regulation for the voluntary labeling or identification of ground beef or lamb, other processed beef or lamb products as United States beef or United States lamb, imported beef or imported lamb, beef blended with imported meat or lamb blended with imported meat, or other designation that identifies the percentage content of United States and imported beef or imported lamb contained in the product, as determined by the Secretary.

''(2) MANDATORY LABELING.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), not later than 18 months after the date of enactment of this subsection, the Secretary shall provide by regulation for the mandatory labeling or identification of ground beef or lamb, other processed beef or lamb products as United States beef or United States lamb, imported beef or imported lamb, beef blended with imported meat or lamb blended with imported meat, or other designation that identifies the percentage content of United States and imported beef or imported lamb contained in the product, as determined by the Secretary.

''(B) APPLICATION.—Subparagraph (A) shall not apply to the extent the Secretary determines that the costs associated with labeling under subparagraph (A) would result in an unreasonable burden on producers, processors, retailers, or consumers.''.

(c) GROUND BEEF AND GROUND LAMB LABELING STUDY.—

(1) IN GENERAL.—The Secretary of Agriculture shall conduct a study of the effects of the mandatory use of imported, blended, or percentage content labeling on ground beef, ground lamb, and other processed beef or lamb products made from imported beef or imported lamb.

(2) COSTS AND RESPONSES.—The study shall be designed to evaluate the costs associated with and consumer response toward the mandatory use of labeling described in paragraph (1).

(3) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary shall report the findings of the study conducted under paragraph (1) to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

SEC. 803. REGULATIONS.

Not later than 120 days after the date of enactment of this Act, the Secretary of Agriculture shall promulgate final regulations to carry out the amendments made by this title.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the amendments were agreed to.

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

The motion to lay on the table was agreed to.

Mr. HATCH. Mr. President, as I am sure my distinguished colleague, the Chairman of the Subcommittee, is aware, the Food and Drug Administration Modernization Act (FDAMA) included a significant provision related to FDA's review and approval of indirect food additives. For the benefit of my colleagues, these are products that are used for containers, wrappings and packaging of food products.

To ensure the safety of indirect food additives, these materials that touch or contain food, the Food and Drug Administration (FDA) must receive safety data submitted by the manufacturer. Often, FDA's process of evaluating these data has been extremely lengthy and has worked to delay the market availability of new and improved products. As a result, many companies have chosen simply not to bring new products to market, thus depriving the public of improvements in products and technology.

In order to address this concern, a provision was included in FDAMA which requires the FDA to establish a new and expedited new product notification and review process that will substantially improve the situation for manufacturers of indirect food additives and thus the consumers of packaged food products. However, under section 309 of FDAMA, the provision will only become effective if the FDA receives an appropriation of $1.5 million for FY 1999. Subject to this new appropriation, FDA would be required to set the program in motion by April 1, 1999.

I am aware that the House mark does include funding for the indirect food additive pre-market notification program, but at a level of $500,000. While this certainly indicates the intention and willingness of the House to fund the program, unfortunately the amount is not sufficient to meet the specific requirements of FDAMA.

I am extremely mindful of the tight allocation under which S. 2159 was crafted, and I recognize that it was not an easy task to bring this bill forward today. I am very grateful for the Subcommittee's efforts under the leadership of Chairman COCHRAN. At the same time, I hope the Chairman will agree with me that funding of this important FDA reform is critically important and that the conferees will try to work this out so that the new program can be implemented next year.

Mr. COCHRAN: The Committee was mindful of this problem, and, in fact, included report language indicating its awareness of the need to implement the premarket notification provisions in order to spur innovation of new and improved food packaging materials. As you said, we are operating under a very tight allocation, but we will do our best to try to work this out.

Mr. COCHRAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

The Senator from Mississippi.

MORNING BUSINESS

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

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

Mr. COCHRAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

CONGRESS NEEDS TO ACT ON ENCRYPTION LEGISLATION

Mr. LOTT. Mr. President, I rise to commend the continuing efforts of America's computer industry to find a technical solution to the encryption issue. On Monday, July 13, a consortium of thirteen high-tech companies announced an alternative to the Administration's proposed key escrow/third party access system. As you will recall, many computer and security exports have stated that key escrow would be an invasion of privacy, technically unworkable, and cost prohibitive.

Unlike the key recovery system advocated by the Administration, industry's ''private doorbells'' approach would not require sensitive encryption keys to be escrowed with third parties in order for law enforcement to gain access to computer messages. Instead, the FBI and other federal, state, and local agencies would be able to combat crime by being provided with court approved, real-time access to communiques at the point where they are sent or at the point where the message is received. Clearly, high-tech executives have not been sitting on the sidelines as the encryption debate continues. As this announcement indicates, the computer industry is working hard to find a balanced solution that ensures the needs of our law enforcement and national security communities while maintaining privacy protections for all U.S. citizens. We owe it to them, and to all Americans, to find a balanced legislative solution to encryption.

Mr. LEAHY. Mr. President, I would also like to applaud the computer industry's efforts to find alternative technical solutions to help law enforcement with the challenge of encrypted data and communications without the need to establish a government-mandated key escrow or key recovery scheme. With the appropriate privacy safeguards in place, as outlined in the E-PRIVACY bill, S.2067, the solution that the companies are proposing appears encouraging. American companies are desperate for a common sense approach to our export policy on encryption. As you are well aware, the Administration, starting with Clipper Chip, has been wedded to key escrow schemes to ensure that the FBI can get access to plaintext, or unscrambled electronic data. This path has been pursued despite the serious questions that experts have raised about the costs, privacy risks and lack of consumer interest in such schemes. As