RESOLUTION NO. 6

Whereas, the Aircraft Repair Station Safety Act of 1997 would provide for more stringent standards for certification of foreign repair stations by the Federal Aviation Administration and would revoke the certification of any repair facility that knowingly uses defective parts; and

Whereas, the Aircraft Repair Station Safety Act of 1997 would require all maintenance facilities, whether domestic or foreign, to adhere to the same safety and operating procedures; now, therefore, be it

Resolved by the Legislature of the State of Minnesota, That it urges the President and Congress of the United States to enact the Aircraft Repair Station Safety Act of 1997; be it further

Resolved, That the Secretary of State of the State of Minnesota is directed to prepare copies of this memorial and transmit them to the President and Vice-President of the United States, the President and the Secretary of the United States Senate, the Speaker and the Clerk of the United States House of Representatives, the chair of the Senate Committee on Commerce, Science, and Transportation, the chair of the House Committee on Transportation and Infrastructure, and Minnesota's Senators and Representatives in Congress.

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. THOMPSON (for himself and Mr. GLENN):

S. 2071. A bill to extend a quarterly financial report program administered by the Secretary of Commerce; to the Committee on Governmental Affairs.

By Mr. DOMENICI (for himself and Mr. FRIST):

S. 2072. A bill to amend the Internal Revenue Code of 1986 to enhance the global competitiveness of United States businesses by permanently extending the research credit, and for other purposes; to the Committee on Finance.

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

S. 2073. A bill to authorize appropriations for the National Center for Missing and Exploited Children; to the Committee on the Judiciary.

By Mr. WELLSTONE:

S. 2074. A bill to guarantee for all Americans quality, affordable, and comprehensive health care coverage; to the Committee on Finance.

By Mr. ASHCROFT (for himself and Mr. MCCONNELL):

S. 2075. A bill to provide for expedited review of executive privilege claims and to improve efficiency of independent counsel investigations; to the Committee on the Judiciary.

S. 2076. A bill to provide reporting requirements for the assertion of executive privilege, and for other purposes; to the Committee on the Judiciary.

By Mr. FORD (for himself, Mr. BOND, Mr. DORGAN, and Mr. LEAHY):

S. 2077. A bill to maximize the national security of the United States and minimize the cost by providing for increased use of the capabilities of the National Guard and other reserve components of the United States; to improve the readiness of the reserve components; to ensure that adequate resources are provided for the reserve components; and for other purposes; to the Committee on Armed Services.

By Mr. GRASSLEY (for himself, Mr. BAUCUS, Mr. ROBERTS, Mr. KERREY, Ms. MOSELEY-BRAUN, Mr. HAGEL, and Mr. ALLARD):

S. 2078. A bill to amend the Internal Revenue Code of 1986 to provide for Farm and Ranch Risk Management Accounts, and for other purposes; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. LOTT (for himself and Mr. DASCHLE):

S. Res. 230. A resolution to authorize the production of records by the Select Committee on Intelligence; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DOMENICI (for himself and Mr. FRIST):

S. 2072. A bill to amend the Internal Revenue Code of 1986 to enhance the global competitiveness of United States businesses by permanently extending the research credit, and for other purposes; to the Committee on Finance.

RESEARCH TAX CREDIT LEGISLATION

Mr. DOMENICI. Mr. President, advanced technologies drive a significant part of our nation's economic strength. Our economy and our wonderful standard of living depend on a constant influx of new technologies, processes, and products from our industries.

Many countries can provide labor at lower costs than the United States. As any new product matures, competitors using overseas labor can frequently find a way to undercut our production prices. We maintain our lead by constantly improving our products through encouragement of innovation.

The majority of new products require industrial research and development to reach the market stage. I want to encourage that research and development to create new products to ensure that our factories stay busy and that our workforce stays fully employed at high salaried jobs. I want more of our large multi-national companies to select the United States as the location for their R&D. R&D done here creates American jobs. And frequently the benefits of R&D in one area apply in another area; I want those spin-off benefits in this country, too.

The federal government has used the Research Tax Credit to encourage companies to perform research. But many studies document that the present form of this Tax Credit is not providing as much stimulation to industrial R&D as it could. Today, I introduce legislation to improve the Research Tax Credit.

The single most important change I'm proposing in the Research Tax Credit is to make it permanent. The credit has never been permanent, since Congress created it in 1981. Many studies point out that the temporary nature of the Credit has prevented companies from building careful research strategies. A recent study by Coopers and Lybrand claimed a $41 billion stimulus for the economy by 2010, with $13 billion added to the economy's productive capacity by 2010. Many of my Senate colleagues have endorsed legislation that includes this critical action, more than twenty at last count.

My legislative proposal goes further. The current Credit references a company's research intensity back to their level in the 1984–88 time period. That time period is too outdated to meet today's dynamic market conditions. Many companies now are operating in dramatically different markets, many with totally new product lines. My legislation allows a company to choose a four year period in the last ten years that best matches their own needs. This allows companies to tailor and optimize research strategies to match current market conditions.

The current approach has a provision that severely restricts the ability of many start-up companies to benefit from the full impact of the Credit. Recent analysis shows that 5 out of 6 start-up companies receive reduced benefits because of a provision that limits their allowable increase in research expenditures to half of their current expenditures. I'm concerned when start-up companies aren't receiving full benefit from this Credit. These are just the companies that tend to drive the innovative cycle in this country, they are the ones that frequently bring out the newest leading-edge products. My legislation allows start up companies for their first ten years to take full credit for their increases in research costs.

My legislation addresses several other shortcomings in the current Credit. Now there is a Basic Research Credit'' allowed, but rarely used. It is defined to include only research with ''no commercial interest.'' Now, I don't know too many companies that want to support—much less admit to their stockholders that they are supporting—research with no commercial interest. The idea of this clause was to encourage support of long term research; the kind that benefits far more than just the next product improvement. This is the kind of research that can enable a whole new product or service. We need to encourage this long term research. My legislation adds an incentive for this type of research by including any research that is done for a consortium of U.S. companies or any research that is destined for open literature publication. These two additions will include a lot more long term research that has future product applications. I've also allowed this credit to apply to research done in national labs, so companies can select the best source of research for any particular project.

And finally my legislation recognizes the importance of encouraging companies to use research capabilities wherever they exist in the country, whether

in other businesses, universities, or national labs. The current credit disallows 35% of all expenses invested in research performed under an external contract—my legislation allows all such expenses to apply towards the Credit. This should encourage creation of partnerships, where different partners can leverage their individual strengths. These partnerships enable our companies to perform research more efficiently, that can further strengthen our economy.

In summary, Mr. President, this proposed Bill significantly strengthens incentives for private companies to undertake search that leads to new processes, new services, and new products. The result is stronger companies that are better positioned for global competition. Those stronger companies will hire more people at higher salaries with real benefits to our national economy and workforce.

By Mr. HATCH (for himself, Mr. DEWINE, and Mr. ALLARD):

S. 2073. A bill to authorize appropriations for the National Center for Missing and Exploited Children; to the Committee on the Judiciary.

THE NATIONAL CENTER FOR MISSING AND EXPLOITED CHILDREN

Mr. HATCH. Mr. President, today I am proud to introduce the National Center for Missing and Exploited Children Authorization Act of 1998. This bill recognizes the outstanding record of achievements of this outstanding organization and will enable NCMEC to provide even greater protection of our Nation's children in the future.

As part of the Missing Children's Assistance Act, the Office of Juvenile Justice and Delinquency Prevention has selected and given grants to the Center for the last 14 years to operate a national resource center located in Arlington, Virginia and a national 24-hour toll-free telephone line. The Center provides invaluable assistance and training to law enforcement around the country in cases of missing and exploited children. The Center's record is quite impressive, and its efforts have led directly to a significant increase in the percentage of missing children who are recovered safely.

In fiscal year 1998, the Center received an earmark of $6.9 million in the Departments of Commerce, Justice, and State Appropriations conference report. In addition, the Center's Jimmy Ryce Training Center received 1.185M in this report.

This legislation directs OJJDP to make a grant to the Center and authorizes appropriations up to $10 million in fiscal years 1999 through 2003. The authorization would, of course, be subject to appropriations. The bill thus continues and formalizes NCMEC's long partnership with the Justice Department and OJJDP.

NCMEC's exemplary record of performance and success, as demonstrated by the fact that NCMEC's recovery rate has climbed from 62% to 91%, justifies action by Congress to formally recognize it as the nation's official missing and exploited children's center, and to authorize a line-item appropriation. This bill will enable the Center to focus completely on its missions, without expending the annual effort to obtain authority and grants from OJJDP. It also will allow the Center to expand its longer-term arrangements with domestic and foreign law enforcement entities. By providing an authorization, the bill also will allow for better congressional oversight of the Center.

The record of the Center, described briefly below, demonstrates the appropriateness of this authorization.

For fourteen years the Center has served as the national resource center and clearinghouse mandated by the Missing Children's Assistance Act. The Center has worked in partnership with the Department of Justice, the Federal Bureau of Investigation, the Department of Treasury, the State Department, and many other federal and state agencies in the effort to find missing children and prevent child victimization.

The trust the federal government has placed in NCMEC, a private, non-profit corporation, is evidenced by its unique access to the FBI's National Crime Information Center, and the National Law Enforcement Telecommunications System (NLETS).

NCMEC has utilized the latest in technology, such as operating the National Child Pornography Tipline, establishing its new Internet website, www.missingkids.com, which is linked with hundreds of other websites to provide real-time images of breaking cases of missing children, and, beginning this year, establishing a new CyberTipline on child exploitation.

NCMEC has established a national and increasingly worldwide network, linking NCMEC online with each of the missing children clearinghouses operated by the 50 states, the District of Columbia and Puerto Rico. In addition, NCMEC works constantly with international law enforcement authorities such as Scotland Yard in the United Kingdom, the Royal Canadian Mounted Police, INTERPOL headquarters in Lyon, France, and others. This network enables NCMEC to transmit images and information regarding missing children to law enforcement across America and around the world instantly. NCMEC also serves as the U.S. State Department's representative at child abduction cases under the Hague Convention.

The record of NCMEC is demonstrated by the 1,203,974 calls received at its 24-hour toll-free hotline, 1(800)THE LOST, the 146,284 law enforcement, criminal/juvenile justice, and healthcare professionals trained, the 15,491,344 free publications distributed, and, most importantly, by its work on 59,481 cases of missing children, which has resulted in the recovery of 40,180 children.

NCMEC is a shining example of the type of public-private partnership the Congress should encourage and recognize. I urge my colleagues to support this legislation, which would help improve the performance of the National Center for Missing and Exploited Children and thus the safety of our Nation's children.

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

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

S. 2073

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

SECTION 1. FINDINGS.

Congress makes the following findings:

(1) For 14 years, the National Center for Missing and Exploited Children (referred to in this section as the ''Center'') has—

(A) served as the national resource center and clearinghouse congressionally mandated under the provisions of the Missing Children's Assistance Act of 1984; and

(B) worked in partnership with the Department of Justice, the Federal Bureau of Investigation, the Department of the Treasury, the Department of State, and many other agencies in the effort to find missing children and prevent child victimization.

(2) Congress has given the Center, which is a private non-profit corporation, unique powers and resources, such as having access to the National Crime Information Center of the Federal Bureau of Investigation, and the National Law Enforcement Telecommunications System.

(3) Since 1987, the Center has operated the National Child Pornography Tipline, in conjunction with the United States Customs Service and the United States Postal Inspection Service and, beginning this year, the Center established a new CyberTipline on child exploitation, thus becoming ''the 911 for the Internet''.

(4) In light of statistics that time is of the essence in cases of child abduction, the Director of the Federal Bureau of Investigation in February of 1997 created a new NCIC child abduction (''CA'') flag to provide the Center immediate notification in the most serious cases, resulting in 642 ''CA'' notifications to the Center and helping the Center to have its highest recovery rate in history.

(5) The Center has established a national and increasingly worldwide network, linking the Center online with each of the missing children clearinghouses operated by the 50 States, the District of Columbia, and Puerto Rico, as well as with Scotland Yard in the United Kingdom, the Royal Canadian Mounted Police, INTERPOL headquarters in Lyon, France, and others, which has enabled the Center to transmit images and information regarding missing children to law enforcement across the United States and around the world instantly.

(6) From its inception in 1984 through March 31, 1998, the Center has—

(A) handled 1,203,974 calls through its 24-hour toll-free hotline (1-800-THE-LOST) and currently averages 700 calls per day;

(B) trained 146,284 law enforcement, criminal and juvenile justice, and healthcare professionals in child sexual exploitation and missing child case detection, identification, investigation, and prevention;

(C) disseminated 15,491,344 free publications to citizens and professionals; and

(D) worked with law enforcement on the cases of 59,481 missing children, resulting in the recovery of 40,180 children.

(7) The demand for the services of the Center is growing dramatically, as evidenced by the fact that in 1997, the Center handled 129,100 calls, an all-time record, and by the fact that its new Internet website (www.missingkids.com) receives 1,500,000 ''hits'' every day, and is linked with hundreds of other websites to provide real-time images of breaking cases of missing children, helping to cause such results as a police officer in Puerto Rico searching the Center's website and working with the Center to identify and recover a child abducted as an infant from her home in San Diego, California, 7 years earlier.

(8) In 1997, the Center provided policy training to 256 police chiefs and sheriffs from 50 States and Guam at its new Jimmy Ryce Law Enforcement Training Center.

(9) The programs of the Center have had a remarkable impact, such as in the fight against infant abductions in partnership with the healthcare industry, during which the Center has performed 668 onsite hospital walk-throughs and inspections, and trained 45,065 hospital administrators, nurses, and security personnel, and thereby helped to reduce infant abductions in the United States by 82 percent.

(10) The Center is now playing a leading role in international child abduction cases, serving as a representative of the Department of State at cases under The Hague Convention, and successfully resolving the cases of 343 international child abductions, and providing greater support to parents in the United States.

(11) The Center is a model of public/private partnership, raising private sector funds to match congressional appropriations and receiving extensive private in-kind support, including advanced technology provided by the computer industry such as imaging technology used to age the photographs of long-term missing children and to reconstruct facial images of unidentified deceased children.

(12) The Center was 1 of only 10 of 300 major national charities given an A+ grade in 1997 by the American Institute of Philanthropy.

(13) In light of its impressive history, the Center has been redesignated as the Nation's missing children clearinghouse and resource center once every 3 years through a competitive selection process conducted by the Office of Juvenile Justice and Delinquency Prevention of the Department of Justice, and has received grants from that Office to conduct the crucial purposes of the Center.

(14) An official congressional authorization will increase the level of scrutiny and oversight by Congress and continue the Center's long partnership with the Department of Justice and the Office of Juvenile Justice and Delinquency Prevention of the Department of Justice.

(15) The exemplary record of performance and success of the Center, as exemplified by the fact that the Center's recovery rate has climbed from 62 to 91 percent, justifies action by Congress to formally recognize the National Center for Missing and Exploited Children as the Nation's official missing and exploited children's center, and to authorize a line-item appropriation for the National Center for Missing and Exploited Children in the Federal budget.

SEC. 2. NATIONAL CENTER FOR MISSING AND EXPLOITED CHILDREN.

(a) GRANTS.—The Administrator of the Office of Juvenile Justice and Delinquency Prevention of the Department of Justice shall annually make a grant to the National Center for Missing and Exploited Children, which shall be used to—

(1) operate the official national resource center and information clearinghouse for missing and exploited children;

(2) provide to State and local governments, public and private nonprofit agencies, and individuals, information regarding—

(A) free or low-cost legal, restaurant, lodging, and transportation services that are available for the benefit of missing and exploited children and their families; and

(B) the existence and nature of programs being carried out by Federal agencies to assist missing and exploited children and their families;

(3) coordinate public and private programs that locate, recover, or reunite missing children with their families;

(4) disseminate, on a national basis, information relating to innovative and model programs, services, and legislation that benefit missing and exploited children;

(5) provide technical assistance and training to law enforcement agencies, State, and local governments, elements of the criminal justice system, public and private nonprofit agencies, and individuals in the prevention, investigation, prosecution, and treatment of cases involving missing and exploited children; and

(6) provide assistance to families and law enforcement agencies in locating and recovering missing and exploited children, both nationally and internationally.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Administrator to carry out this section, $10,000,000 for each of fiscal years 1999, 2000, 2001, 2002, and 2003.

By Mr. WELLSTONE:

S. 2074: A bill to guarantee for all Americans, quality, affordable, and comprehensive health care coverage; to the Committee on Finance.

HEALTHY AMERICANS ACT

Mr. WELLSTONE. Mr. President, today I introduce the Healthy Americans Act. Colleagues will be hearing more about it because there will be amendments that I will offer on this subject here on the floor of the Senate; and with every bit of ability I have as a Senator, I will push this piece of legislation here and talk about it in my State of Minnesota and around the country.

The Healthy Americans Act insures the uninsured; guarantees affordable, comprehensive insurance for all, and ensures quality health care through its patient protection provisions.

Let me start out by providing some context, Mr. President. I have two charts beside me to demonstrate my points. In 1987, we had about 32 million Americans who were uninsured. Today, as you can see from this graph beside me, we are up to close to 45 million Americans who are uninsured. Mr. President, since we debated the subject of universal health care coverage several years ago, a debate both of us were very involved in, we have had about a million more people a year who have been dropped from coverage.

Assuming the same economic growth with no economic downturn, which is a very rosy assumption, we will continue to see this same kind of a profile where we will get up pretty close to 48 million Americans by the year 2005 who will have no health insurance coverage.

So this is still a crisis for many Americans, and this is an issue that walks into the living rooms of many families and stares them in the face.

The second chart shows the actual percent of annual family income, on average, that goes to premiums and out-of-pocket payments in the form of deductibles, copays or other amounts of money that people have to spend on health care. It is, I think, very important to look at this.

First, what you see is that at the bottom end of the income ladder, families with annual incomes of $30,000 or less are spending an inordinate, and I would say unaffordable, percent of their income for their health care. If you look at families with incomes between $10,000 and $20,000, you can see they are spending on average 8 percent of their income on health care expenses. Then when you look at families with incomes under $10,000, you can see that the average family is paying well over 20 percent of their annual income, and these are the people who can least afford to make that kind of payment.

Next, you can see that for families with annual incomes of $30,000 or more, the average amount of that income spent on premiums, deductibles and copays drops to below 5 percent on average—I would say a more affordable amount. But don't forget these are just averages. Many families at every income level are spending more than 10 percent of their family income on health care, especially if someone in the family has a serious illness. That is not affordable. That is not fair.

Now if we look back at the same chart we can see what would happen under the Healthy Americans Act. All Americans would pay what they can afford—people should pay what they can afford—but it will be well within their means. For those hardest-pressed families, people would pay no more than ½ percent of their income. Those with higher incomes would pay no more than 3 or 5 percent; and no family, including those with at the highest income levels, would pay above 7 percent of their annual income for health care.

So, Mr. President, as you can see, these two charts demonstrate the need to provide coverage for the uninsured and to make health care coverage affordable for all.

The Healthy Americans Act does just that. First of all, it covers the uninsured, which I think is the first and most important thing to do. It builds, I say to my colleague from Indiana, on existing State programs. This is universal coverage with maximum flexibility. In addition to covering the uninsured, many of them moderate-income and low-income citizens, we are going to make sure that health care coverage is affordable for all citizens.

In other words, we are going to have family protection. So, first, we cover the uninsured. Then we have family protection, and we say no family pays more than 7 percent of family income on health care, and it goes from about

0.5 percent to 7 percent depending on income. We include Medicare recipients as well. The income profile of elderly people is not that high and they need income protection, too.

So, again, first, we cover the uninsured, expanding existing programs; second, we have protection for family income; third, we make sure there is a good package of benefits comparable to what we have here in the Congress; fourth of all, we have strong consumer protections, strong patient protections, something we have been talking about every day; fifth of all, we expand coverage to include some needed benefits that are long overdue.

In Minnesota, and around the country—it could very well be the case in Indiana, Mr. President—a lot of elderly people are paying well over 30 percent of their monthly income just on prescription drug costs. We cover prescription drug costs and add that benefit to Medicare. We have good, strong mental health parity, and substance abuse coverage as well. And this is, I think, really important.

The way all of this comes together for the States is to have a maximum amount of flexibility. And what we are essentially saying to States is, ''Look, here is what we decided in the Senate. We are going to make sure the uninsured are covered. That is phase one. The second thing, we are going to make sure there is protection of family income. The third thing is we are going to make sure there is a good package of benefits, at least as good as what we have in the Congress. The fourth thing that we are going to do is make sure there is good, strong patient protection. If you agree to that, States, there will be Federal money that will go to you on a, roughly speaking, 70–30 matching basis. And you decide how you want to do it. In other words, the funds are there for you to use if you agree to lay out a plan for universal, affordable, comprehensive health care and follow it over the next 4 years. This is a good strategy for going into the next century; it is a good strategy for reaching universal coverage in our country.'' We are offering the States a carrot; not a stick.

No State has to do it. There is maximum flexibility. I say to my colleague from Indiana—we are friends even though we do not always agree on issues—we will not have this ideological debate about single payer or ''pay or play'' and all these other things that people do not understand. This piece of legislation, the Healthy Americans Act, leaves it up to the States.

This legislation says to Minnesota, let us expand. We are already above 90 percent on the number insured in my State. Let us expand the coverage for these people who still have no insurance. Let us have some protection of family income, a very big issue for a lot of people who are covered but they are paying way more than they can afford, especially when you include the deductibles and copays and the premiums.

What we are saying to Minnesota or Indiana or California or New York: Let us cover the uninsured. We can build on what you are already doing with the State Children's Health Insurance Plan, by expanding it to adults and more children. Let us make sure there is family income protection. Let us make sure there is patient protection and a good package of benefits that is comprehensive. And you decide how you want to do it. You decide how you want to do it in Indiana. You decide how you want to do it in Minnesota or California or New York or North Carolina or Florida or New Hampshire or Iowa—you name it. You decide how you want to do it.

But the point is, if a State wants to participate—and I think most States will be very interested in participating in this piece of legislation—then there will be Federal grant money that will come on, roughly speaking, a 70–30 matching basis.

Mr. President, I would like to talk a little bit about the cost of this, because I do not want to introduce a piece of legislation and treat people in the United States of America as if they do not have intelligence. If we think something is important, then we invest in it. This piece of legislation, as we have costed it out and done our actuarial estimates, goes like this: In the first year—we are just trying to cover the uninsured—it will be $42 billion; year two, it gets up to $48 billion; year three, $62 billion; years four and five—when we include both coverage for the uninsured and now also providing the family income protection, it gets up to $85 billion, and then, $98 billion.

You would add an additional, roughly speaking, $26 billion to $39 billion to that estimate in the last 2 years if you are going to cover Medicare recipients, making sure they do not pay more than 7 percent of annual income for health care coverage and making sure that prescription drug costs are covered. Now, I say to colleagues, the maximum gets to be above $100 billion—we have estimated this to be $137 billion at the very end of this 5 year period.

How do we pay for this? I will tell you. We have hundreds of billions of dollars of what many of us have called corporate welfare, a variety of different deductions and tax breaks, many of which I do not believe are necessary. In addition, we have some military weaponry that I think there is a very legitimate debate as to whether or not we need to be spending money on some of these items. And in addition, we take a look at some of the domestic programs that I think people can call into question as to whether or not they are essential.

But, Mr. President, my point is that we offset the expenditure. We are not talking about taxpayers paying any more money. But what we are saying is that this is a worthwhile investment. We have a GDP of over $8 trillion, we have an economy at its peak performance, and we are being told that we cannot have universal health care coverage in the United States of America? We are being told that we cannot afford to make sure that every man, woman, and child has decent coverage? That there cannot be some protection of family income? That the uninsured can't be insured? That elderly people aren't able to get the care they need? That some patient protection for the people isn't possible? That is not acceptable. Of course it is possible. Of course we can do this. Of course we can do better as a nation. And that is what this piece of legislation says, Mr. President.

I just say to colleagues again that I have been disappointed that we have put this issue of universal coverage off the table. It should be put back on the table. I have had so many conversations with people in Minnesota, poignant conversations—it happens in other parts of the country, too—which are about health care. I will just give but one example. I think I may have given it one time before on the floor. But, after all, the legislation we introduce is all about people's lives. Why else should we be here? It is all about, hopefully, improving people's lives.

I will never forget a discussion with a woman whose husband I had met a year earlier. When I met him a year earlier, he was in bad shape. He is a young man, maybe 40 at most, a railroad worker struggling with cancer. And then I met her a year later out at a farm gathering, and she came up to me and she said, ''I want you to come over and meet my husband again, Senator'' or ''PAUL.'' ''He's a real fighter. The doctor said he only had 3 months to live, but it's a year later and he's still struggling. He's now in a wheelchair.'' And so we talked.

Then she took me aside, and she said, ''Every day is a living hell. Every day I'm battling with these companies to find out what they're going to cover.''

I do not think any American with a loved one who is struggling with an illness or a sickness should have to worry about whether or not there is going to be decent coverage. I think that is unacceptable. I think we can do better in America. I think it is time again to talk about humane, affordable, dignified health care for every man, woman, and child. That is what this Healthy Americans Act does.

I love ideas. I am really interested in policy. I am proud of the people who have helped me on this legislation: Dr. John Gilman in my office; Rick Brown, who is with the UCLA School of Public Health; Doctors Nicole Lurie and Steve Miles from Minnesota.

I like the fact that the Healthy Americans Act is a decentralized plan. I like that. I like the fact that it is simple. I like the fact that it gives States a lot of leeway, so different States can try different approaches, and we can see what works best.

But we do have here, colleagues, a commitment as a nation to make sure

those people who are uninsured have health insurance, to make sure families do not go broke and are able to afford health insurance, to make sure it is a package of benefits as good as what we have. Shouldn't the people we represent have as good health care coverage as Members of the Congress have, and shouldn't they be guaranteed strong patient protections?

I think this is, in my not so humble opinion, an excellent piece of legislation. I think it is going to take a real battle to get it passed. But I will bring amendments out on the floor. I will do everything I can as a U.S. Senator to bring this to people in the country. I am absolutely convinced that this is one of the most important things we can do as a Senate to respond to a very real issue that affects the lives of so many people we represent.

By Mr. ASHCROFT (for himself and Mr. MCCONNELL)

S. 2075. A bill to provide for expedited review of executive privilege claims and to improve efficiency of independent counsel investigations; to the Committee on the Judiciary.

EXECUTIVE PRIVILEGE LEGISLATION

S. 2076. A bill to provide reporting requirements for the assertion of executive privilege, and for other purposes; to the Committee on the Judiciary.

THE EXECUTIVE ACCOUNTABILITY ACT OF 1998

Mr. ASHCROFT. Mr. President, I rise today in order to introduce two bills designed to address the abuse and misuse of executive privilege by the President, the Executive Accountability Act of 1998 and a companion bill designed to expedite appeals of executive privilege claims asserted in independent counsel investigations. I want to thank Senator MCCONNELL who has joined me as a co-sponsor of both these measures.

Executive privilege is just that—a privilege extended to the President, and the President alone, to be invoked in those rare circumstances in which the President must keep discussions about official acts secret from the courts, Congress and the American people in order to protect national security.

This President has abused this privilege. He has used it as a delaying tactic to try to shield the details of unofficial acts having nothing to do with national security, but everything to do with Mr. Clinton's personal legal problems. As I detailed in a letter to my colleagues back in March, the President's current claim of executive privilege is legally baseless. I would ask that that letter be included in the record.

Part and parcel of the President's abuse of executive privilege is his unwillingness to acknowledge the mere fact that he has asserted the privilege. Indeed, the President's lawyers recently have attacked the Independent Counsel's office for acknowledging the Court's entirely predictable rejection of the President's assertion of executive privilege. Apparently, the President wants to be able to assert the privilege and have a court rule on it, all without the knowledge of Congress or the American people.

This is an affront to Congress and the public. Congress has a vital interest in the development of the law of executive privilege. Until this Administration, grand jury investigations into presidential communications were rare. Congressional oversight hearings, by contrast, are commonplace. But Congress will have to live with whatever rules the courts develop concerning the scope of executive privilege. Without notice that the President is raising these claims, Congress cannot protect its interests by filing amicus briefs.

The President's covert assertion of executive privilege is of concern not just to Congress but to every citizen. Although a limited executive privilege is necessary to protect national security, the privilege is contrary to the public's right to know. As a consequence, asserting the privilege has historically come with a political cost. President Clinton has tried to enjoy the benefits of the privilege while avoiding these costs. We should ensure that if a President takes the extraordinary step of asserting executive privilege that he not be able to keep that action from the American people.

The Executive Accountability Act of 1998 addresses the problem of the covert use of executive privilege through the simple expedient of requiring full disclosure. If the President decides to invoke the privilege in court, both the President and the presiding judge must disclose that fact to Congress. If the court rules on a claim of executive privilege, the court must inform Congress. If the President decides to appeal an adverse ruling on a claim of executive privilege, he must also disclose that fact to Congress. If the Attorney General provides a written opinion concerning the validity of the privilege, that too should be shared with the Congress. Finally, the Act confirms that any Member of Congress has the capacity to file an amicus brief in any judicial proceeding in which the President asserts executive privilege. The legislation also builds in protections to ensure that none of these disclosures endangers national security.

I am also introducing a companion bill to address the President's misuse of executive privilege as a delaying tactic to try to run out the clock on the Independent Counsel's investigation. The bill would provide for expedited review of such claims and for a direct appeal to the Supreme Court. Hopefully, this provision will remove the temptation to use executive privilege claims as delaying tactics, and will force the President to think twice before asserting a spurious claim of privilege.

When properly confined to official acts affecting national security, executive privilege serves an important function. But when abused as a delaying tactic or to protect unofficial acts, the privilege in its distorted form becomes an unacceptable impediment to the public's right to know. These two bills impose accountability requirements on the executive to ensure that the privilege is used in an appropriate way. Mr. President, I ask unanimous consent that additional material be printed in the RECORD.

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

S. 2075

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

SECTION 1. AMENDMENT TO TITLE 28.

Section 594 of title 28, United States Code, is amended by adding at the end the following:

''(m) JUDICIAL REVIEW OF EXECUTIVE PRIVILEGE CLAIMS.—

''(1) EXPEDITED CONSIDERATION.—It shall be the duty of a district court of the United States and the Supreme Court of the United States to advance on the docket and to expedite to the maximum extent practicable the disposition of any claim asserting executive privilege in any investigation authorized pursuant to this chapter.

''(2) APPEAL TO SUPREME COURT.—Notwithstanding any other provision of law, any order of a district court of the United States disposing of a claim asserting executive privilege in any investigation authorized pursuant to this chapter shall be reviewable by appeal directly to the Supreme Court of the United States. Any such appeal shall be taken by a notice of appeal filed within 10 calendar days after such order is entered and the jurisdictional statement shall be filed within 30 calendar days after such order is entered. No stay of an order described in this subsection shall be issued by a single Justice of the Supreme Court of the United States.''.

SEC. 2. EFFECTIVE DATE.

Section 594(m) of title 28, United States Code (as added by section 1 of this Act), applies to any claim of executive privilege asserted on or after January 1, 1998, except that, for purposes of an order described in section 594(m)(1) of title 28, United States Code (as added by section 1 of this Act), entered before the date of enactment of this Act, the time periods for appeal provided in section 594(m)(2) of that title 28, United States Code (as added by section 1 of this Act), shall begin running on the date of enactment of this Act.

S. 2076

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 ''Executive Accountability Act of 1998''.

SEC. 2. FINDINGS.

Congress finds the following:

(1) Grand jury investigations into Presidential communications have been, to date, extraordinary and rare occurrences, and hopefully, will remain that way. Congressional oversight hearings, by contrast, are commonplace.

(2) If judicial decisions permit presidential aides to withhold crucial information from a grand jury investigating criminal misconduct, congressional inquiries will be stymied by similar claims of executive privilege.

(3) For these reasons, the proper scope of executive privilege is of concern to every

Member of Congress, and every Member of Congress has an interest in being notified of assertions of executive privilege by the President and in having the opportunity to file amicus briefs in appropriate cases.

(4) In the context of the current litigation before Judge Norma Holloway Johnson, the President failed to acknowledge publicly that he asserted executive privilege to shield information from the grand jury.

(5) Indeed, lawyers for the President have protested that the outcome of Judge Johnson's order rejecting the President's claim of executive privilege became public.

(6) As a consequence, Members of Congress have not had a proper basis to decide whether to file amicus briefs apprising the court of the unique interests and views of Congress with respect to executive privilege.

SEC. 3. REPORTING REQUIREMENTS.

(a) INITIAL REPORT.—Whenever the President asserts executive privilege in a judicial action or proceeding, the President shall promptly report to Congress and provide an explanation of the reasons for such assertion in such detail as is consistent with national security.

(b) REPORT BY PRESIDING JUDGE OF ASSERTION.—Whenever, in a judicial action or proceeding, the President asserts executive privilege, it shall be the duty of the presiding judicial officer in that action or proceeding promptly to report the assertion to Congress.

(c) REPORT BY PRESIDING JUDGE OF DISPOSITION.—Whenever in a judicial action or proceeding, the President asserts executive privilege, it shall be the duty of the presiding judicial officer in that action or proceeding promptly to report to Congress any order or ruling disposing of that claim and provide an explanation of the reasons for such disposition in such detail as is consistent with national security.

(d) AMICUS BRIEFS.—Any Member of either House of Congress shall have the right to file an amicus brief, regarding an assertion of executive privilege by the President, in any judicial action or proceeding in which that assertion is made.

(e) REPORT CONCERNING DECISION TO APPEAL.—Whenever the President decides to appeal an adverse disposition of a claim of executive privilege or to file a petition for certiorari in response to such adverse disposition, the President shall promptly report the decision to Congress.

(f) ADDITIONAL REQUIREMENT.—Whenever the President asserts executive privilege in any forum, the President shall forward to Congress any written legal opinion regarding the lawfulness of the assertion redacted as is consistent with national security.

(g) REPORT TO CONGRESS.—For purposes of this Act, providing notice or a report to the Senate Majority and Minority Leaders and the Speaker of the House and House Minority Leader shall constitute notice to Congress.

DEAR COLLEAGUE: The newspapers and talk shows have been filled for the past few weeks with discussion of executive privilege. First, there were reports of the President's decision to invoke the privilege to prevent several of his aides from testifying before the grand jury. Now it has been reported that the President has argued that his executive privilege extends to discussions between presidential aides and the First Lady. Many commentators appear to assume that executive privilege applies to these communications and have focused on the prudence of the President's decision to invoke the privilege in light of the parallels to Watergate. I will leave that question for the pundits. The more pressing question for the Congress is whether executive privilege has any application at all to this situation.

Grand jury investigations into Presidential communications are extraordinary and rare occurrences, and hopefully, will remain that way. Congressional oversight hearings, by contrast, are commonplace. If the President's aides are permitted to withhold crucial information from a grand jury investigating criminal misconduct, we can rest assured that congressional inquiries will be stymied by similar claims of executive privilege. For this reason, the proper scope of executive privilege is of concern to every member of Congress.

As Chairman of the Constitution Subcommittee, I have inquired into the law of executive privilege as developed by the courts. Although for years the body of caselaw did not extend much beyond Chief Justice Marshall's opinion in the criminal trial of Aaron Burr, a number of decisions in the last quarter century have clarified the relatively modest scope of executive privilege. A number of critical principles emerge from these cases.

Executive privilege extends only to communications made in relation to official responsibilities. The privilege does not cover unofficial acts. ''[The privilege is] limited to communications in performance of [a President's] responsibilities of his office and made in the process of shaping policies and making decisions.'' *Nixon* v. *Administrator of the GSA*, 433 U.S. 425, 449 (1977); *see also United States* v. *Nixon*, 418 U.S. 683, 715 (1974).

Even if executive privilege applies to a communication, it generally does not prevent disclosure to a grand jury. ''The generalized assertion of privilege must yield to the demonstrated, specific need for evidence in a pending criminal trial.'' *United States* v. *Nixon*, 418 U.S. 683, 713 (1974).

The sole exception is for communications concerning national security. The Court in *United States* v. *Nixon* indicated that the scope of any absolute executive privilege would be limited to ''military or diplomatic secrets.'' 418 U.S. at 710. Outside this context, even a valid claim of executive privilege cannot keep presidential communications from the grand jury as long as the conversations are ''preliminarily shown to have some bearing on the pending criminal cases.'' *Id.* at 713.

I hope you find this summary helpful. For my part, these well-established principles lead me to believe that the President is on tenuous legal ground in asserting executive privilege. In order for his claim to prevail, he first would have to show that the discussions he had with aides concerning how to respond to allegations of sexual misconduct in his private life qualify as official government acts. I sincerely doubt he could make such a showing, especially in light of his asserted ability to compartmentalize his private life from the affairs of state.

However, even if he made such a showing, the President would still need either to demonstrate that the communications concerned ''military or diplomatic secrets,'' or to convince a court that the information is neither necessary nor relevant to the grand jury's investigation. The President seems unlikely to prevail on either issue. Although there is some dispute as to the exact nature of the demonstration of relevance or need that the prosecutor must make, even the most demanding opinion on the subject states that the prosecution ''will be able easily to explain'' why it should have access to privileged presidential communications when the President and his close aids are the subject of the criminal investigation. *See In re Sealed Case*, 121 F.3d 729, 755 (D.C. Cir. 1997).

In the end, it seems quite likely that the President's claim of executive privilege will share the fate of this administration's other novel theories of privilege, which caused delay, but ultimately were rejected by the courts. First, the President asserted a novel immunity from civil suit that, in his view, extended even to cases of private misconduct occurring before he took the presidential oath of office. The Supreme Court rejected that claim 9–0. *See Clinton* v. *Jones*, 117 S. Ct. 1636 (1997). Then the administration asserted a novel theory of government attorney-client privilege, which would treat taxpayer-financed government attorneys just like private attorneys for purposes of the attorney-client privilege. The Eighth Circuit Court of Appeals rejected that argument, concluding that allowing the White House ''to use its in-house attorneys as a shield against the production of information relevant to a federal criminal investigation would represent a gross misuse of public assets.'' *In re Grand Jury Subpoena Duces Tecum*, 112 F.3d 910, 921 (8th Cir. 1997). The Supreme Court declined to review that decision. *See* 117 S. Ct. 2482 (1997). Now we have novel claims of executive privilege, a privilege extending to communications with the First Lady, and a secret service privilege.

The President's current claim of executive privilege appears to be foreclosed by well-established limits on the privilege and calculated more for delay than anything else. However, we are not privy to all the information that is at the President's disposal. Future developments may strengthen or weaken the President's assertion of privilege or make it clear that the assertion implicates issues that have not yet reached the Supreme Court, such as whether the privilege applies to anyone other than the President.

In the event such novel issues arise, the Constitution Subcommittee may hold hearings in an effort to clarify the proper scope of executive privilege. I continue to believe that the Senate has a critical responsibility to ensure that the doctrine of executive privilege does not become distorted in a manner that will interfere with congressional oversight long after the current scandals subside.

Sincerely,

JOHN ASHCROFT,
Chairman, U.S. Senate Judiciary, Subcommittee on the Constitution, Federalism and Property Rights.

By Mr. FORD (for himself, Mr. BOND, Mr. DORGAN, and Mr. LEAHY):

S. 2077. A bill to maximize the national security of the United States and minimize the cost by providing for increased use of the capabilities of the National Guard and other reserve components of the United States; to improve the readiness of the reserve components; to ensure that adequate resources are provided for the reserve components; and for other purposes; to the Committee on Armed Services.

THE NATIONAL GUARD AND RESERVE COMPONENTS EQUITY ACT OF 1998

Mr. FORD. Mr. President, on behalf of Senator BOND, co-chairman of the Senate National Guard Caucus, Senators DORGAN and LEAHY, I am introducing today the National Guard and Reserve Components Equity Act of 1998.

Over the past few years, we've had to expend a huge amount of energy fending off attacks to the Guard. Worse,

the whole time we're dusting ourselves off and assessing the damage, our opponents deny they've ever laid a finger on us.

It reminds me of the boxer who, at the insistence of his trainer, took on the current champ. After the first round, he came back to his corner with a busted lip, and his trainer patted him on the back and said, ''You're doing great,'' then shoved him back out when the second bell sounded. After the second round, he staggered back to his corner with a black eye and a busted cheek, and his trainer said, ''You're doing great, he hasn't laid a hand on you.'' And the boxer replied, ''Well you'd better keep an eye on the referee, 'cause someone is beating' the heck out of me.''

Year after year, the Guard has come back to its corner, bruised and battered by the budget process, only to hear Pentagon officials insist they haven't laid a hand on them.

I think we all agree that as we enter the 21st Century, the common goal of the U.S. military should be to create and maintain a seamless Total Force that provides our military leaders with the necessary flexibility and strength to address whatever conflicts that might arise.

The 1997 QDR should have been the vehicle to achieve that goal. Unfortunately, it fell far short. One analyst described the QDR as ''another banal defense of the status quo.''

There are close to a half million men and women in the National Guard, accounting for about 20 percent of this nation's Armed Forces. Because of their dual federal-state mission, National Guardsmen and women are on hand to serve in both the international arena and in our own backyards. Perhaps more than any other soldier, members of the Guard embody our forefathers' vision of the citizen-soldier.

That's because the citizen-soldiers of the National Guard find their roots not only in the history of this country, but equally important, in the communities of this country.

The Army National Guard alone provides more than 55 percent of the ground combat forces, 45 percent of the combat support forces, and 25 percent of the Army's combat support units—all while using only two percent of the Department of Defense budget.

But if you look at the QDR process, you would think the Guard has outlived its usefulness—that their cost-effectiveness, their flexibility, their readiness are all figments of this Senator's imagination.

This contentious relationship got even hotter last spring when leaders of the National Guard expressed outrage at never being given the opportunity to present their case before the QDR and over the Army's failure to be up-front about how deeply they wanted to cut the Army Guard.

The outrage was well placed. The Washington Times was right on target when they wrote back in June that

> The Guard has a greater relevance today than during the Cold War—exactly the kind of relevance the Founding Fathers envisioned when they elected to place the preponderance of the nation's military strength in the state militias.

They understand that with its ''dual use system,'' the Guard is the wave of the future, not a relic of the past.

While many of us felt blind-sided by the QDR, the fact is it was just one more instance where the Pentagon refuses to give the Guard the status it deserves.

I don't believe making the Chief of the National Guard a four star general and a member of the Joint Requirements Oversight Council will solve all of the Guard's problems, but I do believe it would help to change the dynamics of this dysfunctional relationship, and better ensure the Guard's needs are met when the Defense budget is being written, rather than through Congressional intervention.

As many of you probably recall, last year Senator Stevens offered an amendment to the Defense Authorization bill to make this change. It was approved by the Senate, but later dropped in Conference Committee. Instead, Conferees agreed to having a Two-Star General from the Guard and one from the Reserves—a position the Guard already has.

Since then, I've been working with Senator BOND—my co-chairman of the Senate National Guard Caucus to come up with new legislation reinforcing the important role of both the Guard and the Reserves.

The bill would direct the Secretary of Defense to submit a report to Congress regarding the force structure necessary for the Army National Guard and Army Reserve to meet future national security threats. The bill would freeze the end strength of the Army National Guard and the Army Reserve at the level Congress approved for Fiscal Year 1998, until September 30, 2000. This freeze will provide Congress a chance to review the force structure report submitted by the Secretary of Defense.

The bill also requires the Secretary of Defense to develop a master plan for the modernization of the National Guard And Reserve Components to ensure compatibility of equipment with our active forces. Under this legislation, the Secretary must also submit a master plan to Congress on meeting the military construction needs of the National Guard and Reserve Components.

This legislation builds on Senator STEVENS's amendment to last year's Defense Authorization. It elevates the Chief of the National Guard Bureau to the Grade of General (4-star) and elevates the Senior Representatives of the Reserves one Grade. These are just some provisions of the bill. My Guard Caucus Co-Chairman, Senator BOND, someone who has been deeply committed to improving the readiness of the Guard, will be outlining other provisions of the bill.

Mr President, the Reserve Components are the only contact a majority of Americans have with the military. When they see a neighbor, a child's teacher, or their family doctor representing the U.S. in the international arena or on hand when natural disasters strike, they have a direct link to the military.

That bond has remained strong for well over 200 years. And despite resistance from the Pentagon, I believe Congress has no intention of seeing that bond damaged through insufficient funds or lack of resources—from operations and maintenance to pay and allowances to continued equipment modernization and military construction. This is why the National Guard and Reserve Components Equity Act of 1998 needs to become law.

Muhammad Ali used to say that not only could he knock'em out, but he could pick the round. Opponents to the Guard and Reserves should be on notice—no matter how much they try and bob and weave, this is the round they're going to go down.

Before closing, I'd like to take just a moment to say how much I've enjoyed working with Senator BOND on National Guard issues over the last ten years. We've worked together, along with the other members of the Caucus, in a bipartisan manner to ensure that the National Guard and Reserve components receive the funding these dedicated men and women need to successfully fulfill their role in preserving our national security.

Mr. President, I ask unanimous consent that the National Guard and Reserve Components Equity Act of 1998 be printed in the RECORD, along with a section-by-section description this legislation.

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

S. 2077

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''National Guard and Reserve Components Equity Act of 1998''.

TITLE I—STRATEGIC PLANNING

SEC. 101. FORCE STRUCTURE.

(a) REQUIREMENT.—At the same time as the President submits the budget to Congress for fiscal year 2000 under section 1105(a) of title 31, United States Code, the Secretary of Defense shall submit to Congress a report on the Army reserve component force structure.

(b) CONTENT OF REPORT.—The report shall include the following:

(1) The force structure that the Secretary considers appropriate for the Army National Guard and the Army Reserve for meeting threats to the national security that are considered probable for the six fiscal years beginning with fiscal year 2000.

(2) Specific wartime missions for the units in that force structure, including missions relating to responses to emergencies involving weapons of mass destruction.

(b) FREEZE ON END STRENGTHS.—Notwithstanding any other provision of law, the Armed Forces shall maintain the same

strengths for Selected Reserve personnel of the Army National Guard of the United States and the Army Reserve through September 30, 2000, as are authorized under paragraphs (1) and (2), respectively, of section 411(a) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1719)

SEC. 102. MODERNIZATION PLAN.

(a) PLAN REQUIRED.—The Secretary of Defense shall develop a master plan that provides for the complete modernization of the National Guard and the other reserve components of the Armed Forces, including the modernization necessary to ensure the compatibility of the equipment used by the reserve components.

(b) SUBMISSION TO CONGRESS.—The Secretary shall submit the plan to Congress not later than six months after the date of the enactment of this Act.

SEC. 103. MILITARY CONSTRUCTION.

(a) PLAN REQUIRED.—The Secretary of Defense shall develop a master plan that provides for meeting the unmet requirements of the National Guard and the other reserve components for military construction.

(b) SUBMISSION TO CONGRESS.—The Secretary shall submit the plan to Congress not later than six months after the date of the enactment of this Act.

TITLE II—RESERVE COMPONENT LEADERSHIP

SEC. 201. CHIEF OF THE NATIONAL GUARD BUREAU.

(a) RELATIONSHIP TO THE JOINT CHIEFS OF STAFF.—Section 151 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(h) PARTICIPATION BY THE CHIEF OF THE NATIONAL GUARD BUREAU.—(1) The Chief of the National Guard Bureau shall identify for the Chairman any matter scheduled for consideration by the Joint Chiefs of Staff that directly concerns the National Guard, domestic security, or public safety.

''(2) Unless, upon request of the Chairman for a determination, the Secretary of Defense determines that a matter identified pursuant to paragraph (1) does not concern the National Guard, domestic security, or public safety, the Chief of the National Guard Bureau shall meet with the Joint Chiefs of Staff when that matter is under consideration. The Chief of the National Guard Bureau has equal status with the members of the Joint Chiefs of Staff for the consideration of the matter by the Joint Chiefs of Staff.

''(3) The Chairman shall provide the Chief of the National Guard Bureau with all agenda for the meetings of the Joint Chiefs of Staff and any other information that the Chairman considers appropriate to assist the Chief of the National Guard Bureau to carry out his responsibilities under this subsection.''.

(b) MEMBERSHIP ON THE JOINT REQUIREMENTS OVERSIGHT COUNCIL.—Section 181(c) of such title is amended—

(1) in paragraph (1)—

(A) in subsection (D), by striking out ''and'';

(B) in subsection (E), by striking out the period at the end and inserting in lieu thereof ''; and''; and

(C) by adding at the end the following:

''(F) the Chief of the National Guard Bureau.''; and

(2) in paragraph (2), by inserting ''and the Chief of the National Guard Bureau'' after ''other than the Chairman of the Joint Chiefs of Staff''.

(c) ADDITIONAL ADVISORY FUNCTIONS.—Section 10502(c) of title 10, United States Code, is amended to read as follows:

''(c) ADVISER ON NATIONAL GUARD MATTERS.—The Chief of the National Guard Bureau is the principal adviser to the President, the Secretary of Defense, any other person designated to exercise national command authority, the Secretary of the Army, the Chief of Staff of the Army, the Secretary of the Air Force, and the Chief of Staff of the Air Force on matters relating to—

''(1) the National Guard;

''(2) the Army National of the United States;

''(3) the Air National Guard of the United States;

''(4) domestic security; and

''(5) public safety.''.

(d) RELATIONSHIP TO THE ARMY STAFF AND THE AIR STAFF.—Section 10502 of title 10, United States Code, is amended by adding at the end the following new paragraph:

''(e) RELATIONSHIP TO ARMY AND AIR STAFF.—To the extent that it does not impair the independence of the Chief of the National Guard Bureau in the performance of his duties, the Chief of the National Guard Bureau shall serve at the level of the Vice Chief of Staff of the Army in all forums within the Department of the Army, and at the level of the Vice Chief of Staff of the Air Force in all forums within the Department of the Air Force.''.

SEC. 202. GRADES OF RESERVE COMPONENT LEADERS.

(a) NATIONAL GUARD BUREAU LEADERSHIP.—

(1) CHIEF.—Section 10502(d) of title 10, United States Code, is amended by striking out ''lieutenant general'' and inserting in lieu thereof ''general''.

(2) VICE CHIEF.—Section 10505(c) of such title is amended by striking out ''major general'' and inserting in lieu thereof ''lieutenant general''.

(3) OTHER GENERAL OFFICERS.—Section 10506(a)(1) of such title is amended by striking out ''major general'' each place it appears and inserting in lieu thereof ''lieutenant general''.

(b) CHIEF OF ARMY RESERVE.—Section 3038(c) of such title is amended by striking out ''major general'' in the third sentence and inserting in lieu thereof ''lieutenant general''.

(c) CHIEF OF NAVAL RESERVE.—Section 5143 of such title is amended—

(1) in subsection (b), by striking out ''from officers who—'' and inserting in lieu thereof ''from among officers of the Naval Reserve who—''; and

(2) in subsection (c)(2), by striking out ''a grade above rear admiral (lower half)'' in the third sentence and inserting in lieu thereof ''the grade of vice admiral''.

(d) COMMANDER, MARINE FORCES RESERVE.—Section 5144 of such title is amended—

(1) in subsection (b), by striking out ''from officers who—'' and inserting in lieu thereof ''from among officers of the Marine Corps Reserve who—''; and

(2) in subsection (c)(2), by striking out ''a grade above brigadier general'' in the third sentence and inserting in lieu thereof ''the grade of lieutenant general''.

(e) CHIEF OF AIR FORCE RESERVE.—Section 8038(c) of such title is amended by striking out ''major general'' in the third sentence and inserting in lieu thereof ''lieutenant general''.

(f) EXCLUSION FROM DISTRIBUTION LIMITS FOR GENERAL OFFICERS ON ACTIVE DUTY.—Section 525(b) of title 10, United States Code, is amended by adding at the end the following:

''(6)(A) An officer serving in a position referred to in subparagraph (B) in the grade specified for the position in that subparagraph is in addition to the number that would otherwise be permitted for that officer's armed force for that grade under paragraph (1).

''(B) Subparagraph (A) applies to an officer while serving in any of the following positions:

''(i) The Chief of the National Guard Bureau, if serving in the grade of general.

''(ii) The Vice Chief of the National Guard Bureau, if serving in the grade of lieutenant general.

''(iii) The Director of the Army National Guard, if serving in the grade of lieutenant general.

''(iv) The Director of the Air National Guard, if serving in the grade of lieutenant general.

''(7)(A) An officer while serving in a position referred to in subparagraph (B), if serving in the grade of lieutenant general or vice admiral, is in addition to the number that would otherwise be permitted for that officer's armed force for that grade under paragraph (1) or (2), as applicable.

''(B) Subparagraph (A) applies to an officer serving in any of the following positions:

''(i) The Chief of Army Reserve.

''(ii) The Chief of Naval Reserve.

''(iii) The Commander, Marine Forces Reserve.

''(iv) The Chief of Air Force Reserve.''.

(g) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on January 1, 1999.

SEC. 203. ADJUTANTS GENERAL OF THE NATIONAL GUARD.

(a) FEDERAL RECOGNITION.—The Secretary of Defense shall prescribe in regulations a requirement that, whenever a person is appointed to the position of State adjutant general of the National Guard, the board that is to consider the appointee for being extended Federal recognition be convened within 60 days after the date of the appointment.

(b) INVESTIGATIONS OF ADJUTANTS GENERAL.—The Secretary of Defense shall prescribe in regulations a requirement that the Inspector General of the Department of Defense be responsible for conducting investigations regarding appointments of State adjutants general of the National Guard for the Department of Defense.

(c) STATE INCLUDES POSSESSIONS, ET CETERA.—For the purposes of this section, the term ''State'' includes the District of Columbia, Puerto Rico, Guam, and the Virgin Islands.

SEC. 204. REVIEW OF PROMOTIONS AND FEDERAL RECOGNITION FOR NATIONAL GUARD OFFICERS.

(a) GAO REVIEW.—The Comptroller General shall review the promotions of, and extensions of Federal recognition to, officers of the National Guard to determine the timeliness and fairness of the processing of such actions.

(c) SCOPE OF REVIEW.—The Comptroller General shall determine the period and number of actions that are necessary to be reviewed in order to provide a meaningful basis for making determinations under subsection (a).

(c) REPORT.—Not later than one year after the date of the enactment of this Act, the Comptroller General shall submit to Congress a report on the review. The report shall include the Comptroller General's determinations together with any recommendations that the Comptroller General considers appropriate.

TITLE III—USE OF THE RESERVE COMPONENTS FOR EMERGENCIES INVOLVING WEAPONS OF MASS DESTRUCTION

SEC. 301. DISASTER RELIEF.

(a) AUTHORITY.—

(1) DEFINITIONS.—

(A) MAJOR DISASTER.—Paragraph (2) of section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42

U.S.C. 5122) is amended by striking out ''or explosion'' and inserting in lieu thereof ''explosion, or emergency involving a weapon of mass destruction.''.

(B) WEAPON OF MASS DESTRUCTION.—Such section is further amended by adding at the end the following:

''(9) WEAPON OF MASS DESTRUCTION.—'Weapon of mass destruction' has the meaning given that term in section 1402 of the Defense Against Weapons of Mass Destruction Act of 1996 (50 U.S.C. 2302(1)).

''(10) NATIONAL GUARD.—'National Guard' has the meaning given that term in section 101(3) of title 32, United States Code.

''(11) RESERVE COMPONENTS.—'Reserve components of the Armed Forces' means the reserve components named in section 10101 of title 10, United States Code.''.

(2) USE OF RESERVE COMPONENTS.—Section 201(a) of such Act (42 U.S.C. 5131) is amended—

(A) by striking out the period at the end of paragraph (7) and inserting in lieu thereof ''; and''; and

(B) by adding at the end the following:

''(8) the use of the National Guard or the other reserve components of the Armed Forces to take actions that may be necessary to provide an immediate response to an incident involving a use or threat of use of a weapon of mass destruction.''.

(3) REQUESTS BY DIRECTOR OF FEMA.—Section 611 of such Act (42 U.S.C. 5196) is amended by adding at the end the following:

''(l) USE OF THE RESERVE COMPONENTS.—The Director may request the Secretary of Defense to authorize the National Guard or to direct other reserve components of the Armed Forces to conduct training exercises, preposition equipment and other items, and take such other actions that may be necessary to provide an immediate response to an emergency involving a weapon of mass destruction. The Secretary of Defense may authorize the National Guard or direct other reserve components to take actions requested by the Director under the preceding sentence.''.

(b) REIMBURSEMENT OF STATES.—

(1) AUTHORITY.—Chapter 1 of title 32, United States Code, is amended by adding at the end the following new section:

''§ 115. Reimbursement for State costs of preparedness programs for emergencies involving weapons of mass destruction

''(a) REIMBURSEMENT AUTHORIZED.—The Secretary of Defense may reimburse a State for expenses incurred by the State for the National Guard of that State to participate in emergency preparedness programs to respond to an emergency involving the use of a weapon of mass destruction. Expenses reimbursable under this section may include the costs of the following:

''(1) Pay, allowances, clothing, subsistence, travel, and related expenses of personnel of the National Guard.

''(2) Operation and maintenance of equipment and facilities of the National Guard.

''(3) Procurement of services and equipment for the National Guard.

''(b) STATE INCLUDES POSSESSIONS, ET CETERA.—For the purposes of this section, the term 'State' includes the District of Columbia, Puerto Rico, Guam, and the Virgin Islands.

''(c) WEAPON OF MASS DESTRUCTION DEFINED.—In this section, the term 'weapon of mass destruction' has the meaning given that term in section 1402 of the Defense Against Weapons of Mass Destruction Act of 1996 (50 U.S.C. 2302(1)).''.

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following:

''115. Reimbursement for State costs of preparedness programs for emergencies involving weapons of mass destruction.''.

SEC. 302. RESERVES ON ACTIVE DUTY.

(a) AUTHORITY.—

(1) ORDER TO ACTIVE DUTY.—Section 12301(b) of title 10, United States Code, is amended—

(A) by inserting ''(1)'' after ''(b)'';

(B) by striking out ''for not more than 15 days a year'' in the first sentence; and

(C) by adding at the end the following;

''(2) The authority under paragraph (1) includes authority to order a unit or member to active duty to provide assistance in responding to an emergency involving a weapon of mass destruction (as defined section 1402 of the Defense Against Weapons of Mass Destruction Act of 1996 (50 U.S.C. 2302(1))).

''(3) A unit or member may not be ordered to active duty under this subsection for more than 15 days a year. Days of service on active duty to provide assistance described in paragraph (2), up to 15 days a year, shall not be counted toward the limitation on the total number of days set forth in the preceding sentence.''.

(2) USE OF ACTIVE GUARD AND RESERVE PERSONNEL.—Section 12310 of title 10, United States Code, is amended by adding at the end the following:

''(c)(1) A Reserve on active duty as described in subsection (a), or a Reserve who is a member of the National Guard serving on full-time National Guard duty under section 502(f) of title 32 in connection with functions referred to in subsection (a), may perform any duties in support of emergency preparedness programs to prepare for or to respond to any emergency involving the use of a weapon of mass destruction (as defined in section 1402 of the Defense Against Weapons of Mass Destruction Act of 1996 (50 U.S.C. 2302(1))).

''(2) The costs of the pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for a Reserve performing duties under the authority of paragraph (1) shall be paid from the appropriation that is available to pay such costs for other members of the reserve component of that Reserve who are performing duties as described in subsection (a).''.

(b) EXCLUSION FROM STRENGTH LIMITATIONS.—

(1) GENERAL LIMITATION.—Section 115(d) of such title is amended by adding at the end the following:

''(8) Members of the reserve components on active duty and members of the National Guard on full-time National Guard duty to participate in emergency preparedness programs for responding to emergencies involving a weapon of mass destruction (as defined section 1402 of the Defense Against Weapons of Mass Destruction Act of 1996 (50 U.S.C. 2302(1))).''.

(2) OFFICER PERSONNEL LIMITATION.—Section 12011 of such title is amended by adding at the end the following:

''(c) Members of the reserve components on active duty and members of the National Guard on full-time National Guard duty to participate in emergency preparedness programs for responding to emergencies involving a weapon of mass destruction (as defined section 1402 of the Defense Against Weapons of Mass Destruction Act of 1996 (50 U.S.C. 2302(1))) shall not be counted for purposes of a limitation in subsection (a).''.

(3) ENLISTED PERSONNEL LIMITATION.—Section 12011 of such title is amended by adding at the end the following:

''(c) Members of the reserve components on active duty and members of the National Guard on full-time National Guard duty to participate in emergency preparedness programs for responding to emergencies involving a weapon of mass destruction (as defined section 1402 of the Defense Against Weapons of Mass Destruction Act of 1996 (50 U.S.C. 2302(1))) shall not be counted for purposes of a limitation in subsection (a).''.

TITLE IV—STRENGTHENED REFORMS FOR ARMY NATIONAL GUARD COMBAT READINESS

SEC. 401. ADEQUATE FUNDING FOR MEETING NCO EDUCATION REQUIREMENTS.

Section 1114(b) of the Army National Guard Combat Readiness Reform Act of 1992 (title XI of Public Law 102–484; 10 U.S.C. 10105 note) is amended to read as follows:

''(b) AVAILABILITY OF TRAINING.—The Secretary of the Army shall ensure that sufficient training positions and funds are available to enable compliance with subsection (a) without it being necessary for noncommissioned officers to be absent from unit annual training for the units of assignment in order to attend training to meet military education requirements.''.

SEC. 402. COMBAT UNIT TRAINING.

Section 1119 of the Army National Guard Combat Readiness Reform Act of 1992 is amended—

(1) by inserting ''(a) PROGRAM TO MINIMIZE POST-MOBILIZATION TRAINING NEEDS.—'' before ''The Secretary'';

(2) by inserting ''all'' before ''combat units'' in the first sentence;

(3) in paragraph (1)—

(A) in subparagraph (A), by inserting ''and professional development'' after ''qualification'';

(B) in subparagraph (B), by striking out ''and squad level'' and inserting in lieu thereof ''squad, and platoon level''; and

(C) by striking out subparagraph (C) and inserting in lieu thereof the following:

''(C) maneuver training at the platoon level to at least the minimum extent required of all Army units; and''; and

(4) by adding at the end the following:

''(b) ADEQUACY OF FUNDING.—The Secretary shall ensure that sufficient funds are made available for conducting the training required under the program.''.

SEC. 403. USE OF COMBAT SIMULATORS.

The text of section 1120 of such Act is amended to read as follows:

''The Secretary of the Army shall—

''(1) expand the use of simulations, simulators, and advanced training devices and technologies to fully support the complete integration of Army National Guard units with active Army units; and

''(2) use and distribute combat simulators so as to serve the training of Army National Guard units as well as active Army units.''.

TITLE V—PAY, ALLOWANCES, RETIREMENT, AND OTHER MONETARY BENEFITS

SEC. 501. BASIC ALLOWANCE FOR HOUSING.

(a) RESERVES ON ACTIVE DUTY MORE THAN 100 MILES FROM HOME.—Section 403(g)(3) of title 37, United States Code, is amended by adding at the end the following: ''A member of a reserve component on active duty may not be denied a basic allowance for housing at that rate on the basis of being provided quarters of the United States if the member is performing duty more than 100 miles from the member's primary residence.''.

(b) EFFECTIVE DATE AND APPLICABILITY.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act and shall apply with respect to active duty performed on or after that date.

SEC. 502. ELIGIBILITY FOR HAZARDOUS OR IMMINENT DANGER PAY.

(a) FULL MONTHLY RATE FOR ACTIVE DUTY FOR PARTIAL MONTH.—Section 310(a) of title 37, United States Code, is amended in the matter preceding paragraph (1) by striking

out ''for any month in which he was entitled to basis pay'' and inserting in lieu thereof ''for any month in which he was entitled to any basic pay (without regard to the number of days of duty performed for the month)''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on the first day of the first month that begins on or after the date of the enactment of this Act.

SEC. 503. ALLOTMENTS OF PAY.

Section 701(d) of title 37, United States Code, is amended—

(1) by inserting ''(including a member of a reserve component of that armed force)'' in the first sentence after ''a member of the Army, Navy, Air Force, or Marine Corps''; and

(2) by inserting ''(three allotments, in the case of a member of a reserve component)'' in the second sentence after ''six allotments''.

SEC. 504. EARLY RETIREMENT FOR PHYSICAL DISABILITY.

(a) PERMANENT AUTHORITY.—Chapter 1223 of title 10, United States Code, is amended by inserting after section 12731a the following:

§ 12731b. Early retirement for physical disability

''(a) RETIREMENT WITH AT LEAST 15 YEARS OF SERVICE.—For the purposes of section 12731 of this title, the Secretary concerned may—

''(1) determine to treat a member of the Selected Reserve of a reserve component of the armed force under the jurisdiction of that Secretary as having met the service requirements of subsection (a)(2) of that section and provide the member with the notification required by subsection (d) of that section if the member—

''(A) has completed at least 15, and less than 20, years of service computed under section 12732 of this title; and

''(B) no longer meets the qualifications for membership in the Selected Reserve solely because the member is unfit because of physical disability; and

''(2) upon the request of the member submitted to the Secretary, transfer the member to the Retired Reserve.

''(b) EXCLUSION.—This section does not apply to persons referred to in section 12731(c) of this title.''.

(b) REPEAL OF SUPERSEDED AUTHORITY.—Section 12731(a)(c) of such title is amended by striking out paragraph (3).

(c) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 12731a the following:

''12731b. Early retirement for physical disability.''.

TITLE VI—OTHER BENEFITS

SEC. 601. REPEAL OF 10-YEAR LIMITATION ON USE OF MONTGOMERY GI BILL BENEFITS.

(a) REPEAL.—Subsection (a) of section 16133 of title 10, United States Code, is amended by striking out ''(1)'' and all that follows and inserting in lieu thereof ''on the date the person is separated from the Selected Reserve.''.

(b) CONFORMING AMENDMENTS.—Subsection (b) of such section is amended—

(1) in paragraph (1)—

(A) by striking out ''In'' in the matter preceding subparagraph (A) and inserting in lieu thereof ''Subsection (a) does not apply in''; and

(B) by striking out the comma at the end of subparagraph (B) and all that follows and inserting in lieu thereof a period;

(2) by striking out paragraph (3); and

(3) by redesignating paragraph (4) as paragraph (3) and, in such paragraph, by striking out ''of this title—'' and all that follows through ''for the purposes of clause (2)'' and inserting in lieu thereof ''of this title, the member may not be considered to have been separated from the Selected Reserve for the purposes''.

SEC. 602. DEMONSTRATION PROGRAM ON UNLIMITED USE OF COMMISSARY STORES.

(a) PROGRAM REQUIRED.—The Secretary of Defense shall carry out a demonstration program to test the efficacy of permitting unlimited use of commissary stores by members and former members of the reserve components who are eligible for limited use of commissary stores under section 1063 and 1064 of title 10, United States Code.

(b) PERIOD FOR PROGRAM.—The program shall be carried out for one year beginning on January 1, 1999.

(c) REPORT.—Not later than March 31, 2000, the Secretary of Defense shall submit to Congress a report on the results of the demonstration program, together with any comments and recommendations that the Secretary considers appropriate.

SEC. 603. SPACE AVAILABLE TRAVEL FOR MEMBERS OF SELECTED RESERVE.

(a) IN GENERAL.—Chapter 157 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 2646. Space available travel: members of Selected Reserve

''(a) AVAILABILITY.—The Secretary of Defense shall prescribe regulations to allow members of the Selected Reserve in good standing (as determined by the Secretary concerned), and dependents of such members, to receive transportation on aircraft of the Department of Defense on a space available basis under the same terms and conditions as apply to members of the armed forces on active duty and dependents of such members.

''(b) CONDITION ON DEPENDENT TRANSPORTATION.—A dependent of a member of the Selected Reserve may be provided transportation under this section only when the dependent is actually accompanying the member on the travel.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''2646. Space available travel: members of Selected Reserve.''.

SEC. 604. REPEAL OF EXPIRATION OF ELIGIBILITY FOR VETERANS HOUSING BENEFITS BASED ON SERVICE IN THE SELECTED RESERVE.

Section 3702(a)(2)(E) of title 38, United States Code, is amended by striking out ''For the period beginning on October 28, 1992, and ending on October 27, 1999, each'' and inserting in lieu thereof ''Each''.

TITLE VII—OTHER MATTERS

SEC. 701. READY RESERVE-NATIONAL GUARD EMPLOYEE CREDIT ADDED TO GENERAL BUSINESS CREDIT.

(a) READY RESERVE-NATIONAL GUARD CREDIT.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to business-related credits) is amended by adding at the end the following new section:

''SEC. 45D. READY RESERVE-NATIONAL GUARD EMPLOYEE CREDIT.

''(a) GENERAL RULE.—For purposes of section 38, the Ready Reserve-National Guard employee credit determined under this section for the taxable year is an amount equal to 50 percent of the actual compensation amount for the taxable year.

''(b) DEFINITION OF ACTUAL COMPENSATION AMOUNT.—For purposes of this section, the term 'actual compensation amount' means the amount of compensation paid or incurred by an employer with respect to a Ready Reserve-National Guard employee on any day during a taxable year when the employee was absent from employment for the purpose of performing qualified active duty.

''(c) LIMITATIONS.—

''(1) MAXIMUM CREDIT.—The maximum credit allowable under subsection (a) shall not exceed $2,000 in any taxable year with respect to any one Ready Reserve-National Guard employee.

''(2) DAYS OTHER THAN WORK DAYS.—No credit shall be allowed with respect to a Ready Reserve-National Guard employee who performs qualified active duty on any day on which the employee was not scheduled to work (for a reason other than to participate in qualified active duty) and ordinarily would not have worked.

''(d) DEFINITIONS.—For purposes of this section—

''(1) QUALIFIED ACTIVE DUTY.—The term 'qualified active duty' means—

''(A) active duty, as defined in section 101(d)(1) of title 10, United States Code;

''(B) full-time National Guard duty, as defined in section 1010(d)(5) of such title; and

''(C) hospitalization incident to duty referred to in subparagraph (A) or (B).

''(2) COMPENSATION.—The term 'compensation' means any remuneration for employment, whether in cash or in kind, which is paid or incurred by a taxpayer and which is deductible from the taxpayer's gross income under section 162(a)(1).

''(3) READY RESERVE-NATIONAL GUARD EMPLOYEE.—The term 'Ready Reserve-National Guard employee' means an employee who is a member of the Ready Reserve or of the National Guard.

''(4) NATIONAL GUARD.—The term 'National Guard' has the meaning given such term by section 101(c)(1) of title 10, United States Code.

''(5) READY RESERVE.—The term 'Ready Reserve' has the meaning given such term by section 10142 of title 10, United States Code.''

(b) CREDIT TO BE PART OF GENERAL BUSINESS CREDIT.—Subsection (b) of section 38 of such Code (relating to general business credit) is amended by striking ''plus'' at the end of paragraph (11), by striking the period at the end of paragraph (12) and inserting '', plus'', and by adding at the end the following new paragraph:

''(13) the Ready Reserve-National Guard employee credit determined under section 45D(a).''

(c) CONFORMING AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 45C the following new item:

''Sec. 45D. Ready Reserve-National Guard employee credit.''

(d) EFFECTIVE DATE.—The amendments made by this Act shall apply to taxable years beginning after December 31, 1997.

SECTION-BY-SECTION ANALYSIS

Section 101: Directs the Secretary of Defense to submit a report to Congress regarding the following;

1) force structure appropriate for the Army National Guard and the Army Reserve to meet national security threats.

2) freezes the end strength of the Army National Guard and Army Reserve at the levels approved in Public Law 105–85 Stat. 1719 until September 30, 2000.

Section 102: Directs the Secretary of Defense to develop a master plan for the modernization of the National Guard and Reserve Component of the Armed Services to ensure compatibility of equipment. The report is to be submitted to Congress six months from date of enactment of legislation.

Section 103: Directs the Secretary of Defense to develop a master plan regarding the unmet military construction requirements of the National Guard and Reserve Components. This Report will be submitted within six months after passage of the legislation.

Sections 201 & 202: Elevates the Chief of the National Guard Bureau to the Grade of General (4-Star) and elevates the Senior Representatives of the Reserves (Army, Navy, Air Force and Marines) to Lieutenant General (3-Star). Adjusts the responsibility of the Chief of the National Guard Bureau regarding issues that directly affect the National Guard. Includes the Chief of the National Guard Bureau as a full time member of the Joint Requirements Oversight Council.

Section 203: Requires the Secretary of Defense to appoint the Federal Recognition Board for an Adjutant General within 60 days of the Adjutant General's appointment by a Governor. This section also requires the Secretary of Defense to have the Inspector General of the Defense Department be responsible for conducting investigations regarding appointments of State Adjutants General.

Section 204: Requires the General Accounting Office (GAO) to review the National Guard members promotions and extensions of Federal recognition as to the timeliness and fairness of the process. GAO will report to Congress one year after the enactment of the legislation.

Section 301: Enhanced integration of the National Guard Bureau, Reserve Components and the Federal Emergency Management Agency (FEMA) for emergencies involving Weapons of Mass Destruction.

Section 302: Describes duties of Reserves (National Guard & Reserves) in responding to an emergency involving a weapon of mass destruction.

Section 401: Directs the Secretary of the Army to ensure that sufficient training funds are available for enlisted men and women to meet their military education requirements.

Section 402: Directs the Secretary of the Army to ensure that sufficient training funds are available for the training of Army National Guard to maintain Platoon level operations.

Section 403: Directs the Secretary of the Army to expand the use of simulations, simulators and advanced training devices to fully support the integration of Army National Guard with Active Army units.

Section 501: Prohibits the Services from denying Basic Housing allowance to Reserve component members if they are on active duty more than 100 miles from their primary home.

Section 502: Provides equity between Reserve component members and active duty counterparts in receiving Hazardous or Imminent Danger pay.

Section 503: Increases Reserve Components pay allotment authorization to the same level as Active duty personnel.

Section 504: Makes permanent the early retirement for Physical Disability of National Guard and Reserve component members who have between 15 and 20 years of satisfactory service. The present law expires at the end of Fiscal Year 1999.

Section 601: Repeals the Ten Year limitation on the use of the Montgomery GI bill benefits if the reservists remain members in good standing of the Selected Reserve.

Section 602: Provides for a demonstration program on unlimited use of military commissary stores for reserve component members.

Section 603: Directs the Secretary of Defense to develop rules for Reserve Component Members and their families to travel on Department of Defense Aircraft on a space available basis.

Section 604: Makes permanent the eligibility for veterans' home loan guarantees for members of the Selected Reserves. Reserve eligibility is to expire October 1999.

Section 701: Provides a tax incentive to businesses that employ National Guard and Reserve personnel. A business can receive a tax credit of up to $2000.00 per year, per employee for a member of the Guard and Reserve who is absent from employment for the purpose of performing Active Duty assignments.

Mr. BOND. Mr. President, I am proud to join with my colleague and co-chair of the Senate National Guard Caucus, Senator FORD to introduce a bill today to bolster the recognition of the National Guard and reserve components by the Department of Defense. The bill entitled the National Guard and Reserve Components Equity Act of 1998.

Since the Senate National Guard Caucus was established in 1987, Senator FORD and I and the sixty five other members have worked tirelessly to insure the adequate resourcing of the National Guard and reserves. This year will be Senator FORD's final year as Caucus co-chair. I will sorely miss his advise and counsel. The legislation we lay before you this day is testimony to his commitment to improving the quality of life standards for our nations active, Guard and reserve component service members. He and I have worked to include major quality of life and resourcing issues highlighted by reserve and National Guard Associations.

This bill seeks to provide overdue recognition and benefits to the nation's reservists and Guard personnel and their families. For too long, the nation's reservists and National Guardsmen and women have been the recipients of less than a full commitment by the Department of Defense. The bill we have introduced will stir some controversy I am sure, but these men and women deserve our support. As we ask more and more of our reserve and Guard we owe it to the people who we ask to go into harm's way, to provide them with equality in pay, equality in fielded equipments and equality in training. We owe it to their families to provide them with equal access to commissaries and space available travel. We owe it to them to continue reservist eligibility for VA home loans and repeal Montgomery Bill limitations for Selected Reservists. We need to do all this and more. We must also recognize the sacrifices made by reservist and Guard employers. This bill addresses each of these issues. We must remove any semblance of second class status from the shoulders of these professional and dedicated individuals.

Reserve and Guard components are being called upon to integrate themselves into the tactical operations of the nation's defense plans, in order to do this effectively, the systems used by the components must be compatible. That is not the case today. In many instances, radios and data transfer equipments are incompatible. For instance many artillery units operate independently because they are unable to coordinate their operations. I could hardly believe it, but many fighter aircraft units suffer the same fate, and you can imagine that the theater commanders don't care to have independent fighter units involved in heavily coordinated and multi-national operations. Digitization, situational awareness data link upgrades and avionics modernization of reserve and Guard units is imperative. This bill directs the Secretary of Defense to develop a master plan for the modernization of these components.

The bill also addresses the use of Guard and reserve component personnel in response to an emergency involving a weapon of mass destruction; to include their integration with efforts of the Federal Emergency Management Agency.

Family issues are addressed, as well. As I mentioned earlier, there are provisions for demonstration program for unlimited use of military commissionaries by reserve component members, and for the development of rules governing Space Available Travel for reservists and their families.

I urge my colleagues to review this bill, sign on and help us to provide these and other long overdue measures to bring equity in individual recognition and resource allocation to these vital components of our national security.

By Mr. GRASSLEY (for himself, Mr. BAUCUS, Mr. ROBERTS, Mr. KERREY, Ms. MOSELEY-BRAUN, Mr. HAGEL, and Mr. ALLARD):

S. 2078. A bill to amend the Internal Revenue Code of 1986 to provide for Farm and Ranch Risk Management Accounts, and for other purposes; to the Committee on Finance.

FARM AND RANCH RISK MANAGEMENT ACT

Mr. GRASSLEY. Mr. President, I rise today to introduce the Farm and Ranch Risk Management Act of 1998. This bill gives farmers another tool to manage the risk of price and income fluctuations inherent in agriculture. It does this by encouraging farmers to save some of their income during good years and allowing the funds to supplement income during bad years. This new tool will more fully equip family farmers to deal with the vagaries of the marketplace.

Farming is a unique sector of the American economy. Although agriculture represents one-sixth of our Gross Domestic Product, it consists of hundreds of thousands of farmers across the nation. Many of whom operate small, family farms. These farms often support entire families, and even several generations of a family. And they work hard every day and produce the food consumed by the rest of the country, and around the world as well.

Yet farming remains one of the most perilous ways to make a living. The income of a farm family depends, in large part, on factors outside its control. Weather is one of those factors. For instance, I have heard on the Senate

floor recently that the income of North Dakota farmers dropped 98% last year because of flooding. Weather can totally wipe out a farmer. And, at best, weather can cause farmers' income to fluctuate wildly.

Another factor is the uncertainty of international markets. Iowa farmers now export 40% of all they produce. But what happens when European countries impose trade barriers on beef, pork and genetically-modified feed grain, as examples. And what happens when Asian governments devalue their currencies. Exports fall and farm income declines. Through no fault of the farmer, but because of decisions made in foreign countries.

Mr. President, the 1996 farm bill took planting decisions out of the hands of government bureaucrats and put them back into the hands of farmers. Farmers now have the ability to plant according to the demands of the market. The farmers I talk to are pleased with this change in philosophy. They would rather make their own decisions and rely on the market for their income, instead of the government.

But the sometimes volatile nature of commodity markets can make it difficult for family farmers to survive even a normal business cycle. When prices are high, farmers often pay so much of their income in taxes that they are unable to save anything. When prices drop again, farmers can be faced with liquidity problems. This bill allows farmers to manage their income, to smooth out the highs and lows of the commodity markets.

In that way, this bill is complementary with the philosophy of the new farm program. Business decisions are left in the hands of farmers, not bureaucrats at the Department of Agriculture, and not elected officials. The farmer decides whether to defer his income for later years. The farmer decides when to withdraw funds to supplement his operation.

Mr. President, I will take just a moment to explain how the bill works. Eligible farmers are allowed to make contributions to tax-deferred accounts, also known as FARRM accounts. The contributions are tax-deductible and limited to 20% of the farmer's taxable income for the year. The contributions are invested in cash or other interest-bearing obligations. The interest is taxed during the year it is earned.

The funds can stay in the account for up to five years. Upon withdrawal, the funds are taxed as regular income. If the funds are not withdrawn after five years, they are taxed as income and subject to an additional 10% penalty.

Essentially, the farmer is given a five-year window to manage his money in a way that is best for his own operation. The farmer can contribute to the account in good years and withdraw from the account when his income is low.

This bill helps the farmer help himself. It is not a new government subsidy for agriculture. It will not create a new bureaucracy purporting to help farmers. The bill simply provides farmers with a fighting chance to survive the down times and an opportunity to succeed when prices eventually increase.

Mr. President, I want to thank my colleagues for supporting this bill, especially Senator BAUCUS, the lead Democratic cosponsor. I look forward to working with him on the Finance Committee to ensure passage of this important effort for our farmers.

ADDITIONAL COSPONSORS

S. 89

At the request of Ms. SNOWE, the names of the Senator from Wisconsin [Mr. FEINGOLD] and the Senator from Oregon [Mr. WYDEN] were added as cosponsors of S. 89, a bill to prohibit discrimination against individuals and their family members on the basis of genetic information, or a request for genetic services.

S. 381

At the request of Mr. ROCKEFELLER, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 381, a bill to establish a demonstration project to study and provide coverage of routine patient care costs for medicare beneficiaries with cancer who are enrolled in an approved clinical trial program.

S. 831

At the request of Mr. SHELBY, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 831, a bill to amend chapter 8 of title 5, United States Code, to provide for congressional review of any rule promulgated by the Internal Revenue Service that increases Federal revenue, and for other purposes.

S. 863

At the request of Mrs. MURRAY, her name was withdrawn as a cosponsor of S. 863, a bill to authorize the Government of India to establish a memorial to honor Mahatma Gandhi in the District of Columbia.

S. 1260

At the request of Mrs. HUTCHISON, her name was added as a cosponsor of S. 1260, a bill to amend the Securities Act of 1933 and the Securities Exchange Act of 1934 to limit the conduct of securities class actions under State law, and for other purposes.

S. 1320

At the request of Mr. ROCKEFELLER, the name of the Senator from Delaware [Mr. BIDEN] was added as a cosponsor of S. 1320, a bill to provide a scientific basis for the Secretary of Veterans Affairs to assess the nature of the association between illnesses and exposure to toxic agents and environmental or other wartime hazards as a result of service in the Persian Gulf during the Persian Gulf War for purposes of determining a service connection relating to such illnesses, and for other purposes.

S. 1334

At the request of Mr. BOND, the names of the Senator from Illinois [Ms. MOSELEY-BRAUN] and the Senator from Nevada [Mr. BRYAN] were added as cosponsors of S. 1334, a bill to amend title 10, United States Code, to establish a demonstration project to evaluate the feasibility of using the Federal Employees Health Benefits program to ensure the availability of adequate health care for Medicare-eligible beneficiaries under the military health care system.

S. 1580

At the request of Mr. SHELBY, the name of the Senator from Kansas [Mr. BROWNBACK] was added as a cosponsor of S. 1580, a bill to amend the Balanced Budget Act of 1997 to place an 18-month moratorium on the prohibition of payment under the medicare program for home health services consisting of venipuncture solely for the purpose of obtaining a blood sample, and to require the Secretary of Health and Human Services to study potential fraud and abuse under such program with respect to such services.

S. 1754

At the request of Mr. FRIST, the name of the Senator from North Carolina [Mr. FAIRCLOTH] was added as a cosponsor of S. 1754, a bill to amend the Public Health Service Act to consolidate and reauthorize health professions and minority and disadvantaged health professions and disadvantaged health education programs, and for other purposes.

S. 1758

At the request of Mr. LUGAR, the name of the Senator from North Dakota [Mr. DORGAN] was added as a cosponsor of S. 1758, a bill to amend the Foreign Assistance Act of 1961 to facilitate protection of tropical forests through debt reduction with developing countries with tropical forests.

S. 1825

At the request of Mrs. MURRAY, the name of the Senator from Delaware [Mr. BIDEN] was added as a cosponsor of S. 1825, a bill to amend title 10, United States Code, to provide sufficient funding to assure a minimum size for honor guard details at funerals of veterans of the Armed Forces, to establish the minimum size of such details, and for other purposes.

S. 1868

At the request of Mr. NICKLES, the name of the Senator from Kansas [Mr. BROWNBACK] was added as a cosponsor of S. 1868, a bill to express United States foreign policy with respect to, and to strengthen United States advocacy on behalf of, individuals persecuted for their faith worldwide; to authorize United States actions in response to religious persecution worldwide; to establish an Ambassador at Large on International Religious Freedom within the Department of State, a Commission on International Religious Persecution, and a Special Adviser on International Religious Freedom within the National Security Council; and for other purposes.

S. 1959

At the request of Mr. COVERDELL, the names of the Senator from Kentucky

[Mr. MCCONNELL] and the Senator from New Hampshire [Mr. SMITH] were added as cosponsors of S. 1959, a bill to prohibit the expenditure of Federal funds to provide or support programs to provide individuals with hypodermic needles or syringes for the use of illegal drugs.

S. 1973

At the request of Mr. BUMPERS, the name of the Senator from California [Mrs. FEINSTEIN] was added as a cosponsor of S. 1973, a bill to amend section 2511 of title 18, United States Code, to revise the consent exception to the prohibition on the interception of oral, wire, or electronic communications.

S. 1981

At the request of Mr. HUTCHINSON, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of S. 1981, a bill to preserve the balance of rights between employers, employees, and labor organizations which is fundamental to our system of collective bargaining while preserving the rights of workers to organize, or otherwise engage in concerted activities protected under the National Labor Relations Act.

S. 1992

At the request of Mrs. HUTCHISON, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 1992, a bill to amend the Internal Revenue Code of 1986 to provide that the $500,000 exclusion of a gain on the sale of a principal residence shall apply to certain sales by a surviving spouse.

S. 2036

At the request of Mrs. HUTCHISON, the names of the Senator from Georgia [Mr. COVERDELL], the Senator from Oregon [Mr. SMITH], the Senator from Alabama [Mr. SESSIONS], the Senator from Colorado [Mr. ALLARD], the Senator from Mississippi [Mr. LOTT], the Senator from Oklahoma [Mr. NICKLES], the Senator from Alaska [Mr. STEVENS], the Senator from North Carolina [Mr. HELMS], and the Senator from Idaho [Mr. CRAIG] were added as cosponsors of S. 2036, a bill to condition the use of appropriated funds for the purpose of an orderly and honorable reduction of U.S. ground forces from the Republic of Bosnia and Herzegovina.

SENATE CONCURRENT RESOLUTION 88

At the request of Mr. D'AMATO, the name of the Senator from South Dakota [Mr. JOHNSON] was withdrawn as a cosponsor of Senate Concurrent Resolution 88, a concurrent resolution calling on Japan to establish and maintain an open, competitive market for consumer photographic film and paper and other sectors facing market access barriers in Japan.

SENATE RESOLUTION 176

At the request of Mr. DOMENICI, the names of the Senator from Mississippi [Mr. LOTT], the Senator from Maine [Ms. COLLINS], and the Senator from Montana [Mr. BURNS] were added as cosponsors of Senate Resolution 176, a resolution proclaiming the week of October 18 through October 24, 1998, as ''National Character Counts Week.''

SENATE RESOLUTION 216

At the request of Mr. LIEBERMAN, the name of the Senator from Nevada [Mr. REID] was added as a cosponsor of Senate Resolution 216, a resolution expressing the sense of the Senate regarding Japan's difficult economic condition.

SENATE RESOLUTION 230—AUTHORIZING THE PRODUCTION OF RECORDS BY THE SELECT COMMITTEE ON INTELLIGENCE

Mr. LOTT (for himself and Mr. DASCHLE) submitted the following resolution; which was considered and agreed to:

S. RES. 230

Whereas, the Office of the Inspector General of the United States Department of Justice has requested that the Senate Select Committee on Intelligence provide it with copies of committee records relevant to the Office's pending inquiry into the handling and dissemination by the Department of Justice and the Federal Bureau of Investigation of certain foreign intelligence and counterintelligence information;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that documents, papers, and records under the control or in the possession of the Senate may promote the administration of justice, the Senate will take such action as will promote the ends of justice consistently with the privileges of the Senate: Now, therefore, be it

Resolved, That the Chairman and Vice Chairman of the Senate Select Committee on Intelligence, acting jointly, are authorized to provide to the Office of Inspector General of the United States Department of Justice, under appropriate security procedures, copies of committee records relevant to the Office's pending inquiry into the handling and dissemination by the Department of Justice and the Federal Bureau of Investigation of certain foreign intelligence and counterintelligence information.

AMENDMENTS SUBMITTED

THE SECURITIES LITIGATION UNIFORM STANDARDS ACT OF 1998

FEINGOLD AMENDMENT NO. 2394

Mr. FEINGOLD proposed an amendment to the bill (S. 1260) to amend the Securities Act of 1933 and the Securities Exchange Act of 1934 to limit the conduct of securities class actions under State law, and for other purposes; as follows:

At the appropriate place, add the following:

SEC. ___. CIVIL RIGHTS PROCEDURES PROTECTIONS.

(a) SHORT TITLE.—This section may be cited as the ''Civil Rights Procedures Protection Act of 1998''.

(b) AMENDMENT TO TITLE VII OF THE CIVIL RIGHTS ACT OF 1964.—Title VII of the Civil Rights Act of 1964 (42 U.S.C. 2000e et seq.) is amended by adding at the end the following new section:

''SEC. 719. EXCLUSIVITY OF POWERS AND PROCEDURES.

''Notwithstanding any Federal law (other than a Federal law that expressly refers to this title) that would otherwise modify any of the powers and procedures expressly applicable to a right or claim arising under this title, such powers and procedures shall be the exclusive powers and procedures applicable to such right or such claim unless after such right or such claim arises the claimant voluntarily enters into an agreement to enforce such right or resolve such claim through arbitration or another procedure.''.

(c) AMENDMENT TO THE AGE DISCRIMINATION IN EMPLOYMENT ACT OF 1967.—The Age Discrimination in Employment Act of 1967 (29 U.S.C. 621 et seq.) is amended—

(1) by redesignating sections 16 and 17 as sections 17 and 18, respectively; and

(2) by inserting after section 15 the following new section 16:

''SEC. 16. EXCLUSIVITY OF POWERS AND PROCEDURES.

''Notwithstanding any Federal law (other than a Federal law that expressly refers to this Act) that would otherwise modify any of the powers and procedures expressly applicable to a right or claim arising under this Act, such powers and procedures shall be the exclusive powers and procedures applicable to such right or such claim unless after such right or such claim arises the claimant voluntarily enters into an agreement to enforce such right or resolve such claim through arbitration or another procedure.''.

(d) AMENDMENT TO THE REHABILITATION ACT OF 1973.—Section 505 of the Rehabilitation Act of 1973 (29 U.S.C. 795) is amended by adding at the end the following new subsection:

''(c) Notwithstanding any Federal law (other than a Federal law that expressly refers to this title) that would otherwise modify any of the powers and procedures expressly applicable to a right or claim arising under section 501, such powers and procedures shall be the exclusive powers and procedures applicable to such right or such claim unless after such right or such claim arises the claimant voluntarily enters into an agreement to enforce such right or resolve such claim through arbitration or another procedure.''.

(e) AMENDMENT TO THE AMERICANS WITH DISABILITIES ACT OF 1990.—Section 107 of the Americans with Disabilities Act of 1990 (42 U.S.C. 12117) is amended by adding at the end the following new subsection:

''(c) Notwithstanding any Federal law (other than a Federal law that expressly refers to this Act) that would otherwise modify any of the powers and procedures expressly applicable to a right or claim based on a violation described in subsection (a), such powers and procedures shall be the exclusive powers and procedures applicable to such right or such claim unless after such right or such claim arises the claimant voluntarily enters into an agreement to enforce such right or resolve such claim through arbitration or another procedure.''.

(f) AMENDMENT TO SECTION 1977 OF THE REVISED STATUTES.—Section 1977 of the Revised Statutes (42 U.S.C. 1981) is amended by adding at the end the following new subsection:

''(d) Notwithstanding any Federal law (other than a Federal law that expressly refers to this section) that would otherwise modify any of the powers and procedures expressly applicable to a right or claim concerning making and enforcing a contract of employment under this section, such powers