapter 5 of title 23, United States Code (as amended by section 2012), is amended by adding at the end the following:

''§ 510. Innovative bridge research and construction program

''(a) IN GENERAL.—The Secretary shall establish and carry out a program to demonstrate the application of innovative material technology in the construction of bridges and other structures.

''(b) GOALS.—The goals of the program shall include—

''(1) the development of new, cost-effective innovative material highway bridge applications;

''(2) the reduction of maintenance costs and life-cycle costs of bridges, including the costs of new construction, replacement, or rehabilitation of deficient bridges;

''(3) the development of construction techniques to increase safety and reduce construction time and traffic congestion;

''(4) the development of engineering design criteria for innovative products and materials for use in highway bridges and structures; and

''(5) the development of highway bridges and structures that will withstand natural disasters, including alternative processes for the seismic retrofit of bridges.

''(c) GRANTS, COOPERATIVE AGREEMENTS, AND CONTRACTS.—

''(1) IN GENERAL.—Under the program, the Secretary shall make grants to, and enter into cooperative agreements and contracts with—

''(A) States, other Federal agencies, universities and colleges, private sector entities, and nonprofit organizations to pay the Federal share of the cost of research, development, and technology transfer concerning innovative materials; and

''(B) States to pay the Federal share of the cost of repair, rehabilitation, replacement, and new construction of bridges or structures that demonstrates the application of innovative materials.

''(2) GRANTS.—

''(A) APPLICATIONS.—

''(i) SUBMISSION.—To receive a grant under this section, an entity described in paragraph (1) shall submit an application to the Secretary.

''(ii) CONTENTS.—The application shall be in such form and contain such information as the Secretary may require.

''(B) APPROVAL CRITERIA.—The Secretary shall select and approve applications for grants under this section based on whether the project that is the subject of the grant meets the goals of the program described in subsection (b).

''(d) TECHNOLOGY AND INFORMATION TRANSFER.—The Secretary shall take such action as is necessary to ensure that the information and technology resulting from research conducted under subsection (c) is made available to State and local transportation departments and other interested parties as specified by the Secretary.

''(e) FEDERAL SHARE.—The Federal share of the cost of a project under this section shall be determined by the Secretary.

''(f) AUTHORIZATION OF CONTRACT AUTHORITY.—

''(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account)—

''(A) to carry out subsection (c)(1)(A) $1,000,000 for each of fiscal years 1998 through 2003; and

''(B) to carry out subsection (c)(1)(B)—

''(i) $10,000,000 for fiscal year 1998;

''(ii) $15,000,000 for fiscal year 1999;

''(iii) $17,000,000 for fiscal year 2000; and

''(iv) $20,000,000 for each of fiscal years 2001 through 2003.

''(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be made available for obligation in the same manner as if the funds were apportioned under chapter 1, except that the Federal share of the cost of a project under this section shall be determined in accordance with this section.''.

SEC. 2014. USE OF BUREAU OF INDIAN AFFAIRS ADMINISTRATIVE FUNDS.

Section 204(b) of title 23, United States Code, is amended in the last sentence by striking ''326'' and inserting ''506''.

SEC. 2015. STUDY OF FUTURE STRATEGIC HIGHWAY RESEARCH PROGRAM.

Subchapter I of chapter 5 of title 23, United States Code (as amended by section 2013), is amended by adding at the end the following:

''§ 511. Study of future strategic highway research program

''(a) STUDY.—

''(1) IN GENERAL.—Not later than 120 days after the date of enactment of this section, the Secretary shall make a grant to, or enter into a cooperative agreement or contract with, the Transportation Research Board of the National Academy of Sciences (referred to in this section as the 'Board') to conduct a study to determine the goals, purposes, research agenda and projects, administrative structure, and fiscal needs for a new strategic highway research program to replace the program established under section 307(d) (as in effect on the day before the date of enactment of this section), or a similar effort.

''(2) CONSULTATION.—In conducting the study, the Board shall consult with the American Association of State Highway and Transportation Officials and such other entities as the Board determines to be necessary to the conduct of the study.

''(b) REPORT.—Not later than 2 years after making a grant or entering into a cooperative agreement or contract under subsection (a), the Board shall submit a final report on the results of the study to the Secretary, the Committee on Environment and Public Works of the Senate, and the Committee on Transportation and Infrastructure of the House of Representatives.''.

SEC. 2016. JOINT PARTNERSHIPS FOR ADVANCED VEHICLES, COMPONENTS, AND INFRASTRUCTURE PROGRAM.

(a) IN GENERAL.—Subchapter I of chapter 3 of subtitle I of title 49, United States Code, is amended by adding at the end the following:

''§ 310. Joint partnerships for advanced vehicles, components, and infrastructure program

''(a) PURPOSES.—The Secretary of Transportation, in coordination with other government agencies and private consortia, shall encourage and promote the research, development, and deployment of transportation technologies that will use technological advances in multimodal vehicles, vehicle components, environmental technologies, and related infrastructure to remove impediments to an efficient and cost-effective national transportation system.

''(b) DEFINITION OF ELIGIBLE CONSORTIUM.—In this section, the term 'eligible consortium' means a consortium that receives funding under the Department of Defense Appropriations Act, 1993 (Public Law 102–396; 106 Stat. 1876), and that comprises 2 or more of the following entities:

''(1) Businesses incorporated in the United States.

''(2) Public or private educational or research organizations located in the United States.

''(3) Entities of State or local governments in the United States.

''(4) Federal laboratories.

''(c) PROGRAM.—The Secretary shall enter into contracts, cooperative agreements, and other transactions as authorized by section 2371 of title 10 with, and make grants to, eligible consortia to promote the development and deployment of innovation in transportation technology services, management, and operational practices.

''(d) ELIGIBILITY CRITERIA.—To be eligible to receive assistance under this section, an eligible consortium shall—

''(1) for a period of not less than the 3 years preceding the date of a contract, cooperative agreement, or other transaction, be organized on a statewide or multistate basis for the purpose of designing, developing, and deploying transportation technologies that address identified technological impediments in the transportation field;

''(2) facilitate the participation in the consortium of small- and medium-sized businesses, utilities, public laboratories and universities, and other relevant entities;

''(3) be actively engaged in transportation technology projects that address compliance in nonattainment areas under the Clean Air Act (42 U.S.C. 7401 et seq.);

''(4) be designed to use Federal and State funding to attract private capital in the form of grants or investments to carry out this section; and

''(5) ensure that at least 50 percent of the funding for the consortium project will be provided by non-Federal sources.

''(e) PROPOSALS.—The Secretary shall prescribe such terms and conditions as the Secretary determines to be appropriate for the content and structure of proposals submitted for assistance under this section.

''(f) REPORTING REQUIREMENTS.—At least once each year, the Secretary shall submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the projects undertaken by the eligible consortia and the progress made in advancing the purposes of this section.

''(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $50,000,000 for each of fiscal years 1998 through 2003, to remain available until expended.''.

(b) CONFORMING AMENDMENT.—The analysis for subchapter I of chapter 3 of subtitle I of title 49, United States Code, is amended by adding at the end the following:

''310. Joint partnerships for advanced vehicles, components, and infrastructure program.''.

SEC. 2017. TRANSPORTATION AND ENVIRONMENT COOPERATIVE RESEARCH PROGRAM.

Subchapter I of chapter 5 of title 23, United States Code (as amended by section 2015), is amended by adding at the end the following:

''§ 512. Transportation and environment cooperative research program

''(a) IN GENERAL.—The Secretary shall establish and carry out a transportation and environment cooperative research program.

''(b) ADVISORY BOARD.—

''(1) ESTABLISHMENT.—In consultation with the Secretary of Energy and the Administrator of the Environmental Protection Agency, the Secretary shall establish an advisory board to recommend environmental and energy conservation research, technology, and technology transfer activities related to surface transportation.

''(2) MEMBERSHIP.—The advisory board shall include—

''(A) representatives of State transportation and environmental agencies;

''(B) transportation and environmental scientists and engineers; and

''(C) representatives of metropolitan planning organizations, transit operating agencies, and environmental organizations.

''(3) DEVELOPMENT OF RESEARCH PRIORITIES.—In developing recommendations for priorities for research described in paragraph (1), the advisory board shall consider the research recommendations of the National Research Council report entitled 'Environmental Research Needs in Transportation'.

''(4) APPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the advisory board.

''(c) NATIONAL ACADEMY OF SCIENCES.—

''(1) IN GENERAL.—The Secretary may make grants to, and enter into cooperative agreements with, the National Academy of Sciences to carry out such activities related to the research, technology, and technology transfer activities described in subsection (b)(1) as the Secretary determines to be appropriate.

''(2) ECOSYSTEM INTEGRITY STUDY.—

''(A) IN GENERAL.—The Secretary shall give priority to conducting a study of, and preparing a report on, the relationship between highway density and ecosystem integrity, including an analysis of the habitat-level impacts of highway density on the overall health of ecosystems.

''(B) PROPOSAL OF RAPID ASSESSMENT METHODOLOGY.—To aid transportation and regulatory agencies, the report shall propose a rapid assessment methodology for determining the relationship between highway density and ecosystem integrity.

''(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $5,000,000 for each of fiscal years 1998 through 2003.''.

SEC. 2018. CONFORMING AMENDMENTS.

(a) Sections 307, 321, and 326 of title 23, United States Code, are repealed.

(b) The analysis for chapter 3 of title 23, United States Code, is amended by striking the items relating to sections 307, 321, and 326.

(c) Section 115(a)(1)(A)(i) of title 23, United States Code, is amended by striking ''or 307'' and inserting ''or 505''.

(d) Section 151(d) of title 23, United States Code, is amended by striking ''section 307(a),'' and inserting ''section 506,''.

(e) Section 106 of Public Law 89–564 (23 U.S.C. 403 note) is amended in the third sentence by striking ''sections 307 and 403 of title 23, United States Code,'' and inserting ''section 403 and chapter 5 of title 23, United States Code,''.

Subtitle B—Intelligent Transportation Systems

SEC. 2101. SHORT TITLE.

This subtitle may be cited as the ''Intelligent Transportation Systems Act of 1997''.

SEC. 2102. FINDINGS.

Congress finds that—

(1) numerous studies conducted on behalf of the Department of Transportation document that investment in intelligent transportation systems offers substantial benefits in relationship to costs;

(2) as a result of the investment authorized by the Intelligent Transportation Systems Act of 1991 (23 U.S.C. 307 note; 105 Stat. 2189), progress has been made on each of the goals set forth for the national intelligent transportation system program in section 6052(b) of that Act; and

(3) continued investment by the Department of Transportation is needed to complete implementation of those goals.

SEC. 2103. INTELLIGENT TRANSPORTATION SYSTEMS.

Chapter 5 of title 23, United States Code (as added by section 2005), is amended by adding at the end the following:

''SUBCHAPTER II—INTELLIGENT TRANSPORTATION SYSTEMS

''§ 521. Purposes

''The purposes of this subchapter are—

''(1) to expedite deployment and integration of basic intelligent transportation system services for consumers of passenger and freight transportation across the United States;

''(2) to encourage the use of intelligent transportation systems to enhance international trade and domestic economic productivity;

''(3) to encourage the use of intelligent transportation systems to promote the

achievement of national environmental goals;

''(4) to continue research, development, testing, and evaluation activities to continually expand the state-of-the-art in intelligent transportation systems;

''(5) to provide financial and technical assistance to State and local governments and metropolitan planning organizations to ensure the integration of interoperable, intermodal, and cost-effective intelligent transportation systems;

''(6) to foster regional cooperation, standards implementation, and operations planning to maximize the benefits of integrated and coordinated intelligent transportation systems;

''(7) to promote the consideration of intelligent transportation systems in mainstream transportation planning and investment decisionmaking by ensuring that Federal and State transportation officials have adequate, working knowledge of intelligent transportation system technologies and applications and by ensuring comprehensive funding eligibility for the technologies and applications;

''(8) to encourage intelligent transportation system training for, and technology transfer to, State and local agencies;

''(9) to promote the deployment of intelligent transportation system services in rural America so as to achieve safety benefits, promote tourism, and improve quality of life;

''(10) to promote the innovative use of private resources, such as through public-private partnerships or other uses of private sector investment, to support the development and integration of intelligent transportation systems throughout the United States;

''(11) to complete the Federal investment in the Commercial Vehicle Information Systems and Networks by September 30, 2003;

''(12) to facilitate intermodalism through deployment of intelligent transportation systems, including intelligent transportation system technologies for transit systems to improve safety, efficiency, capacity, and utility for the public;

''(13) to enhance the safe operation of motor vehicles, including motorcycles, and nonmotorized vehicles on the surface transportation systems of the United States, with a particular emphasis on decreasing the number and severity of collisions; and

''(14) to accommodate the needs of all users of the surface transportation systems of the United States, including the operators of commercial vehicles, passenger vehicles, and motorcycles.

''§ 522. Definitions

''In this subchapter:

''(1) COMMERCIAL VEHICLE INFORMATION SYSTEMS AND NETWORKS.—The term 'Commercial Vehicle Information Systems and Networks' means the information systems and communications networks that support commercial vehicle operations.

''(2) COMMERCIAL VEHICLE OPERATIONS.—The term 'commercial vehicle operations'—

''(A) means motor carrier operations and motor vehicle regulatory activities associated with the commercial movement of goods, including hazardous materials, and passengers; and

''(B) with respect to the public sector, includes the issuance of operating credentials, the administration of motor vehicle and fuel taxes, and roadside safety and border crossing inspection and regulatory compliance operations.

''(3) COMPLETED STANDARD.—The term 'completed standard' means a standard adopted and published by the appropriate standards-setting organization through a voluntary consensus standardmaking process.

''(4) CORRIDOR.—The term 'corridor' means any major transportation route that includes parallel limited access highways, major arterials, or transit lines.

''(5) INTELLIGENT TRANSPORTATION SYSTEM.—The term 'intelligent transportation system' means electronics, communications, or information processing used singly or in combination to improve the efficiency or safety of a surface transportation system.

''(6) NATIONAL ARCHITECTURE.—The term 'national architecture' means the common framework for interoperability adopted by the Secretary that defines—

''(A) the functions associated with intelligent transportation system user services;

''(B) the physical entities or subsystems within which the functions reside;

''(C) the data interfaces and information flows between physical subsystems; and

''(D) the communications requirements associated with the information flows.

''(7) PROVISIONAL STANDARD.—The term 'provisional standard' means a provisional standard established by the Secretary under section 529(c).

''(8) STANDARD.—The term 'standard' means a document that—

''(A) contains technical specifications or other precise criteria for intelligent transportation systems that are to be used consistently as rules, guidelines, or definitions of characteristics so as to ensure that materials, products, processes, and services are fit for their purposes; and

''(B) may support the national architecture and promote—

''(i) the widespread use and adoption of intelligent transportation system technology as a component of the surface transportation systems of the United States; and

''(ii) interoperability among intelligent transportation system technologies implemented throughout the States.

''§ 523. Cooperation, consultation, and analysis

''(a) COOPERATION.—In carrying out this subchapter, the Secretary shall—

''(1) foster enhanced operation and management of the surface transportation systems of the United States;

''(2) promote the widespread deployment of intelligent transportation systems; and

''(3) advance emerging technologies, in cooperation with State and local governments and the private sector.

''(b) CONSULTATION.—As appropriate, in carrying out this subchapter, the Secretary shall—

''(1) consult with the heads of other interested Federal departments and agencies; and

''(2) maximize the involvement of the United States private sector, colleges and universities, and State and local governments in all aspects of carrying out this subchapter.

''(c) PROCUREMENT METHODS.—To meet the need for effective implementation of intelligent transportation system projects, the Secretary shall develop appropriate technical assistance and guidance to assist State and local agencies in evaluating and selecting appropriate methods of procurement for intelligent transportation system projects, including innovative and nontraditional methods of procurement.

''§ 524. Research, development, and training

''(a) IN GENERAL.—The Secretary shall carry out a comprehensive program of intelligent transportation system research, development, operational testing, technical assistance and training, national architecture activities, standards development and implementation, and other similar activities that are necessary to carry out the purposes of this subchapter.

''(b) INTELLIGENT VEHICLE AND INTELLIGENT INFRASTRUCTURE PROGRAMS.—

''(1) IN GENERAL.—

''(A) PROGRAM.—The Secretary shall carry out a program to conduct research, development, and engineering designed to stimulate and advance deployment of an integrated intelligent vehicle program and an integrated intelligent infrastructure program, consisting of—

''(i) projects such as crash avoidance, automated highway systems, advanced vehicle controls, and roadway safety and efficiency systems linked to intelligent vehicles; and

''(ii) projects that improve mobility and the quality of the environment, including projects for traffic management, incident management, transit management, toll collection, traveler information, and traffic control systems.

''(B) CONSIDERATION OF VEHICLE AND INFRASTRUCTURE ELEMENTS.—In carrying out subparagraph (A), the Secretary may consider systems that include both vehicle and infrastructure elements and determine the most appropriate mix of those elements.

''(2) NATIONAL ARCHITECTURE.—The program carried out under paragraph (1) shall be consistent with the national architecture.

''(3) PRIORITIES.—In carrying out paragraph (1), the Secretary shall give higher priority to activities that—

''(A) assist motor vehicle drivers in avoiding motor vehicle crashes;

''(B) assist in the development of an automated highway system; or

''(C) improve the integration of air bag technology with other on-board safety systems and maximize the safety benefits of the simultaneous use of an automatic restraint system and seat belts.

''(4) COST SHARING.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the Federal share of the cost of a research project carried out in cooperation with a non-Federal entity under a program carried out under paragraph (1) shall not exceed 80 percent.

''(B) INNOVATIVE OR HIGH-RISK RESEARCH PROJECTS.—The Federal share of the cost of an innovative or high-risk research project described in subparagraph (A) may, at the discretion of the Secretary, be 100 percent.

''(5) PLAN.—The Secretary shall—

''(A) not later than 1 year after the date of enactment of this subchapter, submit to Congress a 6-year plan specifying the goals, objectives, and milestones to be achieved by each program carried out under paragraph (1); and

''(B) report biennially to Congress on the progress in meeting the goals, objectives, and milestones.

''(c) EVALUATION.—

''(1) GUIDELINES AND REQUIREMENTS.—

''(A) IN GENERAL.—The Secretary shall establish guidelines and requirements for the independent evaluation of field and related operational tests, and, if necessary, deployment projects, carried out under this subchapter.

''(B) REQUIRED PROVISIONS.—The guidelines and requirements established under subparagraph (A) shall include provisions to ensure the objectivity and independence of the evaluator so as to avoid any real or apparent conflict of interest or potential influence on the outcome by parties to any such test or deployment project or by any other formal evaluation carried out under this subchapter.

''(2) FUNDING.—

''(A) SMALL PROJECTS.—In the case of a test or project with a cost of less than $5,000,000, the Secretary may allocate not more than 15 percent of the funds made available to carry out the test or project for an evaluation of the test or project.

''(B) MODERATE PROJECTS.—In the case of a test or project with a cost of $5,000,000 or more, but less than $10,000,000, the Secretary may allocate not more than 10 percent of the funds made available to carry out the test or project for an evaluation of the test or project.

''(C) LARGE PROJECTS.—In the case of a test or project with a cost of $10,000,000 or more, the Secretary may allocate not more than 5 percent of the funds made available to carry out the test or project for an evaluation of the test or project.

''(3) INAPPLICABILITY OF PAPERWORK REDUCTION ACT.—Any survey, questionnaire, or interview that the Secretary considers necessary to carry out the evaluation of any test or program assessment activity under this subchapter shall not be subject to chapter 35 of title 44.

''(d) INFORMATION CLEARINGHOUSE.—

''(1) IN GENERAL.—The Secretary shall—

''(A) maintain a repository for technical and safety data collected as a result of federally sponsored projects carried out under this subchapter; and

''(B) on request, make that information (except for proprietary information and data) readily available to all users of the repository at an appropriate cost.

''(2) DELEGATION OF AUTHORITY.—

''(A) IN GENERAL.—The Secretary may delegate the responsibility of the Secretary under this subsection, with continuing oversight by the Secretary, to an appropriate entity not within the Department of Transportation.

''(B) FEDERAL ASSISTANCE.—If the Secretary delegates the responsibility, the entity to which the responsibility is delegated shall be eligible for Federal assistance under this section.

''(e) TRAFFIC INCIDENT MANAGEMENT AND RESPONSE.—The Secretary shall carry out a program to advance traffic incident management and response technologies, strategies, and partnerships that are fully integrated with intelligent transportation systems.

''(f) AUTHORIZATION OF CONTRACT AUTHORITY.—

''(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $120,000,000 for fiscal year 1998, $125,000,000 for fiscal year 1999, $130,000,000 for fiscal year 2000, $135,000,000 for fiscal year 2001, $140,000,000 for fiscal year 2002, and $150,000,000 for fiscal year 2003, of which, for each fiscal year—

''(A) not less than $25,000,000 shall be available for activities that assist motor vehicle drivers in avoiding motor vehicle crashes, including activities that improve the integration of air bag technology with other onboard safety systems;

''(B) not less than $25,000,000 shall be available for activities that assist in the development of an automated highway system; and

''(C) not less than $3,000,000 shall be available for traffic incident management and response.

''(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1.

''§ 525. Intelligent transportation system integration program

''(a) IN GENERAL.—The Secretary shall conduct a comprehensive program (referred to in this section as the 'program') to accelerate the integration and interoperability of intelligent transportation systems.

''(b) SELECTION OF PROJECTS.—

''(1) IN GENERAL.—Under the program, the Secretary shall select for funding, through competitive solicitation, projects that will serve as models to improve transportation efficiency, promote safety, increase traffic flow, reduce emissions of air pollutants, improve traveler information, or enhance alternative transportation modes.

''(2) PRIORITIES.—Under the program, the Secretary shall give higher priority to funding projects that—

''(A) promote and foster integration strategies and written agreements among local governments, States, and other regional entities;

''(B) build on existing (as of the date of project selection) intelligent transportation system projects;

''(C) deploy integrated intelligent transportation system projects throughout metropolitan areas;

''(D) deploy integrated intelligent transportation system projects that enhance safe freight movement or coordinate intermodal travel, including intermodal travel at ports of entry into the United States; and

''(E) advance intelligent transportation system deployment projects that are consistent with the national architecture and, as appropriate, comply with required standards as described in section 529.

''(c) PRIVATE SECTOR INVOLVEMENT.—In carrying out the program, the Secretary shall encourage private sector involvement and financial commitment, to the maximum extent practicable, through innovative financial arrangements, especially public-private partnerships.

''(d) FINANCING AND OPERATIONS PLANS.—As a condition of receipt of funds under the program, a recipient participating in a project shall submit to the Secretary a multiyear financing and operations plan that describes how the project can be cost-effectively operated and maintained.

''(e) AUTHORIZATION OF CONTRACT AUTHORITY.—

''(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $100,000,000 for fiscal year 1998, $110,000,000 for fiscal year 1999, $115,000,000 for fiscal year 2000, $130,000,000 for fiscal year 2001, $135,000,000 for fiscal year 2002, and $145,000,000 for fiscal year 2003.

''(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1, except that, in the case of a project funded under paragraph (1)—

''(A) the Federal share of the cost of the project payable from funds made available under paragraph (1) shall not exceed 50 percent; and

''(B) the total Federal share of the cost of the project payable from all eligible sources (including paragraph (1)) shall not exceed 80 percent.

''§ 526. Integration program for rural areas

''(a) IN GENERAL.—The Secretary shall conduct a comprehensive program (referred to in this section as the 'program') to accelerate the integration or deployment of intelligent transportation systems in rural areas.

''(b) SELECTION OF PROJECTS.—Under the program, the Secretary shall—

''(1) select projects through competitive solicitation; and

''(2) give higher priority to funding projects that—

''(A) promote and foster integration strategies and agreements among local governments, States, and other regional entities;

''(B) deploy integrated intelligent transportation system projects that improve mobility, enhance the safety of the movement of passenger vehicles and freight, or promote tourism; or

''(C) advance intelligent transportation system deployment projects that are consistent with the national architecture and comply with required standards as described in section 529.

''(c) PRIVATE SECTOR INVOLVEMENT.—In carrying out the program, the Secretary shall encourage private sector involvement and financial commitment, to the maximum extent practicable, through innovative financial arrangements, especially public-private partnerships.

''(d) FINANCING AND OPERATIONS PLANS.—As a condition of receipt of funds under the program, a recipient participating in a project shall submit to the Secretary a multiyear financing and operations plan that describes how the project can be cost-effectively operated and maintained

''(e) AUTHORIZATION OF CONTRACT AUTHORITY.—

''(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $10,000,000 for fiscal year 1998, $10,000,000 for fiscal year 1999, $15,000,000 for fiscal year 2000, $15,000,000 for fiscal year 2001, $20,000,000 for fiscal year 2002, and $20,000,000 for fiscal year 2003.

''(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1, except that, in the case of a project funded under paragraph (1)—

''(A) the Federal share of the cost of the project payable from funds made available under paragraph (1) shall not exceed 50 percent; and

''(B) the total Federal share of the cost of the project payable from all eligible sources (including paragraph (1)) shall not exceed 80 percent.

''§ 527. Commercial vehicle intelligent transportation system infrastructure

''(a) IN GENERAL.—The Secretary shall carry out a comprehensive program—

''(1) to deploy intelligent transportation systems that will promote the safety and productivity of commercial vehicles and drivers; and

''(2) to reduce costs associated with commercial vehicle operations and State and Federal commercial vehicle regulatory requirements.

''(b) ELEMENTS OF PROGRAM.—

''(1) SAFETY INFORMATION SYSTEMS AND NETWORKS.—

''(A) IN GENERAL.—The program shall advance the technological capability and promote the deployment of commercial vehicle, commercial driver, and carrier-specific safety information systems and networks and other intelligent transportation system technologies used to assist States in identifying high-risk commercial operations and in conducting other innovative safety strategies, including the Commercial Vehicle Information Systems and Networks.

''(B) FOCUS OF PROJECTS.—Projects assisted under the program shall focus on—

''(i) identifying and eliminating unsafe and illegal carriers, vehicles, and drivers in a manner that does not unduly hinder the productivity and efficiency of safe and legal commercial operations;

''(ii) enhancing the safe passage of commercial vehicles across the United States and across international borders;

''(iii) reducing the numbers of violations of out-of-service orders; and

''(iv) complying with directives to address other safety violations.

''(2) MONITORING SYSTEMS.—The program shall advance on-board driver and vehicle safety monitoring systems, including fitness-for-duty, brake, and other operational monitoring technologies, that will facilitate

commercial vehicle safety, including inspection by motor carrier safety assistance program officers and employees under chapter 311 of title 49.

''(c) USE OF FEDERAL FUNDS.—

''(1) IN GENERAL.—Federal funds used to carry out the program shall be primarily used to improve—

''(A) commercial vehicle safety and the effectiveness and efficiency of enforcement efforts conducted under the motor carrier safety assistance program under chapter 311 of title 49;

''(B) electronic processing of registration, driver licensing, fuel tax, and other safety information; and

''(C) communication of the information described in subparagraph (B) among the States.

''(2) LEVERAGING.—Federal funds used to carry out the program shall, to the maximum extent practicable—

''(A) be leveraged with non-Federal funds; and

''(B) be used for activities not carried out through the use of private funds.

''(d) FEDERAL SHARE.—The Federal share of the cost of a project assisted under the program shall be not more than 80 percent.

''(e) AUTHORIZATION OF CONTRACT AUTHORITY.—

''(1) IN GENERAL.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out this section $25,000,000 for fiscal year 1998, $25,000,000 for fiscal year 1999, $25,000,000 for fiscal year 2000, $35,000,000 for fiscal year 2001, $35,000,000 for fiscal year 2002, and $40,000,000 for fiscal year 2003.

''(2) CONTRACT AUTHORITY.—Funds authorized under this subsection shall be available for obligation in the same manner as if the funds were apportioned under chapter 1, except that, in the case of a project funded under paragraph (1)—

''(A) the Federal share of the cost of the project payable from funds made available under paragraph (1) shall not exceed 50 percent; and

''(B) the total Federal share of the cost of the project payable from all eligible sources (including paragraph (1)) shall not exceed 80 percent.

''§ 528. Corridor development and coordination

''(a) IN GENERAL.—The Secretary shall encourage multistate cooperative agreements, coalitions, or other arrangements intended to promote regional cooperation, planning, and shared project implementation for intelligent transportation system projects.

''(b) FUNDING.—There shall be available to carry out this section for each fiscal year not more than—

''(1) $3,000,000 of the amounts made available under section 524(f); and

''(2) $7,000,000 of the amounts made available under section 525(e).

''§ 529. Standards

''(a) IN GENERAL.—

''(1) DEVELOPMENT, IMPLEMENTATION, AND MAINTENANCE.—The Secretary shall develop, implement, and maintain a national architecture and supporting standards to promote the widespread use and evaluation of intelligent transportation system technology as a component of the surface transportation systems of the United States.

''(2) INTEROPERABILITY AND EFFICIENCY.—To the maximum extent practicable, the standards shall promote interoperability among, and efficiency of, intelligent transportation system technologies implemented throughout the States.

''(3) USE OF STANDARDS-SETTING ORGANIZATIONS.—In carrying out this section, the Secretary may use the services of such standards-setting organizations as the Secretary determines appropriate.

''(b) REPORT.—

''(1) IN GENERAL.—Not later than January 1, 1999, the Secretary shall submit a report describing the status of all standards.

''(2) CONTENTS.—The report shall—

''(A) identify each standard that is needed for operation of intelligent transportation systems in the United States;

''(B) specify the status of the development of each standard;

''(C) provide a timetable for achieving agreement on each standard as described in this section; and

''(D) determine which standards are critical to ensuring national interoperability or critical to the development of other standards.

''(c) ESTABLISHMENT OF PROVISIONAL STANDARDS.—

''(1) ESTABLISHMENT.—Subject to subsection (d), if a standard determined to be critical under subsection (b)(2)(D) is not adopted and published by the appropriate standards-setting organization by January 1, 2001, the Secretary shall establish a provisional standard after consultation with affected parties.

''(2) PERIOD OF EFFECTIVENESS.—The provisional standard shall—

''(A) be published in the Federal Register;

''(B) take effect not later than May 1, 2001; and

''(C) remain in effect until the appropriate standards-setting organization adopts and publishes a standard.

''(d) WAIVER OF REQUIREMENT TO ESTABLISH PROVISIONAL STANDARDS.—

''(1) NOTICE.—The Secretary may waive the requirement to establish a provisional standard by submitting, not later than January 1, 2001, to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives, a notice that—

''(A) specifies the provisional standard subject to the waiver;

''(B) describes the history of the development of the standard subject to the waiver;

''(C) specifies the reasons why the requirement for the establishment of the provisional standard is being waived;

''(D) describes the impacts of delaying the establishment of the standard subject to the waiver, especially the impacts on the purposes of this subchapter; and

''(E) provides specific estimates as to when the standard subject to the waiver is expected to be adopted and published by the appropriate standards-setting organization.

''(2) PROGRESS REPORTS.—

''(A) IN GENERAL.—In the case of each standard subject to a waiver by the Secretary under paragraph (1), the Secretary shall submit, in accordance with the schedule specified in subparagraph (B), a report to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives on the progress of the adoption of a completed standard.

''(B) SCHEDULE OF REPORTS.—The Secretary shall submit a report under subparagraph (A) with respect to a standard—

''(i) not later than 180 days after the date of submission of the notice under paragraph (1) with respect to the standard; and

''(ii) at the end of each 180-day period thereafter until such time as a standard has been adopted and published by the appropriate standards-setting organization or the waiver is withdrawn under paragraph (3).

''(C) CONSULTATION.—In developing each progress report under subparagraph (A), the Secretary shall consult with the standards-setting organizations involved in the standardmaking process for the standard.

''(3) WITHDRAWAL OF WAIVER.—

''(A) IN GENERAL.—At any time, the Secretary may, through notification to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives, withdraw a notice of a waiver of the requirement to establish a provisional standard.

''(B) IMPLEMENTATION.—If the Secretary submits notification under subparagraph (A) with respect to a provisional standard, not less than 30 days, but not more than 90 days, after the date of the notification, the Secretary shall implement the provisional standard, unless, by the end of the 90-day period beginning on the date of the notification, a standard has been adopted and published by the appropriate standards-setting organization.

''(e) REQUIREMENT FOR COMPLIANCE WITH STANDARD.—

''(1) IN GENERAL.—

''(A) STANDARD IN EXISTENCE.—Funds made available from the Highway Trust Fund shall not be used to deploy an intelligent transportation system technology if the technology does not comply with each applicable provisional standard or completed standard.

''(B) NO STANDARD IN EXISTENCE.—In the absence of a provisional standard or completed standard, Federal funds shall not be used to deploy an intelligent transportation system technology if the deployment is not consistent with the interfaces to ensure interoperability that are contained in the national architecture.

''(2) APPLICABILITY.—Paragraph (1) shall not apply to—

''(A) the operation or maintenance of an intelligent transportation system in existence on the date of enactment of this subchapter; or

''(B) the upgrade or expansion of an intelligent transportation system in existence on the date of enactment of this subchapter if the Secretary determines that the upgrade or expansion—

''(i) does not adversely affect the purposes of this subchapter, especially the goal of national or regional interoperability;

''(ii) is carried out before the end of the useful life of the system; and

''(iii) is cost effective as compared to alternatives that meet the compliance requirement of paragraph (1)(A) or the consistency requirement of paragraph (1)(B).

''(f) SPECTRUM.—

''(1) CONSULTATION.—The Secretary shall consult with the Secretary of Commerce, the Secretary of Defense, and the Chairman of the Federal Communications Commission to determine the best means for securing the necessary spectrum for the near-term establishment of a dedicated short-range vehicle-to-wayside wireless standard and any other spectrum that the Secretary determines to be critical to the implementation of this title.

''(2) PROGRESS REPORT.—After consultation under paragraph (1) and with other affected agencies, but not later than 1 year after the date of enactment of this subchapter, the Secretary shall submit a report to Congress on the progress made in securing the spectrum described in paragraph (1).

''(3) DEADLINE FOR SECURING SPECTRUM.—Notwithstanding any other provision of law, not later than 2 years after the date of enactment of this subchapter, the Secretary of Commerce shall release to the Federal Communications Commission, and the Federal Communications Commission shall allocate, the spectrum described in paragraph (1).

''(g) FUNDING.—The Secretary shall use funds made available under section 524 to carry out this section.

"§ 530. Funding limitations

''(a) CONSISTENCY WITH NATIONAL ARCHITECTURE.—The Secretary shall use funds made available under this subchapter to deploy intelligent transportation system technologies that are consistent with the national architecture.

''(b) COMPETITION WITH PRIVATELY FUNDED PROJECTS.—To the maximum extent practicable, the Secretary shall not fund any intelligent transportation system operational test or deployment project that competes with a similar privately funded project.

''(c) INFRASTRUCTURE DEVELOPMENT.—Funds made available under this subchapter for operational tests and deployment projects—

''(1) shall be used primarily for the development of intelligent transportation system infrastructure; and

''(2) to the maximum extent practicable, shall not be used for the construction of physical highway and transit infrastructure unless the construction is incidental and critically necessary to the implementation of an intelligent transportation system project.

''(d) PUBLIC RELATIONS AND TRAINING.—For each fiscal year, not more than $15,000,000 of the funds made available under this subchapter shall be used for intelligent transportation system outreach, public relations, training, mainstreaming, shareholder relations, or related activities.

"§ 531. Use of innovative financing

''(a) IN GENERAL.—The Secretary may use up to 25 percent of the funds made available under this subchapter and section 541 to make available loans, lines of credit, and loan guarantees for projects that are eligible for assistance under this title and that have significant intelligent transportation system elements.

''(b) CONSISTENCY WITH OTHER LAW.—Credit assistance described in subsection (a) shall be made available in a manner consistent with the Transportation Infrastructure Finance and Innovation Act of 1997.

"§ 532. Advisory committees

''(a) IN GENERAL.—In carrying out this subchapter, the Secretary shall use 1 or more advisory committees.

''(b) APPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.—Any advisory committee so used shall be subject to the Federal Advisory Committee Act (5 U.S.C. App.).''.

SEC. 2104. CONFORMING AMENDMENT.

The Intermodal Surface Transportation Efficiency Act of 1991 is amended by striking part B of title VI (23 U.S.C. 307 note; 105 Stat. 2189).

Subtitle C—Funding

SEC. 2201. FUNDING.

Chapter 5 of title 23, United States Code (as amended by section 2103), is amended by adding at the end the following:

''SUBCHAPTER III—FUNDING

"§ 541. Funding

''(a) RESEARCH, TECHNOLOGY, AND TRAINING.—There shall be available from the Highway Trust Fund (other than the Mass Transit Account) to carry out sections 502, 507, 509, and 511 $98,000,000 for fiscal year 1998, $101,000,000 for fiscal year 1999, $104,000,000 for fiscal year 2000, $107,000,000 for fiscal year 2001, $110,000,000 for fiscal year 2002, and $114,000,000 for fiscal year 2003.

''(b) CONTRACT AUTHORITY.—Funds authorized under this section shall be available for obligation in the same manner as if the funds were apportioned under chapter 1, except that—

''(1) any Federal share of the cost of an activity under this chapter shall be determined in accordance with this chapter; and

''(2) the funds shall remain available for obligation for a period of 4 years after the last day of the fiscal year for which the funds are authorized.

''(c) LIMITATIONS ON OBLIGATIONS.—Notwithstanding any other provision of law, the total amount of all obligations under subsection (a) shall not exceed—

''(1) $98,000,000 for fiscal year 1998;
''(2) $101,000,000 for fiscal year 1999;
''(3) $104,000,000 for fiscal year 2000;
''(4) $107,000,000 for fiscal year 2001;
''(5) $110,000,000 for fiscal year 2002; and
''(6) $114,000,000 for fiscal year 2003.''.

NOTICE OF HEARING

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MURKOWSKI. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Full Energy and Natural Resources Committee to consider the following measures:

S. 1100—To amend the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America, the legislation approving such covenant, and for other purposes.

S. 1275—To implement further the Act (Public Law 94–241) approving the Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America, and for other purposes.

The hearing will take place on Tuesday, March 31, 1998, at 9:30 A.M. in room SD–366 of the Dirksen Senate Office Building.

For further information, please call Betty Nevitt, Staff Assistant at (202) 224–0765.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. CHAFEE. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on Thursday, February 26, 1998, at 9:45 a.m. on tobacco legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. CHAFEE. Mr. President, the Finance Committee requests unanimous consent to conduct a hearing on Thursday, February 26, 1998 beginning at 10:00 a.m. in room 215 Dirksen.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON INDIAN AFFAIRS

Mr. CHAFEE. Mr. President, I ask unanimous consent that the Senate Committee on Indian Affairs be authorized to meet during the session of the Senate on Thursday, February 26th, 1998 at 11:00 a.m. in room 562 of the Dirksen Senate Building to conduct hearings the President's FY '99 Budget Request for Indian programs.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. CHAFEE. Mr. President, I ask unanimous consent that the Committee on the Judiciary, be authorized to hold an executive business meeting during the session of the Senate on Thursday, February 26, 1998, at 10:30 a.m. in room 226 of the Senate Dirksen Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. CHAFEE. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet for a hearing on Health Care Information Confidentiality during the session of the Senate on Thursday, February 26, 1998, at 9:30 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON RULES AND ADMINISTRATION

Mr. CHAFEE. Mr. President, I ask unanimous consent that the Committee on Rules and Administration be authorized to meet during the session of the Senate on Thursday, February 26, 1998 beginning at 9:30 a.m. until business is completed, to receive testimony on S. 1578, and to hold an oversight hearing on the budget requests and operations of the Government Printing Office, the National Gallery of Art, and the Congressional Research Service.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. CHAFEE. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, February 26, 1998 at 2:30 p.m. to hold a closed hearing on Intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON ANTITRUST, BUSINESS RIGHTS, AND COMPETITION

Mr. CHAFEE. Mr. President, I ask unanimous consent that the Subcommittee on Antitrust, Business Rights, and Competition, of the Senate Judiciary Committee, be authorized to meet during the session of the Senate on Thursday, February 26, 1998 at 2:00 p.m. to hold a hearing in room 226, Senate Dirksen Building, on: ''Oversight of Antitrust Division of the Department of Justice: International and Criminal Enforcement.''

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON AVIATION

Mr. CHAFEE. Mr. President, I ask unanimous consent that the Aviation Subcommittee of the Committee on Commerce, Science, and Transportation be authorized to meet on Thursday, February 26, 1998, at 2:00 p.m. on Air Traffic Control.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON EAST ASIAN AFFAIRS

Mr. CHAFEE. Mr. President, I ask unanimous consent that the Subcommittee on East Asian Affairs of the

Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, February 26, 1998 at 10:00 a.m. to hold a hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON INTERNATIONAL SECURITY, PROLIFERATION, AND FEDERAL SERVICES

Mr. CHAFEE. Mr. President, I ask unanimous consent on behalf of the Subcommittee on International Security, Proliferation, and Federal Services of the Governmental Affairs Committee to meet on Thursday, February 26, 1998, at 2:00 p.m. for a hearing on S. 1495, The Merit Systems Protection Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT, RESTRUCTURING, AND THE DISTRICT OF COLUMBIA

Mr. CHAFEE. Mr. President, I ask unanimous consent on behalf of the Governmental Affairs Subcommittee on Oversight of Government Management, Restructuring, and the District of Columbia, to meet on Thursday, February 26, 1998, at 9:00 a.m. for a hearing on ''Progress Report on the D.C. Public Schools.''

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON WESTERN HEMISPHERE AND PEACE CORPS AFFAIRS

Mr. CHAFEE. Mr. President, I ask unanimous consent that the Subcommittee on Western Hemisphere and Peace Corps Affairs of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, February 26, 1998, at 2:00 p.m. to hold a hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

FIFTY YEAR ANNIVERSARY OF THE NATIONAL HEART, LUNG, AND BLOOD INSTITUTE OF THE NATIONAL INSTITUTES OF HEALTH AND THE AMERICAN HEART ASSOCIATION

• Mr. FRIST. Mr. President, as we come to the end of what is recognized as National Heart Month, I would like to recognize and commend two outstanding organizations, which are celebrating their fiftieth anniversary this year. These organizations are the National Heart, Lung, and Blood Institute (NHLBI) of the National Institutes of Health (NIH) and the American Heart Association (AHA).

In 1948, President Truman signed the National Heart Act which established the National Heart, Lung and Blood Institute at the NIH. The mission of the NHLBI is to ''provide for research and control relating to diseases of the heart and circulation in a supreme endeavor to develop quickly more effective prevention, diagnosis, and treatment of such diseases.'' In reviewing their record over the past fifty years I am proud of the advances and investments the Institute has made in the area of biomedical research. To help in the prevention and diagnosis of heart disease, the NHLBI began research studies such as the Framingham Heart Studies which advanced the understanding of the risk factors for heart disease that are universally known today, but was critically lacking in 1948. These factors are of course high blood pressure, high blood cholesterol, smoking, obesity, diabetes and the lack of exercise. These studies led to the development of effective medications to control high blood pressure that have helped reduce deaths from ''brain attack'', commonly known as stroke. The NHLBI has also performed a critical role in the development of techniques to restore blood flow to the heart, including the use of ''clot-busting'' drugs. These developments have cut the average length of hospitalization for a heart attack to under ten days.

The NHLBI has also made significant progress in lung and blood research. The programs helped protect the health of our children through the work on prevention and treatment of neonatal respiratory distress syndrome and new techniques for treating asthma. Blood research at NHLBI led to the establishment of the Comprehensive Sickle Cell Center in 1972 to continue its work to cure sickle cell anemia. They have also laid the ground work for advances in the management of blood resources, including the storage and preservation of denoted blood, blood type matching, bone marrow transplantation, and enabling safe blood transfusions and more successful organ transplantations.

As one who has devoted his life to medicine, and even more specifically to heart surgery and transplantation, I can tell you, without the NHLBI leading the way, many of the treatments for heart and pulmonary disease we take for granted today would not have been possible or would still be in development. To understand the impact of the last fifty years, let me relay a few statistics. In the fifty years since the establishment of the NHBLI, heart attacks have decreased by more than 50 percent and stroke by at least 66 percent.

However, to say that we have cardiovascular disease under control is a mistake. It is the number one killer in America, claiming 960,592 lives in 1995 or 1 out of every 2.4 deaths. In my own state of Tennessee for every 100,000 people living in the state, 220 died of cardiovascular diseases. The 1998 estimated annual cost of cardiovascular disease to the United States for health care expenses and lost productivity is $274 billion.

The American Heart Association, which I have had a long history of working with, has also played a tremendous role in fighting heart disease by investing in research, education and community service programs. Founded in 1948 the AHA held the first national conference on cardiovascular disease in 1950. Throughout the past fifty years, the AHA has been funding important research projects. Some examples of early breakthroughs that are attributed to the AHA is the first open heart surgery in 1953, and the implantation of the first externally powered pacemaker in 1957. The AHA has continued supporting research and most recently funded the 1992 Nobel Prize winner Dr. Edwin Krebs whose research on how proteins are switched on to perform functions within cells has helped scientists understand organ transplantation rejection.

In the areas of public education and community service, I would like to single out the American Heart Association efforts in starting the education of ''closed chest cardiac pulmonary resuscitation'', known as CPR in 1960 and their first public health campaign on the early warning signs of heart disease begun in 1970. Currently the AHA is focusing on women and heart disease, dispelling the myth that it is a man's disease. They point out that since 1984 the number of cardiovascular disease deaths for females has exceeded those of males and that in 1995 over half a million women died of heart disease, which was 50,000 more than men. Coronary heart disease is the number one killer of American women and claims more lives than the leading 16 causes of death combined and almost twice as many as all forms of cancer.

As they reach their fiftieth year, the NHLBI and AHA can look back with pride on the remarkable achievements in treating cardiovascular diseases. However, they will be the first ones to tell you that more can and needs to be done. In the next fifty years, the future of biomedical research into areas of heart disease is very promising. Molecular genetic approaches are emerging as a powerful tool of understanding the causes of disease and for developing diagnostic tests and effective drug therapies. In fact, genetic defects have already been discovered that have been shown to indicate an increased risk of high blood pressure. More extensive investigation of genetic susceptibility for heart disease may lead to new treatments and may even reveal ways to reverse the progression of these diseases.

Gene therapy, in which patients with a defective gene receive copies of a healthy gene, is still in the experimental stage. However recent successes in gene-based therapy, such as gene-based stimulation of new blood vessels around a blocked artery, show how close we are to putting gene-based therapies into practice. There is also important NHLBI research occurring to look at new ways to reduce the risk of immune rejection and graft-verses-host disease in bone marrow and organ transplantation.

Mr. President, today I recognize the past fifty years of achievement of the National Heart Lung and Blood Institute and American Heart Association on an issue that is of tremendous importance not just to me as a heart and lung transplant surgeon, but to all citizens. Through their efforts we are more

aware of the dangers and causes of heart disease. Through their efforts we are more prepared to fight cardiovascular disease and are armed with more effective treatments that continue to be developed. Based on the demonstrated history of dedication by these organizations and how far we have come in fighting cardiovascular disease, I look to the next fifty years with optimism and anticipation of what science will accomplish in building on the solid foundation begun in 1948.●

FEDERAL EMPLOYEE PAY FAIRNESS ACT

● Mr. SARBANES. Mr. President, yesterday, I joined with my colleagues, Senators MIKULSKI, WARNER, and ROBB in introducing S. 1679, the Federal Employee Pay Fairness Act of 1998, legislation that will seek to ensure pay equity for our Nation's civil servants.

In 1990, Congress and then-President Bush approved the Federal Employees Pay Comparability Act of 1990 (FEPCA), legislation which governs the pay system for all general schedule Federal employees—nearly 76% of the workforce in the Executive Branch. Recognizing that Federal employees' salaries have trailed those of their private sector counterparts by an much as 30%, this law was enacted in order to bring Federal employees toward comparability with the non-federal rates that prevail in different localities across the country.

The law set in motion a schedule to close 20% of the pay gap in 1994 and an additional 10% each year thereafter through 2002 to bring Federal salaries within 5% of their private sector counterparts. Each year, the President's Pay Agent makes a recommendation to the President as to what the rates should be in order to comply with FEPCA and remain on schedule to reach comparability by 2002. However, the law also grants the President the authority to override this schedule and set the pay adjustments annually. Since 1994, FEPCA has never been fully implemented. In fact, in 1994, 1995, 1996 and 1998, Federal workers received a reduced annual adjustment, and fully locality payments have never been provided. Thus, instead of facing a 30% pay gap in 1999 as FEPCA would have allowed, we actually face a 69.3% gap today.

The President has the authority under FEPCA to deviate from the Pay Agent's recommendation ''because of national emergency or serious economic conditions.'' Although FEPCA cites consideration of pertinent economic measures such as the GNP, unemployment rate, budget deficit, and CIP, it does not define what constitutes a ''serious economic condition.'' In fact, despite the record economic growth, low unemployment, and reduced budget deficits of the past five years, the President continues to cite ''serious economic conditions'' each year when he deviates from the FEPCA-recommended pay levels and proposes a lower pay plan.

Our bill, a companion to legislation introduced by Congressman HOYER and others in the House, would change ''serious economic conditions'' to ''severe economic conditions'' and define ''severe economic conditions'' to clearly indicate when the President can exercise his authority over the pay schedule. Simply put, a ''severe economic condition'' is defined in the bill as ''two consecutive quarters of negative growth in the real Gross Domestic Product''; the definition of recession most commonly used by economists. By providing an objective, rather than a subjective standard, this legislation will ensure that our Federal employees receive a fair and adequate pay level, as set out in current law.

Mr. President, over the years, Federal employees have made significant sacrifices in the name of deficit reduction. The Federal government is currently on target to downsize by more than 272,000 employees by 1999, and according to the Office of Personnel Management, has already reduced the number of Federal workers by more than 254,000 as of September, 1997. Additionally, these employees have persevered despite numerous attacks on their pay and earned benefits and the denigration by some in this body during the government shutdowns of 1995 and 1996. Through it all, Federal employees have continued to provide the high quality of service the American public has come to know and expect.

Now, in order to maintain the high quality of service the American people have come to expect, we need to be able to recruit and retain the most qualified and competent employees. Certainly, if we are to expect more from our Federal workforce, if these very dedicated individuals have to do more with less during this time of downsizing, then we should ensure a rate of pay comparable to what they could get in the private sector. Federal employees and the public they serve deserve no less.

Mr. President, as one who firmly believes in value of a first-rate public service, I urge my colleagues to join me in support of this important legislation to provide pay equity for America's Federal worker.

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

The text of the bill follows:

S. 1679

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 ''Federal Employee Pay Fairness Act of 1998''.

SEC. 2. LIMITATION ON AUTHORITY TO PROVIDE FOR AN ALTERNATIVE PAY PLAN.

(a) IN GENERAL.—Paragraph (1) of section 5303(b) of title 5, United States Code, is amended by striking ''If, because of national emergency or serious economic conditions affecting the general welfare,'' and inserting ''If, because of a declared state of war or severe economic conditions,''.

(b) SEVERE ECONOMIC CONDITIONS DEFINED.—Section 5303(b) of title 5, United States Code, is amended by adding at the end the following:

''(4) For purposes of applying this subsection with respect to any pay adjustment that is to take effect in any calendar year, 'severe economic conditions' shall be considered to exist if, during the 12-month period ending 2 calendar quarters before the date as of which such adjustment is scheduled to take effect (as determined under subsection (a)), there occur 2 consecutive quarters of negative growth in the real Gross Domestic Product.''.

(c) CONFORMING AMENDMENT.—Paragraph (2) of section 5303(b) of title 5, United States Code, is amended by striking ''an economic condition affecting the general welfare under this subsection,'' and inserting ''economic conditions for purposes of this subsection,''.

SEC. 3. LIMITATION ON AUTHORITY TO PROVIDE FOR AN ALTERNATIVE LEVEL OF COMPARABILITY PAYMENTS.

(a) IN GENERAL.—Subsection (a) of section 5304a of title 5, United States Code, is amended by striking ''If, because of national emergency or serious economic conditions affecting the general welfare,'' and inserting ''If, because of a declared state of war or severe economic conditions,''.

(b) SEVERE ECONOMIC CONDITIONS DEFINED.—Section 5304a of title 5, United States Code, is amended by redesignating subsection (b) as subsection (c) and by inserting after subsection (a) the following:

''(b) For purposes of applying this section with respect to any comparability payments that are to become payable in any calendar year, 'severe economic conditions' shall be considered to exist if, during the 12-month period ending 2 calendar quarters before the date as of which such payments are scheduled to take effect (as determined under section 5304(d)(2)), there occur 2 consecutive quarters of negative growth in the real Gross Domestic Product.''.

SEC. 4. EFFECTIVE DATE.

(a) NEW STANDARDS APPLY STARTING WITH ANY ALTERNATIVE PAY PROPOSAL SCHEDULED TO TAKE EFFECT AFTER 1998.—The amendments made by this Act shall apply with respect to any alternative pay adjustments under section 5303(b) of title 5, United States Code, and any alternative level of comparability payments under section 5304a of such title 5, scheduled to take effect after 1998.

(b) TRANSITION PROVISIONS.—

(1) REVISED DEADLINE FOR ALTERNATIVE PAY PLAN REQUIRED TO BE SUBMITTED IN 1998.—For purposes of applying section 5303 of title 5, United States Code, with respect to any adjustment scheduled to take effect in calendar year 1999, subsection (b) of such section (as amended by section 2) shall be applied by substituting ''December 1'' for ''September 1'' in paragraph (1)(A) thereof.

(2) EFFECT OF AN ALTERNATIVE PAY PROPOSAL SUBMITTED BASED ON EARLIER STANDARDS.—Any plan or report submitted under the provisions of section 5303(b) or 5304a of title 5, United States Code, as applicable, relating to any alternative pay adjustments or alternative level of comparability payments proposed to take effect after 1998, if based on the standards specified in such provisions as in effect before the date of enactment of this Act—

(A) shall not be implemented; and

(B) shall not preclude the submission of any other plan or report under such provisions as amended by this Act.●

TRIBUTE TO HARRY CARAY

● Mr. BOND. Mr. President. I rise today to pay tribute to the late Harry

Caray. Last week baseball lost one of its legends, but Harry's memory and spirit will live on for many years in the hearts of his fans.

Harry grew up in my home State of Missouri, an orphan in St. Louis. Although he finished with the Chicago Cubs, Harry started his memorable career with the St. Louis Cardinals announcing for the organization for twenty-five years. Harry never left our hearts when he left to go to Chicago. I grew up listening to his undying energy and remember that he was an integral part of my developing a love of the sport.

We will best remember Harry for his rendition of ''Take me out to the Ball game,'' his ''Holy Cow!'' and of course his pronunciation or perhaps mispronunciation of several players. I hope that people know that he brought a lot more to the game than just those things. He could bring excitement to a dull game and was as unpredictable as he was brash. People of all ages felt as though they were part of the game when Harry was announcing. Fans everywhere, myself included, will miss him.●

1998 PRUDENTIAL SPIRIT OF COMMUNITY AWARDS

● Mr. ROCKEFELLER. Mr. President, today I am proud to congratulate and honor two West Virginia students for their unselfish and outstanding volunteer service in their communities. Mark Jones of North Marion High School in Farmington and Tasha Daft of Mannington Middle School in Mannington have been named State Honorees in the 1998 Prudential Spirit of Community Awards program, an honor conferred on only one high school and one middle-level student in each state, the District of Columbia, and Puerto Rico.

These young volunteers, Mark and Tasha are true inspirations to all of us. They are our future, and they are diligently working to ensure the preservation of their communities as insurance for a better tomorrow.

The program that brought these young role models to our attention, The Prudential Spirit of Communities Awards, was created by The Prudential Insurance Company of America in partnership with the National Association of Secondary School Principals in 1995 to impress upon all youth volunteers that their contributions are critically important and highly valued, and to inspire other young people to follow their example.

Mark is seen throughout his community as Cowboy Dave, his stage persona, sending a drug free message to youngsters. Since 1996, he has reached nearly 1,300 students speaking about drug and tobacco prevention. Tasha is the creator of the ''Flower Power,'' ''Trash, Treasure, Recycling,'' and ''Our World is Worth It'' projects. Through these she is able to help protect our earth and its inhabitants.

Mark and Tasha should be extremely proud to have been singled out from such a large group of dedicated volunteers. As part of their recognition, they will come to Washington in early May for several days of special events including a Congressional breakfast reception on Capitol Hill.

I highly applaud Mark and Tasha for their act in seeking to make their home communities a better place to live. I would also like to salute four other young students in my state who were named Distinguished Finalists by the Prudential Spirit of Community Awards for their volunteer service. They are : Lisa Taylor of Ansted; Ryan Donovan of Williamson; Stephanie Cooper of Hambleton; and Heather Phillips of Winfield.

All of these young people have demonstrated a level of commitment that is extraordinary and deserve our sincere admiration and respect. Their actions show how important young people are to our community and the valued asset they are to our world and future.●

EDUCATIONAL ACHIEVEMENT

● Mr. LUGAR. Mr. President, I rise today to congratulate a group of young Indiana students who have shown great educative achievement. I would like to bring to the attention of my colleagues the winners of the 1997–1998 Eighth Grade Youth Essay Contest which I sponsored in association with the Indiana Farm Bureau and Bank One of Indianapolis. These students have displayed strong writing abilities and have proven themselves to be outstanding young Hoosier scholars. I submit their names for the CONGRESSIONAL RECORD because they demonstrate the capabilities of today's students and are fine representatives of our Nation.

This year, Hoosier students wrote on the theme, ''Hoosier Farmers—Feeding the World, Protecting the Land.'' Students were encouraged to consider and creatively express the role Hoosier farmers play in feeding the world's population. I ask to have printed in the RECORD the winning essays of Jamie Ann Boone of Hamilton County and Ben Wicker of Rush County. As state winners of the Youth Essay Contest, these two outstanding students are being recognized on Friday, February 27, 1998 during a visit to our Nation's Capitol.

The essays follow:

HOOSIER FARMERS—FEEDING THE WORLD, PROTECTING THE LAND

(By Jamie Boone, Hamilton County)

The Time: Oct. 10, 2025

The Place: Wayne Township, Hamilton County, Indiana, Planet Earth

The Farmer: Jamie Ann Boone, Age 41

All of my crops are being planted and harvested by the use of robotics engineering. Using the latest updated global positioning technology, yield monitors, and variable rate technology I am able to plant, fertilize, water, and harvest my crops from inside my computer control room.

This type of precision farming has provided farmers of the 21st century with an abundant amount of information. We are now able to predict yields and verify soil types, balance nutrient levels, and control weed pressures without even leaving our home.

Today each farmer feeds himself and 198 other people. Farmers of my parents' day in the 1990's fed 116 people. There are fewer farmers and less farm ground, but due to conservation and technology we are still able to feed the world. No-till practices, resistant seed varieties, lower chemical and insecticide rates that were begun in the 1980's and 1990's have led to the use of all organochemicals and new super resistant varieties of 2025.

Action taken in the 1990's by my parents and their farm neighbors to protect what little agriculture land that was left has provided for me and two other young farmers to farm Hamilton County's ground. This farm group lobbied to protectively zone all remaining tillable acres in 1998 for farm use only. This was necessary because urban sprawl from Indianapolis was rapidly and uncontrollably eating up farm land. In order to provide for the future food and feed needs of the world, something had to be done. My parents got farmers in our area and then across the nation to take similar action to preserve the land.

Today, in 2025, we ship high oil corn, soybeans, oil and meal, tofu beans, canola for oil, and white and yellow corn in large quantities from less ground than ever before. Our Hoosier products go to China, Russia, Japan, India, Europe, Mexico, Egypt and many other countries. Global communication advances make it possible for me to market many of my products directly to global end users.

Encouragement from school, teachers, and farm parents kept me involved in agriculture. The reason I'm a farmer today is because of the clubs, 4–H, and FFA activities I got involved in when I was younger. Watching and them helping my parents take care of their ground made me proud to assume their role in feeding the world into the 21st century.

HOOSIER FARMERS—FEEDING THE WORLD, PROTECTING THE FUTURE

(By Ben Wicker, Rush County)

Corn and Soybeans growing side by side in the fields, cattle grazing in green pastures with hog bards in the distance . . . Welcome to Indiana!

Indiana farmers have been feeding the world for hundreds of years. Early settlers grew only what they needed for their survival. Hoosier farmers have expanded their acres and markets through the years to include domestic and world markets, primarily corn and soybeans.

The markets of tomorrow demand specialization. Already, many Hoosier farmers are adapting to this change. In 1997, ten percent of all corn acres had a special trait, like resistance to European corn borer or certain herbicides. It is estimated that those numbers will rise to twenty-five percent in 1998, and fifty percent in 2000. Some of these special traits include high oil or white corn for specific food markets. This technology is linked to high yielding hybrids for more food producing ability.

One of the greatest technological advances for agricultural has been Global Positioning Systems (GPS). GPS ensures proper placement of fertilizers, chemicals, and other crop inputs. Farmers have used this technology in conjunction with a combination of no-till, minimum till, and conventional tillage to provide the best protection for Indiana topsoil. Other conservation practices such as grassed waterways and buffer strips along

waterways help reduce soil loss to erosion. Indiana is rapidly becoming urbanized. Around the larger cities, land prices are rising, housing developments are spreading, and farm land is being destroyed by development. Indiana farmers have a responsibility to protect and preserve Indiana's prime farmland.

The conservation of Indiana's most productive land and the continuation of high yielding traditions are important to the future of Indiana agriculture. If we do not save the land now, how will future generations of Hoosier farmers carry on the tradition of feeding the world?

1997–98 District Winners

District 1: Jennifer Claypool, Rajiv Kumar
District 2: Brittney Hess, Kit Venderley
District 3: Tara Wireman, Russell Trudeau
District 4: Candace Northam, Bradley Rice
District 5: Kathryn Haselden
District 6: Jamie Ann Boone, Andrew Twibell
District 7: Courtney Reynolds, Scott Dugan
District 8: Mary Jean Word, Ben Wicker
District 9: Jessie Borden, Matthew Bender
District 10: Chandra Smith, Dusty Daulton

1997–98 County Winners

Allen: Zachory Veit, Brittney Hess
Cass: Aaron Tribby, Tara Wireman
Dearborn: Danny Powell, Elizabeth Sedler
Delaware: Andrew Twibell, Katherine Riley
Fayette: Mary Jean Word
Franklin: Chad Meyer, Kelsey Kaiser
Hamilton: Luke Nelson, Jamie Ann Boone
Hancock: Justin Christopher
Hendricks: Kathryn Haselden
Jasper: Bryron Courtright, Kara Kohlhagen
Jay: Justin Knapke, Candace Northam
Jefferson: Dusty Daulton
Lake: Mike Dlugokinski, Megan Kabella
LaPorte: Laurie Marsh
Marion: Chris Shaw, Rachel Grounds
Martin: Courtney Reynolds
Newton: Russell Trudeau, Amanda Chamberlan
Porter: Rajiv Kumar, Jennifer Claypool
Posey: Jacob Eisterhold, Ellen Herrenbruck
Rush: Ben Wicker
St. Joseph: Keegan Boucek, Megan Bauer
Spencer: Crystal Foertsch
Steuben: Kit Venderley, Jamie Brunner
Sullivan: Scott Dugan, Ash Lynn Thompson
Vermillion: Ashley Hughes
Vigo: Amy Jackson
Wabash: Bradley Rice, Sarah Andersen
Warrick: Matthew Bender, Jessie Borden
Washington: Jeremy Givens, Chandra Smith
Wayne: Christopher Cope Nicholson, Lynn Hamilton
Wells: John Stauffer, Lindsay Leas
Whitley: Derek Leininger.●

IN RECOGNITION OF BEN HALPERN

● Mr. LEVIN. Mr. President, today is the 100th birthday of a very distinguished citizen of Michigan.

Benjamin Halpern was born in Poland 100 years ago today. His story, in one sense, is the story of many immigrants who came to this land seeking safety and freedom and opportunity.

He and his wife, Esther, worked hard, raised a wonderful family, and contributed to the strength of the country which gave him so much, including utilizing his amazing language skills to help immigrants to adjust and adapt and become productive citizens, and supporting a number of charitable and community organizations.

Many of his and Esther's family were destroyed in the Holocaust. But they and part of their families did more than survive: they persevered, and in the process, helped preserve values of family and community which so characterize the ancient Jewish people of which they are so proudly a part. Along the way, his sense of humor has brought cheer to multitudes.

This wonderful man happens to be my wife Barbara's father, and three of his loving grandchildren are our daughters Kate, Laura and Erica.

They and Barbara's brothers, Irving and Daniel, and many other family members and a host of friends will be soon gathering together to say Mazel Tov to Ben as he heads toward the next millennium, when he will be well into his second century and the third century that he will have touched.●

RHINO AND TIGER PRODUCT LABELING ACT

● Mr. ABRAHAM. Mr. President, I rise today to express my support for Senate Bill 361, the ''Rhino and Tiger Product Labeling Act.'' This legislation is desperately needed and I thank my friend and colleague Senator JEFFORDS for introducing it in the Senate.

The Rhino and Tiger Product Labeling Act amends the Endangered Species Act to prohibit the sale of products labeled as containing endangered species, even if they actually do not. Rhino and Tiger parts are two of the more widely advertised ingredients in a number of powders and balms which claim to cure a host of ailments. None of these claims is supported by scientific research, nevertheless, demand for these ingredients has encouraged the widespread poaching of these endangered animals and threatens their existence.

As I understand it, the world's population of rhinos has declined by 90 percent since 1970, and tigers populations are even more threatened. Today, less than 5,000 remain in the world. The greatest threat to many of these animals in the wild is the poacher, and poaching thrives in part because the demand for products containing rhino horn, tiger parts and others remains high.

A U.S. ban on all wares containing, and claiming to contain, parts of endangered species will greatly reduce the size of the world markets. This should lower the value of these animals and, I hope, stimulate their recovery. I am pleased to hear that the House is moving forward on a similar bill and trust that the Congress will soon send legislation addressing this problem to the White House.●

COMMEMORATING THE HEROIC ACTIONS OF DESRON 61

● Mr. JOHNSON. Mr. President, I rise today to commemorate the heroic actions of DesRon 61. DesRon 61 consisted of 9 U.S. destroyers which participated in the only surface action in Tokyo Bay during World War II. As part of Admiral William ''Bull'' Halsey's Task Group 38.1, DesRon 61 entered Tokyo Bay on July 22, 1945 and proceeded to engage a Japanese convoy which was attempting to leave the bay undetected. Under the command of Captain T.H. Hederman, DesRon 61 opened fire on the convoy sinking several Japanese ships and forcing the convoy to retreat back into Tokyo Bay.

All of us, as Americans, owe a great debt of gratitude to those who served our nation with such dedication and patriotism. Our losses in World War II, especially in the Pacific Theater, were considerable, and we always should remember the brave men and women who fought to defend the freedom and liberty that is so precious to all of us. Mr. President, I would like to commend and thank the crew members of DesRon 61 for their valiant service. Their action that July night, as well as the heroic deeds of all our armed forces in the Pacific, helped defeat the Japanese empire and restore freedom in that theater of the world.●

AUSTIN DABNEY

● Mr. CLELAND. Mr. President, as we near the end of Black History Month, I wanted to take this opportunity to recognize the bravery, patriotism and service of one of Georgia's Revolutionary war heroes. Austin Dabney served in the Revolutionary War and was wounded in 1779, in the Battle of Kettle Creek, one of the most difficult and bloodiest battles fought in Georgia. Austin Dabney was a slave brought to Wilkes County, Georgia by a man named Richard Aycock. Dabney was granted freedom in order to serve in the war in his master's place, as an artilleryman in Colonel Elijah Clark's corps.

In the Battle of Kettle Creek, Dabney was seriously wounded by a shot through his thigh. His life was saved by a white soldier named Giles Harris, who took the soldier to his home and nursed him back to health. To show his gratitude to the Harris family, Dabney worked for them for the rest of his life, living with them in Madison, Newton and Pike Counties. Dabney's devotion to the Harris family didn't stop there. Dabney used money from his own pocket to send Harris's son through college, and even made arrangements for the son's legal training.

In 1786, the Georgia Legislature emancipated Dabney to prevent his former master from seizing him as a slave to benefit from the soldier's fame. Despite Dabney's veteran status with pension, because he was black, he was denied the opportunity to enter the land lottery for Revolutionary veterans in 1819. The Georgia legislature voted in 1821 to grant 112 acres of land for Dabney's ''bravery and fortitude,'' but that grant was bitterly contested with law suits. A land lot was finally granted to Dabney in 1824.

Austin Dabney and Giles Harris both illustrate an important lesson in American History. Divided racially but

brought together as soldiers, neighbors and devoted friends, they are examples of the great patriotic and democratic spirit that is the foundation our society. They are fitting examples of why it is important to learn and remember our complete American History.●

READ ACROSS AMERICA DAY

Mr. CHAFEE. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 317, S. Res. 181, reported today by the Judiciary Committee.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 181) expressing the sense of the Senate that on March 2nd, every child in America should be in the company of someone who will read to him or her.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. CHAFEE. I ask unanimous consent, Mr. President, that the resolution and preamble be agreed to en bloc, the motion to reconsider be laid upon the table, and further, that any statements relating to the resolution be printed in the RECORD at the appropriate place.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolution (S. Res. 181) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 181

Whereas reading is a basic skill for a quality education, a requirement for a successful life's work, and a source of pleasure throughout life;

Whereas reading ability is essential to our nation's ability to remain competitive in a global economy;

Whereas the American Library Association, the National Family Literacy Council, the National Association of Elementary School Principals, Reading Is Fundamental, the International Reading Association, the Boys and Girls Clubs of America, and others have joined with the National Education Association to use March 2nd as a national day to celebrate reading: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) March 2nd, 1998 shall be known as ''Read Across America Day'' to focus on the basic component of learning; and

(2) every child should be in the company of someone who will read to him or her on March 2nd, Dr. Seuss's birthday; and

(3) the success of Dr. Seuss and many others like him in encouraging children to discover the joy of books is applauded; and

(4) all parents are encouraged to read with their children for at least one half hour on March 2nd in honor of Dr. Seuss to help us realize the goal of having the best readers in the world.

APPOINTMENT BY THE MAJORITY LEADER

The PRESIDING OFFICER. The Chair announces, on behalf of the Majority Leader, pursuant to Public Law 105–83, his appointment of the following Senators to serve as members of the National Council on the Arts: The Senator from Alabama (Mr. SESSIONS), and the Senator from Maine (Ms. COLLINS).

DESIGNATING 1998 AS THE ''ONATE CUARTOCENTENARIO,'' THE 400TH ANNIVERSARY COMMEMORATION OF THE FIRST PERMANENT SPANISH SETTLEMENT IN NEW MEXICO

Mr. CHAFEE. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 306, S. Res. 148.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 148) designating 1998 as the ''Onate Cuartocentenario,'' the 400th anniversary commemoration of the first permanent Spanish settlement in New Mexico.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution, which had been reported from the Committee on the Judiciary with an amendment, as follows:

Whereas Don Juan de Oñate of Spain settled the first permanent colony of Europeans in the Southwest Region of the United States, known as San Gabriel de Los Españoles, and located near modern day San Juan Pueblo and Española, New Mexico;

Whereas the first Spanish capital was established at San Juan de los Caballeros in July of 1598, predating the English settlement of Jamestown in 1610 by 12 years;

Whereas Spanish exploration activity in the New World began in 1512 when Ponce de León explored the Florida peninsula, and included the explorations of Francisco Coronado throughout California to Kansas and across Arizona, New Mexico, Texas, and Oklahoma from 1540 to 1542;

Whereas the major Spanish settlement efforts were focused in modern day Florida and New Mexico, and 1998 marks the 400th anniversary of the first permanent settlement in New Mexico, referred to as the Cuartocentenario;

Whereas Hispanic Americans are the fastest growing minority group in the United States and include descendants of the Spanish, Mexican, Cuban, Puerto Rican, Central American, and other Hispanic peoples;

Whereas the United States Census Bureau estimated in March 1993 that the Hispanic population of the United States was 22,800,000; the current estimate of the Hispanic population in the United States is 26,000,000, with projections of 30,000,000 by the year 2000, 40,000,000 by 2010, and almost 60,000,000 (or 20 percent of the total United States population) by the year 2030;

Whereas the number of Hispanic immigrants to the United States has increased from 1,500,000 in the 1960's, to 2,400,000 in the 1970's, to 4,500,000 in the 1980's, and the number of Hispanic immigrants is expected to continue to rise;

Whereas two-thirds of all Hispanics in the United States today are of Mexican origin, and 70 percent of United States Hispanics live in 4 States: California, Texas, New York, and Florida;

Whereas New Mexico's Hispanic population is 39 percent (or over 660,000 of the 1995 total State population of 1,700,000) and represents the highest percentage of Hispanics in any State in the United States;

Whereas the United States has an enriched legacy of Hispanic influence in politics, government, business, and culture due to the early settlements and continuous influx of Hispanics into the United States;

Whereas the New Mexico State Government has funded a Hispanic Cultural Center in Albuquerque, New Mexico, with assistance from the Federal Government, local governments, and private contributions, to celebrate and preserve Hispanic culture including literature, performing arts, visual arts, music, culinary arts, and language arts;

Whereas the Archbishop of Santa Fe, Michael Sheehan, is planning events throughout 1998 in New Mexico, including the opening of ''Jubilee year'', an encuentro at Santo Domingo Pueblo to mark the meeting of the missionaries with the Pueblo peoples, an Archdiocesan reconciliation service at the Santuario de Chimayo, and an Archdiocesan celebration of St. Francis of Assisi in Santa Fe;

Whereas in order to commemorate Don Juan de Oñate's arrival, the city of Española will have a fiesta in July 1998, the city of Santa Fe is planning several special events, and the New Mexico statewide committee is planning a parade, a historical costume ball, and a pageant in Albuquerque; and

Whereas many other religious, educational, and social events are being planned around New Mexico to commemorate the 400th anniversary of the first permanent Spanish settlement in New Mexico: Now, therefore, be it

Resolved, That the Senate—

(1) designates the year 1998 as the ''New Mexico Cuartocentenario'' to commemorate the 400th anniversary of the first permanent Spanish settlement in New Mexico;

(2) recognizes the cultural and economic importance of the Spanish settlements throughout the Southwest Region of the United States;

(3) expresses its support for the work of the Española Plaza Foundation, the Santa Fe and Albuquerque Cuartocentenario committees, the Archdiocese of Santa Fe, the New Mexico Hispanic Cultural Center Board of Directors, the Hispanic Cultural Foundation Board of Trustees, as well as other interested groups that are preparing New Mexico Cuartocentenario activities;

(4) expresses its support for the events to be held in New Mexico and the Southwest in observance of the New Mexico Cuartocentenario;

(5) requests that the President issue a proclamation—

(A) declaring 1998 as the ''New Mexico Cuartocentenario'' to commemorate the 400th anniversary of the first permanent Spanish settlement in New Mexico; and

(B) calling on the people of the United States and interested groups to observe the year with appropriate ceremonies, activities, and programs to honor and celebrate the contributions of Hispanic people to the cultural and economic life of the United States; and

(6) calls upon the people of the United States to support, promote, and participate in the many New Mexico Cuartocentenario activities being planned to commemorate the historic event of the early settling of the Southwest Region of the United States by the Spanish.

Mr. DOMENICI. Mr. President, this year New Mexico is commemorating

the 400th anniversary of its first Spanish Settlement. In 1598, the first Spanish expedition arrived from Santa Barbara, Mexico, and settled near San Juan Pueblo in the Española valley.

The Spanish settlement of New Mexico in 1598 predates the Pilgrims' landing at Plymouth Rock in 1620, by 22 years. It also predates the settlement of Jamestown in 1607 by 9 years.

New Mexicans are exploring their roots with a renewed interest. The Pueblo Indians of New Mexico helped the Spanish to survive and flourish. The Spanish brought new crops, mining, weaving, cattle and other livestock, Christianity, and Spanish government.

Although the history of two cultures meeting in New Mexico has had its difficult times, such as the Pueblo Revolt of 1680, New Mexico is today known for its harmonious intercultural life, including much intermarriage.

Mr. President, I am proud to have 60 cosponsors of this resolution. Senator LOTT, the Senate Majority Leader, and Senator DASCHLE, the Senate Minority Leader, are both original cosponsors of this resolution.

This year we commemorate the brave and adventurous Spanish families who first set roots in the beautiful Land of Enchantment. By commemorating these early events, we are also honoring the important cultural, political, and economic contributions those Spanish families and their descendants have made to enrich our state and nation.

The Oñate expedition was part of a large Spanish effort to expand the Spanish Empire, convert more people to Christianity, and find great wealth in the New World. There was great excitement at the beginning of the 16th Century about these prospects.

Spaniards like Hernán Cortés and Francisco Pizzaro (cousins from Medellí ín and Cuidad Trujillo) left Spain in the early 1500's to seek their fortunes and spread the glory of Spain.

When Mayan gold was taken back to Spain from the Yucatan Peninsula of Mexico in 1517 by Hernandez de Córdoba, it fueled the fires of the Spanish enthusiasm for finding the legendary Seven Cities of Gold in the New World.

Spanish explorers like Poncé de León, Francisco Coronado, and Don Juan de Oñate explored modern-day America from Florida to California.

Some 400 Spanish settlers were led by Don Juan de Oñate from Santa Barbara, Mexico, through El Paso to San Juan Pueblo (named by Oñate for John the Baptist). The soldiers, priests, laymen, families, servants and their 83 wagons and 7,000 animals formed a 2 to 4 mile-long caravan as they journeyed up the Rio Grande.

When they arrived at San Juan Pueblo on July 11, 1598, they established the first Spanish capital in the New World. They built the San Gabriel chapel and convento. Today, a beautiful replica of the San Gabriel chapel stands in the Española Plaza.

It is well known that the Spanish people founded the oldest cities in America. First, St. Augustine, Florida was founded in 1565, followed by Santa Fe, New Mexico, the second oldest city in what is now the United States. In 1610, Santa Fe was named the capital of New Mexico making it the oldest capital city in America today.

Before Santa Fe became the capital of the New Mexico territory, the San Gabriel mission served as the first Spanish Capital of New Mexico, beginning in 1598. San Gabriel is at San Juan Pueblo where the Rio Chama meets the Rio Grande. Its Indian name was Yunge Oweenge.

The designation and renaming of this site by its first Governor, Don Juan de Oñate, as San Gabriel del Yunge Oweenge marks the first permanent Spanish settlement in the west.

1998 marks the 400th Anniversary of the founding of San Gabriel del Yunge Oweenge in the Española Valley of present-day New Mexico.

This resolution highlights the importance of the Spanish explorations in America and pays tribute to the growing population of Hispanics who are anticipated to be twenty percent of our national population by the year 2030, with a projected population of 60 million Hispanics. Two-thirds of the 26 million Hispanics in America (who make up eleven percent of our population today) are of Mexican origin, and 70 percent of Hispanics live in 4 states: California, Texas, New York, and Florida.

New Mexico has the highest percentage of Hispanics at 39 percent or about 660,000 residents out of a total 1995 state population of 1.7 million. Albuquerque, New Mexico, will be the site of a new Hispanic Cultural Center to celebrate and preserve Hispanic culture including literature, performing arts, visual arts, music, culinary arts, and language arts.

New Mexico will be the center of many exciting events throughout the year to commemorate this important historic milestone. New Mexicans are looking forward to fiestas, balls, parades, and other stimulating events to mark this historic occasion.

The Archbishop of Santa Fe will be opening a Jubilee year in January. Among other events, he will hold an encuentro at Santo Domingo Pueblo to mark the meeting of the missionaries with the Pueblo Peoples.

The City of Española will have a fiesta in July to commemorate the actual arrival of the Spanish into the area. Santa Fe, Las Vegas, Taos, Socorro, Aztec, Albuquerque, and other New Mexico towns and cities will be holding such special events as fiestas, historic reenactments, a State Fair Pageant, an historic Spanish costume ball, and parades. Seminars and lectures will abound.

State Fair pageant plans include a reenactment of De Vargas' reentry into New Mexico, a review of the Pueblo Revolt and its ramifications, life under the American flag during the middle to late 1800's, and a patriotic tribute to all Hispanics who have fought for the United States. This reentry spectacular will be performed twice before large New Mexico State Fair audiences. It will also be televised.

This resolution also asks the President to issue a proclamation declaring 1998 is a year to commemorate the arrival of Hispanics and celebrate their growth in importance in our nation's culture and economy.

This Senate Resolution calls upon the people of the United States to support, promote, and participate in the many New Mexico Cuarto-centenario activities being planned to commemorate the historic event of the first Spanish settlement in the Southwest Region of the United States.

Mr President, I thank my colleagues for their overwhelming support of Senate Resolution 148. This resolution designates 1998 as the ''New Mexico Cuartocentenario'' to commemorate the 400th anniversary of the first Spanish settlement in New Mexico.

Mr. CHAFEE. I ask unanimous consent that the committee amendment be agreed to, the resolution be agreed to, the amendment to the title be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the resolution appear at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The committee amendment was agreed to.

The resolution (S. Res. 148), as amended, was agreed to.

The title was amended so as to read:

A resolution designating 1998 as the 'New Mexico Cuartocentenario', the 400th anniversary commemoration of the first permanent Spanish settlement in New Mexico.

Mr. CHAFEE. 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. CHAFEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. CHAFEE. Mr. President, I ask unanimous consent that the Senate immediately proceed to executive session to consider the following nominations on the Executive Calendar: Calendar No. 506 and 507, and the nominations of Randall Dean Anderson and Robert Miller which were reported by the Judiciary Committee today, and I ask further unanimous consent that the nominations be confirmed, the motions to consider be laid upon the table, any statements relating to the nominations appear in the RECORD, the President be immediately notified of the Senate's

action, and the Senate then return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

DEPARTMENT OF JUSTICE

Beverly Baldwin Martin, of Georgia, to be United States Attorney for the Middle District of Georgia for the term of four years.

Hiram Arthur Contreras, of Texas, to be United States Marshal for the Southern District of Texas for the term of four years.

Randall Dean Anderson, of Utah, to be United States Marshall for the District of Utah for the term of four years.

Robert A. Miller, of South Dakota, to be a Member of the Board of Directors of the State Justice Institute for a term expiring September 17, 2000.

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will now return to legislative session.

ORDERS FOR FRIDAY, FEBRUARY 27, 1998

Mr. CHAFEE. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 9:30 a.m. on Friday, February 27, and immediately following the prayer, the routine requests through the morning hour be granted and there then be a period for morning business until 10 a.m., with Senators permitted to speak therein for up to 10 minutes each, with the following exception: Senator ASHCROFT, 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHAFEE. Mr. President, I ask unanimous consent that at the hour of 10 a.m., the Senate resume consideration of S. 1173, the ISTEA bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. CHAFEE. Mr. President, in conjunction with the previous unanimous consent agreements, tomorrow morning there will be a period of morning business for 30 minutes, followed by consideration of S. 1173, the so-called ISTEA legislation.

Mr. President, it is our hope that the Senate will be able to make good progress on this important legislation during Friday's session of the Senate. In addition, the Senate may consider any executive or legislative business cleared for floor action. Therefore, rollcall votes are possible during tomorrow's session.

Mr. President, it is my hope, as it is of the ranking member of the committee, that Senators will bring over their amendments tomorrow so that we can act upon them. There are a host of amendments out there. While it is true that we cannot consider amendments dealing with financial matters in connection with this legislation, there is a whole series of other amendments that are available for consideration if only the proponents of the amendments will come over and present them. I greatly hope that will take place tomorrow.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. CHAFEE. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 6:14 p.m., adjourned until Friday, February 27, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate February 26, 1998:

DEPARTMENT OF VETERANS AFFAIRS

EDWARD A. POWELL, JR., OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF VETERANS AFFAIRS (MANAGEMENT), VICE D. MARK CATLETT, RESIGNED.

DEPARTMENT OF COMMERCE

Q. TODD DICKINSON, OF PENNSYLVANIA, TO BE DEPUTY COMMISSIONER OF PATENTS AND TRADEMARKS, VICE MICHAEL KANE KIRK, RESIGNED.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 26, 1998:

DEPARTMENT OF JUSTICE

BEVERLY BALDWIN MARTIN, OF GEORGIA, TO BE UNITED STATES ATTORNEY FOR THE MIDDLE DISTRICT OF GEORGIA FOR THE TERM OF FOUR YEARS.

HIRAM ARTHUR CONTRERAS, OF TEXAS, TO BE UNITED STATES MARSHAL FOR THE SOUTHERN DISTRICT OF TEXAS FOR THE TERM OF FOUR YEARS.

STATE JUSTICE INSTITUTE

ROBERT A. MILLER, OF SOUTH DAKOTA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE STATE JUSTICE INSTITUTE FOR A TERM EXPIRING SEPTEMBER 17, 2000.

DEPARTMENT OF JUSTICE

RANDALL DEAN ANDERSON, OF UTAH, TO BE UNITED STATES MARSHAL FOR THE DISTRICT OF UTAH FOR THE TERM OF FOUR YEARS.

WITHDRAWAL

Executive message transmitted by the President to the Senate on February 26, 1998, withdrawing from further Senate consideration the following nomination:

FEDERAL AVIATION ADMINISTRATION

GEORGE DONOHUE, OF MARYLAND, TO BE DEPUTY ADMINISTRATOR OF THE FEDERAL AVIATION ADMINISTRATION, VICE LINDA HALL DASCHLE, WHICH WAS SENT TO THE SENATE ON JUNE 26, 1997.