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Senate

The Senate met at 9 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Dear Father, whose faithfulness is consistent, whose mercies are new every morning, and whose patience persists when we least deserve it, we praise You for bringing us through another week of work in this Senate. You have given the Senators strength and courage to battle for truth as they see it, deal with differences, and keep the bond of unity. This week has had times of conflict and contention and times of unity and oneness. Thank You for holding the Senators together with oneness as fellow patriots in spite of the wins and losses. The very nature of our system fosters party spirit and passionate debate, but You maintain the mutual esteem and trust required to continue to work together. Unseen but powerful Sovereign of all, we thank You for Your presence in this Chamber. Continue to grant us the virtue of humility that keeps us open to You and to one another. Through our Lord and Savior. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader, the senior Senator from New Mexico, is recognized.

SCHEDULE

Mr. DOMENICI. Mr. President, in behalf of the majority leader, I have the following statement.

This morning the Senate will immediately proceed to a stacked series of rollcall votes with respect to the VA-HUD appropriations bill. The first vote in the series will be a 15-minute vote with all succeeding votes in the series being limited to 10 minutes each. Up to six rollcall votes can be expected. Hopefully, that series of votes will include passage of the VA-HUD appropriations bill.

Following disposition of that bill, the Senate is also expected to consider the legislative appropriations bill. However, any votes ordered with respect to the legislative branch appropriations bill will be postponed, to occur on Tuesday, July 21, the time to be determined by the two leaders.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER (Mr. INHOFE). Under the previous order, leadership time is reserved.

DEPARTMENT OF VETERANS AFFAIRS AND HOUSING AND URBAN DEVELOPMENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, 1999

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of S. 2168.

The legislative clerk read as follows:

A bill (S. 2168) making appropriations for the Department of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, commissions, corporations, and offices for the fiscal year ending September 30, 1999, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Wellstone/Murray/McCain amendment No. 3199, to restore veterans tobacco-related benefits as in effect before the enactment of the Transportation Equity Act for the 21st Century.

Murkowski amendment No. 3200, to provide land allotments for certain Native Alaskan veterans.

Nickles amendment No. 3202, to provide for an increase in FHA single family maximum mortgage amounts and GNMA guaranty fee.

Burns amendment No. 3205, to provide for insurance and indemnification with respect to the development of certain experimental aerospace vehicles.

Sessions amendment No. 3206, to increase funding for activities of the National Aeronautics and Space Administration concerning science and technology, aeronautics, space transportation, and technology by reducing funding for the AmeriCorps program.

AMENDMENT NO. 3199

The PRESIDING OFFICER. The question is on agreeing to the Wellstone amendment. There are 2 minutes of debate equally divided.

The PRESIDING OFFICER. Who yields time?

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. DOMENICI. Mr. President, could we have order, please.

The PRESIDING OFFICER. The Senate will come to order.

The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I offered this amendment on behalf of Senator MURRAY, Senator MCCAIN and myself. This amendment speaks to an injustice. This amendment would restore benefits to veterans for smoking-related diseases. We had a lot of smoke and mirrors, we did a lot of things in the budget resolution that we should not have done. We have never had an up-or-down vote.

What this amendment essentially says is we should not have used that offset for highways, taking benefits that go to veterans. It is that clear.

Mr. President, let me just be crystal clear. There have been a lot of OMB stories that I would question. I believe there will not be that much that will be required, but this funding ought to go to veterans. In fact, I would argue you will never get the $17 billion for highways, and we will ultimately have to go to surplus anyway. I have heard my colleagues talk about the surplus that we are going to have. We can at

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least take a little bit of that surplus and give it back to veterans. We never should have taken their benefits away. It was an injustice. This amendment by Senator MURRAY, Senator MCCAIN, and myself would restore those benefits.

The PRESIDING OFFICER. The Senator's time has expired.

Mrs. MURRAY. Mr. President, as a member of the Appropriations Committee, I do strongly support the work of Chairman BOND and Senator MIKULSKI. I do not take challenging an appropriations bill lightly. However, in this instance, I feel strongly that I must join my colleagues Senator WELLSTONE and Senator MCCAIN in seeking to repeal the veterans grab contained in the recently adopted transportation and IRS legislation.

The bill before us today is a veterans bill. It funds health care and I thank the leaders of this subcommittee for increasing health care funding by more than $200 million. This increase in health care funding is my number one veterans priority. I also strongly support the subcommittee's work on VA medical research, the national cemetery system, and homeless veterans. These are all very important programs.

However, I continue to oppose the veterans offset used to fund increases in transportation. These cuts have been attached to politically popular bills. The transportation legislation and the IRS reform bill both passed by overwhelming and bipartisan margins. Both were admirable pieces of legislation with the exception of the veterans grab hidden within those bills.

I have been fighting this veterans grab all year. It was in the President's budget and I opposed it. At the Budget Committee, I voted against Democratic and Republican proposals that included the disastrous cuts to veterans health. And on the Senate floor, I voted against the Craig/Domenici amendment to validate the $10 billion cut in veterans funding and against the budget one final time in opposition to these cuts to veterans.

Just last week, I asked the Senate to sustain a point of order on the IRS reform bill to support my effort to strike the veterans cuts. That most recent effort failed by one vote. One vote.

My colleagues need to know that this issue is not going to go away. This issue has touched a nerve with America's veterans. They are deeply offended that the Congress and the Administration would divert money targeted to care for sick veterans to pay for other spending priorities. That's why Senator WELLSTONE, Senator MCCAIN, Senator ROCKEFELLER, and I will keep coming back.

Our efforts to repeal the $17 billion veterans grab have been denied through procedural maneuvers. Some may think this insulates them from accountability. It does not. Veterans know that procedural moves are being used to block a straight up or down vote on this issue.

This amendment is a special opportunity for the Senate. With our votes for Wellstone-Murray-McCain, we can send a very clear message to veterans all across our country. Passage says that the United States Senate recognizes that using veterans funding for other spending priorities is wrong. Passage of this amendment says to veterans that we are moving to restore this funding to where it belongs. The $17 billion belongs at the VA.

I urge my colleagues to support the Wellstone-Murray-McCain amendment to repeal the veterans cuts associated with the transportation legislation.

Mr. CONRAD. Mr. President, I want to express my strong support for the amendment offered by the Senator from Minnesota to restore veterans' disability benefits for smoking-related illnesses. Earlier this year, the Senate made a mistake. In order to help pay for the highway bill, it reduced veterans' disability benefits. Specifically, it overturned a decision by the General Counsel at the Department of Veterans' Affairs that smoking related illnesses were service connected and could qualify a veteran for VA disability and health benefits.

As I said, the Senate made a mistake when it did this, but I want the record to show that I strenuously opposed this mistake. Throughout the budget process and deliberations on the highway bill, I consistently opposed efforts to pay for the highway bill by reducing VA disability benefits. In fact, during consideration of the Senate Budget Resolution for Fiscal Year 1999, I voted against the Domenici amendment that cleared the way for this raid on veterans' benefits. And during consideration of the tobacco bill, I cosponsored the McCain amendment to use a portion of tobacco revenues to fund veterans' health benefits.

I took those actions and I support this amendment for one very simple reason. It's the right thing to do. We all know that the U.S. military encouraged the use of tobacco products by young service members. We all know that the tobacco companies provided cigarettes to the Pentagon free of charge. In return, the military for years distributed free cigarettes in C-rations and K-rations. Military training included smoking breaks. And until very recently, cigarettes were available on military bases at vastly reduced prices.

Mr. President, it could not be more clear that the Federal government has a responsibility to our veterans to help them cope with illnesses that they acquired after the government encouraged them to get hooked on tobacco products in the first place. The Federal government should not walk away from this responsibility. It should not deny veterans' benefits for smoking related illnesses.

This amendment rights the wrong we did to veterans earlier this year. It restores benefits to those who put their lives on the line for our country. When the Senate passed the highway bill, I assured veterans in my State that I would work to correct the injustice that it contained. This amendment does exactly that. I urge my colleagues to support the amendment.

Mr. FAIRCLOTH. Mr. President, as a veteran, I rise in strong support of this amendment to restore funds for service-related medical conditions that result from tobacco use. This amendment offers a chance to reverse that cut, which the Clinton Administration proposed earlier in this process, and to reiterate our commitment to veterans.

I voted for the transportation bill that included this cut because the bill increased North Carolina highway funds by more than $1.5 billion. I put a lot of hard work into that highway bill, and, certainly, there is not a member of the Senate more committed to a safe and efficient transportation infrastructure than I. However, after further review in the relevant committees over the past several months, this cut was exposed to some sunlight and revealed as a rush to judgment and a disservice to American veterans.

Frankly, this episode illustrates that we need to be better attuned to veterans issues, and we need to be more cautious about the effects of these provisions. As a veteran of the United States Army and the junior Senator from North Carolina, a State that is home to some 700,000 former soldiers, I cherish opportunities to serve our veterans. For example, I set up small constituent services offices across North Carolina to best service their needs, because I know that not all veterans—certainly not those wounded in the line of duty—are as mobile as the general population.

I urge the Senate to fulfill our commitment to American veterans. The facts are now clear. This amendment presents a clear choice. Yes or no. We stand with veterans or we do not. I choose to stand with those who served our flag and our nation in her times of need.

Mr. ROCKEFELLER. Mr. President, I support my colleagues, Senator WELLSTONE and Senator MURRAY, in their efforts to restore the veterans benefit that was unjustly cut to pay for unprecedented increases in the highway bill.

Adoption of this amendment would restore the former state of the law, by reinstating disability rights for veterans, while still fully preserving each and every highway project that was included in the highway bill and in the corrections bill that was covertly attached to the IRS Restructuring bill.

Prior to the enactment of the highway bill, the law required the payment of disability compensation to veterans who could prove that they became addicted to tobacco use while in military service, if that addiction continued without interruption, and resulted in an illness and in disability. The conference report on the highway bill rescinded this compensation to disabled veterans, generating $17 billion in ''paper savings'' to fund an unprecedented increase in ISTEA.

Of course, anyone familiar with these claims for compensation for tobacco-related illnesses knows that OMB's cost estimate is just a guess. Since 1993, VA has received less than 8,000 claims, and has only granted between 200–300. In arriving at its $17 billion estimate, the Administration, for some unexplained reason, estimated that 500,000 veterans would file tobacco-related claims each year. The actual cost to VA for claims filed over the last six years has been a few million dollars, not anywhere near the $17 billion estimate.

I will again remind my fellow Senators who think that subsequent actions have discharged any further responsibility to these veterans, that so far, the Congress has done nothing to undo this wrong. An amendment was adopted to direct a portion of the proceeds from the tobacco bill to VA health care—but it was only for health care, and not for compensation, that is, monthly disability benefits for tobacco-related illnesses. But now there is no tobacco bill. So that effort is meaningless.

There were also some provisions in the highway bill that provided enhancements to some very important VA programs—the GI Bill, grants for adaptive automobile equipment, and reinstatement of benefits to surviving spouses, to name a few. But the veterans community was not bought off by the spending of only $1.6 billion on veterans programs, with the remaining $15.4 billion going to highway increases.

Finally, the text of H.R. 3978, the highway corrections bill, was covertly attached to the IRS Restructuring Conference Report. Although this Report contains some improved language, as it strikes references to smoking being ''willful misconduct,'' it still cut off compensation for tobacco-related illnesses for the overwhelming majority of veterans. It does not truly help veterans. Instead, it is another nail in their benefits coffin.

The amendment that Senators WELLSTONE and MURRAY put forth today is our only real opportunity thus far to right this wrong and correct the injustice done to America's veterans. The issue before the Senate now is simply whether we are going to continue to wrongly deny disabled veterans the rights they had under law. It is a simple choice—and I hope my colleagues will now choose to ''do right'' by veterans.

Mr. DOMENICI. Mr. President, I yield back 1 minute I have in rebuttal.

Mr. REID. Mr. President, I have a unanimous consent request.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. I ask unanimous consent that the No. 3 vote, Nickles-Kohl, be the No. 2 vote—before Murkowski.

The PRESIDING OFFICER. Is there objection?

Mr. DOMENICI. We have no objection.

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

The Senator from New Mexico.

Mr. DOMENICI. Mr. President, parliamentary inquiry. With the time having expired, is a point of order in order at this time?

The PRESIDING OFFICER. Yes, a point of order is in order.

Mr. DOMENICI. Mr. President, I rise to make a point of order that the pending amendment by Senator WELLSTONE that would repeal the provisions of the Transportation Equity Act for the 21st Century, T21, that pay for the additional highway and transit spending in that bill violates section 302(f) of the Congressional Budget Act.

Everybody should understand that we have already passed and the President has signed an ISTEA bill. The moneys that are encapsulated in the amendment by Senator WELLSTONE would now have to come out of that bill, and as a matter of fact this particular VA-HUD bill before us would get charged with $500 million and thus make it break its cap because we would be spending $500 million in directed spending in this bill that does not come within the caps.

So here is the practical effect of this amendment. Should this $500 million in spending come out of the programs in this bill or any other bill that has yet to be considered by the Senate—Interior, Transportation, Commerce, Justice, Labor-HHS, Foreign Operations—if this additional spending is not ultimately offset in some fashion, the overall spending caps would be violated by $500 million and a sequester would be the end result with all nondefense programs being cut $500 million.

Finally, I must alert my colleagues that if this provision stands in the final bill, not only the fiscal year 1999 appropriations bill will be charged the cost but the nondefense discretionary spending caps will be reduced by $15 billion for the years 2000–2002. That is the amount of the mandatory spending that would occur under T21 and not be paid for by this repeal.

The issue has been fully debated. We debated it in the Chamber when we were taking up ISTEA. It has been up in its totality one additional time and partially one other time. I believe we have spoken. We have voted. I particularly urge that the Senate not open this matter at this late date. This is not a technical point of order. This is a serious point of order. If this amendment passes, essentially we will add $15 billion to the expenditures under the caps, meaning that all other programs will bear cuts related to that. And in this particular year, $500 million will have to be cut from all of the domestic programs that we have unless we raise the caps by $500 million—break the budget and raise the caps by $500 million.

Mr. President, I do not choose to debate the substance of this issue. I assume it was discussed yesterday by the distinguished prime sponsor of this amendment. But I submit that in this bill, veteran spending is going up, not down. In this bill before us, and in the ISTEA bill, the veterans of America have received substantially more money than they got last year. In addition, a $1.5 billion new add-on for the education programs for veterans occurred in the ISTEA bill.

So we are doing our job in behalf of veterans and we need not visit this once again and cut all the programs of Government by the amounts I have discussed here today.

So I raise a point of order, subject to the provisions that I have heretofore enumerated.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

MOTION TO WAIVE BUDGET ACT

Mr. WELLSTONE. If I can have but 30 seconds and then I will move on this. I say to my colleagues, this is an up-or-down vote on whether we restore the benefits. I used the same gimmick that was used with direct scoring. There is no sequestration at all in this amendment. None of what my colleague from New Mexico has just said is going to happen.

I move the Budget Act be waived. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question occurs on agreeing to the motion to waive the Budget Act. The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from North Carolina (Mr. HELMS), the Senator from Arizona (Mr. MCCAIN), and the Senator from Kansas (Mr. ROBERTS) are necessarily absent.

I further announce that if present and voting, the Senator from North Carolina (Mr. HELMS) would vote ''no.''

Mr. FORD. I announce that the Senator from Connecticut (Mr. DODD), the Senator from Ohio (Mr. GLENN), and the Senator from Hawaii (Mr. INOUYE) are necessarily absent.

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

The yeas and nays resulted—54 yeas, 40 nays, as follows:

[Rollcall Vote No. 210 Leg.]

YEAS—54

Akaka	D'Amato	Kerry
Ashcroft	Daschle	Kohl
Bennett	Dorgan	Landrieu
Biden	Durbin	Lautenberg
Bingaman	Faircloth	Leahy
Bond	Feingold	Levin
Boxer	Feinstein	Lieberman
Breaux	Ford	Mikulski
Bryan	Graham	Moseley-Braun
Bumpers	Harkin	Moynihan
Byrd	Hollings	Murray
Campbell	Hutchison	Reed
Cleland	Jeffords	Reid
Collins	Johnson	Robb
Conrad	Kennedy	Rockefeller
Coverdell	Kerrey	Sarbanes

Snowe	Thurmond	Wellstone
Specter	Torricelli	Wyden

NAYS—40

Abraham	Gramm	Murkowski
Allard	Grams	Nickles
Baucus	Grassley	Roth
Brownback	Gregg	Santorum
Burns	Hagel	Sessions
Chafee	Hatch	Shelby
Coats	Hutchinson	Smith (NH)
Cochran	Inhofe	Smith (OR)
Craig	Kempthorne	Stevens
DeWine	Kyl	Thomas
Domenici	Lott	Thompson
Enzi	Lugar	Warner
Frist	Mack	
Gorton	McConnell	

NOT VOTING—6

Dodd	Helms	McCain
Glenn	Inouye	Roberts

The PRESIDING OFFICER. On this vote, the yeas are 54, the nays are 40. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected. The point of order is sustained and the amendment falls.

Mr. DOMENICI. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 3202

The PRESIDING OFFICER. The question is now on the Nickles amendment. There are 2 minutes equally divided.

Who yields time?

Mr. BOND. Mr. President, in order to facilitate the discussions on two of the remaining amendments, I ask unanimous consent that the vote to follow the vote on the Nickles amendment be the Sessions amendment.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Who yields time?

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, the amendment that I have offered on behalf of myself, Senator COATS, Senator MACK, Senator ALLARD, Senator FAIRCLOTH, and Senator FEINGOLD, strikes the increase in the FHA guarantee that right now is—last year it was $160,000, and under present law it goes to $170,000. The committee wants to take it up to $197,000. This is a Federal guarantee, 100 percent guarantee, saying we are going to guarantee mortgages up to $197,000.

You have to have income of $75,000 or $80,000 to be able to afford that kind of mortgage. FHA is supposed to be guaranteeing loans for people with low and moderate incomes, not high incomes. I urge my colleagues to adopt this amendment.

I yield the balance of my time to the Senator from Wisconsin.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KOHL. I thank my colleague for yielding.

This program was always intended to aid low- and middle-income home buyers. It was never intended to be of assistance to the high-income home buyer. The high-income home buyer belongs in the private mortgage insurance business. This amendment recognizes that. I urge my colleagues to support this amendment.

Mr. D'AMATO. Mr. President, I rise today to join Senator BOND, Senator MIKULSKI, Senator SARBANES, and others in opposition to the amendment offered by Senator NICKLES. This amendment would strike the increase for Federal Housing Administration (FHA) loan limits in high cost areas and double the guaranty fees charged by the Government National Mortgage Association (GNMA). I strongly oppose this amendment which would unfairly deny homeownership opportunities for moderate-income families in high cost areas and could increase housing costs for all FHA and Veterans Affairs (VA) home loan borrowers.

I commend Senator BOND, Senator MIKULSKI, and the Appropriations Committee for including an increase in the FHA loan limits for both low-cost areas, including isolated rural areas, as well as for high cost areas, such as Long Island and New York City in my home state of New York. The Committee's inclusion of modest increases in the FHA loan-limits will create fairness by allowing Americans in high- and low-cost areas to also have the opportunities for homeownership which are provided by FHA to their fellow Americans.

Mr. President, the FHA program is a true American success story, having provided an opportunity for homeownership to approximately 25 million families since its inception in 1934. It has served as the predominant player in the home mortgage market for low-income and minority borrowers, first-time home buyers and borrowers with high loan-to-value ratios. It operates in all regions, regardless of economic downturns. According to a 1996 Federal Reserve Board study, FHA bears about two-thirds of he aggregate credit risk for low-income and minority borrowers.

FHA loans have made homeownership possible for many Americans who otherwise could not have qualified for mortgage credit. FHA generally differs from conventional lenders in the following ways: downpayments may be as low as 3 percent; closing costs may be financed; credit rating requirements are more flexible; monetary gifts may be used for downpayments; and a borrower may carry more debt.

Mr. President, I acknowledge there are important questions that must be answered regarding FHA's current operations, including instances of foreclosures. The General Accounting Office and the HUD Inspector General have repeatedly expressed concerns regarding material weaknesses affecting the FHA program—such as staffing deficiencies, the lack of Year 2000 compliance, improper monitoring of the single-family property inventory, and insufficient early warning and loss preventions systems.

HUD foreclosures have devastating effects on our families and our neighborhoods. Rundown properties left to stand vacant for months on end often become magnets for vandalism, crime and drug activity. These conditions decrease the marketability of the houses, increase HUD's holding costs, drive down the costs of surrounding homes, and in some cases threaten the health and safety of neighbors.

HUD must do more to reduce default risks and mitigate losses. And if foreclosure prevention efforts fail, properties must be disposed of more quickly to protect our neighborhoods.

The increases provided in this appropriations bill respond to inequities in home purchase prices that exist across our nation. Americans in high- and low-cost areas should not be denied the opportunity for homeownership simply because of the geographic regions in which they live. I strongly support Senator BOND and Senator MIKULSKI's initiative to right this wrong in high-cost urban and low-cost rural areas. The FAA loan-limit increase, for high-cost and low-cost areas, will allow more Americans equal access to median purchase homes with the needed help of FHA. FHA will still help to provide new and existing entry-level starter homes, not large or luxury homes. In fact, in the 32 high-cost areas across America where loan limits would be increased, the median price of a starter home is often twenty to thirty percent higher than the current maximum loan limit. In 1996, the average homeownership rate in these areas was approximately fifty eight percent, compared to a national rate of approximately sixty five percent. Clearly, the American Dream of homeownership is out of reach for too many hardworking moderate income families in these high cost areas.

Mr. President, FHA's current loan limits do not adequately reflect the reality of housing prices in high cost areas. Portions of 43 metropolitan areas have median home prices at or above the current $170,362 high-cost limit. In the Dutchess County area, the median home sales price in 1997 was $175,000. In the Nassau-Suffolk area, the median home sales price was $195,000. And in New York City, the median home sales price was $208,000.

Mr. President, 52.5 million people reside in high cost areas–comprising twenty one percent of the nation's population. It is inherently unfair that over 50 million Americans should not have the same opportunities through the FHA that other Americans have.

American working families would benefit from the proposal, not the wealthy. The average FHA borrower has a family income of $40,800. According to HUD, the limit increases included in this bill would barely raise the average homeowner borrower income level. However, some borrowers would need an income of $70,000 to

qualify for a $197,000 mortgage. In New York City or on Long Island, a family income of $70,000 is a typical two wage-earner family. These are middle class families—schoolteachers, policemen, and civil servants—raising children and struggling to pay their bills. In Nassau and Suffolk counties the median income of a family of four is $63,400. Wages are higher in Long Island because the cost of living is higher. And home purchase prices are higher—which is why this increased adjustment is necessary. The high cost limit increase would simply grant these areas parity—not an underserved advantage.

I am very pleased that the increase in the base limit will rural Americans in low-cost counties where existing housing may be substandard, the opportunity to purchase new homes. New York also has many low-cost areas, such as Buffalo, Elmira, Glens Falls, Jamestown-Dunkirk, Syracuse and Utica-Rome, which would be helped by the low-cost increase. I urge my colleagues from the states without high-cost areas to also be sympathetic to Americans in high-cost cities and suburbs, where home prices are higher due to high land, material and labor costs.

Also, I urge my colleagues to not support doubling the guaranty fee charged by GNMA. There is no actuarial need for this proposal which would affect all regions of the country and could increase consumer costs for FHA and VA loans. This proposal is strongly opposed by numerous veterans' organizations. I ask unanimous consent that a letter in opposition to the amendment, signed by AMVETS, the Disabled American Veterans, the Blinded Veterans' Association, the Paralyzed Veterans of America, and the Non Commissioned Officers' Association of the USA be printed in the RECORD. In addition, I ask unanimous consent that a memorandum prepared by the Congressional Research Service for the Senate Banking Committee on this subject be entered into the RECORD.

Mr. President, the modest, prudent loan limit increases contained in this bill are a compromise and do not reach the $227,150 national limit requested by the Administration.

The proposed changes will assist potential homebuyers—first time homeowners, minorities, urban dwellers and rural Americans—who are not currently served by FHA or the conventional market—but whom should rightly qualify under FHA's existing mission.

I respectfully urge the defeat of the amendment proposed by my colleague from Oklahoma, Senator NICKLES.

Mr. President, let me tell what you is happening now. We have over 50 million Americans who are being shut out of an opportunity to use FHA insurance, and they are not high income. Three million live in Long Island alone. These high cost areas include Levittown, Long Island, which saw such rapid expansion of home ownership for the first time for working middle-class families after World War II—where, today you can't buy a home with FHA because the median home price was $195,000 in 1997—well above the current FHA limit of $170,000. That is the median price for all of Long Island—where over 3 million live; in all, there are 11.5 million New Yorkers living in high cost areas, and they are not wealthy. They have incomes of $50,000 to $70,000, they are two-wage earner families, raising children, and you are shutting them out of home ownership.

We need this increase. It is not for wealthy people. It is for working middle-class families.

Mr. BOND. I yield the remaining time to the Senator from Maryland.

Ms. MIKULSKI. Mr. President, I stand in opposition to the Nickles amendment. Let me share why I support the FHA loan limit increase included in the Appropriations Committee bill.

FHA is a critical tool for first time home buyers, low and moderate income buyers, and minority buyers.

FHA will help us meet new market realities, but in a way that does not expose taxpayers and communities to a big buck liability in the event of FHA foreclosures.

Our Senate bill will raise the FHA loan limit in high cost areas from $170,000 to $197,000.

It will also raise the limit in low cost areas from $86,000 to $108,000.

Mr. President, home ownership is a critical step in a person or family's attempt to obtain assets and to becoming a more permanent fixture in a community.

Like many of my colleagues, I share the concern about the affect that foreclosures can have on individuals' credit and the stability of a community.

My own hometown of Baltimore has been a victim of foreclosures harming neighborhoods.

But in our bill we have provided a modest increase that does not raise the limit too much too quickly.

Our objective is clear, for those who FHA serves, ensure that it is a useful tool.

The objective is not to put the private mortgage insurance companies out of business or to move FHA away from providing for low and moderate income buyers.

I believe that the FHA provision included in the Senate bill before us is good for Maryland and good for the nation.

I believe that this is a positive step in rewarding investment and provides relief to working families.

I encourage my colleagues to oppose the Nickles amendment and support the Appropriations Committee's attempt to help home buyers across the country.

Mr. President, what this legislation does is provide an opportunity for first-time home ownership. It does not put private mortgage insurance companies out of business.

It is a good thing to do.

Mr. BRYAN. Mr. President, the Federal Housing Administration (FHA) has enabled millions of individuals across the country to purchase their first home and realize a piece of the American dream.

I know this firsthand because my wife and I bought our first home when we were newly married with an FHA loan.

There are many families today who would not own their home if it were not for the Federal Housing Administration's single family insurance program.

The Federal Housing Administration was created to promote home ownership and stimulate the construction of housing by encouraging financial institutions to make loans to those who did not have adequate resources for a down payment.

Since then, FHA has evolved into a program which gives first-time home buyers and under served borrowers greater access to mortgage credit.

It is a financially sound system that not only works well, but works well at no cost to the taxpayer.

The state of Nevada is the fastest growing state in the country and, as in many states, the real estate activity in Nevada is an important aspect of our economy.

As our population grows, the demand for new housing increases.

And as we all know, the cost of new homes in many cases is more expensive than existing ones.

In Nevada, for example, many first-time home buyers rely on FHA to purchase a home.

But as new homes are being built and as the cost of housing rapidly increases in my state, more and more families are unable to secure home ownership.

They simply cannot afford the cost of a home under a conventional loan.

This not only hurts the economy, but it strips away any hope of owning a home.

The loan limit which Senators BOND and MIKULSKI agreed to in the VA/HUD appropriations bill would give more first-time home buyers the opportunity to afford a home who would otherwise not be able to.

The FHA loan limit would increase the high limit from $170,362 to $197,620 and the lower limit from $86,317 to $109,032.

Although the loan limit does not go as far as the President's proposal, which I supported, I believe this proposal is a fair compromise that would benefit our society as a whole.

Let me be clear about the importance to raise both the floor and the ceiling of the FHA loan limit:

First, raising the FHA loan limit would increase home ownership opportunities.

Over the years, the new home portion of FHA's activity has diminished to roughly 6 percent, and only 5 percent of all new homes are now financed with FHA-insured mortgages.

This decrease in FHA's role in the market for new homes is clearly a result of the current mortgage loan limits.

HUD estimates that higher loan limits would enable approximately 60,000 more families—who have been cut out of the market—each year to purchase a home.

Second, FHA is critical to first-time home buyers.

Thousands of families with the ability to make the mortgage payments on a home cannot make the purchase because they lack the up front capital required. Raising the FHA loan limits would give them the chance that they do not have under current home finance options.

Third, raising the limit would enhance FHA's ability to spread risk.

The FHA insurance fund is a financially healthy program and HUD believes that the fund will become stronger when the loan limits are raised.

Both Price Waterhouse and the General Accounting Office note that higher value loans perform better than lower valued loans and that the rate of default is lower for larger loans than for smaller loans.

OMB estimates that raising the loan limits would create excess revenues of $228 million.

Finally, raising the limit would raise revenue for the Treasury and would improve the Government's finances; approximately $225 million in annual revenue would be generated.

Arguments against raising the loan limits are weak and do not live up to the true reality of what is in the best interest of the American people.

Some argue that the very group FHA was created to serve will be pushed along the wayside if loan limits are increased.

Let me remind you that raising the loan limit will increase the average FHA loan amount by 4.2 percent—from $85,500 to $89,109 and the average income by 3.8 percent—from $40,800 to $42,350.

The increase would enable more families to buy a home.

It would not take away from the underserved population.

In fact, since 1992, when the FHA loan limits increased from $124,875 to $170,362, the share of FHA mortgages to low-income borrowers increased from 15.7 percent to 20.1 percent.

Mr. President, it is my hope that my colleagues will join me today and support the increase in the FHA loan limit to $197,000 and reject any measure that threatens the opportunity for many first-time home buyers across the country to own a home.

Mr. BOND. Mr. President, I move to table the amendment, and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment, No. 3202.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from North Carolina (Mr. HELMS), the Senator from Arizona (Mr. MCCAIN), and the Senator from Kansas (Mr. ROBERTS) are necessarily absent.

Mr. FORD. I announce that the Senator from Ohio (Mr. GLENN) is necessarily absent.

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

The result was announced—yeas 69, nays 27, as follows:

[Rollcall Vote No. 211 Leg.]

YEAS—69

Abraham	Domenici	Levin
Akaka	Dorgan	Lieberman
Baucus	Durbin	Mikulski
Bennett	Feinstein	Moseley-Braun
Biden	Ford	Moynihan
Bingaman	Frist	Murkowski
Bond	Gorton	Murray
Boxer	Graham	Reed
Breaux	Grassley	Reid
Bryan	Harkin	Robb
Bumpers	Hatch	Rockefeller
Burns	Hollings	Roth
Byrd	Hutchinson	Santorum
Campbell	Hutchison	Sarbanes
Chafee	Inouye	Sessions
Cleland	Jeffords	Shelby
Coats	Johnson	Smith (OR)
Collins	Kennedy	Snowe
Conrad	Kerrey	Specter
Coverdell	Kerry	Stevens
D'Amato	Landrieu	Torricelli
Daschle	Lautenberg	Wellstone
Dodd	Leahy	Wyden

NAYS—27

Allard	Gramm	Lugar
Ashcroft	Grams	Mack
Brownback	Gregg	McConnell
Cochran	Hagel	Nickles
Craig	Inhofe	Smith (NH)
DeWine	Kempthorne	Thomas
Enzi	Kohl	Thompson
Faircloth	Kyl	Thurmond
Feingold	Lott	Warner

NOT VOTING—4

Glenn	McCain
Helms	Roberts

The motion to lay on the table the amendment (No. 3202) was agreed to.

AMENDMENT NO. 3206

The PRESIDING OFFICER. The question is on the motion to table the Sessions amendment. There are 2 minutes of debate, equally divided.

Who yields time?

Mr. SESSIONS addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama is recognized.

Mr. SESSIONS. Mr. President, we are a Nation of explorers, a Nation of discoverers. Our people see ourselves in that light; the world sees us in that light.

Unfortunately, for the last 5 years, the great agency of this Government that epitomizes our explorative nature—NASA—has seen a cut in its budget—for 5 straight years. They have reduced personnel by 25 percent since 1993. This is a tragic event. The President's budget this year had a cut of $180 million. The committee restores most of that, but it still represents a $33 million cut again this year.

We need to put an end to that. We need to get back into exploring our solar system and our galaxy. That is who we are as a people. We need to increase the funding. This bill would first have level funding, and then get us on the road next year to increased funding. The money as an offset would come from that portion of the AmeriCorps program that pays people to volunteer. It has been zeroed out in the House, and it is a good offset.

Mr. BOND. Mr. President, I yield 30 seconds to my colleague from Maryland.

The PRESIDING OFFICER. The Senator from Maryland is recognized.

Ms. MIKULSKI. Mr. President, I oppose the amendment and support the motion to table. Yes, this subcommittee is a strong supporter of space and science and technology. We put $150 million more in the NASA budget. But we object to offsetting and cutting national service that provides the opportunity to pay for college education, in which 50,000 have earned their educational awards, a modest amount of money that could be used to help them continue their education. We have worked to improve 100,000 people who have participated in this program.

Don't cut the habits of the heart. Don't cut the habits of the heart for space.

Mr. President, I am a strong supporter of space programs and strongly support investments in science and technology. That's why I worked with Senator BOND to find a $150 million increase for NASA. But, I must strongly oppose cuts to the Corporation for National Service.

The National Service helps to promote the habits of the heart and fosters the volunteer spirit that helped make this country great. To date nearly 100,000 people have participated. They have helped to generate thousands of un-paid volunteers in communities across the country.

The National Service provides assistance to programs like the one run by the Sisters of Notre Dame in Baltimore. This is a critical tutoring service of young people.

Each year over 400,000 young children are tutored by AmeriCorps volunteers who work to help prepare our children to be literate and functional in the 21st century.

Volunteers also work with well respected organizations like the Red Cross, Habitat for Humanity and the YMCA, and provide real help to meet compeling human needs.

In addition the National Service also provides an opportunity for participants to pay for their college education. To date 50,000 have earned their educational awards. A modest amount of money is used to help our young adults.

I urge my colleagues to stand with me as I stand behind our kids. Vote to table the Sessions amendment.

Mr. BOND. Mr. President, as already indicated, we support NASA very strongly. We have added $150 million over that which the people who run the

program have requested. We risk disrupting the compromise that has been made on this bill. In order to pass this bill and to get it signed, we have reached, I think, a good accommodation with the limited dollars.

If this tabling motion does not succeed, I will have to raise the Budget Act point of order because the money that is spent out under this will be above our outlay ceiling.

Therefore, I urge my colleagues to join me in voting to table the amendment.

The PRESIDING OFFICER (Mrs. HUTCHISON). All time has expired.

The question is on agreeing to the motion of the Senator from Missouri to lay on the table the amendment of the Senator from Alabama. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from North Carolina (Mr. HELMS), the Senator from Arizona (Mr. MCCAIN), and the Senator from Kansas (Mr. ROBERTS) are necessarily absent.

Mr. FORD. I announce that the Senator from Ohio (Mr. GLENN) and the Senator from Nevada (Mr. REID) are necessarily absent.

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

The result was announced—yeas 58, nays 37, as follows:

[Rollcall Vote No. 212 Leg.]

YEAS—58

Akaka	Dorgan	Levin
Allard	Durbin	Lieberman
Baucus	Feingold	Mikulski
Biden	Feinstein	Moseley-Braun
Bingaman	Ford	Moynihan
Bond	Graham	Murray
Boxer	Grassley	Reed
Breaux	Gregg	Robb
Bryan	Harkin	Rockefeller
Bumpers	Hollings	Santorum
Campbell	Inouye	Sarbanes
Chafee	Jeffords	Snowe
Cleland	Johnson	Specter
Coats	Kennedy	Stevens
Collins	Kerrey	Torricelli
Conrad	Kerry	Warner
D'Amato	Kohl	Wellstone
Daschle	Landrieu	Wyden
Dodd	Lautenberg	
Domenici	Leahy	

NAYS—37

Abraham	Gorton	McConnell
Ashcroft	Gramm	Murkowski
Bennett	Grams	Nickles
Brownback	Hagel	Roth
Burns	Hatch	Sessions
Byrd	Hutchinson	Shelby
Cochran	Hutchison	Smith (NH)
Coverdell	Inhofe	Smith (OR)
Craig	Kempthorne	Thomas
DeWine	Kyl	Thompson
Enzi	Lott	Thurmond
Faircloth	Lugar	
Frist	Mack	

NOT VOTING—5

Glenn	McCain	Roberts
Helms	Reid	

The motion to lay on the table the amendment (No. 3206) was agreed to.

Mr. BOND. Madam President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. BOND. Madam President, there are only two amendments remaining. I believe we have worked out accommodations on the two——

The PRESIDING OFFICER. The Senator will suspend.

Ms. MIKULSKI. The Senate is not in order.

The PRESIDING OFFICER. The Senator is correct.

Mr. BOND. Madam President, for the information of all Senators, I do not think we are going to require any more votes. There are votes on two amendments that have been ordered. I am going to ask that we vitiate the yeas and nays on them. I do not know of any call for a vote, a recorded vote on final passage. The Senator from Alaska and the Senator from Arkansas want to engage in a colloquy before we accept that amendment.

AMENDMENT NO. 3205

Before we do that, however, I ask unanimous consent that the yeas and nays on the Burns amendment be vitiated and that we adopt the amendment by voice vote.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The question is on agreeing to the Burns amendment.

Mr. BOND. Madam President, the Burns amendment is very important. There was a question whether it was going to be included in the NASA reauthorization. If the NASA reauthorization does move, if that can move, then we would drop the amendment in conference to allow it to be included in the overall NASA reauthorization, but we think it is vitally important for the development of the X–33 that the indemnification be included.

Senator MIKULSKI.

Ms. MIKULSKI. I concur with the position that we are taking here and urge the procedure recommended by the chairman.

Mr. BOND. We are ready to vote.

The PRESIDING OFFICER. The question is on agreeing to the Burns amendment.

The amendment (No. 3205) was agreed to.

Mr. BOND. Madam President, I move to reconsider the vote.

Ms. MIKULSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BOND. Madam President, I now yield to the Senator from Alaska.

AMENDMENT NO. 3200

The PRESIDING OFFICER. The question is on agreeing to the Murkowski amendment.

AMENDMENT NO. 3200, AS MODIFIED

Mr. MURKOWSKI. Madam President, I ask unanimous consent to modify my amendment. I believe we have worked out the amendment. I have asked that the yeas and nays be vitiated, which has already taken place.

I submit the modification.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

The amendment (No. 3200), as modified, is as follows:

At the appropriate place in the bill insert the following:

SEC. . VIETNAM VETERANS ALLOTMENT.

The Alaskan Native Claims Settlement Act (43 U.S.C. 1600, et seq.) is amended by adding at the end the following:

OPEN SEASON FOR CERTAIN NATIVE ALASKAN VETERANS FOR ALLOTMENTS

SEC. 41. (a) IN GENERAL.—(1) During the eighteen month period following promulgation of implementing rules pursuant to paragraph (6), a person described in subsection (b) shall be eligible for an allotment of not more than 160 acres of land under the Act of May 17, 1906 (chapter 2469; 34 Stat. 197), as such Act was in effect before December 18, 1971.

(2) Allotments selected under this section shall not be from existing native or non-native campsites, except for campsites used primarily by the person selecting the allotment.

(3) Only federal lands shall be eligible for selection and conveyance under this Act.

(4) All conveyances shall be subject to valid existing rights, including any right of the United States to income derived, directly or indirectly, from a lease, license, permit, right-of-way or easement.

(5) All state selected lands that have not yet been conveyed shall be ineligible for selection under this section.

(6) No later than 18 months after enactment of this section, the Secretary of the Interior shall promulgate, after consultation with Alaska Natives groups, rules to carry out this section.

(7) The Secretary of the Interior may convey alternative federal lands, including lands within a Conservation System unit, to a person entitled to an allotment located within a Conservation System Unit if—

(A) the Secretary determines that the allotment would be incompatible with the purposes for which the Conservation System Unit was established;

(B) the alternative lands are of equal acreage to the allotment.

(b) ELIGIBLE INDIVIDUALS.—(1) A person is eligible under subsection (a) if that person would have been eligible under the Act of May 17, 1906 (chapter 2469; 34 Stat. 197), as that Act was in effect before December 18, 1971, and that person is a veteran who served during the period between January 1, 1968 and December 31, 1971.

(c) STUDY AND REPORT.—The Secretary of the Interior shall—

(1) conduct a study to identify and assess the circumstances of veterans of the Vietnam era who were eligible for allotments under the Act of May 17, 1906 but who did not apply under that Act and are not eligible under this section; and

(2) within one year of enactment of this section, issue a written report with recommendations to the Committee on Appropriations and the Committee on Energy and Natural Resources in the Senate and the Committee on Appropriations and the Committee on Resources in the House of Representatives.

(d) DEFINITIONS.—For the purposes of this section, the terms 'veteran' and ''Vietnam era'' have the meanings given those terms by paragraphs (2) and (29), respectively, of section 101 of title 38, United States Code.

Mr. MURKOWSKI. Madam President, we have conversed with my good friend, the Senator from Arkansas, on this amendment. It is my understanding that we have worked it out as an accommodation to rectify a situation where veterans, native Eskimo Indian Aleuts, who were on active duty during

the time of the Vietnam conflict, were therefore unable to apply for their allotment. This situation should be rectified. It scores zero dollars in the first year and perhaps $1 million each year thereafter.

In view of the fact that this is a $93 billion package, I think it warrants consideration to right a wrong for those who served in active duty, served their country, and yet were unable to qualify for their 160-acre allotment because they were on active duty. We have assured all parties that none of the acreage would come out of conservation units, and Senator BUMPERS has been most accommodating. It is my understanding the minority will accept the amendment—subject to Senator BUMPERS' input.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. BUMPERS. Madam President, the administration has raised very serious objections to the Murkowski amendment.

Mr. FORD. Madam President, may we have order? I know it is tough.

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Arkansas.

Mr. BUMPERS. Madam President, the administration had previously, and may still have, serious objections to the Murkowski amendment. But he and I had a conversation this morning. He has modified his amendment. The modification is at the desk.

For the edification of our membership, simply because this may come up again in conference or even later on the floor, in 1906 the Congress passed a law giving every Native Alaskan the right to claim 160 acres of land in Alaska. In 1971, under the Alaskan Native Settlement Claims Act, we repealed the old 1906 Act. What Senator MURKOWSKI seeks to do is very laudable, in my opinion. He is simply saying those Native Alaskans who would have otherwise had a right to claim 160 acres under the old 1906 law, but were in Vietnam and not physically present in Alaska so they could file such a claim—he is simply saying under this bill that they will be grandfathered in. If they were in Vietnam between 1969 and 1971, they are entitled to a claim.

Some of these claims would be in conservation areas. That was the first, primary objection by the administration. We have changed that so the administration can select nonconservation lands if a claim within a park or wilderness or wildlife refuge is inconsistent with the purposes of that conservation area. So that takes care of most of it.

They were vitally concerned about the cost which, as I say, should be mitigated greatly by this compromise we have entered into.

I simply want to say there is one other objection the administration has. They are concerned about allowing people to claim 160 acres if they were not in Vietnam. The amendment does not really say you had to have been in Vietnam, but they had to have been in the military. They think that is a little broad. But in conference, whatever their objection is I feel sure can be worked out.

I thank the Senator from Alaska. We had a hearing on this, but we had not marked the bill up.

So, with those considerations, I think it is well to go ahead and approve it. If they still object to something, I think it will be something we can work out in conference.

Ms. MIKULSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Madam President, the Senator from Arkansas has stated the position well. As the ranking member on this bill, I agree we should take this amendment. There is disputed information about cost, scoring, the administration's position. But I believe we have assured everyone who has a yellow flashing light about this policy that we will consult on the way to conference, and I believe we should accept the amendment today. We will resolve this in conference, consulting with all appropriate people.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. I thank my colleague from Maryland for her comments. I also appreciate the efforts of the Senators from Arkansas and Alaska to work out this situation. It sounds like a very compelling need. Obviously, our only question is the means by which it is accomplished. I am delighted we can gain agreement at this stage. We do have further work to pursue.

I have advised my colleague on the other side of the aisle, if there are substantial problems with it then we can deal with those in conference. I hope we can remedy this wrong which has occurred to Native Americans who fought for their country in Vietnam.

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

The amendment (No. 3200), as modified, was agreed to.

Mr. MURKOWSKI. I thank my side for their accommodation, particularly the Senator from Arkansas.

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

Ms. MIKULSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EPA ACTIVITIES RELATED TO CO_2 EMISSIONS

Mr. MURKOWSKI. As we debate the provisions of the FY 1999 appropriations for the EPA and other agencies I would like to raise an issue of concern. During a June 4 hearing before the Committee on Energy and Natural Resources, committee members explored the concern that this Administration has no real plan in place to assure that we will meet the nation's substantial and growing energy needs. In responding to this concern, Administration representatives, including a representative of the EPA, failed to mention that in addition to failing to plan for our growing energy needs, EPA had recently taken action that could further erode our capability to fuel our economic growth by a ''back-door'' attempt to regulate carbon dioxide.

On June 2, only two days before this hearing, the EPA had published a notice in the Federal Register of its intent to modify a consent decree between EPA and the Natural Resources Defense Council, an organization with very strong views on global climate policy. The proposed modification would require EPA to analyze emissions reductions of CO_2 through its regulation of other emissions. While this seems innocuous enough, it is clear that this is an attempt to bring CO_2 within the meaning of ''air pollutant'' under the Clean Air Act.

Although EPA has apparently denied that this is an attempt to implement the Kyoto Protocol prior to its ratification, a spokesman for the Natural Resources Defense Council had a different response. In a Washinton Times article on July 8, Mr. Dan Lashoff of the Council states that the consent decree ''is intended to look ahead to emissions reductions of carbon dioxide that may be required to achieve national objectives as established by the [Kyoto] treaty.'' As a key party to the consent decree, Mr. Lashoff understands the objectives of this modification, even if EPA does not.

My concerns about this development are several. First, this action constitutes an attempted breach of promise against the Administration's assurances to Congress that there will be no implementation of the Kyoto accord prior to Senate ratification. Under Secretary Eizenstat has gone so far as to commit that ''no agency or interagency body has been given responsibility to develop potential proposals for legislation or regulation that would be intended to comply with the Kyoto Protocol if it were to become binding on the U.S.'' Second, the proposed modification exceeds EPA's authorities under the Clean Air Act. Third, the proposed modification is outside the scope of the original consent agreement.

Clearly, Madam President, Congress should expect both EPA and the Justice Department to withhold consent to this inappropriate modification to the consent agreement. Could you state whether you believe the actions I have described would be an appropriate use of the proposed funding for EPA in the appropriations bill under consideration?

Mr. BOND. First, I thank my colleague from Alaska for bringing this issue to the attention of this body. I agree that this is an issue of concern. There are no funds currently provided to EPA, nor any funds to be provided in this bill for fiscal year 1999 for the issuance of federal regulations designed solely for the purpose of Kyoto Protocol implementation.

Mr. BURNS. Madam President, I ask the Senator from Missouri to note the

statement at page 74 of the Report regarding the Agency's sector facility indexing project. I concur with the Committee's judgment. I would like to call to the Senator's attention some further concerns regarding the Agency's use of toxicity weighting factors in relation to both the sector facility indexing project and the environmental indicators project. For example, the Agency's Science Advisory Board recently criticized EPA's use of toxicity weighting factors based on policy rather than science and raised other scientific issues as well. Does the Senator share my concern?

Mr. BOND. Yes, Senator BURNS, I do share your concern on this issue.

Mr. LEAHY. Madam President, I had intended to offer an amendment today to begin monitoring of mercury emissions from coal-fired power plants and include this information in the Toxic Release Inventory. Congress has a long track record of supporting the public's ''right to know'' about the nature and volume of toxic chemicals that are being released into the environment from manufacturing facilities in their neighborhoods. The ''Toxics Release Inventory'' has empowered citizens and communities and is helping local and state environmental agencies to identify the most pressing problems within their neighborhoods. A glaring gap in information from the Inventory is mercury emissions from coal-fired power plants. The Environmental Protection Agency estimates that at least 52 tons of mercury are being released to the environment each year, every year, from these plants. When Congress amended the Clean Air Act in 1990, we did not address mercury emissions but instead required EPA to report back to Congress on the sources, impacts and control strategies for mercury. Congress finally received that report last year and now needs to act on it. That is why I introduced the ''Omnibus Mercury Emissions Reduction Act of 1998.'' Although I will not offer my mercury right-to-know amendment today, Congress has a responsibility to act on the EPA Mercury Report to Congress. I believe Senator CHAFEE who is one of the leading proponents of the Clean Air Act Amendments of 1990, agrees with me that steps should be taken to address mercury emissions.

Mr. CHAFEE. I agree with the senior senator from Vermont that although the EPA Mercury Report does the best job so far in quantifying mercury emissions, many believe that the report understates the actual amount of mercury being released to the environment. Along with Senator LEAHY, I voiced my concern when the release of the EPA Mercury Report was delayed. It is my understanding the EPA is taking a number of long-overdue steps to address mercury emissions. Toward the end of obtaining better data on mercury emissions from coal-fired power plants, we should begin collecting information from these facilities on the mercury that they emit. As Chairman of the Environment and Public Works Committee, I intend to hold hearings in September on the issues raised by the EPA Mercury Report and Senator LEAHY's amendment in order to foster a broader public discussion from all concerned parties about the information and findings that are contained in the EPA Mercury Report.

Mr. LEAHY. I appreciate the leadership that Senator CHAFEE is taking on this issue in light of the troubling language included in the House report on the Fiscal Year 1999 VA–HUD Appropriations bill. I have serious concerns about this language. Among other things, the report language would require that another mercury report be developed. Each of the mercury-related tasks stipulated in the report language would need to be completed before EPA would be allowed to make any regulatory determinations that pertain to mercury.

Mr. CHAFEE. I agree with Senator LEAHY. The American taxpayers have already spent over $1 million on the EPA Mercury Report. The Report does not need to be redone. I do not believe that anyone who actually reads it objectively would conclude that we need to study mercury all over again before Congress or EPA can make any decision about mercury emissions. But that is precisely what the House report language would require. This report language is an inappropriate use of the appropriations process.

Mr. LEAHY. The Senator is correct and I am glad to see that the Senate has not concurred with this language. I thank the Chairman and look forward to participating in his hearing on this important issue.

Mr. BYRD. Madam President, would the Senator from Missouri yield for a question on the appropriation of funding for the Environmental Protection Agency (EPA) and its energy and environment related programs? I note that on pages 74 and 75 of the Committee's Report that the Committee addresses the issue of the EPA's compliance with the Government Performance and Results Act and the EPA's submission of a report on activities related to these ongoing programs. Is it the Senator's understanding that the committee report reminds the EPA that it is to fully comply with the Government Performance and Results Act?

Mr. BOND. The Senator is correct. The language in the report requires full compliance with the Government Performance and Results Act.

Mr. BYRD. Is it the intent of the Senator to create additional legal requirements in this area beyond those required by the letter and spirit of the Government Performance and Results Act?

Mr. BOND. No, not at all. I would say to my friend from West Virginia that all we are asking here is for a more comprehensive explanation by the EPA of the components of its energy and environment programs, any justifications for funding increases, and a clear definition of how these programs are justified by the EPA's goals and objectives independent of the implementation of the Kyoto Protocol.

Mr. BYRD. I thank the Senator from Missouri. I would also note that the Committee Report expects the EPA to submit a report to the Committee by December 31, 1998, with a follow-up analysis by the General Accounting Office ninety days later. As the Senator may know, Senator Craig and I submitted language to the Interior Appropriations bill directing the Department of Energy (DOE) to submit a similar report, but this report is to be submitted in conjunction with DOE's Fiscal Year 2000 budget submission. Given the short period between the likely enactment of this Act and the December 31 deadline, would the Senator agree that it might be more reasonable for the EPA to also submit its report along with its Fiscal Year 2000 budget submission?

Mr. BOND. Yes. I believe that is a more appropriate time for the EPA to fulfill the reporting requirement as outlined in the Committee Report language.

Mr. BYRD. I thank the distinguished Senator. The EPA should provide a more detailed plan for better evaluating its programs, but I believe this is a more appropriate date to require such a report. It would not be wise to arbitrarily cap funding for vital energy and environment programs that encourage domestic energy efficiency, decrease costs, and promote domestic energy security. These programs should be evaluated on their own merits. The Federal Government serves a vital catalytic role in supporting and developing cutting edge research programs that the private sector can then take into the marketplace. The true benefits of these technologies and programs may not be evident for a number of years. Through these efforts, the United States has a tremendous opportunity to profit from new technologies, both at home and abroad, while at the same time reducing greenhouse gas emissions.

HUD NOTICE AND COMMENT RULEMAKING

Mr. D'AMATO. Madam President, I would like to enter into a colloquy with my colleagues, Senator KIT BOND, the Chairman of the Appropriations Subcommittee on Veterans Affairs and Housing and Urban Development, and Senator CONNIE MACK, the Chairman of the Banking Committee's Subcommittee on Housing Opportunity and Community Development.

It is my understanding that the Department of Housing and Urban Development (HUD) issued a series of regulations on June 30, 1998 dealing with a wide variety of HUD programs affecting millions of units of affordable housing. In each of these regulations, HUD has waived the sixty-day public comment period required under HUD's notice and comment rulemaking procedures. Instead, each of these regulations has included an expedited comment and review period. I would ask

my colleagues if I have stated the facts accurately.

Mr. MACK. Madam President, the Chairman of the Committee on Banking, Housing and Urban Affairs is entirely correct. On June 30, 1998, HUD issued three important regulations. For all these regulations, HUD waived the sixty-day comment period. Specifically, these rules would: first, establish requirements relating to physical conditions and inspections and would apply to a wide variety of HUD rental assistance and mortgage insurance programs; second, establish uniform financial reporting standards for HUD housing programs; and third, establish a new Public Housing Assessment System.

Despite the enormous impact of these proposed rules, HUD has waived the sixty-day public comment period as provided by HUD's own regulations (24 CFR 10.1), often referred to as ''Part 10.'' Previously, HUD attempted to repeal, as a practical matter, its Part 10 regulations related to notice and comment rulemaking. At that time, members of the Senate joined together in a bipartisan manner to enact legislation to safeguard public notice and comment in HUD's rulemaking process.

It is essential that HUD maintain an adequate period of time for the public to review, analyze and comment upon proposed changes in HUD's policies and procedures. Congress established the notice and comment rulemaking procedure in order to allow the public to provide adequate input so as to avoid potential confusion in the development of new rules. Given the importance of the proposed rules at issue, a more extensive period of time for public review and comment is warranted.

Mr. BOND. I agree with my colleagues Senator CONNIE MACK and Senator ALFONSE D'AMATO, in urging HUD to reinstate a fair and adequate time period for public review of these important new rules. In fact, it was my amendment in 1996 which halted HUD's attempt to remove the important public notice and comment provisions of the rulemaking procedure.

On August 16, 1996, HUD issued a regulation entitled, ''Rulemaking Policies and Procedures; Proposed Removal of Part 10.'' The Fiscal Year 1997 VA–HUD Appropriations Act included my amendment to safeguard the notice and comment procedure contained in the Part 10 regulation. Last year, the VA–HUD Appropriations Act for Fiscal Year 1998 contained a provision which in practical effect makes the notice and comment procedure part of the permanent law.

While HUD can provide for good cause waivers of the sixty-day comment period, the regulation states that such waivers should only be made when the procedure is ''impracticable, unnecessary or contrary to the public interest.'' I do not believe that HUD has met any component of this threshold in this instance.

HUD's current public rulemaking procedure were not adopted by accident. In fact, they were adopted in an effort to respond to past program abuses and were considered an essential component of HUD reform. Given HUD's ongoing systemic management difficulties, it is incumbent upon HUD to abide by the rules of public notice and comment rulemaking. Waivers of public notice requirements will not contribute to the much-needed reform of HUD's management problems. Public participation and input are critical aspects to avoiding unintended consequences in the rulemaking process.

HUD's new proposed rules have followed soon after a series of massive ''Super-NOFA's,'' or Notices of Funding Availability which announce the availability and competition for dozens of HUD grant programs. Many local government agencies and community-based housing organizations are still in the process of finalizing their applications for these important HUD programs. Most organizations—including local public housing authorities, community-based non-profit corporations and resident organizations—have limited capacity to wade through and analyze HUD's new proposed regulations, in addition to applying for funding. HUD's decision to unilaterally waive the sixty-day comment period compounds this problematic situation.

I therefore join my colleagues in strongly urging HUD to extend the review and comment period for the proposed rules issued on June 30, 1998.

Mr. D'AMATO. I thank my colleagues for their remarks and I join them in urging HUD to extend the time allotted for public review and comment of these three important and expansive HUD rules. HUD's notice and comment rulemaking procedures are designed to ensure an adequate period of time for public notice, review and comment.

It is essential that HUD provide an adequate timeframe in which housing organizations, residents of assisted housing and local government entities have a chance to offer meaningful input in the development of final regulations. Given the important nature of these three rules and the significant impact which they will likely have on the families assisted by HUD's programs, I believe it is essential that the public be granted an additional amount of time in which to comment.

Mr. CHAFEE. Madam President, page 71 of the committee report accompanying the fiscal year 1999 VA, HUD and Independent Agencies Appropriations bill states that, ''[n]one of the funds provided to the EPA are to be used to support activities related to implementation of the Kyoto Protocol prior to its ratification.'' I want to try to get a clarification on this report language from the distinguished chairman of the VA, HUD and Independent Agencies Subcommittee, Senator BOND. I would agree that the EPA should not use appropriated funds for the purpose of issuing regulations to implement the Kyoto Protocol, unless and until such treaty is ratified by the United States.

I would like to point out, however, that the United States is a full participating signatory nation to the 1992 Framework Convention on Climate Change. Under the 1992 Framework Convention, which was agreed to in Rio de Janeiro by President Bush and later consented to by the U.S. Senate, the United States pledged to carry out a wide variety of voluntary initiatives aimed at reducing greenhouse gases. These initiatives, being implemented by the EPA, the Department of Energy, and other agencies, are in place today. The Congress has funded these initiatives for several years now, indeed, long before the December 1997 climate conference in Kyoto, Japan. These initiatives; the Climate Challenge program, the Program for a New Generation of Vehicles, Green Lights, Energy Star, and others, have to varying degrees reduced greenhouse gas emissions by increasing energy efficiency across a broad range of domestic industrial sectors. They make sense for other reasons, Madam President. We have found with these programs and others that our companies and American consumers benefit economically. When we conserve resources and reduce energy consumption in a sensible way, we save money. When we research, manufacture and market new energy efficient goods and services, we create export opportunities and jobs. We also increase U.S. energy security by reducing our dependence on imported oil, natural gas and coal. Finally, when we find cost effective ways to reduce greenhouse gases, we oftentimes reduce other air pollutants like mercury, nitrogen oxide, and sulfur dioxide.

So, I want to make sure that the committee report language that I cited previously does not interfere with these important and worthwhile efforts. I would ask my friend from Missouri if these ongoing energy conservation and climate-related programs and initiatives, which are not intended to directly implement actions called for under the Kyoto Protocol, would go forward under this bill?

Mr. BOND. Indeed they would, Senator CHAFEE. Our only goal here is to prevent the issuance of federal regulations designed solely for the purpose of Kyoto Protocol implementation. We have funded these EPA programs for the upcoming fiscal year and expect the agency to spend the money in an effective and appropriate manner.

Mr. CHAFEE. I thank the Senator.

UNIVERSITY OF CINCINNATI

Mr. DEWINE. Madam President, I would like to take this opportunity to extend my congratulations to Chairman BOND and Senator MIKULSKI and other members of the appropriations subcommittee on the FY 1999 appropriations bill. The committee has faced tough budget constraints this year and I would encourage my colleagues to join me in supporting this bill. I would also like to call to the Chairman's attention an important project in Ohio that I believe is deserving of funding

under the Community Development Block Grant (CDBG) program, specifically, the Economic Development Initiative funding for various community development projects. A number were listed by the Committee in its report on the bill. I am very interested in a project that has been supported by both the local community and the State of Ohio—the rehabilitation of the Medical Science Building at the University of Cincinnati's Medical Center. This facility ranks among the top in the nation for biomedical research, research which benefits both the U.S. Environmental Protection Agency and the Veterans' Administration, as well as contributing to the local economy in excess of $2 billion. Would the Senator from Missouri agree that an initiative which will rehabilitate a facility dedicated to such research be a worthy candidate for funding under the Committee's EDI provision?

Mr. BOND. Madam President, I appreciate the Senator from Ohio raising this issue. I agree with him that the project he has described in Cincinnati would appear to be well-suited for the EDI program.

Mr. DEWINE. I thank the Chairman of the Subcommittee for his comments. I would ask that the Chairman of the Subcommittee take a very close look at this project as he proceeds to conference with the House on the final version of this appropriations bill. Specifically, what I am seeking is consideration for support of funds to allow for the renovation of this facility.

Mr. BOND. I understand the Senator from Ohio's concerns, and commend him for his efforts to seek a positive solution. As I am sure he well knows, this has been a difficult year for community development projects, such as the one he has discussed. Nonetheless, I am impressed by the overall project and their commitment to continuing research. I will give the Senator's request all due consideration as we go to conference on this bill. Is that satisfactory to the Senator?

Mr. DEWINE. That is satisfactory and I thank the distinguished Chairman for his willingness to work with me and the members of the Ohio Congressional Delegation as we work with the University to help them carry on this important work.

LORAIN ST. JOSEPH'S FACILITY

Mr. DEWINE. Madam President, I would like to draw the attention of the distinguished Chairman of the VA–HUD Appropriations Subcommittee, Senator BOND, to the allocation of Community Development Block Grant (CDBG) funds for Economic Development Initiative projects. As the Chairman may recall, we had numerous discussions last year about my interest in preventing the permanent closure of the St. Joseph's Hospital complex located in the heart of Downtown Lorain. Thanks in large part to the assistance provided Lorain in the FY 1998 VA–HUD Appropriations Conference Report, we were able to forestall closure and have now developed a solid group of tenants who wish to occupy the complex.

Mr. BOND. Madam President, I recall the effort of my colleague on behalf of his constituents in Lorain, and am happy that we were able to be of some assistance.

Mr. DEWINE. Madam President, while I will not detail every development at the St. Joseph's site which has occurred over the past twelve months, it is worth mentioning the highlights. Based on the expression of Congressional support, Community Health Partners agreed to transfer ownership of the facility to a community-based non-profit entity incorporated as South Shore Development Corporation. Community Health Partners has also agreed to provide 12 months of utilities and security for the facility while South Shore proceeds with its plans to convert the facility for non-hospital uses. Notwithstanding the need to attract additional funds to underwrite the conversion effort, the Veterans' Administration, the Lorain Public Schools system, the Lorain County Community College and the local Community Action Agency have all signed leases to implement community services from the 400,000 square foot facility.

As the distinguished Chairman may recall, earlier this year I had expressed my support to him for a request for an additional $2,000,000 for the conversion effort. These funds would be utilized for the establishment of the Community College's distance learning center at the St. Joseph's facility. It is through this facility and the downlink site at the Community College that area residents would be provided access to the job training programs which would be offered by the Community College for veterans, the unemployed and others struggling to make the transition to the information technology marketplace.

Inasmuch as the Committee was not able to accommodate my request in the bill reported from Committee, could my good friend the Chairman provide me with some insights on the prospects for funding when the House and Senate meet to resolve differences between their respective bills?

Mr. BOND. I appreciate the Senator's continuing efforts to keep me apprised of developments on the St. Joseph's conversion effort. I regret that our difficult funding problems prevented the subcommittee from allocating funding for this initiative, and I assure my friend that I will do all that I can to accommodate his request in the upcoming conference.

Mr. DEWINE. I thank my colleague for his comments, and stand ready to provide him and the conferees with documentation validating the merits of this request.

Mr. JEFFORDS. Madam President, in January of this year I addressed the Senate along with my colleagues from New York and Maine about the awesome ice storm that struck our area. Thanks to the help of Chairman BOND and others, our region received much needed assistance and relief. Today, I rise to inform my colleagues that Vermont has experienced yet another series of natural disasters. During the past few weeks the state of Vermont has received tremendous amounts of rain, causing severe flooding throughout the state. In fact, eleven of our fourteen counties were declared disaster areas after several days of heavy rain flooded streams and rivers.

Hardest hit was the pristine Mad River in central Vermont. The river's stream banks were overwhelmed. Heavy sediment washed down the river depleting water quality. However, in sections of the river where methods to protect the stream banks through bioengineering and vegetation planting were established, the banks held steady during the floods preventing soils and sediments from entering the water system.

Assistance is needed in the Mad River Valley of Vermont. The quality of the water in the Mad River is of great importance to the communities in the valley. Because of the recent flooding there is a need for the Environmental Protection Agency to provide assistance for maintaining that water quality. I am aware of the devastation that occurs during a long period of heavy rain and understand the impact it can have on a river's health and appearance. Protecting the water quality is important. EPA should provide assistance to the Mad River Valley Union Municipal District to assist them in water quality improvements. Experimenting with new methods to protect our river banks will help find solutions to maintain water quality and the health of our rivers, as well as safeguard the property and lives that inhabit the river valleys.

Madam President, with help from the EPA, more creative methods could be established and tested along the Mad River helping maintain water quality and the beauty of the river.

METERED-DOSE INHALERS

Mr. GRAMS. Madam President, I wish to thank the Senator from Arkansas, Mr. HUTCHINSON and the Senator from Ohio, Mr. DEWINE for their efforts to address the issue of FDA action on Chlorofluorocarbon (CFC) metered-dose inhalers (MDIs). I share their commitment to protecting the health and safety of the millions of Americans who rely daily on MDIs to treat asthma and other pulmonary conditions.

Most of today's products rely on CFCs, which the nations of the world under the terms of the Montreal Protocol, have agreed to phase out. This phase out is due to the reported damage CFCs cause to the stratospheric ozone layer which protects us from excessive amounts of ultraviolet radiation. However, patients with asthma and other pulmonary conditions understandably are concerned about the possibility that one day they may no

longer have access to their medications and whether it will come before adequate replacement medicines are available.

I believe the resolution included in the appropriations legislation appropriately balances the need to establish a framework for the transition from CFC to non-CFC products promptly, so patients and physicians will understand the process and deal with it. Immediate action is needed so patients and care givers have the opportunity to consider and appropriately manage the impact of a transition from one safe and effective medication to another. With sufficient time to make such preparations, the important transition from CFC to non-CFC MDIs will work for the people who matter most—the patients.

The resolution states the FDA shall issue a proposed rule no later than May 1, 1999. Although I would like to see the process move more quickly, I believe this is ample time for the FDA to take into account patient concerns and needs. The FDA has already been working on this issue for more than 15 months and has heard from thousand of interested individuals and groups. In March 1997, the FDA issued an advanced notice of proposed rulemaking which most parties agree was flawed, particularly in its tentative suggestion of a so-called ''therapeutic class'' transition from existing drugs to new products. The resolution clearly instructs FDA not to take this approach, but to consider alternatives. For example, one preferable approach would be to require an alternative be available for a particular active moiety before the agency could take a CFC-containing product off the market.

The resolution recognizes the pharmaceutical industry has made a great deal of progress toward fulfilling the expectation of the Montreal Protocol—that there will be excellent non-CFC MDIs available to patients. Clearly, this is not a situation where we will be taking good medications from the market and leaving a void. Nothing could be further from the truth, but it's important for us not to send a signal to manufacturers who are doing the right thing in developing alternatives that we do not see the urgency of beginning this transition. The resolution my good friends from Arkansas and Ohio propose corrects that mis-impression and I thank them for clarifying it.

The resolution expresses the expectation that the FDA, in consultation with the Environmental Protection Agency, will assess the impacts on the environment and patient health of a transition to CFC-free products. In doing this, the FDA must consult in the process with the many parties interested in this issue, which is as it should be. The information the FDA receives and develops from these discussions should be reflected in its proposed rule, along with information the agency has already received in the form of comments on its ANPR. I believe the intention of this resolution is clear—the FDA should continue this important dialogue after the proposed rule is issued. In this way, we can be assured a fair and balanced rule will emerge and move us away from the use of CFCs in a way which protects patients health and safety.

In short, this resolution urges the FDA to get on with the business at hand—namely, publish a proposed rule which lays out a framework for the transition from CFC to non-CFC MDIs by no later than May 1, 1999. This framework should be developed in consultation with patients, care givers and others to ensure continued patient health and safety. The urgency of this action is dictated by the need to allow patients and care givers time to consider the ramifications of the transition and prepare for it.

I want to thank the gentlemen from Arkansas and Ohio again for their leadership on this issue and their willingness to accommodate our concerns.

THE TUNNEL AND RESERVOIR PROJECT

Mr. DURBIN. As we consider the FY 1999 VA–HUD and Independent Agencies Appropriations bill, I would like to call your attention to the serious flooding problems that continue to plague the City of Chicago and its surrounding suburbs, and to urge your consideration to provide funding for a system of flood control tunnels designed to mitigate these weather-related problems.

For years, severe thunderstorms have caused extensive flooding in the Chicago area due to the antiquated storm drainage system that serves the region. The drainage system, also linked to the sewage system, is quickly filled to capacity and overwhelmed during storm events, resulting in sewage backflows into Lake Michigan and the basements of thousands of homes. This flooding creates major public health hazards, leaves neighborhoods without electrical power, and causes disruptions of major transportation thoroughfares.

These kind of flooding emergencies will continue to plague the City of Chicago and neighboring communities until the construction of an important system of tunnels and reservoirs is completed. This system is known as the Tunnel and Reservoir plan (TARP), an initiative of the Metropolitan Water Reclamation District of Greater Chicago.

Ms. MOSELEY-BRAUN. Madam President, my colleague from Illinois is exactly correct. TARP is a network of underground tunnels and reservoirs designed as an outlet for sewage and floodwaters during large thunderstorms. For almost two decades, the TARP system has slowly grown, gradually improving flood prevention system in Chicago. Without TARP, local sewage and rainwater drainage would have no where to go when large storms hit the area.

Already, TARP has greatly reduced contaminated flooding of basements, polluted backflows into Lake Michigan, and to the amazement of many, has markedly improved the water quality of the Chicago River, a feat thought to be impossible a decade ago. Although TARP is largely complete, federal funds are still needed to finish the system and complete the commitment that the federal government made to this project years ago.

Chicago desperately needs additional capacity to stop this flooding. Without TARP, homeowners and residents in the greater Chicago region will continue to experience serious economic and health hazards from flooding during severe thunderstorm events.

Mr. DURBIN. That is why we would like to ask the Chairman if he will give us his assurances that the subcommittee will give every consideration to including the House level of funding for this project during conference of this bill.

Mr. BOND. I appreciate the remarks of my colleagues from Illinois, and I understand the longtime importance of this pollution control project to you and your constituents. You can be sure I will work to include the funding for this project during conference of the VA–HUD Appropriations bill.

MERCURY EMISSIONS

Mr. LEAHY. Madam President, I have spoken previously on my concerns about the ongoing threats from mercury pollution to the lands, rivers and lakes of Vermont and the rest of the country. I sponsored a Senate Resolution that called on the Administration to release its long overdue Mercury Study Report to Congress, a report that was mandated by the Clean Air Act of 1990. Earlier this year I introduced S. 1915, the ''Omnibus Mercury Emissions Reduction Act of 1998'' which, if enacted, would significantly reduce the risks that this powerful neurotoxin poses to the neurological health and development of pregnant women and their fetuses, women of child bearing age, and children. Senators SNOWE, WELLSTONE and MOYNIHAN have joined me in co-sponsoring the legislation.

The Mercury Study Report to Congress states that 150 tons of mercury are released to the environment every year, year after year. The Study reports that more than one-third of the mercury that is released in the United States each year—52 tons—comes from coal-fired power plants. Mercury is contained in the coal. When coal is burned the mercury is vaporized and is released to the environment.

Once released to the environment, mercury does not behave like many pollutants. It does not biodegrade, it persists. Mercury does not become less toxic—it transforms chemically into even stronger and more toxic forms such as methyl mercury. Methyl mercury accumulates in fish, and it accumulates in the human beings that eat the fish. Once ingested, methyl mercury is rapidly absorbed and distributed throughout the body. It easily penetrates the blood-brain and placental barriers, and it stays in the body

for very long periods of time. One of the ways that it is finally excreted from the body is through breast milk. A developing fetal brain and nervous system can be exposed to mercury because the placenta and the blood-brain barriers offer no protection, and once born, the exposure can continue through breast milk.

There is ample evidence that mercury levels in the environment are increasing. One of the most telling indicators is the trend in mercury fishing advisories. In 1993, 27 states had issued health advisories warning the public about consuming mercury-tainted fish. In 1997, this had grown to 39 states. We are going in the wrong direction. Before we know it we are going to have filled the whole map with these warnings. It is time to reverse this trend.

While the EPA report does the best job so far in quantifying mercury emissions, many believe that the report understates the actual amount of mercury being released to the environment. Toward the end of obtaining better data on mercury emissions from coal-fired power plants, EPA has issued notice of its intent to begin collecting information from these facilities on the mercury that they emit. I think that this is an excellent step for EPA to be taking, and I strongly urge the Office of Management and Budget to support this information collection request. It is very much in keeping with the public's ''right to know'' about the types and amounts of toxic pollutants that are being released, and I strongly urge EPA to disseminate the information widely, including making it available via the Internet.

Madam President, I would like to state my serious concern about mercury-related report language in the House of Representatives VA/HUD/Independent Agencies appropriations bill. Among other things, the report language would require that another mercury report be developed. Each of the mercury-related tasks stipulated in the report language would need to be completed before EPA would be allowed to make any regulatory determinations on mercury.

This report language purely and simply delays efforts to control mercury emissions at the expense of those who are most susceptible to the effects of mercury pollution—pregnant women and their fetuses, women of child bearing age, and young children.

To put this delay into perspective, the 1990 Clean Air Act Amendments required EPA to study mercury emissions and to report to Congress. EPA completed the report in 1994 and, largely due to highly effective pressure exerted by the coal-fired power industry, the Agency sat on the report for 2 years. It was finally released last December after much effort by this Senator and a number of my colleagues. It is an excellent report, and the years that it spent on the shelf gathering dust did not alter its message. In the meantime, hundreds of tons of toxic mercury emissions continued to rain down unabated on our lands, rivers, and lakes.

The mercury report does not need to be redone. I do not believe that anyone who actually reads it objectively would conclude that we need to study mercury all over again before Congress or the Executive Branch can make any decisions about controlling mercury emissions. But that is precisely what the House report language would require. If the past is any indicator of how long it will take to accomplish what is contemplated by the report language, we will be at least halfway through the first decade of the next century and buried under more than a thousand more tons of mercury before the United States can take even the most minuscule action to control this toxic pollutant. This report language is an inappropriate use of the appropriations process. Such matters of substance and impact on the health and welfare of the citizens of the United States should be debated on the floor of the Senate and House of Representatives.

SHIP SCRAPPING

Ms. MIKULSKI. Madam President, I inserted a provision in this legislation to prohibit our government from sending our great Navy ships overseas—where they are dismembered in a dangerous, irresponsible and immoral manner. The export of misery and the exploitation of workers is beneath the dignity and honor of our nation.

I'd like to give the Senate some background on this issue.

With the end of the Cold War the number of ships to be disposed of in the military arsenal is growing. There are 180 Navy and Maritime Administration ships waiting to be scrapped. These ships are difficult and dangerous to dismantle. They usually contain asbestos, PCB's and lead paint. They were built long before we understood all the environmental hazards associated with these materials.

This issue was brought to my attention by a Pulitzer Prize-winning series of articles that appeared in the Sun written by reporters Gary Cohn and Will Englund.

They conducted a thorough and rigorous investigation of the way we dispose of our Navy and maritime ships. They traveled around the country and around the world to see firsthand how our ships are dismantled, and Mr. President, I must advise that the way we do this is not being done in an honorable, environmentally sensitive, or efficient way.

I believe when we have ships that have defended the United States of America, that they were floating military bases—and they should be retired with the same care and dignity with which we close a military base.

Let me read from the Sun series:

> As the Navy sells off warships at the end of the Cold War, a little known industry has grown up. In America's depressed ports and where the ship breaking industry goes, pollution and injured workers are left in its wake. The Pentagon repeatedly deals with ship breakers with dismal records, then fails to keep watch as they leave health, environmental and legal problems in their wake.

Of the 58 ships sold for scrapping since 1991, only 28 have been finished. And oh, my God, how they have been finished. I would like to turn to my own hometown of Baltimore.

In Baltimore the dismantling of the *Coral Sea* has been a disaster. There were fires, lawsuits, delays—and injuries. The Navy inspector refused to board the *Coral Sea* because he was afraid it was too dangerous.

I am quoting now the Sun paper. ''September 16, 1993, the military sent its lone inspector for the United States to the salvage yard in Baltimore. He didn't inspect it because he thought it was too dangerous.''

The inspector was right to be concerned about his own safety. The next day a 23 year-old worker found out how safe it would be.

He walked on a flight deck and he dropped 30 feet from the hangar. ''I felt the burning feeling inside,'' he said, ''blood was coming out of my mouth, I didn't think I would live.'' He suffered a fractured spleen, pelvis, and broke his arms in several places.

At the same time we had repeated fires that were breaking out. In November of 1996, a fire broke out in the *Coral Sea*'s engine room. No one was standing fire watch. No hose nearby. The blaze burned quickly out of control and for the sixth time Baltimore City's fire department had to come in and rescue a shipyard. At the same time the owner of the shipyard had a record of environmental violations - a record for which he ultimately was sentenced to jail.

While all of this has been going on, the Navy also planned to send our ships overseas—where worker and environmental safety are virtually ignored.

In India, the Sun paper found a tidal beach where 35,000 men scrapped the world ships with little more than their bare hands. They worked under wretched conditions.

They often dismantle ships with their bare hands. They earn just a couple of dollars a day. They have no hard hats, no training. Every day, someone dies breaking these ships.

I will quote from the Sun series:

> They live in hovels built of scrap, with no showers, toilets or latrines. They have come from poor villages on the other side of India, lured by wages that start at one dollar and fifty cents a day, to work at dangerous jobs, protected only by scarves and sandals.
>
> They suffer broken ankles, severed fingers, smashed skulls, malaria fevers, dysentery and tuberculosis. Some are burned and some are drowned. Nobody keeps track of how many die here from accidents and disease. Some say a worker dies every day.

This is an international disgrace.

So I introduced legislation to prohibit the overseas sales of government owned ships to countries with poor labor and environmental records. I inserted similar language in the VA–HUD

appropriations bill that we are considering today.

This is not a ban on exports. Ships could be exported to countries that can break ships responsibly.

This limitation on exports would only be in effect for one year. This would enable the Navy to come up with a more ethical, workable plan for exports. This one year pause in exports would also enable us to improve our ability to dispose of ships here in the U.S. This will provide American jobs, and will strengthen our shipbuilding industrial base.

Some say that it is cheaper to send our ships to India and other developing countries. It is cheaper. Why? Because workers earn one dollar and fifty cents a day. They work eighteen hours a day. They have no training and no protection. They die or are maimed in terrible, preventable accidents.

It is always cheaper to exploit workers—and it is always wrong.

I would like to thank the Sun paper for their outstanding service in bringing this not only to my attention but to America's attention. Now the Senate must act to end these shameful policies.

The Sun reporters won the Pulitzer prize. But I want the United States of America to be sure that we win a victory here today for workers, the environment—and especially for the Navy. Because I know our Navy wants to do the right, honorable thing.

I hope my colleagues will agree with me that the practice of exploiting foreign workers and ignoring the environment is beneath the dignity of our great Navy, and of our nation.

(At the request of Ms. MIKULSKI, the following statement was ordered to be printed in the RECORD.)

• Mr. GLENN. I want to commend Senator MIKULSKI and the other Members of the Subcommittee for incorporating elements of the Mikulski-Glenn Bill (S. 2064) to prohibit export of ships to be scrapped in countries with substandard environmental laws and practices.

Senator MIKULSKI, with me as the prime cosponsor; introduced the original bill in May upon learning that the Federal ship-owning agencies, principally MARAD and the Navy, were retaining the option to export ships to countries with weak environmental and labor protection laws. They were retaining this option even after public reports and a GAO analysis that criticized Federal agencies for allowing the export of ships laden with PCBs, asbestos and hazardous materials.

In the past, these ships were sent to developing countries to be scrapped. They would lie listing just offshore, giant metal hulks waiting to be cut up and disassembled—often by children in barefeet—with the hazardous waste from the ships' interiors unceremoniously dumped overboard.

While I can respect the sovereignty of these countries in making their own environmental and labor laws—however inadequate they may be, I don't think that as a government the Feds should be contributing to that inadequacy by sending its own ships there to be scrapped in that fashion.

The VA–HUD Appropriations Bill contains language that contains a 1 year restriction of Federal ship exports for scrapping. No exports can be made unless the EPA certifies that the destination country has environmental standards and enforcement ''comparable'' to the U.S. So it is not an outright ban on exports. The language supplements the other part of the Mikulski-Glenn Bill, which strengthens environmental and labor protection criteria in Federal contracts for domestic ship scrapping. Those provisions were unanimously adopted as part of the DOD Authorization Bill and $7.8 million has been provided for this effort in the DOD Appropriations Bill.

We can protect our oceans, treat harmful hazardous waste safely, and scrap ships responsibly if we're willing to make the commitment to do the right thing. The language incorporated into the VA–HUD Bill takes that approach and resides there largely because of the effort and persistence of the good Senator from Maryland. I urge my colleagues to support that language, and to oppose any efforts to weaken it or strike it. •

Mr. SARBANES. Mr. President, I rise in support of the VA–HUD Appropriations bill. I thank Chairman BOND and Senator MIKULSKI, my good friend from Maryland, for their efforts in bringing this bill to the floor so quickly. I know how difficult it is to balance the many competing needs contained in this appropriations bill. Senators BOND and MIKULSKI are to be commended for the good bill that they have produced.

As Ranking Member of the Committee on Banking, Housing and Urban Affairs, I am particularly pleased with the appropriations for HUD. S. 2168 provides an increase in appropriations to HUD over what was enacted in FY 1998. I applaud these funding increases and I believe they will go a long way towards helping our neediest citizens. However, I am concerned that they fall somewhat short of the Administration's request—and considerably short of what is needed to address the severe housing and community development needs in this country.

Today, only about one out of every 4 households in need of housing assistance receives it. This includes households living in public housing, assisted housing, and housing built with the tax credit and HOME funds. Of the roughly 12 million unassisted families, approximately five and a half million have worst-case housing needs. These families are paying more than half of their incomes every month in rent, or live in physically substandard housing, or both.

My colleagues on the Appropriations Committee recognize this need. For the first time since 1995, they have provided for additional incremental vouchers; $40 million has been appropriated to support roughly 7,000 to 8,000 welfare-to-work vouchers—vouchers that will play a crucial role in helping smooth the transition from welfare to work. Furthermore, the appropriators have deleted a provision in current law which requires housing authorities to retain vouchers and certificates for a period of three months upon their turnover. This simple change means that as many as 40,000 additional low-income families will be served by the Section 8 program each year. I commend the appropriators for implementing this change.

While I applaud the direction S. 2168 moves us, I am discouraged by the pace. I fully understand the constraints in which the Committee has to work, but these constraints are artificial. CBO tells us to expect up to $63 billion in budget surpluses for FY '98, and hundreds of billions of dollars in surpluses over the next ten years. At least some portion of these funds should be returned to the HUD budget, which has been sacrificed over the years in the name of deficit reduction.

An appropriate start would be to fully fund the Administration's request of 50,000 welfare-to-work vouchers. A recent HUD study found that the fastest growth in worst case housing needs during the 1990s has been among working families. These findings indicate that wages earned by lower income working families simply have not kept pace with the escalating cost of housing. Welfare-to-work vouchers help fill the gap between real wages and housing costs. Additionally, they help unemployed and underemployed individuals move to where jobs are available. Finally, welfare-to-work vouchers build new partnerships between housing agencies and other local agencies which promote and implement welfare reform. For all of these reasons, it is important that more welfare-to-work vouchers are available in future years.

We should also be providing funding to fulfill the President's request of 34,000 vouchers for homeless persons. Homelessness continues to be a significant problem in this country. It is estimated that as many as 2 million people will experience homelessness at some point in the next year. Some of these people have chronic disabilities that lead to chronic homelessness; others experience unanticipated problems such as job loss or a sudden illness which results in displacement from their housing.

That is why I strongly support the appropriators' decision to substantially increase funding for homeless programs, and their decision to include a recommendation that 30% of all funding be allocated to permanent housing. These gestures indicate a real commitment to attaching permanent solutions to the problem of homelessness. But make no mistake. Vouchers are an essential tool for addressing the needs of the homeless. A tenant-based voucher provides immediate assistance to families in need, and is a much better and

cheaper housing alternative than a shelter. Project-based vouchers can leverage funding for supportive housing developments, which provide essential services for chronically disabled and chronically homeless individuals.

I am also pleased to see a renewed commitment to the HOPE VI program. S. 2168 would increase funding for the HOPE VI program by $50 million. This program has provided a crucial source of funding for redeveloping obsolete public housing developments and transforming entire neighborhoods. HOPE VI funds are used to leverage other public and private funds which can be used to promote resident self-sufficiency and economic independence. I have witnessed first-hand the impact that this program has had on communities in Baltimore, and I commend the appropriators for pledging more funds in support of these vital initiatives.

In order to succeed, however, public housing needs more funding. Without adequate operating subsidies, public housing authorities cannot pay for the day to day operations of their housing developments. PHAs are forced to put off routine maintenance and small capital projects. Over time, this leads to a greater demand for large scale capital improvements. It is currently estimated that PHAs would need roughly $4.5 billion of capital funds per year for 10 years just to address their backlogged capital needs. The Senate appropriation of $2.55 billion in capital funding for FY 1999 represents a $50 million increase over the level enacted in 1998, but does not come close to addressing the severe need for public housing capital improvements.

It is regrettable that S. 2168, while providing a much needed $75 million increase for Community Development Block Grants, does not adequately fund the Administration's Economic Development Initiative. The EDI supports grants and Federal loan guarantees which municipalities can use to leverage private capital for business loans, community development banks, revolving loan funds, large scale retail developments, and welfare-to-work projects. HUD requested $400 million to fund EDI in FY '99, anticipating that this would leverage $2 billion in private sector loans and create roughly 280,000 jobs in needy communities. Economic growth and jobs are the key to revitalizing urban areas, and the EDI fosters these opportunities. It is unfortunate that the EDI could only be funded at $85 million.

I am pleased that the appropriators showed a commitment to homeownership by expanding the FHA single family mortgage insurance program. This program is the best tool that the Federal government has for helping low- to moderate-income families become homeowners, and it doesn't cost the taxpayer a single dime. It is well documented that the FHA program serves a higher proportion of low-income, minority and first-time homebuyers than any of the conventional home loan products. By increasing the loan limits for this program, we should see a further expansion in homeownership throughout the country—both in high cost urban areas and lower cost rural regions.

S. 2168 also contains language which would require HUD to engage in a lengthy and resource consuming effort to redefine their fair housing mission. While I appreciate the need to have a clear mission statement, I am concerned that the process prescribed in S. 2168 will be detrimental to the Office of Fair Housing and Equal Opportunity's ability to fight housing discrimination. The Department's standard policy making procedures require that the public and Congress be notified when significant policy changes are being contemplated. Additional requirements beyond this will hamstring the Office, and take away resources which could be deployed to meet program goals.

Mr. President, I would like to thank my colleagues for all of their hard work. They are to be commended for substantially increasing the Federal commitment to housing and economic development programs in a climate of limited resources. I regret that we cannot do more at this time in the areas I have outlined, but S. 2168 is a good bill and I urge all of my colleagues to join me in supporting it.

FEMA

Mr. WELLSTONE. Mr. President, I want to acknowledge the good work of my colleagues, Senator BOND and Senator MIKULSKI, for taking on the difficult task each year of drafting the VA–HUD appropriations bill. I don't think many of us envy the job they have or the difficult choices they have had to make.

I have come to the floor today to talk about a small but very important agency that is funded in under the VA–HUD Appropriations bill—the Federal Emergency Management Agency or FEMA.

My first experience with FEMA was during the devastating floods that swept through Minnesota in the Spring of 1993. Most recently, I traveled with James Lee Witt to tour the damage caused by tornadoes this spring from Comfrey to St. Peter, Minnesota. I never thought that I would be forced to learn the intricate ins and outs of FEMA's programs and other emergency assistance programs, but I have. Since the flood of 1993, FEMA has been there on several occasions to help Minnesotans as they struggled through the early days after tornadoes and blizzards and floods to rebuild their lives and communities.

I want to thank James Lee Witt the Director of FEMA for all of his help over the years.

I really had the opportunity to get to know James Lee during last year's devastating flood of the Red River. He is one of the President's most outstanding appointments, a dedicated public servant and a great guy. Spending time with James Lee always has a catch, because it usually means that something really bad has happened in your state.

The good news is that it also means that something good is about to happen. Because FEMA comes in fast, comes in ready and works in partnership with state and local communities and authorities. FEMA is a great partner to have.

Under the direction of James Lee Witt, FEMA has undertaken a new program called Project Impact, a predisaster mitigation program. With Project Impact, FEMA joins in partnership with local communities and private sector businesses to educate residents on the steps they can take to reduce the damage disasters bring to our families and communities. This is another example of FEMA being a good partner.

FEMA and Director James Lee Witt have been there on many instances to help my state. I want to thank them for their assistance. Following our action here on the floor of the Senate, this bill will move to conference. At that time I hope that our conferees will remember the needs of a small agency with a big job—FEMA—and support the level of funding that was requested in the President's budget.

STATE REVOLVING LOAD FUNDS

Mr. BOND. Madam President—I would like to take some time to talk about the Clean Water and Safe Drinking Water Revolving Loan Funds.

First, let me say that the Clean Water Act has been one of our most successful environmental statues. Our success is measurable and indisputable. We must ensure that the progress made continues.

Enacted in 1972—we have seen impressive gains in our water quality protection.

Most of us are familiar with the Cuyahoga River fires. We are all familiar with rivers and streams that we couldn't let our kids swim or fish in.

Here in Washington, Lyndon Johnson called the Potomac River a ''national disgrace''.

The Clean Water Act, and more importantly, with the cooperation and dedication of the American people and industry, the majority of our rivers, lakes, and streams are fishable and swimmable.

But, we still have a ways to go.

Why?

One reason is that statistics show that beaches, rivers, and lakes are the number one vocation choice for Americans. Whether people go to swim, boat, or one of my favorite past-times—fish, keeping our rivers, lakes, beaches, and streams clean is imperative for public health, the environment and the economy.

In addition, it has already been ''shown'' that improving the water quality of the Potomac, or the Lehigh in Pennsylvania, or the Shenandoah in West Virginia is not just an environmental and public health success, but an economic one as well.

According to EPA's 1999 Annual Plan Request, ''Safe drinking water is the first line of defense in protecting human health.'' In addition, ''Safe drinking water is essential to human health and contaminated drinking water can cause illness and even death, and exposure to contaminated drinking water poses a special risk to such populations as children and the elderly.''

Today, we have close to 58,000 community water systems that are providing drinking water for 80 million households.

According to statistics this country has over 3.5 million miles of rivers and streams, 41 million acres of lakes, and 58,000 miles of ocean shoreline.

Cleaning up our nation's wastewater and assuring safe drinking water should be, must be, at the top of our environmental priority list.

Putting our resources to work where the risks are known and the benefits—both environmental and public health—are real and tangible! Setting priorities and making progress. Protecting public health and the environment. Investing our taxpayer dollars the right way. That is what investing in our water infrastructure is about.

Mr. President, despite the fact that the Administration has claimed clean water as a top priority, the President proposed a reduction of $275 million in the Clean Water and Drinking Water Revolving Loan Funds for fiscal year 1999.

As Chairman of this Subcommittee, I have made a priority of state revolving funds for water infrastructure financing—providing over $6 billion for SRFs since becoming chairman.

I know. Senator MIKULSKI knows. More importantly, this Congress has ''shown'' that the state revolving funds are critical for ensuring the nation's water is protected and safe drinking water is provided to commities across the country.

The state revolving funds stretch the federal dollar significantly through leveraging and cost-sharing features, helping to meet the very large need for water infrastructure financing.

The $14.3 billion federal investment into the clean water SRF has generated an additional $11.4 billion for wastewater projects, including $8.7 billion in net leveraged bond proceeds. This loan pool of $25 billion has resulted in almost 6,000 project loans! This is a very substantial and gratifying return on the federal investment.

According to EPA, the SRF program buys up to 4 times more environmental protection for the federal dollar than traditional one-time grants over a 20-year period.

EPA has identified the national need for infrastructure financing at over $130 billion just in the wastewater area alone. EPA has identified over $135 billion in drinking water infrastructure needs.

Mr. President—there are two glaring reasons of why investment in our water infrastructure is imperative.

First are tuberculated drinking water pipes.

Let me give you the definition of ''tubercle.'' Tubercle is a ''small, rounded prominence or process, such as a wartlike excrescence on the roots of some leguminous plants.'' In other words, there is something growing.

Too many drinking water pipes providing water to communities—water that comes out of your faucet in your kitchen sink and bathtub—are tuberculated. But it is rare that anyone ever thinks about it.

Too often no thought is given to the pipes until we become sick or there is an outbreak in the community.

The second reason is a sanitary sewer overflow.

A sanitary sewer overflow is a release of raw sewage often into lakes, rivers, and streams.

We still have instances of raw sewerage overflowing into our lakes. As I mentioned earlier, EPA has estimated over $130 billion in wastewater needs. Continued improvements to our wastewater infrastructure will help us conquer the problem.

For example, according to the EPA, improved sewage treatment is recognized as the single biggest factor in the Potomac River's restoration.

Our wastewater infrastructure, like our drinking water infrastructure, is out of sight. We forget that in some cases we have century-old facilities. All too often, we have facilities that have not been able to keep in step with the population growth and treatment needs.

Like our nation's highways, in many areas our water infrastructure has well exceeded its design life. Add to the expired design life, increased capacity and increased federal and state regulatory requirements and we have a potentially disastrous situation.

I was reading a brochure about clean water given to me by the National Utility Contractors and came across the following:

> Before you build homes, establish businesses, or pave the streets, a dependable wastewater treatment system must be in place.

Way too often we tend to forget this basic fact.

Mr. President, I have made, and will continue to make, a commitment in protecting our nation's water. I look forward to continuing to work with my colleagues in the House and Senate to ensure that our progress continues in protecting public health and that real environmental gains and progress are made.

KYOTO PROTOCOL

Mr. BOND. Mr. President, there has been a great deal of discussion over the past year on the Kyoto Protocol and concerns about efforts to implement its requirements prior to Senate ratification.

We may disagree about whether or not the global climate is warming—and there certainly is no scientific consensus on the matter. But regardless of the scientific uncertainties and the differing views on the issue, one thing is certain: the level of greenhouse gas reductions called for in the Kyoto Protocol have the very real potential of inflicting serious economic harm on the U.S. economy.

The agreement reached last December in Kyoto would, according to numerous studies, lead to significant job less and substantial lifestyle changes for Americans. Energy prices could rise dramatically. One study by Charles River Associates and DRI/McGraw-Hill, for example, projected that in my state, industrial electricity prices could increase 54.4 percent.

Mr. President, this kind of increase in electricity prices would be devastating to small businesses, farmers, large manufacturers who employ thousands, and individual consumers, including those with limited incomes who would be hardest hit.

From the numerous studies that have been done to determine the effects of implementing the Kyoto Protocol, we know that we could expect a serious economic disruption. What is not so clear is whether there is a global climate change problem, and if so, how significant it is and what is its cause.

Therefore, I believe we must continue the debate and try to gain a better understanding of climate change and what action might be needed. To do so, we must continue funding of research and technology development. We must continue to support the voluntary efforts that many companies have undertaken to reduce greenhouse gases. And we must continue to support energy efficiency programs.

What we should not do at this time is to begin to implement the reduction requirements called for in the Kyoto Protocol. That should not happen until there has been a full debate and until this body has given its advice and consent to ratify the Protocol.

The Administration has assured Congress that it is not their intent to implement the Kyoto requirements in the absence of Senate ratification. Those assurances are appreciated. There is evidence, however, that efforts are underway to begin to implement the Kyoto requirements prematurely.

This is a concern because, as I said earlier, there is a potential for serious economic harm if the Protocol is implemented. Until we have eliminated the uncertainties surrounding climate change, and until we have had a full, open debate on the issue and appropriate responses, we should not embark on a path that could lead us into economic disarray. Implementation before ratification is not the responsible—nor constitutional—way to go.

That is why the Senate Appropriations Committee included in the VA/HUD report language clarifying that no funds should be used to implement the Kyoto Protocol. We must continue to provide for research efforts and other important programs that make sense, such as energy efficiency and voluntary initiatives, but we should not

begin to spend funds for a Protocol that has not yet been determined to be in the best interests of our country.

Mr. KERRY. Mr. President, I want to thank Senator BOND and Senator MIKULSKI for their hard work in bringing this bill to the floor so quickly and with such widespread support. It is a good bill—one which balances a number of competing demands while reinforcing the Senate's commitment to create new affordable housing and community development opportunities. This is not an easy task, and they deserve congratulations for successfully juggling many differing needs and interests.

While I wish that it could be more, I was pleased that President Clinton requested $50 million in funding for the cleanup of Boston Harbor. I am disappointed that the bill does not allocate funding for this project and other important water and sewer projects in Massachusetts. However, I am pleased that the House of Representatives has funded four important water and sewer projects in Massachusetts. I will be working to ensure that funding for Boston Harbor and other important water and sewer priorities are included in the Conference Report.

I believe that the overall budget for the Environmental Protection Agency is adequate. However, I am disappointed that bill does not include $600 million in funding to accelerate the cleanup of superfund sites which protect the public health.

I am also delighted that the bill includes a $500,000 appropriation to undertake interior restorations of Symphony Hall in Boston. For almost a century, Symphony Hall has been among the finest concert halls in the world and has been the center for classical music for the City of Boston and the New England region. These funds will be used to undertake interior renovations of Symphony Hall, including updating of the electrical, climate control, and fire protection systems.

I am pleased that the bill increases the level of funding that would be made available for medical care, benefits, pensions, and assistance programs to our nation's veterans in Fiscal Year 1999. I strongly believe that the administration's budget request for veterans—especially for VA medical care—sorely shortchanged the medical care needs of our veteran population as it is increasing in age and requiring additional health care attention. We have a moral obligation to ensure that all 25 million American veterans have adequate benefits and access to the best possible health care available.

I will continue to work diligently with my colleagues to find effective means to compensate veterans for smoking related illnesses and disabilities that directly resulted from the use of tobacco products during the veteran's active military service. Regrettably, the amendment raised by Senator WELLSTONE—that would have restored the ability of veterans to receive tobacco-related benefits eliminated with the enactment of the Transportation Equity Act for the 21st Century—did not pass. I cosponsored this amendment with the strong belief that the VA must retain this compensatory authority so that our veterans no longer are betrayed in underhanded attempts to secure funds for unrelated programs.

There is no parliamentary procedure or backdoor maneuver that can disguise the intention of the administration and many members of the Senate to deny veterans the ability to apply for these compensation benefits and the ability to receive health care treatment for them. America's veterans are painfully aware of these attempts. It is clear that our government actually contributed to the use of tobacco by service members when it supplied tobacco products free or at reduced prices. It is equally clear that our government has the responsibility to compensate them for the suffering they have incurred as a direct result. I remain committed to our nation's veterans and will do all I can to see that they receive the health care and attention they rightfully deserve.

There are many who would argue that the government no longer needs to focus its energies on housing and economic development initiatives. They say that the economy has never been stronger. They will site seven consecutive years of economic expansion. They will site growth in the GDP of 3.9% last year—the best showing in a decade. They will point to the lowest unemployment rates in 24 years and to the more than 14 million new jobs that have been created since 1993. And indeed, these are tremendous accomplishments for which the Clinton Administration is due a great deal of credit.

But to assume that all communities and individuals are benefiting from this growth would be a grave mistake. Nationwide the poverty rate in cities increased nearly 50% between 1970 and 1995. In all metro areas, central city unemployment rates are at 5.1%, a full one and a half points higher than their suburbs. It has also been estimated that only 13% of the new entry-level jobs created in the early 1990s were created in central cities. And tragically, while the nation is experiencing record levels of home ownership, there are still two million Americans who will experience homelessness in the next year.

This growing discrepancy in economic opportunity argues for a renewed commitment to funding for The Department of Housing and Urban Development programs. Unfortunately, over the past few years, the exact opposite has occurred. Since 1995, more than $11 billion has been cut from the HUD budgets. During this same period, HUD has instituted programmatic reforms that have produced savings of more than $4.4 billion. In other words, HUD has contributed more than $15 billion in savings and deficit reduction to the Federal government during a time when demand for its programs is growing. Now that the budget deficit has been eliminated, and there are projections of budget surpluses for the next decade, it is time to start reinvesting in housing, job creation and economic development for all Americans.

I believe that this bill takes a step in the right direction. On the whole, it provides additional funding for HUD above what was appropriated in FY 1998. $40 million has been appropriated to fund roughly 7,000 to 8,000 welfare-to-work vouchers. These vouchers establish a crucial link between housing and employment opportunities, while simultaneously helping those who are making a concerted effort to get off of welfare assistance. They are important tools whose significance cannot be understated given the uncertainty of welfare reform. It is unfortunate that the subcommittee was not provided enough funding to fully support the Administration's request to fund 50,000 welfare-to-work vouchers. It is also unfortunate, given these funding limitations, that the committee chose to earmark the vast majority of these vouchers for communities which may not have the greatest need.

I want to applaud the committee for striking a provision in previous appropriations bills which required housing authorities to delay the reissuance of vouchers and certificates for a three month period. The three-month delay meant that about one-fourth of all vouchers and certificates were taken out of circulation each month. As a result of the effective leadership shown by Senators BOND and MIKULSKI, repeal of the three-month delay provision means that approximately 30,000 to 40,000 more low-income families will be provided with housing assistance each year.

The committee is also to be congratulated for enhancing the commitment to fighting homelessness. This bill provides $1 billion in homeless assistance, a 22% increase over the $823 million appropriated for FY 1998. This money will be used by municipalities and non-profit organization to fund a variety of activities, locally determined, which address the needs of homeless Americans. This bill also includes a recommendation that at least 30% of these funds be used in support of permanent housing activities. Homeless providers and policy experts are nearly unanimous in their support for this set-aside. Permanent housing is the only long term solution to the homeless problem. I regret that the committee could not fund the Administration's request for 34,000 Section 8 vouchers for the homeless, but on the whole this bill reaffirms the Senate's commitment to ending homelessness.

It funds the Community Development Block Grant program at $4.75 billion, or $75 million more than was appropriated in FY 1998. These additional

funds will help communities fund economic development projects in distressed neighborhoods. Included in this appropriation is a $40 million set-aside for the Youthbuild program. I am the primary author of the YouthBuild legislation in the Senate. Youthbuild provides on-site training in construction skills, as well as off-site academic and job skill lessons, to at risk youth between the ages of 16 and 24. Approximately 7,300 young people have participated in Youthbuild programs to date. By increasing funding for this program by $5 million over what was enacted in FY 1998, the Senate has demonstrated a firm commitment to this very important program. More is needed, however, to help this program grow to meet the demand for these services. I will be working to increase the funding for this worthy program to $70 million in the Conference Report.

It is unfortunate that the committee could only make $85 million available for the Economic Development Initiative, another very important set-aside under CDBG. The EDI supports grants and Federal loan guarantees which allow municipalities to leverage private capital to promote economic development. HUD requested $400 million for EDI in FY 1999. At this higher level of funding, the EDI fund could serve as a mechanism for providing incentives for standardization of economic development loan criteria. Such standards could eventually serve as the foundation for development of a private secondary market for economic development lending—a step whose significance cannot be overstated. Our mortgage markets are the envy of the world because of their depth and liquidity—neither of which would be possible without the existence of government-sponsored secondary markets. These principles should be applied to economic development lending, and an enhanced EDI fund could provide the crucial first step. I hope that this need can be better addressed in conference.

We are currently seeing record levels of home ownership in this country, and HUD should take great pride in this accomplishment. The committee recognized the importance of home ownership, and has expanded the FHA single family mortgage insurance program to better reflect today's housing prices in high cost urban and rural areas. I support this provision. The FHA program is one of the most effective tools the government has for assisting low-income, minority and first time home buyers, and the modest expansion proposed by appropriators will help more middle income Americans realize the dream of home ownership. But we need to ensure that all who qualify for home ownership, regardless of race, creed or color, are afforded an opportunity to purchase a home in the neighborhood of their choice. Discrimination, as intolerable and deplorable as it is, is still a significant problem in this country—especially in the home purchase and rental market. That is why it is important to promote HUD's Office of Fair Housing and Equal Opportunity. The programs run out of this office support investigations, training, technical assistance, lawsuits and other locally developed initiatives that target and eliminate housing discrimination. Unfortunately, this bill falls considerably short of the Administration's request to fund these programs at $52 million for FY 1999. Worse yet, it institutes an onerous policy development requirement which may actually diminish FHEO's capabilities to protect Americans against housing discrimination. I believe the Department's fair housing policy is best set through the regular notice and comment rulemaking process, which takes into account the views of the public and the Congress. Adding additional requirements beyond this process will burden FHEO and hamper their vital mission.

Mr. President, this appropriations bill is not perfect. In addition to some of the shortcomings I've already highlighted, S. 2168 contains a significant cut in the public housing operating fund and continues to starve public housing of much needed capital funds. It does not fund HOME, lead-based paint initiatives, or homeless assistance at the levels requested by the Administration. Nonetheless, the bill has managed to increase funding for a number of very important HUD programs, which is no small task in a resource-starved environment. This bill places housing and economic development issues in the forefront of public debate, and takes a step in the direction of helping those who have yet to benefit from our nation's recent economic growth. I urge all of my colleagues to join me in supporting it.

AMENDMENT NO. 3199

Mr. DODD. Mr. President, had I been present for the vote regarding waiving the Budget Act for Senator WELLSTONE's amendment, I would have voted to waive the Budget Act. Senator WELLSTONE's amendment addresses the same issue as the point of order Senator MURRAY raised earlier this week. I supported Senator MURRAY then in her effort to ensure that veterans receive the compensation they are due, and I support Senator WELLSTONE. Although the Budget Act was not waived by a vote of 54–40, Senator WELLSTONE's effort was fitting and praiseworthy.

Veterans who suffer from smoking-related illnesses must be compensated by the government that encouraged them to smoke during their military service. During World War II, the government included cigarettes in the rations it issued to troops. Long after the government stopped issuing cigarettes, a ''smoke 'em if you got 'em'' culture pervaded military life. That culture led troops to begin and continue smoking, so this government has an obligation to do right by the men and women who once fought this nation's enemies. Many of those men and women are now locked in a different sort of combat. They battle against life-threatening, smoking-related illnesses, and in the meantime, this government is shifting funds away from veterans to pay for roads.

Today, the addictive nature of cigarettes is well known. Many veterans now smoke because they started during their military service. The government cannot deny this fact, nor can it walk away from veterans by denying them the compensation they are due. I will continue to stand with my colleagues who support providing for our veterans' needs.

PROSTATE CANCER RESEARCH

Mrs. BOXER. Mr. President, I introduced the Prostate Testing Full Information Act in June of 1997 following a series of town hall meetings in my State of California. At these meetings, we brought together the top prostate cancer experts in the State, the head of the urology branch at the National Cancer Institute, and prostate cancer survivors. Participants at these meetings reached consensus that Congress needs to do much more to fight prostate cancer. I introduced my bill to mobilize Congress on this issue and to increase resources to help the thousands of men who suffer from prostate cancer.

Last month, President Clinton announced the release of $60 million for prostate cancer research grants in a promising new Department of Defense program. This DoD research complements research at the National Institutes of Health. It is an essential component of the national effort to find effective treatment for prostate cancer.

To institute this program at the $60 million level, the DoD had to combine two years of appropriations. Even then, the program was only able to fund 25 percent of the worthwhile research projects presented. Every meritorious grant that goes unfunded is a missed opportunity to find a cure.

To ensure the strength of the DoD program, Congress should appropriate $80 million for fiscal year 1999. This would include $60 million to continue funding peer-reviewed research projects, and $20 million to maintain other elements of the DoD prostate cancer program, such as the prostate cancer imaging project at Walter REED Medical Center and research initiatives to target minority populations. To appropriate anything less than $80 million would send a devastating message to the men living and dying from this disease, to their families, and to the scientific community that is working to find a cure.

The Senate Appropriations Committee has proposed, at a minimum, funding prostate cancer research at the same level as last year. That proposal is not good enough. We need to do more on prostate cancer—not the same as we have done in the past. The Senate proposal does not provide sufficient funds to expand prostate cancer research. We need to appropriate at least $80 million for prostate cancer research at the DoD

if we are to reach our goal of funding a cure for this disease.

41,800 American men will die from prostate cancer this year. It is the most commonly diagnosed non-skin cancer among all Americans. More than 15 percent of all new cases of cancer this year in America will be prostate cancer, but less than 4 percent of total federal cancer research funds go to prostate cancer research. In the United States, prostate cancer kills about the same number of men each year as breast cancer kills women, yet prostate cancer receives only one-sixth of the research funding for breast cancer. This does not mean we should cut breast cancer research. Rather, we need to significantly increase our commitment to prostate and other cancer research.

Yesterday, 575 men were diagnosed with prostate cancer; another 575 men will be diagnosed today. 114 men died yesterday of prostate cancer and that same number will die today. We cannot make a difference for yesterday or today. But we can and must make a difference for tomorrow. I urge my colleagues to support this increase in funding for prostate cancer research at the Department of Defense so we can make true progress in the fight against devastating disease.

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS FUND

Mr. LEAHY. Mr. President, I would like to commend Senator BOND and Senator MIKULSKI for once again crafting a VA–HUD Appropriations bill which deals fairly with a wide variety of competing programs and interests. I know that budget constraints have made the job especially difficult in recent years, but within those constraints in general, this bill reaches a very good balance.

There are two provision in the bill which I have concerns about and which I hope can be addressed in conference. The first is funding for the Community Development Financial Institutions (CDFI) Fund. The Senate bill provides $55 million for this important program, $25 million below last year's level and $70 million below the President's request.

The CDFI Fund is an economic development initiative that was adopted with overwhelming bi-partisan support several years ago. The program is an important investment tool for economically distressed communities. CDFI leverages private investment to stretch every Federal dollar. The VA–HUD Appropriations bill reported by the House Appropriations Committee includes level funding for CDFI, still well below the level requested by the Administration. This program is working effectively in communities across the country, and I believe additional resources are needed to maximize the value of this important Federal investment. I look forward to working with Senator MIKULSKI and Senator BOND during conference to provide additional funding for this program.

The second provision I would like to address is Section 214 of the Senate bill. Section 214 specifically prohibits the Department of Housing and Urban Development (HUD) from providing any extra points or preferences to grant applications from Empowerment Zones or Enterprise Communities on the basis of their special designation. This prohibition is in direct opposition to the approach Federal Departments have taken since the creation of the Empowerment Zone program, of providing modest advantages to applications from designated communities. The grant preferences HUD offers to designated communities are indeed modest, two points out of a total score of 100. These extra points will not provide the boost needed to allow bad applications to be chosen over good ones just because the poorer application is submitted from an Empowerment Zone or Enterprise Community. What they do provide is an incentive for designated communities to continue to pursue the initiatives they set out in their application for Empowerment Zone status. I strongly oppose this provision and will work with Senator BOND and Senator MIKULSKI in conference to drop it from the VA–HUD Appropriations bill.

Mr. KENNEDY. Mr. President, despite overwhelming public opposition to weakening protections for the environment and public health, some members of Congress are attempting to do so indirectly, by including anti-environment and anti-health directives in committee reports accompanying this year's appropriations bills. Often, these policy directives flatly contradict specific laws or the statute books.

One particularly insidious example would endanger children. In the last Congress, with broad bipartisan support, we enacted the Food Quality Protection Act to provide safeguards against exposure to dangerous pesticides. But now, the Senate committee report accompanying this VA-HUD Appropriations Bill contains language that could delay implementation of key parts of this law for years, prolonging exposure of children to pesticides used in treating high chairs, sponges, cutting boards and other products used by children.

The use of pesticides in these products is unauthorized, but unauthorized uses have become a serious problem in recent years. Some manufacturers are taking pesticides intended for other uses, and using them in connection with common household products, and advertising the products as safe. Very little research has been carried out to determine whether these household uses are safe. Until they are shown to be safe, their use in such products should be restricted. EPA has the authority to do so, and EPA is right to do so.

Under the Food Quality Protection Act, the Environmental Protection Agency has recently acted against manufacturers who use pesticides in ways not approved by EPA. Usually, the manufacturers make unproven claims that their products kill salmonella or other germs, and state or imply that the products are safer for children than other products on the market that have not had such treatment.

The Committee report on the current bill asks EPA to go through the process of promulgating a formal rule before moving forward with such enforcement actions. EPA has already given extensive opportunities to the industry to comment on the agency's rules on this issue. A formal rulemaking procedure is unnecessary and will result only in delay of needed action and needless litigation to block such protection.

Obviously, committee report language cannot change current law. I urge the Administration to ignore all policy directives in reports that are inconsistent with existing law and that would undermine the environment and public health. EPA should continue its important mission of protecting the environment and children's health.

Mr. MURKOWSKI. Mr. President, today I rise to thank my colleague, the Chairman of the VA/HUD Appropriations Committee, Senator BOND, for including in this appropriations bill an important provision—one that would unlock and open the door to many first-time home buyers.

As we are all aware, it is often the downpayment that is the largest impediment to home ownership for first-time home buyers. The Federal Housing Administration (FHA) began a pilot program two years ago to help families overcome that impediment by lowering the downpayment necessary for an FHA home mortgage.

Mr. President, I am pleased to say that the pilot program, which is located in Alaska and Hawaii, has reported great success.

This pilot program is effective because it accomplishes two feats: (1) it lowers the FHA downpayment, making it more affordable; and (2) it makes the FHA downpayment calculation easier and more understandable for all parties to the transaction. The pilot program requires—on average—only a minimum cash investment of three percent for home buyers.

Earlier in the year, I and Senators STEVENS, AKAKA and INOUYE, introduced a bill that amends the National Housing Act by simplifying the current complex downpayment formula. The simplified formula creates a lower, more affordable downpayment. Our bill would extend this lower and simplified downpayment rate to perspective home buyers across the country.

Mr. President, the pilot program is a win-win situation: affordable homes are made available to responsible buyers without any increase in mortgage default rates. Here's what mortgage lenders have reported:

There is no indication of increase in risk. The loans we have made to date have been to

borrowers with excellent credit records and stable employment, but not enough disposable income to accumulate the cash necessary for a high downpayment.—Richard E. Dolman, Manager, Seattle Mortgage, Anchorage Branch.

Is the 97% program working? The answer is a resounding YES!. . .In this current day, it takes two incomes to meet basic needs. To come up with a large downpayment is increasingly difficult, especially for those just starting out. The 3% program is a good start. . .I do not believe that lowering the downpayment increased our risk. . .—Nancy A. Karriowski, Alaska Home Mortgage, Inc., Anchorage, Alaska.

We have experienced nothing but positive benefits from the FHA Pilot Program Loan Calculation in Alaska and Hawaii.—Roger Aldrich, President, City Mortgage Corporation, Anchorage, Alaska.

In fact, but for the pilot program, approximately 70% of the FHA loan applications in Palmer, Alaska would be rejected, simply because the buyer could not afford the downpayment. Mr. President, thanks to this pilot program, more and more deserving Alaskans are becoming home owners.

Mr. President, our legislation has the support of the Mortgage Bankers Association of America, the National Association of Realtors, the National Association of Home Builders and the U.S. Department of Housing and Urban Development. They believe, as I do, that borrowers in all states should benefit from the simplification of the FHA downpayment calculation.

Therefore, I am pleased that the Chairman of the Subcommittee has included in this appropriation bill a provision to expand the Alaska/Hawaii demonstration program to all states. The provision only offers the program as a two-year demonstration project, whereas, my legislation would have made it permanent—but I understand the Chairman's desire to continue evaluating the costs of this program before permanent status is granted.

Mr. President, I firmly believe that helping American families realize their dream of home ownership is vital to the Nation as a whole. This important provision in the VA/HUD appropriations bill does much to assist families in owning their first home—thereby making the American dream of home ownership a reality.

Mr. HARKIN. Mr. President, with respect to the HUD Section 811 program, does the bill provide for continued funding for the ''mainstream'' voucher and certificates program?

Mr. BOND. The bill allows HUD to direct 25% of the funds allocated for the HUD Section 811 toward tenant-based rental assistance for people with disabilities—$48.5 million. Congress has allowed HUD to transfer these funds for ''mainstream'' vouchers and certificates in both FY 1997 and FY 1998. In addition, the bill grants HUD specific waiver authority with respect to existing programmatic requirements under Section 811. This limited waiver authority is intended to assist HUD in furthering the overall goals of the 811 program by increasing housing opportunities for persons with the most severe disabilities.

Mr. HARKIN. I believe that the voucher and certificate 811 program would be more beneficial to those with significant disabilities if non-profit organizations with significant experience providing such services would be fully engaged, working with housing authorities. And, I believe that HUD should give favorable treatment to applications providing for substantial assistance by non-profit organizations with experience in helping the severely disabled.

Mr. BOND. I agree. As my colleague knows, non-profit organizations that traditionally serve persons with severe mental and physical disabilities are a critical part of the success of the section 811 program. Any federal programs intended to meet the housing needs of people with mental and physical disabilities should draw in the expertise of organizations that have experience in providing supports and services to adults with severe disabilities. By contrast, the current ''mainstream'' voucher and certificate program does not currently consider this very important issue in the allocation of certificates and vouchers. Housing authorities should be encouraged to increase their coordination with non-profit organizations and the awarding of the vouchers and certificates should be based, in part, on that factor.

Mr. HARKIN. I appreciate the Chairman's assistance in this matter.

RECOGNITION OF OZANAM IN KANSAS CITY, MISSOURI

Mr. BOND. Mr. President, I rise today to recognize Ozanam in Kansas City, Missouri for its service to the community. For fifty years, Ozanam has been helping children and families in turmoil. Ozanam facility and staff help children reach their full potential and become productive members of society.

Ozanam began in the home of Mr. Al Allen, a Catholic Welfare Staff member, who after noticing the lack of help for emotionally disturbed adolescents, took it upon himself to being six boys into his own home to give them long-term care, education and guidance. However, in just a year's short time, the need for a larger facility became apparent. Presently, the agency occupies 95 acres including two dormitories, a campus group home, a special education center that contains vocational training classrooms, indoor and outdoor recreation facilities and a spiritual life center.

During its existence, Ozanam has had some outstanding staff and administration to help the more than 4,000 children who have stayed there. Paul Gemeinhardt, President, Judith Hart, Senior Vice President of Development and Doug Zimmerman, Senior Vice President of Agency Operations, deserve special recognition for their undying commitment and service to Ozanam.

I commend the staff of Ozanam for their untiring dedication to helping children and their families in their time of need. I join the many in Missouri who thank Ozanam for its good work and continuing efforts to better the community. Congratulations for fifty years of service.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Madam President, I just wanted to raise an issue to my colleague from Missouri, the manager of the bill, and the distinguished Senator from Maryland. This is just as an issue to raise with you. We may want to take a look at it. I regret I didn't bring this up earlier.

Under the present system, as I understand it, nurses at VA hospitals do not receive cost-of-living adjustments. It is based on locality pay. In many areas around the country, nurses in our VA hospitals have not been getting raises. It is a bit more complicated an issue than just a simple amendment to deal with this, but for the last 3 years, in many veterans hospitals there have been no cost-of-living or locality increases during a robust economy.

Many of these, mostly women but some men, work very hard on behalf of our veterans. I know all my colleagues know and understand this. I urge, if we could, maybe enter into a colloquy in some way and look at report language in which we might examine that issue in terms of how, for nurses who work in these hospitals, we may be able to work out some better pay increase arrangement for them at these VA hospitals. I really raise that for the consideration of the two managers of the bill.

I apologize for interrupting what I know is a decision to just move to final passage on this bill.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Madam President, frankly, I am not aware of this problem, but I sincerely appreciate the Senator from Connecticut raising it because it sounds like a very serious problem. I can assure the Senator, our staffs and we will work with the Senator to try to get to the bottom of this because we want to maintain the highest caliber professional service to our veterans in the VA system.

I am not prepared to say anything about how it is occurring or why, but I assure the Senator we appreciate his bringing it up and we will look into it and work on it. Perhaps in conference we can take some action.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Madam President, I thank the Senator from Connecticut for raising this issue. It is never too late to raise the issue about the quality of care that our veterans get. That means we need to be able to retain the very best from our nurses. The Senator has brought to our attention an issue which I believe has not been raised before. As we move to conference, you have the assurance of your colleague on this side of the aisle, we will look

into the matters raised and see how we can do the redress in conference, if a remedy is necessary.

But you have really brought something to our attention. It is important to the nurses who give care that they get paid and are retained, and we say thank you by adequate pay. Second, it has a direct impact on veterans' care, because the more we retain the best, the better care they get. So I thank the Senator from Connecticut.

Mr. DODD. Madam President, let me say, I thank both the distinguished Senator from Missouri and the distinguished Senator from Maryland for their comments. As I said, I think it is a complicated issue. I don't mean to suggest it is simple. But I really do appreciate—I know the nurses all across the country who work in our veterans hospitals really appreciate the attention I know our colleagues will give to this issue, to see if some mechanism can be offered to try to address this issue.

I am very grateful to both of them. I know the nurses in the hospital in West Haven, CT, are, and I am certain they are in other parts of the country as well.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

(The text of the bill (S. 2168) will be printed in a future edition of the RECORD.)

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

Ms. MIKULSKI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The distinguished majority leader.

Mr. LOTT. Madam President, I know there may be a couple of statements by the managers of the bill. I thank them for the work they have done. They stayed here until about midnight last night.

The distinguished chairman from Missouri and ranking member, Senator MIKULSKI from Maryland, have done outstanding work. By staying here until midnight last night, they completed a bill that probably would have taken 2 full days next week, so I congratulate them for their good work. We just passed the HUD-VA appropriations bill. That is the fourth appropriations bill this year.

We will next proceed to the legislative appropriations bill. However, no further votes will occur during today's session. Because of the good progress we are making and the cooperation we are receiving, we can go to the legislative appropriations bill. Any votes with respect to the legislative appropriations bill will be postponed to occur at 9:30 a.m. on Tuesday. Therefore, there will be no recorded votes on Monday. On Monday, the Senate will begin the State-Justice-Commerce appropriations bill.

Mr. FORD. Madam President, will the distinguished majority leader yield for a quick question?

Mr. LOTT. I will be glad to yield to the Senator from Kentucky.

Mr. FORD. On the legislative appropriations bill, will there be no further amendments after today if we have to vote on them next week?

Mr. LOTT. I respond, Madam President, to the Senator from Kentucky, it is our intent to complete debate on all amendments with the possibility of one amendment where there could be some further debate on that on Monday. But all debate on all issues will be completed during today, except that one amendment. There could be 2 hours debate on Monday and hopefully complete it with a voice vote; hopefully complete legislative appropriations on Monday. If a vote or votes are required, they will not occur until Tuesday morning.

Mr. FORD. I am not particularly worried about when you have a vote on final passage. I am worrying about cutting off amendments, so that when Monday comes and somebody thinks of another amendment, they will be cut off.

Mr. LOTT. We will propound another unanimous consent request to lock that in.

There will be no more recorded votes today and no recorded votes on Monday. The next will occur at 9:30 a.m. on Tuesday.

Mr. BOND. Madam President, I express appreciation to the leadership on both sides—the majority leader and the minority leader—for enabling us to get back on this bill and move it through. I thank all Senators for their accommodations and for working with us to get a very challenging and interesting bill finished.

I express particular appreciation to Senator MIKULSKI. She has been an absolutely invaluable ally in making accommodations and working out reasonable agreements on this bill. Last night she said her clear, cogent, and charismatic comments, which helped us move the bill forward in an expeditious fashion.

I express thanks to her very able staff, Andy Givens, David Bowers, and Bertha Lopez.

I thank my staff, John Kamarck and Carolyn Apostolou, as well as members of my personal staff who helped on the bill. We look forward to taking this measure to conference and working on it in the most efficient and effective way possible. I appreciate the assistance of all those who stayed with us last night. Their sense of humor continued into the small hours of the morning, and I am most grateful for that.

Ms. MIKULSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

Ms. MIKULSKI. Madam President, first, I thank the leadership—the Republican leader and the Democratic leader—for giving us a window of opportunity which enabled us to move the bill. Yes, it was late at night, but we did due diligence and deliberation. I am proud to support the final passage of this bill. It is good for the Nation; it is good for my own home State.

We provide increases for veterans' medical care and veterans research. We fought to restore cuts in elderly housing, and we provided increases in the high-tech future through NASA and the National Science Foundation. We are going to get behind our kids in terms of the funding for national service and those wonderful informal science programs at the NSF.

We worked to protect our environment, as well as stand sentry to help our communities in the event of a disaster. I was particularly pleased to work on a bipartisan effort to increase antiterrorist efforts in the FEMA program and to make sure that we protect our Nation from any foe, domestic or foreign. That is our oath, and that is what we will do.

Also in this funding, we look for those important things that look out for the Chesapeake Bay and deal with important research on pfiesteria.

Madam President, this is a good bill. I was pleased to work with Senator BOND. Again, this is a partisan-free zone that we had called for. I thank him. I thank his professional staff for their very professional behavior. I thank my own staff for the hard work that they put into this bill, and I look forward to working in conference and perhaps getting our conference done before the August recess.

Madam President, that concludes my remarks on this bill. Again, thanks to John Kamarck, Carolyn Apostolou, Andy Givens, David Bowers, and Bertha Lopez.

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

COEUR D'ALENE LAKE AND BASIN

Mr. CRAIG. Madam President, I chose not to offer an amendment on VA–HUD, and I thank Senator BOND and Senator MIKULSKI for the tremendous work that they have done.

For a few moments, if I can have the attention of the Senate, Madam President, I want to speak to an issue that is not unlike what the Senator from Nebraska spoke to last evening, a very real concern of mine and the Idaho congressional delegation and the citizens of our State. This is an issue that particularly affects north Idaho, the beautiful lakes and the mountains that we are so proud of in my State and that many of you have come to enjoy.

As I said, I was prepared to offer an amendment that would assure the Environmental Protection Agency would participate in the mediation process that is currently underway in my State over the issue of the Coeur d'Alene Basin.

On May 4 of 1998, U.S. News & World Report published an article dealing with supposed pollution in the Coeur d'Alene Lake and Basin. I read the article with near disbelief. For the first

2½ pages, I read of a land fouled by pollution, of poisoned fish and dying wildlife, and the Idaho congressional delegation ''scrambling'' to block the creation of a Superfund site of over 1,500—let me repeat—a Superfund site proposed of over 1,500 square miles in my State stretching into the State of Washington and the Pacific Northwest.

I read the article and said, could this be the land that I know and love, a land of beautiful forests, mountains, lakes, rivers, the Coeur d'Alene area, ''considered to be one of the most beautiful mountain lakes in the world''? I have put this in quotes because it is a direct quote from the web site of the Coeur d'Alene Basin Indians. The Coeur d'Alene Indians talk about the beauty of the land, and yet the Coeur d'Alene Tribe has also filed a lawsuit asking for a Superfund natural resource damage settlement in the basin that could be up to $1 billion.

One would believe that another study is needed to understand the horrible pollution that is described in the beginning of that article.

But then I arrived on page 3 of the U.S. News & World Report article and read about the lake, this beautiful lake that I have just spoken of, a lake that meets Federal drinking water standards and that the sediments in the lake are not known to be causing problems. Indeed, thousands of people swim in this lake every year. They boat in its waters; they fish, they camp and recreate along its shores.

Over the Fourth of July break, just a few weeks ago, 40,000 to 100,000 people came to recreate in and around Lake Coeur d'Alene. Several communities draw their drinking water from the river below the lake. The water they consume continually meets tough Federal drinking water standards.

A recently completed statistical validation study by the State of Idaho, with assistance from the Coeur d'Alene tribe and a toxicologist at the Federal Agency for Toxic Substances and Disease Registry, with data analysis from the Federal Centers of Disease Control and Prevention, have said and found no contaminated fish in the waters of this lake.

The Environmental Protection Agency and other Federal agencies have spent millions of dollars from the public coffers to study the situation. Lawyers are litigating and making hundreds of thousands of dollars and building beautiful homes along the lake's shore from the money they make from this lawsuit as they describe the poisonous sediments of this lake. Now, remember, this is the lake that I just said meets Federal drinking water standards.

What is going on up there? Well, it is not unlike what the Senator from Nebraska talked about last night—an EPA that just keeps on running and keeps on moving and pushing the regulations when there is no basis under Federal law and tests for that. Looks like they have just got to have something to do.

Should we be looking for ways to address the problem rather than pursuing study after study that appears to lead to more studies? Well, I think the answer is yes. That is why the Idaho congressional delegation has introduced legislation to improve cleanup efforts rather than to fuel more lawsuits and spend more taxpayers' dollars studying the already well-defined problem.

This legislation has been approved by the Senate Environment and Public Works Committee. This is what we need to do in the Coeur d'Alene Basin. We need to stop EPA and work to resolve the issue instead of spreading it to a 1,500-square-mile area. It is impossible to believe that when we created the Superfund law that we were intending EPA to even reasonably think about an area of 1,500 square miles. That is bigger than some States here on the east coast.

I have not offered the amendment because EPA is now beginning to negotiate with the State of Idaho. I hope they can continue to work together to resolve this issue and not expand a Superfund site beyond the limited one we have that is now being well addressed and properly cared for.

I thank the chairman of the Appropriations Committee, Senator BOND, for being reasonable and working with us on this issue.

But EPA ought to get the message, and the Justice Department ought to get the message: Politics is one thing, but spending America's taxpayer money—millions and millions of dollars—to play the political game is yet another thing. To tie up the beautiful Lake Coeur d'Alene and the city of Coeur d'Alene, one of the No. 1 destination sites in the Nation for tourism and recreation, an area that you can walk out into the lake and swim in the lake and drink the water, and yet EPA is suggesting, and the Coeur d'Alene Indians are suggesting, that this should be a Superfund site? I would hope not.

In fact, I hope this Congress would wake up to the games that have been played in the EPW Committee not to allow Superfund reauthorization out because somehow it does not fit the politics of the current administration. It does not make a lot of sense, certainly does not make any sense in Idaho.

I hope EPA will continue to negotiate with our State to resolve this issue. If not, the Idaho congressional delegation will be forced to take quick action to resolve the issue here. I think finally we are going to get the understanding of our colleagues because of their recognizing that Superfund does not work anymore. It just means a lot of lawsuits and a lot of politics.

I yield the floor.

Mrs. MURRAY. Mr. President, I would like to respond to the statement my good friend from Idaho, Senator CRAIG, made about the Environmental Protection Agency and the Coeur d'Alene Basin's pollution problems. I appreciate that he did not offer his amendment, which I would have opposed, because I believe it would have severely restricted the State of Washington's rights to protect its citizens from pollution generated in Idaho.

At least one version of the senior senator from Idaho's proposed amendment would have given the governor of Idaho veto power over the Environmental Protection Agency's ability to protect the watershed shared by Washington and Idaho citizens. The amendment would have prevented the EPA from even studying expansion of the existing Superfund site without the Idaho governor's permission.

This is a bad precedent. I know there are many times when decisions made in one state can affect the quality of the water in another state. In this case, the Governor of Washington has publicly stated his support for potential expansion of the Superfund site to ensure all polluted waterways are cleaned up. Why should the governor of Idaho be allowed to thwart efforts to protect the quality of water in Washington?

I don't think he should.

Mr. President, I have written a letter to Senators CRAIG and KEMPTHORNE asking them to work with me to develop a way to ensure we cost-effectively clean up the Coeur d'Alene Basin while ensuring my state's interests aren't jeopardized in the decision making process. I firmly believe we can do this.

I am committed to protecting water quality in the State of Washington. I believe we could establish a working commission, which would include the federal government, both state governors, and tribes, that could develop a model by which the Coeur d'Alene Basin would be quickly, cost-efficiently, and rationally cleaned up. However, giving one state's governor veto power is not the way to do it.

I pledge to work with the Idaho delegation, the State of Washington, and concerned citizens to ensure our waters are as pure as they can be. There are few more precious natural resources than water and we all must work to protect it.

Mr. D'AMATO addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

ON THE VICTORY FOR FHA INSURANCE

Mr. D'AMATO. Madam President, I was tremendously heartened by the vote today on an amendment which would have set back home ownership tremendously. Indeed, by a vote of 69 to 27, the Senate voted to table the amendment offered by Senator NICKLES which would have limited FHA insurance to over 50 million Americans.

Currently, there are 52.5 million Americans who live in high-cost areas where FHA simply does not reflect the reality of the marketplace. In high cost areas, such as Nassau County, New York the current FHA limit of $170,000 is insufficient because the median cost for a home was $195,000 in 1997. It is nearly impossible for many young families starting out to achieve the American Dream of homeownership. Let me

be clear, we are not talking about wealthy families; we are talking about a two-wage-earner couple, just married, a schoolteacher and a police officer—struggling to accumulate the necessary funds for that first downpayment.

In many high cost areas, FHA no longer covers the cost for entry-level, new starter homes. In Levittown, Long Island—which epitomized post-war expansion of homeownership for working, middle-class families, especially for GIs returning home from the war—that opportunity, unfortunately, is becoming more difficult today. Even in times where we say the economy is booming and a nationwide rise in homeownership, families in high cost areas are too often being left behind. Indeed, in many of these high cost areas, the homeownership rate is lagging far behind the nationwide average. Young families starting out on their own have to come up with $25,000 for a downpayment—which is very, very difficult to achieve, especially in an area where the cost of living places such a tremendous strain on the family budget. We are not talking about people of affluence. Nor are we talking about magnificent estates or mansions, but simply average median-cost homes.

Indeed, in Long Island, where homeownership has been such a key ingredient to permitting people to work and live as part of a community, home ownership is becoming more difficult for these working, middle-class families. It is simply beyond their reach. Thankfully, today we have helped to bring relief to families in high cost areas by raising the FHA limit. In Long Island, the area that I grew up in and live in, where there are nearly 3 million people, we will now be providing greater opportunities for young middle class families to own their own home. The current FHA limit, which is set at $170,000, is simply too low in an area where there are relatively very few homes that can be purchased in all of the island for $170,000 or less. By raising the limit up to $197,000, FHA will better reflect the reality of the marketplace where the median home prices in Nassau and Suffolk Counties were $195,000 in 1997. We will now be providing that opportunity to thousands of young families who will be looking to purchase that first home in Long Island.

Nationwide, about 21 percent of the Nation's population lives in high-income areas. Again, this FHA increase in not for the benefit of the affluent—they do not need FHA insurance and will continue to be served by the private market. Indeed, they buy homes that cost much more than $197,000.

What we have done is, I believe, struck a blow for home ownership, for young families who want to get an opportunity, from one length of the country to another.

The mayor of Albany, Mayor Gerald Jennings, he called me yesterday. He was concerned because of the outlying communities in the Albany area. The county executive from Nassau, Tom Gulotta, called me because his housing experts advised him that too many young families are being denied the opportunity to purchase a home. They need to be able to get FHA insurance for young families who are starting out on their own.

I commend the Senate for overwhelmingly supporting this provision by a vote of 69–27 to raise the FHA limits in high cost areas. I believe we achieved a big victory for home ownership throughout this country today.

I yield the floor.

Mr. BENNETT addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. BENNETT. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. KERREY. Madam President, I ask unanimous consent I be permitted to speak as in morning business until 11 o'clock.

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

SOCIAL SECURITY

Mr. KERREY. Madam President, the issue of Social Security has been given a new bit of attention this week. Senator JUDD GREGG of New Hampshire and Senator JOHN BREAUX of Louisiana announced their intent to introduce legislation that effectively takes the recommendations of a year-long study and recommends a number of changes.

I like their proposal, Madam President. Senator MOYNIHAN and I earlier introduced legislation that proceeds along similar lines. Senator GRAMM and Senator DOMENICI are working on their own proposal. The President has suggested that we have a year-long discussion of Social Security and that sometime in the latter part of this year/first of next, he will call the congressional leadership in and we will try to solve this problem in 1999. That will be very difficult to do unless these discussions are conducted in an environment where we make a real effort to educate the American people about what Social Security is and what Social Security isn't.

There was a recent Town Hall meeting on Social Security in Providence, RI. I attended the first meeting in Kansas City, MO. Indeed, the President was at Georgetown when he kicked this whole thing off earlier this year. When he was introduced at Georgetown, a woman who is a student at Georgetown did something quite interesting and quite common in the Social Security debate. She said when she took her first job, she noted on her paycheck that there was a person called FICA. She went home to her mother and said, ''Mom, who is this FICA person, and why are they taking so much money from me?'' She had discovered the payroll tax, which is the largest tax burden on working Americans today.

I note that there is growing interest in using the surplus, that we have to use it to do some kind of a tax cut. I intend to argue that if taxes are going to be cut, it ought to be the payroll tax that gets cut. FICA is the largest tax for nearly 70 percent of Americans. The median family in Nebraska will pay twice as much in FICA taxes—in payroll taxes—as in income tax.

As this young Georgetown woman went on to say, her mother told her that FICA is a payment she is making into Social Security that she will get back out when she retires. And she hopes, she said to the President, that their discussion will lead to the protection of the money she has paid in over the years. Relevant to the discussion of Social Security, one of the things I hope the President and the Vice President will do when they are having a discussion of Social Security—is to allow workers to have just that—the ability to use a portion of their payroll taxes to create wealth for retirement.

You hear other people describe Social Security as a program with a poor rate of return. As I said, I did not go to the Providence discussion, but I sent staff to it and they reported back that numerous people expressed the view that Social Security is a savings program, that individuals are making a contribution into it, and all they are getting back is what they paid in.

It is not a savings program. You own nothing with Social Security. Social Security is a payroll tax, and it is a tax that is imposed upon people who are working. The proceeds of that tax come to the Federal Government, and are distributed to people who are eligible, based on virtue of meeting the test of age, disability, or survivorship of a person entitled to Social Security benefits. For retirees, there is an early eligibility age of 62, and there is a normal eligibility age of 65. There are also many people who actually choose to take a later eligibility of 70, where they can get a higher level of benefits.

This is very important. As the President goes forward with the discussion on Social Security, he is the principal leader in this regard. He has the bully pulpit. I praised him before and I praise him again for taking this issue on. It is an extremely important program and has benefited Americans enormously. It has changed the face of this country. It is a moral commitment that we make. But, it is not a rate of return program.

I urge the President and the Vice President, when they are leading these discussions, if there is any confusion, to say to Americans that this program is an intergenerational commitment. By maintaining the current program, those of us who are working allow ourselves to be taxed at a fixed rate, and

to let the proceeds be transferred in a very progressive fashion. As I mentioned earlier, we let the proceeds be distributed to people who are eligible, based on virtue of meeting the test of age, disability, or survivorship of a person entitled to Social Security benefits.

If the American people don't understand that, we need to inform them—especially retirees. If people over the age of 65 believe that all they are getting back is a monthly check that is based upon what they contributed, this debate will reach a dead end. I have heard many, many elected politicians essentially pander to the audience and lead the audience to believe all they are getting back is what they paid in. They let them believe that it is their Social Security—they paid it into it all their lives. In reality, it is a tax on people who are working. That young woman who introduced the President had it half right. There is a 12.4 percent tax on wages, which is transferred to people who are eligible.

If anybody right now is struggling under the burden of Social Security, it is people who get paid by the hour, particularly low income people—people who earn their living as a consequence of their work and the wages paid to them. For example, in 1996, the median household income was $35,492. A family earning that amount and taking standard deductions and exemptions, paid $2,719 in federal income taxes, but lost $5,430 in income to the federal payroll tax. What we need to be doing is giving some of this payroll tax money back to these families so they can participate in the growth of the American economy—so that they can accumulate wealth for their retirements. Since 1983, the payroll tax has been higher than necessary to pay current benefits.

I come to the floor today to praise Senator GREGG and Senator BREAUX for their proposal, for their courage, in introducing this piece of Social Security reform legislation. Most importantly, I come to the floor to urge President Clinton and to urge Vice President GORE, when they are having these discussions, to describe this program honesty. Describe it as it is. Don't allow individuals, especially people over the age of 65, to presume that all they are getting is a monthly check that represents what they paid in over the course of their working lives. It is a tax, transferred in a progressive fashion, to people who are eligible.

Furthermore, don't allow the notion to lie on the table that the age of 65 is a retirement age. It is not a retirement age—people can retire at any age they choose. Sixty-five is an eligibility age. There is an early eligibility. There is a normal eligibility. There is a late eligibility.

One of the most frustrating things that I suspect Senator GREGG and Senator BREAUX face, is people saying, ''Senator, you are trying to move the retirement age.'' It is eligibility, not retirement. There are many people who retire early, they retire later, and as a consequence their benefit levels will be adjusted. They understand these adjustments, and as a consequence they make choices based on it.

I hope this debate will continue, but unless it continues in an honest fashion, with the program being understood for what it is, it will hit a dead end. This is a very easy program to demagogue. It is a very easy program to misrepresent. There is a large percentage of people who do not understand what this program is. Unless we increase the number of people who do understand what the program is and decrease the percentage of people who misunderstand it, it is likely this entire year's discussion will lead to nothing more than political warfare with people misrepresenting the program in order to achieve political advantage.

I yield the floor.

Mr. D'AMATO. Madam 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. D'AMATO. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

SLOBODAN MILOSEVIC IS A CRIMINAL

Mr. D'AMATO. Madam President, for too long now, the world has been watching a terrible carnage take place with the changing of the former Yugoslavia, with the various factions fighting for autonomy, with the deterioration of respect for human life being so obvious, that we almost take it as a matter of fact when people are massacred, and we hear that the atrocities reach incredible levels.

It becomes commonplace to hear of tens of thousands of people who can no longer live in their homes. Indeed, estimates are that 3 million people have been forced to move. They call it ''ethnic cleansing.'' Despite the best attempts by the United States and some of our allies, we have been unable to bring about some resolve. Tens of thousands of U.S. and NATO troops are now positioned in Bosnia to attempt to keep the conflict from again affecting the lives of the innocent—women and children, people who are held hostage, people who are abducted, women who are raped, young men who are killed because of their ethnic background. It is incredible. Muslims are killed because they are Muslims. Croats are killed because they are Croats. Serbs are killed because they are Serbs. The madness that exists in this day and age is incomprehensible.

Madam President, the situation is not getting better. The situation is deteriorating. And behind it all, the motivator, the prime mover in all of this, is one man. That doesn't mean that there aren't others who are responsible on all of the sides for having had their people undertake horrific acts against humanity. But there is one person—a hard-core Communist dictator who has been able to keep power by way of appealing to the worst prejudices of people—by the name of Slobodan Milosevic. He would like to think of himself as a duly-elected President. He is the last surviving Communist leader still in power from before the wall fell. Make no mistake about it, although he may call himself a President, but he is a criminal, he is a thug, and he has been responsible for the deaths of tens of thousands of people, including his own people. This is the man, the thug, the killer.

Indeed, the resolution that I, Senator LIEBERMAN, and a number of our colleagues, including the present Presiding Officer, have worked on is one that deals with this thug. It is one that will call for the United States and others to gather the factual information necessary to pursue a trial in the international courts that have been established just for that purpose. Indeed, the United Nations Security Council, in 1993, created the International Criminal Tribunal with the former Yugoslavia located in the Hague. The tribunal has already publicly indicted 60 people for war crimes or crimes against humanity. It is horrific.

Even at this time, today, in the New York Times, we read an account of what is taking place.

I ask unanimous consent that the full text of this article be printed in the RECORD.

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

SERB FORCES SAID TO ABDUCT AND KILL CIVILIANS IN KOSOVO

(By Chris Hedges)

DECANI, SERBIA.—Serbian forces have been turning increasingly to the abduction and execution of small groups of civilians in their fight against ethnic Albanian separatists in Kosovo, according to human rights officials and witnesses.

Many of the executions took place moments after Serbian special police units concluded attacks on villages held by the Kosovo Liberation Army rebels, witnesses said.

''The number of disappearances are increasing each month,'' said Behxhet Shala, secretary of the ethnic Albanian Council for Human Rights. ''There is a mathematical logic to all this. As the Kosovo Liberation Army kills more police, the police go out and hunt down civilians who live in the areas where the attacks take place. These are reprisal killings.''

Some 300 ethnic Albanians are listed by human rights officials as missing since March, when the conflict intensified between the rebels and the 50,000 or so Serbian soldiers and policemen deployed here. Some of them may have fled to Albania or Montenegro and others may be living with relatives elsewhere in Kosovo. But some were seen by witnesses being led away by special police units, never to reappear.

As the war progresses, and as the rebels, who themselves have abducted at least 30 Serbs, increasingly make Serbian civilians their target, the fear is growing that the

fighting could spiral into the kind of war against civilians that swept across Bosnia.

Visits to six of the sites where kidnappings and executions by Serbian forces are said to have taken place yielded accounts by witnesses and a look at the bodies of some of the victims. But the precise number of those executed is difficult to determine.

Based on the accounts of witnesses from each area, it appears that a total of about 100 ethnic Albanians, most of them men of fighting age, have been rounded up and shot, usually in groups of fewer than a dozen, in the last five months.

One man, Ndue Biblekaj, said he witnessed abductions and executions by members of the notorious Serbian, ''black hat'' unit, which was employed in Bosnia to kill Muslims and Croats and expel them from their homes.

''There were massacres in the village of Drenoc and Vokshit near Decani,'' he said in an interview in rebel-held territory. ''I saw a black hat unit line up 13 civilians and shoot them. They stripped the bodies of their clothes, slashed the arms and legs with their knives and dug out their eyes. They used an excavator to dig a pit and bury the bodies.''

''I will never forget this sight,'' he said. ''There were other executions that included women, children and the elderly. You could see the bodies, including one group of 15 people, lined up by the side of road.''

The detained men were often marched in single file by the black-uniformed Interior Ministry commando unit to the local water treatment plant, which was used as a command center, he said.

Biblekaj, an ethnic Albanian, served for eight years in the police force in the border village of Junik. He was part of the Serbian force that recaptured Decani from the rebels in June. The Serbs shelled the town reducing whole sections to rubble. They sent in tanks and armored personnel carriers, blasting holes in the walls of houses and driving nearly the entire population over the mountains into Albania.

Decani is now abandoned, and the Serbian police, who crouch behind sandbagged positions in the ruins, come under frequent fire from rebel units.

Biblekaj has deserted the police to join the rebel movement. He changed sides after the attack on Decani, because, he said, he was appalled by the killing there.

Repeated attempts to inspect two sites suspected of being mass graves in a wooded area near the deserted and badly damaged town, still the scene of frequent armed clashes, were thwarted by special commando police units.

The governor of Kosovo, Veljko Odalovic, a Serb in a province that is 90 percent ethnic Albanian, denied that the police had executed anyone. Serbian officials, as a matter of policy, refuse to disclose the names or location of those taken into custody.

Not every ethnic Albanian who is picked up by the police disappears permanently, but the fear of being seized has become common in these villages. Many are those picked up return after a few days, complaining of beatings and other ill treatment at the hands of the police.

According to witnesses, the largest number of killings occurred in the villages of Likosane and Cirez at the end of February, in the village of Prekaz in the first week of March, in the village of Poklek at the start of May, in Ljubenic at the end of May and in Decani in June.

On May 30, special police units entered Poklek and ordered most of the residents into a house owned by Shait Qorri.

Fazli Berisha, who was outside the village hiding behind a wall, said he saw 60 or 70 women and children ordered out of the house as Serbian forces burned neighboring homes. The women were told to walk across a field to Vasiljevo, a neighboring village, he said.

''Hajirz Hajdini and Mahmut Berisha were brought out moments later and told to walk in the opposite direction,'' he said, referring to two men. ''As they walked away they were shot by the police. Sefer Qorri, 10 minutes later, was brought out of the house and told to walk in this direction. He was shot in about the same spot.''

The villagers said they later found the body of Ardian Deliu, a 17-year-old youth, near Vasileva, about two miles away, but they said nine men remain missing.

On June 8, Fred Abrahams, a researcher at Human Rights Watch, spoke with Zahrije Podrimcaku, who witnessed the attack on Poklek. An hour after speaking with Abrahams, who is compiling a report on human rights violations, she was arrested by Serbian police officers in Pristina, the provincial capital. She was charged a week later with involvement in terrorist activity. She remains in jail.

Poklek is part of the silent no man's land that lies between the Serbs and the rebels, who control about 40 percent of the province. Broken glass litters the main street. The deserted stucco homes and small shops have been looted, with household items strewn over yards and left in broken heaps. A pack of mangy dogs snarl from behind the blackened shell of a house, and the stench of a dead farm animal rises from an untended hayfield.

Down the road in the town of Glogovac the residents seem to move in fear down the dirt streets, which are periodically the targets of Serbian snipers. A farmer, Ali Dibrani, 54, was shot dead recently as he walked home at dusk with his niece.

The Serbian authorities, who have issued a written order to block food and commercial goods to all but state-run shops in Kosovo, have effectively cut supplies to Glogovac and nearby rebel-held areas. The shortages have left people bartering for liter-size plastic bottles filled with gas. The clinic has run out of medicine, and processed food, like cooking oil, is scarce.

Here, too, abductions have left their mark. Dr. Hafir Shala, 49, an ethnic Albanian who worked in a clinic run by Mother Teresa's Sisters of Charity mission in Glogovac, was seized by the Serbian police on April 10.

Shala, who was jailed for four years for separatist activity during Yugoslavia's period of Communist rule, was pulled from a car at a police checkpoint on the road to Pristina and put in a black jeep with three plainclothes police officers. One officer got into a gray Volkswagen Passat with two of Shala's companions. The two vehicles were driven to the central police station in Pristina.

''The three of us were taken to separate rooms on the third floor,'' said Shaban Neziri, 49, who was traveling with the doctor, as he sat in the remains of an unfinished house in the village. ''I was interrogated for six hours and then told I could leave. When I was escorted out of the room and down the hall I heard horrible screaming. It was Dr. Shala. I stopped. I asked the policeman what was happening to Dr. Shala. He pushed me forward, saying, 'Go, go, go.' ''

The doctor never returned. His father, Isuf Shala, 63, went to the police headquarters the next day, but was turned away at the door.

''I saw the police after a few days and they said Hafir was not on the list of prisoners,'' he said, seated cross-legged in his home. ''They said he had never been in police custody. The police said maybe our soldiers had taken him, perhaps I should check with them.''

Mr. D'AMATO. Let me read a little excerpt:

> Serbian forces have been turning increasingly to the abduction and execution of small groups of civilians in their fight against ethnic Albanian separatists in Kosovo, according to human rights officials and witnesses.

The article goes on to interview a man by the name of Ndue Biblekaj. Biblekaj was a member of the police force for 8 years, and he eventually left in disgust after having witnessed the kinds of things that he describes. He says he has witnessed the abductions and executions by members of the Serbian ''black hat'' unit, which was employed in Bosnia to kill Muslims and Croats and expel them from their homes.

Imagine, they have an official unit, and their job is to get rid of—and that is the ethnic cleansing—anyone who is different, like the Muslims and Croats. He said, ''I saw black hat units line up 13 civilians and shoot them. They stripped the bodies of their clothes, slashed the arms and legs with their knives and dug out their eyes.

> ''I will never forget this sight,'' he said. ''There were other executions that included women, children and the elderly. You could see the bodies, including one group of 15 people, lined up by the side of road.''
>
> Biblekaj has deserted the police to join the rebel movement. He changed sides after the attack on Decani, because, he said, he was appalled by the killing there.

That is just one man who was so repulsed at what he saw that he had to do something. He joined the rebel movement.

This is a killing field once again. This is a killing field that unfortunately has been directed by Milosevic to empower himself. That is why this resolution, which is bipartisan and has the support of the chairman of the Foreign Relations Committee, Senator HELMS, and the ranking member, Senator BIDEN, and people from both sides of the aisle, is so important. It is a resolution that will send a clear and convincing signal to the entire world that the United States is sick and tired of the way the world treats war criminals and that the world community can no longer sit by idly while the Milosevic killing machine continues. Yes. Even this day as we are here that killing machine continues. And so tens of thousands of people are on the move, fleeing their homes, and fleeing the villages where they grew up and their forefathers—fleeing because of their ethnic background, and the military forces who are bound to destroy them.

Madam President, I want to commend all of my colleagues who have worked, along with Senator LIEBERMAN and I, in bringing this resolution forward, because the United States should be publicly declaring that there is no reason to continue this without seeking the collection of evidence and making it high priority—evidence that the United States already possesses—to make this evidence available to the tribunal, to that court, as soon as possible. The United States has the ability

to do this, and we should discuss with our allies and other States the gathering of this evidence so that Mr. Milosevic can be indicted. And I am certain, given the numerous accounts by historical experts—one of the leading accounts on this is entitled, ''War Crimes and the Issues of Responsibility,'' which was prepared by Norman Cigar and Paul Williams. It is an outstanding study of what is taking place, and the inescapable conclusion that Milosevic can and should be tried as a war criminal.

I ask unanimous consent to have excerpts from this report printed in the RECORD.

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

WAR CRIMES AND THE ISSUE OF RESPONSIBILITY: THE CASE OF SLOBODAN MILOSEVIC

(Prepared by Norman Cigar and Paul Williams)

CONCLUSION

The above review of information available in the public domain indicates that there is sufficient evidence to establish a prima facie case that Slobodan Milosevic is criminally responsible for the commission of war crimes in Croatia and Bosnia. Specifically, a compelling case may be made that Slobodan Milosevic is liable for:

Complicity in the commission of genocide.

Aiding and abetting, and in some instances directing, the commission of war crimes by Serbian paramilitary agents.

Directing Republic of Serbia forces and agencies to aid and abet the commission of war crimes by Serbian paramilitary agents.

Command responsibility for war crimes committed by Federal forces, including the Yugoslav People's Army (JNA) and the Army of Yugoslavia (VJ), and for aiding and abetting the commission of war crimes by the Bosnian Serb Army (BSA).

Command responsibility for war crimes committed by the Republic of Serbia forces, in particular forces under the control of the Serbian Ministry of Defense and Ministry of Internal Affairs, which aided and abetted the commission of war crimes by Serbian paramilitary agents.

Command responsibility for war crimes committed by Serbian paramilitary agents such as Arkan's Tigers, Vojislav Seselj's Chetniks, Mirko Jovic's White Eagles, and others.

ABOUT THE AUTHORS

Norman Cigar is Professor of National Security Studies at the United States Marine Corps School of Advanced Warfighting, Quantico, Virginia. Previously, he was a senior political-military analyst in the Pentagon, where he worked on the Army Staff. He holds a D. Phil. from Oxford. The views expressed here are those of the author and do not reflect the official policy or position of the Department of Defense, the United States Government, the United States Marine Corps, or the Marine Corps University.

Paul Williams is the Executive Director of the Public International Law and Policy Group, and a Fulbright Research Scholar at the University of Cambridge. Mr. Williams holds a J.D. from Stanford Law School, and previously served as an Attorney-Adviser in the Office of the Legal Adviser for European and Canadian Affairs at the United States Department of State. The views expressed here are those of the author and do not reflect the official policy or position of the Public International Law and Policy Group or the United States Government. The Public International Law and Policy Group is a non-profit organization formed for the purpose of providing public international legal assistance to developing states and states in transition.

Mr. D'AMATO. Madam President, I would like to speak to this issue as we go forward. But I see that there is a colleague who has been waiting patiently. We are waiting for one of our Senate colleagues to also join us before I formally call up the amendment that I have described to you.

At this time, I yield the floor so that my colleague, if he wants, can proceed, and I ask that I might be permitted to take the floor thereafter.

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

Mr. COATS addressed the Chair.

The PRESIDING OFFICER. The Senator from Indiana.

INTERNET PORNOGRAPHY

Mr. COATS. Madam President, shortly I hope, before the Senate adjourns for the weekend, the majority leader will be propounding some unanimous consent requests. Those requests are designed to set in place the procedures by which we will move forward next week and the legislation which we will take up.

One of those unanimous consent requests will involve two pieces of legislation, one which I have offered, and the second which has been offered by the Senator from Arizona, Senator MCCAIN, which deals with the question of pornography on the Internet.

There is a history to this. In the last Congress, Senator Exon and I cosponsored legislation which introduced our colleagues for the first time to the dark side of the Internet; that side of the Internet that is not used for educational purposes, is not used for valid communication purposes, but which is designed to lure people into the practice of ordering and paying for pornographic images, words, and films, and other forms of pornography across the Internet. We know our first amendment prohibits our eliminating that and banning it. The right of free speech gives the right of adults to click into that, pay for that, subscribe to that, and to order that as long as that material is not deemed obscene. Even though it is indecent, and many of us would classify it as obscene, it has to be a standard set by the Supreme Court in upholding the first amendment. It is one of the perhaps dark sides of the first amendment.

But we all understand that battle. And that is not what this battle is about. This battle is about protecting children from access to that material, which most of us would turn our heads from, or say that is enough, were we given the opportunity to look at it. In fact, all of the noble first amendment arguments that were raised during the debate in the last Congress against the bill that was offered by Senator Exon and myself melted away as Senator Exon invited Members into the Democrat cloakroom, both Republicans and Democrats, to view images that were copied from the Internet, and said, ''Did you realize this material is simply a click away on your Internet?'' At that time, the Internet was pretty new. People were still discovering it. Most of us had not even signed up, or even knew what it was.

Members were shocked at what they saw, because what they saw was not the centerfold of Playboy Magazine. But what they saw was some of the most despicable, some of the most brutal, some of the most sadistic, some of the most sexually explicit material they have ever witnessed—young children being sexually exploited, bestiality, women being sexually exploited. I don't want to go into graphic detail here. But it was enough to convince the Senate that we ought to move on it and move on it right away.

So it passed, despite again the pleas for first amendment freedom. That legislation, authored by Senator Exon and myself, passed the U.S. Senate by a vote of 84 to 16. It was adopted by the House in exactly the Senate form, went to the President, the President signed it, signed it with a fair amount of publicity about the need to take action on this to protect minors, to protect children from this access.

We had a standard in there—an indecency standard that was copied in the exact language that the Supreme Court approved for the dial-a-porn bill that went through and survived the Supreme Court review, and was declared constitutional even though actions were filed against it.

We thought that since the Court approved it for telephone pornography, surely they would approve it for video pornography and pornography that came across the Internet. Picking up the phone is not a whole lot different than turning on the computer. Both are invasive. Both come into the home. Do they require some action on the part of the participant? Yes. You have to pick up the phone when it rings. You have to dial a 900 number. There is the luring of that.

Again, we are saying that first amendment prohibits us from prohibiting adults from doing that. But the Court has upheld in the past, and they did in the dial-a-porn case, reasonable restrictions in terms of children having to prove that they were adults. And, if they couldn't prove that through verification of a credit card, or other means, then the material was not allowed to be passed on to them.

The Court said the computer is not the same as the telephone. The computer isn't as invasive as the telephone. Well, the Court needs to understand the computer. I wrote that off to a generational problem—a generation of individuals. Maybe I oversimplify this. But I do not know how to better explain it, because it is the only possible explanation I could come up with as to why the Court made a distinction

between a dial-a-porn standard and the computer standard. I don't think they understood exactly what the computer does and how accessible it is and what the Internet was, at least at that time. I think they know now. Maybe I underestimate the Court. Maybe there are other reasons.

In any event, as we know now, whether you are in the classroom, whether you are in the school library, whether you are in your study hall, or whether you are in your dorm room in boarding school, or whether you are at home in your bedroom, or your den, or your family room, the computer is there, and a click away is the most lurid material we have ever seen available to children and adults, simply with the warning you have to be an adult to access this material and that is it. You click here if you agree, and we send you the material.

I am going to describe as we get into the bill some of the effects this has had on our culture, on our society, and particularly on our children. My purpose here today is to plead with my Democrat colleagues to allow us to bring this bill to the floor. We have revised the bill that the Supreme Court struck down to comply with their objections, to address the question of the standard which we have changed from the indecency standard to the harmful-to-minor standard. The harmful-to-minor standard was the standard the Court laid out in the Ginsberg case, and we have taken that word for word.

Second, we have restricted this, as the Court ordered that we had to do in order to meet the constitutional test, to the World Wide Web, to the commercial selling and display of these images, rather than private conversations, e-mail, chat rooms where individuals are engaging in this kind of activity.

That is not how I wanted to draft the bill, but in order to get a court to uphold what is clearly the will of the American people as expressed by their representatives in an overwhelming vote in the Senate and unanimous acceptance in the House of Representatives and declarations by the President of the United States that the administration stands foursquare behind this, we find ourselves back here having to narrow the bill in order to survive court muster.

That is what we have done. We have worked with constitutional experts to make sure that we have done it correctly, that we comply with the Court, and we want to give them another chance. We want to give them another chance, hopefully with a better understanding of the impact of the Internet, both positive and negative. And as I said, there is a dark side to the Internet, particularly as it relates to children, and we are trying to address that.

Now, for several months I have been searching for ways to bring this legislation to the floor. It was introduced and referred to the Commerce Committee. It was debated there and passed out of that committee on a 19 to 1 vote.

Some had said, look, the solution to this problem is the software packages that are being developed by the industry that parents can buy and attach to their computer or integrate into their computer and that will solve the problem and block the images.

That is a partial solution to the problem but not a complete solution to the problem because the changing technology, the proliferation of web sites is so fast that no software can keep up with it. The ingenuity of the pornographers, the sellers of pornography is such that even the most innocent of words are now linked to a means by which pornography is pulled up. If you want to find out about Disney World or Disney movies or Disney characters, the pornographers have found a way to use the term ''Disney'' and click right into pornography. If you want to look up Boy Scouts, horses, dogs, cats, women, men, marriage, you name it, seemingly the most innocent of words, you are now linked directly to pornography. Why? Because the pornographers have discovered that this software is attempting to block the explicit language and they want to try to find a way in which to commercially entice people who are searching in other areas to be presented with this information so they can click into it.

So what happened there, then, was Senator MCCAIN's software bill and my Internet pornography bill were both passed out of committee. Senator MCCAIN and I agreed that both are necessary to address the problem and that we would agree to go forward with these together. In recognition of the work that needed to be done in the Senate, we wanted to pursue a process by which we would agree to a time limit. We would agree to others offering any amendments that they thought appropriate. We would debate those, have a vote on those, let Congress express its will and go forward.

This was not an attempt to tie up the Senate. In fact, we have been overly cooperative. I wish we had not been so cooperative. We were promised this would come forward. In defense of the majority leader, I think he has made a good-faith effort to try to bring this forward. But in each instance other circumstances have arisen, primarily the inability to get the consent of some Members of this body to allow us to proceed with this bill, debate it, amend it, vote on it, and either send it on or vote it down, whatever was the majority disposition. That is what we have been attempting to do.

We are frustrated—I am frustrated; I am terribly frustrated—in our inability to take something that I think has overwhelming support to at least bring it up and talk about it. It seems that every time we get ready to go forward with a unanimous consent request to bring the bill up, we are notified that someone has put a hold on the bill. We find out who that is. We go over and talk to them. We offer them—they say, well, we want to offer an amendment on it. Fine. We will add your amendment to the unanimous consent agreement. Take whatever time you want on it. We will lock in an amount of time. We will give you a vote. We will eliminate second degrees. We do not want to do anything to cause you not to have an up-or-down debate on your amendment. That person agrees.

We go back to the majority leader and say we are all clear; we are ready to go. Whoops, here comes another hold. Somebody else has a problem. We solve that. Now it is a problem on the McCain bill. The next one is a problem on the Coats bill. We solve both of those. The next one is a problem on the McCain bill. We solve that. We think we are ready to go. Whoops, another problem on the Coats bill.

We are running around putting out fires, and we start to wonder if we don't have some kind of rolling hold process going on here where there has been a decision to block this legislation from coming forward, and we just simply pass on the baton of objection to different people who say; ''Time is on our side. If we delay long enough, we will get into the appropriations process and we will block this and we will get through the year and we won't have had to deal with it.''

I don't want to ascribe that motive to the other side, and that is why I am making this statement today because I just want to offer to my Democrat colleagues: if you have a problem with this bill, offer your amendment. I am not here to block your amendment. I am not here to block debate on your amendment. I am not here to block a vote on your amendment. I am not here to modify your amendment. I am here to simply say let's discuss the issue, debate it, vote on it, and move on.

We have spent 4 weeks on the tobacco bill, and I understand, that was an important issue and that blocked a lot of other legislation. I understand that we have appropriations bills backed up, and we need to move forward on those, which is why we are willing to do a limited time agreement on this. But we cannot move forward, and are going to be forced to have to offer this to appropriations bills in order to get the Senate to consider it—offer it as an amendment, unless we can get agreement to bring this up, debate it with a time certain and move on. I do not want to do that. I do not want to interfere with Senator STEVENS and the appropriators' efforts to do the business of the Congress that needs to be done. I understand things are backed up because of the tobacco bill. We heard a lot of great speeches in that tobacco bill about first amendment rights needing to be waived, why the first amendment did not apply as it involved advertising on tobacco.

But we are not getting that same kind of flexibility and understanding from some of our colleagues as it applies to pornography. I think I would challenge those Members who think

the first amendment is sacrosanct, that we cannot move forward with this, to ask themselves the question: Why is it OK to waive first amendment rights and not apply the first amendment to those commercial entities who are using the symbol of Joe Camel because that is so destructive to the health and welfare of our children, but when it comes to bestiality, when it comes to some of the worst forms of pornography that is wide open on the worldwide web and available to our children with the click of a mouse, that, oh, no, the first amendment must apply here? We have to be purists on this?

I ask my colleagues to ask themselves as parents, and ask the parents they represent in their States, what those parents think is the higher priority issue. If they are given the choice, are they more worried about their children modifying their behavior and taking up smoking because they see a 5-second image of Joe Camel? Or, are they more worried about their children modifying their behavior and responding in a way because they have been able to view some of the most crass, indecent, and, in my opinion, obscene sexual images that we have ever seen? I think the resounding response is going to be: Senator, let's do first things first; let's address the problems that are real problems.

So I conclude by pleading with my colleagues to let us resolve whatever problems you have with our going forward with this. We have been trying to do this. We have hotlined this 2 weeks ago. Both sides know what we are trying to do. If people have a problem, we will resolve that problem. But I hope there will not be an objection to going forward with that today when the majority leader propounds his unanimous consent request to allow us to go forward with this bill.

If there is an objection—after 2 weeks of hotlines, after 2 weeks of going to Members saying, ''If you want an amendment, have an amendment, but at least allow us to debate the bill''—I can only conclude there is some effort here to prevent us from even talking about it, even bringing the bill up. We have an opportunity to avoid all that today very shortly when that unanimous consent request is propounded. I trust we will be able to do that.

I yield the floor.

The PRESIDING OFFICER (Mr. GORTON). The Senator from Utah.

ORDER OF PROCEDURE

Mr. BENNETT. Mr. President, it was my intention at this point to propound the unanimous consent request that the Senate proceed to S. 2137, with a list of the amendments to be in order. At the moment, full agreement on this has not yet been worked out between the majority and minority and negotiations are still going on to that end. It is my hope I will be able to offer such a unanimous consent request at sometime in the future.

Looking forward to that time later today when we can get unanimous consent on proceeding to the bill, I would like to outline for the Senate the highlights of the bill. Then I understand there are some others who might wish to speak on the amendments that they would offer to the bill if we were, indeed, on it, and thereby have some of the discussion that we could deal with prior to the bill.

MORNING BUSINESS

Mr. BENNETT. Mr. President, I ask unanimous consent that we now go into a period of morning business, with Senators allowed to speak up to 10 minutes each.

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

Mr. BENNETT. I further ask unanimous consent that I be allowed to exceed the 10-minute period in the discussion of the legislative branch bill that will be propounded at some point, if, indeed, my time goes beyond that.

The PRESIDING OFFICER. Is there objection?

Mr. BROWNBACK. Mr. President, reserving the right to object, I ask unanimous consent I be allowed to exceed the 10 minutes speaking as well.

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

LEGISLATIVE BRANCH APPROPRIATIONS

Mr. BENNETT. Mr. President, as I said, I was planning to ask unanimous consent that we proceed to S. 2137 and outline a series of amendments that would be in order. We are still working on that agreement between the majority leader and the minority leader who, I understand, are talking on this issue right now.

When we do go to that appropriations bill, I will make a point of thanking Senator DORGAN for his assistance as the ranking member. Since I have been chairman of the Legislative Branch Subcommittee and he has been my ranking member, we have not had, in my memory, a single point of major disagreement. Senator DORGAN has been more than diligent in attending all of the meetings of the subcommittee. His staff has been very cooperative with the majority staff in working out the difficulties, and I think it has been the kind of legislative relationship that I looked forward to, when I ran for the Senate, between members of the different parties.

The legislative branch bill will provide $1,585,021,425 in new budget authority, exclusive of the House items for fiscal year 1999. Comity between the two Houses allows the House to set its amount and the Senate to set its amount, without difficulty from each other. This is a $53,704,925 increase, or 3.5 percent above the fiscal year 1998 level. But it is $72,359,575 below the amount included in the President's budget. The majority of the increases in the bill are for cost-of-living adjustments, estimated at 3.1 percent.

The Senate portion of the bill includes a 1.8 percent increase over the fiscal year 1998 funding, which I think demonstrates some fiscal responsibility on our part. The Library of Congress and the GAO were provided funds for additional FTEs to assist the Congress in the information technology area, particularly addressing the year 2000 computer problem.

The Presiding Officer and others in the Chamber know I have made this something of an obsession. The Senate has created a special committee on the year 2000 technology problem, which I chair. We recognize that most of the expertise to provide the committee with the guidance that it needs will come from detailees to the special committee and from those experts in the Library of Congress and the GAO who already have a background in this area. So, to make sure the year 2000 problem is not exacerbated by lack of funds, these additional FTEs were included in this bill. That is part of the 3.5 percent increase over last year's level.

Approximately 21 percent of the Architect's budget is for capital projects; the balance, of course, of 79 percent is for the operating statement.

These are the outlines of the overall bill. As far as I know, and Senator DORGAN knows, the bill is noncontroversial except for those amendments that some Senators have indicated they would be willing to offer.

With that background of the bill that we have in mind, I yield the floor. I understand Senator BROWNBACK will be talking about some of the amendments that he would offer once the bill does come before us, and we can proceed then in morning business with that matrix. I see the Senator from Kentucky. I will be happy to yield.

Mr. FORD. Mr. President, may I ask Senator BROWNBACK how long he thinks he will take? We have some Senators with time problems, and I want to try to accommodate them. If I know how long he will be speaking, and others, I can probably accommodate them.

Mr. BROWNBACK. I don't know for certain who all will be interested in speaking on this.

Mr. FORD. You are asking for more than 10 minutes. I am wondering how long.

Mr. BROWNBACK. Probably around 30 minutes.

Mr. FORD. Will the Senator be willing to say no longer than 30 minutes?

Mr. BROWNBACK. Not at this point in time, but I think that will probably——

Mr. FORD. If that is the way we are going then, no one else will get more than 10 minutes.

Mr. BENNETT. I yield the floor.

The PRESIDING OFFICER (Mr. SMITH of New Hampshire). The Senator from Kansas is recognized under the previous order.

MARRIAGE PENALTY TAX

Mr. BROWNBACK. Thank you, Mr. President. I appreciate the Senator from Utah taking the time to explain what we are hoping to go to next, the legislative branch appropriations bill. I hope we can discuss as a part of that legislative branch appropriations bill something that affects 21 million American families and it increases their taxes an average of $1,400 per family. It was done to them in 1969, the last year that we balanced the budget, until this year, and we have the ability to deal with it now. That is a thing called the marriage penalty, the marriage penalty tax.

I don't know how much of the American public is aware of this tax, but in 1969, there was placed a tax, actually a change in the Tax Code to a point that married couples were taxed more for being married than if they were single. It amounts, on average, to $1,400 per family. It affects around 21 million American families, and it is wrong.

It is the wrong kind of tax. It is the wrong kind of notion. It is telling people, in the Tax Code, that we are going to penalize you for being married. This is a wrong idea when we are struggling so much in America today with the maintenance of families, with trying to keep families together, when we are trying to say that the foundational units of a civil society is the American family, and then we are saying, ''Well, yeah, but we're going to tax you.'' We send by that signal that we think less of married families.

It is time that we go back and do what we did prior to 1969, and that is not tax married couples more than if they were just single people living together. We were, up until 1969, operating that way, and then in that year, in an attempt to get more revenues into the Federal Government, we put this tax in place, taxing married couples. It is wrong. It is the wrong idea. It is the wrong signal.

It is something that we have the ability to deal with now. The Congressional Budget Office this week stated that over the next 5 years, we will have $520 billion in surpluses over the next 5 years—$520 billion in surpluses over the next 5 years, a half a trillion dollars. I just say to my colleagues, my goodness, if we have that resource there, we have families struggling so much, if the foundational unit of a civil society is the family and we are taxing that family more, let's give them a little break.

This is the right vehicle on which to do it. We are talking about funding the legislative shop here, let's help fund the families a little bit. We have the ability to do it, and it will send the right signal. It will send a good signal. It is the time we can send a signal, and we ought to do it, and we ought to do it now.

That is what we were hoping to propose on the legislative branch appropriations bill, to deal with the elimination of the marriage tax penalty for the working families. This hits mostly families between a combined income of $20,000 per year to $75,000 per year. That is the category of families that is hit by this marriage tax penalty.

The amendment that I was going to propose and was sponsored by Senator ASHCROFT and a number of others—Senator INHOFE, Senator SMITH, and I think a lot of my colleagues would join on this amendment—the amendment I was going to put forward does a very simple thing: It just makes the standard deduction the same for married couples as it is for singles.

I don't know how many people recognize this, but currently, if you file single, under the Tax Code, the standard deduction is $4,150, while the marriage standard deduction is only $6,900. Our amendment would simply raise the standard deduction for all married couples to $8,300, precisely double what it currently is for single people, so you don't have this penalty built into the system, so you don't have this signal to the American public that we devalue this institution of marriage. In 1969, and prior to that period of time, we said you get the same if you are married, and then after 1969, we said you don't.

I guess there were a number of reasons this was put into effect in 1969. People were saying, ''Well, if you are single versus if you are a couple, you have living expenses that are a little less.'' If there are two singles versus two people living together in the same place—there are a number, I suppose, of different reasons, but I guess actually at the end of the day, the reason was to get more tax money out of people's pockets. It was done then, and now we are saying let's correct this wrong.

When you ask the American public about this issue—and I raise it quite a bit with people—they think this is a ridiculous tax. We shouldn't be taxing couples more than we tax singles who live together. It just sends a signal that this is not the sort of thing we want to take place today, particularly when you look at what happens to our families across America.

I don't think I need to remind many people about the problems we are having with marriage and with families in this country today. We are having at any one time nearly 50 percent of our children living in a single-headed household, and many of these families struggling heroically to raise a family, but yet we are sending a signal against the family at the same time we do that.

We are also sending it to some of the hardest hit families who struggle the most in the economy today. This tax applies heaviest to families with incomes of between $20,000 a year and $75,000 a year. This is a good bracket of folks we are taxing more heavily, and we shouldn't be taxing them more heavily at this point in time.

I direct my colleagues' attention to some of the reports that have been put out on this issue as well. The Congressional Budget Office did a report about a year ago on this particular issue. They state in their report:

> Federal income tax laws generally require that a married couple file a joint tax return based on the combined income of the husband and wife. As a result, husbands and wives with similar incomes usually incur a larger combined tax liability than they would if they could file individually.

This is the opening statement of the CBO.

I ask all of my colleagues, How many of you agree with that tax policy? That is something that the Congress put in place. How many people actually agree with that tax policy? I don't know that there would be anybody who would actually agree with that tax policy, yet it is in place and we have the time, we have the wherewithal, we have the vehicle here funding the legislative branch that we can do this and fund this now. I think it is appropriate that we should do that and take care of something that in 1969—relatively recently—was put in place.

I draw my colleagues' attention to some editorials that have been written on this particular subject. The Indianapolis Star talks about the marriage penalty and that this is something from which we should get away. They have even a pretty nice cartoon about a couple and a car who are just married, and they are hooked to this big anchor, a marriage tax penalty, pulling them back the other way.

Is that the sort of signal we want to send from Congress toward the institution of marriage? I don't think it is.

The Christian Science Monitor: ''Bid to Make Tax Policy Friendlier to Marriage.'' They are saying, ''Look, this is something we ought to do.''

We have a number of editorials where this was raised across the country.

We are just dealing with one aspect of this. In fact, according to the Joint Economic Committee, in a study on the marriage penalty, the Tax Code contains 66 provisions that can affect a married couple's tax liability. So it is a number of places. We are just getting at one particular feature of it which is that standard deduction. I think there are places we ought to look at overall in doing more in this area. That is the sort of thing that we want to take up—this ridiculous tax—that we want to put forward.

I am hopeful that, with the manager of the bill who has been agreeable to this, we can get the Democrat ranking member to agree that we could bring up this ridiculous tax, and that he would consent to us having a debate, a vote on this particular issue, so we can say to the American public, this is something that is pretty important, and we can do this now, particularly since the CBO said we have the wherewithal to get this done.

So I plead with my Democrat colleagues, let us bring this up. A marriage tax penalty is something important——

Mr. FORD. Will the Senator yield?

Mr. BROWNBACK. If I can regain the floor, yes.

Mr. FORD. We do have a marriage bonus that is now for the upper income. The marriage bonus, you know, is quite lucrative. I have a bill to eliminate the marriage penalty also. So I am basically agreeing with what you are trying to do. But when I started developing this, I found out we had a marriage bonus. If we eliminate the marriage bonus, eliminate the marriage penalty, we will come out with a surplus of about $4 billion over the next 5 years.

Is the Senator willing to do something along that line?

Mr. BROWNBACK. I am not interested in raising taxes at the point in time of the American public is——

Mr. FORD. We are not raising taxes.

Mr. BROWNBACK. It would be raising taxes on a certain group of people. If you are saying, let us do away with this particular bonus, I do not have any problem giving bonuses to people who are married. I think this is a good institution that we ought to be supporting. I am not interested in raising taxes on anybody, particularly people who are married.

I think that is not the way we ought to be going, particularly with the kind of money that we have flowing into the Treasury, and particularly with the American public being taxed at roughly 40 percent of their income annually. They are taxed to the max. And then we add on top of that—to working families—the marriage penalty. The tax repeal I am talking about applies to families that make a combined income between $20,000 a year and $75,000 a year. And that is the one that I want to pull off. And I hope that——

Mr. FORD. I understand where the Senator is coming from. I also agree because I have a similar bill. It is at the table. But it seems like, to me, that we want to be fair to everyone. If you are going to be fair to everyone, you ought to be paying about the same. The bonus is nice to have, I understand. But some are eligible over the $75,000 for a bonus. We ought to be trying to help those under $75,000. I think we could equalize the tax situation, do both of the things that you and I would like to do.

I thank the Senator for yielding.

Mr. BROWNBACK. I would be agreeable to my colleague bringing his bill up on this bill if it will allow us to bring this one up on this bill. I would be agreeable to him putting that forward. That would be fine with me. I will not be voting with you on it because I just am not interested in taxing marriages more. But I would——

Mr. FORD. Mr. President, I understand it is: ''My way or nothing.'' Probably what we get is nothing.

Mr. BROWNBACK. I am just saying, if you want to bring your bill up, I would be happy to see that particular one brought up on this vehicle, as well dealing with the institution of marriage, I think, is an important thing to be able to do.

My colleague from Missouri wanted to address this topic, too. I would be willing to yield to my colleague from Missouri if he desires to talk on this particular topic—or he may want to wait until another time.

I point out, we have support from a number of groups that are interested in this moving on forward.

Mr. ASHCROFT. Will the Senator from Kansas yield for a question?

The PRESIDING OFFICER. The Senator has a right to yield for a question.

Mr. BROWNBACK. Yes.

Mr. ASHCROFT. Would the Senator from Kansas agree that a marriage penalty not only would provide a disincentive for people to get married, but it might, as a matter of fact, provide an incentive for some people who are married to get a divorce?

Mr. BROWNBACK. It is strange, but actually if you look at our tax policy, people would be paid to be able to—if they do get a divorce and live separately, they would actually have more money coming to them and less going to the Federal Treasury, which is an extraordinary, ridiculous notion that is built into the Tax Code.

Mr. ASHCROFT. Is the Senator from Kansas aware of the fact that that has actually happened? There are a number of couples that decided to get a divorce so that in the eyes of the law they are divorced so that they could get this subsidy for divorce from the Federal Government?

Mr. BROWNBACK. I appreciate the question the Senator is asking. I am told also there is a married couple, they are economists at one of the universities in the country, who each year divorce at the end of the year and get married the next day. Then they have kind of a party with the money that they earned and keep by going through this process of divorcing on December 30, or 31 and marrying again on January 1st or 2nd. They have kind of a honeymoon each year off of this signal that they are able to read from the Federal Government. And the thing about it, I do not want to suggest that more people do that. I think that would be a wrong notion. But still it is——

Mr. ASHCROFT. Would the Senator agree our tax laws literally are suggesting that people get divorced and remarried and then fritter away or otherwise use the proceeds of this anomalous provision in the code?

Mr. BROWNBACK. That is actually what happens and takes place, which is—just think about it. That is the signal that we are sending to the American public, that they actually are encouraged to do something like this by the tax policy of the U.S. Congress? That is an incredible thing.

Mr. ASHCROFT. Would the Senator from Kansas agree that when the Senator from Kentucky talks about a bonus, he is talking about a situation where one of the two marriage partners is not employed outside the home; and really what the tax law does is allow, in some respect, part of the income to be assigned to that partner, some of the cost be assigned to that partner, and for that reason there is a theoretical bonus? But would the Senator agree it is important to understand that in marriage that there are a lot of respects in which it is appropriate that the ''nonemployed spouse'' be understood as having contributed substantially to the proceeds of the family that result from the employed spouse's earnings?

Mr. BROWNBACK. Absolutely. I could not agree more with the notion that there are things that ought to be taken into consideration here. And the notion of a bonus in marriages is not an accurate notion here. I was willing to let my colleague from Kentucky go ahead and raise his amendment on this particular bill, if he would desire to, if he would let us be able to put this amendment forward and have a discussion, if he wants to try to refute that sort of argument taking place. But I do not think that we should be in the business, even if there is such a thing as a bonus, of removing that on married couples.

Mr. ASHCROFT. Will the Senator yield for a further question?

Mr. BROWNBACK. Yes.

Mr. ASHCROFT. Now, this week the Congressional Budget Office has forecast a surplus over the next 5 years. And that surplus has really been growing dramatically. It started out about 4 or 5 months ago that they said it might be $140-some billion. Now they have taken the surplus projection to—how much over the next 5 years?

Mr. BROWNBACK. CBO has taken their budget projections now to $520 billion over the next 5 years, over half a trillion dollars in budget surplus.

Mr. ASHCROFT. So that is money that is supposed to be in excess of what we would otherwise budget?

Mr. BROWNBACK. That money is indexed as to what we would actually already have budgeted. I point out to my colleague from Missouri, not only is that in excess of it, but we found a way to cut the taxes while we were in deficit. Now we are running a surplus, and we are saying, Can't we find a little way here to be able to cut taxes on hard-working married couples in America?

Mr. BRYAN. Will the Senator yield for a question?

Mr. ASHCROFT. I ask you—we have $520 billion in surplus—how much of the surplus would it take in order to eliminate the marriage penalty?

Mr. BROWNBACK. In order to be able to eliminate the marriage penalty, there are different ways people have configured and looked at this issue. The bill we are putting forward has a $151 billion price tag over 5 years. So you are not even talking about dealing with the entire surplus with this marriage tax penalty.

Mr. ASHCROFT. Less than one-third.

Mr. BROWNBACK. Less than one-third.

Out of every $5 surplus you have, $1.50 is going back to married families. Does that make any rational sense here, that we are getting $5 in and saying, OK, $1.50 is back. I think we ought to be doing far more. This ought to start the overall situation, but we are looking at least a start here.

This is the sort of thing we need to do. We need to move. You ought to see the groups supporting this. The National Taxpayers Union, with 300,000 members, strongly supports the Marriage Tax Elimination Act. The Marriage Tax Elimination Act would address that and dramatically widen the scope of tax relief.

This is a broad tax relief issue—21 million families, not just individuals, 21 million families, in America pay this tax penalty. Currently, laws force many married Americans to pay a higher tax bill than they would if they remained single and had the same combined income. Such a double standard is wholly at odds with the American ideal that taxes should not be a primary consideration in any individual's economic or social choices. I want to underline ''social choices'' because we have social problems in this country. We have social maladies in this country.

I held a forum with JOE LIEBERMAN last week about the overall issue of violence and teen violence taking place, and everyone there——

Mr. FORD. Will the Senator yield?

Mr. BROWNBACK. From the left, from the right—I want to go ahead and finish this point, if I could—from the left and from the right. We had a former Black Panther there, a former Clinton administration official saying the real problem we have here is we have a breakdown in the families taking place. We have too little density of responsible adults per children. We are saying send a signal that does not decrease the density of adults per child. I think that is a responsible social policy instead of a social choice here that is actually contrary to the issue.

Americans for Tax Reform support the Marriage Tax Elimination Act, offered in the House by Representatives WELLER! AND MCINTOSH. ''We believe that married working couples deserve the same treatment as singles.'' That is their statement.

Now, isn't that pretty clear? Now is the perfect time for action because the Congressional Budget Office is anticipating an earlier-than-expected fiscal surplus. This is Americans for Tax Reform saying that this is a good way to go. For many Americans, the average marriage tax is approximately equal in value to half a year of car payments. Half a year of car payments we are talking about. With an extra $1,400 a year, a couple might be able to send a child to the school of their choice. The bottom line is, according to the Americans for Tax Reform, a marriage tax is very real to many working couples in this country.

I ask people who are watching this, if you would look and figure up your own tax and see how many of you are paying a marriage tax penalty for being married.

Mr. BRYAN. Will the Senator yield?

Mr. BROWNBACK. If I can retain the floor.

Mr. BRYAN. The Senator from Nevada would like to inquire of the Senator from Kansas, the Senator from Nevada has a bill he would like to introduce. It would take 7 or 8 minutes. Is it possible to work out some kind of time arrangement to do so? The Senator from Nevada also has a flight at 12:45 he would like to make. I am prepared to enter into a unanimous consent if my colleagues agree the floor would be immediately reclaimed by the Senator from Kansas. I am not trying to cut him off, but I do have a time constraint that poses some limitations upon the Senator from Nevada.

Mr. BROWNBACK. Mr. President, I am happy, if I retain the floor after the 7 minutes or the 8 minutes, to yield with that understanding.

Mr. BRYAN. I will propound a unanimous consent, if that is agreeable.

I ask unanimous consent to be allowed to have 8 minutes with the understanding the floor would be retained by the Senator from Kansas.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nevada?

Without objection, it is so ordered.

The Senator from Nevada is recognized.

Mr. BRYAN. I thank the Senator from Kansas for his consideration.

(The remarks of Mr. BRYAN pertaining to the introduction of S. 2326 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. BROWNBACK. Mr. President, I was glad to accommodate the Senator from Nevada. I have had similar situations come up. I understand the Senator from New York may have a similar time situation, and I would be willing to accommodate him, with a unanimous consent to obtain the floor after the Senator from New York is finished. He had previously been willing to yield the floor to some other individuals.

I ask unanimous consent to yield 10 minutes to the Senator from New York, with the understanding that I retain the floor after that 10 minutes.

Mr. DORGAN. Mr. President, reserving the right to object, let me inquire of the Senator from Kansas. I understand we are in morning business. I don't object and would not object to the Senator taking substantial time in morning business. As I understand it, we are allowed 10 minutes, but the Senator has, by unanimous consent, received permission to speak for as long as he chooses. Normally, in morning business when Senators want to speak, we can increase that time of 10 minutes.

In this circumstance, we were about prepared to go to the legislative branch appropriations bill. Senator BENNETT from Utah made an opening statement in morning business. I am the ranking member on that subcommittee and I was prepared to make an opening statement. I guess I would like to get some notion of how long the Senator from Kansas intends to retain the floor in morning business before I agree to other sets of circumstances, so I can try to gauge the time and understand what might transpire on the floor of the Senate. So reserving the right to object, I inquire of the Senator from Kansas as to what are his intentions.

Mr. BROWNBACK. I thank the Senator. As I understand it, negotiations are going on now as to whether or not we will be able to bring up this particular elimination of the marriage tax penalty. We are trying to get agreement with your side of the aisle on whether or not that would be allowed to be brought up in the legislative branch appropriations bill. That is my desire. If we get that worked out, I will be yielding rapidly so that you can go forward with your items. If that is not getting worked out, I am going to talk about this for awhile, because it is an important issue.

The Legislative Calendar is short. We have spent a lot of time talking about the tobacco settlement—a month. We have spent a lot of time talking about things that don't as directly affect the American family as the marriage tax penalty does, on 21 million American families. So I think it is time that we start talking about something that gets to North Dakota families and others directly. That is why I am willing to do this and to tie things up until we get moving forward on some of that.

Mr. DORGAN. Mr. President, the Senator from Kansas certainly has that right. In fact, when the bill is brought to the floor—the bill is not yet technically on the floor, the legislative appropriations bill—when the bill is brought to the floor, the Senator certainly has a right to offer any amendments. Nothing will prevent the Senator from his right to offer an amendment.

I guess the issue is whether the Senator can offer his amendment, but other people are prevented from offering theirs. Maybe it will be worked out, but my expectation is that it won't get worked out. You used the term ''tie up'' the floor. I would really prefer that you not do that in morning business. I prefer that you find a way to do that the minute the bill is on the floor, if you so choose. But tying up the floor in morning business simply inconveniences others who would like to do some work here.

I am sympathetic to the notion that there is a marriage penalty. I guess I am standing here, however, with the Senate in morning business, hoping that perhaps the Senator might allow the Senator from New York to proceed, and then allow me to proceed, and others who might want to proceed, and then it doesn't matter whether somebody talks until Sunday noon. I would

like, in the morning business segment, or perhaps the opening segment of the appropriations bill, to be able to dispatch that business and let whoever wants to talk, do it until they are exhausted.

You are speaking of a subject of some importance, I admit that. I am sympathetic to the issue you are raising. I hope that you perhaps would allow us to do the things we would like to do in preparation to get the bill to the floor.

Mr. BROWNBACK. Mr. President, retaining the floor, I am going to proceed on forward with a discussion of the marriage tax penalty. I withdraw my unanimous consent request if it is not going to be agreed to.

The PRESIDING OFFICER. The Senator from Kansas has the floor.

Mr. BROWNBACK. I was proceeding earlier, before allowing the Senator from Nevada to speak before catching a plane.

A number of groups have taken notice of this issue of a marriage tax penalty and think that it is clearly time and it is important that we at this time address this particular issue.

The Independent Women's Forum has sent a letter urging Congress to ''put the Tax Code where its rhetoric is.''

I think that is a real interesting way they state that in the letter. ''We should put the Tax Code where the Congress' rhetoric is.'' We talk a lot about families, values, and virtues, and those sorts of institutions that make for a civil society. We talk endlessly about those things. Yet, then we tax them; we tax them disproportionately. This group has the courage to be able to identify, well, I guess then you guys really don't mean it. You will say one thing and do another.

The Independent Women's Forum urges Congress to put the Tax Code where its rhetoric is and eliminate marriage penalties. Serious steps to reform tax laws would mean real liberation to those who work and those who may have to in the future. Marriage taxes can impose a nearly 50-percent marginal tax rate on second earners.

They are saying in their publication, most of which are spouses, obviously, this is a State-sponsored discrimination, the unintended consequence of which is to discourage—they are saying here—women from entering the labor force.

''If Congress is sincere in improving the lives of American families, it will eliminate tax loopholes that choke paychecks. Real support for the family begins with tax reform.''

There is a strong letter that they are citing that we ought to change our Tax Code along that line.

Let's look at the Catholic Alliance, and what they say.

The Catholic Alliance Endorses the Marriage Tax Elimination Act.

Their president announces support for the Marriage Tax Elimination Act and the end of the marriage tax penalty. They say this:

Catholic Alliance promotes the primacy of the family as a matter of public policy. We support the Marriage Tax Elimination Act as one step in the right direction. The current tax code, while it still exists, should be used as a vehicle to promote social responsibility. It certainly should not be used in a punitive manner toward the preeminent institution of marriage and family.

How better could you describe it than that? ''It certainly should not be used in a punitive manner toward the preeminent institution of marriage and family.''

They go on to state:

We welcome the Marriage Tax Elimination Act introduced today by representatives Dave McIntosh and Jerry Weller. This bill can be a first step in recognizing in law that the family is the first church, the first school, the first government, the first hospital, the first economy, and the first and most vital mediating institution in our culture. In order to encourage stable two-parent marriage bound households we can no longer support a tax code that penalizes them,'' Fournier said.

Then this is what Pope John Paul II said in a letter in a publication called ''Christian Family in the Modern World.'' The Pope says this:

. . . families should grow in awareness of being ''protagonists'' of what is known as ''family politics'' and assume responsibility for transforming society; otherwise families will be the first victims of the evils that they have done no more than note with indifference.

There are some pretty strong terms that they noted.

UNANIMOUS CONSENT AGREEMENT

Mr. D'AMATO. Mr. President, I wonder if my colleague will yield for a suggestion that I would propound a unanimous consent. I have legislation that I know the Senator from Kansas is supportive of, and we want the Senate to be supportive. It would take me no more than 5 minutes to ask that it be brought up under a unanimous consent agreement.

I will speak for no more than 10 minutes, and probably less, because I have had an opportunity to make my views known; then, further, that the ranking member, Senator DORGAN, on the legislative appropriations, be given up to 15 minutes so that he might make his opening remarks on the legislative appropriations. That would be no longer than 25 minutes, and thereafter the Senator would retain the floor and the floor would return to him.

The PRESIDING OFFICER. Is there objection?

Mr. BROWNBACK. Reserving the right to object, if at that point in time I would be able to retain the floor, I am willing to agree.

Mr. D'AMATO. That would be the agreement.

Mr. BROWNBACK. I can then continue with my statement and have it appear continuously in the RECORD.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from New York is recognized for 10 minutes.

Mr. D'AMATO. I thank my colleague from Kansas for being gracious, and Senator DORGAN, the ranking member, for his suggestion so we can accommodate the needs of our colleagues.

SENSE OF CONGRESS REGARDING THE CULPABILITY OF SLOBODAN MILOSEVIC FOR WAR CRIMES

Mr. D'AMATO. Mr. President, I ask unanimous consent that the Foreign Relations Committee be discharged from further consideration of S. Con. Res. 105, and, further, that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 105) expressing the sense of the Congress regarding the culpability of Slobodan Milosevic for war crimes, crimes against humanity, and genocide in the former Yugoslavia, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. D'AMATO addressed the Chair.

The PRESIDING OFFICER. The Senator from New York.

Mr. D'AMATO. Mr. President, I believe we are about to take historic action that is so important, because, to date, what we have been doing is pleading, negotiating, hoping while the world burns in front of us. When I say ''the world,'' I am talking of technically the people in this war-torn area of Kosovo.

It is incredible that 90 percent of the population there are ethnic Albanians under withering attack. In today's New York Times, it graphically speaks about it on the front page.

As a witness to this, a former paramilitary, former police officer in the Serbian police, said he can no longer stay there and work there as he watched innocent women and children being raped, killed, tortured and savaged—3 million people on the move, ethnic cleansing, moving them out of their homes, moving them out of their communities all because of one thing—all because of their ethnicity.

What we do today is the least we should be doing; and that is calling for the United States to, yes, utilize the provisions that the United Nations set up in terms of Security Council Resolution 827 creating the International Criminal Tribunal.

This man can and should be charged as the war crime criminal that he is. The documentation has already been chronicled in one of the best reports, which I have submitted to this body. The conclusions are inescapable. It is called ''War Crimes and the Issue of Responsibility,'' prepared by Norman Cigar and Paul Williams. It documents the systematic slaughter and use of paramilitary groups against innocent civilians. There is no doubt that not only did he know about that but that he continues to perpetuate this kind of conduct.

To summarize briefly what Resolution 105 does, it says that we, the United States, should publicly declare its considered reasons to believe that Milosevic has committed war crimes; that we make the checks of information that can be supplied to the Tribunal as evidence to support an indictment and trial of Milosevic for war crimes against humanity and genocide; that we should undertake it as a high priority; all of the information that we collect should be provided to the Tribunal as soon as possible; and, thereafter, that we coordinate our activities with our allies, members of the North Atlantic Treaty Organization and others interested in a matter of discussion of what we can and should be doing to apprehend this war criminal and others.

Yes. Mr. President, the time has come to gather the evidence and to submit it to the Tribunal, and to see to it that this man is branded as the war criminal that he is instead of us all sitting back silently as innocent lives continue to be taken.

Mr. President, I thank all of the Members of the U.S. Senate for the relatively short period of time Senator LIEBERMAN and I began this effort in terms of gathering cosponsors and support several days ago.

It makes me proud to be a Member of this body, for people to come together in this way to see, yes, the indictment of this war criminal. And he is one of the most evil men of our period of time. Make no mistake about it.

Mr. BIDEN. Madam President, I rise today as a co-sponsor in support of S. Con. Res. 105, which expresses the sense of the Congress regarding the culpability of Slobodan Milosevic for war crimes, crimes against humanity, and genocide in the former Yugoslavia.

Yugoslav President Milosevic is the walking definition of an unscrupulous politician. I have come to understand the stark truth that the only thing that matters to Milosevic is his own political survival. The only thing.

Since his rise to power in Serbia in the late 1980's, he has been a failure at everything he has attempted—except, I regret to say, in staying in power.

Slobodan Milosevic has been an unmitigated disaster for the Serbian people.

As a result of his insane attempt at creating a ''Greater Serbia,'' the centuries-old Serbian culture in the Krajina and Western Slavonia in Croatia has been extinguished, the Bosnian Serb community has been decimated and impoverished, and Serbian life in Kosovo seems on the verge of eradication.

Of course, that is only half of the story, for Slobodan Milosevic has also been a curse for many of the neighboring peoples of the Serbs. His vile ''ethnic cleansing'' led to a quarter-million deaths and more than two million refugees and displaced persons in Bosnia and Herzegovina. Bosnian Muslims, Bosnian Croats, and Croats in Croatia were brutalized and murdered.

Most recently, Milosevic's special police storm troopers have moved their grisly activities to Kosovo where they are visiting upon the ethnic Albanian population the same horrors suffered by the Bosnians and Croats.

I would like to add a personal note. I believe that I am one of only a very few Senators who have met Milosevic, and I am certain that I am the only one who ever called him a war criminal to his face.

In April 1993, on the first of my many trips to Bosnia, I also stopped off in Belgrade to see Milosevic. In the course of a lengthy meeting that went on late into the evening, I went through the entire litany of the horrors that his Serbian troops had perpetrated and were continuing to perpetrate. Of course, Milosevic protested that he had no control over any of this.

Nonetheless, he later asked if I wanted to meet Radovan Karadzic, the Bosnian Serb leader who has subsequently been indicted as a war criminal. I said yes, and twenty minutes later Karadzic came running up the steps of Milosevic's palace, totally out of breath. Rather interesting for a guy who supposedly had no influence in Bosnia!

After all this, Milosevic looked across the table and asked, ''What do you think of me?''

I answered, ''I think you're a damn war criminal!''

Milosevic's reaction was like water off a duck's back. He just resumed talking as if nothing had happened. He might as well have said, ''lots of luck in your sophomore year!'' This is one brazen guy.

Mr. President, I said earlier that the only thing Milosevic cares about is his political survival. I believe that for the first time there is a reasonable chance that he may be failing in this arena too.

In the person of Milo Djukanovic, the dynamic, young reformist President of Montenegro, the junior partner of Serbia in the Yugoslav Federation, the democratic opposition to Milosevic has both a new leader and a constitutional means of expressing its opposition. We must continue to support Djukanovic and Montenegro in their struggle.

In the meantime, as S. Con. Res. 105 urges, the international community should speedily bring Milosevic to trial before the International Tribunal in the Hague for his criminal behavior.

There is no possibility for lasting peace in the Balkans until Serbia has a democratic government, willing to live in peace and equality with its non-Serb citizens and non-Serb neighbors. Removing Milosevic from power is the sine qua non for this to happen, and S. Con. Res. 105 charts the path.

I thank the Chair and yield the floor.

Mr. President, I ask unanimous consent that the amendments at the desk, the resolution, and the preamble be agreed to, that the resolution, as amended, be agreed to, that the preamble be agreed to, as amended, and that the motion to reconsider be laid upon the table, and that any statements relating to the resolution appear at this point in the RECORD.

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

AMENDMENTS NUMBERED 3212 AND 3213, EN BLOC

The PRESIDING OFFICER. The clerk will report the amendments.

The legislative clerk read as follows:

The Senator from New York (Mr. D'AMATO) proposes amendments numbered 3212 and 3213, en bloc.

The amendments (Nos. 3212 and 3213) en bloc are as follows:

AMENDMENT NO. 3212

(Purpose: To make a technical correction)

On page 3, line 4, strike ''probable cause'' and insert ''reason''.

AMENDMENT NO. 3213

On page 5, strike lines 24 through page 6 line 5.

The amendments (Nos. 3212 and 3213) were agreed to.

The concurrent resolution (S. Con. Res. 105), as amended, was agreed to.

The preamble was agreed to.

The concurrent resolution (S. Con. Res. 105), as amended, with its preamble, is as follows:

S. CON. RES. 105

Whereas there is reason to mark the beginning of the conflict in the former Yugoslavia with Slobodan Milosevic's rise to power beginning in 1987, when he whipped up and exploited extreme nationalism among Serbs, and specifically in Kosovo, including support for violence against non-Serbs who were labeled as threats;

Whereas there is reason to believe that as President of Serbia, Slobodan Milosevic was responsible for the conception and direction of a war of aggression, the deaths of hundreds of thousands, the torture and rape of tens of thousands and the forced displacement of nearly 3,000,000 people, and that mass rape and forced impregnation were among the tools used to wage this war;

Whereas ''ethnic cleansing'' has been carried out in the former Yugoslavia in such a consistent and systematic way that it had to be directed by the senior political leadership in Serbia, and Slobodan Milosevic has held such power within Serbia that he is responsible for the conception and direction of this policy;

Whereas, as President of the Federal Republic of Yugoslavia (Serbia and Montenegro), Slobodan Milosevic is responsible for the conception and direction of assaults by Yugoslavian and Serbian military, security, special police, and other forces on innocent civilians in Kosovo which have so far resulted in an estimated 300 people dead or missing and the forced displacement of tens of thousands, and such assaults continue;

Whereas on May 25, 1993, United Nations Security Council Resolution 827 created the International Criminal Tribunal for the former Yugoslavia located in The Hague, the Netherlands (hereafter in this resolution referred to as the ''Tribunal''), and gave it jurisdiction over all crimes arising out of the conflict in the former Yugoslavia;

Whereas this Tribunal has publicly indicted 60 people for war crimes or crimes against humanity arising out of the conflict in the former Yugoslavia and has issued a number of secret indictments that have only been made public upon the apprehension of the indicted persons;

Whereas it is incumbent upon the United States and all other nations to support the

Tribunal, and the United States has done so by providing, since 1992, funding in the amount of $54,000,000 in assessed payments and more than $11,000,000 in voluntary and in-kind contributions to the Tribunal and the War Crimes Commission which preceded it, and by supplying information collected by the United States that can aid the Tribunal's investigations, prosecutions, and adjudications;

Whereas any lasting, peaceful solution to the conflict in the former Yugoslavia must be based upon justice for all, including the most senior officials of the government or governments responsible for conceiving, organizing, initiating, directing, and sustaining the Yugoslav conflict and whose forces have committed war crimes, crimes against humanity and genocide; and

Whereas Slobodan Milosevic has been the single person who has been in the highest government offices in an aggressor state since before the inception of the conflict in the former Yugoslavia, who has had the power to decide for peace and instead decided for war, who has had the power to minimize illegal actions by subordinates and allies and hold responsible those who committed such actions, but did not, and who is once again directing a campaign of ethnic cleansing against innocent civilians in Kosovo while treating with contempt international efforts to achieve a fair and peaceful settlement to the question of the future status of Kosovo: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that—

(1) the United States should publicly declare that it considers that there is reason to believe that Slobodan Milosevic, President of the Federal Republic of Yugoslavia (Serbia and Montenegro), has committed war crimes, crimes against humanity and genocide;

(2) the United States should make collection of information that can be supplied to the Tribunal for use as evidence to support an indictment and trial of President Slobodan Milosevic for war crimes, crimes against humanity, and genocide a high priority;

(3) any such information concerning President Slobodan Milosevic already collected by the United States should be provided to the Tribunal as soon as possible;

(4) the United States should provide a fair share of any additional financial or personnel resources that may be required by the Tribunal in order to enable the Tribunal to adequately address preparation for, indictment of, prosecution of, and adjudication of allegations of war crimes and crimes against humanity posed against President Slobodan Milosevic and any other person arising from the conflict in the former Yugoslavia, including in Kosovo;

(5) the United States should engage with other members of the North Atlantic Treaty Organization and other interested states in a discussion of information any such state may hold relating to allegations of war crimes and crimes against humanity posed against President Slobodan Milosevic and any other person arising from the conflict in the former Yugoslavia, including in Kosovo, and press such states to promptly provide all such information to the Tribunal;

(6) the United States should engage with other members of the North Atlantic Treaty Organization and other interested states in a discussion of measures to be taken to apprehend indicted war criminals and persons indicted for crimes against humanity with the objective of concluding a plan of action that will result in these indictees' prompt delivery into the custody of the Tribunal; and

(7) the United States should urge the Tribunal to promptly review all information relating to President Slobodan Milosevic's possible criminal culpability for conceiving, directing, and sustaining a variety of actions in the former Yugoslavia, including Kosovo, that have had the effect of genocide, of other crimes against humanity, or of war crimes, with a view toward prompt issuance of a public indictment of Milosevic.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the President.

The PRESIDING OFFICER. The Senator from New York.

Mr. D'AMATO. Mr. President, I thank this body and thank all of my colleagues for their support of what I consider to be a very important initiative. I certainly hope that the House acts quickly on this. I believe this is the least that we can and should do.

I yield the floor.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. Under the previous order, the Senator from North Dakota is recognized for 15 minutes.

LEGISLATIVE APPROPRIATIONS

Mr. DORGAN. Mr. President, we are at some time going to take up the legislative branch appropriations bill formally. I wanted to make a couple of comments in response to the comments made by the chairman of the Appropriations Subcommittee on Legislative Branch.

Senator BENNETT spoke about this work of the subcommittee. I have said before and I will say again I think he is an awfully good legislator. I appreciate very much the opportunity to work with him. We have worked in a cooperative spirit, in a bipartisan way, and have brought to the floor of the Senate a bill that I think reflects the right priorities and the prudent expenditure of the taxpayers' money for the things that are important and necessary.

I especially wish to commend Senator BENNETT. For those who don't know about his work on what is called Y2K or the year 2000 problem, I must say, having sat through all of the hearings we held, in every instance with every agency and every department, Senator BENNETT has been very determined to make certain that we are on the road to addressing the problems that confront us with the turn of the century and the programming and the computer software that exists around our country, and he has, of course, since been named chairman of a panel on this issue. A lot of people don't think too much about it because it is a year and a half away, but it is a very important issue. Senator BENNETT has been a leader on that issue, and I think the Senate owes him a debt of gratitude.

Let me just for a moment mention a couple of items in the appropriations bill itself. We have in this legislation provided for a Trade Deficit Review Commission. With the announcement once again today that the trade deficit hit another record high, and the trade deficit continues to swell and balloon on us, I think it is important for our country to do a comprehensive review of what is happening and what is causing it, and what are the range of things we might do to address it.

On this issue, we have worked, in consultation with the Senate Finance Committee, to make some changes that would be satisfactory to them. These changes will be reflected in the managers' amendment, and I think this process of constructing this recommendation has been a very useful process. It has been a collaborative effort with the folks in Senate Finance and others.

As to this Trade Deficit Review Commission, the chairman of the full committee, Senator STEVENS, has been a very strong supporter and a cosponsor; the ranking member, Senator BYRD, from West Virginia, a cosponsor and a very strong supporter as well. I think, especially given the news once again today, it is timely and important, and I appreciate, again, the cooperation of the chairman of the subcommittee.

I want to mention the General Accounting Office which is funded in this bill. The GAO, which most people know it by, normally shows up in stories around the country that are written about the investigations they do. The GAO does first-rate investigative work. It is the investigative arm of Congress. It is not partisan, has never been partisan. It is a group of dedicated professionals who, at the direction of Congress, review and study, investigate, and evaluate a myriad of things we ask them to do about how the money that Congress appropriates is being spent.

The GAO is a very, very important organization. We have cut the GAO substantially over a number of years and now we have tried to stabilize it with the right kind of investments. It is a smaller organization than it was, but it is a strong and assertive organization that does wonderful work for Congress.

I am pleased that the recommendation we have in this particular appropriations bill reaches the level, albeit a much lower level of staffing at the GAO than had been there previously, a level which I think will give it the strength to do the job we expect them to do and the American people expect them to do. Anyone who has read their reports, read the news reports of the studies they have done, knows the value of the GAO.

I do want to make a point that I have made repeatedly as well. I am profoundly disappointed, with respect to the GAO, that 21 months have passed since the departure of the Comptroller General, who is the person who heads the GAO. Comptroller General Bowsher headed the GAO for many, many years, a respected professional in every quarter in this community and around the country.

Twenty-one months ago Mr. Bowsher left the GAO. That was not a surprise because he had reached the end of his rather lengthy term and had announced he was leaving. So we have

had probably over 2 years' notice that position was going to be vacant. I am disappointed to tell my colleagues today that there is still not a permanent head of the GAO. We do not have a Comptroller General. We have someone who is acting. I have great respect for that person; he has done a very good job. But that is not the same as having a permanent head of an organization who is thinking in the intermediate and longer terms about what they hope to accomplish, how they want to run the organization.

I say to my colleagues, both Republicans and Democrats, all friends of mine, I am sure, if you are one of those whose responsibility it is to help select from a list of premier candidates a new Comptroller General, and you have not yet done that in consultation, I might say, with the White House, please get about your business. Get it done. It is profoundly disappointing to me and many others, and I think the American people, to know that the Comptroller General's position has been unfilled for 21 months. That is not fair to the American people, in my judgment. Those responsible ought to get to work and get this done.

One other item I might mention finally is the Congressional Budget Office. I was pleased that the committee report includes an exchange of letters that results from some items I have raised with the head of the Congressional Budget Office, Dr. June O'Neill.

The Congressional Budget Office was putting out information on a monthly and quarterly basis that talked about the surplus in the Federal budget. The law requires them to put out all the information, not just some of the information. And all of the information by law requires them to tell us not just what the so-called unified budget portrays, but what the budget looks like if you do not include the Social Security trust funds, and that is a different number. There is no budget surplus unless you take the Social Security trust funds and bring them over into the operating budget, there is no surplus. It doesn't exist. And so all of these rosy surpluses put out by CBO and used by some of my friends here in Congress to whet their taste for more tax cuts, all these surpluses are just fiction.

We finally have the CBO now putting out numbers that describe, all right, if you use the Social Security trust funds, here is the unified budget surplus. If you don't use the Social Security trust funds, here is the deficit. Every piece of information they put out, I might say, includes a notation that the Federal debt will continue to increase even as on the unified budget they claim there is a surplus. So that in itself will tell you that the American people need to have all of the information.

I think we are making progress there. I know that those who take the unified budget portion of the CBO reports will hire a band that plays fast music and will dance so fast we can hardly see them in the next couple of months to try to satisfy this appetite to construct a $50-, $100-, $200 billion tax cut bill. First of all, there is no surplus with which to construct that tax cut. And second, my judgment is that one of the first acts with any bona fide and real surplus ought to be to make some payment on that debt, just begin to ratchet that debt down. I have no idea whether the Senator from Utah agrees with that, but I do recall his presentations on the floor of the Senate, with a very interesting chart in which he looked at this fiscal policy in a way that was different from the way anyone else had looked at it.

I do think it would probably be a wonderful signal to the American people if we would take some part, of any future real surplus—not a fictional surplus but a real surplus—and say we intend, during good times, to try to reduce the actual indebtedness.

I just mention that because a lot of what we do relates to what information we have, and when the Congressional Budget Office is putting out information only about the unified budget and ignoring the section of law that requires disclosure of what the budget situation is if you do not use the Social Security trust funds, it, in my judgment, is giving information to people that is making them far more excited than they should be about a surplus that honestly, at this point, does not exist.

Let me mention, finally, we have some very dedicated people who serve this Congress—officers of the Senate and others who run the agencies and departments. I would like to say many of them have testified before our subcommittee. Many of them do outstanding work. They are not often heralded for that work. There is not a lot of information about the work they do. But I know, because we work late hours and spend a lot of time here, they put in a lot of hours. Their employees put in a lot of hours. We are well served by some people who are in public service here who provide staff assistance to the Congress. We should make mention of that.

One of the other agencies I want to mention finally is the Library of Congress. I know Senator BENNETT and I have had talks with Dr. Billington and others who run that wonderful institution. I think it is an institution that has somewhere around 14 million volumes of work. It is, I am told, the largest repository of human knowledge anywhere on Earth.

Just as an aside, I read a speech by the president of IBM. He was talking about what they are doing on storage technology. He said they are, he thinks, on the edge of research breakthroughs sufficient so that, in the not too distant future, they would be able to put all of the works in the Library of Congress—in other words, all of the largest volume of work of recorded human knowledge anywhere on Earth, on a wafer the size of a penny. Pretty remarkable, isn't it?

But the Library of Congress is a wonderful, important treasury of information for this country. We have had the pleasure of working with them on a wide range of issues. I want to especially compliment the work they are doing, digitizing a lot of their records, and the other things that are happening at the Library of Congress.

So let me conclude where I began, to say it is truly a pleasure to work with Senator BENNETT. He is, I think, an outstanding legislator. I hope at some point we can get the bill up. I hope when we get the bill up, we can get the bill passed and get on with this. But as I indicated in response to the Senator from Kansas, the issue he is talking about is not an insignificant issue, it is a real issue and an issue of some importance. As soon as we can find a way to resolve all these issues, perhaps we can get the legislative branch bill to the floor and get it resolved with some dispatch.

Let me thank the Senator from Kansas for his cooperation.

The PRESIDING OFFICER. The Senator from Kansas is recognized.

MARRIAGE PENALTY TAX

Mr. BROWNBACK. Mr. President, I thank my colleague from North Dakota for his statement. I do want to note what is going on here. The leadership on our side is attempting to get the legislative branch bill to the floor for debate. That is appropriate and that is as it should be. I am simply saying, before we give the legislature its money, let's give some American families their money back in a small tax cut. Actually, I think we could do far better than this, but a tax cut that they should have. The leadership, TRENT LOTT, agrees with me on this and is willing to do that.

We have an objection from the other side of the aisle. The Democrat side of the aisle is not willing to let us take this bill up at this time.

The majority leader is in agreement and wants to do this, wants to have a vote on this particular bill. We cannot get agreement from our Democrat colleagues to agree to vote on this bill. The irony of that is, I think, if we were able to get it up for a vote, there would be a number of my Democrat colleagues who would agree that we should do away with the marriage tax penalty. This is a ridiculous notion, way out of step with all of our rhetoric, way out of step with the rhetoric of everybody running for public office in America, talking about the need to support family and family values.

We tax families more than we do people who are not in a family situation—not that we should penalize those either, but this should just all be level. Many of my colleagues on the Democrat side of the aisle, I am convinced, would vote for this. But we are being blocked by my Democrat colleagues from being able to take this up for a vote on a legislative branch bill, and I

am just not willing to concede that we should not vote on this issue at this point in time when we are running budget surpluses—that we should just say, OK, we will fund the legislature, we will fund all the operations of these fine institutions, but we are going to keep taking more money from married couples who make between $25,000 and $75,000 a year. We are going to penalize them $1,400 a year, on average, while the legislature gets their money and while the Democrat side of the aisle objects to this being voted on.

I do not think that is right. I do not think we ought to do that, particularly in light of what we know our financial situation to be. We can do this. It should be done. We used to do it. We used to treat married couples the same as single filers up until 1969. We treated them the same at that point in time. Then, at that point in time, we created the imbalance situation, to where married couples are taxed more.

I do not know how many people recognize just how this works, because it is not even all married couples who are taxed more. The National Center for Policy Analysis, in a February 1998 policy background paper, puts it this way. They say:

A marriage penalty results when a married couple pays more for taxes by filing jointly than each could be if each filed as a single person.

That was the feature we talked about earlier—some economists—a man and a woman, economists, who each year at the end of the year divorce, file separately, retain the extra money, have kind of a special party, honeymoon, and then marry again the first of the year. That is just each year they do this to take advantage of this situation, which is ridiculous, that the Tax Code would actually encourage that.

A couple files the marriage penalty only [only] when both spouses have earned income.

Is that fair, that we only do this when both spouses have earned income? A large percentage of married couples, where both spouses work, work because they have to; they have to, to make ends meet, when you have a national effective tax rate—national, State, local—of 40 percent, and you have one spouse work to pay taxes and the other spouse work to pay for everything else. So we have, in this country, again because of tax policy, in many respects—we force both couples to work, whether or not they really want to, in their family arrangement. That is their choice of what they decide to do.

But this marriage tax penalty then, to add insult to injury again, only applies when both spouses have earned income—only when both of them are working. Does that make any sense for a tax policy in America? Does that make any sense for struggling families at all? I think my Democrat colleagues ought to want to vote on that sort of issue.

Single earner couples never pay a penalty; in fact, always get a bonus from the Tax Code.

Single earner couples never pay a penalty; in fact, always get a bonus from the Tax Code, paying less taxes than they would pay as singles.

This is single-earner couples. Is that good tax policy either? Is that the way we should be? I think my Democrat colleagues would want to vote on an issue like this. We are talking about returning a portion and not spending more in deficit and not hurting Social Security reform or saving Social Security. We can still save Social Security. You don't have to pick between marriage and Social Security on this. CBO says we will have $520 billion in surpluses over the next 5 years. We can help pay down the debt, we can support marriage, and stop this ridiculous tax on marriage, and we can save Social Security. Those are doable in the current situation we are in. Why on Earth would we not want to vote? Why on Earth would my Democrat colleagues be blocking us from voting on this particular issue that is so important?

And, finally, we can help match our rhetoric to our actions on how important family values are. We need to do those things. They show, in this National Center for Policy Analysis backgrounder piece, just how this issue works.

The marriage penalty fundamentally results . . . [and they have charts in here] ''Percentages of couples with marriage penalties and bonuses.''

I note it only applies to two-wage-earner families that you get the marriage penalty, which I think is wrong. But what happens is, when you hit into this penalty category, this is when you have two-wage-earner families making between approximately $20,000 a year and $75,000 a year, hit this penalty category, this tax increase category.

Think about that. How many people in America would be impacted then by that? We are talking about two-wage-earner families making combined between $20,000 and $75,000 a year. That is a lot of people. It is an estimate that is affecting 21 million American families. That is just the two-wage earners. It is not the other children associated with the families who are getting this huge tax hit that on average is $1,400.

Maybe some people don't think $1,400 is very much money. It is a half-a-year car payment for some people. It is a wrong signal to everybody. Whether you agree or disagree that this is very much or very little, it is the wrong signal to send at this time of such struggle that we are having taking place in America. It just hits that category of people.

Mr. DORGAN. Mr. President, will the Senator from Kansas yield for a brief question?

Mr. BROWNBACK. Yes, I will.

Mr. DORGAN. I did not intend to interrupt the Senator from Kansas, I think, three times. He doesn't understand why the Democrats object to a vote on this. Does the Senator understand, the Democrats, as he characterized it, are not objecting to a vote on this? The objection is to a unanimous consent request that says there would be a vote on what you are proposing, but no one on this side of the aisle would be allowed to present alternatives for a vote.

We have a couple of people in the Cloakroom, I am told, who want to offer tax amendments as well, if you want to have a vote on tax amendments on the legislative branch bill.

It is not a case of Democrats objecting to a vote on your bill. I want people who might be listening to the debate to understand that. The unanimous consent request would say, let us have a vote on yours, but prevent anybody else from offering anything. Obviously, we have some folks who object to that.

Mr. BROWNBACK. And, obviously, then the reason I am not getting a vote on the tax penalty is your objection to this.

Mr. DORGAN. No, no——

Mr. BROWNBACK. My point in making that is to say we have a real situation here, well known, extraordinarily documented, and we have the ability to pay for it. And before we pay ourselves in the legislative branch bill, let's pay the American families a little something. That seems to me to make eminent sense of something we should do.

I also further note, if I can——

Mr. BENNETT. Mr. President, will the Senator yield for a question?

Mr. BROWNBACK. I will in just a moment.

We spent 4 weeks on the tobacco legislation. We spent lots of time on other things in which I know the Senator from North Dakota was deeply interested. We gave lots of folks lots of floor time. Have we voted on any tax cuts yet for the American public? We have voted on a lot of tax increases. I think it is time we start saying it is time to give the people back a little bit of money. I would like to see married couples get it back first.

I will yield for a question.

Mr. BENNETT. I want to make one quick clarification. The Senator made a comment that before we pay ourselves, and there are many people who believe that pay for Members of the Senate is included in the legislative branch appropriations bill. I want to make it clear that it is not. The legislative branch bill is pay for the staff, pay for the agencies connected with the legislative branch, but Members' pay is not here. If we do go to the legislative branch appropriations bill, it will not deal with pay for Members of Congress.

Mr. BROWNBACK. And I stand corrected on that issue. That is correct, and I did misspeak on that point.

Mr. DORGAN. Mr. President, if the Senator will yield further.

Mr. BROWNBACK. I appreciate my colleague from Utah for pointing that out. That was a misstatement on my part.

Mr. DORGAN. Mr. President, will the Senator yield further for a question?

Mr. BROWNBACK. Yes. I do want to show what is paid for in the legislative branch appropriations bill then as well.

The PRESIDING OFFICER. The Senator is recognized for a question.

Mr. DORGAN. I appreciate his courtesy. I just observe, however, I don't want him to skip over this point. The point isn't that somebody on one side of the aisle in the Senate is objecting to what you are doing. If there is intended to be a debate about tax policy on this bill, I expect the Senator from Kansas would fully understand, in the name of fairness, that it wouldn't be just his amendment that would be in order to be offered, but that there would be others, probably on both sides of the aisle, who would want to weigh in with their particular amendments.

The objection is to the unanimous consent request that would say you get to offer your amendment but no one else gets to offer their ideas on the subject of taxation. I hope that when you characterize this, it is not to characterize it as something that the Democrats are unfairly trying to do, because that is not the case. The objection is to allowing you to offer your amendment but preventing anyone else from offering their amendment on the tax issue.

In conclusion, I expect we will have a very substantial and lengthy debate on the issue of tax reform and tax changes and tax cuts perhaps in the month of September. At least that is the way it is shaping up. I want to make sure this is characterized fairly. I don't believe the Senator was being fair to us when he was saying we object to your amendment. That is not what we object to. We object to a process that says you can offer yours but no one on this side can offer their amendments on the subject of taxation. I appreciate the courtesy.

Mr. BROWNBACK. Mr. President, I appreciate the point. I still fundamentally disagree with it. If we are talking about the issue of fairness, we spent 4 weeks talking about raising taxes on tobacco and working Americans. I don't know how many people were arguing at that time, ''OK, if we spent 4 weeks on that then we ought to talk 4 weeks about tax cuts.''

I have only been standing here an hour or two. We spent 4 weeks talking about raising those taxes, vote after vote. Some of the things in that policy area I thought were making some legitimate points about how we should try to cut back on teen smoking—which I do not support; nobody supports teen smoking—and how we can get at it. If we are going to talk about fundamental fairness, we did spend 4 weeks on that particular topic and much of it centered around how we raise taxes.

I am talking about on this particular bill, because we are short on the Legislative Calendar, let's talk about a tax cut. We are not getting a vote on that. We are being blocked from getting a vote on a very serious tax policy problem at a very important time in our country.

There was a poll of the American public about what they are most concerned about today. Consistently, people have been getting more and more concerned about what is happening to the values of this country, what is happening to us. While I don't think this body at all can control that sort of, ''Hey, here's what's happening across a civil society in America,'' we can send signals, and we do send signals regularly.

When we had the welfare reform bill, we said in the welfare reform bill, ''OK, if you're an able-bodied person and you can work, after 2 years, you are going to have to work. If you can do that, we are going to make you do that.'' We sent a signal from here.

Do you know what is happening in Kansas because of that? We have a welfare roll reduction of nearly 50 percent. I met with a number of people who were on welfare for a long period of time. They said to me, ''This is a wonderful change. You forced me off it. Welfare was like a drug that I was hooked to. You made me get out and work, and I feel better about it.''

A 50-percent reduction, and the people who were on it feel better about where they are today. It was a signal. One can say, ''Well, we didn't really change that much of welfare reform policy.'' I think we did change a substantial amount, and we sent the right signal.

With this, Mr. President, we are sending all the wrong signals. We are saying that if you are a two-wage-earner family, you have to pay more in taxes. If you make between $20,000 and $75,000, I am sorry, you have to pay more in taxes. It is the wrong signal. It sends a bad signal. It needs to be corrected, and it can be corrected.

We are on the legislative branch appropriations bill. As the Senator from Utah had noted, this does not include the salaries of individuals who serve in this body, and I misstated that. These are some of the things that it does fund: It funds the operations of Congress. People can see the Superintendent's shops, the various things we fund here, and directory of services we have here.

The only reason I am pointing this out is that this is basically running this institution, some of which I am wondering why we don't have contracted out or privatized myself. My point in raising this is, I think before we pay these, we ought to give more back to families to operate their budget, a mere $1,400.

I talked some about the groups who support this elimination of the marriage tax penalty. I noted, too, I hope my colleagues from both sides of the aisle, when we get a chance to vote on this, will be supportive of this.

I think it is important that people understand how this problem works and when it went in place and what we can do about it.

I have cited the Congressional Budget Office before on this particular problem where they are noting:

> The Federal income tax law generally requires married couples filing a joint tax return based on combined income of husband and wife. As a result, husbands and wives with similar incomes usually incur a larger combined tax liability than they would if they could file individually. At the same time, spouses who have markedly different incomes but file as a couple generally face smaller tax bills than they would if they were single.

Is that good tax policy? Is that right?

> Those two possibilities often referred to as ''marriage penalties'' and ''bonuses'' result from the conflicting goals of a tax system that attempts to balance fairness between married and unmarried couples among married couples and among taxpayers with differing incomes.

OK. So we have had a conscious policy here toward marriage for some period of time. My problem is, why do we penalize a certain group in here, that is, middle-income individuals, struggling greatly in this system, and we actually have this as a policy? This is according to CBO. This is a policy, and we enacted it into law in Congress in 1969—before I was here, the year of Woodstock, the year of putting a man on the Moon. I do not know if there was a signal that was sent at Woodstock that we ought to do these sorts of things, but it went into place then.

> Under the 1996 tax law, married couples could face a Federal tax bill that was more than $20,000 higher than the amounts they would pay if they were not married and could file individual tax returns, whereas, other couples may find that filing a joint tax return reduces their tax bills by more than $4,000.

Now, surely my colleagues on the other side of the aisle would want to redress this issue. And I appreciate the Senator from North Dakota saying, ''Well, we're not opposed to it. We just want to raise a whole bunch of other tax bills.'' What we are trying to do with this is to direct and correct the very narrow wrong that applies to 21 million American families.

I would hope my colleagues on the other side of the aisle would say that is not something we need trading material for, that ''We will trade you that if you will let us bring up the Patients' Bill of Rights,'' or some other issue. Or as the Senator from Kentucky said, he wanted to do away with the marriage bonus, which I have a problem with. I do not want to raise those taxes on individuals. I do not think that most people on the other side of the aisle would say we need to trade this back and forth.

Why couldn't we just get a consent from them that we would vote on this amendment? Yet, that is the problem I am having, not being able to get consent from Democrat colleagues on this particular issue that we would be able to get a vote on this item.

I am willing to have a vote on Senator FORD's proposal that we do away with the marriage bonus, which I do not agree with. I will not vote with the Senator, but I certainly am willing to agree that we have a vote on that particular issue. But I do not see why we

would disagree. I do not see why we would have this particular problem at this particular time and in this debate.

Let me cite some other materials that people are working with about the particular problems that families are having.

CBO again:

The various ways of defining marriage penalties and bonuses—one broad measure indicates that more than 21 million married couples—

Twenty-one million married couples; so there are families associated with those married couples—

paid an average of nearly $1,400 in additional taxes in 1996 alone—

So $1,400 per couple—

because they must file jointly, whereas, another 25 million found that the benefits of filing jointly decrease their tax bill an average of $1,300.

I am glad that people got the decrease on the 25 million. I see no reason why we should penalize the other 21 million.

Marriage penalties totaled about $29 billion in 1996.

The marriage penalty—listen to this—$29 billion was the size of the marriage penalty in 1996. So $29 billion. That is a negative signal of gigantic proportion that we are sending across this Republic and across this country, if we do not deal with this issue. And it is of importance that we deal with it now while we have so few legislative days that remain.

I want to quote some people, what working Americans are saying about the marriage penalty as they grow more and more informed about the marriage penalty.

This is a gentleman from Union, KY. He said this:

Before we set a wedding date, I calculated the tax implications.

There is a scary notion, that before you get married that a person is going to actually calculate their tax implications to it. I hope more people do not do that.

Since we each earn in the low $30,000s, the federal marriage penalty was over $3,000.

This is a gentleman in Union, KY. The marriage penalty was over $3,000.

He notes:

What a wonderful gift from the IRS!

What kind of gift is that? What kind of message is that? What kind of signal is that? It is money that ought to be returned. I encourage people listening and watching—why don't you figure out what your own marriage penalty is to see how you are going to be impacted if we are able to get this change and get a vote on it from our colleagues on the other side of the aisle, if they will let us vote on it?

This is Bobby and Susan from Marietta, GA, who raised this issue. They said this quote:

When we figured out our 1996 tax return . . . we figured what our tax would be if we were just living together instead of married.

Now, that is not a very good notion either that we want to encourage with the tax policy.

They said this:

Imagine our disgust when we discovered that, if we just lived together instead of being married, we would have saved an additional $1,000.

That is the signal we wanted to send to Bobby and Susan from Marietta, GA?

''Imagine our disgust when we discovered that, if we just lived together instead of being married, we could have saved an additional $1,000.''

I am standing here thinking, now, is that the signal we wanted to send to them? How many married couples actually figure what their taxes are and say, ''You know what? The Federal Government is telling us not to get married. Maybe we should not get married, then, if that is the signal that they are sending to us. And we are going to either pay a penalty of $1,000 for getting married, or we can continue to live together. Now, should we pay that penalty or should we just live together?''

Bobby and Susan said they figured it was, for them, going to be an additional $1,000 in taxes.

Listen to this quote:

So much for the much vaunted 'family values' of our government. Our government is sending a very bad message to young adults by penalizing marriage this way.

Here are people that actually sat and figured it out. And people do figure these things out. And they do see the signals that are being sent, and they do respond. Fortunately, a lot of people know that these are wrong signals, and then they do not act accordingly. But they do respond to those things.

Here is Sharon from Indiana, what she said. This is a good one.

I can't tell you how disgusted we both are over this tax issue. If we get married not only would I forfeit my $900 refund check, we would be writing a check to the IRS for $2,800.

So she forfeits a $900 refund check. And she would be writing a check to the IRS for $2,800.

Darryl and I would very much like to be married . . .

''Darryl and I would very much like to be married.''

and I must say, it broke our hearts when we found out we can't afford it [when they found out they could not afford to be married because of the tax policy of this country].

Now, isn't that something we ought to deal with posthaste? Isn't it something we ought to say right now, let us have a vote on this so we can send the right sort of signal to Sharon and Darryl in Indiana and to Philip in Union, KY, and Bobby and Susan in Marietta, GA? They said: ''We can't afford to get married because of the Federal tax policy.''

This is a gentleman from Columbus, OH.

I am engaged to be married [he says] and my fiancee and I have discussed the fact that we will be penalized financially. We have postponed the date of our marriage in order to save up and have a 'running start' in part because of this nasty, unfair tax structure.

''Nasty, unfair tax structure.''

Those aren't quite the type of words that we use in the Senate all the time. But he has calculated, figured it up, and said, ''Well, OK, I want to get married, and we want to do a lot of things as a family, but the first thing we have to do is pay more in taxes.''

Is that the sort of policy that we want to send forward? Is that the sort of thing that we want the American public to look at and to hear about? Is that the sort of thing that we want to support as a policy, as a family values policy of this Congress?

Here is Christopher from Baltimore, MD:

I am a 23-year-old and a marriage penalty victim for four years now. I am a union electrician who works hard to put food on the table to take care of my family.

Then he asked the simple question, ''Why is the government punishing me just because I'm married?''

Why are we? Why aren't my Democrat colleagues willing to let me have a vote, let us have a vote, on a bill that most of them would support, as well, to do away with the marriage tax penalties? Are they just fearful we will give the American public back some of their money and will direct it to families who need it the most, young families just starting out, union electricians, who want a little bit more of their tax money back?

Two-wage-earner families is who this tax is actually targeted toward. We are actually taxing them more. Aren't we concerned about two-wage-earner families struggling heroically? This is a great direct shot at helping them build their family units.

Why won't my colleagues from the other side of the aisle let us vote on this? Let's just have a vote on this and see. I would think we would have a lot of people support it. Don't block this vote.

Scott from Palmdale, CA:

If you want more of something reward it; if you want less punish it monetarily.

That is a basic principle that is used in the Tax Code frequently.

If you want more family units, reward them financially. Then maybe the statistic will drop that says 70 percent of divorces are due to money challenges.

That is a pretty fundamental principle on this basis of how we run this Government.

We have places that we can send signals out there. We can send signals out through legislation, we can send signals through regulation, and we can send signals through tax policy in this country. The tax policy in this country is that if you tax something more, you will punish it; if you tax something less, you will reward it. We are actually taxing two-wage-earner families more. And do we ask them to get less of that—is that what we are asking to get less of?

This is Christopher, from Fairfield, OH:

One of the biggest shocks my wife and I had when deciding to get married was how

much more we would have to give to the government because we decided to be married rather than live together.

Here are people, figuring, calculating, looking and saying: OK, now what will we do here?

It does not make sense that I was allowed to keep a larger portion of my pay on a Friday and less of it on a Monday with the only difference being that I was married that weekend.

That is pretty succinct, as well.

The only difference was that I was married that weekend.

From Andrew and Connie from Alexandria, VA—real close:

We grew up together and began dating when we were 18. After dating for three years we decided that the next natural step in our lives together would be to get married. I cannot tell you the joy this has brought us. I must tell you that the tax penalty that was inflicted on us has been the only real source of pain that our marriage has suffered.

So here is a couple that dated for 3 years, when they were 18 they started dating—much joy; the only pain that has been inflicted is the tax increases that they suffered for getting married.

Here is Andrew, from Greenville, NC:

It is unfortunate that the government makes a policy against the noble and sacred institution of marriage. I feel it is unfortunate that it seems to hit young struggling couples the hardest.

That is great Greenville, NC.

If you look at the category of those hitting the marriage tax—and, again, I refer to the chart from the National Center for Policy Analysis—it is couples making, combined, $20,000 and $75,000 of earned income, two-wage-earner couples in that category, frequently young, married couples, starting their family. So that while this tax penalty actually hits 21 million married couples, it is hitting far more in the way of children. It is hitting young children at some of the most vulnerable times in their lives.

This is something that really was one of the most perverse signals we could possibly send. It is directed mostly at younger couples. It is when they are starting their families. It is at a time when people are deciding to get married or not to get married, and we send this perverse tax signal that you have to send more money that you are making to the Federal Government. If anything, we should be sending them a bonus at that particular point in time.

Why won't my Democratic colleagues let us vote on this? Why won't they let us do this? That just doesn't seem to make sense, why they wouldn't let us vote on this narrow issue. On the issue of fairness, they say we need to bring up other tax policy issues. We brought up a lot of tax increase issues. We are finally talking about a tax cut issue. We should be willing and able to vote on this sort of issue now.

This is Thomas, from Ohio. He writes:

No person who legitimately supports family values could be against this bill [that is, to eliminate the marriage tax penalty].

No person who legitimately supports family values could be against this bill. The marriage penalty is but another example of how in the past 40 years the federal government has enacted policies that have broken down the fundamental institutions that were the strength of this country from the start.

I don't know how any more clearly you could put that as an issue. Why would we continue to propound that? We may have somewhere around 30 or 40 legislative days left in this Congress.

My point in bringing this up at this point in time is, we aren't having a lot of chance to be able to correct wrongs on other bills other than appropriations that are moving through the legislative body. We have to move appropriations bills through. We should move appropriations bills through. We will not be getting a lot of these other issues up—tax policy, particularly dealing with this most onerous tax on married couples, marriage tax penalty. Why won't we deal with this now? We are trying to deal with it on the legislative branch appropriations bill, as well. This is a good vehicle to deal with it. It funds the institutions of the Congress here. So we are saying let's deal with this one now on this short legislative calendar that we have while we have the resources to be able to do it.

This is Sean, from Jefferson City, MO. He wrote this:

I think the marriage penalty is a major cause of the breakdown of the family here in the U.S.

He is citing it as a major cause of the breakdown of the family here in the United States.

[Ending it] would cut down on the incidence of cohabitation by unmarried couples and give more children two-parent families where there is a real commitment between the parents.

I am not certain about what he said earlier, but I think it is the proper signal for us to send to families, particularly the young and struggling ones.

From Houston, TX:

If we are really interested in putting children first, why would this country penalize the very situation, marriage, where kids do best?

A lot of single parents struggle heroically to raise children, and we don't want to penalize them. The amendment I want to put forward does not penalize them. It does not penalize them. It simply says a two-wage-earner married couple, earning between $20,000 and $75,000, you shouldn't penalize either. When parents are truly committed to each other through their marriage vows, their children's outcomes are enhanced.

That is Gary and Carla from Houston, TX.

This couple from New Castle, VA:

I am a 61-year-old grandmother, still holding down a full-time job and I remarried 3 years ago.

This is astounding.

I had to think long and hard about marriage over staying single as I knew it would cost us several thousand dollars a year just to sign the marriage license. Marriage has become a contract between two individuals and the Federal Government.

In this lady's estimation, from New Castle, VA:

Marriage is a contract between two individuals and the Federal Government.

She had to think long and hard about whether to stay single or get married because she couldn't afford the taxes. That is an extraordinary situation and ought to be corrected as soon as possible.

Here is from Chicago, IL:

We read that representative Jerry Weller of Illinois is one of a group of sophomore legislators pushing for an end to the marriage penalty. We do not believe this effort should be a partisan effort and strongly feel that members of both parties should join together to right this wrong and that Congress should do it quickly.

Well, that is what we are trying to do here today, and to do this quickly. It should be done. It can be done. We need to do it. We need to do it on this vehicle. That is why we are putting this forward now.

This is from Pennsylvania:

My wife and I have actually discussed the possibility of obtaining a divorce, something neither of us wants or believes in, especially myself, simply because my family cannot afford to pay the price.

Is that a horrendous statement to have from Jeffrey in Pennsylvania?—keeping the names somewhat anonymous.

My wife and I have actually discussed the possibility of obtaining a divorce, something neither of us wants or believes in, especially myself, simply because my family cannot afford to pay the price.

My goodness, that is something we just have to collect. This is the Ottawa Daily Times.

According to Edward McCaffery, a law professor at the University of Southern California and California Institute of Technology and author of ''Taxing Women,'' in an article in the University of Chicago Press:

The marriage penalty is essentially a tax on working wives, because the joint filing system compels married couples to identify a primary earner and a secondary earner, and usually the wife falls into the latter category. Therefore, from an accountant's point of view, the wife's first dollar of income is taxed at the point where her husband's income has left her.

Or that can be reversed to the category where the wife's income exceeds the husband's.

If the husband is making substantially more money than the wife, the couple may even conclude that it is not worth it for the wife to earn income. In fact, McCaffery's book details the plight of one woman who realized her job was actually losing money for her family.

Her job was actually losing money for her family. Now, that is a horrid situation that is taking place. This is in the book, ''Taxing Women,'' by Edward McCaffery, a law professor at the University of Southern California and the California Institute of Technology.

This next one is from the Ottawa Daily Times:

You try and be honest to do things straight, and you get penalized for it. That's just not right.

That was from Illinois.

I don't know how better to summarize it than how the people across

America have summarized it in these particular voices from across the country. Those are pretty good summaries. It raises the point of why I am so adamant that we need to deal with this issue now. I cannot understand why my Democrat colleagues want to block this issue—even under some notion of the fairness of them having a tax bill and us having a tax bill. I can't believe they would be opposed to this tax bill, which is on two-wage-earner families. I don't see this as a Republican or Democrat issue. This is an American issue, an issue of family values, which we all support, and we have very few legislative days left to deal with it. It needs to be dealt with now.

What could couples do with this money if they had the $1,400 that the average couple currently pays? Some people would do different things. They could pay electric bills for 9 months averaging $103 a month. They could pay for 3 or 4 months of day care if they had that $1,400 back—in some places it is higher, and in some it is lower. They could pay for a 5-day vacation to Disneyland if they wanted to with that $1,400. A package rate concludes a double room, a Disneyland hotel, and entry into the entertainment park for mom, dad, and two kids. I think that is a much better place to put this money, if people would just take off to Disneyland with their family in tow. I don't know if those rates still apply or not. Or they could make four or five payments on a minivan, which average $300 to $350 a month. It seems everybody needs a minivan anymore. Or they could eat out 35 times in a restaurant, with the meals averaging $40. They could buy 1,053 gallons of gasoline at $1.33 a gallon. They could purchase 1,228 loaves of bread, with an average loaf costing $1.14.

Now, ask anybody here, should these married couples spend the money on those things, or should they send it to us in penalty? I think they have better places to be able to put their own resources. So that is why I am so adamant that we not go on to this spending bill until we help American families with their spending. The ability to pay 9 months of electric bills is important.

I don't intend to just occupy my colleagues' time with this. This is an important issue that I think needs to be raised, and it needs to be seen, and it needs to be heard. There hasn't been a whole lot of discussion on this particular issue. I see other colleagues, and I would be willing to let them speak if they desire. I don't want to block them. I do want to raise this issue of consciousness across the American public on this particular issue of the marriage penalty. That is why I have been talking on this point and why I raise it on this legislative branch appropriations bill.

Mr. GRAMS addressed the Chair.

The PRESIDING OFFICER (Mr. FRIST). The Senator from Minnesota.

Mr. GRAMS. Mr. President, I ask unanimous consent to speak for 20 minutes.

Mr. BROWNBACK. Reserving the right to object, and I will not object.

I ask unanimous consent that, after the Senator's 20 minutes, I retain the floor.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Minnesota is recognized.

Mr. GRAMS. Mr. President, first, I want to take a couple of minutes, Mr. President, to compliment my colleague from Kansas on what he is doing in talking about this marriage penalty and advocating more tax relief for American families. He has done a great job. I agree with him wholeheartedly, because when you look at the marriage penalty, bottom line, this is an unfair tax that has been imposed on something like 21 million couples in this country. It penalizes them for actually being married rather than encouraging and supporting the institution of marriage. We have a Tax Code that actually penalizes couples if they get married.

A couple of months back, President Clinton was asked a question about the marriage penalty. I believe he admitted that it was unfair. Then he was asked, ''Why don't we get rid of it?'' The bottom line is that Government somehow cannot get along without this money. It is $29.1 billion a year, I believe. The Government can't get along without that money. Somehow families can get along without it, but the Government can't. Nobody calls up the families and says: If we have this unfair tax, are you able to get along without the money? Nobody calls the families. They just have to do more with less, or get along without it. The bottom line is that, in our Tax Code, somehow our Government is willing to collect taxes unfairly. I agree with the Senator from Kansas that families can make much better use of this money, as we have been advocating for so long, in reducing the taxes. I strongly support his efforts today in talking about the elimination of the marriage tax penalty. I just wanted to support him on that.

SOCIAL SECURITY'S COMING CRISIS

Mr. GRAMS. Mr. President, as the Senate continues its work on the spending bills for the next fiscal year, I rise today to speak about an issue that threatens the financial future of this nation: a disaster-in-the-making that jeopardizes our ability to fund any of the important discretionary spending programs we now debate, such as education or medical research. I rise to speak about the coming crisis of the Social Security program.

In my last remarks on this subject before this Chamber, I discussed the history of the Social Security program. Specifically, I talked about how hastily Congress passed the Social Security Act, how poorly the program was designed, and how fallacious its finance mechanism was. A Social Security crisis was inevitable—and arrived in the late 1970's, when the program began running a deficit and Congress raised taxes to shore it up. President Carter claimed Social Security would remain solvent for another 50 years. Just five years later, Social Security was facing another near-term insolvency. That time, after again raising taxes, Congress claimed the system would remain viable for 75 years.

Yet, here we are again.

Mr. President, as with the previous two crises, the coming retirement crisis is real. All the socioeconomic data suggest it is approaching. Both the government and private sectors are projecting the future insolvency of the Social Security program.

However, unlike the last two crises, the coming crisis will have a profound and devastating impact on our national economy, our society, and our culture unmatched by any we have faced since the founding of this Nation.

Despite all the evidence to the contrary, some Washington politicians continue to sing the ''don't worry, be happy'' refrain. Social Security is not in crisis, they say—it is not broken and will not go bankrupt. All it needs are a ''few minor adjustments'' to fix its problems.

Therefore, many of our constituents have only heard the good news and the happy talk: that Congress has balanced the budget for the first time in nearly 30 years and that the Congressional Budget Office projects surpluses growing to $140 billion within a decade. All of this good news is complemented by the fact that the Social Security Trust Fund boasts an asset balance that tops $600 billion and is expected to run surpluses for the next 13 years. And so the Social Security Administration passionately contends that Social Security benefits will always be there for everyone.

Insisting that the Social Security crisis is not real—that we are in better financial shape today than ever before—is like telling the captain of the *Titanic* the waters are clear, with no threat of icebergs, and the ship should proceed full speed ahead.

That is ''The Big Lie,'' Mr. President, and if we fall for that rhetoric, there is nothing but icebergs ahead for Social Security. For starters, the Social Security program's $20 trillion in unfunded liabilities have created an economic time bomb that threatens to shatter our economy. In addition, the declining rate of return of Social Security contributions means the system will be unable to meet the expectations of future retirees, who seek in retirement the same financial security they enjoyed in the workplace.

Beginning in 2008, 74 million baby-boomers will become eligible for retirement and the system will begin to collapse. From that point on, we will have

more retirees than ever before, and fewer workers paying into the system. And as medical advances continue to extend life expectancy, future retirees will be receiving benefits longer than was ever anticipated when the program was created.

The problem begins with the fact that the current Social Security system is a ''pay-as-you-go'' entitlement program. The money a worker pays in today is used to support today's retirees—the government does not hold it for an individual worker until he or she retires—meaning there is no reserve waiting for future retirees.

To put it real simply, there is no account in Washington, DC with anybody's name on it that has one dollar for your retirement. Not one dollar in Washington has been set aside. They rely on the workers today to collect the money from them to pay those on retirement today. When the program was originally conceived in 1935, this did not pose a threat. Back then, the average life expectancy for Americans had not yet reached age 65 and there were many more workers paying into the system than were taking out.

To put this into perspective, before the ''baby boom'' generation was born, there were 100 workers for every retiree. But as these same baby boomers begin to retire, the funding support is projected to eventually drop to merely two workers per retiree—100 for every retiree 50 years ago and 2 workers for every retiree at the beginning of the next century. Furthermore, these future retirees are expected to live to more than 75 years of age. We have gone from a program where the average worker died before ever receiving their benefits, to a situation where retirees are living years after they have received all their contributions back from the program. In fact, the Congressional Research Service estimates today's average Social Security recipient receives back his or her lifetime contributions within the first three to five years of retirement.

By the way, Mr. President, if we ran our households the way the government operates Social Security, we would never be allowed to finance a house, we could never send our kids to college with the help of a student loan, we could not even get a car loan; in fact, we could not function in the real world at all. If we ran our companies on a pay-as-you-go basis, there is a good possibility we would have been tossed in jail long ago.

When there are fewer workers to support each retiree, it is obvious something has to give. When Congress attempted to address projected shortfalls in the past, the government's response meant either reduced benefits for retirees, higher payroll taxes on workers, or some combination of the two. For workers, that has amounted to 51 tax increases on income or income adjustments in just the last 25 to 30 years; 51 times the government has raised Social Security taxes, or adjusted the income on which those taxes were levied. So it comes as no surprise that similar proposals are finding their way into our debate again today.

Unfortunately, this comes at a time when retirees are growing increasingly dependent upon Social Security benefits as their main source of income. This is in spite of the fact that Congress never intended Social Security to become a replacement for personal savings. Social Security was to be a supplement, not the major source of an individual's retirement dollars. According to a report by the Congressional Budget Office, though, workers have come to expect that, upon retirement, Social Security will provide them with income to replace a significant portion of their previous earnings. As proof of that, in 1996, Social Security made up approximately 40 percent of the cash income of the elderly. And as the number of workers covered by pensions continues to decrease and tax rates continue to complicate the ability of workers to save for their future and ensure their retirement security, dependency will surely grow.

The Social Security Trust Fund's unfunded liability makes the long-term budgetary impact of America's changing demographics even more significant.

The government's own data shows that the Trust Funds will begin to have cash shortfalls in less than 12 years. Beginning in 2010, Social Security will have to pay about $1 billion more than it will collect in taxes.

There will be no surpluses in the Social Security fund. In the year 2015, that number will climb to $90 billion of deficits.

In 2035, it will reach $1 trillion and in 2075, the annual shortfall will explode to a staggering $7.5 trillion per year. Even after being adjusted for inflation, the total unfunded liability is still staggering—at $20 trillion.

On paper, the Trust Fund boasts more than $600 billion in assets. ''On paper'' is the key, however. For years, Congress has regularly raided the Trust Fund to pay for additional federal programs—a practice that continues unabated today. Unfortunately, as the baby-boomers begin to retire, the government IOUs will become due.

Washington will either have to cut government spending, raise taxes, or borrow from the public to redeem those IOUs. Obviously, being unwilling—or unable—to control its own spending, Washington routinely chooses the latter two options. And so beginning by 2013, or maybe even earlier, taxpayers will be asked, yet again, to pay up as the IOUs are cashed in to fund retiree benefits. I agree with the majority of my Minnesota constituents that the government has no business raiding the Social Security Trust Fund to pay for its pet spending projects. The taxpayers have every right to be outraged that such a blatant abuse of the system is allowed to continue.

All these factors lead to the conclusion that the Social Security Trust Fund will go broke by 2032 if we continue on our present course. If the economy takes a turn for the worse, or if the demographic assumptions are too optimistic, the Trust Fund could go bankrupt much sooner. And once the cash shortfalls begin, they quickly climb to staggering levels.

Washington's fiscal mismanagement means it not only raises taxes, it also must borrow more from the public to cover the shortfall. Without a policy change, the CBO estimates the debt held by the public will balloon to nearly $80 trillion in 2050—from under $6 trillion today to $80 trillion in 2050. According to the General Accounting Office, the estimates are much worse. They say, it could top $158 trillion in debt and consuming nearly 200 percent of our national income. A national debt at this level would shatter our economy, and shatter our children's hopes of obtaining the American dream.

Mr. President, we often hear those individuals who want to maintain the status quo argue that by increasing the payroll tax by ''just'' 2.2 percent—going from 12.4 to 14.6 percent—we can somehow fix the problem for another 75 years, but that is absolutely false.

Based upon the Trustee's Report, the present value of the unfunded promise of future benefits totals more than $5 trillion—this is how much money we would have to collect and invest today to pay for the future retirees. To collect this much money, the federal government would be forced to impose a tax rate in excess of 100 percent on every American. This, of course, is assuming such funds would not be spent elsewhere in the interim and replaced with more IOUs, as we have done in the past.

The Concord Coalition projects that, from now to 2040, the cost of Social Security will rise from 11 to 18 percent of workers' taxable income. Add in Medicare and Medicaid and the taxes on these three programs take 40 percent off our paychecks—not even counting our Federal or State or local taxes; just those three programs: Social Security, Medicare, and Medicaid, would be a 40 percent tax on your income.

With federal, state, and local income taxes and other taxes, the tax burden will become too high for anyone to bear. These high tax rates will erase all growth in real after-tax worker earnings over the next half-century. When this occurs, the economy will be destroyed and a tax revolt from younger workers will certainly follow.

Mr. President, the only good news is that these problems are down the road and not already upon us. Of course, it would be easier to put off these difficult decisions by waiting until the crisis has actually arrived before we begin repairing the damage. As members of Congress, however, it is our responsibility to address the situation now, before we pass this financial nightmare onto our children and grandchildren. That is why I am speaking on this issue today.

Experts tell us that delaying action would require we take even more drastic measures in the future. Not only would such delays be costly, they would leave Americans with less time to prepare themselves for any adjustments to the program. When we consider that Social Security taxes consume approximately one-eighth of an average worker's lifetime income, there is a significant amount of money at stake for every individual. And that could grow, as we said, to one-fifth of all the money that an individual makes.

While Congress cannot change future demographics or merely replace the IOUs it has left sitting in the Social Security Trust Fund, it does hold the power to offer retirement security to all Americans by improving the way the Social Security System will operate in the future. I firmly believe it can be done without breaking the government's covenant with current retirees or leaving those about to enter the program in fiscal limbo. But it will take an innovative approach that breaks from Social Security's ''government-knows-best'' roots.

We must look to the ingenuity and competitive spirit of the private sector to improve and rejuvenate the program if we are to give future retirees any promise of retirement benefits.

I have often heard today's workers lament they do not think Social Security will be there for them. Forty-six percent of all young people believe in UFOs, says a study by Third Millennium, while just 28 percent think they will ever see a Social Security check. So more kids believe in UFO's than Social Security. Still, it is not too late to change that course and prevent the coming Social Security crisis.

As the national debate goes forward, Congress has the ability to empower workers with the tools to control their own future. If we can learn from our past mistakes and own up to the financial nightmare waiting down the road, we can transform Social Security from a program that threatens financial ruin to one that holds the promise of improved retirement security for generations to come.

We have much work to do and no time to waste, so I urge my colleagues to join me as we begin the transformation.

IMF REPLENISHMENT

Mr. GRAMS. Mr. President, yesterday, as we were debating the best way to help our farmers overcome low prices in the Upper Midwest, the Minority Leader appropriately called the IMF ''the single best tool available to provide economic stability in Asia, Russia and around the world.'' Unfortunately, he then went on to blame Republicans for opposition to IMF replenishment.

As one who joined many of my Republican colleagues here in the Senate to actively promote the IMF replenishment and pass the full $18 billion here as part of the Supplemental, I would take issue with that statement. It was the Republican leadership in the Senate who worked with the Administration to pass the $18 billion along with a balanced reform package designed to make the IMF work more effectively.

Yes, I have been disappointed that the House has still not acted on this matter. However, just yesterday, $3.4 billion was reported out of the Appropriations Committee's Foreign Operations Subcommittee, and there are positive statements that the full $18 billion may be included in the final Foreign Ops bill reported out of the full Committee next week. That was welcome news to those of us who strongly believe the IMF can play a positive role in addressing financial crises all over the world and restore important markets for US products. Now that new loans have been negotiated for Russia, the IMF's reserves are close to depletion. For the first time in many years, it has had to tap into its emergency fund. While I would have preferred the replenishment had been dealt with months ago, the logjam appears to have been broken.

Of course, there is one complicating factor. The funds are attached to the Foreign Operations bill—the appropriations bill that has been stymied by an inability of the House and the White House to work out the Mexico City abortion language which is annually attached to this appropriations bill.

While some may prefer not to have to fight controversial battles on appropriations bills, this is an issue that will not just go away. The sponsor is committed to bringing it up until it can be resolved to his satisfaction. Last year, a revised version, a substantial compromise, was attached to the State Department Reauthorization Conference Report and held up that report because of the veto threat of the President. That effort included a reorganization plan supported by the Administration that had been pursued for several years.

That is still being held up, and the IMF funding will likely be held up as well until the Mexico City issue is settled. The latest Mexico City compromise was a good attempt at solving this dispute. If the President really wants the IMF replenishment, he should exercise the needed leadership to work out the Mexico City language with the House as soon as possible. My colleagues in the minority can do more to help us achieve the replenishment by urging the President to pursue a resolution of Mexico City before any other alternative. I ask the Minority Leader for this assistance.

Thank you, Mr. President.

I thank the Chair. I yield the floor.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The minority leader.

Mr. DASCHLE. I would ask unanimous consent that Senators HATCH, DASCHLE, LEVIN and MURKOWSKI be recognized as if in morning business in that order.

The PRESIDING OFFICER. Is there objection?

Mr. BROWNBACK. Mr. President, reserving the right to object, we were under the unanimous consent agreement that I was to receive recognition after my colleague from Minnesota. I am willing to go along with this if we have unanimous consent that I receive recognition after these colleagues conduct morning business.

Mr. DASCHLE. My apologies to the Senator from Kansas. I had meant to include that we also go back to Senator BROWNBACK at the completion of our presentations.

The PRESIDING OFFICER. Is there objection?

Mr. BROWNBACK. With that understanding, no objection.

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

The PRESIDING OFFICER. The Senator from Utah.

THE SECRET SERVICE AND THE ''PROTECTIVE FUNCTION'' PRIVILEGE

Mr. HATCH. Mr. President, I rise today to address the current controversy over whether Secret Service agents and employees should testify before the grand jury convened by the Independent Counsel, Judge Kenneth Starr. At noon today, the Chief Justice of the United States denied the Department of Justice's request for a stay of the order compelling Secret Service agents to comply with subpoenas. Thus, every level of the federal judiciary, including the Supreme Court, has now rejected the arguments advanced by the Department of Justice in support of a judicially-created ''protective function'' privilege. I sincerely hope that the Service and the Department will abide by these decisions and that the agents will testify truthfully and fully before the grand jury.

In my view, the Secret Service's duty to protect the President does raise legitimate issues about whether agents should receive special privileges before being forced to disclose what they see or hear as a result of being so physically close to the President. However, the Department of Justice has taken these legitimate factual concerns and used them for political reasons to mount a fruitless legal battle to find a court, any court, to concoct this privilege out of thin air. In so doing, at least in my opinion, the Department has squandered its own credibility and acted solely as the defense attorney for the President in his personal legal problems.

The trial judge and the D.C. Circuit have it right: there is no way for a court to conjure up a ''protective function'' privilege out of whole cloth. The Court of Appeals which rejected the Department's arguments concluded:

We leave to Congress the question whether a protective function privilege is appropriate

in order to ensure the safety of the President and, if so, what the contours of that privilege should be.

I have offered to lead such an effort in the Congress to craft a narrow privilege, and therefore I am at a loss as to the Department's motivations for so many appeals. I am worried, however, that the lengthy obstruction will lead my colleagues to conclude that the Service is not worthy of our support, and make it much more difficult for me to try to help them.

The narrow privilege I envision would address legitimate concerns of the Secret Service, but I am sure it would not be the broad, impenetrable privilege advocated by the Service, nor should it be. But a Congressional solution which ''splits the baby'' is possible. As the Washington Post concluded in an editorial this morning:

Any protection must recognize the responsibility of law enforcement officers to aid criminal investigations.

I hope that the circumstances when testimony by Secret Service agents is taken are limited to the most serious cases where the testimony is unique and directly related to accusations of criminal behavior. I am concerned, for example, that agents should not, under normal circumstances, be forced to testify before Congressional Committees or in civil matters. Again, I plan to address these issues when the Judiciary Committee holds hearings next year.

One particular issue I will address during these hearings is whether the presence of a Secret Service agent at a conversation between an attorney and the protected person should negate the attorney-client privilege. Now the law generally is that having another nonlawyer present voids the privilege, at least as to that person. I do not believe we want this outcome, and I plan to work on creating an exception to correct this problem. I should point out that press accounts have recounted promises made by Judge Starr that he will not attempt to use testimony by Secret Service personnel to pierce protected conversations.

I have to also add that if Secret Service Agent Cockell was in the President's presence because he had to be in the car to protect the President, and overheard conversations between the President and Mr. Bennett, his attorney, or between the President and Mr. Kendall, his attorney, or any other attorney of the President's, he had to be there as much as the seat they sat on had to be there. So I hope, even though technically the privilege would be waived because of Secret Servant Agent Cockell, I hope the Independent Counsel would respect that particular position of the Secret Service agent, and I have no doubt that he would. After all, there is some comity that must occur, even in matters like these.

In any event, that is something we can clarify next year, and I intend to do so. I have to say, neither attorney Robert Bennett nor David Kendall is an inexperienced attorney. I doubt if either of them would have discussed crucial secret matters with the President before anybody else, including a Secret Service agent. So I think this is a much overblown point, and I have no doubt that Judge Starr did not intend to pierce that type of conversation anyway. But that still does not relieve the Secret Service agents of their duty as law enforcement officers to make sure that criminal activity is not undertaken or, if it is undertaken, to make sure that they do everything they can to stop it.

I should note, however, that the Secret Service has been its own worst enemy here. No court is going to create this privilege out of thin air, and thus until Congress acts, the Service may have to provide testimony without any exceptions. I am talking about this so-called ''protective function'' privilege. But rather than come to Congress to work constructively, the Service has fought a futile effort in the courts of this land.

Many of the President's apologists have cited this current controversy as another alleged example of Judge Starr being too aggressive in his search for evidence related to the Lewinsky matter. But let's look at the record:

When Judge Starr sought evidence from White House employees, the Justice Department and the White House claimed privilege: the court sided with Starr.

When Judge Starr sought evidence from government attorneys, the Justice Department and the White House claimed privilege: the court sided with Starr.

When Judge Starr sought evidence from Secret Service agents, the Service and the Department claimed privilege: the court sided with Starr.

When Judge Starr sought evidence from Monica Lewinsky's first attorney, he claimed privilege: the court sided with Starr.

When Judge Starr sought evidence from a bookstore, it claimed privilege: the court sided with Starr.

And just over the last 48 hours when Judge Starr sought evidence from additional Secret Service personnel, the Justice Department and the White House claimed privilege: the District Court, the Court of Appeals and the Supreme Court all sided with Starr.

I hope when the pundits talk about these controversies, they remember that, when it comes to debates on privileges, Judge Starr has an impressive record. It is easy to criticize a prosecutor for being overly-aggressive in seeking evidence, but let us all remember that Judge Starr has not only a right, but an obligation, to conduct a complete investigation within the bounds of the law. As demonstrated by his impeccable record before impartial judges, he has done exactly that.

Lastly, it is hard to believe that the same White House that less than six weeks ago fought Judge Starr's request to have the Supreme Court take an expedited appeal of the Secret Service issue—and then gloated when the Supreme Court denied the request—resorted to an emergency appeal to the exact same court on the same issue. The hypocrisy speaks for itself.

Mr. President, I have confidence that Judge Starr will do what is right here. I have confidence that the Secret Service men and women will do what is right here. There is no excuse for the Justice Department—nor, I might add, the Treasury Department—to continue to pursue these fruitless claims. I was willing to go along with the pursuit of the claims to try to get the court involved en banc—the 11 sitting judges of the Court of Appeals for the District of Columbia—to make a decision on this. But anything beyond that just smacks of delay, and I believe that is exactly what is happening, especially since the White House has been slapped down so hard and the Justice Department has been slapped down in no uncertain terms, a number of times, on this very issue. I think it is time for them to wake up and realize they represent all of the taxpayers in this country and that they have an obligation to live within the law themselves and to not make any further frivolous appeals of this matter.

It is my understanding that they still are asking for the Supreme Court to grant certiorari in this matter. I can't imagine why they would do that after what they have seen in both the district court and now the D.C. Circuit Court of Appeals, and with the rejection of the stay by Justice Rehnquist. It seems to me that just smacks of another fruitless appeal for delay.

I do understand why the head of the Secret Service and others would fight for their Secret Service people and would try to take it to the nth degree. But that nth degree, it seems to me, ended with the Circuit Court of Appeals for the District of Columbia. Anything more than that seems to me to be highly frivolous, a delaying tactic that literally should not be done.

I think the Secret Service ought to come to us and help us to fashion a way so they can have certain protections with regard to the closeness that they have to the President of the United States, and we will try to give them that kind of protection. We will try to find some way of giving them a privilege from testifying in matters that do not involve criminal activity, among other things.

We will have to have hearings, and we will have to look at it very carefully, because it is a broad privilege they are asking for. They will never get exactly what they want, because I think people on both sides of the aisle will acknowledge that if it comes to criminal activity, if there is any criminal activity that they have observed or they participated in—and I doubt they have done anything like that, and I hope they haven't observed any criminal activity—they have an obligation, as law enforcement officers, to cooperate with the courts and to cooperate in

getting to the bottom of these things and getting these matters resolved.

With that, I thank my colleagues for letting me have this time.

I yield the floor.

The PRESIDING OFFICER. The Democratic leader.

NATIONAL SECURITY AND THE SENATE'S CHINA INVESTIGATIONS

Mr. DASCHLE. Mr. President, as every Senator is aware, a number of Committees are investigating the national security impacts of two parts of the U.S. relationship with China: the launching of American commercial satellites on Chinese rockets, and the so-called ''China Plan'' to influence the American political process through campaign donations.

Earlier this week the Majority Leader came to the floor to announce what he called ''major interim judgments'' of his task force coordinating this investigation. His remarks sparked a round of debate and speculation that may have clouded the real issues at hand, and I would like to take a moment to respond.

These are unquestionably significant issues that merit serious, objective review. For me and for the Democratic Senators on our investigation task force, the objective is simple: national security.

We want the national security to be enhanced; we want American lives and American interests protected.

If the Senate's work on the satellite export issue reveals flaws in our export controls that endanger national security, we want those flaws corrected—now.

If the facts warrant, we will gladly join with our Republican colleagues to that end. But there should be no place for politics, for partisan political maneuvering, when it comes to national security.

We also want U.S. law to be enforced without fear or favor. If the law was violated in campaign financing for the 1996 election, Democratic Senators want the guilty held accountable. The best way to ensure this occurs is not to discuss classified information associated with these cases, and thereby avoid impeding or damaging the FBI's and the Justice Department's ability to investigate and build cases.

In short, we care about this investigation because we care about national security.

One of the most important guardians of national security is the Senate Select Committee on Intelligence. This is a unique committee, Mr. President. It is not set up like others. It has a vice-chairman, not a ranking member. Its makeup gives the majority party just a one-vote advantage regardless of the composition of the Senate.

We try to keep partisanship out of most things we do, but in the case of this Committee, Mr. President, we insist on it, because Americans are more safe when Congress can conduct oversight of intelligence functions in a manner that is not just bipartisan, but nonpartisan.

It is for this reason that I agreed with the Majority Leader's decision to assign primary responsibility to the vital China investigation to the Intelligence Committee. And it is also for this reason that I am so gravely disappointed when its nonpartisan tradition is violated.

That tradition makes the assertion earlier this week that ''interim judgments'' had been reached in the China matter particularly disturbing. The Vice Chairman of the Intelligence Committee, the senator from Nebraska, said they most assuredly had not, a fact subsequently confirmed by the Chairman.

The Democratic priority is national security. National security is a complex and demanding topic in today's world. While several Senate committees consider the effect on Chinese ballistic missiles of launching American commercial satellites in China, this nation faces many other equally grave and immediate threats to our national security.

For example, Russia, which is now in an economic and military tailspin, has thousands of nuclear warheads and many tons of fissile material from which warheads could be made at stake and perhaps in jeopardy.

The temptation in Russia today to look the other way while such materials quietly migrate to rogue states must be acute. That's one way in which Russia's problems threaten the United States.

Other threats appear in the headlines for a few days and then recede from public view, but they are still out there: the very unstable nuclear confrontation in South Asia, the development of weapons of mass destruction by Iran and other rogue states, the growing conflict in Kosovo, the growing tension between the Koreas, the still-tense Bosnia situation.

We are also threatened today by non-nation state actors, the terrorist organizations who plot to kill or kidnap Americans overseas, and the crime cartels who use today's increasingly open international borders to bring narcotics and other criminal activity to our shores. Information warfare and the relationship between computers and our national infrastructure is another arena in which hostile nations, movements, or even individuals can threaten us.

All these threats present greater challenges to the defense, intelligence, and law enforcement establishments than they encountered during the cold war.

At the same time, the haystack is growing, the needles are as small as ever. We need to support and strengthen our capabilities in these areas. We need to be able to react quickly to changing threats and develop the brainpower to master environments ranging from now-obscure foreign cultures at one extreme, to global cyberspace at the other.

The one thing we should not do is stand pat, as if winning the cold war gives us the right to relax.

Congress authorizes and appropriates funds for the elements of government that defend against, deter, or counter the threats: the world's most capable military forces, informed by the world's leading intelligence services, as well as law enforcement entities which are second to none. It is our responsibility in Congress to fund these activities, to guide their continued improvement, and to oversee what they do.

If these departments and agencies are essential to our national security—and they are—then our Congressional authorization, appropriation and oversight processes for these activities are also essential to national security.

The need to address these issues underscores the importance of the Intelligence Committee's mandate. To approach these matters in a spirit of partisanship arguably puts the national security at risk.

As for the China inquiry, to my knowledge, none of the four committees that have conducted hearings on the matter has reached any conclusions, interim or otherwise. Many documents already in the possession of Congress have not even been reviewed. Other documents have not yet been received from the administration, which is working hard to comply with the sweeping document requests they have gotten from Congress.

So it is premature to reach even interim conclusions. To do so subverts the Congressional oversight process.

I would prefer not to be here discussing ongoing investigations. But I think it is important to correct the record so that from this point on we can let the committees do their work.

It has been suggested this week on the Senate floor that the Clinton administration's export controls for satellites are wholly inadequate. That statement should be considered in its historical context.

The policy of exporting satellites for launch on Chinese rockets was initiated in 1988 under President Reagan and has continued under Presidents Bush and Clinton. President Bush authorized the export of 9 satellites to China in three years. Each of these satellites could only be exported after President Bush determined that the transaction was in the U.S. national interest and that the Tianamen sanctions should be waived.

President Clinton did make some changes in the licensing process for the export of commercial communications satellites.

President Bush transferred licensing authority for over one-half of all commercial satellites from State to Commerce and recommended that serious consideration be given to moving the rest over to Commerce. President Clinton completed this transfer and issued

an executive order that greatly increased the role of the Defense Department in these decisions. In recent testimony before the Senate Armed Services Committee, a witness, otherwise critical of the Clinton administration, acknowledged that the United States has the strongest and best export controls in the world!

Does this mean the system is perfect? Certainly not. No multi-agency process involving thousands of decisionmakers and difficult technical and political issues can be. In fact, as a result of some of the information disclosed in the early stages of the hearings, I believe some modification is probably in order. For example, the Departments of Defense and State should see the final text of all licenses.

However, these are minor fixes in a system that, according to State, Commerce, Defense, and the intelligence community, is working well.

Second, it has been asserted that sensitive technology related to satellite exports has been transferred to China. Under the Clinton administration, all requests to launch U.S. satellites aboard Chinese rockets go through an exhaustive and careful scrutiny. The Departments of Defense and State must approve all licenses and always place U.S. national security in the forefront of their decision process. Their primary role in this process is to specifically design procedures to ensure that China's access to U.S. technology is limited solely to what is needed to mate the U.S. satellite to the Chinese launcher.

If these procedures are properly followed, the Chinese learn little, if anything, about our satellites or the technology they contain. Indeed, the Chinese gain no direct access to our satellites and only take ownership of the U.S. satellites they purchase from us after they are successfully placed in orbit.

Third, it has been charged that China has received military benefit from U.S. satellite exports, and reference has been made to Chinese missiles pointed at U.S. nuclear cities. These very same missiles were developed years before President Reagan decided to allow U.S. satellites to be placed atop Chinese launchers.

Furthermore, Intelligence Committee hearings have been held on this very issue. And I might say all of them were closed hearings, and public accounts of those hearings fail to substantiate this sensational charge. There is no public account, to my understanding, that substantiates the sensational charges made earlier by people on this floor.

The final specific charge I will address today is the assertion that new evidence has come to light about a Chinese plan to influence our political process, and that this new evidence should lead the Attorney General to appoint an independent counsel. Unfortunately, the ''new'' evidence cited is highly classified and cannot and should not be discussed publicly.

Mr. President, publicly characterizing classified information under any circumstance is dangerous. Using it to make charges against which the accused are unable to defend themselves is even more so.

Classification is a misunderstood, sometimes frustrating, thing. It is difficult to explain and understand why we keep some things secret. Well, the reason is simple. Americans, and our friends around the world, quite literally risk their lives to gather this information because we promise to protect them.

When classified information is characterized, the sources who collect intelligence and the methods by which they do so are in danger. Furthermore, because the information involved was classified, those citing it are fully aware that the individuals involved cannot, under law, use that information to reply.

I will resist the temptation to place on the Record my own characterization of this new classified information. Instead, I will simply make the point that we have heard Republican Members make equally ominous proclamations about the China-plot in the past only to see that these facts fail to substantiate their own allegations.

Moreover, Attorney General Janet Reno has access to all relevant information, classified and unclassified. She has not been reluctant to call for a special prosecutor in the past, and I am confident that should the facts warrant, she will not hesitate to do so in this case.

These observations cover my concerns about what has been voiced by critics of this administration's export policies. However, my greatest reservation is the result of what has not been stated. These critics repeatedly fail to mention that the last six Presidents—Democratic and Republican alike—have each concluded it is in our national interest to engage China, not isolate it.

Specifically, every President since Ronald Reagan has agreed that our national security is enhanced as a result of allowing the Chinese to place U.S. satellites in orbit.

Based on current information, I agree with this assessment. I believe it is in our national interest to dominate the world's commercial satellite market. This is a strategic industry vital to our defense. We simply cannot be the dominant power in today's high-tech world without this industry and others like it.

This industry also produces tens of thousands of challenging, high-paying jobs for Americans. So when the Chinese choose an American satellite instead of a foreign satellite, that is good for our security as well as our economy. But the underlying point is that congressional committees are taking a fresh look at all these issues. Therefore, I will reserve final judgment pending their findings.

The China investigations now underway could have significant, positive benefit for national security. That is my goal and the goal of the Democratic task force. We look forward to working with Senator LOTT and Republican members of his task force to get an outcome that makes America safer.

I applaud many members of our task force and the work done by members of the committee. The next speaker, Mr. President, deserves special commendation. He is not only a member of the Intelligence Committee, but he is our ranking member on the Armed Services Committee. I do not know of anyone who has put more time and effort into sifting through these facts and attempting as best as he can, in as objective a manner as he can, what the facts are. He has done so in a fashion that is commensurate with his reputation. I commend him again for his studious and thoughtful analysis and the work that he has provided not only to our task force but to the committee.

I yield the floor.

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. First, let me thank the Democratic leader for those kind comments.

It is my intention just to briefly amplify what the Democratic leader said here this afternoon. And I am greatly appreciative for the tremendous support that he has given to an effort to achieve a bipartisan approach to an issue which should be approached in a bipartisan manner. There is no justification for partisanizing this issue. It will weaken our security if we do so. And the Democratic leader's effort to insist that we approach this issue in a bipartisan way, I hope, will produce some results.

Mr. President, the statement that was released last Tuesday by the majority leader was a highly partisan approach to the multiple hearings which we have had in the Senate relative to the export of satellites to China.

I happen to sit on three of the four Senate committees that have held these hearings, so I speak from personal experience when I say that the majority leader's statement omitted some of the most important testimony that those committees received.

His statement also conveyed the false impression that the statement was a bipartisan product, when to the best of my knowledge not a single Democrat was consulted or even knew that the statement was being prepared.

The majority leader's statements claim that he was being careful not to rush to judgment, but then he offered such unequivocal conclusions as:

> The Clinton Administration's export controls for satellites are wholly inadequate, [and that] they have not protected sensitive U.S. technology, [and that] national security concerns are regularly downplayed and even ignored, [and that] sensitive technology related to satellite exports has been transferred to China, [and that] China has received military benefit from U.S. satellite exports.

To my knowledge, Mr. President, not one of the Senate committees investigating these issues has reached those conclusions. The evidence that the majority leader offered to support his conclusions ignored some of the most important testimony that we received, obviously, because it contradicted their conclusions offered.

For example, the majority leader's statement ignored testimony by senior Department of Defense and State officials on June 18 and 25 and on July 8 that the 1996 Clinton Executive order ''strengthened'' the Department of Defense's role in Commerce export licenses, rather than weakening it, and also ignored the fact that those Department of Defense and State Department officials believed ''it would be a bad thing'' to return to State licensing of commercial satellites.

In a June 18 hearing before the Senate Governmental Affairs Subcommittee on International Security on which I sit, when responding to a question on whether commercial satellite export licensing should be returned to the State Department, Department of Defense, Principal Deputy Under Secretary for Policy Jan Lodal testified that ''I think it would be a bad thing to do.'' And Assistant Under Secretary of State for International Security John Holum, testified, ''I agree. . . . I would recommend against that.''

Mr. President, the statement of the majority leader last Tuesday also ignored the Department of Defense and State Department letters which were included in the June 18 Governmental Affairs Committee subcommittee hearing record and which stated that each agency has an adequate opportunity to revise and support the issuance of all satellite export licenses actually issued by Commerce since 1990.

The majority leader's statement ignored testimony on June 18 by senior State and DOD officials, stating that they are unaware of any transfer of sensitive U.S. satellite technology to China that has harmed U.S. national security.

Mr. Holum testified, ''[W]e do not believe that any launch of a commercial satellite under this policy since 1988 has resulted in a transfer of significant technology or assistance to Chinese either space-launch vehicle capabilities or missile capabilities.''

Mr. Lodal testified, ''I agree. We're not aware of any situation in which such transfer harmed U.S. security.'' Yet the majority leader's statement ignores that kind of testimony.

Now, the majority leader's statement cited testimony critical of U.S. export control from a June 25 hearing before the Governmental Affairs Committee by an individual that the majority leader described as a ''senior official of the Defense Trade and Security Administration,'' without mentioning testimony the following week before the Senate Armed Services Committee revealing that this individual, Dr. Peter Leitner, had been demoted by the Bush administration from a senior policy position to a lower-level licensing officer within that office. The statement of the majority leader also omitted testimony on June 25 and on July 9 by some of Dr. Leitner's current and former superiors at the Department of Defense contradicting Mr. Leitner's facts and assertions.

The majority leader's statement cites testimony by the GAO before the Senate Intelligence Committee on June 10, but omitted testimony from the same hearing indicating that the General Accounting Office has not reached a conclusion on whether current export controls are adequate to protect national security, and he omitted to say that the Intelligence Committee had requested the General Accounting Office to conclude that analysis. Now, the relevant testimony came from Katherine Schinasi, the Associate Director of the International Affairs Division at the General Accounting Office. Responding to a question about Department of Defense's ability to effectively advocate national security interests in the current export control process, she testified on behalf of the General Accounting Office that, ''We have not looked at how that process has operated.''

The majority leader's statement indicates that moving satellites from the State Department to the Commerce Department eliminated the requirement that Congress receive notice of individual export licenses. The statement failed to mention the legal requirement that the President must notify Congress of all national security waivers authorizing commercial satellite exports to China, whether the export license is issued by State or by Commerce. The majority leader's statement also failed to note that Congress has, in fact, received timely notice of every waiver granted to export a satellite to China; and that Congress has received timely notice of the decisions in 1992 and 1996 to transfer satellites from the State Department to the Commerce Department. It fails to acknowledge that despite receiving all those notices, Congress took no action to express disagreement with the decisions made.

The majority leader's statement also omitted mention of the National Security Council letter included in the July 9 Senate Armed Services Committee hearing record, stating that the National Security Council conducts the same waiver review process for commercial satellite exports to China, whether the export license is issued by the State Department or by the Commerce Department.

The majority leader's report omitted testimony on June 18 and July 8 before the Governmental Affairs Subcommittee on international security, by senior Defense and State Department officials that, after the 3 unmonitored satellite launches took place in China, a policy decision was made in 1996 and remains in effect today, requiring the Defense Department to monitor all satellite launches, whether or not a satellite contains sensitive technology.

Mr. Lodal, speaking for the Defense Department, testified on June 18 that

> Communication [satellite] licenses include strong safeguards, including DOD monitoring . . . DOD currently reviews all communication satellite licenses to ensure that the proposed export would be consistent with U.S. national security interests . . . [A]fter the implementation of the 1992 Bush administration decision to transfer to Commerce purely commercial satellites, and before the 1996 revision, there were three launches that were not monitored . . . We're not aware of any transfer of technology from these unmonitered launches that contributed to China's missile and military satellite capabilities.

He continued, speaking for the Defense Department:

> Nevertheless, DOD did conclude that full monitoring would be a strong safeguard at relatively low cost to the companies, and that it should be applied to all license cases, even those that did not require Department of State licenses. And this was agreed by all agencies and incorporated as a requirement in 1996, when jurisdiction was transferred to Commerce for all commercial communications satellites. . . .''

The majority leader's statement identified the major ''military benefit'' of China launches of U.S.-made commercial satellites to be the access gained by the Chinese military to an improved commercial telephone system, without acknowledging that that same so-called military benefit would have accrued if China had instead launched European-made commercial satellites.

The majority leader's statement ignored testimony from Clinton administration critics on July 9 before the Senate Armed Services Committee that the United States export control system is still the ''best'' and most restrictive in the world.

Now, the majority leader has the right to say whatever he wishes on the subject of satellite exports to China. But he is wrong to suggest, as his statement did, that his conclusions were bipartisan, or that they were reached by the Senate committees examining this issue. His statement struck a major blow to whatever hopes there were that the Senate committees would proceed in this matter in a bipartisan way, with emphasis on the facts rather than on partisan politics.

Mr. President, I hope that a bipartisan approach can still be salvaged. But I think it is fair to say that that goal, that effort which is so important to the national security of this Nation, was given a set-back by the highly partisan comments of the majority leader on this floor last Tuesday.

Mr. President, I thank the Chair and yield the floor.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader.

UNANIMOUS CONSENT REQUEST—H.R. 4112

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate now

turn to H.R. 4112, the legislative appropriations bill, and the following amendments be the only amendments in order: One, a Thomas-Brownback amendment regarding nongovernmental services, and one managers' amendment. I further ask unanimous consent that debate must be concluded today, with the exception of the managers' amendment, and that any vote ordered with respect to the bill be postponed to occur at 9:30 a.m. on Tuesday, July 21. I further ask unanimous consent the Senate proceed to the State-Justice-Commerce appropriations bill following the conclusion of debate on the legislative appropriations bill.

The PRESIDING OFFICER. Is there objection?

Mr. BROWNBACK. Mr. President, reserving the right to object, as I understand the proposal being put forward by the majority leader, it would not include the marriage penalty bill that I am requesting we get a vote on, that I know that he does support; we are getting some opposition from other places.

If that is, indeed, the case, I must object to this bill.

The PRESIDING OFFICER. The objection is heard.

Mr. LOTT. In light of the objection, I have no alternative than to call up the legislative appropriations bill and file a cloture motion.

LEGISLATIVE BRANCH APPROPRIATIONS ACT, 1999

The Senate proceeded to consider the bill.

Mr. LOTT. Mr. President, I ask the Senate now turn to H.R. 4112.

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

The clerk will report.

The legislative clerk read as follows:

The bill (H.R. 4112) making appropriations for the Legislative Branch for the fiscal year ending September 30, 1999, and for other purposes.

CLOTURE MOTION

Mr. LOTT. Mr. President, I send a cloture motion to the desk.

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

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provision of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the legislative appropriations bill:

Trent Lott, Robert F. Bennett, Ted Stevens, Don Nickles, Bill Frist, Jesse Helms, Pete Domenici, Richard Shelby, Rod Grams, Kit Bond, Thomas A. Daschle, Orrin G. Hatch, Larry Craig, Strom Thurmond, Paul Coverdell, and Chuck Hagel.

Mr. LOTT. Mr. President, for the information of all Senators, unfortunately in this case Members on our side of the aisle have insisted on an amendment that made it impossible for us to get a unanimous consent agreement as to how to bring up a complete legislative appropriations bill. In order to expedite that legislative appropriations bill, I did, then, file a cloture motion. That vote will occur on Tuesday, July 21, at approximately 9:30 a.m.

I now ask that the mandatory quorum under rule XXII be waived.

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

Mr. LOTT. I want to confirm that I have discussed this, of course, with Members on our side of the aisle and with Senator DASCHLE. He is aware of this. Any first-degree amendments, then, that are to be offered to the legislative appropriations bill, must be filed by 2 p.m. on Monday, July 20.

MORNING BUSINESS

Mr. LOTT. I now ask that there be a period for morning business with Senators permitted to speak for up to 10 minutes each.

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

UNANIMOUS CONSENT REQUEST—S. 1482, S. 1619, S. 442

Mr. LOTT. Mr. President, I ask unanimous consent that the majority leader, after consultation with the Democratic leader, proceed to the consideration of Calendar No. 436, S. 1482, and it be considered under the following limitations: 1 hour of debate equally divided on the bill; one amendment offered by Senator DURBIN, regarding reviews of criminal records, 30 minutes of debate equally divided; one amendment offered by Senator MOSELEY-BRAUN and Senator DURBIN relating to Internet predators, 30 minutes of debates equally divided; one amendment offered by Senator DODD regarding blocking software, 30 minutes of debate equally divided. No other amendments will be in order to the bill.

I further ask consent that following the expiration or yielding back of debate time, and the disposition of the above-listed amendments, the bill will be read for a third time and the Senate will proceed to a vote on passage of the bill, with no intervening action or debate.

I further ask consent that the majority leader, after consultation with the Democratic leader, proceed to the consideration of Calendar No. 437, S. 1619, and it be considered under the following limitations: 1 hour of debate equally divided on the bill, 30 minutes for Senator MURRAY; one Dodd amendment regarding America Online, 30 minutes equally divided; one Feingold amendment, text of S. 900, 30 minutes equally divided; and one relevant amendment offered by Senator BURNS, 2 hours equally divided.

I further ask unanimous consent that following the expiration or yielding back of the debate time and the disposition of the above amendments, the bill be read the third time and the Senate proceed to a vote on passage of the bill, with no intervening action or debate.

I finally ask consent that S. 442, the Internet tax bill, be referred to the Committee on Finance, and, further, that if the bill has not been reported by July 30, it be automatically discharged from the Finance Committee and placed on the calendar.

Now, I might just say before the Chair puts the question on this agreement, this would be the process whereby we bring to the floor the Internet filtering bill, the Internet pornography bill, and the Internet tax bill.

So I did ask consent that it incorporate a process to bring all three of these very important matters to the floor of the Senate.

Mr. LEVIN. Reserving the right to object, I just state for the Record with regard to the proposal just offered, there have been ongoing efforts to clear a unanimous consent agreement on each of the items just mentioned. From the Democratic side, we can enter a unanimous consent agreement with regard to S. 442 and S. 1619.

However, at this time, we are still attempting to get clearance on a unanimous consent agreement on S. 1482, but are not in a position, today, to enter into such an agreement. If the majority leader wants to call the bill up with no agreement, then, perhaps, we can do that, but for the Record, Mr. President, the Democratic side can now enter an agreement on S. 442 and on S. 1619. If the other side is ready to do that, we can go forth.

Otherwise, I have to object to the consent request just propounded.

Mr. LOTT. Mr. President, did the Senator object, then?

Mr. LEVIN. Yes.

Mr. LOTT. I would like to say we have worked on it and I think we have made some progress. These are all interrelated or connected, because it does involve the Internet with regard to filtering, to keep out certain programs in our schools; and of course the tax question. There has been a lot of work that has gone on in that area, working not only with the companies that would be affected, then, the Internet companies, but working with Governors and mayors, making sure that all points of view are involved. But the pornography question is a very, very important part of it all and it does relate to the Internet. In fact, there have been indications just recently that even more pornography than what is already there is planned for the future, free and accessible to everybody.

So, for now, I think we should keep the three together, but we will continue to work with the minority and see if we can get an agreement to clear all three of them or consider just doing two of them if all else fails. I think we should not neglect any of these.

MEASURE READ THE FIRST TIME—S. 2330

Mr. LOTT. Mr. President, I send a bill to the desk and ask that it be read a first time.

The PRESIDING OFFICER. The clerk will read the bill for the first time.

The legislative clerk read as follows:

A bill (S. 2330) to improve the access and choice of patients to quality affordable health care.

Mr. LOTT. I now ask for a second reading, and I object to my own request.

The PRESIDING OFFICER. The objection is heard.

The bill will be read for the second time on the next legislative day.

Mr. MURKOWSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

THE ADMINISTRATION'S POSITION ON TAIWAN

Mr. MURKOWSKI. Mr. President, last week the Senate made an important statement that we support Taiwan by passing S. Con. Resolution 107. And that we are committed to her people, to her government and to her democratic way of life.

While we have made countless statements in this body before concerning Taiwan, the circumstances which led to S. Con. Res. 107 were different—markedly different—from those in the past. During the President's trip to China last month, President Clinton ''clarified'' his policy toward Taiwan. He indicated while in Beijing—that the United States, in agreeing to the One China policy, had agreed with China that reunification would be peaceful. Further, while in Shanghai, he went a step further and, for the first time, uttered that the United States supports the ''Three Noes'' long advocated by the government of the People's Republic of China. That is: the United States does not support one-Taiwan, one China; the United States does not support Taiwan independence; and the United States does not support Taiwan's membership in nation-state based international organizations.

To understand why this concerns me, Mr. President, one needs to understand the nuances of our federal law and policy toward Taiwan. It is in the Taiwan Relations Act, which was passed by Congress and signed into law by the President in 1979—back when the United States officially broke off relations with the Republic of China on Taiwan in favor of the People's Republic of China (PRC). Section 2(b)(3) states that ''. . . the future of Taiwan will be determined by peaceful means.'' We have also signed Three Joint Communiques with the PRC which address the Taiwan question. While they all speak to the peaceful resolution of the Taiwan question, none goes so far to speak to the question of reunification.

Up to now, the saving grace of American policy toward China and Taiwan, if there were any grace to it, was the ambiguity. China did not know what the United States would do if Taiwan declared independence; or if China attacked. They thought they found out in 1996, when the President rightly sent two aircraft carriers to the Taiwan Straits to show our strength and resolve—while the Chinese conducted missile tests aimed at influencing the national presidential elections in Taiwan. But we have a whole new ballgame, now Mr. President. What a difference a day makes.

Incredible, Mr. President. The Administration then feigns innocence and insists that the President's remarks did not constitute a policy change and that our policy on Taiwan has not changed since 1979—that it is the same now as it was then. I'm sorry, but I have to expose this for what it is—a world of make believe. If you repeat something enough times, eventually people will take it as the gospel. Well not this time.

This is a policy change; and a serious one at that. Considered collectively, which I know the Chinese government is doing, it appears to be a major concession by the United States on the issue of Taiwan. As I said last Tuesday, I know the Chinese; and understand full well that they will use it to their utmost advantage. They will tell Taiwan and the Taiwanese people that if they declare independence, even if by democratic referendum (one person, one vote), that the United States will not support them. Case in point, the Washington Post article last Friday, ''China Tells Taiwan to 'Face Reality' Reunification Talks Urged.'' Although I brought this to the Senate's attention last week, I think the point needs to be reiterated so that people are on notice. I ask unanimous consent that a copy of this article appear in the CONGRESSIONAL RECORD following my remarks.

The PRESIDING OFFICER. Without objection, so ordered.

(See Exhibit 1.)

Mr. MURKOWSKI. This article points out that ''Chinese officials have said they plan to use the remarks as a lever to force Taiwan into political talks on reunification.'' So let me make sure I understand this—the leader of the greatest democratic society in the history of mankind, has tacitly agreed to a policy which, in itself, undermines democracy. How and why is this possible? Because political expediency took the place of sound policy and support for one of our strongest allies in an increasingly unstable Asian Theater. Well, Mr. President, I am afraid that these developments may have simply added to the Asian uncertainty, rather than clarified it.

In agreeing to the ''Three Noes'', President Clinton has effectively stated that the United States will not support Taiwan independence even if Beijing agrees to it. Is this the message that was intended to be delivered? Think about it—the United States used to maintain the line that peaceful resolution was all that mattered because this in itself protected the rights of the 21 million people in Taiwan. If they could cut a deal with Beijing that allowed the two to go their separate ways, presumably our earlier policy would be fine with that. Personally, as the PRC becomes more open, I wouldn't rule out the possibility that an agreement could be reached. But President Clinton's remarks have ruled this possibility out—because the United States will not support an independent Taiwan. President Clinton just told the Chinese that they don't need to negotiate with Taiwan because so far as we are concerned an independent Taiwan is not an option.

Although most of my colleagues are not aware of this, there is a terrible contagion going through Taiwan right now—it is very similar to polio. Estimates are that up to one million people may be carrying this bug in some form or another, but it doesn't impact adults. Only the children. In fact, a number of children in Taiwan have died from this disease which, as I understand it, is exacerbated by the heat.

Well, Mr. President, Taiwan has applied for membership in the World Health Organization (WHO)—it is a national priority. But, even this application cannot proceed because membership in the WHO requires statehood. And that huge island off the coast of China, which we recognized officially from 1949 to 1979, doesn't have it. This is ridiculous, and it is about to get a lot worse. So, Taiwan is suffering from an epidemic which is killing children, and it can't get access from WHO specialists who might be able to help because Taiwan is not a sovereign government? Although the PRC has never controlled Taiwan, and despite the fact that Taiwan has developed a strong democracy and thriving, stable free market economy, it cannot particpate in the World Health Organization. Well, Mr. President, this seems yet another time when the facts somehow lose out to the politics.

Mr. President, we have made statements reiterating our support for Taiwan, but it is time for us to back them up. The Senate should pass S. Con. Resolution 30 calling on the Administration to support Taiwan's bid to take part in international organizations; and we should expand it to include the World Health Organization. We should take every opportunity in this body to force the issue, so that our commitment to Taiwan does not ring hollow as Beijing's steps up the pressure.

EXHIBIT 1

CHINA TELLS TAIWAN TO FACE REALITY—REUNIFICATION TALKS URGED

(By John Pomfret)

BEIJING, July 9—China urged Taiwan today to ''face reality'' and agree to talks on eventual reunification with China following comments by President Clinton that the United States will not support an independent Taiwan.

Taiwan, meanwhile, announced it had agreed to a visit by a senior Beijing negotiator to prepare for resumption of high-level dialogue between the two rivals, separated by the 100-mile-wide Taiwan Strait.

The developments indicate that after a three-year freeze, talks could begin as early as this fall between the two sides. They also underscore the important role the United States has played in forcing Taiwan to the bargaining table. Clinton's statement, during his recent nine-day trip to China, was taken as a significant defeat in Taiwan even though U.S. officials contended it was simply a reiteration of U.S. policy.

Clinton's June 30 remarks in Shanghai made clear the United States would not support any formal independence bid by the island of 21 million people, or a policy backing ''one China, one Taiwan,'' or ''two Chinas.'' Clinton also said the United States will oppose any Taiwanese bid to join international bodies that accept only sovereign states as members.

Although the policy was first enunciated in October, Clinton himself had never said it publicly before. Thus, it was taken as a major defeat in Taiwan, which relies on the United States for most of its political support and weapons. In Washington, Clinton's statement has drawn some criticism. On Tuesday, Senate Majority Leader Trent Lott (R-Miss.) called Clinton's remarks counterproductive, and he threatened unspecified congressional action.

The Beijing government, which views Taiwan as a renegade Chinese province, has said it is satisfied with Clinton's remarks, even though it had tried to have Clinton commit them to writing. Chinese officials have said they plan to use the remarks as a lever to force Taiwan into political talks on reunification. Taiwanese officials say they want to limit any new talks to specific issues, such as immigration, cross-border crime, fishing rights and protection of investments. China rejects this limited approach and insists a broader discussion of reunification is necessary for improved ties.

Taiwan and China ostensibly have been separated since 1895, when Japan occupied the island following its victory over Imperial China in the Sino-Japanese War. In 1949, Nationalist Chinese leader Chiang Kai-shek fled to Taiwan from the mainland after his forces lost a civil war to Chinese Communist forces led by Mao Zedong. Since then, the two sides have moved further away from each other—in both economic and political development.

In Beijing, Foreign Ministry spokesman Tang Guoqiang said Clinton's statement has ''positive implications for the resolution of the Taiwan question,'' and he added: ''We hope that Taiwan authorities will get a clear understanding of the situation, face reality and place importance on the national interest.

''Similarly, the official China Daily quoted one of Beijing's top negotiators with Taiwan as saying that Clinton's remarks had helped China. ''This has provided favorable conditions for the development of cross-strait relations,'' said Tang Shubei, vice president of the Association for Relations Across the Taiwan Strait. ''But cross-strait issues will ultimately be solved by the Chinese people.'' Meanwhile, that group's Taiwanese counterpart, the semi-official Straits Exchange Foundation, informed the Chinese association that its deputy secretary general, Li Yafei, could visit Taiwan July 24–31. Li's visit is to be followed by a reciprocal trip to China by the leader of the Taiwan foundation, Koo Chen-fu. In June, Beijing invited Koo to visit China sometime in September or October, and Koo said later he plans to go in mid-September.

In 1993, Koo and Chinese association leader Wang Daohan met in Singapore in a landmark gathering that signaled warming ties between the old rivals. But after two years of improving relations, the ties collapsed in 1995 when Taiwanese President Lee Teng-hui obtained a visa to visit the United States for the 25th reunion of his Cornell University class.

China launched a series of military exercises off the Taiwanese coast in 1995 and 1996, lobbing cruise missiles into the area. In 1996, the United States dispatched two aircraft carrier battle groups to the region as a warning to China not to contemplate a military solution.

RUTH E. CROXTON

Mr. MURKOWSKI. Mr. President, I have on my right an obituary. This obituary is very meaningful to the people of a small village in Alaska called King Cove.

Ruth E. Croxton, 29, was killed July 15, 1981, when her twin-engine plane crashed and burned on a hillside. The plane was on approach to the King Cove, Alaska airstrip—in what was called ''typical Aleutian weather.'' Five other people died in the accident, including the pilot, Ernest D. Fife.

Ms. Croxton was an anthropologist, a pilot, and a 1974 graduate of the University of Alaska-Fairbanks. Born in Salem, Ore., her family moved to Alaska when she was six years old. She was graduated from Juneau-Douglas High School in 1969.

Ms. Croxton and her pilot were bringing four cannery workers into King Cove but would have been evacuating a medical case once they reached the Aleutian village.

She is survived by Mr. and Mrs. Loren Croxton of Petersburg; a sister, Mary, of Barrow; and her maternal grandfather, William Older of Livermore, Calif.

Ms. Croxton died along with her passengers because there is no road between King Cove and Cold Bay.

How many more people must die before we do something about it?

I yield the floor.

(Mr. GRAMS assumed the Chair.)

DISPOSAL OF WEAPONS-GRADE PLUTONIUM

Mr. DOMENICI. Mr. President, 2 weeks ago, Senator ROD GRAMS and Senator FRED THOMPSON and I traveled to Russia, preceded by 3 days in France. Senator GRAMS accompanied me to France; Senator THOMPSON, on the Russian part of the trip. We went to France and Russia to do very distinct things. In France, we wanted to talk about nuclear power and the nuclear fuel cycle, and if I have time this afternoon I will address that. If not, I will do that on another day. I would like to proceed with what we went to Russia for and what we determined and what recommendations and thoughts I have that come from that trip.

Our primary goal when we went to Russia was to explore and develop options for the rapid disposition of Russian weapons-surplus plutonium. These materials represent a potential clear and present danger to the security of the United States and the world. The 50 tons that Russia has declared as surplus to their weapons program represents enough nuclear material for well over 5,000 nuclear weapons. Diversion of even small quantities of this material could fuel the nuclear weapons ambitions of many rogue nations and many nations in general.

During our visit, we discovered that there was a very critical window of opportunity during which the United States can address the proliferation risks of this stock of weapons-surplus plutonium. We have urged that the administration, our President and our Vice President, seize on this opportunity. No one can reliably predict how long this window will stay open. We must act while it is open.

Unclassified sources estimate that the United States and Russia currently have about 260 tons of plutonium—100 tons here and 160 tons in Russia. Much of this material is in classified weapons components which could be readily built into weapons.

While we saw significant ongoing progress on control of nuclear weapons in Russia, much of which was with the assistance of the United States of America through our national laboratories, our visit confirmed the dire economic conditions in their closed cities, the cities that they used to provide ample resources on a high priority because they were the source of their nuclear strength. These conditions fuel concerns of serious magnitude.

The United States has an immediate interest in ensuring that all Russian weapons-grade plutonium, as well as ours, as well as highly enriched uranium that is theirs and that is ours, is secure. Furthermore, Mr. President, as soon as possible, that material must be converted into unclassified forms that cannot be quickly reassembled into nuclear weapons. Then the materials must be placed in safeguarded storage.

These actions, plus a reduction in Russia's large nuclear weapons remanufacturing capability, are necessary precursors to future arms control limits on nuclear warhead numbers.

The United States and Russia have declared 50 tons of weapons-grade plutonium as surplus. Current administration plans have asked in the budget for Congress to proceed with a program to use 3 tons per year of our surplus as mixed oxide, generally referred to as MOX fuel, for commercial nuclear reactors, while the Russians are focused on a program that would not use much of their plutonium as MOX. The process that is going on of negotiating between America and Russia is that Russia would have only 1.3 tons converted.

So to summarize the concerns with the efforts thus far, I state the following with very grave concerns. No bilateral agreement is in place to control

each country's rate of weapons dismantlement, conversion into unclassified shapes, and storage under international safeguards. We were told by the Russians that they were moving faster than the United States in this regard. But we need adequate transparency to assure our citizens on this count.

The rates of MOX—mixed oxide—use that we propose and they propose are not equal and would in the long run exaggerate the larger Russian quantities. The planned mixed oxide use rate of Russian plutonium is so slow that it requires more than 30 years to dispose of the 50 tons that we have each declared to be surplus. The potential proliferation risk from this material exists as long as it is neither under international safeguards nor used in a reactor as MOX fuel. Thirty years is too long to wait for verifiable action on this material.

On our trip, we explored whether other European entities would help with MOX fabrication and use in order to assist in increasing the plutonium disposition rate: We did not find a receptive audience that would consider introduction of this weapons plutonium into the European nuclear economy, where it would upset their goal of balance within their civilian nuclear cycle between plutonium recovered from spent fuel and plutonium expended as MOX fuel.

We also discussed the French-German-Russian plan for relocation of a German MOX plant to Russia to provide their 1.3 ton capability. While the equipment and expertise are available, funding for this move has not been identified within the G–7 to date.

As additional information, we learned from the Russian Minister of Atomic Energy Adamov that he would prefer not to use their surplus weapons plutonium as MOX. Instead, he favors saving it for use in future generations of advanced reactors. We learned that MOX fabrication and use in Russia will occur only with Western funding of their MOX plant and compensation to encourage their use of MOX in present reactors.

The combination of Minister Adamov's vision combined with the economic situation in Russia provides an important opportunity to address mutual interests. I believe that he would support bilateral dismantlement of weapons, conversion from classified shapes to unclassified forms, and internationally verified storage. These steps must be accompanied by appropriate levels of transparency.

These initial steps could and should occur rapidly, with a target goal of 10 tons per year. I also believe that Russia would accept MOX disposition of their plutonium at the slow rate that is currently planned, leaving most of their plutonium in storage for their subsequent generations of reactors. The United States, as well as other G–7 countries, may have to help Russia with resources.

The program I've outlined would rapidly reduce potential threats from Russian surplus plutonium in a transparent and verifiable way. It could move far faster than our current program that focuses on immediate use of converted material in MOX fuel.

This new program would shift focus onto the rates of material involved in the steps preceding MOX fabrication and use. It would still continue with MOX use, at a slower pace than dismantlement, conversion, and safeguarded storage. The final move to MOX would remain part of an integrated disposition program. Minister Adamov strongly noted his views that use of the plutonium as MOX in reactors is the only credible final disposition route.

The United States has failed to fully appreciate the opportunity that exists to permanently reduce the threat posed by inventories of weapons-grade plutonium in Russia. Furthermore, the United States should not proceed with any unilateral program for disposition of our own weapons-surplus plutonium.

Leadership from the White House will be essential to ensure success. These issues should be prominently featured at the July Gore/Kiriyenko meeting and the September Clinton/Yeltsin summit. Mr. President, I intend to work with you and our Senate colleagues to pursue actions towards these initiatives.

One of our primary recommendations to President Clinton is that he designate a special envoy solely for the vital task of plutonium disposition in order to provide the full-time focused oversight and interagency coordination that is vital to achieving success. This envoy should also coordinate actions among the G–7 countries to ensure their participation in this challenge.

It is evident that efforts in this Administration towards plutonium disposition have not been marked by a suitable level of urgency, commitment and attention. Designation of this special envoy is essential to address this serious issue.

Finally, Mr. President, in our discussions within Russia, each Senator emphasized that many Russian actions are viewed in Congress as adding fuel to the fires of global weapons proliferation. We explained to our Russian hosts that Congressional concerns over their activities jeopardize the entire range of U.S.-Russia cooperative programs.

These strong expressions of interest and concerns, directly from U.S. Senators to Russian leaders, should provide a framework within which the Administration can negotiate bilateral agreements that address these proliferation risks and truly enhance global security.

I would just like to discuss with the Senate what went on in Russia, and further elaborate on the suggestions that I have. We were privileged to meet with the highest Russian officials who work in the area of atomic or nuclear reactors and nuclear weapons. In these meetings, I believe it was mutually understood that there is a reason to take 50 tons of plutonium that they have from weapons, and 50 tons that we have, and if we cannot agree, and if the world will not accommodate efficiently more tons being converted to MOX fuel for reuse in nuclear powerplants, that we should establish in each country a storage facility that is internationally monitored, subject to international controls in both countries, where we will place this plutonium in changed forms so that in this new form it will be, as far as possible from being usable for military purposes and bomb production.

What a gift we could make to the world if America and Russia could agree that, because of dismantlement—which is occurring, we have 50 tons of plutonium, and I have just told you the number of weapons it could produce if it was used again for nuclear weapons—that we could both say dismantling the weapons system is working. We agree with each other; we are going to have some abiding principles of transparency and control, and we are going to start to take this out of circulation.

There is one other item that came to our attention as we discussed this proposal. Some of us were familiar with the now-heralded Nunn-Lugar proposal, whereby the United States helped Russia with some of the problems that it had with nuclear proliferation commodities and storage of fissionable materials in their country. The history of Nunn-Lugar, although it recently is very successful, was that for a number of years it could not get off of center. It stayed kind of stuck because of the myriad of agency involvements and rules and regulations. Knowing of that, we recommend that a special envoy be appointed by the President to be in charge of this program of attempting to reach a bilateral agreement on getting rid of 50 tons of plutonium that could be reused for bombmaking.

So, in summary, the recommendations we make to our President and to our Vice President as they begin to work anew with Russia are as I have described them. Frankly, we believe, the three of us—and one of the three is the occupant of the Chair who attended the entire visit to France and Russia with reference to nuclear energy and nuclear weapons—we recommend that the President engage with and quickly reach agreement with the Russians on the disposition of 50 tons of plutonium; and that we commit, likewise, from our side, that this ultimately be done in a fashion whereby what cannot be turned, through MOX fuel, to a substance that cannot be used for bombs, that the remainder be changed in shapes and forms, but that the storage be monitored by international controls and international bodies so as to account for its safekeeping, and getting it out of circulation as potential use for nuclear weapons.

In that regard, we have written to the President of the United States. The

letter which we wrote, I ask unanimous consent to have printed in the RECORD, and I ask a similar letter to the Vice President receive similar treatment. The detailed letter that we prepared to the Assistant to the President for National Security Affairs, the Honorable Sandy Berger, which was transmitted to the President and the Vice President—I ask unanimous consent that all those be printed in the RECORD so any Senator trying to further assess what we are recommending will have a full display in front of that Senator of the various proposals and ideas.

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

U.S. SENATE,
Washington, DC, July 14, 1998.

The PRESIDENT,
The White House, Washington, DC.

DEAR MR. PRESIDENT: We recently traveled to Russia to explore serious proliferation risks associated with Russian surplus weapons plutonium. We urge that you seize a critical opportunity that we found to dramatically reduce Russian stocks of this material. We recommend that this opportunity be carefully considered in the upcoming Presidential Summit and in the Vice President-Prime Minister meeting.

Your leadership will be essential to achieve success in this key area. We will aggressively pursue this issue within the U.S. Senate. We recommend that you appoint a special envoy solely focused on oversight of these disposition efforts to whom you delegate your authority to provide coordination across the multiple agencies involved in a final solution and to develop an integrated G–7 approach to these issues.

The attached letter to your National Security Advisor, Mr. Sandy Berger, outlines details of our concerns with weapons-surplus plutonium and the current opportunity.

A closely related non-proliferation opportunity arose in our meetings that also deserves your attention. We expressed serious reservations about Russian export of nuclear technologies to nations like India and Iran. In addition to nuclear reactor sales to Iran, serious questions have been raised as to whether or not Russia is complying with its commitments with regard to uranium enrichment technology transfers. Also, reports persist that Russian companies are supplying equipment and materials for the design and manufacture of ballistic missiles. In addition, Russia has rejected our export control assistance.

Minister Adamov, of the Russian Ministry of Atomic Energy, discussed their strong concerns with proliferation of nuclear technologies and sought to assure us that any actions on behalf of the Russian government were consistent with the Non-Proliferation Treaty (NPT).

We discussed with Minister Adamov creation of a Commission to review nuclear export activities of signatories to the NPT for potential proliferation impact. It was suggested that such a Commission could evaluate specific cases, as well as review the structure of the NPT to ensure that its formulation adequately addresses modern international proliferation challenges. We recommend that you pursue this suggestion in your meetings, as well as reiterating that Russia must make major improvements with regard to the export of nuclear technologies and technologies of mass destruction.

As we discussed Russian activities that can fuel proliferation of nuclear weapons, we emphasized that Congressional concerns over these activities jeopardize the entire range of U.S.-Russian cooperative programs. We suggest that you reinforce the gravity of these concerns and potential consequences in your meetings.

Our visits within Russia served to indicate the interest and concern of the Legislative Branch on these critical proliferation issues. We urge that your future interactions with Russia build upon this foundation.

Sincerely,

PETE V. DOMENICI.
FRED THOMPSON.
ROD GRAMS.

U.S. SENATE,
Washington, DC, July 14, 1998.

The VICE-PRESIDENT,
The White House, Washington, DC.

DEAR MR. VICE-PRESIDENT: We recently traveled to Russia to explore serious proliferation risks associated with Russian surplus weapons plutonium. We urge that you seize a critical opportunity that we found to dramatically reduce Russian stocks of this material. We recommend that this opportunity be carefully considered in the upcoming Presidential Summit and in the Vice President-Prime Minister meeting.

Your leadership will be essential to achieve success in this key area. We will aggressively pursue this issue within the U.S. Senate. We recommend that you appoint a special envoy solely focused on oversight of these disposition efforts to whom you delegate your authority to provide coordination across the multiple agencies involved in a final solution and to develop an integrated G–7 approach to these issues.

The attached letter to your National Security Advisor, Mr. Sandy Berger, outlines details of our concerns with weapons-surplus plutonium and the current opportunity.

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Our visits within Russia served to indicate the interest and concern of the Legislative Branch on these critical proliferation issues. We urge that your future interactions with Russia build upon this foundation.

Sincerely,

PETE V. DOMENICI.
FRED THOMPSON.
ROD GRAMS.

U.S. SENATE,
Washington, DC, July 14, 1998.

Hon. SANDY BERGER,
Assistant to the President for National Security Affairs, The National Security Council, The White House, Washington, DC.

DEAR MR. BERGER: Our recent visit to Russia uncovered a critical window of opportunity during which the United States can address the proliferation risks of weapons-surplus plutonium. We urge that the Administration seize the opportunity.

Unclassified sources estimate that the United States and Russia currently have about 260 tons of such plutonium; 100 tons here and 160 tons in Russia. Much of this material is in classified weapons components, which could be readily rebuilt into weapons. This material could be a significant threat to the national security of the United States.

While we saw significant ongoing progress on control of nuclear materials in Russia, our visit confirmed the dire economic conditions in their closed cities. These conditions fuel concerns of serious magnitude.

We believe that the United States has an immediate interest in ensuring that all Russian weapons-grade plutonium, as well as their highly enriched uranium, is secure. Furthermore, as soon as possible, that material must be converted to unclassified forms that cannot be quickly re-assembled into nuclear weapons. We believe that conversion of that material and its placement in safeguarded storage, plus a reduction in Russia's nuclear weapons re-manufacturing capability to bring it more in line with our current capability, are necessary precursors to future arms control limits on nuclear warhead numbers.

The United States and Russia have each declared 50 tons of weapons-surplus plutonium as excess. Current Administration plans call for a U.S. program to use 3 tons per year as mixed oxide (or MOX) fuel for commercial nuclear reactors, while the Russians are focused on a program that would initially use only 1.3 tons per year as MOX.

To summarize our major concerns with the Russian efforts (while recognizing that bilateral progress is essential to enable progress):

No bilateral agreement is in place to control each country's rate of weapons dismantlement, conversion into unclassified shapes, and storage under international safeguards. We were told that Russia is moving faster than the U.S. in this regard, but we need adequate transparency to assure our citizens on this.

The rates of MOX use are not equal, and only exaggerate the larger Russian quantities.

The planned MOX use rate of Russian plutonium is so slow that it requires more than 30 years to dispose of the 50 tons they have declared to be surplus. The potential proliferation risk from this material exists as long as it is neither under international safeguards nor used in a reactor as MOX fuel. Thirty years is too long to wait for verifiable action on this material.

On our trip, we explored whether other European entities would assist with MOX fabrication and use to increase the planned disposition rates. We did not find a receptive audience that would consider introduction of this weapons plutonium into the European nuclear economy, where it would upset their goal of balance within their civilian nuclear

cycle between plutonium recovered from spent fuel and plutonium expended as MOX fuel.

We also discussed the French-German-Russian evaluation of relocation of a German MOX plant to Russia to provide their 1.3 ton capability. While the equipment and expertise are available, funding for this move has not been identified within the G–7 to date.

As additional information, we learned from the Russian Minister of Atomic Energy Adamov that he would prefer not to use their surplus weapons plutonium as MOX. Instead, he favors saving it for use in future generations of advanced reactors. We learned that MOX fabrication and use in Russia will occur only with Western funding of their MOX plant and compensation to encourage their use of MOX in present reactors.

However, we believe that he would support bilateral dismantlement of weapons, conversion from classified shapes to unclassified forms, and internationally verified storage (for Russia, at their Mayak facility). These steps must be accompanied by appropriate levels of transparency. These initial steps could and should occur rapidly, with a target goal of 10 tons per year. We also believe that Russia would support MOX disposition of their plutonium at the slow rate that is currently planned, leaving most of their plutonium in storage for their subsequent generations to reactors. We recognize that the United States, as well as other G–7 countries, may have to help Russia with resources.

The program we outline would rapidly reduce potential threats from Russian surplus plutonium in a transparent and verifiable way. It could move far faster than our current program that focuses on immediate use of converted material in MOX fuel, by shifting the program focus to the rates of material involved in the steps preceding MOX fabrication and use. And it would still proceed with MOX use, at a slower pace than the dismantlement, conversion, and safeguarded storage. The final use as MOX must remain part of an integrated disposition program; certainly Minister Adamov notes that use of the plutonium in reactors is the only credible disposition route.

We believe that the United States has failed to fully appreciate the opportunity that exists to permanently reduce the threat posed by inventories of weapons-grade plutonium in Russia. We also believe that the United States should hot proceed with any unilateral program for disposition of our own weapons-surplus plutonium.

We intend to aggressively pursue these initiatives within the Senate. Leadership from the White House will be essential to ensure success. We further recommend that these issues be prominently featured at the July Gore/Kiriyenko meeting and the September Clinton/Yeltsin summit.

In addition, we have recommended to the President that he appoint a special envoy solely focused on oversight of this disposition program to whom is delegated authority to provide coordination across the multiple agencies involved in a a final solution and to further coordinate G–7 actions on this issue. We believe that this problem is of sufficient national and global urgency to justify this appointment in the very near future.

Sincerely,

PETE V. DOMENICI.
FRED THOMPSON.
ROD GRAMS.

Mr. DOMENICI. Then, Mr. President, Senator GRAMS of Minnesota, Senator THOMPSON of Tennessee, and myself have written a letter to all of our colleagues on both sides of the aisle, whereby we have once again summarized this situation that we find, this hope that we have that our President will pursue negotiations and quickly arrive at a bilateral agreement to give the world a gift, a present that says: We are now going to get rid of a huge portion of the dismantlement surpluses that can still be used in the future for nuclear bombs, ridding our world of that potential.

We ask that our colleagues read our suggestions, and that they, too, become interested in this proposal.

I ask unanimous consent that letter be printed in the RECORD.

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

U.S. SENATE,
Washington, DC, July 15, 1998.

DEAR COLLEAGUE: The primary goal of our recent visit to Russia was to explore and develop options for rapid disposition of Russian weapons surplus plutonium. These materials represent a potential clear and present danger to the security of the United States and the world. The 50 tons that Russia has declared as surplus to their weapons program represent enough material for well over 5,000 nuclear weapons. Diversion of even small quantities of this material could fuel the nuclear weapons ambitions of may rogue states.

During our visit, we uncovered a critical window of opportunity during which the United States can address the proliferation risks of weapons-surplus plutonium. We have urged the Administration to seize the opportunity. No one can reliably predict how long this window will stay open. We must act while it is open.

Unclassified sources estimate that the United States and Russia currently have about 260 tons of such plutonium; 100 tons here and 160 tons in Russia. Much of this material is in classified weapons components, which could be readily rebuilt into weapons.

While we saw significant ongoing progress on control of nuclear materials in Russia, our visit confirmed the dire economic conditions in their closed cities. These conditions fuel concerns of serious magnitude.

We believe that the United States has an immediate interest in ensuring that all Russian weapons-grade plutonium, as well as their highly enriched uranium, is secure. Furthermore, as soon as possible, that material must be converted to unclassified forms that cannot be quickly re-assembled into nuclear weapons. We believe that conversion of that material and its placement in safeguarded storage, plus a reduction in Russia's nuclear weapons re-manufacturing capability to bring it more in line with our current capability, are necessary precursors to future arms control limits on nuclear warhead numbers.

The United States and Russia have each declared 50 tons of weapons-grade plutonium as surplus. Current Administration plans call for a U.S. program to use 3 tons per year as mixed oxide (or MOX) fuel for commercial nuclear reactors, while the Russians are focused on a program that would initially use only 1.3 tons per year as MOX.

To summarize our major concerns with the Russian efforts (while recognizing that bilateral progress is essential to enable progress):

No bilateral agreement is in place to control each country's rate of weapons dismantlement, conversion into unclassified shapes, and storage under international safeguards. We were told that Russia is moving faster than the U.S. in this regard, but we need adequate transparency to assure our citizens on this.

The rates of MOX use are not equal, and only exaggerate the larger Russian quantities.

The planned MOX use rate of Russian plutonium is so slow that it requires more than 30 years to dispose of the 50 tons they have declared to be surplus. The potential proliferation risk from this material exists as long as it is neither under international safeguards nor used in a reactor as MOX fuel. Thirty years is too long to wait for verifiable action on this material.

On our trip, we explored whether other European entities would help with MOX fabrication and use in order to assist with increasing the plutonium disposition rates. We did not find a receptive audience that would consider introduction of this weapons plutonium into the European nuclear economy, where it would upset their goal of balance within their civilian nuclear cycle between plutonium recovered from spent fuel and plutonium expended as MOX fuel.

We also discussed the French-German-Russian plan for relocation of a German MOX plan to Russia to provide their 1.3 ton capacity. While the equipment and expertise are available, funding for this move has not been identified within the G–7 to date.

As additional information, we learned from the Russian Minister of Atomic Energy Adamov that he would prefer not to use their surplus weapons plutonium as MOX. Instead, he favors saving it for use in future generations of advanced reactors. We learned that MOX fabrication and use in Russia will occur only with Western funding of their MOX plant and compensation to encourage their use of MOX in present reactors.

We believe, however, that he would support bilateral dismantlement of weapons, conversion from classified shapes to unclassified forms, and internationally verified storage (for Russia, at their Mayak facility). These steps must be accompanied by appropriate levels of transparency. These initial steps could and should occur rapidly, with a target goal of 10 tons per year. We also believe that Russia would support MOX disposition of their plutonium at the slow rate that is currently planned, leaving most of their plutonium in storage for their subsequent generations of reactors. We recognize that the United States, as well as other G–7 countries, may have to help Russia with resources.

The program we outline would rapidly reduce potential threats from Russian surplus plutonium in a transparent and verifiable way. It could move far faster than our current program that focuses on immediate use of converted material in MOX fuel, by shifting the program focus to the rates of material involved in the steps preceding MOX fabrication and use. And it would still proceed with MOX use, at a slower pace than the dismantlement, conversion, and safeguarded storage. The final move to MOX must remain part of an integrated disposition program. Minister Adamov strongly noted that, in his view, use of the plutonium as MOX in reactors is the only credible disposition route.

We believe that the United States has failed to fully appreciate the opportunity that exists to permanently reduce the threat posed by inventories of weapons-grade plutonium in Russia. We also believe that the United States should not proceed with any unilateral program for disposition of our own weapons-surplus plutonium.

We will aggressively pursue these initiatives within the Senate. Leadership from the White House will be essential to ensure success. We further recommend that these issues be prominently featured at the July Gore/Kiriyenko meeting and the September Clinton/Yeltsin summit.

We have recommended to the President that he designate a special envoy solely for

this vital task to provide the full-time focused oversight and interagency coordination that is vital to achieving success. Efforts to date towards plutonium disposition in this country have not been marked by a suitable level of commitment and attention within the Administration. Progress on this vital area of national security will not occur short of this action.

Finally, in our discussions within Russia, each Senator emphasized that many Russian actions are viewed in Congress as adding fuel to the fires of global weapons proliferation. We expressed serious reservations about Russian export of nuclear technologies to nations like India and Iran. In addition to nuclear reactor sales to Iran, serious questions have been raised as to whether or not Russia is complying with its commitments with regard to uranium enrichment technology transfers. Also, reports persist that Russian companies are supplying equipment and materials for the design and manufacture of ballistic missiles. In addition, Russia has rejected our export control assistance. We explained to our Russian hosts that Congressional concerns over their activities jeopardize the entire range of U.S.-Russian cooperative programs.

Our visits within Russia served to indicate the interest and concern of the Legislative Branch on these critical proliferation issues. We have urged the Administration to structure future interactions with Russia that built upon our efforts.

Sincerely,

PETE V. DOMENICI.
FRED THOMPSON.
ROD GRAMS.

Mr. DOMENICI. Mr. President, I will follow this up next week, and perhaps my friend who occupies the Chair could join me that day, because the first part of our visit was a visit to France, ultimately to Germany, to talk about the nuclear power fuel cycle. I want, next week, to go into some detail as to how well the French people and the French Government are handling nuclear power, and how poorly we have handled that issue in America. Just to whet one's appetite about what we visited and what we will be talking about, let me just say the country of France gets 80 percent of its power from nuclear powerplants—80 percent. It is the cleanest country, in terms of emissions. It is the least contributor to atmospheric pollution, which many in our country and around the world are concerned is causing global warming, because they don't burn any coal, they don't burn any oil. They produce most of their electricity from nuclear power.

Isn't it interesting that they do not seem to be afraid? They have had no accidents of any consequence whatsoever. And we in America, who started this great technology, invented it, had the companies that were best at it—we sit idly by and claim we want to rid the atmosphere of the pollutants that might cause global warming and we essentially, through regulation and otherwise, have eliminated the prospect of nuclear power for some time in the United States. We will speak about that in more detail later.

Mr. President, with reference to completing the Senate's business and then letting my good friend Senator JEFFORDS proceed with his speech as in morning business, I am going to proceed with the wrapup, which will include a privilege to the Senator to continue even after we have finished.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Thursday, July 16, 1998, the federal debt stood at $5,531,079,562,651.15 (Five trillion, five hundred thirty-one billion, seventy-nine million, five hundred sixty-two thousand, six hundred fifty-one dollars and fifteen cents).

One year ago, July 16, 1997, the federal debt stood at $5,357,954,000,000 (Five trillion, three hundred fifty-seven billion, nine hundred fifty-four million).

Five years ago, July 16, 1993, the federal debt stood at $4,334,093,000,000 (Four trillion, three hundred thirty-four billion, ninety-three million).

Twenty-five years ago, July 16, 1973, the federal debt stood at $455,344,000,000 (Four hundred fifty-five billion, three hundred forty-four million) which reflects a debt increase of more than $5 trillion—$5,075,735,562,651.15 (Five trillion, seventy-five billion, seven hundred thirty-five million, five hundred sixty-two thousand, six hundred fifty-one dollars and fifteen cents) during the past 25 years.

DELAY IN SENATE ACTION ON JUDGE SOTOMAYOR AND OTHER JUDICIAL NOMINATIONS

Mr. LEAHY. Mr. President, I welcome the recent statement of the distinguished Senior Senator from New York on the nomination of Judge Sonia Sotomayor last Friday, July 10. I have been concerned for several months that consideration of this nomination was being unnecessarily delayed. I am encouraged that Senator MOYNIHAN's evaluation of this judicial nomination for the longstanding vacancy in the Second Circuit is similar to mine.

I know that the Senator from New York support this nomination and recall his statement of support to the Judiciary Committee at her hearing back in September 1997, almost 10 months ago.

I appreciated his joining with me and all the Senators from States within the Second Circuit when we wrote to the Majority Leader on April 9, 1998 urging ''prompt and favorable action on the nomination of Judge Sonia Sotomayor.'' We noted then the extraordinary action that had to be taken by the Chief Judge of our Circuit due to the vacancies crisis plaguing the Circuit. Since March 23, he has had to cancel hearings and proceed with 3-judge appellate panel that contain only one Second Circuit judge. Indeed, Chief Judge Winter has had to issue such orders in connection with matters heard this week.

Judge Sonia Sotomayor is a well-qualified nominee. She was reportedly being held up by someone on the Republican side of the aisle because of speculation that she might be nominated this month by President Clinton to the United States Supreme Court. Last month a column in The Wall Street Journal discussed this secret basis for the Republican hold against this fine judge. The Journal revealed that this delay was intended to ensure that Sonia Sotomayor was not nominated to the Supreme Court. That was confirmed by a report in The New York Times on June 13.

How disturbing and how shameful. I am offended by this anonymous effort to oppose her prompt confirmation by stealth tactics. Here is a highly-qualified Hispanic woman judge who should have been confirmed to help end the crisis in the Second Circuit more than four months ago.

Judge Sotomayor rose from a housing project in the Bronx to Princeton, Yale and a federal court appointment by President Bush. She is strongly supported by the Senator from New York and has had bipartisan support.

The excuse that had been used to delay consideration of her nomination has been removed. Perhaps now that the Supreme Court term has ended and Justice Stevens has not resigned, the Senate will proceed to consider Judge Sotomayor's nomination to the Second Circuit on its merits and confirm her without additional, unnecessary delay. There is no vacancy on the Supreme Court. The nominee has been held hostage over four months on the Senate calendar. It is past time to consider and confirm this nomination to fill a judicial emergency vacancy on the Second Circuit.

Unfortunately, this past weekend the Republican Leader of the United States Senate indicated on television that he has decided to move all nominations to the ''back burner.'' A spokesperson for the Republican Leader indicated that the Senate will not be considering any more nominations this year. That is wrong. I hope that the Republican leadership of the Senate will reverse itself and proceed to consider the nomination of Judge Sotomayor and those of all 10 judicial nominations now stalled on the Senate calendar.

In his annual report on the judiciary this year on New Year's Day, the Chief Justice of the United States Supreme Court observed: ''Some current nominees have been waiting a considerable time for a Senate Judiciary Committee vote or a final floor vote. The Senate confirmed only 17 judges in 1996 and 36 in 1997, well under the 101 judges it confirmed in 1994.'' He went on to note: ''The Senate is surely under no obligation to confirm any particular nominee, but after the necessary time for inquiry it should vote him up or vote him down.'' I would add vote her up or vote her down.

Acting to fill judicial vacancies is a constitutional duty that the Senate—and all of its members—are obligated to fulfill. In its unprecedented slowdown in the handling of nominees in the 104th and 105th Congresses, the Senate is shirking its duty. This is wrong and should end.

Today is the anniversary of the Judiciary Act of 1789. Pursuant to its constitutional responsibilities, the Senate gave meaning to the provisions of article III of our Constitution and established the lower federal courts as a means to implement the exercise of the judicial power of the United States. That was an historic act and created the foundation for our federal court system. The Senate was led in that effort by a Senator from what is now the Second Circuit, Senator Oliver Ellsworth of Connecticut.

Likewise, when the Senate established the Judiciary Committee 27 years later, it was first chaired by a Senator from the Second Circuit, Senator Dudley Chase of Vermont.

It is sadly ironic that on this the 209th anniversary of the Judiciary Act of 1789, when the Second Circuit needs the Senate's help, the Senate majority is, instead, holding off taking action on a qualified nominee without explanation or justification.

The Senate should consider the nomination of Judge Sonia Sotomayor to the Second Circuit without further delay.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Thomas, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT OF THE EXECUTIVE ORDER BLOCKING GOVERNMENT PROPERTY AND PROHIBITING TRANSACTIONS WITH THE FEDERAL REPUBLIC OF YUGOSLAVIA (SERBIA AND MONTENEGRO)—MESSAGES FROM THE PRESIDENT—PM 144

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs.

To the Congress of the United States:

On May 30, 1992, by Executive Order 12808, President Bush declared a national emergency to deal with the unusual and extraordinary threat to the national security, foreign policy, and economy of the United States constituted by the actions and policies of the Governments of Serbia and Montenegro, blocking all property and interests in property of those Governments. President Bush took additional measures to prohibit trade and other transactions with the Federal Republic of Yugoslavia (Serbia and Montenegro) (the ''FRY (S&M)''), by Executive Orders 12810 and 12831, issued on June 5, 1992, and January 15, 1993, respectively.

On April 25, 1993, I issued Executive Order 12846, blocking the property and interests in property of all commercial, industrial, or public utility undertakings or entities organized or located in the FRY (S&M), and prohibiting trade-related transactions by United States persons involving those areas of the Republic of Bosnia and Herzegovina controlled by the Bosnian Serb forces and the United Nations Protected Areas in the Republic of Croatia. On October 25, 1994, because of the actions and policies of the Bosnian Serbs, I expanded the scope of the national emergency by issuance of Executive Order 12934 to block the property of the Bosnian Serb forces and the authorities in the territory that they controlled within the Republic of Bosnia and Herzegovina, as well as the property of any entity organized or located in, or controlled by any person in, or resident in, those areas.

On November 22, 1995, the United Nations Security Council passed Resolution 1022 (''Resolution 1022''), immediately and indefinitely suspending economic sanctions against the FRY (S&M). Sanctions were subsequently lifted by the United Nations Security Council pursuant to Resolution 1074 on October 1, 1996. Resolution 1022, however, continues to provide for the release of funds and assets previously blocked pursuant to sanctions against the FRY (S&M), provided that such funds and assets that are subject to claims and encumbrances, or that are the property of persons deemed insolvent, remain blocked until ''released in accordance with applicable law.'' This provision was implemented in the United States on December 27, 1995, by Presidential Determination No. 96–7. The determination, in conformity with Resolution 1022, directed the Secretary of the Treasury, *inter alia*, to suspend the application of sanctions imposed on the FRY (S&M) pursuant to the above-referenced Executive Orders and to continue to block property previously blocked until provision is made to address claims or encumbrances, including the claims of the other successor states of the former Yugoslavia. This sanctions relief was an essential factor motivating Serbia and Montenegro's acceptance of the General Framework Agreement for Peace in Bosnia and Herzegovina initiated by the parties in Dayton on November 21, 1995 (the ''Peace Agreement'') and signed in Paris on December 14, 1995. The sanctions imposed on the FRY (S&M) and on the United Nations Protected Areas in the Republic of Croatia were accordingly suspended prospectively, effective January 16, 1996. Sanctions imposed on the Bosnian Serb forces and authorities and on the territory that they controlled within the Republic of Bosnia and Herzegovina were subsequently suspended prospectively, effective May 10, 1996, in conformity with Resolution 1022. On October 1, 1996, the United Nations passed Resolution 1074, terminating U.N. sanctions against the FRY (S&M) and the Bosnian Serbs in light of the elections that took place in Bosnia and Herzegovina on September 14, 1996. Resolution 1074, however, reaffirms the provisions of Resolution 1022 with respect to the release of blocked assets, as set forth above.

The present report is submitted pursuant to 50 U.S.C. 1641(c) and 1703(c) and covers the period from November 30, 1997, through May 29, 1998. It discusses Administration actions and expenses directly related to the exercise of powers and authorities conferred by the declaration of a national emergency in Executive Order 12808 as expanded with respect to the Bosnian Serbs in Executive Order 12934, and against the FRY (S&M) contained in Executive Orders 12810, 12831, and 12846.

1. The declaration of the national emergency on May 30, 1992, was made pursuant to the authority vested in the President by the Constitution and laws of the United States, including the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*), the National Emergencies Act (50 U.S.C. 1601 *et seq.*), and section 301 of title 3 of the United States Code. The emergency declaration was reported to the Congress on May 30, 1992, pursuant to section 204(b) of the International Emergency Economic Powers Act (50 U.S.C. 1703(b)) and the expansion of that national emergency under the same authorities was reported to the Congress on October 25, 1994. The additional sanctions set forth in related Executive orders were imposed pursuant to the authority vested in the President by the Constitution and laws of the United States, including the statutes cited above, section 1114 of the Federal Aviation Act (49 U.S.C. App. 1514), and section 5 of the United Nations Participation Act (22 U.S.C. 287c).

2. The Office of Foreign Assets Control (OFAC), acting under authority delegated by the Secretary of the Treasury, implemented the sanctions imposed under the foregoing statutes in the Federal Republic of Yugoslavia (Serbia and Montenegro) and Bosnian Serb-Controlled Areas of the Republic of Bosnia and Herzegovina Sanctions Regulations, 31 C.F.R. Part 585 (the ''Regulations'').

To implement Presidential Determination No. 96–7, the Regulations were amended to authorize prospectively all transactions with respect to the FRY (S&M) otherwise prohibited (61 *FR* 1282, January 19, 1996). Property and interests in property of the FRY (S&M) previously blocked within the jurisdiction of the United States remain blocked, in conformity with the Peace Agreement and Resolution 1022, until provision is made to address claims or encumbrances, including the claims of the other successor states of the former Yugoslavia.

On May 10, 1996, OFAC amended the Regulations to authorize prospectively all transactions with respect to the Bosnian Serbs otherwise prohibited, except with respect to property previously blocked (61 *FR* 24696, May 16, 1996). On December 4, 1996, OFAC amended Appendices A and B to 31 chapter V, containing the names of entities and individuals in alphabetical order and by location that are subject to the various economic sanctions programs administered by OFAC, to remove the entries for individuals and entities that were determined to be acting for or on behalf of the Government of the Federal Republic of Yugoslavia (Serbia and Montenegro). These assets were blocked on the basis of these persons' activities in support of the FRY (S&M)—activities no longer prohibited—not because the Government of the FRY (S&M) or entities located in or controlled from the FRY (S&M) had any interest in those assets (61 *FR* 64289, December 4, 1996).

On April 18, 1997, the Regulations were amended by adding a new Section 585.528, authorizing all transactions after 30 days with respect to the following vessels that remained blocked pursuant to the Regulations, effective at 10:00 a.m. local time in the location of the vessel on May 19, 1997: the M/V MOSLAVINA, M/V ZETA, M/V LOVCEN, M/V DURMITOR and M/V BAR (a/k/a M/V INVIKEN) (62 *FR* 19672, April 23, 1997). During the 30-day period, United States persons were authorized to negotiate settlements of their outstanding claims with respect to the vessels with the vessels' owners or agents and were generally licensed to seek and obtain judicial warrants of maritime arrest. If claims remained unresolved 10 days prior to the vessels' unblocking (May 8, 1997), service of the warrants could be effected at that time through the United States Marshal's Office in the district where the vessel was located to ensure that U.S. creditors of a vessel had the opportunity to assert their claims. Appendix C to 31 CFR, chapter V, containing the names of vessels blocked pursuant to the various economic sanctions programs administered by OFAC (61 FR 32936, June 26, 1996), was also amended to remove these vessels from the list effective May 19, 1997. There have been no amendments to the Regulations since my report of December 3, 1997.

3. Over the past 2 years, the Departments of State and the Treasury have worked closely with European Union member states and other U.N. member nations to implement the provisions of Resolution 1022. In the United States, retention of blocking authority pursuant to the extension of a national emergency provides a framework for administration of an orderly claims settlement. This accords with past policy and practice with respect to the suspension of sanctions regimes.

4. During this reporting period, OFAC issued two specific licenses regarding transactions pertaining to the FRY (S&M) or property in which it has an interest. Specific licenses were issued (1) to authorize U.S. creditors to exchange a portion of blocked unallocated FRY (S&M) debt obligations for the share of such obligations assumed by the obligors in the Republic of Bosnia and Herzegovina; and (2) to authorize certain financial transactions with respect to blocked funds located at a foreign branch of a U.S. bank.

During the past 6 months, OFAC has continued to oversee the maintenance of blocked FYR (S&M) accounts and records with respect to: (1) liquidated tangible assets and personalty of the 15 blocked U.S. subsidiaries of entities organized in the FRY (S&M); (2) the blocked personalty, files, and records of the two Serbian banking institutions in New York previously placed in secure storage; (3) remaining blocked FRY (S&M) tangible property, including real estate; and (4) the 5 Yugoslav-owned vessels recently unblocked in the United States.

On September 29, 1997, the United States filed Statements of Interest in cases being litigated in the Southern District of New York: *Beogradska Banka A.D. Belgrade* v. *Interenergo, Inc.*, 97 Civ. 2065 (JGK): and *Jugobanka A.D. Belgrade* v. *U.C.F. International Trading, Inc. et al.*, 97 Civ. 3912, 3913 and 6748 (LAK). These cases involve actions by blocked New York Serbian bank agencies and their parent offices in Belgrade, Serbia, to collect on defaulted loans made prior to the imposition of economic sanctions and dispensed, in one case, to the U.S. subsidiary of a Bosnian firm and, in the other cases, to various foreign subsidiaries of a Slovenian firm. Because these loan receivables are a form of property that was blocked prior to December 27, 1995, any funds collected as a consequence of these actions would remain blocked and subject to United States jurisdiction. Defendants asserted that the loans had been made from the currency reserves of the central bank of the former Yugoslavia to which all successor states had contributed, and that the loan funds represent assets of the former Yugoslavia and are therefore subject to claims by all five successor states. The Department of State, in consultation with the Department of the Treasury, concluded that the collection of blocked receivables through the actions by the bank and the placement of those collected funds into a blocked account did not prejudice the claims of successor states nor compromise outstanding claims on the part of any creditor of the bank, since any monies collected would remain in a blocked status and available to satisfy obligations to United States and foreign creditors and other claimants—including possible distribution to successor states under a settlement arising from the negotiations on the division of assets and liabilities of the former Yugoslavia. On March 31, 1998, however, the Court dismissed the claims as nonjustifiable. Another case, *D.C. Precision, Inc.* v. *United States, et al.*, 97 Civ. 9123 CRLC, was filed in the Southern District of New York on December 10, 1997, alleging that the Government had improperly blocked Precision's funds held at one of the closed Serbia banking agencies in New York.

5. Despite the prospective authorization of transactions with the FRY (S&M), OFAC has continued to work closely with the U.S. Customs Service and other cooperating agencies to investigate alleged violations that occurred while sanctions were in force. On February 13, 1997, a Federal grand jury in the Southern District of Florida, Miami, returned a 13-count indictment against one U.S. citizen and two nationals of the FRY (S&M). The indictment charges that the subjects participated and conspired to purchase three Cessna propeller aircraft, a Cessna jet aircraft, and various aircraft parts in the United States and to export them to the FRY (S&M) in violation of U.S. sanctions and the Regulations. Timely interdiction action prevented the aircraft from being exported from the United States.

Since my last report, OFAC has collected one civil monetary penalty totaling nearly $153,000 for violations of the sanctions. These violations involved prohibited payments to the Government of the FRY (S&M) by a U.S. company.

6. The expenses incurred by the Federal Government in the 6-month period from November 30, 1997, through May 29, 1998, that are directly attributable to the declaration of a national emergency with respect to the FRY (S&M) and the Bosnian Serb forces and authorities are estimated at approximately $360,000, most of which represents wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in OFAC and its Chief Counsel's Office, and the U.S. Customs Service), the Department of State, the National Security Council, and the Department of Commerce.

7. In the last 2 years, substantial progress has been achieved to bring about a settlement of the conflict in the former Yugoslavia acceptable to the parties. Resolution 1074 terminates sanctions in view of the first free and fair elections to occur in the Republic of Bosnia and Herzegovina, as provided for in the Peace Agreement. In reaffirming Resolution 1022, however, Resolution 1074 contemplates the continued blocking of assets potentially subject to conflicting claims and encumbrances until provision is made to address them under applicable law, including claims of the other successor states of the former Yugoslavia. The resolution of the crisis and conflict in the former Yugoslavia that has resulted from the actions and policies of the Government of the Federal Republic of Yugoslavia (Serbia and Montenegro), and of the Bosnian Serb forces and the authorities in the territory

that they controlled, will not be complete until such time as the Peace Agreement is implemented and the terms of Resolution 1022 have been met. Therefore, I have continued for another year the national emergency declared on May 30, 1992, as expanded in scope on October 25, 1994, and will continue to enforce the measures adopted pursuant thereto.

I shall continue to exercise the powers at my disposal with respect to the measures against the Government of the Federal Republic of Yugoslavia (Serbia and Montenegro), and the Bosnian Serb forces, civil authorities, and entities, as long as these measures are appropriate, and will continue to report periodically to the Congress on significant developments pursuant to 50 U.S.C. 1703(c).

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 16, 1998*.

REPORT CONCERNING THE EMIGRATION LAWS AND POLICIES OF ALBANIA—MESSAGE FROM THE PRESIDENT—PM 145

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Finance.

To the Congress of the United States:

I am submitting an updated report to the Congress concerning the emigration laws and policies of Albania. The report indicates continued Albanian compliance with U.S. and international standards in the area of emigration. In fact, Albania has imposed no emigration restrictions, including exit visa requirements, on its population since 1991.

On December 5, 1997, I determined and reported to the Congress that Albania is not in violation of the freedom of emigration criteria of sections 402 and 409 of the Trade Act of 1974. That action allowed for the continuation of most-favored-nation (MFN) status for Albania and certain other activities without the requirement of an annual waiver. This semiannual report is submitted as required by law pursuant to the determination of December 5, 1997.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *July 16, 1998*.

MESSAGES FROM THE HOUSE

At 11:15 a.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 3267. An act to direct the Secretary of the Interior, acting through the Bureau of Reclamation, to conduct a feasibility study and construct a project to reclaim the Salton Sea.

H.R. 3682. An act to amend title 18, United States Code, to prohibit taking minors across State lines to avoid laws requiring the involvement of parents in abortion decisions.

H.R. 3731. An act to designate the auditorium located within the Sandia Technology Transfer Center in Albuquerque, New Mexico, as the ''Steve Schiff Auditorium.''

H.R. 4104. An act making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1999, and for other purposes.

The message also announced that the House agrees to the Senate amendments to the House amendments to the bill (S. 318) to require automatic cancellation and notice of cancellation rights with respect to private mortgage insurance which is required as a condition for entering into a residential mortgage transaction, to abolish the Thrift Depositor Protection Oversight Board, and for other purposes.

ENROLLED BILLS SIGNED

The message further announced that the Speaker has signed the following enrolled bills:

H.R. 3156. An act to present a congressional gold medal to Nelson Rolihlahla Mandela.

H.R. 1273. An act to authorize appropriations for fiscal years 1998 and 1999 for the National Science Foundation, and for other purposes.

H.R. 2870. An act to amend the Foreign Assistance Act of 1961 to facilitate protection of tropical forests through debt reduction with developing countries with tropical forests.

The enrolled bills were signed subsequently by the President pro tempore (Mr. THURMOND).

MEASURES PLACED ON THE CALENDAR

The following bill was read the first and second times, and ordered placed on the calendar:

H.R. 4104. An act making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1999, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–6078. A communication from the Executive Director of the Committee for Purchase From People Who Are Blind or Severely Disabled, transmitting, pursuant to law, the report of additions to the Committee's Procurement List dated June 29, 1998; to the Committee on Governmental Affairs.

EC–6079. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report entitled ''Study of Full-Day, Full-Year Head Start Services''; to the Committee on Labor and Human Resources.

EC–6080. A communication from the Secretary of the United States Naval Sea Cadet Corps, transmitting, pursuant to law, the Annual Audit Report of the Naval Sea Cadet Corps for calendar year 1997; to the Committee on the Judiciary.

EC–6081. A communication from the Chairman and Chief Executive Officer of the Farm Credit Administration, transmitting, pursuant to law, the report of a rule regarding capital adequacy and related regulations (RIN3052–AB58) received on July 16, 1998; to the Committee on Agriculture, Nutrition, and Forestry.

EC–6082. A communication from the Chief of Staff of the Office of the Commissioner of Social Security, transmitting, pursuant to law, the report of a rule entitled ''Administrative Review Process; Prehearing Proceedings and Decisions by Attorney Advisors; Extension of Expiration Date'' (RIN 0960–AE86) received on July 15, 1998; to the Committee on Finance.

EC–6083. A communication from the General Counsel of the National Credit Union Administration, transmitting, pursuant to law, the report of a rule entitled ''Central Liquidity Facility'' received on July 15, 1998; to the Committee on Banking, Housing, and Urban Affairs.

EC–6084. A communication from the Deputy Secretary of the Securities and Exchange Commission, transmitting, pursuant to law, the report of a rule entitled ''Exemption To Allow Investment Advisers To Charge Fees Based Upon a Share of Capital Gains Upon or Capital Appreciation of a Client's Account'' (RIN3235–AH25) received on July 15, 1998; to the Committee on Banking, Housing, and Urban Affairs.

EC–6085. A communication from the Secretary of the Interior, transmitting, pursuant to law, the reports on the operation of the Colorado River Reservoirs for 1996 and 1997; to the Committee on Energy and Natural Resources.

EC–6086. A communication from the Director of the Office of Rulemaking Coordination, Department of Energy, transmitting, pursuant to law, the report of a rule regarding the protection and control of classified matter (DOE M 471.2–1A) received on July 8, 1998; to the Committee on Energy and Natural Resources.

EC–6087. A communication from the Secretary of Defense, transmitting, pursuant to law, a report on public and private partnerships to benefit Moral, Welfare and Recreation programs; to the Committee on Armed Services.

EC–6088. A communication from the Secretary of Defense, Transmitting, pursuant to law, a report entitled ''Medical Tracking System for Members Deployed Overseas'' received on July 15, 1998; to the Committee on Armed Services.

EC–6089. A communication from the Chief of the Programs and Legislation Division, Office of Legislative Liaison, Department of the Air Force, transmitting, pursuant to law, notice of a cost comparison of the transportation functions at Travis Air Force Base, California; to the Committee on Armed Services.

EC–6090. A communication from the Chief of the Programs and Legislation Division, Office of Legislative Liaison, Department of the Air Force, Transmitting, pursuant to law, notice of a study on reengineering the 38th Engineering and Installation Wing; to the Committee on Armed Services.

EC–6091. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to law, certification of a proposed manufacturing license agreement with Japan for the production of airborne radio sets (DTC 59–98); to the Committee on Foreign Relations.

EC–6092. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to law, certification of a proposed manufacturing license agreement with Japan for the production of UHF receiver/transmitters (DTC58–98); to the Committee on Foreign Relations.

EC–6093. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to law, certification of a proposed export license for the production of helmet mounted display systems for fighter aircraft operated by the Government of Japan (DTC92–98); to the Committee on Foreign Relations.

EC–6094. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to law, certification of a proposed export license to provide logistics support for certain radars used on E767 AWACS planes procured by the Government of Japan (DTC87–98); to the Committee on Foreign Relations.

EC–6095 communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to law, certification of a proposed export license agreement with Greece for the manufacture of certain rifles and grenade launchers (DTC 82–98); to the Committee on Foreign Relations.

EC–6096. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to law, certification of a proposed export license agreement with Germany for the production of certain semiautomatic pistol components (DTC 74–98); to the Committee on Foreign Relations.

EC–6097. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, the annual report on Military Assistance, Military Exports, and Military Imports; to the Committee on Foreign Relations.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–511. A resolution adopted by the House of the Legislature of the State of Louisiana; to the Committee on the Judiciary.

HOUSE RESOLUTION NO. 120

Whereas, Article III, Section 1 of the Constitution of the United States, provides in part that ". . . The Judges, both the supreme and inferior Courts, shall hold their Offices during good Behaviour, . . ."; and

Whereas, this clause has been interpreted to mean that ". . . (a) person appointed to office of United States district judge becomes entitled to draw salary of office so long as he continues to "hold office", and he "holds office" until he voluntarily relinquishes it or is ousted by impeachment or death." *Johnson* v. *U.S.*, 79 F. Supp. 208 (1948); and

Whereas, this clause has been further interpreted to mean ". . . Judges of federal "constitutional" courts which have been invested with the judicial power of the United States pursuant to this article are guaranteed life tenure during good behavior and compensation which may not be reduced during their term of office. . . ." *Montanez* v. *U.S.*, 226 F. Supp. 593 (1964) affirmed 371 F.2d. 79; and

Whereas, the system appears to still maintain an independent judiciary uninfluenced by undue public pressure in the inferior federal courts in which judges are not granted life tenure; and

Whereas, a common complaint that the public makes about federal district judges is that they are not accountable to the people because of this life tenure; and

Whereas, this public complaint continues that these judges, because of their insulation and isolation after a certain length of time in office, lose touch with the problems facing and feelings of the majority of the American people; and

Whereas, state district, appellate, and supreme court justices in Louisiana have specific limited terms of office, as do other inferior federal courts, such as bankruptcy judges whose term is fourteen years; and

Whereas, this constitutional amendment would not give the people the right to vote for a federal judge, but only the right to voice their opinion on whether the appointment of federal district judges should be for a limited term short of life tenure; and

Whereas, the system appears to still maintain an independent judiciary uninfluenced by undue public pressure in the inferior federal courts in which judges are not granted life tenure; and

Whereas, Article V of the Constitution of the United States provides that an amendment to the constitution may be proposed by congress which shall become part of the constitution when ratified by three-fourths of the several states. Therefore, be it

Resolved, That the House of Representatives of the Legislature of Louisiana does hereby urge and request the Congress of the United States to propose an amendment to the Constitution of the United States, for submission to the states for ratification, to provide for election of members of the federal judiciary. Be it further

Resolved, That certified copies of this Resolution be transmitted by the secretary of state of the president and the secretary of the United States Senate, to the speaker and clerk of the United States House of Representatives, to each member of this state's delegation to the congress and to the presiding officer of each state legislature in the United States.

POM–512. A concurrent resolution adopted by the Legislature of the State of Michigan; to the Committee on Commerce, Science, and Transportation.

HOUSE CONCURRENT RESOLUTION NO. 60

Whereas, in an amazingly short time, the Internet has become a key means of communicating in this country. It is already a prominent vehicle for doing business through selling goods and services and providing information leading to commercial transactions. The business value of selling access to the Internet is in itself a multi-billion-dollar enterprise. The growth projections for the Internet and for its impact on commerce are very high; and

Whereas, as with any new aspect of commerce, there are numerous tax implications associated with the Internet. The new technology and capabilities can be used to avoid local taxes. Numerous transactions involve automatic transfers of money for goods and services. Borders and jurisdictions have become far less significant in this new marketplace; and

Whereas, with the rise of the Internet, state and local policymakers have suggested various ways to tax this activity. Some states have explored telecommunications taxes and taxes on Internet service providers. Industry observers are concerned that implementing a "modem tax" could disrupt the development of a new tool for commerce and economic development; and

Whereas, with the complexity of issues involved and the constant changes in this new technology as it takes shape, imposing taxes specific to the Internet would likely be harmful. Any possible gains in revenues would be more than offset by long-term changes in the evolution of the Internet. Greed should not drive policy or taxation decisions; now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That we memorialize the Congress of the United States to enact legislation to create a moratorium on new national, state, and local taxes on the Internet; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation.

POM–513. A resolution adopted by the House of the Legislature of the State of Michigan; to the Committee on Finance.

HOUSE RESOLUTION NO. 240

Whereas, the federal income tax system includes deductions and credits for a wide variety of personal and business expenses. These exceptions from certain calculations of taxation reflect public policy values that elected officials have established over many years; and

Whereas, in determining federal tax liability, most state and local taxes are deductible, including income taxes and property taxes. These policies recognize the value of taxes paid to finance state and local government activities. For many years, state sales taxes were also deductible. Federal tax laws were changed in 1986 to discontinue the deductibility of state sales taxes; and

Whereas, it is inconsistent for the federal government to allow citizens to deduct some taxes paid for state and local government, such as property and income taxes, and not allow deductions for state sales taxes. State sales taxes, in Michigan as elsewhere, finance the same types of public purpose programs financed through other state and local taxes that are fully deductible. The current situation is very inconsistent and frustrating to taxpayers across our state and throughout the country; now, therefore, be it

Resolved by the House of Representatives, That we memorialize the Congress of the United States to enact and the President to sign legislation to allow state sales taxes to be deductible from federal income taxes and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation.

POM–514. A resolution adopted by the General Assembly of the Legislature of the State of New Jersey; to the Committee on Indian Affairs.

ASSEMBLY RESOLUTION NO. 13

Whereas, during 1980's, certain Indian tribes began to conduct significant amounts of gambling on reservations and other land held in trust for the tribes by the federal government; and

Whereas, this activity was largely unregulated by the federal government and beyond the reach of state law, and

Whereas, the vast sums of money generated from gambling by the mostly non-Indian patrons of Indian bingo halls and casinos raised concerns about the risk of corruption especially by organized crime influences; and

Whereas, Congress responded to these concerns in 1988 by enacting the Indian Gaming Regulatory Act which attempted to provide a regulatory framework that balanced the interests of the federal government, the States and the tribes; and

Whereas, that act did not adequately address many of the issues raised by Indian gaming and permitted the continued proliferation of poorly-regulated gaming facilities; and

Whereas, under the existing statutory scheme it may be possible for the Delaware

Indians of Western Oklahoma, a group which has had no nexus with the State of New Jersey for over a century, to gain control over, and operate a casino on, a site in Wildwood, New Jersey; and

Whereas, this proposed casino would not be subject to regulation or taxation by this State and would directly compete with Atlantic City's casinos and other forms of legalized gambling; and

Whereas, H.R. 334 of 1997, the ''Fair Indian Gaming Act,'' would close many of the loopholes in the existing federal law and address the risk of corruption by enhancing federal and State regulation of gambling conducted by Indian tribes; now, therefore, be it

Resolved by the General Assembly of the State of New Jersey:

1. The Congress of the United States is respectfully memorialized to enact H.R. 334 of 1997, the ''Fair Indian Gaming Act,'' into law.

2. A copy of this resolution, signed by the Speaker of the General Assembly and attested by the Clerk thereof, shall be transmitted to the Vice-President of the United States, the Speaker of the House of Representatives, and every member of Congress elected from this State.

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 Mrs. HUTCHISON (for herself and Mr. GRAMM):

S. 2325. A bill to provide an opportunity for States to modify agreements under title II of the Social Security Act with respect to student wages; to the Committee on Finance.

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

S. 2326. A bill to require the Federal Trade Commission to prescribe regulations to protect the privacy of personal information collected from and about children on the Internet, to provide greater parental control over the collection and use of that information, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. COATS (for himself and Mr. LIEBERMAN):

S. 2327. A bill to provide grants to grassroots organizations in certain cities to develop youth intervention models; to the Committee on the Judiciary.

By Mr. BROWNBACK (for himself and Mr. GRASSLEY):

S. 2328. A bill to establish the negotiating objectives of the United States with respect to the WTO Agreement on Agriculture, to establish criteria for the accession of state trading regimes to the WTO, and for other purposes; to the Committee on Finance.

By Mr. JEFFORDS (for himself, Mr. BINGAMAN, and Mr. GRAHAM):

S. 2329. A bill to amend the Internal Revenue Code of 1986 to enhance the portability of retirement benefits, and for other purposes; to the Committee on Finance.

By Mr. LOTT (for Mr. NICKLES (for himself, Mr. FRIST, Ms. COLLINS, Mr. JEFFORDS, Mr. ROTH, Mr. SANTORUM, Mr. HAGEL, Mr. GRAMM, Mr. COATS, Mr. LOTT, Mr. MACK, Mr. CRAIG, Mr. COVERDELL, Mr. ABRAHAM, Mr. ALLARD, Mr. ASHCROFT, Mr. BENNETT, Mr. BOND, Mr. BROWNBACK, Mr. BURNS, Mr. COCHRAN, Mr. DOMENICI, Mr. ENZI, Mr. FAIRCLOTH, Mr. GORTON, Mr. GRAMS, Mr. GRASSLEY, Mr. HATCH, Mr. HELMS, Mr. HUTCHINSON, Mrs. HUTCHISON, Mr. INHOFE, Mr. KEMPTHORNE, Mr. LUGAR, Mr. MCCAIN, Mr. MURKOWSKI, Mr. ROBERTS, Mr. SESSIONS, Mr. SHELBY, Mr. SMITH of New Hampshire, Mr. SMITH of Oregon, Ms. SNOWE, Mr. THOMAS, Mr. THOMPSON, Mr. THURMOND, and Mr. WARNER)):

S. 2330. A bill to improve the access and choice of patients to quality, affordable health care; read the first time.

By Mr. LUGAR:

S. 2331. A bill to provide a limited waiver for certain foreign students of the requirement to reimburse local educational agencies for the costs of the students' education; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

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

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

S. Con. Res. 108. A concurrent resolution recognizing the 50th anniversary of the National Heart, Lung, and Blood Institute, and for other purposes; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

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

S. 2326. A bill to require the Federal Trade Commission to prescribe regulations to protect the privacy of personal information collected from and about children on the Internet, to provide greater parental control over the collection and use of that information, and for other purposes; to the Committee on Commerce, Science, and Transportation.

THE CHILDREN'S ONLINE PRIVACY PROTECTION ACT OF 1998

Mr. BRYAN. Mr. President, today the chairman of the Senate Commerce Committee and I are introducing ''the Children's Online Privacy Protection Act of 1998.'' Commercial Web sites are currently collecting and disseminating personal information collected from children that may compromise their safety and most certainly invades their privacy. This legislation will ensure that commercial Web sites that collect and use personal information from children will have safeguards in place to protect you and your family.

The Internet is quickly becoming an significant force in the lives of our children as it moves swiftly into homes and classrooms around the country. Currently more than 3 million children under the age of 18 are online and the number is expected to grow to 15 million by the turn of the century.

I think all would agree that proficiency with the Internet is a critical and vital skill that will be necessary for academic achievement in the next century. The benefits of the Internet are extraordinary. Reference information such as news, weather, sports, stock quotes, movie reviews, encyclopedia and online airline fares are readily available. Users can conduct transactions such as stock trading, make travel arrangements, bank, and shop online.

Millions of people communicate through electronic mail to family and friends around the world, and others use the public message boards to make new friends and share common interests. As an educational and entertainment tool, users can learn about virtually any topic or take a college course.

Unfortunately, the same marvelous advances in computer and telecommunication technology that allow our children to reach out to new resources of knowledge and cultural experiences are also leaving them unwittingly vulnerable to exploitation and harm by deceptive marketers and criminals.

Earlier this spring, I held several meetings in Nevada with educators and parents' representatives to alert them of some of the deceptive practices found on the Internet. Representatives of the FBI and Federal Trade Commission informed Nevadans about some of the Internet's pitfalls. I found it extremely informative and enlightening and to some extent frightening.

You may be startled to learn what information other people are collecting about you and your family may have a profound impact upon their privacy and, indeed, their safety.

Once what may seem to be harmless information has made its way onto the Internet, there is no way of knowing what uses may be put to that information.

Senator MCCAIN and I wrote to the FTC asking them to investigate online privacy issues. Recently, the FTC completed the survey of a number of web sites and found that 89 percent of children's sites collect personal information from children, and less than 10 percent of the sites provide for parental control over the collection and use of this personal information.

I was, frankly, surprised to learn the kinds of information these web sites are collecting from our children. Some were asking where the child went to school, what sports he or she liked, what siblings they had, their pet's name, what kind of time they had after school alone without the supervision of parents.

Others were collecting personal financial information like what the family income was, does the family own stocks or certificates of deposit, did their grandparents give them any financial gifts?

Web sites were using games, contests, and offers of free merchandise to entice children to give them exceedingly personal and private information about themselves and their families. Some even used cartoon characters who asked children for personal information, such as a child's name and address and e-mail address, date of birth, telephone number, and Social Security number.

Much of this information appears to be harmless, but companies are attempting to build a wealth of information about you and your family without an adult's approval—a profile that will enable them to target and to entice your children to purchase a range of products.

The Internet gives marketers the capability of interacting with your children and developing a relationship without your knowledge.

Where can this interactive relationship go? Will your child be receiving birthday cards and communications with online cartoon characters for particular products?

Senator MCCAIN and I believe there must be safeguards against the online collecting of information from children without a parent's knowledge or consent. If a child answers a phone and starts answering questions, a parent automatically becomes suspicious and asks who they are talking to. When a child is on the Internet, parents often have no knowledge of whom their child is interacting.

That is why we are introducing legislation that would require the FTC to come up with rules to govern these kind of activities. The FTC's rules would require commercial web sites to:

(1) Provide notice of its personal information collection and use practices;

(2) Obtain parental consent for the collection, use or disclosure of personnel information from children 12 and under;

(3) Provide parents with an opportunity to opt-out of the collection and/or use of personal information collected from children 13 to 16;

(4) Provide parents access to his or her child's personal information;

(5) Establish and maintain reasonable procedures to ensure the confidentiality, security, accuracy, and integrity of personal information on children.

The FTC must come up with these rules within 1 year. The FTC may provide incentives for industry self-regulatory efforts including safe harbors for industry created guidelines. The bill permits States' attorneys general to enforce the act.

I believe these represent reasonable steps we should take to protect our privacy. Although time is short in this session, I hope we can find a way to enact these commonsense proposals this Congress.

Most people who use online services have positive experiences. The fact that deceptive acts may be committed on the Internet, is not a reason to avoid using the service. To tell children to stop using the Internet would be like telling them to forgo attending college because students are sometimes victimized on campus. A better strategy is for children to learn how to be street smart in order to better safeguard themselves from potentially deceptive situations.

The Internet offers unlimited potential for assisting our child's growth and development. However, we must not send our children off on this adventure without proper guidance and supervision.

Mr. President, in my judgment, the legislation offered today by the senior Senator from Arizona and I provides those reasonable guidelines. I hope colleagues will join with me in making sure this legislation is enacted in this situation.

By Mr. COATS (for himself and Mr. LIEBERMAN):

S. 2327. A bill to provide grants to grassroots organizations in certain cities to develop youth intervention models; to the Committee on the Judiciary.

NATIONAL YOUTH CRIME PREVENTION DEMONSTRATION ACT

Mr. COATS. Mr. President, America currently struggles with a disturbing and growing trend of youth violence. Between 1985 and 1994, the arrest rate for murders by juveniles increased 150 percent, while the rate for adults during this time increased 11 percent. Every day, in our communities and in the media, we see horrific examples of this crime. A 13-year-old girl murders her 3-year-old nephew and dumps him in the trash. A 13-year-old boy is stabbed to death while sitting on his back porch. A group of teenagers hails a cab and, after the driver takes them to their destination, they shoot him dead in an armed robbery.

I did not have to look far for these examples. Each occurred in Indiana, a State generally known as a safe State, a good place to raise a family, not a dangerous place, yet a State where arrests for violent juvenile crimes have skyrocketed 19 percent in the early 1990's. Juvenile violence is no longer a stranger in any ZIP code.

Yet, the problem is expected to grow worse. Crime experts who study demographics warn of a coming crime wave based on the number of children who currently are younger than 10 years old. These experts warn that if current trends are not changed, we might someday look back at our current juvenile crime epidemic as ''the good old days.'' This spiraling upward trend in youth crime and violence is cause for grave concern. So one might ask, what is driving this epidemic?

Over 30 years ago, our colleague DANIEL PATRICK MOYNIHAN, then an official in the Johnson administration, wrote that when a community's families are shattered, crime, violence and rage ''are not only to be expected, they are virtually inevitable.'' He wrote those words in 1965. Since then, arrests of violent juvenile criminals have tripled.

Last Congress, the Subcommittee on Children and Families, which I chair, held a hearing about the role of government in combating juvenile crime. The experts were clear: while government efforts are important, they are also fundamentally limited and incomplete. Government is ultimately powerless to form the human conscience that chooses between right and wrong.

Locking away juveniles might prevent them from committing further crimes, but it does not address the fact that violence is symptomatic of a much deeper, moral and spiritual void in our Nation. In the battle against violent crime, solid families are America's strongest line of defense. But government can be an effective tool if it joins private institutions (families, churches, schools, community groups, and non-profit organizations) in preventing and confronting juvenile crime with the moral ideals that defeat despair and nurture lives.

Today, I rise to introduce the National Youth Crime Prevention Act which will empower local communities to address the rising trend in youth violence. Specifically, this legislation authorizes the Attorney General to award $5 million annually for five years to the National Center for Neighborhood Enterprise to conduct national demonstration projects in eight cities. These projects would aim to end youth crime, violence and family disintegration by building neighborhood capacity and linking proven grassroots organizations within low-income neighborhoods with sources from the public sector, including local housing authorities, law enforcement agencies, and other public entities. The demonstration projects will take place in Washington, DC; Detroit, Michigan; Hartford, Connecticut; Indianapolis, Indiana; Chicago, Illinois; San Antonio, Texas; Dallas, Texas; and Los Angeles, California.

With these funds, the National Center for Neighborhood Enterprise will work with the grassroots organizations in the demonstration cities to establish Violence Free Zone Initiatives. These initiatives would involve successful youth intervention models in partnership with law enforcement, local housing authorities, private foundations, and other public and private partners. To be eligible for the grants, the nonprofit organizations within the demonstration cities must have experience in crime prevention and youth mediation projects and must have a history of cultivating cooperative relationships with other local organizations, housing facilities and law enforcement agencies.

Funds may be used for youth mediation, youth mentoring, life skills training, job creation and entrepreneurship, organizational development and training, development of long-term intervention plans, collaboration with law enforcement, comprehensive support services, local agency partnerships and activities to further community objectives in reducing youth crime and violence.

The success of this approach has already been demonstrated. Last year, The National Center for Neighborhood Enterprise assisted The Alliance for Concerned Men in creating a ''Violence Free Zone'' in Benning Terrace in Southeast DC. The Alliance of Concerned Men brokered peace treaties among the gangs that inhabit, and frequently dominate, the city's public

housing complexes. Benning Terrace in Southeast Washington, known to the DC police department as one of the most dangerous areas of the city, has not had a single murder since the Alliance's peace treaty went into effect early last year. Subsequently, the National Center for Neighborhood Enterprise brought the Alliance, the youths, and the DC Housing Receiver together to develop and implement a plan for jobs and life skills training for the young people and the community itself.

Grassroots organizations are the key to implementing the most effective innovative strategies to address community problems. Their efforts help restore hardpressed inner-city neighborhoods by developing the social, human and economic capital that is key to real, long-term renewal of urban communities. The National Youth Crime Prevention Demonstration Act will provide critical assistance to our Nation's inner-cities as they combat the rising trend in youth violence by linking proven grassroots organizations with established public sector entities.

Mr. President, I urge my colleagues to support this important legislation, and I ask unanimous consent that the text of the National Youth Crime Prevention Demonstration Act be printed in the RECORD.

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

S. 2327

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 Youth Crime Prevention Demonstration Act''.

SEC. 2. PURPOSES.

The purposes of this Act are as follows:

(1) To establish a demonstration project that establishes violence-free zones that would involve successful youth intervention models in partnership with law enforcement, local housing authorities, private foundations, and other public and private partners.

(2) To document best practices based on successful grassroots interventions in cities, including Washington, District of Columbia; Boston, Massachusetts; Hartford, Connecticut; and other cities to develop methodologies for widespread replication.

(3) To increase the efforts of the Department of Justice, the Department of Housing and Urban Development, and other agencies in supporting effective neighborhood mediating approaches.

SEC. 3. ESTABLISHMENT OF NATIONAL YOUTH CRIME PREVENTION DEMONSTRATION PROJECT.

The Attorney General shall, subject to appropriations, award a grant to the National Center for Neighborhood Enterprise (referred to in this Act as the ''National Center'') to enable the National Center to award grants to grassroots entities in the following 8 cities:

(1) Washington, District of Columbia.

(2) Detroit, Michigan.

(3) Hartford, Connecticut.

(4) Indianapolis, Indiana.

(5) Chicago (and surrounding metropolitan area), Illinois.

(6) San Antonio, Texas.

(7) Dallas, Texas.

(8) Los Angeles, California.

SEC. 4. ELIGIBILITY.

(a) IN GENERAL.—To be eligible to receive a grant under this Act, a grassroots entity referred to in section 3 shall submit an application to the National Center to fund intervention models that establish violence-free zones.

(b) SELECTION CRITERIA.—In awarding grants under this Act, the National Center shall consider—

(1) the track record of a grassroots entity and key participating individuals in youth group mediation and crime prevention;

(2) the engagement and participation of a grassroots entity with other local organizations; and

(3) the ability of a grassroots entity to enter into partnerships with local housing authorities, law enforcement agencies, and other public entities.

SEC. 5. USES OF FUNDS.

(a) IN GENERAL.—Funds received under this Act may be used for youth mediation, youth mentoring, life skills training, job creation and entrepreneurship, organizational development and training, development of long-term intervention plans, collaboration with law enforcement, comprehensive support services and local agency partnerships, and activities to further community objectives in reducing youth crime and violence.

(b) GUIDELINES.—The National Center will identify local lead grassroots entities in each designated city which include the Alliance of Concerned Men of Washington in the District of Columbia; the Hartford Youth Peace Initiative in Hartford, Connecticut; the Family Help-Line in Los Angeles, California; the Victory Fellowship in San Antonio, Texas; and similar grassroots entities in other designated cities.

(c) TECHNICAL ASSISTANCE.—The National Center, in cooperation with the Attorney General, shall also provide technical assistance for startup projects in other cities.

SEC. 6. REPORTS.

The National Center shall submit a report to the Attorney General evaluating the effectiveness of grassroots agencies and other public entities involved in the demonstration project.

SEC. 7. DEFINITIONS.

For purposes of this Act—

(1) the term ''grassroots entity'' means a not-for-profit community organization with demonstrated effectiveness in mediating and addressing youth violence by empowering at-risk youth to become agents of peace and community restoration; and

(2) the term ''National Center for Neighborhood Enterprise'' is a not-for-profit organization incorporated in the District of Columbia.

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to carry out this Act—

(1) $5,000,000 for fiscal year 1999;

(2) $5,000,000 for fiscal year 2000;

(3) $5,000,000 for fiscal year 2001;

(4) $5,000,000 for fiscal year 2002; and

(5) $5,000,000 for fiscal year 2003.

(b) RESERVATION.—The National Center for Neighborhood Enterprise may use not more than 20 percent of the amounts appropriated pursuant to subsection (a) in any fiscal year for administrative costs, technical assistance and training, comprehensive support services, and evaluation of participating grassroots organizations.

By Mr. JEFFORDS (for himself, Mr. BINGAMAN, and Mr. GRAHAM):

S. 2329. A bill to amend the Internal Revenue Code of 1986 to enhance the portability of retirement benefits, and for other purposes; to the Committee on Finance.

THE RETIREMENT PORTABILITY ACCOUNT (RAP) ACT.

Mr. JEFFORDS. Mr. President, today I am introducing S. 2329, the Retirement Portability Account (RAP) Act. This bill is a close companion to H.R. 3503 introduced by our colleagues EARL POMEROY of North Dakota and JIM KOLBE of Arizona earlier this year. In addition, it contains certain elements of H.R. 3788, the Portman-Cardin bill, which relate to increased pension portability. Generally this bill is intended to be a further iteration of the concepts embodied in both of those bills. It standardizes the rules in the Internal Revenue Code (IRC) which regulate how portable a worker's retirement savings account is, and while it does not make portability of pension benefits perfect, it greatly improves the status quo. Consistent with ''greatly improving the status quo'', this bill contains no mandates. No employer will be ''required'' to accept rollovers from other plans. A rollover will occur when the employee offers, and the employer agrees to accept, a rollover from another plan.

Under current law, it is not possible for an individual to move an accumulated retirement savings account from a section 401(k) (for-profit) plan to a section 457 (state and local government) deferred compensation plan, to an Individual Retirement Account (IRA), then to a section 403(b) (nonprofit organization) plan and ultimately back into a section 401(k) plan, without violating various restrictions on the movement of their money. The RAP Act will make it possible for workers to take their retirement savings with them when they change jobs regardless of the type of employer for which they work.

This bill will also help make IRAs more portable and will improve the uses of conduit IRAs. Conduit IRAs are individual retirement accounts to which certain distributions from a qualified retirement plan or from another individual retirement account have been transferred. RAP changes the rules regulating these IRAs so that workers leaving the for-profit, nonprofit or governmental field can use a conduit IRA as a parking spot for a pre-retirement distribution. These special accounts are needed by many workers until they have another employer-sponsored plan in which to rollover their savings.

In many instances, this bill will allow an individual to rollover an IRA consisting exclusively of tax-deductible contributions into a retirement plan at his or her new place of employment, thus helping the individual consolidate retirement savings in a single account. Under certain circumstances, the RAP Act will also allow workers to rollover any after-tax contributions made at his or her previous workplace, into a new retirement plan.

Current law requires a worker who changes jobs to face a deadline of 60 days within which to roll over any retirement savings benefits either into an Individual Retirement Account, or into the retirement plan of his or her new employer. Failure to meet the deadline can result in both income and excise taxes being imposed on the account. We believe that this deadline should be waived under certain circumstances and we have outlined them in the bill. Consistent with the Pomeroy-Kolbe bill, in case of a Presidentially-declared natural disaster or military service in a combat zone, the Treasury Department will have the authority to disallow imposition of any tax penalty for the account holder. Consistent with the additional change proposed by the Portman-Cardin bill, however, we have included a waiver of tax penalties in the case of undue hardship, such as a serious personal injury or illness and we have given the Department of the Treasury the authority to waive this deadline, as well.

The Retirement Account Portability bill will also change two complicated rules which harm both plan sponsors and plan participants; one dealing with certain business sales (the so-called ''same desk'' rule) and the other dealing with retirement plan distribution options. Each of these rules has impeded true portability of pensions and we believe they ought to be changed.

In addition, this bill will extend the Pension Benefit Guaranty Corporation's (PBGC) Missing Participant program to defined benefit multiemployer pension plans. Under current law, the PBGC has jurisdiction over both single-employer and multiemployer defined benefit pension plans. A few years ago, the agency initiated a program to locate missing participants from terminated, single-employer plans. The program attempts to locate individuals who are due a benefit, but who have not filed for benefits due to them, or who have attempted to find their former employer but failed to receive their benefits. This bill expands the missing participant program to multiemployer pension plans.

I know of no reason why individuals covered by a multiemployer pension plans should not have the same protections as participants of single-employer pension plans and this change will help more former employees receive all the benefits to which they are entitled. This bill does not expand the missing participants program to defined contribution plans. Supervision of defined contribution plans is outside the statutory jurisdiction of the PBGC and I have not heard strong arguments for including those plans within the jurisdiction of the agency.

In a particularly important provision, the Retirement Account Portability bill will allow public school teachers and other state and local employees who move between different states and localities to use their savings in their section 403(b) plan or section 457 deferred compensation arrangement to purchase ''service credit'' in the plan in which they are currently participating, and thus obtain greater pension benefits in the plan in which they conclude their career. However, the bill does not allow the use of a lump sum cash-out from a defined benefit plan to be rolled over to a section 403(b) or section 457 plan.

As a final note, this bill, this bill does not reduce the vesting schedule from the current five year cliff vesting (or seven year graded) to a three year cliff or six year graded vesting schedule. I am not necessarily against the shorter vesting schedules, but I feel that this abbreviated vesting schedule makes a dramatic change to tax law without removing some of the disincentives to maintaining a pension plan that businesses—especially small businesses—desperately need.

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

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

INCREASING PORTABILITY FOR PENSION PLAN PARTICIPANTS: FACILITATING ROLLOVERS

Under current law, an ''eligible rollover distribution'' may be either (1) rolled over by the distributee into an ''eligible retirement plan'' if such rollover occurs within 60 days of the distribution, or (2) directly rolled over by the distributing plan to an ''eligible retirement plan.'' An ''eligible rollover distribution'' does not include any distribution which is required under section 401(a)(9) or any distribution which is part of a series of substantially equal periodic payments made for life, life expectancy or over a period of ten years or more. An ''eligible retirement plan'' is another section 401 plan, a section 403(a) plan or an IRA. (If the distributee is a surviving spouse of a participant, ''eligible retirement plans'' consist only of IRAs.) Under these rules, for example, amounts distributed from a section 401(k) plan may not be rolled over to a section 403(b) arrangement.

In the case of a section 403(b) arrangement, distributions which would be eligible rollover distributions except for the fact that they are distributed from a section 403(b) arrangement may be rolled over to another section 403(b) arrangement or an IRA. Under these rules, amounts distributed from a section 403(b) may not be rolled over into a section 401(k) plan.

When an ''eligible rollover distribution'' is made, the plan administrator must provide a written notice to the distributee explaining the availability of a direct rollover to another plan or an IRA, that failure to exercise that option will result in 20% being withheld from the distribution and that amounts not directly rolled over may be rolled over by the distributee within 60 days.

Under ''conduit IRA'' rules, an amount may be rolled over from a section 401 or 403(a) plan to an IRA and subsequently rolled over to a section 401 or 403(a) plan if amounts in the IRA are attributable only to rollovers from section 401 or 403(a) plans. Also under conduit IRA rules, an amount may be rolled over from a section 403(b) arrangement to an IRA and subsequently rolled over to a section 403(b) arrangement if amounts in the IRA are attributable only to rollovers from section 403(b) arrangements.

In the case of a section 457 deferred compensation plan, distributions may not be rolled over by a distributee; however, amounts may be transferred from one section 457 plan to another section 457 plan without giving rise to income to the plan participant.

A participant in a section 457 plan is taxed on plan benefits that are not transferred when such benefits are paid or when they are made available. In contrast, a participant in a qualified plan or a section 403(b) arrangement is only taxed on plan benefits that are actually distributed.

Under this proposal, ''eligible rollover distributions'' from a section 401 plan could be rolled over to another section 401 plan, a section 403(a) plan, a section 403(b) arrangement, a section 457 deferred compensation plan maintained by a state or local government or an IRA. Likewise, ''eligible rollover distributions'' from a section 403(b) arrangement could be rolled over to the same broad array of plans and IRAs. Thus, an eligible rollover distribution from a section 401(k) plan could be rolled over to a section 403(b) arrangement and vice versa. (As under current law, if the distributee is a surviving spouse of a participant, the distribution could only be rolled over into an IRA.)

Eligible rollover distributions from all section 457 deferred compensation plans could be rolled over to the same broad array of plans and IRAs; however, the rules regarding the mandatory 20% withholding would not apply to the section 457 plans. A section 457 plan maintained by a government would be made an eligible retirement plan for purposes of accepting rollovers from section 401(k), section 403(b) and other plans.

The written notice required to be provided when an ''eligible rollover distribution'' is made would be expanded to apply to section 457 plans and to include a description of restrictions and tax consequences which will be different if the plan to which amounts are transferred is a different type of plan from the distribution plan.

Participants who mix amounts eligible for special capital gains and averaging treatment with amounts not so eligible would lose such treatment.

A participant in a section 457 plan would only be taxed on plan benefits that are not transferred or rolled over when they are actually paid.

These changes would take effect for distributions made after December 31, 1998.

The reason for this expansion of current law rules permitting rollovers is to allow plan participants to put all of their retirement plan savings in one vehicle if they change jobs. Given the increasing mobility of the American workforce, it is important to make pension savings portable for those who change employment. This proposal contains no mandates requiring employers to accept rollovers from their new employees. A rollover occurs when the employee makes an offer to move his/her money and the employer accepts the funds.

Because of the rule that taxes section 457 plan participants on benefits made available, section 457 plans cannot provide plan participants with the flexibility to change benefit payments to fit their changing needs. There is no policy justification for this lack of flexibility.

ROLLOVERS OF INDIVIDUAL RETIREMENT ACCOUNTS TO QUALIFIED PLANS

Under current law, a taxpayer is not permitted to roll amounts held in an individual retirement account (IRA) (other than a conduit IRA), to a section 401 plan, a 403(a) plan, a 403(b) arrangement or a section 457 deferred compensation plan. Currently, the maximum direct IRA contribution is $2,000. Since 1986, generally only individuals with income below certain limits are able to fully deduct

IRA contributions. For others, IRA contributions have been nondeductible or partially deductible in some or all years. To the extent that IRA contributions are non-deductible, they have ''basis'' which is not taxed the second time upon distribution from the IRA. The burden of maintaining records of IRA basis has been the taxpayer's, since only the taxpayer has had the information to determine his or her basis at the outset and as an ongoing matter.

IRAs are generally subject to different regulatory schemes than other retirement savings plans, such as section 401(k)s or section 457 deferred compensation plans, although the 10 percent tax penalty on early distributions applies to both qualified plans and IRAs. For example, one cannot take a loan from an IRA, although a recent change in law will make it easier to make a penalty-free withdrawal from an IRA to finance a first-time home purchase or higher-education expenses.

Under the bill, rollovers of contributory IRAs would be permitted if and only if the individual has never made any nondeductible contributions to his or her IRA and has never had a Roth IRA. The IRA may then be rolled over into a section 401 plan, a section 403(a) plan, a 403(b) arrangement or a section 457 deferred compensation plan. Since the vast majority of IRAs contain only deductible contributions, this change will allow many individuals to consolidate their retirement savings into one account. For those who have both nondeductible and deductible contributions, they may still have two accounts, one containing the majority of funds consolidated in one place and one containing the nondeductible IRA contributions. Once IRA money is rolled over into a plan however, the IRA contributions would become plan money and subject to the rules of the plan except that participants who mix amounts for special capital gains and averaging treatment with amounts not so eligible would lose such treatment. Employers will not be required to accept rollovers for IRAs.

These changes would apply to distributions after December 31, 1998.

The reasons for this change is to take another step toward increased portability of retirement savings. While this proposal would not guarantee that all retirement savings would be completely portable, it will increase the extent to which such savings are portable and fungible. Other rules and requirements affecting IRAs and their differences and similarities to plan money will continue to be the subject of Congressional scrutiny.

ROLLOVERS OF AFTER-TAX CONTRIBUTIONS AND ROLLOVERS NOT MADE WITHIN 60 DAYS OF RECEIPT

Under current law, employees are allowed to make after-tax contributions to IRAs, 401(k) plans, and other plans. They are not permitted to roll over distributions of those after-tax contributions to an IRA or another plan.

Rollovers from qualified plans to an IRA (or from an IRA to another IRA) must occur within 60 days of the initial distribution. Income tax withholding rules apply to certain distributions that are not direct trustee-to-trustee transfers from the qualified plan to an IRA or another plan.

The proposal would allow after-tax contributions to be included in a rollover contribution to an IRA or other types of retirement plans, but it does not require the receiving trustee to track or report the basis. That requirement would be the responsibility of the taxpayer, as in the case of nondeductible IRA contributions.

The IRS is given the authority to extend the 60-day period where the failure to comply with such requirements is attributable to casualty, disaster or other events beyond the reasonable control of the individual subject to such requirements.

These changes would generally apply to distributions made after December 31, 1998. The hardship exception to the 60-day rollover period would apply to such 60-day periods expiring after the date of enactment.

These changes are warranted because after-tax savings in retirement plans enhance retirement security and are particularly attractive to low and middle income taxpayers. Allowing such distributions to be rolled over to an IRA or a plan will increase the chances that those amounts would be retained until needed for retirement.

Often individuals, particularly widows, widowers and individuals with injuries of illnesses, miss the 60-day window. In other instances, individuals miss the 60-day rollover period because of the failure of third parties to perform as directed. Finally, victims of casualty or natural disaster should not be penalized. A failure to satisfy the 60-day rule, by even one day can result in catastrophic tax consequences for a taxpayer that can include immediate taxation of the individual's entire retirement savings (often in a high tax bracket), a 10% early distribution tax, and a substantial depletion of retirement savings. By giving the IRS the authority to provide relief from the 60-day requirement for failures outside the control of the individual, the proposal would give individuals in these situations the ability to retain their retirement savings in an IRA or a qualified plan.

TREATMENT OF FORMS OF DISTRIBUTION

Under current law, section 411(d)(6), the ''anti-cutback'' rule generally provides that when a participant's benefits are transferred from one plan to another, the transferee plan must preserve all forms of distribution that were available under the transferor plan.

Under this proposal, an employee may elect to waive his or her section 411(d)(6) rights and transfer benefits from one defined contribution plan to another defined contribution plan without requiring the transferee plan to preserve the optional forms of benefits under the transferor plan if certain requirements are satisfied to ensure the protection of participants' interests. This proposal would also apply to plan mergers and other transactions having the effect of a direct transfer, including consolidation of benefits attributable to different employers within a multiple employer plan.

These changes would apply to transfers after December 31, 1998.

The requirement that a defined contribution plan preserve all forms of distribution included in transferor plans significantly increases the cost of plan administration, particularly for employers that make numerous business acquisitions. The requirements also causes confusion among plan participants who can have separate parts of their retirement benefits subject to sharply different plan provision and requirements. The increased cost for the plan and the confusion for the participant brought about by the requirement to preserve all forms of distribution are based on a rule intended to protect a participant's right not to have an arbitrary benefit reduction. The current rule sweeps too broadly since it protects both significant and insignificant rights. Where a participant determines the rights to be insignificant and wants to consolidate his or her retirement benefits, there is no reason not to permit his consolidation. This consolidation increases portability and reduces administrative costs.

RATIONALIZATION OF RESTRICTIONS ON DISTRIBUTIONS, THE ''SAME DESK'' RULE

Generally, under current law, distributions from 401(k) plans are limited to separation from service, death, disability, age 59½, hardship, plan termination without maintenance of another plan, and certain corporate transactions. The term ''separation from service'' has been interpreted to include a ''same desk'' rule. Under the ''same desk'' rule, distributions to a terminated employee are not permitted if the employee continues performing the same functions for a successor employer (such as a joint venture owned in part by the former employer or the buyer in a business acquisition). The same desk rule also applies to section 403(b) arrangements and section 457 plans, but does not apply to other types of plans such as defined benefit plans.

Under this proposal, the ''same desk rule'' would be eliminated by replacing ''separation from service'' with ''severance from employment''. Conforming changes would be mad in the comparable provisions of section 403(b) arrangements and eligible deferred compensation plans under section 457. This change would apply to distributions after December 31, 1998.

Under this proposal, affected employees would be able to roll over their 401(k) account balance to an IRA or to their new employer's 401(k) plan. Modifying the same desk rule so that all of a worker's retirement funds can be transferred to the new employer after a business sale has taken place will allow the employee to keep his or her retirement nest egg in a single place. It will also coordinate the treatment of defined benefit plan benefits with the treatment of 401(k) plans in these types of transactions. Employees do not understand why their 401(k) account must remain with the former employer until they terminate employment with their new employer, especially since this restriction does not apply to other plans in which they participate. The corporate transaction exception provides some relief from the same desk rule but is inapplicable in numerous cases.

PURCHASE OF SERVICE CREDIT IN GOVERNMENTAL DEFINED BENEFIT PLANS

Under current law, employees of State and local governments often have the option of purchasing service credits in their State defined benefit plans in order to make up for the time spent in another State or district. These employees cannot currently use the money they have saved in their section 403(b) arrangements or section 457 plans to purchase these service credits.

This proposal would permit State and local government employees the option to use the funds in their section 403(b) arrangements or section 457 deferred compensation plans to purchase service credits.

These changes would apply to trustee-to-trustee transfers after December 31, 1998.

This change will permit employees of State and local governments, particularly teachers, who often move between States and school districts in the course of their careers, to buy a larger defined benefit pension with the savings they have accumulated in a section 403(b) arrangement or section 457 deferred compensation plan. The greater number of years of credit that they purchase would reflect a full career of employment rather than two or more shorter periods of employment in different States or districts. Allowing the more flexible use of existing account balances in 403(b) arrangements or section 457 plans will allow more of these employees to purchase service credits and earn a full defined benefit pension.

MISSING PARTICIPANTS PROGRAM

Under current law in the case of certain terminated single employer defined benefit plans, the Pension Benefit Guaranty Corporation (PBGC) will act as a clearinghouse for benefits due to participants who cannot

be located (''missing participants''). Under the program, when a plan is terminated and is unable to locate former workers who are entitled to benefits, the terminating plan is allowed to transfer these benefits to the PBGC which then attempts to locate the employees in question. The missing participants program is limited to certain defined benefit plans.

This proposal would expand the PBGC's missing participant program to cover multiemployer defined benefit pension plans. The program would not apply to governmental plans or to church plans not covered by the PBGC, however. If a plan covered by the new program has missing participants when the plan terminates, at the option of the plan (or employer, in the case of a single employer plan), the missing participants' benefits could be transferred to the PBGC along with related information.

This change would take effect with respect to distributions from t4erminating multiemployer plans that occur after the PBGC has adopted final regulations implementing the provision.

By permitting sponsors the option of transferring pension funds to the PBGC, the chances that a missing participant will be able to recover benefits could be increased.

DISREGARDING ROLLOVERS FOR PURPOSES OF THE CASH OUT AMOUNT

Under current law, if a terminated participant has a vested accrued benefit of $5,000 or less, the plan may distribute such benefit in a lump sum without the consent of the participant or the participant's spouse. This $5,000 cash-out limit is not indexed for inflation. In applying the $5,000 cash-out rule, the plan sponsor is under regulations required to look back to determine if an individual's account every exceeded $5,000 at the time of any prior distribution. Rollover amounts count in determining the maximum balance which can be involuntarily cashed out.

This proposal would allow a plan sponsor to disregard rollover amounts in determining eligibility for the cash-out rule, that is, whether a participant's vested accrued benefit exceeds $5,000.

This proposal would apply to distributions after December 31, 1998.

The reason for this change is to remove a possible reason for employers to refuse to accept rollovers.

PLAN AMENDMENTS

Under current law, there is generally a short period of time to make plan amendments that reflect the amendments to the law. In addition, the anti-cutback rules can have the unintentioned effect of preventing an employer from amending its plan to reflect a change in the law.

Amendments to a plan or annuity contract made pursuant to any amendment made by this bill are not required to be made before the last day of the first plan year beginning on or after January 1, 2001. In the case of a governmental plan, the date for amendments is extended to the first plan year beginning on or after January 1, 2003. Operational compliance would, of course be required with respect to all plans as of the applicable effective date of any amendment made by this Act.

In addition, timely amendments to a plan or annuity contract made pursuant to any amendment made by this Act shall be deemed to satisfy the anti-cutback rules.

The reason for this change is that plan sponsors need an appropriate amount of time to make changes to their plan documents.

By Mr. LOTT (for Mr. NICKLES, for himself, Mr. FRIST, Ms. COLLINS, Mr. JEFFORDS, Mr. ROTH, Mr. SANTORUM, Mr. HAGEL, Mr. GRAMM, Mr. COATS, Mr. LOTT, Mr. MACK, Mr. CRAIG, Mr. COVERDELL, Mr. ABRAHAM, Mr. ALLARD, Mr. ASHCROFT, Mr. BENNETT, Mr. BOND, Mr. BROWNBACK, Mr. BURNS, Mr. COCHRAN, Mr. DOMENICI, Mr. ENZI, Mr. FAIRCLOTH, Mr. GORTON, Mr. GRAMS, Mr. GRASSLEY, Mr. HATCH, Mr. HELMS, Mr. HUTCHINSON, Mrs. HUTCHISON, Mr. INHOFE, Mr. KEMPTHORNE, Mr. LUGAR, Mr. MCCAIN, Mr. MURKOWSKI, Mr. ROBERTS, Mr. SESSIONS, Mr. SHELBY, Mr. SMITH of New Hampshire, Mr. SMITH of Oregon, Ms. SNOWE, Mr. THOMAS, Mr. THOMPSON, Mr. THURMOND, and Mr. WARNER):

S. 2330. A bill to improve the access and choice of patients to quality, affordable health care; read the first time.

PATIENTS' BILL OF RIGHTS

Mr. NICKLES. Mr. President, today I am introducing the Republican Patients' Bill of Rights. Joining me in this effort are 46 of my colleagues who recognize the importance of ensuring that all Americans are able to not only receive the care they have been promised, but also receive the highest quality of care available. The foundation of this proposal was to address some of the very real concerns that consumers have about their health care needs.

We know that many Americans have believed they were denied coverage that their plans were supposed to cover. We recognize that some individuals fear that their health care plans will not give them access to specialists when they need them. We know that some Americans think their health care plans care more about cost than they do about quality.

In contrast, we also know that many Americans are happy and satisfied with their health care plan. We know that 81 percent of managed care enrollees are satisfied with their current health care plan. Another recent analysis suggest that 79 percent of consumers in HMOs would recommend their coverage. In addition Americans are leery of Washington solutions and increased federal intervention.

Last January, the Leader asked me to put together a group of colleagues to address the issue of health care quality. For the past seven months, Senators FRIST, COLLINS, HAGEL, ROTH, JEFFORDS, COATS, SANTORUM, and GRAMM worked tirelessly to put together a responsible, credible package that would preserve what is best about our Nation's health care while at the same time determine ways to improve upon—without stifling—the quality of care our nation delivers. We set out to rationally examine the issues and develop reasonable solutions without injuring patient access to affordable, high quality care.

This was no easy task. We spent month after month talking to experts who understand the difficulty and complexity of our system. We met with representatives from all aspects of the industry including the Mayo Clinic, the Henry Ford Health Systems, the American Medical Association, the American Hospital Association, the National Committee for Quality Assurance, the Joint Commission on the Accreditation of Healthcare Organizations, Corporate Medical Directors, Commissioners from the President's Quality Commission, Purchasers, Families USA, the Employee Benefit Research Institute and many others.

After many, many months of dissecting serious questions about our system we determined that there were indeed some areas in which we could improve patient access and quality.

We have put together an innovative plan that will answer the problems that exist in the industry while at the same time preserving affordability, which is of utmost importance. Mr. President, I think you agree that if someone loses their health insurance because a politician playing doctor drives prices to an unaffordable level, you have hardly given them more rights or better quality health care.

We are proud of what we have been able to accomplish. For the first time, patients can choose to be unencumbered in their relationship with their doctor. They will be able to choose their own doctor and get the middle man out of the way. There will be no corporate bureaucrat, no government bureaucrat and no lawyer standing between a patient and their doctor.

Mr. President, the bill we introduce today:

Protects consumers in employer-sponsored plans that are exempt from state regulation. People enrolled in such plans will have the right to:

Choose their doctors. Our bill contains both ''point-of-service'' and ''continuity of care'' requirements that will enhance consumer choice.

See their ob-gyns and pediatricians without referral. Our bill will give patients direct access to pediatricians and ob-gyns without prior referral from a ''gatekeeper.''

Have a ''prudent layperson'' standard applied to their claims for emergency care. The GOP alternative will require health plans to cover—without prior authorization—emergency care that a ''prudent layperson'' would consider medically necessary.

Communicate openly with their doctors without ''gag'' clauses.

Holds health plans accountable for their decisions.

Extends to enrollees in ERISA health plans and their doctors the right to appeal adverse coverage decisions to a physician who was not involved in the initial coverage determination.

Allows enrollees to appeal adverse coverage determinations to independent medical experts who have no affiliation with the health plan. Determinations by these experts will be binding on the health plan.

Requires health plans to disclose to enrollees consumer information, including what's covered, what's not,

how much they'll have to pay in deductibles and coinsurance, and how to appeal adverse coverage decisions to independent medical experts.

Guarantees consumers access to their medical records.

Requires health care providers, health plans, employers, health and life insurers, and schools and universities to permit an individual to inspect, copy and amend his or her own medical information.

Requires health care providers, health plans, health oversight agencies, public health authorities, employers, health and life insurers, health researchers, law enforcement officials, and schools and universities to establish appropriate safeguards to protect the confidentiality, security, accuracy and integrity of protected health information and notify enrollees of these safeguards.

Protects patients from genetic discrimination in health insurance. Prohibits health plans from collecting or using predictive genetic information about a patient to deny health insurance coverage or set premium rates.

Promotes quality improvement by supporting research to give patients and physicians better information regarding quality.

Establishes the Agency for Healthcare Quality Research (AHQR), whose purpose is to foster overall improvement in healthcare quality and bridge the gap between what we know and what we do in healthcare today. The Agency is built on the platform of the current Agency for Health Care Policy and Research, but is refocused and enhanced to become the hub and driving force of federal efforts to improve the quality of healthcare in all practice environments—not just managed care.

The role of the Agency is not to mandate a national definition of quality, but to support the science necessary to provide information to patients regarding the quality of the care they receive, to allow physicians to compare their quality outcomes with their peers, and to enable employers and individuals to be prudent purchasers based on quality.

Supports research, screening, treatment, education, and data collection activities to improve the health of women.

Promotes basic and clinical research for osteoporosis; breast and ovarian cancer; and aging processes regarding women.

Expands research efforts into the underlying causes and prevention of cardiovascular diseases in women—the leading cause of death among American women.

Supports data collection through the National Center for Health Statistics and the National Program of Cancer Registries, which are the leading sources of national data on the health status of women in the U.S.

Supports the National Breast and Cervical Cancer Early Detection Program, which provides for regular screening for breast and cervical cancers to underserved women.

Requires that the length of hospital stay after a mastectomy, lumpectomy or lymph node dissection be determined only by the physician, in consultation with the patient, and without the need to obtain authorization from the health plan. If a plan covers mastectomies, it also must cover breast reconstruction after a mastectomy.

Makes health insurance more accessible and affordable by:

Allowing self-employed people to deduct the full amount of their health care premiums.

Making medical savings accounts available to everyone.

Reforming cafeteria plans to let consumers save for future health care costs.

Mr. President, this bill is a comprehensive bill of rights that will benefit all Americans, and I am proud to join with so many of my colleagues in introducing it.

Mr. President, I want to take a moment to address some criticisms that have been made of our bill. These criticisms highlight some significant differences between our bill and the health care bill introduced by Senate Democrats. Mr. President, our bill does differ significantly from the Senate Democrats' bill.

Our bill is the ''Patients' Bill of Rights.'' Theirs is the ''Lawyers' Right to Bill.''

Our bill lets doctors decide whether care is medically necessary. Theirs lets lawyers decide.

Our bill empowers an independent medical expert to order an insurance company to pay for medically necessary care so that patients suffer no harm. Theirs allows trial lawyers to sue health plans after harm is done.

Mr. President, when my insurance company tells me that they won't cover a service for my family, I want the ability to appeal that decision to a doctor who doesn't work for my insurance company. And I want that appeal handled promptly, so that my family receives the benefit. That is what our bill requires.

The Democrats' bill creates new ways for trial lawyers to make money. According to a June 1998 study by Multinational Business Services, the Democrats' bill would create 56 new Federal causes of action—56 new reasons to sue people in Federal court.

That's fine for trial lawyers, but it doesn't do much for patients. Patients want their claim disputes handled promptly and fairly. According to a study by the General Accounting Office, it takes an average of 25 months—more than two years—to resolve a malpractice suit. One cause that the GAO studied took 11 years to resolve! I'm sure the lawyers who handled that case did quite well for themselves. But what about the patient?

Under our bill, patients can appeal directly to an outside medical expert for a prompt review of their claim—without having to incur any legal expenses. In medical malpractice litigation, patients receive an average of only 43 cents of every dollar awarded. The rest goes to lawyers and court fees.

Our bill assures that health care dollars are used to serve patients. Their bill diverts these dollars away from patients and into the pockets of trial lawyers.

Another big difference between our bill and the one introduced by Senate Democrats is that their bill takes a ''big government'' approach to health reform.

Mr. President, it was just four years ago that we debated Clintoncare on the Senate floor. President Clinton wanted government-run health care for all Americans. He wanted it then; he wants it still.

Just last September, President Clinton told the Service Employees Union that he was ''glad'' that he had pushed for the federal government to take over health care. ''Now if what I tried to do before won't work,'' the President said, ''maybe we can do it another way. A step at a time until we eventually finish this.''

The Democrats' bill would take us a step closer to the President's dream of a health care system run by federal bureaucrats and trial lawyers. The study I cited earlier by Multinational Business Services found that their bill would impose 359 new federal mandates, 59 new sets of Federal regulations, and require the government to hire 3,828 new federal bureaucrats.

Our bill relies on State Insurance Commissioners to protect those Americans who are enrolled in state-regulated plans. We protect the unprotected by providing new federal safeguards to the 48 million Americans who are enrolled in plans that the states are not permitted to regulate.

Their bill imposes a risky and complicated scheme that relies on federal bureaucrats at the Health Care Financing Administration (HCFA) to enforce patients' rights in states that do not conform to the federal mandates in their bill.

HCFA is the agency that oversees the federal Medicare and Medicaid programs. Last year, in the Balanced Budget Act, Congress created new consumer protections for Medicare beneficiaries—a ''Patients' Bill of Rights'' for the 38.5 million senior citizens and disabled Americans who rely on Medicare for their health care.

We asked HCFA to protect those rights. How have they done? I regret to say, Mr. President, that they have not done very well at all.

On July 16, a GAO witness testified before the Ways and Means Committee on how well HCFA was doing in enforcing the Medicare patients' bill of rights. According to GAO, HCFA has ''missed 25 percent of the implementation deadlines, including the quality-of-care medical review process for skilled nursing facilities. It is clear

that HCFA will continue to miss implementation deadlines as it attempts to balance the resource demands generated by the Balanced Budget Act with other competing objectives.''

Mr. President, I won't detail all of the ways that HCFA has failed—the fact that it is delaying implementation of a prostate screening program to which Medicare beneficiaries are entitled, the fact that it has failed to establish a quality-of-care medical review process for skilled nursing facilities, the fact that it is far behind schedule in developing a new payment system for home health services. The list goes on and on.

But let me focus on one failure that is especially relevant. All of us agree that people have the right to information about their health plans. When they have the choice of more than one plan, accurate information that compares the plans is critical.

Last year, Congress allocated $95 million to HCFA to develop an information and education program for Medicare beneficiaries. This money was to be used for publishing and mailing handbooks containing comparative plan information to seniors, establishing a toll-free number and Internet website, and sponsoring health information fairs.

Well, there haven't been any information fairs and the toll-free number isn't operational. They do have a website, but they've decided to mail comparative information handbooks only to seniors in 5 states: Washington, Oregon, Ohio, Florida and Arizona. So for the princely sum of a $95 million, only about 5.5 million seniors will receive important information about their health plans, leaving 32.5 million seniors without these handbooks. At that rate, HCFA would need more than $1 billion each year just for handbooks.

Mr. President, if this agency is struggling to protest the rights of 38.5 million Medicare beneficiaries, how can we ask it to protect the rights of up as many as 100 million people enrolled in private health plans?

We believe that consumer protections are too important to entrust to a cumbersome and inefficient federal government. State governments have long been in the business of insurance regulation and the federal government should not usurp their role.

The federal government should protect those who are enrolled in plans that are exempt from state regulation and those enrolled in the programs it runs, like Medicare and Medicaid. The federal government should start protecting the rights of senior citizens under Medicare, instead of meddling in areas where it doesn't belong.

Mr. President, our bill is a truly comprehensive bill of rights for patients, providing new consumer protections for the 48 million Americans who are unprotected by state law, giving the 124 million Americans enrolled in employer-sponsored plans new rights to appeal adverse coverage decisions, protecting the civil rights of consumers to gain access to their medical records, protecting consumers against discrimination based on genetic tests, promoting quality improvement, establishing a new women's health initiative, and giving millions of Americans access to affordable health insurance through medical savings accounts.

The doctor-patient relationship is one of the most important in people's lives. Our legislation preserves and protects that relationship, while taking many common-sense steps forward to affirm and expand quality and access. I look forward with my colleagues and many cosponsors, to the floor debate on this vital issue.

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

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

S. 2330

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Patients' Bill of Rights Act''.

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

Sec. 1. Short title; table of contents.

TITLE I—PATIENT BILL OF RIGHTS

Subtitle A—Right to Advice and Care

Sec. 101. Patient right to medical advice and care.

''SUBPART C—PATIENT RIGHT TO MEDICAL ADVICE AND CARE

''Sec. 721. Patient access to emergency medical care.
''Sec. 722. Offering of choice of coverage options.
''Sec. 723. Patient access to obstetric and gynecological care.
''Sec. 724. Patient access to pediatric care.
''Sec. 725. Continuity of care.
''Sec. 726. Protection of patient-provider communications.
''Sec. 727. Generally applicable provisions.

Sec. 102. Effective date and related rules.

Subtitle B—Right to Information About Plans and Providers

Sec. 111. Information about plans.
Sec. 112. Information about providers.

Subtitle C—Right to Hold Health Plans Accountable

Sec. 121. Amendment to Employee Retirement Income Security Act of 1974.

TITLE II—INDIVIDUAL RIGHTS WITH RESPECT TO PERSONAL MEDICAL INFORMATION

Sec. 201. Short title.

Subtitle A—Access to Medical Records

Sec. 211. Inspection and copying of protected health information.
Sec. 212. Amendment of protected health information.
Sec. 213. Notice of confidentiality practices.

Subtitle B—Establishment of Safeguards

Sec. 221. Establishment of safeguards.

Subtitle C—Enforcement; Definitions

Sec. 231. Civil penalty.
Sec. 232. Definitions.

TITLE III—GENETIC INFORMATION AND SERVICES

Sec. 301. Short title.
Sec. 302. Amendments to Employee Retirement Income Security Act of 1974.
Sec. 303. Amendments to the Public Health Service Act.
Sec. 304. Amendments to the Internal Revenue Code of 1986.

TITLE IV—HEALTHCARE QUALITY RESEARCH

Sec. 401. Short title.
Sec. 402. Amendment to the Public Health Service Act.

''TITLE IX—AGENCY FOR HEALTHCARE QUALITY RESEARCH

''PART A—ESTABLISHMENT AND GENERAL DUTIES

''Sec. 901. Mission and duties.
''Sec. 902. General authorities.

''PART B—HEALTHCARE IMPROVEMENT RESEARCH

''Sec. 911. Healthcare outcome improvement research.
''Sec. 912. Private-public partnerships to improve organization and delivery.
''Sec. 913. Information on quality and cost of care.
''Sec. 914. Information systems for healthcare improvement.
''Sec. 915. Research supporting primary care delivery and access in underserved areas.
''Sec. 916. Clinical practice and technology innovation.
''Sec. 917. Coordination of Federal Government quality improvement efforts.

''PART C—FOUNDATION FOR HEALTHCARE QUALITY RESEARCH

''Sec. 921. Foundation for Healthcare Quality Research.

''PART D—GENERAL PROVISIONS

''Sec. 931. Advisory Council for Healthcare Quality Research.
''Sec. 932. Peer review with respect to grants and contracts.
''Sec. 933. Certain provisions with respect to development, collection, and dissemination of data.
''Sec. 934. Dissemination of information.
''Sec. 935. Additional provisions with respect to grants and contracts.
''Sec. 936. Certain administrative authorities.
''Sec. 937. Funding.
''Sec. 938. Definitions.

Sec. 403. References.
Sec. 404. Study.

TITLE V—WOMEN'S HEALTH RESEARCH AND PREVENTION

Sec. 501. Short title.

Subtitle A—Provisions Relating to Women's Health Research at the National Institutes of Health

Sec. 511. Extension of program for research and authorization of national program of education regarding the drug DES.
Sec. 512. Research on osteoporosis, Paget's disease, and related bone disorders.
Sec. 513. Research on cancer.
Sec. 514. Research on heart attack, stroke, and other cardiovascular diseases in women.
Sec. 515. Aging processes regarding women.
Sec. 516. Office of Research on Women's Health.

Subtitle B—Provisions Relating to Women's Health at the Centers for Disease Control and Prevention

Sec. 521. National Center for Health Statistics.

Sec. 522. National program of cancer registries.
Sec. 523. National breast and cervical cancer early detection program.
Sec. 524. Centers for Research and Demonstration of Health Promotion.
Sec. 525. Community programs on domestic violence.

Subtitle C—Women's Health and Cancer Rights

Sec. 531. Short title.
Sec. 532. Findings.
Sec. 533. Amendments to the Employee Retirement Income Security Act of 1974.
Sec. 534. Amendments to the Public Health Service Act relating to the group market.
Sec. 535. Amendment to the Public Health Service Act relating to the individual market.
Sec. 536. Amendments to the Internal Revenue Code of 1986.
Sec. 537. Research study on the management of breast cancer.

TITLE VI—ENHANCED ACCESS TO HEALTH INSURANCE COVERAGE

Sec. 601. Carryover of unused benefits from cafeteria plans, flexible spending arrangements, and health flexible spending accounts.
Sec. 602. Full deduction of health insurance costs for self-employed individuals.
Sec. 603. Full availability of medical savings accounts.
Sec. 604. Permitting contribution towards medical savings account through Federal employees health benefits program (FEHBP).

TITLE I—PATIENT BILL OF RIGHTS

Subtitle A—Right to Advice and Care

SEC. 101. PATIENT RIGHT TO MEDICAL ADVICE AND CARE.

(a) IN GENERAL.—Part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1185 et seq.) is amended—

(1) by redesignating subpart C as subpart D; and

(2) by inserting after subpart B the following:

"Subpart C—Patient Right to Medical Advice and Care

"SEC. 721. PATIENT ACCESS TO EMERGENCY MEDICAL CARE.

''(a) IN GENERAL.—To the extent that the group health plan provides coverage for benefits consisting of emergency medical care (as defined in subsection (c)), except for items or services specifically excluded—

''(1) the plan shall provide coverage for benefits, without requiring preauthorization, for appropriate emergency medical screening examinations (within the capability of the emergency facility) to the extent that a prudent layperson, who possesses an average knowledge of health and medicine, would determine such examinations to be necessary to determine whether emergency medical care (as so defined) is necessary, and

''(2) the plan shall provide coverage for benefits for additional emergency medical services following an emergency medical screening examination (if determined necessary under paragraph (1)) to the extent that a prudent emergency medical professional would determine such additional emergency services to be necessary to avoid the consequences described in paragraph (2) of subsection (c).

''(b) UNIFORM COST-SHARING REQUIRED.—Nothing in this section shall be construed as preventing a group health plan from imposing any form of cost-sharing applicable to any participant or beneficiary (including coinsurance, copayments, deductibles, and any other charges) in relation to coverage for benefits described in subsection (a), if such form of cost-sharing is uniformly applied under such plan, with respect to similarly situated participants and beneficiaries, to all benefits consisting of emergency medical care (as defined in subsection (c)) provided to such similarly situated participants and beneficiaries under the plan.

''(c) DEFINITION OF EMERGENCY MEDICAL CARE.—In this section:

''(1) IN GENERAL.—The term ''emergency medical care'' means, with respect to a participant or beneficiary under a group health plan, covered inpatient and outpatient services that—

''(A) are furnished by a provider that is qualified to furnish such services; and

''(B) are needed to evaluate or stabilize an emergency medical condition (as defined in paragraph (2)).

''(2) EMERGENCY MEDICAL CONDITION.—The term ''emergency medical care'' means a medical condition manifesting itself by acute symptoms of sufficient severity (including severe pain) such that a prudent layperson, who possesses an average knowledge of health and medicine, could reasonably expect the absence of immediate medical attention to result in—

''(A) placing the health of the participant or beneficiary (or, with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy,

''(B) serious impairment to bodily functions, or

''(C) serious dysfunction of any bodily organ or part.

"SEC. 722. OFFERING OF CHOICE OF COVERAGE OPTIONS.

''(a) REQUIREMENT.—

''(1) OFFERING OF POINT-OF-SERVICE COVERAGE OPTION.—Except as provided in paragraph (2), if a group health plan provides coverage for benefits only through a defined set of participating health care professionals, the plan shall offer the participant the option to purchase point-of-service coverage (as defined in subsection (b)) for all such benefits for which coverage is otherwise so limited. Such option shall be made available to the participant at the time of enrollment under the plan and at such other times as the plan offers the participant a choice of coverage options.

''(2) EXCEPTION IN THE CASE OF MULTIPLE ISSUER OR COVERAGE OPTIONS.—Paragraph (1) shall not apply with respect to a participant in a group health plan if the plan offers the participant—

''(A) a choice of health insurance coverage through more than one health insurance issuer; or

''(B) two or more coverage options that differ significantly with respect to the use of participating health care professionals or the networks of such professionals that are used.

''(b) POINT-OF-SERVICE COVERAGE DEFINED.—In this section, the term 'point-of-service coverage' means, with respect to benefits covered under a group health plan, coverage of such benefits when provided by a nonparticipating health care professional.

''(c) SMALL EMPLOYER EXEMPTION.—

''(1) IN GENERAL.—This section shall not apply to any group health plan of a small employer.

''(2) SMALL EMPLOYER.—For purposes of paragraph (1), the term 'small employer' means, in connection with a group health plan with respect to a calendar year and a plan year, an employer who employed an average of at least 2 but not more than 50 employees on business days during the preceding calendar year and who employs at least 2 employees on the first day of the plan year. For purposes of this paragraph, the provisions of subparagraph (C) of section 712(c)(1) shall apply in determining employer size.

''(d) RULE OF CONSTRUCTION.—Nothing in this section shall be construed—

''(1) as requiring coverage for benefits for a particular type of health care professional;

''(2) as requiring an employer to pay any costs as a result of this section or to make equal contributions with respect to different health coverage options;

''(3) as preventing a group health plan from imposing higher premiums or cost-sharing on a participant for the exercise of a point-of-service coverage option; or

''(4) to require that a group health plan include coverage of health care professionals that the plan excludes because of fraud, quality of care, or other similar reasons with respect to such professionals.

"SEC. 723. PATIENT ACCESS TO OBSTETRIC AND GYNECOLOGICAL CARE.

''(a) IN GENERAL.—In any case in which a group health plan—

''(1) provides coverage for benefits consisting of—

''(A) gynecological care (such as preventive women's health examinations); or

''(B) obstetric care (such as pregnancy-related services);

provided by a participating physician who specializes in such care; and

''(2) requires or provides for designation by a participant or beneficiary of a participating primary care provider;

if the primary care provider designated by such a participant or beneficiary is not such a physician as described in paragraph (1), then the plan shall meet the requirements of subsection (b).

''(b) REQUIREMENTS.—A group health plan meets the requirements of this subsection, in connection with the coverage of benefits described in subsection (a) consisting of care described in subparagraph (A) or (B) of subsection (a)(1), if the plan—

''(1) does not require authorization or a referral by the primary care provider in order to obtain coverage for such benefits, and

''(2) treats the ordering of other routine care of the same type, by the participating physician providing the care described in subparagraph (A) or (B) of subsection (a)(1), as the authorization of the primary care provider with respect to such care.

''(c) RULE OF CONSTRUCTION.—Nothing in subsection (b)(2) shall waive any requirements of coverage relating to medical necessity or appropriateness with respect to coverage of gynecological or obstetric care so ordered.

"SEC. 724. PATIENT ACCESS TO PEDIATRIC CARE.

''(a) IN GENERAL.—In any case in which a group health plan—

''(1) provides coverage for benefits consisting of pediatric care by a participating pediatrician; and

''(2) requires or provides for designation by a participant or beneficiary of a participating primary care provider;

if the primary care provider designated by such a participant or beneficiary is not a physician as described in paragraph (1), then the plan shall meet the requirements of subsection (b).

''(b) REQUIREMENTS.—A group health plan meets the requirements of this subsection, in connection with the coverage of benefits described in subsection (a) consisting of care described in subsection (a)(1), if the plan—

''(1) does not require authorization or a referral by the primary care provider in order to obtain coverage for such benefits, and

''(2) treats the ordering of other routine care of the same type, by the participating

physician providing the care described in subsection (a)(1), as the authorization of the primary care provider with respect to such care.

''(c) CONSTRUCTION.—Nothing in subsection (b)(2) shall waive any requirements of coverage relating to medical necessity or appropriateness with respect to coverage of pediatric care so ordered.

''SEC. 725. CONTINUITY OF CARE.

''(a) IN GENERAL.—

''(1) TERMINATION OF PROVIDER.—If a contract between a group health plan and a health care provider is terminated (as defined in paragraph (2)), or benefits or coverage provided by a health care provider are terminated because of a change in the terms of provider participation in a group health plan, and an individual who is a participant or beneficiary in the plan is undergoing a course of treatment from the provider at the time of such termination, the plan shall—

''(A) notify the individual on a timely basis of such termination, and

''(B) in the case of termination described in paragraph (2), (3), of (4) of subsection (b), and subject to subsection (c), permit the individual to continue or be covered with respect to the course of treatment with the provider's consent during a transitional period (as provided under subsection (b)).

''(2) TERMINATION.—In this section, the term 'terminated' includes, with respect to a contract, the expiration or nonrenewal of the contract by the group health plan, but does not include a termination of the contract by the plan for failure to meet applicable quality standards or for fraud.

''(b) TRANSITIONAL PERIOD.—

''(1) GENERAL RULE.—Except as provided in paragraph (3), the transitional period under this subsection shall extend for up to 90 days from the date of the notice described in subsection (a)(1)(A) of the provider's termination.

''(2) INSTITUTIONAL CARE.—Subject to paragraph (1), the transitional period under this subsection for institutional or inpatient care from a provider shall extend until the discharge or termination of the period of institutionalization and also shall include institutional care provided within a reasonable time of the date of termination of the provider status if the care was scheduled before the date of the announcement of the termination of the provider status under subsection (a)(1)(A) or if the individual on such date was on an established waiting list or otherwise scheduled to have such care.

''(3) PREGNANCY.—Notwithstanding paragraph (1), if—

''(A) a participant or beneficiary has entered the second trimester of pregnancy at the time of a provider's termination of participation; and

''(B) the provider was treating the pregnancy before the date of the termination;

the transitional period under this subsection with respect to provider's treatment of the pregnancy shall extend through the provision of post-partum care directly related to the delivery.

''(4) TERMINAL ILLNESS.—Subject to paragraph (1), if—

''(A) a participant or beneficiary was determined to be terminally ill (as determined under section 1861(dd)(3)(A) of the Social Security Act) prior to a provider's termination of participation; and

''(B) the provider was treating the terminal illness before the date of termination;

the transitional period under this subsection shall extend for the remainder of the individual's life for care directly related to the treatment of the terminal illness.

''(c) PERMISSIBLE TERMS AND CONDITIONS.—A group health plan may condition coverage of continued treatment by a provider under subsection (a)(1)(B) upon the provider agreeing to the following terms and conditions:

''(1) The provider agrees to accept reimbursement from the plan and individual involved (with respect to cost-sharing) at the rates applicable prior to the start of the transitional period as payment in full (or, in the case described in subsection (b)(2), at the rates applicable under the replacement plan after the date of the termination of the contract with the group health plan) and not to impose cost-sharing with respect to the individual in an amount that would exceed the cost-sharing that could have been imposed if the contract referred to in subsection (a)(1) had not been terminated.

''(2) The provider agrees to adhere to the quality assurance standards of the plan responsible for payment under paragraph (1) and to provide to such plan necessary medical information related to the care provided.

''(3) The provider agrees otherwise to adhere to such plan's policies and procedures, including procedures regarding referrals and obtaining prior authorization and providing services pursuant to a treatment plan (if any) approved by the plan.

''(d) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to require the coverage of benefits which would not have been covered if the provider involved remained a participating provider.

''(e) DEFINITION.—In this section, the term 'health care provider' or 'provider' means—

''(1) any individual who is engaged in the delivery of health care services in a State and who is required by State law or regulation to be licensed or certified by the State to engage in the delivery of such services in the State; and

''(2) any entity that is engaged in the delivery of health care services in a State and that, if it is required by State law or regulation to be licensed or certified by the State to engage in the delivery of such services in the State, is so licensed.

''SEC. 726. PROTECTION OF PATIENT-PROVIDER COMMUNICATIONS.

''(a) IN GENERAL.—Subject to subsection (b), a group health plan (in relation to a participant or beneficiary) shall not prohibit a health care professional from advising such a participant or beneficiary who is a patient of the professional about the health status of the participant or beneficiary or medical care or treatment for the condition or disease of the participant or beneficiary, regardless of whether coverage for such care or treatment are provided under the contract, if the professional is acting within the lawful scope of practice.

''(b) RULE OF CONSTRUCTION.—Nothing in this section shall be construed as requiring a group health plan to provide specific benefits under the terms of such plan.

''SEC. 727. GENERALLY APPLICABLE PROVISIONS.

''(a) APPLICABILITY.—The provisions of this subpart shall apply to group health plans. Such provisions shall not apply to a health insurance issuer that is licensed by a State and subject to State laws that regulate insurance within the meaning of section 514(b)(2), while engaged in the business of insurance in such State.

''(b) TREATMENT OF MULTIPLE COVERAGE OPTIONS.—In the case of a group health plan that provides benefits under 2 or more coverage options, the requirements of sections 721, 723, 724, 725 and 726 shall apply separately with respect to each coverage option.''.

(b) RULE WITH RESPECT TO CERTAIN PLANS.—

(1) IN GENERAL.—Notwithstanding any other provision of law, health insurance issuers may offer, and eligible individuals may purchase, high deductible health plans described in section 220(c)(2)(A) of the Internal Revenue Code of 1986. Effective for the 4-year period beginning on the date of the enactment of this Act, such health plans shall not be required to provide payment for any health care items or services that are exempt from the plan's deductible.

(2) EXISTING STATE LAWS.—A State law relating to payment for health care items and services in effect on the date of enactment of this Act that is preempted under paragraph (1), shall not apply to high deductible health plans after the expiration of the 4-year period described in such paragraph unless the State reenacts such law after such period.

(c) CONFORMING AMENDMENT.—The table of contents in section 1 of such Act is amended—

(1) in the item relating to subpart C, by striking ''Subpart C'' and inserting ''Subpart D''; and

(2) by adding at the end of the items relating to subpart B of part 7 of subtitle B of title I of such Act the following new items:

''SUBPART C—PATIENT RIGHT TO MEDICAL ADVICE AND CARE

''Sec. 721. Patient access to emergency medical care.
''Sec. 722. Offering of choice of coverage options.
''Sec. 723. Patient access to obstetric and gynecological care.
''Sec. 724. Patient access to pediatric care.
''Sec. 725. Continuity of care.
''Sec. 726. Protection of patient-provider communications.
''Sec. 727. Generally applicable provisions.''.

SEC. 102. EFFECTIVE DATE AND RELATED RULES.

(a) IN GENERAL.—The amendments made by this subtitle shall apply with respect to plan years beginning on or after January 1 of the second calendar year following the date of the enactment of this Act. The Secretary shall issue all regulations necessary to carry out the amendments made by this section before the effective date thereof.

(b) LIMITATION ON ENFORCEMENT ACTIONS.—No enforcement action shall be taken, pursuant to the amendments made by this subtitle, against a group health plan with respect to a violation of a requirement imposed by such amendments before the date of issuance of regulations issued in connection with such requirement, if the plan has sought to comply in good faith with such requirement.

Subtitle B—Right to Information About Plans and Providers

SEC. 111. INFORMATION ABOUT PLANS.

(a) IN GENERAL.—Subpart B of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1185 et seq.) is amended by adding at the end the following:

''SEC. 713. HEALTH PLAN COMPARATIVE INFORMATION.

''(a) REQUIREMENT.—A group health plan, or health insurance issuer in connection with group health insurance coverage, shall, not later than 12 months after the date of enactment of this section, provide for the disclosure, in a clear and accurate form to each enrollee, or upon request to a potential enrollee eligible to receive benefits under the plan, or plan sponsor with which the plan or issuer has contracted, of the information described in subsection (b).

''(b) REQUIRED INFORMATION.—The informational materials to be distributed under this section shall include for each health benefit plan the following:

''(1) A description of the covered items and services under each such plan and any in- and out-of-network features of each such plan.

''(2) A description of any cost-sharing, including premiums, deductibles, coinsurance, and copayment amounts, for which the enrollee will be responsible, including any annual or lifetime limits on benefits, for each such plan.

''(3) A description of any optional supplemental benefits offered by each such plan and the terms and conditions (including premiums or cost-sharing) for such supplemental coverage.

''(4) A description of any restrictions on payments for services furnished to an enrollee by a health care professional that is not a participating professional and the liability of the enrollee for additional payments for these services.

''(5) A description of the service area of each such plan, including the provision of any out-of-area coverage.

''(6) A description of the extent to which enrollees may select the primary care provider of their choice, including providers both within the network and outside the network of each such plan (if the plan permits out-of-network services).

''(7) A description of the procedures for advance directives and organ donation decisions if the plan maintains such procedures.

''(8) A description of the requirements and procedures to be used to obtain preauthorization for health services (including telephone numbers and mailing addresses), including referrals for specialty care.

''(9) A summary of the rules and methods for appealing coverage decisions and filing grievances (including telephone numbers and mailing addresses), as well as other available remedies.

''(10) A summary of the rules for access to emergency room care. Also, any available educational material regarding proper use of emergency services.

''(11) A description of whether or not coverage is provided for experimental treatments, investigational treatments, or clinical trials and the circumstances under which access to such treatments or trials is made available.

''(12) A description of the specific preventative services covered under the plan if such services are covered.

''(13) A statement that the following information, and instructions on obtaining such information (including telephone numbers and, if available, Internet websites), shall be made available upon request:

''(A) The names, addresses, telephone numbers, and State licensure status of the plan's participating health care professionals and participating health care facilities, and, if available, the education, training, speciality qualifications or certifications of such professionals.

''(B) A summary description of the methods used for compensating participating health care professionals, such as capitation, fee-for-service, salary, or a combination thereof. The requirement of this subparagraph shall not be construed as requiring plans to provide information concerning proprietary payment methodology.

''(C) A summary description of the methods used for compensating health care facilities, including per diem, fee-for-service, capitation, bundled payments, or a combination thereof. The requirement of this subparagraph shall not be construed as requiring plans to provide information concerning proprietary payment methodology.

''(D) A summary description of the procedures used for utilization review.

''(E) The list of the specific prescription medications included in the formulary of the plan, if the plan uses a defined formulary, and any provision for obtaining off-formulary medications.

''(F) A description of the specific exclusions from coverage under the plan.

''(G) Any available information related to the availability of translation or interpretation services for non-English speakers and people with communication disabilities, including the availability of audio tapes or information in Braille.

''(H) Any information that is made public by accrediting organizations in the process of accreditation if the plan is accredited, or any additional quality indicators that the plan makes available.

''(c) MANNER OF DISTRIBUTION.—

''(1) IN GENERAL.—The information described in this section shall be distributed in an accessible format that is understandable to an average plan enrollee.

''(2) RULE OF CONSTRUCTION.—For purposes of this section, a group health plan, or health insurance issuer in connection with group health insurance coverage, in reliance on records maintained by the plan or issuer, shall be deemed to have met the requirements of this section if the plan or issuer provides the information requested under this section—

''(A) in the case of the plan, to participants and beneficiaries at the address contained in such records with respect to such participants and beneficiaries; or

''(B) in the case of the issuer, to the employer of a participant if the employer provides for the coverage of such participant under the plan involved or to participants and beneficiaries at the address contained in such records with respect to such participants and beneficiaries.

''(d) RULE OF CONSTRUCTION.—Nothing in this section may be construed to prohibit a group health plan, or health insurance issuer in connection with group health insurance coverage, from distributing any other additional information determined by the plan or issuer to be important or necessary in assisting participants and beneficiaries enrollees or upon request potential participants in the selection of a health plan or from providing information under subsection (b)(13) as part of the required information.

''(e) HEALTH CARE PROFESSIONAL.—In this section, the term 'health care professional' means a physician (as defined in section 1861(r) of the Social Security Act) or other health care professional if coverage for the professional's services is provided under the health plan involved for the services of the professional. Such term includes a podiatrist, optometrist, chiropractor, psychologist, dentist, physician assistant, physical or occupational therapist and therapy assistant, speech-language pathologist, audiologist, registered or licensed practical nurse (including nurse practitioner, clinical nurse specialist, certified registered nurse anesthetist, and certified nurse-midwife), licensed certified social worker, registered respiratory therapist, and certified respiratory therapy technician.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 732(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1185(a)) is amended by striking ''section 711, and inserting ''sections 711 and 713''.

(2) The table of contents in section 1 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1001) is amended by inserting after the item relating to section 712, the following:

''Sec. 713. Health plan comparative information.''.

SEC. 112. INFORMATION ABOUT PROVIDERS.

(a) STUDY.—The Secretary of Health and Human Services shall enter into a contract with the Institute of Medicine for the conduct of a study, and the submission to the Secretary of a report, that includes—

(1) an analysis of information concerning health care professionals that is currently available to patients, consumers, States, and professional societies, nationally and on a State-by-State basis, including patient preferences with respect to information about such professionals and their competencies;

(2) an evaluation of the legal and other barriers to the sharing of information concerning health care professionals; and

(3) recommendations for the disclosure of information on health care professionals, including the competencies and professional qualifications of such practitioners, to better facilitate patient choice, quality improvement, and market competition.

(b) REPORT.—Not later than 18 months after the date of enactment of this Act, the Secretary of Health and Human Services shall forward to the appropriate committees of Congress a copy of the report and study conducted under subsection (a).

Subtitle C—Right to Hold Health Plans Accountable

SEC. 121. AMENDMENT TO EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.

(a) IN GENERAL.—Section 503 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1133) is amended to read as follows:

''SEC. 503. CLAIMS PROCEDURE, COVERAGE DETERMINATION, GRIEVANCES AND APPEALS.

''(a) CLAIMS PROCEDURE.—In accordance with regulations of the Secretary, every employee benefit plan shall—

''(1) provide adequate notice in writing to any participant or beneficiary whose claim for benefits under the plan has been denied, setting forth the specific reasons for such denial, written in a manner calculated to be understood by the participant, and

''(2) afford a reasonable opportunity to any participant whose claim for benefits has been denied for a full and fair review by the appropriate named fiduciary of the decision denying the claim.

''(b) COVERAGE DETERMINATIONS UNDER GROUP HEALTH PLANS.—

''(1) PROCEDURES.—

''(A) IN GENERAL.—A group health plan or health insurance issuer conducting utilization review shall ensure that procedures are in place for—

''(i) making determinations regarding whether an enrollee is eligible to receive a payment or coverage for health services under the plan or coverage involved and any cost-sharing amount that the enrollee is required to pay with respect to such service;

''(ii) notifying covered enrollees (or the legal representative of such enrollees) and the treating health care professionals involved regarding determinations made under the plan or issuer and any additional payments that the enrollee may be required to make with respect to such service; and

''(iii) responding to requests, either written or oral, for coverage determinations or for internal appeals from an enrollee (or the legal representative of such enrollee) or the treating health care professional.

''(B) ORAL REQUESTS.—With respect to an oral request described in subparagraph (A)(iii), a group health plan or health insurance issuer may require that the requesting individual provide written evidence of such request.

''(2) TIMELINE FOR MAKING DETERMINATIONS.—

''(A) ROUTINE DETERMINATION.—A group health plan or a health insurance issuer shall maintain procedures to ensure that prior authorization determinations concerning the provision of non-emergency items or services are made within 30 days from the date on

which the request for a determination is submitted, except that such period may be extended where certain circumstances exist that are determined by the Secretary to be beyond control of the plan or issuer.

''(B) EXPEDITED DETERMINATION.—

''(i) IN GENERAL.—A prior authorization determination under this subsection shall be made within 72 hours after a request is received by the plan or issuer under clause (ii) or (iii).

''(ii) REQUEST BY ENROLLEE.—A plan or issuer shall maintain procedures for expediting a prior authorization determination under this subsection upon the request of an enrollee if, based on such a request, the plan or issuer determines that the normal time for making such a determination could seriously jeopardize the life or health of the enrollee.

''(iii) DOCUMENTATION BY HEALTH CARE PROFESSIONAL.—A plan or issuer shall maintain procedures for expediting a prior authorization determination under this subsection if the request involved indicates that the treating health care professional has documented, based on the medical exigencies, that a determination under the procedures described in subparagraph (A) could seriously jeopardize the life or health of the enrollee.

''(C) CONCURRENT DETERMINATIONS.—A plan or issuer shall maintain procedures to certify or deny coverage of an extended stay or additional services.

''(D) RETROSPECTIVE DETERMINATION.—A plan or issuer shall maintain procedures to ensure that, with respect to the retrospective review of a determination made under paragraph (1), the determination shall be made within 30 working days of the date on which the plan or issuer receives all necessary information.

''(3) NOTICE OF DETERMINATIONS.—

''(A) ROUTINE DETERMINATION.—With respect to a coverage determination of a plan or issuer under paragraph (2)(A), the plan or issuer shall issue notice of such determination to the enrollee (or the legal representative of the enrollee), and consistent with the medical exigencies of the case, to the treating health care professional involved not later than 2 working days after the date on which the determination is made.

''(B) EXPEDITED DETERMINATION.—With respect to a coverage determination of a plan or issuer under paragraph (2)(B), the plan or issuer shall issue notice of such determination to the enrollee (or the legal representative of the enrollee), and consistent with the medical exigencies of the case, to the treating health care professional involved within the 72 hour period described in paragraph (2)(B).

''(C) CONCURRENT REVIEWS.—With respect to the determination under a plan or issuer under paragraph (1) to certify or deny coverage of an extended stay or additional services, the plan or issuer shall issue notice of such determination to the treating health care professional and to the enrollee involved (or the legal representative of the enrollee) within 1 working day of the date on which the initial notice was issued.

''(D) RETROSPECTIVE REVIEWS.—With respect to the retrospective review under a plan or issuer of a determination made under paragraph (1), a determination shall be made within 30 working days of the date on which the plan or issuer receives all necessary information. The plan or issuer shall issue written notice of an approval or disapproval of a determination under this subparagraph to the enrollee (or the legal representative of the enrollee) and health care provider involved within 5 working days of the date on which such determination is made.

''(E) REQUIREMENTS OF NOTICE OF ADVERSE COVERAGE DETERMINATIONS.—A written or electronic notice of an adverse coverage determination under this subsection, or of an expedited adverse coverage determination under paragraph (2)(B), shall be provided to the enrollee (or the legal representative of the enrollee) and treating health care professional (if any) involved and shall include—

''(i) the reasons for the determination (including the clinical or scientific-evidence based rationale used in making the determination) written in a manner to be understandable to the average enrollee;

''(ii) the procedures for obtaining additional information concerning the determination; and

''(iii) notification of the right to appeal the determination and instructions on how to initiate an appeal in accordance with subsection (d).

''(c) GRIEVANCES.—A group health plan or a health insurance issuer shall have written procedures for addressing grievances between the plan and enrollees. Determinations under such procedures shall be non-appealable.

''(d) INTERNAL APPEAL OF COVERAGE DETERMINATIONS.—

''(1) IN GENERAL.—An enrollee (or the legal representative of the enrollee) and the treating health care professional with the consent of the enrollee (or the legal representative of the enrollee), may appeal any adverse coverage determination under subsection (b) under the procedures described in this subsection.

''(2) RECORDS.—A group health plan and a health insurance issuer shall maintain written records, for at least 6 years, with respect to any appeal under this subsection for purposes of internal quality assurance and improvement.

''(3) ROUTINE DETERMINATIONS.—A group health plan or a health insurance issuer shall provide for the consideration of an appeal of an adverse routine determination under this subsection not later than 30 working days after the date on which a request for such appeal is received.

''(4) EXPEDITED DETERMINATION.—

''(A) IN GENERAL.—An expedited determination with respect to an appeal under this subsection shall be made in accordance with the medical exigencies of the case, but in no case more than 72 hours after the request for such appeal is received by the plan or issuer under subparagraph (B) or (C).

''(B) REQUEST BY ENROLLEE.—A plan or issuer shall maintain procedures for expediting a prior authorization determination under this subsection upon the request of an enrollee if, based on such a request, the plan or issuer determines that the normal time for making such a determination could seriously jeopardize the life or health of the enrollee.

''(C) DOCUMENTATION BY HEALTH CARE PROFESSIONAL.—A plan or issuer shall maintain procedures for expediting a prior authorization determination under this subsection if the request involved indicates that the treating health care professional has documented, based on the medical exigencies that a determination under the procedures described in paragraph (2) could seriously jeopardize the life or health of the enrollee.

''(5) CONDUCT OF REVIEW.—A review of an adverse coverage determination under this subsection shall be conducted by an individual with appropriate expertise who was not involved in the initial determination.

''(6) LACK OF MEDICAL NECESSITY.—An appeal under this subsection relating to a determination to deny coverage based on a lack of medical necessity or appropriateness, or based on an experimental or investigational treatment, shall be made only by a physician with appropriate expertise in the field of medicine involved who was not involved in the initial determination.

''(7) NOTICE.—

''(A) IN GENERAL.—Written notice of a determination made under an internal review process shall be issued to the enrollee (or the legal representative of the enrollee) and the treating health care professional not later than 2 working days after the completion of the review (or within the 72-hour period referred to in paragraph (4) if applicable).

''(B) ADVERSE COVERAGE DETERMINATIONS.—With respect to an adverse coverage determination made under this subsection, the notice described in subparagraph (A) shall include—

''(i) the reasons for the determination (including the clinical or scientific-evidence based rationale used in making the determination) written in a manner to be understandable to the average enrollee;

''(ii) the procedures for obtaining additional information concerning the determination; and

''(iii) notification of the right to an external review under subsection (e) and instructions on how to initiate such a review.

''(e) EXTERNAL REVIEW.—

''(1) IN GENERAL.—A group health plan or a health insurance issuer shall have written procedures to permit an enrollee (or the legal representative of the enrollee) access to an external review with respect to a coverage determination concerning a particular item or service where the plan, in consultation with the plan's legal representative, has determined that—

''(A) the particular item or service involved, when medically appropriate and necessary, is generally a covered benefit under the terms and conditions of the contract between the plan or issuer and the enrollee;

''(B) the coverage determination involved denied coverage for such item or service because the provision of such item or service—

''(i) does not meet the plan's or issuer's requirements for medical appropriateness or necessity and the amount involved exceeds $1,000; or

''(ii) would constitute experimental or investigational treatment and there is a significant risk of placing the life or health of the enrollee in jeopardy; and

''(C) the enrollee has completed the internal appeals process with respect to such determination.

''(2) INITIATION OF THE EXTERNAL REVIEW PROCESS.—

''(A) FILING OF REQUEST.—An enrollee (or the legal representative of the enrollee) who desires to have an external review conducted under this subsection shall file a written request for such a review with the plan or issuer involved not later than 30 working days after the receipt of a final denial of a claim under subsection (d). Any such request shall include the consent of the enrollee (or the legal representative of the enrollee) for the release of medical information and records to external reviewers regarding the enrollee if such information is necessary for the proper conduct of the external review.

''(B) INFORMATION AND NOTICE.—Not later than 5 working days after the receipt of a request under subparagraph (A), the plan or issuer involved shall select an external appeals entity under paragraph (3)(A) that shall be responsible for designating an external reviewer under paragraph (3)(B).

''(C) PROVISION OF INFORMATION.—The plan or issuer involved shall forward all necessary information (including medical records, any relevant review criteria, the clinical rationale consistent with the terms and conditions of the contract between the plan or issuer and the enrollee for the coverage denial, and evidence of the enrollee's coverage) to the

external reviewer selected under paragraph (3)(B).

''(D) NOTIFICATION.—The plan or issuer involved shall send a written notification to the enrollee (or the legal representative of the enrollee) and the plan administrator, indicating that an external review has been initiated.

''(3) CONDUCT OF EXTERNAL REVIEW.—

''(A) DESIGNATION OF EXTERNAL APPEALS ENTITY BY PLAN OR ISSUER.—A plan or issuer that receives a request for an external review under paragraph (2)(A) shall designate one of the following entities to serve as the external appeals entity:

''(i) An external review entity licensed or credentialed by a State.

''(ii) A State agency established for the purpose of conducting independent external reviews.

''(iii) Any entity under contract with the Federal Government to provide external review services.

''(iv) Any entity accredited as an external review entity by an accrediting body recognized by the Secretary for such purpose.

''(v) Any fully accredited teaching hospital.

''(vi) Any other entity meeting criteria established by the Secretary for purposes of this subparagraph.

''(B) DESIGNATION OF EXTERNAL REVIEWER BY EXTERNAL APPEALS ENTITY.—The external appeals entity designated under subparagraph (A) shall designate one or more individuals to serve as external reviewers with respect to a request receives under paragraph (2)(A). Such reviewers shall be independent medical experts who shall—

''(i) be appropriately credentialed or licensed in any State to deliver health care services;

''(ii) not have any material, professional, familial, or financial affiliation with the case under review, the enrollee involved, the treating health care professional, the institution where the treatment would take place, or the manufacturer or any drug, device, procedure, or other therapy proposed for the enrollee whose treatment is under review;

''(iii) be experts in the treatment of the enrollee's medical condition and knowledgeable about the recommended therapy;

''(iv) receive only reasonable and customary compensation from the group health plan or health insurance issuer in connection with the external review that is not contingent on the decision rendered by the reviewer; and

''(v) not be held liable for decisions regarding medical determinations (but may be held liable for actions that are arbitrary and capricious).

''(4) STANDARD OF REVIEW.—

''(A) IN GENERAL.—An external reviewer shall—

''(i) make a determination based on the medical necessity, appropriateness, experimental or investigational nature of the coverage denial;

''(ii) take into consideration any evidence-based decision making or clinical practice guidelines used by the group health plan or health insurance issuer in conducting utilization review; or

''(iii) submit a report on the final determinations of the review involved to—

''(I) the plan or issuer involved;

''(II) the enrollee involved (or the legal representative of the enrollee); and

''(III) the health care professional involved.

''(B) NOTICE.—The plan or issuer involved shall ensure that the enrollee receives notice, within 30 days after the determination of the independent medical expert, regarding the actions of the plan or issuer with respect to the determination of such expert under the external review.

''(5) TIMEFRAME FOR REVIEW.—An external reviewer shall complete a review of an adverse coverage determination in accordance with the medical exigencies of the case, but in no case later than 30 working days after the later of—

''(A) the date on which such reviewer is designated; or

''(B) the date on which all information necessary to completing such review is received.

''(6) BINDING DETERMINATION.—The determination of an external reviewer under this subsection shall be binding upon the plan or issuer if the provisions of this subsection or the procedures implemented under such provisions were complied with by the external reviewer.

''(7) STUDY.—Not later than 2 years after the date of enactment of this section, the General Accounting Office shall conduct a study of a statistically appropriate sample of completed external reviews. Such study shall include an assessment of the process involved during an external review and the basis of decisionmaking by the external reviewer. The results of such study shall be submitted to the appropriate committees of Congress.

''(8) CONTINUING LEGAL RIGHTS OF ENROLLEES.—Nothing in this section shall be construed as removing any legal rights of participants, beneficiaries, enrollees, and others under State or Federal law, including the right to file judicial actions to enforce rights.

''(f) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to prohibit a plan administrator or plan fiduciary or health plan medical director from requesting an external review by an external reviewer without first completing the internal review process.

''(g) DEFINITIONS.—In this section:

''(1) ADVERSE COVERAGE DETERMINATION.—The term 'adverse coverage determination' means a coverage determination under the plan which results in a denial of coverage or reimbursement.

''(2) COVERAGE DETERMINATION.—The term 'coverage determination' means with respect to items and services for which coverage may be provided under a health plan, a determination of whether or not such items and services are covered or reimbursable under the coverage and terms of the contract.

''(3) ENROLLEE.—The term enrollee means a participant or beneficiary.

''(4) GRIEVANCE.—The term 'grievance' means any enrollee complaint that does not involve a coverage determination.

''(5) PRIOR AUTHORIZATION DETERMINATION.—The term 'prior authorization determination' means a coverage determination prior to the provision of the items and services as a condition of coverage of the items and services under the coverage.

''(6) TREATING HEALTH CARE PROFESSIONAL.—The term 'treating health care professional' with respect to a group health plan, health insurance issuer or provider sponsored organization means a practitioner who is acting within the scope of their State licensure or certification for the delivery of health care services and who is primarily responsible for delivering those services to the enrollee.

''(7) UTILIZATION REVIEW.—The term 'utilization review' with respect to a group health plan or health insurance coverage means a set of formal techniques designed to monitor the use of, or evaluate the clinical necessity, appropriateness, efficacy, or efficiency of, health care services, procedures, or settings. Techniques may include ambulatory review, prospective review, second opinion, certification, concurrent review, case management, discharge planning or retrospective review.''.

(b) ENFORCEMENT.—Section 502(c)(1) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1132(c)(1)) is amended by inserting after ''or section 101(e)(1)'' the following: '', or fails to comply with a coverage determination as required under section 503(e)(6),''.

(c) CONFORMING AMENDMENT.—The table of contents in section 1 of the Employee Retirement Income Security Act of 1974 is amended by strike the item relating to section 503 and inserting the following new item:

''Sec. 503. Claims procedures, coverage determination, grievances and appeals.''.

TITLE II—INDIVIDUAL RIGHTS WITH RESPECT TO PERSONAL MEDICAL INFORMATION

SEC. 201. SHORT TITLE.

This title may be cited as the ''Personal Medical Information Access Act''.

Subtitle A—Access to Medical Records

SEC. 211. INSPECTION AND COPYING OF PROTECTED HEALTH INFORMATION.

(a) IN GENERAL.—At the request of an individual and except as provided in subsection (b), a health care provider, health plan, employer, health or life insurer, school, or university shall permit an individual who is the subject of protected health information or the individual's designee, to inspect and copy protected health information concerning the individual, including records created under section 212 that such entity maintains. Such entity may set forth appropriate procedures to be followed for such inspection or copying and may require an individual to pay reasonable costs associated with such inspection or copying.

(b) EXCEPTIONS.—Unless ordered by a court of competent jurisdiction, an entity described in subsection (a) is not required to permit the inspection or copying of protected health information if any of the following conditions are met:

(1) ENDANGERMENT TO LIFE OR SAFETY.—The entity determines that the disclosure of the information could reasonably be expected to endanger the life or physical safety of an individual.

(2) CONFIDENTIAL SOURCE.—The information identifies, or could reasonably lead to the identification of, a person who provided information under a promise of confidentiality concerning the individual who is the subject of the information.

(3) INFORMATION COMPILED IN ANTICIPATION OF LITIGATION.—The information is compiled principally—

(A) in the reasonable anticipation of a civil, criminal, or administrative action or proceeding; or

(B) for use in such an action or proceeding.

(4) RESEARCH PURPOSES.—The information was collected for a research project monitored by an institutional review board, such project is not complete, and the researcher involved reasonably believes that access to such information would harm the conduct of the research or invalidate or undermine the validity of the research.

(c) DENIAL OF A REQUEST FOR INSPECTION OR COPYING.—If an entity described in subsection (a) denies a request for inspection or copying pursuant to subsection (b), the entity shall inform the individual in writing of—

(1) the reasons for the denial of the request for inspection or copying;

(2) any procedures for further review of the denial; and

(3) the individual's right to file with the entity a concise statement setting forth the request for inspection or copying.

(d) STATEMENT REGARDING REQUEST.—If an individual has filed a statement under subsection (c)(3), the entity in any subsequent disclosure of the portion of the information requested under subsection (a) shall include—

(1) a copy of the individual's statement; and

(2) a concise statement of the reasons for denying the request for inspection or copying.

(e) INSPECTION AND COPYING OF SEGREGABLE PORTION.—An entity described in subsection (a) shall permit the inspection and copying under subsection (a) of any reasonably segregable portion of protected health information after deletion of any portion that is exempt under subsection (b).

(f) DEADLINE.—An entity described in subsection (a) shall comply with or deny, in accordance with subsection (c), a request for inspection or copying of protected health information under this section not later than 45 days after the date on which the entity receives the request.

(g) RULES GOVERNING AGENTS.—An agent of an entity described in subsection (a) shall not be required to provide for the inspection and copying of protected health information, except where—

(1) the protected health information is retained by the agent; and

(2) the agent has received in writing a request from the entity involved to fulfill the requirements of this section;

at which time such information shall be provided to the requesting entity. Such requesting entity shall comply with subsection (f) with respect to any such information.

(h) RULE OF CONSTRUCTION.—This section shall not be construed to require an entity described in subsection (a) to conduct a formal, informal, or other hearing or proceeding concerning a request for inspection or copying of protected health information.

SEC. 212. AMENDMENT OF PROTECTED HEALTH INFORMATION.

(a) REQUIREMENT.—

(1) IN GENERAL.—Except as provided in subsection (b) and subject to paragraph (2), a health care provider, health plan, employer, health or life insurer, school, or university that receives from an individual a request in writing to amend protected health information shall—

(A) amend such information as requested;

(B) inform the individual of the amendment that has been made; and

(C) make reasonable efforts to inform any person to whom the unamended portion of the information was previously disclosed, of any nontechnical amendment that has been made.

(2) COMPLIANCE.—An entity described in paragraph (1) shall comply with the requirements of such paragraph within 45 days of the date on which the request involved is received if the entity—

(A) created the protected health information involved; and

(B) determines that such information is in fact inaccurate.

(b) REFUSAL TO AMEND.—If an entity described in subsection (a) refuses to make the amendment requested under such subsection, the entity shall inform the individual in writing of—

(1) the reasons for the refusal to make the amendment;

(2) any procedures for further review of the refusal; and

(3) the individual's right to file with the entity a concise statement setting forth the requested amendment and the individual's reasons for disagreeing with the refusal.

(c) STATEMENT OF DISAGREEMENT.—If an individual has filed a statement of disagreement under subsection (b)(3), the entity involved, in any subsequent disclosure of the disputed portion of the information—

(1) shall include a copy of the individual's statement; and

(2) may include a concise statement of the reasons for not making the requested amendment.

(d) RULES GOVERNING AGENTS.—The agent of an entity described in subsection (a) shall not be required to make amendments to protected health information, except where—

(1) the protected health information is retained by the agent; and

(2) the agent has been asked by such entity to fulfill the requirements of this section.

If the agent is required to comply with this section as provided for in paragraph (2), such agent shall be subject to the 45-day deadline described in subsection (a).

(e) REPEATED REQUESTS FOR AMENDMENTS.—If an entity described in subsection (a) receives a request for an amendment of information as provided for in such subsection and a statement of disagreement has been filed pursuant to subsection (c), the entity shall inform the individual of such filing and shall not be required to carry out the procedures required under this section.

(f) RULES OF CONSTRUCTION.—This section shall not be construed to—

(1) require that an entity described in subsection (a) conduct a formal, informal, or other hearing or proceeding concerning a request for an amendment to protected health information;

(2) require a provider to amend an individual's protected health information as to the type, duration, or quality of treatment the individual believes he or she should have been provided; or

(3) permit any deletions or alterations of the original information.

SEC. 213. NOTICE OF CONFIDENTIALITY PRACTICES.

(a) PREPARATION OF WRITTEN NOTICE.—A health care provider, health plan, health oversight agency, public health authority, employer, health or life insurer, health researcher, school or university shall post or provide, in writing and in a clear and conspicuous manner, notice of the entity's confidentiality practices, that shall include—

(1) a description of an individual's rights with respect to protected health information;

(2) the procedures established by the entity for the exercise of the individual's rights; and

(3) the right to obtain a copy of the notice of the confidentiality practices required under this subtitle.

(b) MODEL NOTICE.—The Secretary, in consultation with the National Committee on Vital and Health Statistics and the National Association of Insurance Commissioners, and after notice and opportunity for public comment, shall develop and disseminate model notices of confidentiality practices. Use of the model notice shall serve as an absolute defense against claims of receiving inappropriate notice.

Subtitle B—Establishment of Safeguards

SEC. 221. ESTABLISHMENT OF SAFEGUARDS.

A health care provider, health plan, health oversight agency, public health authority, employer, health or life insurer, health researcher, law enforcement official, school or university shall establish and maintain appropriate administrative, technical, and physical safeguards to protect the confidentiality, security, accuracy, and integrity of protected health information created, received, obtained, maintained, used, transmitted, or disposed of by such entity.

Subtitle C—Enforcement; Definitions

SEC. 231. CIVIL PENALTY.

(a) VIOLATION.—A health care provider, health researcher, health plan, health oversight agency, public health agency, law enforcement agency, employer, health or life insurer, school, or university, or the agent of any such individual or entity, who the Secretary, in consultation with the Attorney General, determines has substantially and materially failed to comply with this Act shall, for a violation of this title, be subject, in addition to any other penalties that may be prescribed by law, to a civil penalty of not more than $500 for each such violation, but not to exceed $5,000 in the aggregate for multiple violations.

(b) PROCEDURES FOR IMPOSITION OF PENALTIES.—Section 1128A of the Social Security Act, other than subsections (a) and (b) and the second sentence of subsection (f) of that section, shall apply to the imposition of a civil, monetary, or exclusionary penalty under this section in the same manner as such provisions apply with respect to the imposition of a penalty under section 1128A of such Act.

SEC. 232. DEFINITIONS.

In this title:

(1) AGENT.—The term ''agent'' means a person who represents and acts for another under the contract or relation of agency, or whose function is to bring about, modify, affect, accept performance of, or terminate contractual obligations between the principal and a third person, including a contractor.

(2) DISCLOSE.—The term ''disclose'' means to release, transfer, provide access to, or otherwise divulge protected health information to any person other than the individual who is the subject of such information. Such term includes the initial disclosure and any subsequent redisclosures of protected health information.

(3) EMPLOYER.—The term ''employer'' has the meaning given such term under section 3(5) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(5)), except that such term shall include only employers of 2 or more employees.

(4) HEALTH CARE PROVIDER.—The term ''health care provider'' means a person who, with respect to a specific item of protected health information, receives, creates, uses, maintains, or discloses the information while acting in whole or in part in the capacity of—

(A) a person who is licensed, certified, registered, or otherwise authorized by Federal or State law to provide an item or service that constitutes health care in the ordinary course of business, or practice of a profession;

(B) a Federal, State, or employer-sponsored program that directly provides items or services that constitute health care to beneficiaries; or

(C) an officer, employee, or agent of a person described in subparagraph (A) or (B).

(5) HEALTH OR LIFE INSURER.—The term ''health or life insurer'' means a health insurance issuer as defined in section 2791 of the Public Health Service Act (42 U.S.C. 300gg-91) or a life insurance company as defined in section 816 of the Internal Revenue Code of 1986.

(6) HEALTH PLAN.—The term ''health plan'' means any health insurance plan, including any hospital or medical service plan, dental or other health service plan or health maintenance organization plan, provider sponsored organization, or other program providing or arranging for the provision of health benefits, whether or not funded through the purchase of insurance.

(7) PERSON.—The term ''person'' means a government, governmental subdivision,

agency or authority; corporation; company; association; firm; partnership; society; estate; trust; joint venture; individual; individual representative; tribal government; and any other legal entity.

(8) PROTECTED HEALTH INFORMATION.—The term ''protected health information'' means any information (including demographic information) whether or not recorded in any form or medium—

(A) that relates to the past, present or future—

(i) physical or mental health or condition of an individual (including the condition or other attributes of individual cells or their components);

(ii) provision of health care to an individual; or

(iii) payment for the provision of health care to an individual;

(B) that is created by a health care provider, health plan, health researcher, health oversight agency, public health authority, employer, law enforcement official, health or life insurer, school or university; and

(C) that is not nonidentifiable health information.

(9) SCHOOL OR UNIVERSITY.—The term ''school or university'' means an institution or place for instruction or education, including an elementary school, secondary school, or institution of higher learning, a college, or an assemblage of colleges united under one corporate organization or government.

(10) SECRETARY.—The term ''Secretary'' means the Secretary of Health and Human Services.

(11) WRITING.—The term ''writing'' means writing in either a paper-based or computer-based form, including electronic signatures.

TITLE III—GENETIC INFORMATION AND SERVICES

SEC. 301. SHORT TITLE.

This title may be cited as the ''Genetic Information Nondiscrimination in Health Insurance Act of 1998''.

SEC. 302. AMENDMENTS TO EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.

(a) PROHIBITION OF HEALTH DISCRIMINATION ON THE BASIS OF GENETIC INFORMATION OR GENETIC SERVICES.—

(1) NO ENROLLMENT RESTRICTION FOR GENETIC SERVICES.—Section 702(a)(1)(F) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1182(a)(1)(F)) is amended by inserting before the period the following: ''(including information about a request for or receipt of genetic services)''.

(2) NO DISCRIMINATION IN GROUP PREMIUMS BASED ON PREDICTIVE GENETIC INFORMATION.—Subpart B of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1185 et seq.) (as amended by section 111) is further amended by adding at the end the following:

''SEC. 714. PROHIBITING PREMIUM DISCRIMINATION AGAINST GROUPS ON THE BASIS OF PREDICTIVE GENETIC INFORMATION.

''A group health plan, or a health insurance issuer offering group health insurance coverage in connection with a group health plan, shall not adjust premium or contribution amounts for a group on the basis of predictive genetic information concerning an individual in the group or a family member of the individual (including information about a request for or receipt of genetic services).''.

(3) CONFORMING AMENDMENT.—Section 702(b) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1182(b)) is amended by adding at the end the following:

''(3) REFERENCE TO RELATED PROVISION.—For a provision prohibiting the adjustment of premium or contribution amounts for a group under a group health plan on the basis of predictive genetic information (including information about a request for or receipt of genetic services), see section 714.''.

(b) LIMITATION ON COLLECTION OF PREDICTIVE GENETIC INFORMATION.—Section 702 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1182) is amended by adding at the end the following:

''(c) COLLECTION OF PREDICTIVE GENETIC INFORMATION.—

''(1) LIMITATION ON REQUESTING OR REQUIRING PREDICTIVE GENETIC INFORMATION.—Except as provided in paragraph (2), a group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, shall not request or require predictive genetic information concerning an individual or a family member of the individual (including information about a request for or receipt of genetic services).

''(2) INFORMATION NEEDED FOR DIAGNOSIS, TREATMENT, OR PAYMENT.—

''(A) IN GENERAL.—Notwithstanding paragraph (1), a group health plan or health insurance issuer that provides health care items and services to an individual or dependent may request (but may not require) that such individual or dependent disclose, or authorize the collection or disclosure of, predictive genetic information for purposes of diagnosis, treatment, or payment relating to the provision of health care items and services to such individual or dependent.

''(B) NOTICE OF CONFIDENTIALITY PRACTICES AND DESCRIPTION OF SAFEGUARDS.—As a part of a request under subparagraph (A), the group health plan or health insurance issuer shall provide to the individual or dependent a description of the procedures in place to safeguard the confidentiality, as described in sections 213 and 221 of the Patients' Bill of Rights Act, of such individually identifiable information.''.

(c) DEFINITIONS.—Section 733(d) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1191b(d)) is amended by adding at the end the following:

''(5) FAMILY MEMBER.—The term 'family member' means with respect to an individual—

''(A) the spouse of the individual;

''(B) a dependent child of the individual, including a child who is born to or placed for adoption with the individual; and

''(C) all other individuals related by blood to the individual or the spouse or child described in subparagraph (A) or (B).

''(6) GENETIC INFORMATION.—The term 'genetic information' means information about genes, gene products, or inherited characteristics that may derive from an individual or a family member (including information about a request for or receipt of genetic services).

''(7) GENETIC SERVICES.—The term 'genetic services' means health services provided to obtain, assess, or interpret genetic information for diagnostic and therapeutic purposes, and for genetic education and counseling.

''(8) PREDICTIVE GENETIC INFORMATION.—

''(A) IN GENERAL.—The term 'predictive genetic information' means—

''(i) information about an individual's genetic tests which are associated with a statistically significant increased risk of developing a disease or disorder;

''(ii) information about genetic tests of family members of the individual; or

''(iii) information about the occurrence of a disease or disorder in family members that predicts a statistically significant increased risk of a disease or disorder in the individual.

''(B) EXCEPTIONS.—The term 'predictive genetic information' shall not include—

''(i) information about the sex or age of the individual;

''(ii) information derived from routine physical tests, such as the chemical, blood, or urine analyses of the individual, unless such analyses are genetic tests; and

''(iii) information about physical exams of the individual and other information relevant to determining the current health status of the individual so long as such information does not include information described in clauses (i), (ii), or (iii) of subparagraph (A).

''(9) GENETIC TEST.—The term 'genetic test' means the analysis of human DNA, RNA, chromosomes, proteins, and certain metabolites, in order to detect disease-related genotypes, mutations, phenotypes, or karyotypes.''.

(d) EFFECTIVE DATE.—Except as provided in this section, this section and the amendments made by this section shall apply with respect to group health plans for plan years beginning 1 year after the date of the enactment of this Act.

SEC. 303. AMENDMENTS TO THE PUBLIC HEALTH SERVICE ACT.

(a) AMENDMENTS RELATING TO THE GROUP MARKET.—

(1) PROHIBITION OF HEALTH DISCRIMINATION ON THE BASIS OF GENETIC INFORMATION IN THE GROUP MARKET.—

(A) IN GENERAL.—Subpart 2 of part A of title XXVII of the Public Health Service Act (42 U.S.C. 300gg-4 et seq.) is amended by adding at the end the following:

''SEC. 2706. PROHIBITING PREMIUM DISCRIMINATION AGAINST GROUPS ON THE BASIS OF PREDICTIVE GENETIC INFORMATION IN THE GROUP MARKET.

''A group health plan, or a health insurance issuer offering group health insurance coverage in connection with a group health plan shall not adjust premium or contribution amounts for a group on the basis of predictive genetic information concerning an individual in the group or a family member of the individual (including information about a request for or receipt of genetic services).''.

(B) CONFORMING AMENDMENT.—Section 2702(b) of the Public Health Service Act (42 U.S.C. 300gg–1(b)) is amended by adding at the end the following:

''(3) REFERENCE TO RELATED PROVISION.—For a provision prohibiting the adjustment of premium or contribution amounts for a group under a group health plan on the basis of predictive genetic information (including information about a request for or receipt of genetic services), see section 2706.''.

(C) LIMITATION ON COLLECTION AND DISCLOSURE OF PREDICTIVE GENETIC INFORMATION.—Section 2702 of the Public Health Service Act (42 U.S.C. 300gg–1) is amended by adding at the end the following:

''(c) COLLECTION OF PREDICTIVE GENETIC INFORMATION.—

''(1) LIMITATION ON REQUESTING OR REQUIRING PREDICTIVE GENETIC INFORMATION.—Except as provided in paragraph (2), a group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, shall not request or require predictive genetic information concerning an individual or a family member of the individual (including information about a request for or receipt of genetic services).

''(2) INFORMATION NEEDED FOR DIAGNOSIS, TREATMENT, OR PAYMENT.—

''(A) IN GENERAL.—Notwithstanding paragraph (1), a group health plan or health insurance issuer that provides health care items and services to an individual or dependent may request (but may not require) that such individual or dependent disclose,

or authorize the collection or disclosure of, predictive genetic information for purposes of diagnosis, treatment, or payment relating to the provision of health care items and services to such individual or dependent.

''(B) NOTICE OF CONFIDENTIALITY PRACTICES AND DESCRIPTION OF SAFEGUARDS.—As a part of a request under subparagraph (A), the group health plan or health insurance issuer shall provide to the individual or dependent a description of the procedures in place to safeguard the confidentiality, as described in sections 213 and 221 of the Patients' Bill of Rights Act, of such individually identifiable information.''.

(2) DEFINITIONS.—Section 2791(d) of the Public Health Service Act (42 U.S.C. 300gg–91(d)) is amended by adding at the end the following:

''(15) FAMILY MEMBER.—The term 'family member' means, with respect to an individual—

''(A) the spouse of the individual;

''(B) a dependent child of the individual, including a child who is born to or placed for adoption with the individual; and

''(C) all other individuals related by blood to the individual or the spouse or child described in subparagraph (A) or (B).

''(16) GENETIC INFORMATION.—The term 'genetic information' means information about genes, gene products, or inherited characteristics that may derive from an individual or a family member.

''(17) GENETIC SERVICES.—The term 'genetic services' means health services provided to obtain, assess, or interpret genetic information for diagnostic and therapeutic purposes, and for genetic education and counseling.

''(18) PREDICTIVE GENETIC INFORMATION.—

''(A) IN GENERAL.—The term 'predictive genetic information' means—

''(i) information about an individual's genetic tests which is associated with a statistically significant increased risk of developing a disease or disorder;

''(ii) information about genetic tests of family members of the individual; or

''(iii) information about the occurrence of a disease or disorder in family members that predicts a statistically significant increased risk of a disease or disorder in the individual.

''(B) EXCEPTIONS.—The term 'predictive genetic information' shall not include—

''(i) information about the sex or age of the individual;

''(ii) information derived from routine physical tests, such as the chemical, blood, or urine analyses of the individual, unless such analyses are genetic tests; and

''(iii) information about physical exams of the individual and other information relevant to determining the current health status of the individual so long as such information does not include information described in clauses (i), (ii), or (iii) of subparagraph (A).

''(19) GENETIC TEST.—The term 'genetic test' means the analysis of human DNA, RNA, chromosomes, proteins, and certain metabolites, in order to detect disease-related genotypes, mutations, phenotypes, or karyotypes.''.

(b) AMENDMENT RELATING TO THE INDIVIDUAL MARKET.—The first subpart 3 of part B of title XXVII of the Public Health Service Act (42 U.S.C. 300gg-11 et seq.) (relating to other requirements) is amended—

(1) by redesignating such subpart as subpart II; and

(2) by adding at the end the following:

''SEC. 2752. PROHIBITION OF HEALTH DISCRIMINATION ON THE BASIS OF PREDICTIVE GENETIC INFORMATION.

''(a) PROHIBITION ON PREDICTIVE GENETIC INFORMATION AS A CONDITION OF ELIGIBILITY.—A health insurance issuer offering health insurance coverage in the individual market may not use predictive genetic information as a condition of eligibility of an individual to enroll in individual health insurance coverage (including information about a request for or receipt of genetic services).

''(b) PROHIBITION ON PREDICTIVE GENETIC INFORMATION IN SETTING PREMIUM RATES.—A health insurance issuer offering health insurance coverage in the individual market shall not adjust premium rates for individuals on the basis of predictive genetic information concerning such an enrollee or a family member of the enrollee (including information about a request for or receipt of genetic services).

''(c) COLLECTION OF PREDICTIVE GENETIC INFORMATION.—

''(1) LIMITATION ON REQUESTING OR REQUIRING PREDICTIVE GENETIC INFORMATION.—Except as provided in paragraph (2), a health insurance issuer offering health insurance coverage in the individual market shall not request or require predictive genetic information concerning an individual or a family member of the individual (including information about a request for or receipt of genetic services).

''(2) INFORMATION NEEDED FOR DIAGNOSIS, TREATMENT, OR PAYMENT.—

''(A) IN GENERAL.—Notwithstanding paragraph (1), a health insurance issuer that provides health care items and services to an individual or dependent may request (but may not require) that such individual or dependent disclose, or authorize the collection or disclosure of, predictive genetic information for purposes of diagnosis, treatment, or payment relating to the provision of health care items and services to such individual or dependent.

''(B) NOTICE OF CONFIDENTIALITY PRACTICES AND DESCRIPTION OF SAFEGUARDS.—As a part of a request under subparagraph (A), the health insurance issuer shall provide to the individual or dependent a description of the procedures in place to safeguard the confidentiality, as described in sections 213 and 221 of the Patients' Bill of Rights Act, of such individually identifiable information.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to—

(1) group health plans, and health insurance coverage offered in connection with group health plans, for plan years beginning after 1 year after the date of enactment of this Act; and

(2) health insurance coverage offered, sold, issued, renewed, in effect, or operated in the individual market after 1 year after the date of enactment of this Act.

SEC. 304. AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986.

(a) PROHIBITION OF HEALTH DISCRIMINATION ON THE BASIS OF PREDICTIVE GENETIC INFORMATION.—

(1) IN GENERAL.—Subchapter B of chapter 100 of the Internal Revenue Code of 1986 is amended by adding at the end the following:

''SEC. 9813. PROHIBITING HEALTH DISCRIMINATION AGAINST GROUPS ON THE BASIS OF PREDICTIVE GENETIC INFORMATION.

''A group health plan, or a health insurance issuer offering group health insurance coverage in connection with a group health plan, shall not adjust premium or contribution amounts for a group on the basis of predictive genetic information concerning an individual in the group or a family member of the individual (including information about a request for or receipt of genetic services).''.

(2) CONFORMING AMENDMENT.—Section 9802(b) of the Internal Revenue Code of 1986 is amended by adding at the end the following:

''(3) REFERENCE TO RELATED PROVISION.—For a provision prohibiting the adjustment of premium or contribution amounts for a group under a group health plan on the basis of predictive genetic information (including information about a request for or the receipt of genetic services), see section 9813.''.

(3) AMENDMENT TO TABLE OF SECTIONS.—The table of sections for subchapter B of chapter 100 of the Internal Revenue Code of 1986 is amended by adding at the end the following:

''Sec. 9813. Prohibiting premium discrimination against groups on the basis of predictive genetic information.''.

(b) LIMITATION ON COLLECTION OF PREDICTIVE GENETIC INFORMATION.—Section 9802 of the Internal Revenue Code of 1986 is amended by adding at the end the following:

''(c) COLLECTION OF PREDICTIVE GENETIC INFORMATION.—

''(1) LIMITATION ON REQUESTING OR REQUIRING PREDICTIVE GENETIC INFORMATION.—Except as provided in paragraph (2), a group health plan, or a health insurance issuer offering health insurance coverage in connection with a group health plan, shall not request or require predictive genetic information concerning an individual or a family member of the individual (including information about a request for or receipt of genetic services).

''(2) INFORMATION NEEDED FOR DIAGNOSIS, TREATMENT, OR PAYMENT.—

''(A) IN GENERAL.—Notwithstanding paragraph (1), a group health plan or health insurance issuer that provides health care items and services to an individual or dependent may request (but may not require) that such individual or dependent disclose, or authorize the collection or disclosure of, predictive genetic information for purposes of diagnosis, treatment, or payment relating to the provision of health care items and services to such individual or dependent.

''(B) NOTICE OF CONFIDENTIALITY PRACTICES; DESCRIPTION OF SAFEGUARDS.—As a part of a request under subparagraph (A), the group health plan or health insurance issuer shall provide to the individual or dependent a description of the procedures in place to safeguard the confidentiality, as described in sections 213 and 221 of the Patients' Bill of Rights Act, of such individually identifiable information.''.

(c) DEFINITIONS.—Section 9832(d) of the Internal Revenue Code of 1986 is amended by adding at the end the following:

''(6) FAMILY MEMBER.—The term 'family member' means, with respect to an individual—

''(A) the spouse of the individual;

''(B) a dependent child of the individual, including a child who is born to or placed for adoption with the individual; and

''(C) all other individuals related by blood to the individual or the spouse or child described in subparagraph (A) or (B).

''(7) GENETIC INFORMATION.—The term 'genetic information' means information about genes, gene products, or inherited characteristics that may derive from an individual or a family member.

''(8) GENETIC SERVICES.—The term 'genetic services' means health services provided to obtain, assess, or interpret genetic information for diagnostic and therapeutic purposes, and for genetic education and counseling.

''(9) PREDICTIVE GENETIC INFORMATION.—

''(A) IN GENERAL.—The term 'predictive genetic information' means—

''(i) information about an individual's genetic tests which is associated with a statistically significant increased risk of developing a disease or disorder;

''(ii) information about genetic tests of family members of the individual; or

''(iii) information about the occurrence of a disease or disorder in family members that predicts a statistically significant increased risk of a disease or disorder in the individual.

''(B) EXCEPTIONS.—The term 'predictive genetic information' shall not include—

''(i) information about the sex or age of the individual;

''(ii) information derived from routine physical tests, such as the chemical, blood, or urine analyses of the individual, unless such analyses are genetic tests; and

''(iii) information about physical exams of the individual and other information relevant to determining the current health status of the individual so long as such information does not include information described in clauses (i), (ii), or (iii) of subparagraph (A).

''(10) GENETIC TEST.—The term 'genetic test' means the analysis of human DNA, RNA, chromosomes, proteins, and certain metabolites, in order to detect disease-related genotypes, mutations, phenotypes, or karyotypes.''.

(d) EFFECTIVE DATE.—Except as provided in this section, this section and the amendments made by this section shall apply with respect to group health plans for plan years beginning after 1 year after the date of the enactment of this Act.

TITLE IV—HEALTHCARE QUALITY RESEARCH

SEC. 401. SHORT TITLE.

This title may be cited as the ''Healthcare Quality Research Act of 1998''.

SEC. 402. AMENDMENT TO THE PUBLIC HEALTH SERVICE ACT.

Title IX of the Public Health Service Act (42 U.S.C. 299 et seq.) is amended to read as follows:

''TITLE IX—AGENCY FOR HEALTHCARE QUALITY RESEARCH

''PART A—ESTABLISHMENT AND GENERAL DUTIES

''SEC. 901. MISSION AND DUTIES.

''(a) IN GENERAL.—There is established within the Public Health Service an agency to be known as the Agency for Healthcare Quality Research. In carrying out this subsection, the Secretary shall redesignate the Agency for Health Care Policy and Research as the Agency for Healthcare Quality Research.

''(b) MISSION.—The purpose of the Agency is to enhance the quality, appropriateness, and effectiveness of healthcare services, and access to such services, through the establishment of a broad base of scientific research and through the promotion of improvements in clinical practice, including the prevention of diseases and other health conditions. The Agency shall promote healthcare quality improvement by—

''(1) conducting and supporting research that develops and presents scientific evidence regarding all aspects of healthcare, including—

''(A) the development and assessment of methods for the purposes of enhancing patient participation in their own care and for facilitating shared patient-physician decision-making;

''(B) the outcomes, effectiveness, and cost-effectiveness of healthcare practices, including preventive measures and primary care;

''(C) existing and innovative technologies;

''(D) the costs and utilization of, and access to healthcare;

''(E) the ways in which healthcare services are organized, delivered, and financed and the interaction and impact of these factors on the quality of patient care;

''(F) methods for measuring quality and strategies for improving quality; and

''(G) ways in which patients, consumers, and practitioners acquire new information about best practices and health benefits, and the determinants of their use of this information;

''(2) synthesizing and disseminating available scientific evidence for use by patients, consumers, practitioners, providers, purchasers, policy makers, and educators; and

''(3) advancing private and public efforts to improve healthcare quality.

''(c) REQUIREMENTS WITH RESPECT TO RURAL AREAS AND PRIORITY POPULATIONS.—In carrying out subsection (b), the Director shall undertake and support research, demonstration projects, and evaluations with respect to—

''(1) the delivery of health services in rural areas (including frontier areas);

''(2) health services for low-income groups, and minority groups;

''(3) the health of children;

''(4) the elderly; and

''(5) people with special healthcare needs, including chronic care and end-of-life healthcare.

''(d) APPOINTMENT OF DIRECTOR.—There shall be at the head of the Agency an official to be known as the Director for Healthcare Quality Research. The Director shall be appointed by the Secretary. The Secretary, acting through the Director, shall carry out the authorities and duties established in this title.

''SEC. 902. GENERAL AUTHORITIES.

''(a) IN GENERAL.—In carrying out section 901(b), the Director shall support demonstration projects, conduct and support research, evaluations, training, research networks, multi-disciplinary centers, technical assistance, and the dissemination of information, on healthcare, and on systems for the delivery of such care, including activities with respect to—

''(1) the quality, effectiveness, efficiency, appropriateness and value of healthcare services;

''(2) quality measurement and improvement;

''(3) the outcomes, cost, cost-effectiveness, and use of healthcare services and access to such services;

''(4) clinical practice, including primary care and practice-oriented research;

''(5) healthcare technologies, facilities, and equipment;

''(6) healthcare costs, productivity, and market forces;

''(7) health promotion and disease prevention, including clinical preventive services;

''(8) health statistics, surveys, database development, and epidemiology; and

''(9) medical liability.

''(b) HEALTH SERVICES TRAINING GRANTS.—The Director may provide training grants in the field of health services research related to activities authorized under subsection (a), to include pre- and post-doctoral fellowships and training programs, young investigator awards, and other programs and activities as appropriate. In carrying out this subsection, the Director shall make use of funds made available under section 478.

''(c) MULTIDISCIPLINARY CENTERS.—The Director may provide financial assistance to assist in meeting the costs of planning and establishing new centers, and operating existing and new centers, for multidisciplinary health services research, demonstration projects, evaluations, training, and policy analysis with respect to the matters referred to in subsection (a).

''(d) RELATION TO CERTAIN AUTHORITIES REGARDING SOCIAL SECURITY.—Activities authorized in this section may include, and shall be appropriately coordinated with experiments, demonstration projects, and other related activities authorized by the Social Security Act and the Social Security Amendments of 1967. Activities under subsection (a)(2) of this section that affect the programs under titles XVIII and XIX of the Social Security Act shall be carried out consistent with section 1142 of such Act.

''(e) DISCLAIMER.—Nothing in this title shall be construed to imply that the Agency's role is to mandate national standards of clinical practice or quality healthcare standards. Recommendations resulting from projects funded and published by the Agency shall include a corresponding disclaimer.

''(f) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to imply that quality measurement is a science of uniform national standards. In research and quality improvement activities, the Agency shall consider a wide range of choices, providers, healthcare delivery systems, and individual preferences.

''PART B—HEALTHCARE IMPROVEMENT RESEARCH

''SEC. 911. HEALTHCARE OUTCOME IMPROVEMENT RESEARCH.

''(a) EVIDENCE RATING SYSTEMS.—In collaboration with experts from the public and private sector, the Agency shall identify and disseminate methods or systems used to assess healthcare research results, particularly to rate the strength of the scientific evidence behind healthcare practice and technology recommendations in the research literature. The Agency shall make methods or systems for evidence rating widely available. Agency publications containing healthcare recommendations shall indicate the level of substantiating evidence using such methods or systems.

''(b) HEALTHCARE IMPROVEMENT RESEARCH CENTERS AND PROVIDER-BASED RESEARCH NETWORKS.—

''(1) IN GENERAL.—In order to address the full continuum of care and outcomes research, to link research to practice improvement, and to speed the dissemination of research findings to community practice settings, the Agency shall employ research strategies and mechanisms that will link research directly with clinical practice in geographically diverse locations throughout the United States, including—

''(A) Healthcare Improvement Research Centers that combine demonstrated multidisciplinary expertise in outcomes or quality improvement research with linkages to relevant sites of care;

''(B) Practice-based Research Networks, including plan, facility, or delivery system sites of care (especially primary care), that can evaluate and promote quality improvement; and

''(C) other innovative mechanisms or strategies.

''(2) REQUIREMENTS.—The Director is authorized to establish the requirements for entities applying for grants under this subsection.

''(c) EXPANSION OF THE HEALTH SERVICES RESEARCH WORKFORCE.—

''(1) GRANTS.—The Agency shall, through the awarding of grants, support eligible entities at geographically diverse locations throughout the United States to enable such entities to carry out research training programs that are dedicated to health services research training at the doctoral, post-doctoral, and junior faculty levels.

''(2) REQUIREMENTS.—In developing priorities for the allocation of training funds under this subsection, the Director shall take into consideration shortages in the number of trained researchers addressing the priority populations.

"SEC. 912. PRIVATE-PUBLIC PARTNERSHIPS TO IMPROVE ORGANIZATION AND DELIVERY.

''(a) SUPPORT FOR EFFORTS TO DEVELOP INFORMATION ON QUALITY.—

''(1) SCIENTIFIC AND TECHNICAL SUPPORT.—In its role as the principal agency for healthcare quality research, the Agency shall provide scientific and technical support for private and public efforts to improve healthcare quality, including accrediting organizations.

''(2) ROLE OF THE AGENCY.—With respect to paragraph (1), the role of the Agency shall include—

''(A) the identification and assessment of methods for the evaluation of the health of enrollees in health plans by type of plan, provider, and provider arrangements;

''(B) the ongoing development, testing, and dissemination of quality measures, including measures of health and functional outcomes, that take into account appropriate variations in individual preferences;

''(C) the compilation and dissemination of healthcare quality measures developed in the private and public sector;

''(D) assistance in the development of improved healthcare information systems;

''(E) the development of survey tools for the purpose of measuring participant and beneficiary assessments of their healthcare; and

''(F) the integration of information on quality into purchaser and consumer decision-making processes.

''(b) DEMONSTRATION PROGRAM REGARDING CENTERS FOR EDUCATION AND RESEARCH ON THERAPEUTICS.—

''(1) IN GENERAL.—The Secretary, acting through the Director and in consultation with the Commissioner of Food and Drugs, shall establish a demonstration program for the purpose of making one or more grants for the establishment and operation of one or more centers to carry out the activities specified in paragraph (2).

''(2) REQUIRED ACTIVITIES.—The activities referred to in this paragraph are the following:

''(A) The conduct of state-of-the-art clinical research for the following purposes:

''(i) To increase awareness of—

''(I) new uses of drugs, biological products, and devices;

''(II) ways to improve the effective use of drugs, biological products, and devices; and

''(III) risks of new uses and risks of combinations of drugs and biological products.

''(ii) To provide objective clinical information to the following individuals and entities:

''(I) Healthcare practitioners and other providers of Healthcare goods or services.

''(II) Pharmacy benefit managers and purchasers.

''(III) Health maintenance organizations and other managed healthcare organizations.

''(IV) Healthcare insurers and governmental agencies.

''(V) Patients and consumers.

''(iii) To improve the quality of healthcare while reducing the cost of Healthcare through—

''(I) the appropriate use of drugs, biological products, or devices; and

''(II) the prevention of adverse effects of drugs, biological products, and devices and the consequences of such effects, such as unnecessary hospitalizations.

''(B) The conduct of research on the comparative effectiveness, cost-effectiveness, and safety of drugs, biological products, and devices.

''(C) Such other activities as the Secretary determines to be appropriate, except that a grant may not be expended to assist the Secretary in the review of new drugs.

''(3) APPLICATION FOR GRANT.—A grant under paragraph (1) may be made only if an application for the grant is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

''(4) PEER REVIEW.—A grant under paragraph (1) may be made only if the application for the grant has undergone appropriate technical and scientific peer review.

''(c) REDUCING ERRORS IN MEDICINE.—The Director shall conduct and support research and build private-public partnerships to—

''(1) identify the causes of preventable healthcare errors and patient injury in healthcare delivery systems;

''(2) develop, demonstrate, and evaluate strategies for reducing errors and improving patient safety; and

''(3) promote the implementation of effective strategies throughout the healthcare industry.

"SEC. 913. INFORMATION ON QUALITY AND COST OF CARE.

''(a) IN GENERAL.—In carrying out 902(a), the Director shall—

''(1) collect data from a nationally representative sample of the population on the cost and use of healthcare, including the types of healthcare services Americans use, their access to healthcare services, frequency of use, how much is paid for the services used, the source of those payments, the types and costs of private health insurance, access, satisfaction, and quality of care for the general population and also for children, uninsured persons, poor and near-poor individuals, and persons with special healthcare needs, including end-of-life healthcare;

''(2) develop databases and tools that enable States to track the quality, access, and use of healthcare services provided to their residents; and

''(3) enter into agreements with public or private entities to use, link, or acquire databases for research authorized under this title.

''(b) QUALITY AND OUTCOMES INFORMATION.—

''(1) IN GENERAL.—To enhance the understanding of the quality of care, the determinants of health outcomes and functional status, the needs of special populations as well as an understanding of these changes over time, their relationship to healthcare access and use, and to monitor the overall national impact of Federal and State policy changes on healthcare, the Director, beginning in fiscal year 2000, shall ensure that the survey conducted under subsection (a)(1) will—

''(A) provide information on the quality of care and patient outcomes for frequently occurring clinical conditions for a nationally representative sample of the population; and

''(B) provide reliable national estimates for children and persons with special healthcare needs through the use of supplements or periodic expansions of the survey.

''(2) ANNUAL REPORT.—Beginning in fiscal year 2002, the Secretary, acting through the Director, shall submit to Congress an annual report on national trends in the quality of healthcare provided to the American people.

"SEC. 914. INFORMATION SYSTEMS FOR HEALTHCARE IMPROVEMENT.

''In order to foster a range of innovative approaches to the management and communication of health information, the Agency shall support research to evaluate and initiatives to advance—

''(1) the use of information systems for the study of healthcare quality, including the generation of both individual provider and plan-level comparative performance measures;

''(2) training for healthcare practitioners and researchers in the use of information systems;

''(3) the creation of effective linkages between various sources of health information, including the development of information networks;

''(4) the delivery and coordination of evidence-based healthcare services, using real-time decision-support programs;

''(5) the structure, content, definition, and coding of health information data and medical vocabularies and shall consult with other Federal entities;

''(6) the evaluation and use of computer-based health records in outpatient and inpatient settings as a personal health record for individual health assessment and maintenance, and for monitoring public health and outcomes of care within populations; and

''(7) the protection of individually identifiable information in health services research and healthcare quality improvement.

"SEC. 915. RESEARCH SUPPORTING PRIMARY CARE DELIVERY AND ACCESS IN UNDERSERVED AREAS.

''(a) PREVENTIVE SERVICES TASK FORCE.—

''(1) PURPOSE.—The Agency shall provide ongoing administrative, research, and technical support for the operation of the Preventive Services Task Force. The Agency shall coordinate and support the dissemination of the Preventive Services Task Force recommendations.

''(2) OPERATION.—The Preventive Services Task Force shall review the scientific evidence related to the effectiveness, appropriateness, and cost-effectiveness of clinical preventive services for the purpose of developing recommendations, and updating previous recommendations, regarding their usefulness in daily clinical practice. In carrying out its responsibilities under paragraph (1), the Task Force shall not be subject to the provisions of Appendix 2 of title 5, United States Code.

''(b) PRIMARY CARE DELIVERY RESEARCH.—

''(1) IN GENERAL.—There is established within the Agency a Center for Primary Care Delivery Research (referred to in this subsection as the 'Center') that shall serve as the principal source of funding for primary care delivery research in the Department of Health and Human Services. For purposes of this paragraph, primary care delivery research focuses on the first contact when illness or health concerns arise, the diagnosis, treatment or referral to specialty care, preventive care, and the relationship between the clinician and the patient in the context of the family and community.

''(2) RESEARCH.—In carrying out this section, the Center shall conduct and support research on—

''(A) the nature and characteristics of primary care delivery practice;

''(B) producing evidence for the management of commonly occurring clinical problems;

''(C) the management of undifferentiated clinical problems;

''(D) the continuity and coordination of health services; and

''(E) the application and impact of telemedicine and other distance technologies.

''(3) DEMONSTRATION.—The Agency shall support demonstrations into the use of new information tools aimed at improving shared decision-making between patients and their care-givers.

"SEC. 916. CLINICAL PRACTICE AND TECHNOLOGY INNOVATION.

''(a) IN GENERAL.—The Director shall promote innovation in evidence-based clinical practice and healthcare technologies by—

''(1) conducting and supporting research on the development, diffusion, and use of healthcare technology;

''(2) developing, evaluating, and disseminating methodologies for healthcare practice and technology assessment;

''(3) conducting intramural and supporting extramural assessments of existing and new healthcare practices and technologies;

''(4) promoting education, training, and providing technical assistance in the use of healthcare practice and healthcare technology assessment methodologies and results; and

''(5) working with the National Library of Medicine and the public and private sector to develop an electronic clearinghouse of currently available assessments and those in progress.

''(b) SPECIFICATION OF PROCESS.—

''(1) IN GENERAL.—Not later than June 1, 1999, the Director shall develop and publish a description of the methods used by the Agency and its contractors for practice and technology assessment.

''(2) CONSULTATIONS.—In carrying out this subsection, the Director shall cooperate and consult with the Administrator of the Health Care Financing Administration, the Director of the National Institutes of Health, the Commissioner of Food and Drugs, and the heads of any other interested Federal department or agency, professional societies, and other private and public entities.

''(3) METHODOLOGY.—The methods employed in practice and technology assessments under paragraph (1) shall consider—

''(A) safety, efficacy, and effectiveness;

''(B) legal, social, and ethical implications;

''(C) costs, benefits, and cost-effectiveness;

''(D) comparisons to alternative technologies and practices; and

''(E) requirements of Food and Drug Administration approval to avoid duplication.

''(c) SPECIFIC ASSESSMENTS.—

''(1) IN GENERAL.—The Director shall conduct and support specific assessments of healthcare technologies and practices.

''(2) GRANTS AND CONTRACTS.—The Director may make grants to, or enter into cooperative agreements or contracts with, entities described in paragraph (3) for the establishment of collaborative arrangements for the purpose of conducting assessments of experimental, emerging, existing, or potentially outmoded healthcare technologies, and for related activities.

''(3) ELIGIBLE ENTITIES.—An entity described in this paragraph is an entity that is determined to be appropriate by the Director, including academic medical centers, research institutions, professional organizations, third party payers, other governmental agencies, and consortia of appropriate research entities established for the purpose of conducting technology assessments.

''SEC. 917. COORDINATION OF FEDERAL GOVERNMENT QUALITY IMPROVEMENT EFFORTS.

''(a) REQUIREMENT.—

''(1) IN GENERAL.—The Secretary, acting through the Director, shall coordinate all research, evaluations, and demonstrations related to health services research and quality measurement and improvement activities undertaken and supported by the Federal Government.

''(2) SPECIFIC ACTIVITIES.—The Director, in collaboration with the appropriate Federal officials representing all concerned executive agencies and departments, shall develop and manage a process to—

''(A) improve interagency coordination, priority setting, and the use and sharing of research findings and data pertaining to Federal quality improvement programs and health services research;

''(B) strengthen the research information infrastructure, including databases, pertaining to Federal health services research and healthcare quality improvement initiatives;

''(C) set specific goals for participating agencies and departments to further health services research and healthcare quality improvement; and

''(D) strengthen the management of Federal healthcare quality improvement programs.

''(b) STUDY BY THE INSTITUTE OF MEDICINE.—

''(1) IN GENERAL.—To provide the Department of Health and Human Services with independent, expert advice in redesigning its quality oversight functions, and pertinent research programs, the Secretary shall enter into a contract with the Institute of Medicine—

''(A) to describe and evaluate current quality improvement research and monitoring processes through—

''(i) an overview of pertinent health services research activities and quality improvement efforts with particular attention paid to those performed by the peer review organizations;

''(ii) an analysis of the various partnership activities that the Department of Health and Human Services has pursued with private sector accreditation and other quality measurement organizations;

''(iii) the exploration of programmatic areas where partnership activities could be pursued to improve quality oversight of the medicare and medicaid programs under titles XVIII and XIX of the Social Security Act; and

''(iv) an identification of opportunities for enhancing health system efficiency through simplification and reduction in redundancy of public and private sector quality improvement efforts; and

''(B) to identify options and make recommendations to improve the efficiency and effectiveness of such quality improvement programs and to optimize public/private sector accreditation bodies through—

''(i) the improved coordination of activities across the medicare and medicaid programs under titles XVIII and XIX of the Social Security Act and various health services research programs;

''(ii) greater consistency and standardization of oversight activities across traditional fee-for-service and managed care components of these programs;

''(iii) the strengthening of patient choice and participation by incorporating state-of-the-art quality monitoring tools and making information on quality available; and

''(iv) the enhancement of the most effective programs, consolidation as appropriate, and elimination of duplicative activities within various federal agencies.

''(2) REQUIREMENTS.—

''(A) IN GENERAL.—The Secretary shall enter into a contract with the Institute of Medicine for the preparation—

''(i) not later than 12 months after the date of enactment of this title, of a report providing an overview of the quality improvement programs of the Department of Health and Human Services for the medicare, medicaid, and CHIP programs under titles XVIII, XIX, and XXI of the Social Security Act; and

''(ii) not later than 24 months after the date of enactment of this title, of a final report containing recommendations for a comprehensive system and public-private partnerships for healthcare quality improvement.

''(B) REPORTS.—The Secretary shall submit the reports described in subparagraph (A) to the Committee on Finance and the Committee on Labor and Human Resources of the Senate and the Committee on Ways and Means and the Committee on Commerce of the House of Representatives.

''PART C—FOUNDATION FOR HEALTHCARE QUALITY RESEARCH

''SEC. 921. FOUNDATION FOR HEALTHCARE QUALITY RESEARCH.

''(a) IN GENERAL.—The Secretary shall, acting through the Director of the Agency for Healthcare Quality Research, establish a nonprofit corporation to be known as the Foundation for Healthcare Research (hereafter in this section referred to as the 'Foundation'). The Foundation shall not be an agency or instrumentality of the United States Government.

''(b) PURPOSE OF FOUNDATION.—The purpose of the Foundation shall be to—

''(1) support the Agency for Healthcare Quality Research in its mission;

''(2) foster public-private partnerships to support the programs and activities of the Agency;

''(3) advance collaboration with healthcare researchers from universities, industry, and nonprofit organizations; and

''(4) develop linkages with users of healthcare and quality research, including patients, consumers, practitioners and other healthcare providers, health plans and insurers, large private or public sector purchasers of healthcare, healthcare policy makers, and healthcare educators.

''(c) CERTAIN ACTIVITIES OF FOUNDATION.—In carrying out subsection (b), the Foundation may solicit and accept gifts, grants, and other donations, establish accounts, and invest and expend funds in support of a broad range of research, training, dissemination, and other activities with respect to the purpose described in such subsection. In addition, the Foundation is authorized to support the following:

''(1) A program to provide and administer endowed positions that are associated with the research program of the Agency for Healthcare Quality Research. Such endowments may be expended for the compensation of individuals holding the positions, for staff, equipment, quarters, travel, and other expenditures that are appropriate in supporting the endowed positions.

''(2) A program to provide and administer fellowships and grants to research personnel in order to work and study in association with the Agency for Healthcare Quality Research. Such fellowships and grants may include stipends, travel, health insurance benefits, and other appropriate expenses. The recipients of fellowships shall be selected by the donors and the Foundation upon the recommendation of the Agency for Healthcare Quality Research, and shall be subject to the agreement of the Director of the Agency for Healthcare Quality Research and the Executive Director of the Foundation.

''(d) GENERAL STRUCTURE OF FOUNDATION; NONPROFIT STATUS.—

''(1) BOARD OF DIRECTORS.—The Foundation shall have a Board of Directors (in this section referred to as the Board), which shall be established and conducted in accordance with subsection (e). The Board shall establish the general policies of the Foundation for carrying out subsection (b), including the establishment of the bylaws of the Foundation.

''(2) EXECUTIVE DIRECTOR.—The Foundation shall have an executive director (in this section referred to as the 'Director'), who shall be appointed by the Board, who shall serve at the pleasure of the Board, and for whom the Board shall establish the rate of compensation. Subject to compliance with the policies and bylaws established by the Board pursuant to paragraph (1), the Director shall be responsible for the daily operations of the Foundation in carrying out subsection (b).

''(3) NONPROFIT STATUS.—In carrying out subsection (b), the Board shall establish such

policies and bylaws under paragraph (1), and the Director shall carry out such activities under paragraph (2), as may be necessary to ensure that the Foundation maintains status as an organization that—

''(A) is described in subsection (c)(3) of section 501 of the Internal Revenue Code of 1986; and

''(B) is, under subsection (a) of such section, exempt from taxation.

''(e) BOARD OF DIRECTORS.—

''(1) CERTAIN BYLAWS.—

''(A) IN GENERAL.—The Board shall ensure that bylaws established under subsection (a)(1) include bylaws for the following:

''(i) Policies for the selection of the officers, employees, agents, and contractors of the Foundation.

''(ii) Policies, including ethical standards, for the acceptance and disposition of donations to the Foundation and for the disposition of the assets of the Foundation.

''(iii) Policies for the conduct of the general operations of the Foundation.

''(iv) Policies for writing, editing, printing, and publishing of books and other materials, and the acquisition of patents and licenses for devices and procedures developed by the Foundation.

''(B) REQUIREMENTS.—The Board shall ensure that the bylaws established under subsection (d)(1) (and activities carried out under such bylaws) do not—

''(i) reflect unfavorably upon the ability of the Foundation, or the Agency for Healthcare Quality Research, to carry out its responsibilities or official duties in a fair and objective manner; or

''(ii) compromise, or appear to compromise, the integrity of any governmental program or any officer or employee involved in such program.

''(2) COMPOSITION.—

''(A) IN GENERAL.—Subject to subparagraph (B), the Board shall be composed of 7 individuals, appointed in accordance with paragraph (4), who collectively possess education or experience appropriate for representing the constituencies described in subsection (b). Each such individual shall be a voting member of the Board.

''(B) ADDITIONAL MEMBERS.—The Board may, through amendments to the bylaws of the Foundation, provide that the number of members of the Board shall be a greater number than the number specified in subparagraph (A).

''(3) CHAIR.—The Board shall, from among the members of the Board, designate an individual to serve as the chair of the Board (in this subsection referred to as the 'Chair').

''(4) APPOINTMENTS, VACANCIES, AND TERMS.—The following shall apply to the Board:

''(A) Any vacancy in the membership of the Board shall be filled by appointment by the Board, after consideration of suggestions made by the Chair and the Director regarding the appointments. Any such vacancy shall be filled not later than the expiration of the 180-day period beginning on the date on which the vacancy occurs.

''(B) The term of office of each member of the Board appointed under subparagraph (A) shall be 5 years. A member of the Board may continue to serve after the expiration of the term of the member until the expiration of the 180-day period beginning on the date on which the term of the member expires.

''(C) A vacancy in the membership of the Board shall not affect the power of the Board to carry out the duties of the Board. If a member of the Board does not serve the full term applicable under subparagraph (B), the individual appointed to fill the resulting vacancy shall be appointed for the remainder of the term of the predecessor of the individual.

''(5) COMPENSATION.—Members of the Board may not receive compensation for service on the Board. The members may be reimbursed for travel, subsistence, and other necessary expenses incurred in carrying out the duties of the Board.

''(f) CERTAIN RESPONSIBILITIES OF EXECUTIVE DIRECTOR.—In carrying out subsection (d)(2), the Director shall carry out the following functions:

''(1) Hire, promote, compensate, and discharge officers and employees of the Foundation, and define the duties of the officers and employees.

''(2) Accept and administer donations to the Foundation, and administer the assets of the Foundation.

''(3) Establish a process for the selection of candidates for holding endowed positions under subsection (c).

''(4) Enter into such financial agreements as are appropriate in carrying out the activities of the Foundation.

''(5) Take such action as may be necessary to acquire patents and licenses for devices and procedures developed by the Foundation and the employees of the Foundation.

''(6) Adopt, alter, and use a corporate seal, which shall be judicially noticed.

''(7) Commence and respond to judicial proceedings in the name of the Foundation.

''(8) Other functions that are appropriate in the determination of the Director.

''(g) GENERAL PROVISIONS.—

''(1) AUTHORITY FOR ACCEPTING FUNDS.—The Director of the Agency for Healthcare Quality Research may accept and utilize, on behalf of the Federal Government, any gift, donation, bequest, or devise of real or personal property from the Foundation for the purpose of aiding or facilitating the work of such Agency. Funds may be accepted and utilized by such Director under the preceding sentence without regard to whether the funds are designated as general-purpose funds or special-purpose funds. Any funds transferred under this paragraph shall be subject to all Federal limitations relating to federally funded research.

''(2) AUTHORITY FOR ACCEPTANCE OF VOLUNTARY SERVICES.—

''(A) IN GENERAL.—The Director of the Agency for Healthcare Quality Research may accept, on behalf of the Federal Government, any voluntary services provided to such Agency by the Foundation for the purpose of aiding or facilitating the work of such Agency. In the case of an individual, such Director may accept the services provided under the preceding sentence by the individual for not more than 2 years.

''(B) LIMITATION.—The limitation established in subparagraph (A) regarding the period of time in which services may be accepted applies to each individual who is not an employee of the Federal Government and who serves in association with the Agency for Healthcare Quality Research pursuant to financial support from the Foundation.

''(3) ADMINISTRATIVE CONTROL.—No officer, employee, or member of the Board of the Foundation may exercise any administrative or managerial control over any Federal employee.

''(4) APPLICABILITY OF CERTAIN STANDARDS TO NON-FEDERAL EMPLOYEES.—In the case of any individual who is not an employee of the Federal Government and who serves in association with the Agency for Healthcare Quality Research pursuant to financial support from the Foundation, the Foundation shall negotiate a memorandum of understanding with the individual and the Director of the Agency for Healthcare Quality Research specifying that the individual—

''(A) shall be subject to the ethical and procedural standards regulating Federal employment, scientific investigation, and research findings (including publications and patents) that are required of individuals employed by the Agency for Healthcare Quality Research, including standards under this Act, the Ethics in Government Act, and the Technology Transfer Act; and

''(B) shall be subject to such ethical and procedural standards under chapter 11 of title 18, United States Code (relating to conflicts of interest), as the Director of such Agency determines is appropriate, except such memorandum may not provide that the individual shall be subject to the standards of section 209 of such chapter.

''(5) FINANCIAL CONFLICTS OF INTEREST.—Any individual who is an officer, employee, or member of the Board of the Foundation may not directly or indirectly participate in the consideration or determination by the Foundation of any question affecting—

''(A) any direct or indirect financial interest of the individual; or

''(B) any direct or indirect financial interest of any business organization or other entity of which the individual is an officer or employee or in which the individual has a direct or indirect financial interest.

''(6) AUDITS; AVAILABILITY OF RECORDS.—The Foundation shall—

''(A) provide for biennial audits of the financial condition of the Foundation; and

''(B) make such audits, and all other records, documents, and other papers of the Foundation, available to the Secretary and the Comptroller General of the United States for examination or audit.

''(7) REPORTS.—

''(A) IN GENERAL.—Not later than February 1 of each fiscal year, the Foundation shall publish a report describing the activities of the Foundation during the preceding fiscal year. Each such report shall include for the fiscal year involved a comprehensive statement of the operations, activities, financial condition, and accomplishments of the Foundation.

''(B) FINANCIAL REQUIREMENT.—With respect to the financial condition of the Foundation, each report under subparagraph (A) shall include the source, and a description of, all gifts to the Foundation each report under subparagraph (A) shall include the source, and a description of, all gifts to the Foundation of real or personal property, and the source and amount of all gifts to the Foundation of money. Each such report shall include a specification of any restrictions on the purposes for which gifts to the Foundation may be used.

''(C) PUBLIC INSPECTION.—The Foundation shall make copies of each report submitted under subparagraph (A) available for public inspection, and shall upon request provide a copy of the report to any individual for a charge not exceeding the cost of providing the copy.

''(8) LIAISON FROM THE AGENCY FOR HEALTHCARE QUALITY RESEARCH.—The Director of the Agency for Healthcare Quality Research shall serve as the liaison representative of such Agency and the Foundation.

''(h) FEDERAL FUNDING.—

''(1) AUTHORITY FOR FINANCIAL SUPPORT.—

''(A) IN GENERAL.—The Secretary, acting through the Director of the Agency for Healthcare Quality Research, shall—

''(i) for fiscal year 1999, support the work of the Committee, established pursuant to subsection (i); and

''(ii) for fiscal year 2000 and each subsequent fiscal year, make a grant to the Foundation.

''(B) LIMITATIONS.—Financial support under subparagraph (A) may be expended—

''(i) in the case of the Committee, only for the purpose of carrying out the duties established in subsection (i); and

''(ii) in the case of the Foundation, only for the purpose of the administrative expenses of the Foundation.

''(C) REMAINING FUNDS.—For the purposes described in subparagraph (B), any portion of the financial support provided to the Committee under subparagraph (A)(i) for fiscal year 1999 that remains unobligated after the Committee completes the duties established in subsection (i) shall be available to the Foundation.

''(2) FUNDS.—

''(A) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of providing financial support under paragraph (1), there is authorized to be appropriated for the Foundation $500,000 for each fiscal year.

''(B) GRANTS.—For the purpose of grants under paragraph (1), the Secretary may for each fiscal year make available not more than $500,000 from the amounts appropriated for the fiscal year for the programs of the Department of Health and Human Services. Such amounts may be made available without regard to whether amounts have been appropriated under subparagraph (A).

''(3) CERTAIN RESTRICTION.—If the Foundation receives Federal funds for the purpose of serving as a fiscal intermediary between Federal agencies, the Foundation may not receive such funds for the indirect costs of carrying out such purpose in an amount exceeding 10 percent of the direct costs of carrying out such purpose. The preceding sentence may not be construed as authorizing the expenditure of any grant under paragraph (1) for such purpose.

''(i) ESTABLISHMENT OF COMMITTEE.—

''(1) IN GENERAL.—The Secretary shall establish in accordance with this subsection a committee (referred to in this subsection as the 'Committee') to carry out the functions described in paragraph (2).

''(2) FUNCTIONS.—The functions referred to in paragraph (1) for the Committee are as follows:

''(A) To carry out such activities as may be necessary to incorporate the Foundation under the laws of the State involved, including serving as incorporators for the Foundation. Such activities shall include ensuring that the articles of incorporation for the Foundation require that the Foundation be established and operated in accordance with the applicable provisions of this part (or any successor to this part), including such provisions as may be in effect pursuant to amendments enacted after the date of the enactment of the Healthcare Quality Research Act of 1998.

''(B) To ensure that the Foundation qualifies for and maintains the status described in subsection (d)(3) (regarding taxation).

''(C) To establish the general policies and initial bylaws of the Foundation, which bylaws shall include the bylaws described in subsections (d)(3) and (e)(1).

''(D) To provide for the initial operation of the Foundation, including providing for quarters, equipment, and staff.

''(E) To appoint the initial members of the Board in accordance with the requirements established in subsection (e)(2)(A) for the composition of the Board and establish their respective terms, and other such qualifications as the Committee may determine to be appropriate.

''(3) COMPLETION OF FUNCTIONS OF COMMITTEE; INITIAL MEETING OF BOARD.—

''(A) IN GENERAL.—The Committee shall complete the functions required in paragraph (1) not later than 1 year following the appointment of the last member of the Committee. The Committee shall terminate upon the expiration of the 30-day period beginning on the date on which the Secretary determines that the functions have been completed.

''(B) INITIAL MEETING.—The initial meeting of the Board shall be held not later than 90 days after the Committee has completed its functions.

''(4) COMPOSITION.—The Committee shall be composed of 7 members, each of whom shall be a voting member. Of the members of the Committee—

''(A) not fewer than 2 members shall have broad, general experience in healthcare; and

''(B) not fewer than 2 members shall have broad, general experience in the creation of a nonprofit private organization, one of whom shall have expertise in the legal structuring of nonprofit organizations (without regard to whether the individuals have experience in healthcare).

''(5) CHAIR.—The Committee shall, from among the members of the Committee, designate an individual to serve as the chair of the Committee.

''(6) TERMS; VACANCIES.—The term of members of the Committee shall be for the duration of the Committee. A vacancy in the membership of the Committee shall not affect the power of the Committee to carry out the duties of the Committee. If a member of the Committee does not serve the full term, the individual appointed to fill the resulting vacancy shall be appointed for the remainder of the term of the predecessor of the individual.

''(7) COMPENSATION.—Members of the Committee may not receive compensation for service on the Committee. Members of the Committee may be reimbursed for travel, subsistence, and other necessary expenses incurred in carrying out the duties of the Committee.

''(8) COMMITTEE SUPPORT.—The Director of the Agency for Healthcare Quality Research may, from amounts available to the Director for the general administration of such Agency, provide staff and financial support to assist the Committee with carrying out the functions described in paragraph (2). In providing such staff and support, the Director may both detail employees and contract for assistance.

''PART D—GENERAL PROVISIONS

''SEC. 931. ADVISORY COUNCIL FOR HEALTHCARE QUALITY RESEARCH.

''(a) ESTABLISHMENT.—There is established an advisory council to be known as the Advisory Council for Healthcare Quality Research.

''(b) DUTIES.—

''(1) IN GENERAL.—The Advisory Council shall advise the Secretary and the Director with respect to activities to carry out the purpose of the Agency under section 901(b).

''(2) CERTAIN RECOMMENDATIONS.—Activities of the Advisory Council under paragraph (1) shall include making recommendations to the Director regarding—

''(A) priorities regarding healthcare research, especially studies related to quality, outcomes, cost and the utilization of, and access to, healthcare services;

''(B) the field of healthcare research and related disciplines, especially issues related to training needs, and dissemination of information on quality; and

''(C) the appropriate role of the Agency in each of these areas in light of private sector activity and identification of opportunities for public-private sector partnerships.

''(c) MEMBERSHIP.—

''(1) IN GENERAL.—The Advisory Council shall, in accordance with this subsection, be composed of appointed members and ex officio members. All members of the Advisory Council shall be voting members other than the individuals designated under paragraph (3)(B) who shall be ex officio members of the Advisory Council.

''(2) APPOINTED MEMBERS.—The Secretary shall appoint to the Advisory Council 21 appropriately qualified individuals. At least 17 members of the Advisory Council shall be representatives of the public who are not officers or employees of the United States. The Secretary shall ensure that the appointed members of the Council, as a group, are representative of professions and entities concerned with, or affected by, activities under this title and under section 1142 of the Social Security Act. Of such members—

''(A) 4 shall be individuals distinguished in the conduct of research, demonstration projects, and evaluations with respect to healthcare;

''(B) 4 shall be individuals distinguished in the practice of medicine of which at least 1 shall be a primary care practitioner;

''(C) 3 shall be individuals distinguished in the health professions;

''(D) 4 shall be individuals either representing the private healthcare sector, including health plans, providers, and purchasers or individuals distinguished as administrators of healthcare delivery systems;

''(E) 4 shall be individuals distinguished in the fields of healthcare quality improvement, economics, information systems, law, ethics, business, or public policy; and

''(F) 2 shall be individuals representing the interests of patients and consumers of healthcare.

''(3) EX OFFICIO MEMBERS.—The Secretary shall designate as ex officio members of the Advisory Council—

''(A) the Director of the National Institutes of Health, the Director of the Centers for Disease Control and Prevention, the Administrator of the Health Care Financing Administration, the Assistant Secretary of Defense (Health Affairs), and the Chief Medical Officer of the Department of Veterans Affairs; and

''(B) such other Federal officials as the Secretary may consider appropriate.

''(d) TERMS.—Members of the Advisory Council appointed under subsection (c)(2) shall serve for a term of 3 years. A member of the Council appointed under such subsection may continue to serve after the expiration of the term of the members until a successor is appointed.

''(e) VACANCIES.—If a member of the Advisory Council appointed under subsection (c)(2) does not serve the full term applicable under subsection (d), the individual appointed to fill the resulting vacancy shall be appointed for the remainder of the term of the predecessor of the individual.

''(f) CHAIR.—The Director shall, from among the members of the Advisory Council appointed under subsection (c)(2), designate an individual to serve as the chair of the Advisory Council.

''(g) MEETINGS.—The Advisory Council shall meet not less than once during each discrete 4-month period and shall otherwise meet at the call of the Director or the chair.

''(h) COMPENSATION AND REIMBURSEMENT OF EXPENSES.—

''(1) APPOINTED MEMBERS.—Members of the Advisory Council appointed under subsection (c)(2) shall receive compensation for each day (including travel time) engaged in carrying out the duties of the Advisory Council unless declined by the member. Such compensation may not be in an amount in excess of the maximum rate of basic pay payable for GS–18 of the General Schedule.

''(2) EX OFFICIO MEMBERS.—Officials designated under subsection (c)(3) as ex officio members of the Advisory Council may not receive compensation for service on the Advisory Council in addition to the compensation otherwise received for duties carried out as officers of the United States.

''(i) STAFF.—The Director shall provide to the Advisory Council such staff, information, and other assistance as may be necessary to carry out the duties of the Council.

"SEC. 932. PEER REVIEW WITH RESPECT TO GRANTS AND CONTRACTS.

"(a) REQUIREMENT OF REVIEW.—

"(1) IN GENERAL.—Appropriate technical and scientific peer review shall be conducted with respect to each application for a grant, cooperative agreement, or contract under this title.

"(2) REPORTS TO DIRECTOR.—Each peer review group to which an application is submitted pursuant to paragraph (1) shall report its finding and recommendations respecting the application to the Director in such form and in such manner as the Director shall require.

"(b) APPROVAL AS PRECONDITION OF AWARDS.—The Director may not approve an application described in subsection (a)(1) unless the application is recommended for approval by a peer review group established under subsection (c).

"(c) ESTABLISHMENT OF PEER REVIEW GROUPS.—

"(1) IN GENERAL.—The Director shall establish such technical and scientific peer review groups as may be necessary to carry out this section. Such groups shall be established without regard to the provisions of title 5, United States Code, that govern appointments in the competitive service, and without regard to the provisions of chapter 51, and subchapter III of chapter 53, of such title that relate to classification and pay rates under the General Schedule.

"(2) MEMBERSHIP.—The members of any peer review group established under this section shall be appointed from among individuals who by virtue of their training or experience are eminently qualified to carry out the duties of such peer review group. Officers and employees of the United States may not constitute more than 25 percent of the membership of any such group. Such officers and employees may not receive compensation for service on such groups in addition to the compensation otherwise received for duties carried out as such officers and employees.

"(3) DURATION.—Notwithstanding section 14(a) of the Federal Advisory Committee Act, peer review groups established under this section shall continue in existence until otherwise provided by law.

"(4) QUALIFICATIONS.—Members of any peer-review group shall, at a minimum, meet the following requirements:

"(A) Such members shall agree in writing to treat information received, records, reports, and recommendations as confidential information.

"(B) Such members shall agree in writing to recuse themselves from participation in the peer-review of specific applications which present a potential personal conflict of interest or appearance of such conflict, including employment in the applicant organization, stock ownership, or any financial or other arrangement that might introduce bias in the process of peer-review.

"(d) AUTHORITY FOR PROCEDURAL ADJUSTMENTS IN CERTAIN CASES.—In the case of applications described in subsection (a)(1) for financial assistance whose direct costs will not exceed $100,000, the Director may make appropriate adjustments in the procedures otherwise established by the Director for the conduct of peer review under this section. Such adjustments may be made for the purpose of encouraging the entry of individuals into the field of research, for the purpose of encouraging clinical practice-oriented research, and for such other purposes as the Director may determine to be appropriate.

"(e) REGULATIONS.—The Secretary shall issue regulations for the conduct of peer review under this section.

"SEC. 933. CERTAIN PROVISIONS WITH RESPECT TO DEVELOPMENT, COLLECTION, AND DISSEMINATION OF DATA.

"(a) STANDARDS WITH RESPECT TO UTILITY OF DATA.—

"(1) IN GENERAL.—With respect to data developed or collected by any entity for the purpose described in section 901(b), the Director shall, in order to assure that utility, accuracy, and sufficiency of such data for all interested entities, establish recommendations for methods of developing and collecting such data. Such recommendations shall include recommendations for the development and collection of data on the outcomes of healthcare services and procedures. Such recommendations shall recognize the differences between types of healthcare plans, delivery systems, healthcare providers, and provider arrangements.

"(2) RELATIONSHIP WITH MEDICARE PROGRAM.—In any case where recommendations under paragraph (1) may affect the administration of the program under title XVIII of the Social Security Act, they shall be in the form of recommendations to the Secretary for such program.

"(b) STATISTICS.—The Director shall—

"(1) take such action as may be necessary to assure that statistics developed under this title are of high quality, timely, and comprehensive, as well as specific, standardized, and adequately analyzed and indexed; and

"(2) publish, make available, and disseminate such statistics on as wide a basis as is practicable.

"(c) AUTHORITY REGARDING CERTAIN REQUESTS.—Upon request of a public or private entity, the Director may undertake research or analyses otherwise authorized by this title pursuant to arrangements under which such entity will pay the cost of the services provided. Amounts received by the Director under such arrangements shall be available to the Director for obligation until expended.

"SEC. 934. DISSEMINATION OF INFORMATION.

"(a) IN GENERAL.—The Administrator shall—

"(1) without regard to section 501 of title 44, United States Code, promptly publish, make available, and otherwise disseminate, in a form understandable and on as broad a basis as practicable so as to maximize its use, the results of research, demonstration projects, and evaluations conducted or supported under this title;

"(2) promptly make available to the public data developed in such research, demonstration projects, and evaluations;

"(3) building upon, but without duplicating, information services provided by the National Library of Medicine and considering applicable interagency agreements, provide indexing, abstracting, translating, publishing, and other services leading to a more effective and timely dissemination of information on research, demonstration projects, and evaluations with respect to healthcare to public and private entities and individuals engaged in the improvement of healthcare delivery and the general public, and undertake programs to develop new or improved methods for making such information available; and

"(4) as appropriate, provide technical assistance to State and local government and health agencies and conduct liaison activities to such agencies to foster dissemination.

"(b) PROHIBITION AGAINST RESTRICTIONS.—Except as provided in subsection (c), the Director may not restrict the publication or dissemination of data from, or the results of, projects conducted or supported under this title.

"(c) LIMITATION ON USE OF CERTAIN INFORMATION.—No information, if an establishment or person supplying the information or described in it is identifiable, obtained in the course of activities undertaken or supported under this title may be used for any purpose other than the purpose for which it was supplied unless such establishment or person has consented (as determined under regulations of the Director) to its use for such other purpose. Such information may not be published or released in other form if the person who supplied the information or who is described in it is identifiable unless such person has consented (as determined regulations of the Director) to its publication or release in other form.

"(d) PENALTY.—Any person who violates subsection (c) shall be subject to a civil monetary penalty of not more than $10,000 for each such violation involved. Such penalty shall be imposed and collected in the same manner as civil money penalties under subsection (a) of section 1128A of the Social Security Act are imposed and collected under that section.

"SEC. 935. ADDITIONAL PROVISIONS WITH RESPECT TO GRANTS AND CONTRACTS.

"(a) PRIORITIES.—In establishing priorities to carry out this title, subject to the availability of funds, the Director shall consider—

"(1) the needs and priorities of healthcare programs that are operated by or supported, in whole or in part, by Federal agencies;

"(2) the healthcare needs of low-income groups, minority groups, children, the elderly, and persons with special healthcare needs and issues related to the delivery of healthcare services in rural areas (including frontier areas).

"(b) FINANCIAL CONFLICTS OF INTEREST.—With respect to projects for which awards of grants, cooperative agreements, or contracts are authorized to be made under this title, the Director shall by regulation define—

"(1) the specific circumstances that constitute financial interests in such projects that will, or may be reasonably expected to, create a bias in favor of obtaining results in the projects that are consistent with such interests; and

"(2) the actions that will be taken by the Director in response to any such interests identified by the Director.

"(c) REQUIREMENT OF APPLICATION.—The Director may not, with respect to any program under this title authorizing the provision of grants, cooperative agreements, or contracts, provide any such financial assistance unless an application for the assistance is submitted to the Secretary and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Director determines to be necessary to carry out the program in involved.

"(d) PROVISION OF SUPPLIES AND SERVICES IN LIEU OF FUNDS.—

"(1) IN GENERAL.—Upon the request of an entity receiving a grant, cooperative agreement, or contract under this title, the Secretary may, subject to paragraph (2), provide supplies, equipment, and services for the purpose of aiding the entity in carrying out the project involved and, for such purpose, may detail to the entity any officer or employee of the Department of Health and Human Services.

"(2) CORRESPONDING REDUCTION IN FUNDS.—With respect to a request described in paragraph (1), the Secretary shall reduce the amount of the financial assistance involved by an amount equal to the costs of detailing personnel and the fair market value of any supplies, equipment, or services provided by the Director. The Secretary shall, for the payment of expenses incurred in complying with such request, expend the amounts withheld.

"(e) APPLICABILITY OF CERTAIN PROVISIONS WITH RESPECT TO CONTRACTS.—Contracts may be entered into under this part without

regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5).

"SEC. 936. CERTAIN ADMINISTRATIVE AUTHORITIES.

"(a) DEPUTY DIRECTOR AND OTHER OFFICERS AND EMPLOYEES.—

"(1) DEPUTY DIRECTOR.—The Director may appoint a deputy director for the Agency.

"(2) OTHER OFFICERS AND EMPLOYEES.—The Director may appoint and fix the compensation of such officers and employees as may be necessary to carry out this title. Except as otherwise provided by law, such officers and employees shall be appointed in accordance with the civil service laws and their compensation fixed in accordance with title 5, United States Code.

"(b) FACILITIES.—The Secretary, in carrying out this title—

"(1) may acquire, without regard to the Act of March 3, 1877 (40 U.S.C. 34), by lease or otherwise through the Director of General Services, buildings or portions of buildings in the District of Columbia or communities located adjacent to the District of Columbia for use for a period not to exceed 10 years; and

"(2) may acquire, construct, improve, repair, operate, and maintain laboratory, research, and other necessary facilities and equipment, and such other real or personal property (including patents) as the Secretary deems necessary.

"(c) PROVISION OF FINANCIAL ASSISTANCE.—The Director, in carrying out this title, may make grants to public and nonprofit entities and individuals, and may enter into cooperative agreements or contracts with public and private entities and individuals.

"(d) UTILIZATION OF CERTAIN PERSONNEL AND RESOURCES.—

"(1) DEPARTMENT OF HEALTH AND HUMAN SERVICES.—The Director, in carrying out this title, may utilize personnel and equipment, facilities, and other physical resources of the Department of Health and Human Services, permit appropriate (as determined by the Secretary) entities and individuals to utilize the physical resources of such Department, and provide technical assistance and advice.

"(2) OTHER AGENCIES.—The Director, in carrying out this title, may use, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, or local public agencies, or of any foreign government, with or without reimbursement of such agencies.

"(e) CONSULTANTS.—The Secretary, in carrying out this title, may secure, from time to time and for such periods as the Director deems advisable but in accordance with section 3109 of title 5, United States Code, the assistance and advice of consultants from the United States or abroad.

"(f) EXPERTS.—

"(1) IN GENERAL.—The Secretary may, in carrying out this title, obtain the services of not more than 50 experts or consultants who have appropriate scientific or professional qualifications. Such experts or consultants shall be obtained in accordance with section 3109 of title 5, United States Code, except that the limitation in such section on the duration of service shall not apply.

"(2) TRAVEL EXPENSES.—

"(A) IN GENERAL.—Experts and consultants whose services are obtained under paragraph (1) shall be paid or reimbursed for their expenses associated with traveling to and from their assignment location in accordance with sections 5724, 5724a(a), 5724a(c), and 5726(C) of title 5, United States Code.

"(B) LIMITATION.—Expenses specified in subparagraph (A) may not be allowed in connection with the assignment of an expert or consultant whose services are obtained under paragraph (1) unless and until the expert agrees in writing to complete the entire period of assignment, or 1 year, whichever is shorter, unless separated or reassigned for reasons that are beyond the control of the expert or consultant and that are acceptable to the Secretary. If the expert or consultant violates the agreement, the money spent by the United States for the expenses specified in subparagraph (A) is recoverable from the expert or consultant as a debt of the United States. The Secretary may waive in whole or in part a right of recovery under this subparagraph.

"(g) VOLUNTARY AND UNCOMPENSATED SERVICES.—The Director, in carrying out this title, may accept voluntary and uncompensated services.

"SEC. 937. FUNDING.

"(a) INTENT.—To ensure that the United States's investment in biomedical research is rapidly translated into improvements in the quality of patient care, there must be a corresponding investment in research on the most effective clinical and organizational strategies for use of these findings in daily practice. The authorization levels in subsections (b) and (c) provide for a proportionate increase in healthcare research as the United State's investment in biomedical research increases.

"(b) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this title, there are authorized to be appropriated $180,000,000 for fiscal year 1999, and such sums as may be necessary for each of the fiscal years 2000 through 2003.

"(c) EVALUATIONS.—In addition to amounts available pursuant to subsection (b) for carrying out this title, there shall be made available for such purpose, from the amounts made available pursuant to section 241 (relating to evaluations), an amount equal to 40 percent of the maximum amount authorized in such section 241 to be made available for a fiscal year.

"(d) CENTERS FOR EDUCATION AND RESEARCH ON THERAPEUTICS.—For the purpose of carrying out the demonstration program regarding centers for education and research on therapeutics under section 912(b), there are authorized to be appropriated $2,000,000 for fiscal year 1998, and $3,000,000 for fiscal year 1999, and such sums as may be necessary for each of the fiscal years 2000 through 2003.

"SEC. 938. DEFINITIONS.

"In this title:

"(1) ADVISORY COUNCIL.—The term 'Advisory Council' means the Advisory Council on Healthcare Quality Research established under section 931.

"(2) AGENCY.—The term 'Agency' means the Agency for Healthcare Quality.

"(3) DIRECTOR.—The term 'Director' means the Director for the Agency for Healthcare Quality Research.".

SEC. 403. REFERENCES.

Effective upon the date of enactment of this Act, any reference in law to the "Agency for Health Care Policy and Research" shall be deemed to be a reference to the "Agency for Healthcare Quality Research".

SEC. 404. STUDY.

(a) STUDY.—Not later than 30 days after the date of enactment of any Act providing for a qualifying health care benefit (as defined in subsection (b), the Secretary of Health and Human Services, in consultation with the Agency for Healthcare Quality Research, the National Institutes of Health, and the Institute of Medicine, shall conduct a study concerning such benefit that scientifically evaluates—

(1) the safety and efficacy of the benefit, particularly the effect of the benefit on outcomes of care;

(2) the cost, benefits and value of such benefit;

(3) the benefit in comparison to alternative approaches in improving care; and

(4) the overall impact that such benefit will have on health care as measured through research.

(b) QUALIFYING HEALTH CARE BENEFIT.—In this section, the term "qualifying health care benefit" means a health care benefit that—

(1) is disease- or health condition-specific;

(2) requires the provision of or coverage for health care items or services;

(3) applies to group health plan, individual health plans, or health insurance issuers under part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1181 et seq.) or under title XXVII of the Public Health Service Act (42 U.S.C. 300gg et seq.); and

(4) was provided under an Act (or amendment) enacted on or after January 1, 1998.

(c) REPORTS.—Not later than 3 years after the date of enactment of any Act described in subsection (a), the Secretary of Health and Human Services shall prepare and submit to the appropriate committees of Congress a report based on the study conducted under such subsection with respect to the qualifying health care benefit involved.

TITLE V—WOMEN'S HEALTH RESEARCH AND PREVENTION

SEC. 501. SHORT TITLE.

This title may be cited as the "Women's Health Research and Prevention Amendments of 1998".

Subtitle A—Provisions Relating to Women's Health Research at the National Institutes of Health

SEC. 511. EXTENSION OF PROGRAM FOR RESEARCH AND AUTHORIZATION OF NATIONAL PROGRAM OF EDUCATION REGARDING THE DRUG DES.

(a) IN GENERAL.—Section 403A(e) of the Public Health Service Act (42 U.S.C. 283a(e)) is amended by striking "1996" and inserting "2001".

(b) NATIONAL PROGRAM FOR EDUCATION OF HEALTH PROFESSIONALS AND PUBLIC.—From amounts appropriated for carrying out section 403A of the Public Health Service Act (42 U.S.C. 283a), the Secretary of Health and Human Services, acting through the heads of the appropriate agencies of the Public Health Service, shall carry out a national program for the education of health professionals and the public with respect to the drug diethylstilbestrol (commonly known as DES). To the extent appropriate, such national program shall use methodologies developed through the education demonstration program carried out under such section 403A. In developing and carrying out the national program, the Secretary shall consult closely with representatives of nonprofit private entities that represent individuals who have been exposed to DES and that have expertise in community-based information campaigns for the public and for health care providers. The implementation of the national program shall begin during fiscal year 1999.

SEC. 512. RESEARCH ON OSTEOPOROSIS, PAGET'S DISEASE, AND RELATED BONE DISORDERS.

Section 409A(d) of the Public Health Service Act (42 U.S.C. 284e(d)) is amended by striking "and 1996" and inserting "through 2001".

SEC. 513. RESEARCH ON CANCER.

(a) IN GENERAL.—Section 417B(a) of the Public Health Service Act (42 U.S.C. 286a–8(a)) is amended by striking "and 1996" and inserting "through 2001".

(b) RESEARCH ON BREAST CANCER.—Section 417B(b)(1) of the Public Health Service Act (42 U.S.C. 286a–8(b)(1)) is amended—

(1) in subparagraph (A), by striking "and 1996" and inserting "through 2001"; and

(2) in subparagraph (B), by striking "and 1996" and inserting "through 2001".

(c) RESEARCH ON OVARIAN AND RELATED CANCER RESEARCH.—Section 417B(b)(2) of the Public Health Service Act (42 U.S.C. 286a–8(b)(2)) is amended by striking ''and 1996'' and inserting ''through 2001''.

SEC. 514. RESEARCH ON HEART ATTACK, STROKE, AND OTHER CARDIOVASCULAR DISEASES IN WOMEN.

Subpart 2 of part C of title IV of the Public Health Service Act (42 U.S.C. 285b et seq.) is amended by inserting after section 424 the following:

''HEART ATTACK, STROKE, AND OTHER CARDIOVASCULAR DISEASES IN WOMEN

''SEC. 424A. (a) IN GENERAL.—The Director of the Institute shall expand, intensify, and coordinate research and related activities of the Institute with respect to heart attack, stroke, and other cardiovascular diseases in women.

''(b) COORDINATION WITH OTHER INSTITUTES.—The Director of the Institute shall coordinate activities under subsection (a) with similar activities conducted by the other national research institutes and agencies of the National Institutes of Health to the extent that such Institutes and agencies have responsibilities that are related to heart attack, stroke, and other cardiovascular diseases in women.

''(c) CERTAIN PROGRAMS.—In carrying out subsection (a), the Director of the Institute shall conduct or support research to expand the understanding of the causes of, and to develop methods for preventing, cardiovascular diseases in women. Activities under such subsection shall include conducting and supporting the following:

''(1) Research to determine the reasons underlying the prevalence of heart attack, stroke, and other cardiovascular diseases in women, including African-American women and other women who are members of racial or ethnic minority groups.

''(2) Basic research concerning the etiology and causes of cardiovascular diseases in women.

''(3) Epidemiological studies to address the frequency and natural history of such diseases and the differences among men and women, and among racial and ethnic groups, with respect to such diseases.

''(4) The development of safe, efficient, and cost-effective diagnostic approaches to evaluating women with suspected ischemic heart disease.

''(5) Clinical research for the development and evaluation of new treatments for women, including rehabilitation.

''(6) Studies to gain a better understanding of methods of preventing cardiovascular diseases in women, including applications of effective methods for the control of blood pressure, lipids, and obesity.

''(7) Information and education programs for patients and health care providers on risk factors associated with heart attack, stroke, and other cardiovascular diseases in women, and on the importance of the prevention or control of such risk factors and timely referral with appropriate diagnosis and treatment. Such programs shall include information and education on health-related behaviors that can improve such important risk factors as smoking, obesity, high blood cholesterol, and lack of exercise.

''(d) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there is authorized to be appropriated such sums as may be necessary for each of the fiscal years 1999 through 2001. The authorization of appropriations established in the preceding sentence is in addition to any other authorization of appropriation that is available for such purpose.''.

SEC. 515. AGING PROCESSES REGARDING WOMEN.

Section 445I of the Public Health Service Act (42 U.S.C. 285e–11) is amended by striking ''and 1996'' and inserting ''through 2001''.

SEC. 516. OFFICE OF RESEARCH ON WOMEN'S HEALTH.

Section 486(d)(2) of the Public Health Service Act (42 U.S.C. 287d(d)(2)) is amended by striking ''Director of the Office'' and inserting ''Director of the National Institutes of Health''.

Subtitle B—Provisions Relating to Women's Health at the Centers for Disease Control and Prevention

SEC. 521. NATIONAL CENTER FOR HEALTH STATISTICS.

Section 306(n) of the Public Health Service Act (42 U.S.C. 242k(n)) is amended—

(1) in paragraph (1), by striking ''through 1998'' and inserting ''through 2002''; and

(2) in paragraph (2), by striking ''through 1998'' and inserting ''through 2002''.

SEC. 522. NATIONAL PROGRAM OF CANCER REGISTRIES.

Section 399L(a) of the Public Health Service Act (42 U.S.C. 280e–4(a)) is amended by striking ''through 1998'' and inserting ''through 2002''.

SEC. 523. NATIONAL BREAST AND CERVICAL CANCER EARLY DETECTION PROGRAM.

(a) GRANTS.—Section 1501(b) of the Public Health Service Act (42 U.S.C. 300k(b)) is amended—

(1) in paragraph (1), by striking ''nonprofit''; and

(2) in paragraph (2), by striking ''that are not nonprofit entities''.

(b) PREVENTIVE HEALTH.—Section 1509(d) of the Public Health Service Act (42 U.S.C. 300n–4a(d)(1)) is amended by striking ''through 1998'' and inserting ''through 2002''.

(c) GENERAL PROGRAM.—Section 1510(a) of the Public Health Service Act (42 U.S.C. 300n–5(a)) is amended by striking ''through 1998'' and inserting ''through 2002''.

SEC. 524. CENTERS FOR RESEARCH AND DEMONSTRATION OF HEALTH PROMOTION.

Section 1706(e) of the Public Health Service Act (42 U.S.C. 300u–5(e)) is amended by striking ''through 1998'' and inserting ''through 2002''.

SEC. 525. COMMUNITY PROGRAMS ON DOMESTIC VIOLENCE.

Section 318(h)(2) of the Family Violence Prevention and Services Act (42 U.S.C. 10418(h)(2)) is amended by striking ''fiscal year 1997'' and inserting ''for each of the fiscal years 1997 through 2002''.

Subtitle C—Women's Health and Cancer Rights

SEC. 531. SHORT TITLE.

This subtitle may be cited as the ''Women's Health and Cancer Rights Act of 1998''.

SEC. 532. FINDINGS.

Congress finds that—

(1) the offering and operation of health plans affect commerce among the States;

(2) health care providers located in a State serve patients who reside in the State and patients who reside in other States; and

(3) in order to provide for uniform treatment of health care providers and patients among the States, it is necessary to cover health plans operating in 1 State as well as health plans operating among the several States.

SEC. 533. AMENDMENTS TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.

(a) IN GENERAL.—Subpart B of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1185 et seq.), as amended by sections 111 and 302, is further amended by adding at the end the following new section:

''SEC. 715. REQUIRED COVERAGE FOR MINIMUM HOSPITAL STAY FOR MASTECTOMIES AND LYMPH NODE DISSECTIONS FOR THE TREATMENT OF BREAST CANCER AND COVERAGE FOR RECONSTRUCTIVE SURGERY FOLLOWING MASTECTOMIES.

''(a) INPATIENT CARE.—

''(1) IN GENERAL.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, that provides medical and surgical benefits shall ensure that inpatient coverage with respect to the surgical treatment of breast cancer (including a mastectomy, lumpectomy, or lymph node dissection for the treatment of breast cancer) is provided for a period of time as is determined by the attending physician, in his or her professional judgment consistent with scientific evidence-based practices or guidelines, in consultation with the patient, to be medically appropriate.

''(2) EXCEPTION.—Nothing in this section shall be construed as requiring the provision of inpatient coverage if the attending physician in consultation with the patient determine that a shorter period of hospital stay is medically appropriate.

''(b) RECONSTRUCTIVE SURGERY.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, that provides medical and surgical benefits with respect to a mastectomy shall ensure that, in a case in which a mastectomy patient elects breast reconstruction, coverage is provided for—

''(1) all stages of reconstruction of the breast on which the mastectomy has been performed;

''(2) surgery and reconstruction of the other breast to produce a symmetrical appearance; and

''(3) the costs of prostheses and complications of mastectomy including lymphedemas;

in the manner determined by the attending physician and the patient to be appropriate. Such coverage may be subject to annual deductibles and coinsurance provisions as may be deemed appropriate and as are consistent with those established for other benefits under the plan or coverage. Written notice of the availability of such coverage shall be delivered to the participant upon enrollment and annually thereafter.

''(c) NOTICE.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan shall provide notice to each participant and beneficiary under such plan regarding the coverage required by this section in accordance with regulations promulgated by the Secretary. Such notice shall be in writing and prominently positioned in any literature or correspondence made available or distributed by the plan or issuer and shall be transmitted—

''(1) in the next mailing made by the plan or issuer to the participant or beneficiary;

''(2) as part of any yearly informational packet sent to the participant or beneficiary; or

''(3) not later than January 1, 1999;

whichever is earlier.

''(d) NO AUTHORIZATION REQUIRED.—

''(1) IN GENERAL.—An attending physician shall not be required to obtain authorization from the plan or issuer for prescribing any length of stay in connection with a mastectomy, a lumpectomy, or a lymph node dissection for the treatment of breast cancer.

''(2) PRENOTIFICATION.—Nothing in this section shall be construed as preventing a group health plan from requiring prenotification of an inpatient stay referred to in this section if such requirement is consistent with terms

and conditions applicable to other inpatient benefits under the plan, except that the provision of such inpatient stay benefits shall not be contingent upon such notification.

''(e) PROHIBITIONS.—A group health plan, and a health insurance issuer offering group health insurance coverage in connection with a group health plan, may not—

''(1) deny to a patient eligibility, or continued eligibility, to enroll or to renew coverage under the terms of the plan, solely for the purpose of avoiding the requirements of this section;

''(2) provide monetary payments or rebates to individuals to encourage such individuals to accept less than the minimum protections available under this section;

''(3) penalize or otherwise reduce or limit the reimbursement of an attending provider because such provider provided care to an individual participant or beneficiary in accordance with this section;

''(4) provide incentives (monetary or otherwise) to an attending provider to induce such provider to provide care to an individual participant or beneficiary in a manner inconsistent with this section; and

''(5) subject to subsection (f)(2), restrict benefits for any portion of a period within a hospital length of stay required under subsection (a) in a manner which is less favorable than the benefits provided for any preceding portion of such stay.

''(f) RULES OF CONSTRUCTION.—

''(1) IN GENERAL.—Nothing in this section shall be construed to require a patient who is a participant or beneficiary—

''(A) to undergo a mastectomy or lymph node dissection in a hospital; or

''(B) to stay in the hospital for a fixed period of time following a mastectomy or lymph node dissection.

''(2) COST SHARING.—Nothing in this section shall be construed as preventing a group health plan or issuer from imposing deductibles, coinsurance, or other cost-sharing in relation to benefits for hospital lengths of stay in connection with a mastectomy or lymph node dissection for the treatment of breast cancer under the plan (or under health insurance coverage offered in connection with a group health plan), except that such coinsurance or other cost-sharing for any portion of a period within a hospital length of stay required under subsection (a) may not be greater than such coinsurance or cost-sharing for any preceding portion of such stay.

''(3) LEVEL AND TYPE OF REIMBURSEMENTS.—Nothing in this section shall be construed to prevent a group health plan or a health insurance issuer offering group health insurance coverage from negotiating the level and type of reimbursement with a provider for care provided in accordance with this section.

''(g) PREEMPTION, RELATION TO STATE LAWS.—

''(1) IN GENERAL.—Nothing in this section shall be construed to preempt any State law with respect to health insurance coverage that—

''(A) relates to hospital length of stays after a mastectomy, lumpectomy, or lymph node dissection;

''(B) relates to coverage of reconstructive breast surgery after a mastectomy, lumpectomy, of lymph node dissection; or

''(C) requires coverage for breast cancer treatments (including breast reconstruction) in accordance with scientific evidence-based practices or guidelines recommended by established medical associations.

''(2) APPLICATION OF SECTION.—With respect to a State law—

''(A) described in paragraph (1)(A), the provisions of this section relating to breast reconstruction shall apply in such State; and

''(B) described in paragraph (1)(B), the provisions of this section relating to length of stays for surgical breast treatment shall apply in such State.

''(3) ERISA.—Nothing in this section shall be construed to affect or modify the provisions of section 514 with respect to group health plans.''.

(b) CLERICAL AMENDMENT.—The table of contents in section 1 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1001 note) is amended by inserting after the item relating to section 714 the following new item:

''Sec. 715. Required coverage for minimum hospital stay for mastectomies and lymph node dissections for the treatment of breast cancer and coverage for reconstructive surgery following mastectomies.''.

(c) EFFECTIVE DATES.—The amendments made by this section shall apply with respect to plan years beginning on or after the date of enactment of this Act.

SEC. 534. AMENDMENTS TO THE PUBLIC HEALTH SERVICE ACT RELATING TO THE GROUP MARKET.

(a) IN GENERAL.—Subpart 2 of part A of title XXVII of the Public Health Service Act (42 U.S.C. 300gg-4 et seq.), as amended by section 303(a), is further amended by adding at the end the following new section:

''SEC. 2707. REQUIRED COVERAGE FOR MINIMUM HOSPITAL STAY FOR MASTECTOMIES AND LYMPH NODE DISSECTIONS FOR THE TREATMENT OF BREAST CANCER AND COVERAGE FOR RECONSTRUCTIVE SURGERY FOLLOWING MASTECTOMIES.

''(a) INPATIENT CARE.—

''(1) IN GENERAL.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, that provides medical and surgical benefits shall ensure that inpatient coverage with respect to the surgical treatment of breast cancer (including a mastectomy, lumpectomy, or lymph node dissection for the treatment of breast cancer) is provided for a period of time as is determined by the attending physician, in his or her professional judgment consistent with scientific evidence-based practices or guidelines, in consultation with the patient, to be medically appropriate.

''(2) EXCEPTION.—Nothing in this section shall be construed as requiring the provision of inpatient coverage if the attending physician in consultation with the patient determine that a shorter period of hospital stay is medically appropriate.

''(b) RECONSTRUCTIVE SURGERY.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, that provides medical and surgical benefits with respect to a mastectomy shall ensure that, in a case in which a mastectomy patient elects breast reconstruction, coverage is provided for—

''(1) all stages of reconstruction of the breast on which the mastectomy has been performed;

''(2) surgery and reconstruction of the other breast to produce a symmetrical appearance; and

''(3) the costs of prostheses and complications of mastectomy including lymphedemas;

in the manner determined by the attending physician and the patient to be appropriate. Such coverage may be subject to annual deductibles and coinsurance provisions as may be deemed appropriate and as are consistent with those established for other benefits under the plan or coverage. Written notice of the availability of such coverage shall be delivered to the enrollee upon enrollment and annually thereafter.

''(c) NOTICE.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan shall provide notice to each participant and beneficiary under such plan regarding the coverage required by this section in accordance with regulations promulgated by the Secretary. Such notice shall be in writing and prominently positioned in any literature or correspondence made available or distributed by the plan or issuer and shall be transmitted—

''(1) in the next mailing made by the plan or issuer to the participant or beneficiary;

''(2) as part of any yearly informational packet sent to the participant or beneficiary; or

''(3) not later than January 1, 1999;

whichever is earlier.

''(d) NO AUTHORIZATION REQUIRED.—

''(1) IN GENERAL.—An attending physician shall not be required to obtain authorization from the plan or issuer for prescribing any length of stay in connection with a mastectomy, a lumpectomy, or a lymph node dissection for the treatment of breast cancer.

''(2) PRENOTIFICATION.—Nothing in this section shall be construed as preventing a plan or issuer from requiring prenotification of an inpatient stay referred to in this section if such requirement is consistent with terms and conditions applicable to other inpatient benefits under the plan, except that the provision of such inpatient stay benefits shall not be contingent upon such notification.

''(e) PROHIBITIONS.—A group health plan, and a health insurance issuer offering group health insurance coverage in connection with a group health plan, may not—

''(1) deny to a patient eligibility, or continued eligibility, to enroll or to renew coverage under the terms of the plan, solely for the purpose of avoiding the requirements of this section;

''(2) provide monetary payments or rebates to individuals to encourage such individuals to accept less than the minimum protections available under this section;

''(3) penalize or otherwise reduce or limit the reimbursement of an attending provider because such provider provided care to an individual participant or beneficiary in accordance with this section;

''(4) provide incentives (monetary or otherwise) to an attending provider to induce such provider to provide care to an individual participant or beneficiary in a manner inconsistent with this section; and

''(5) subject to subsection (f)(2), restrict benefits for any portion of a period within a hospital length of stay required under subsection (a) in a manner which is less favorable than the benefits provided for any preceding portion of such stay.

''(f) RULES OF CONSTRUCTION.—

''(1) IN GENERAL.—Nothing in this section shall be construed to require a patient who is a participant or beneficiary—

''(A) to undergo a mastectomy or lymph node dissection in a hospital; or

''(B) to stay in the hospital for a fixed period of time following a mastectomy or lymph node dissection.

''(2) COST SHARING.—Nothing in this section shall be construed as preventing a group health plan or issuer from imposing deductibles, coinsurance, or other cost-sharing in relation to benefits for hospital lengths of stay in connection with a mastectomy or lymph node dissection for the treatment of breast cancer under the plan (or under health insurance coverage offered in connection with a group health plan), except that such coinsurance or other cost-sharing

for any portion of a period within a hospital length of stay required under subsection (a) may not be greater than such coinsurance or cost-sharing for any preceding portion of such stay.

''(3) LEVEL AND TYPE OF REIMBURSEMENTS.—Nothing in this section shall be construed to prevent a group health plan or a health insurance issuer offering group health insurance coverage from negotiating the level and type of reimbursement with a provider for care provided in accordance with this section.

''(g) PREEMPTION, RELATION TO STATE LAWS.—

''(1) IN GENERAL.—Nothing in this section shall be construed to preempt any State law with respect to health insurance coverage that—

''(A) relates to a hospital length of stay after a mastectomy, lumpectomy, or lymph node dissection;

''(B) relates to coverage of reconstructive breast surgery after a mastectomy, lumpectomy, or lymph node dissection; or

''(C) requires coverage for breast cancer treatments (including breast reconstruction) in accordance with scientific evidence-based practices or guidelines recommended by established medical associations.

''(2) APPLICATION OF SECTION.—With respect to a State law—

''(A) described in paragraph (1)(A), the provisions of this section relating to breast reconstruction shall apply in such State; and

''(B) described in paragraph (1)(B), the provisions of this section relating to length of stays for surgical breast treatment shall apply in such State.

''(3) ERISA.—Nothing in this section shall be construed to affect or modify the provisions of section 514 with respect to group health plans.''.

(b) EFFECTIVE DATES.—The amendments made by this section shall apply to group health plans for plan years beginning on or after the date of enactment of this Act.

SEC. 535. AMENDMENT TO THE PUBLIC HEALTH SERVICE ACT RELATING TO THE INDIVIDUAL MARKET.

(a) IN GENERAL.—Subpart 3 of part B of title XXVII of the Public Health Service Act (42 U.S.C. 300gg-51 et seq.), as amended by section 303(b), is further amended by adding at the end the following new section:

''SEC. 2753. REQUIRED COVERAGE FOR MINIMUM HOSPITAL STAY FOR MASTECTOMIES AND LYMPH NODE DISSECTIONS FOR THE TREATMENT OF BREAST CANCER.

''The provisions of section 2707 shall apply to health insurance coverage offered by a health insurance issuer in the individual market in the same manner as they apply to health insurance coverage offered by a health insurance issuer in connection with a group health plan in the small or large group market.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to health insurance coverage offered, sold, issued, renewed, in effect, or operated in the individual market on or after the date of enactment of this Act.

SEC. 536. AMENDMENTS TO THE INTERNAL REVENUE CODE OF 1986.

(a) IN GENERAL.—Subchapter A of chapter 100 of the Internal Revenue Code of 1986 (relating to group health plan portability, access, and renewability requirements) is amended by inserting after section 9803 the following new section:

''SEC. 9804. REQUIRED COVERAGE FOR MINIMUM HOSPITAL STAY FOR MASTECTOMIES AND LYMPH NODE DISSECTIONS FOR THE TREATMENT OF BREAST CANCER AND COVERAGE FOR RECONSTRUCTIVE SURGERY FOLLOWING MASTECTOMIES.

''(a) INPATIENT CARE.—

''(1) IN GENERAL.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, that provides medical and surgical benefits shall ensure that inpatient coverage with respect to the surgical treatment of breast cancer (including a mastectomy, lumpectomy, or lymph node dissection for the treatment of breast cancer) is provided for a period of time as is determined by the attending physician, in his or her professional judgment consistent with scientific evidence-based practices or guidelines, in consultation with the patient, to be medically appropriate.

''(2) EXCEPTION.—Nothing in this section shall be construed as requiring the provision of inpatient coverage if the attending physician in consultation with the patient determine that a shorter period of hospital stay is medically appropriate.

''(b) RECONSTRUCTIVE SURGERY.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan, that provides medical and surgical benefits with respect to a mastectomy shall ensure that, in a case in which a mastectomy patient elects breast reconstruction, coverage is provided for—

''(1) all stages of reconstruction of the breast on which the mastectomy has been performed;

''(2) surgery and reconstruction of the other breast to produce a symmetrical appearance; and

''(3) the costs of prostheses and complications of mastectomy including lymphedemas;

in the manner determined by the attending physician and the patient to be appropriate. Such coverage may be subject to annual deductibles and coinsurance provisions as may be deemed appropriate and as are consistent with those established for other benefits under the plan or coverage. Written notice of the availability of such coverage shall be delivered to the participant upon enrollment and annually thereafter.

''(c) NOTICE.—A group health plan, and a health insurance issuer providing health insurance coverage in connection with a group health plan shall provide notice to each participant and beneficiary under such plan regarding the coverage required by this section in accordance with regulations promulgated by the Secretary. Such notice shall be in writing and prominently positioned in any literature or correspondence made available or distributed by the plan or issuer and shall be transmitted—

''(1) in the next mailing made by the plan or issuer to the participant or beneficiary;

''(2) as part of any yearly informational packet sent to the participant or beneficiary; or

''(3) not later than January 1, 1999;

whichever is earlier.

''(d) NO AUTHORIZATION REQUIRED.—

''(1) IN GENERAL.—A, attending physician shall not be required to obtain authorization from the plan or issuer for prescribing any length of stay in connection with a mastectomy, a lumpectomy, or a lymph node dissection for the treatment of breast cancer.

''(2) PRENOTIFICATION.—Nothing in this section shall be construed as preventing a plan or issuer from requiring prenotification of an inpatient stay referred to in this section if such requirement is consistent with terms and conditions applicable to other inpatient benefits under the plan, except that the provision of such inpatient stay benefits shall not be contingent upon such notification.

''(e) PROHIBITIONS.—A group health plan, and a health insurance issuer offering group health insurance coverage in connection with a group health plan, may not—

''(1) deny to a patient eligibility, or continued eligibility, to enroll or to renew coverage under the terms of the plan, solely for the purpose of avoiding the requirements of this section;

''(2) provide monetary payments or rebates to individuals to encourage such individuals to accept less than the minimum protections available under this section;

''(3) penalize or otherwise reduce or limit the reimbursement of an attending provider because such provider provided care to an individual participant or beneficiary in accordance with this section;

''(4) provide incentives (monetary or otherwise) to an attending provider to induce such provider to provide care to an individual participant or beneficiary in a manner inconsistent with this section; and

''(5) subject to subsection (f)(2), restrict benefits for any portion of a period within a hospital length of stay required under subsection (a) in a manner which is less favorable than the benefits provided for any preceding portion of such stay.

''(f) RULES OF CONSTRUCTION.—

''(1) IN GENERAL.—Nothing in this section shall be construed to require a patient who is a participant or beneficiary—

''(A) to undergo a mastectomy or lymph node dissection in a hospital; or

''(B) to stay in the hospital for a fixed period of time following a mastectomy or lymph node dissection.

''(2) COST SHARING.—Nothing in this section shall be construed as preventing a group health plan or issuer from imposing deductibles, coinsurance, or other cost-sharing in relation to benefits for hospital lengths of stay in connection with a mastectomy or lymph node dissection for the treatment of breast cancer under the plan (or under health insurance coverage offered in connection with a group health plan), except that such coinsurance or other cost-sharing for any portion of a period within a hospital length of stay required under subsection (a) may not be greater than such coinsurance or cost-sharing for any preceding portion of such stay.

''(3) LEVEL AND TYPE OF REIMBURSEMENTS.—Nothing in this section shall be construed to prevent a group health plan or a health insurance issuer offering group health insurance coverage from negotiating the level and type of reimbursement with a provider for care provided in accordance with this section.

''(g) PREEMPTION, RELATION TO STATE LAWS.—

''(1) IN GENERAL.—Nothing in this section shall be construed to preempt any State law with respect to health insurance coverage that—

''(A) relates to a hospital length of stay after a mastectomy, lumpectomy, or lymph node dissection;

''(B) relates to coverage of reconstructive breast surgery after a mastectomy, lumpectomy, or lymph node dissection; or

''(C) requires coverage for breast cancer treatments (including breast reconstruction) in accordance with scientific evidence-based practices or guidelines recommended by established medical associations.

''(2) APPLICATION OF SECTION.—With respect to a State law—

''(A) described in paragraph (1)(A), the provisions of this section relating to breast reconstruction shall apply in such State; and

''(B) described in paragraph (1)(B), the provisions of this section relating to length of stays for surgical breast treatment shall apply in such State.

''(3) ERISA.—Nothing in this section shall be construed to affect or modify the provisions of section 514 with respect to group health plans.''.

(b) CONFORMING AMENDMENTS.—

(1) The heading for subtitle K of such Code is amended to read as follows:

"Subtitle K—Group Health Plan Portability, Access, Renewability, and Other Requirements".

(2) The heading for chapter 100 of such Code is amended to read as follows:

"CHAPTER 100—GROUP HEALTH PLAN PORTABILITY, ACCESS, RENEWABILITY, AND OTHER REQUIREMENTS".

(3) Section 4980D(a) of such Code is amended by striking "and renewability" and inserting "renewability, and other".

(c) CLERICAL AMENDMENTS.—

(1) The table of contents for chapter 100 of such Code is amended inserting after the item relating to section 9803 the following new item:

"Sec. 9804. Required coverage for minimum hospital stay for mastectomies and lymph node dissections for the treatment of breast cancer and coverage for reconstructive surgery following mastectomies.".

(2) The item relating to subtitle K in the table of subtitles for such Code is amended by striking "and renewability" and inserting "renewability, and other".

(3) The item relating to chapter 100 in the table of chapters for subtitle K of such Code is amended by striking "and renewability" and inserting "renewability, and other".

(d) EFFECTIVE DATES.—The amendments made by this section shall apply with respect to plan years beginning on or after the date of enactment of this Act.

SEC. 537. RESEARCH STUDY ON THE MANAGEMENT OF BREAST CANCER.

(a) STUDY.—To improve survival, quality of life and patient satisfaction in the care of patients with breast cancer, the Agency for Health Care Policy and Research shall conduct a study of the scientific issues relating to—

(1) disease management strategies for breast cancer that can achieve better patient outcomes;

(2) controlled clinical evidence that links specific clinical procedures to improved health outcomes;

(3) the definition of quality measures to evaluate plan and provider performance in the management of breast cancer;

(4) the identification of quality improvement interventions that can change the process of care to achieve better outcomes for individuals with breast cancer;

(5) preventive strategies utilized by health plans for the treatment of breast cancer; and

(6) the extent of clinical practice variation including its impact on cost, quality and outcomes.

(b) REPORT.—Not later than January 1, 2000, the Agency for Health Care Policy and Research shall prepare and submit to the appropriate committees of Congress a report concerning the results of the study conducted under subsection (a).

TITLE VI—ENHANCED ACCESS TO HEALTH INSURANCE COVERAGE

SEC. 601. CARRYOVER OF UNUSED BENEFITS FROM CAFETERIA PLANS, FLEXIBLE SPENDING ARRANGEMENTS, AND HEALTH FLEXIBLE SPENDING ACCOUNTS.

(a) IN GENERAL.—Section 125 of the Internal Revenue Code of 1986 (relating to cafeteria plans) is amended by redesignating subsections (h) and (i) as subsections (i) and (j) and by inserting after subsection (g) the following new subsection:

"(h) ALLOWANCE OF CARRYOVERS OF UNUSED BENEFITS TO LATER TAXABLE YEARS.—

"(1) IN GENERAL.—For purposes of this title—

"(A) a plan or other arrangement shall not fail to be treated as a cafeteria plan or flexible spending or similar arrangement, and

"(B) no amount shall be required to be included in gross income by reason of this section or any other provision of this chapter,

solely because under such plan or other arrangement any nontaxable benefit which is unused as of the close of a taxable year may be carried forward to 1 or more succeeding taxable years.

"(2) LIMITATION.—Paragraph (1) shall not apply to amounts carried from a plan to the extent such amounts exceed $500 (applied on an annual basis). For purposes of this paragraph, all plans and arrangements maintained by an employer or any related person shall be treated as 1 plan.

"(3) ALLOWANCE OF ROLLOVER.—

"(A) IN GENERAL.—In the case of any unused benefit described in paragraph (1) which consists of amounts in a health flexible spending account or dependent care flexible spending account, the plan or arrangement shall provide that a participant may elect, in lieu of such carryover, to have such amounts distributed to the participant.

"(B) AMOUNTS NOT INCLUDED IN INCOME.—Any distribution under subparagraph (A) shall not be included in gross income to the extent that such amount is transferred in a trustee-to-trustee transfer, or is contributed within 60 days of the date of the distribution, to—

"(i) an individual retirement plan other than a Roth IRA (as defined in section 408A(b)),

"(ii) a qualified cash or deferred arrangement described in section 401(k),

"(iii) a plan under which amounts are contributed by an individual's employer for an annuity contract described in section 403(b),

"(iv) an eligible deferred compensation plan described in section 457, or

"(v) a medical savings account (within the meaning of section 220).

Any amount rolled over under this subparagraph shall be treated as a rollover contribution for the taxable year from which the unused amount would otherwise be carried.

"(C) TREATMENT OF ROLLOVER.—Any amount rolled over under subparagraph (B) shall be treated as an eligible rollover under section 219, 220, 401(k), 403(b), or 457, whichever is applicable, and shall not be taken into account in applying any limitation (or participation requirement) on employer or employee contributions under such section or any other provision of this chapter for the taxable year of the rollover.

"(4) COST-OF-LIVING ADJUSTMENT.—In the case of any taxable year beginning in a calendar year after 1998, the $500 amount under paragraph (2) shall be adjusted at the same time and in the same manner as under section 415(d)(2), except that the base period taken into account shall be the calendar quarter beginning October 1, 1997, and any increase which is not a multiple of $50 shall be rounded to the next lowest multiple of $50."

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1998.

SEC. 602. FULL DEDUCTION OF HEALTH INSURANCE COSTS FOR SELF-EMPLOYED INDIVIDUALS.

(a) IN GENERAL.—Section 162(l)(1) of the Internal Revenue Code of 1986 (relating to allowance of deductions) is amended to read as follows:

"(1) ALLOWANCE OF DEDUCTION.—In the case of an individual who is an employee within the meaning of section 401(c)(1), there shall be allowed as a deduction under this section an amount equal to the amount paid during the taxable year for insurance which constitutes medical care for the taxpayer, his spouse, and his dependents."

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1998.

SEC. 603. FULL AVAILABILITY OF MEDICAL SAVINGS ACCOUNTS.

(a) AVAILABILITY NOT LIMITED TO ACCOUNTS FOR EMPLOYEES OF SMALL EMPLOYERS AND SELF-EMPLOYED INDIVIDUALS.—

(1) IN GENERAL.—Section 220(c)(1)(A) of the Internal Revenue Code of 1986 (relating to eligible individual) is amended to read as follows:

"(A) IN GENERAL.—The term 'eligible individual' means, with respect to any month, any individual if—

"(i) such individual is covered under a high deductible health plan as of the 1st day of such month, and

"(ii) such individual is not, while covered under a high deductible health plan, covered under any health plan—

"(I) which is not a high deductible health plan, and

"(II) which provides coverage for any benefit which is covered under the high deductible health plan.".

(2) CONFORMING AMENDMENTS.—

(A) Section 220(c)(1) of such Code is amended by striking subparagraphs (C) and (D).

(B) Section 220(c) of such Code is amended by striking paragraph (4) (defining small employer) and by redesignating paragraph (5) as paragraph (4).

(C) Section 220(b) of such Code is amended by striking paragraph (4) (relating to deduction limited by compensation) and by redesignating paragraphs (5), (6), and (7) as paragraphs (4), (5), and (6), respectively.

(b) REMOVAL OF LIMITATION ON NUMBER OF TAXPAYERS HAVING MEDICAL SAVINGS ACCOUNTS.—

(1) IN GENERAL.—Section 220 of the Internal Revenue Code of 1986 (relating to medical savings accounts) is amended by striking subsections (i) and (j).

(2) MEDICARE+CHOICE.—Section 138 of such Code (relating to Medicare+Choice MSA) is amended by striking subsection (f).

(c) REDUCTION IN HIGH DEDUCTIBLE PLAN MINIMUM ANNUAL DEDUCTIBLE.—Section 220(c)(2)(A) of the Internal Revenue Code of 1986 (relating to high deductible health plan) is amended—

(1) by striking "$1,500" in clause (i) and inserting "$1,000", and

(2) by striking "$3,000" in clause (ii) and inserting "$2,000".

(d) INCREASE IN CONTRIBUTION LIMIT TO 100 PERCENT OF ANNUAL DEDUCTIBLE.—

(1) IN GENERAL.—Section 220(b)(2) of the Internal Revenue Code of 1986 (relating to monthly limitation) is amended to read as follows:

"(2) MONTHLY LIMITATION.—The monthly limitation for any month is the amount equal to 1/12 of the annual deductible of the high deductible health plan of the individual."

(2) CONFORMING AMENDMENT.—Section 220(d)(1)(A) of such Code is amended by striking "75 percent of".

(e) LIMITATION ON ADDITIONAL TAX ON DISTRIBUTIONS NOT USED FOR QUALIFIED MEDICAL EXPENSES.—Section 220(f)(4) of the Internal Revenue Code of 1986 (relating to additional tax on distributions not used for qualified medical expenses) is amended by adding at the end the following:

"(D) EXCEPTION IN CASE OF SUFFICIENT ACCOUNT BALANCE.—Subparagraph (A) shall not apply to any payment or distribution in any taxable year, but only to the extent such payment or distribution does not reduce the fair market value of the assets of the medical savings account to an amount less than the annual deductible for the high deductible

health plan of the account holder (determined as of January 1 of the calendar year in which the taxable year begins).''.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1998.

SEC. 604. PERMITTING CONTRIBUTION TOWARDS MEDICAL SAVINGS ACCOUNT THROUGH FEDERAL EMPLOYEES HEALTH BENEFITS PROGRAM (FEHBP).

(a) GOVERNMENT CONTRIBUTION TO MEDICAL SAVINGS ACCOUNT.—

(1) IN GENERAL.—Section 8906 of title 5, United States Code, is amended by adding at the end the following:

''(j)(1) In the case of an employee or annuitant who is enrolled in a catastrophic plan described by section 8903(5), there shall be a Government contribution under this subsection to a medical savings account established or maintained for the benefit of the individual. The contribution under this subsection shall be in addition to the Government contribution under subsection (b).

''(2) The amount of the Government contribution under this subsection with respect to an individual is equal to the amount by which—

''(A) the maximum contribution allowed under subsection (b)(1) with respect to any employee or annuitant, exceeds

''(B) the amount of the Government contribution actually made with respect to the individual under subsection (b) for coverage under the catastrophic plan.

''(3) The Government contributions under this subsection shall be paid into a medical savings account (designated by the individual involved) in a manner that is specified by the Office and consistent with the timing of contributions under subsection (b).

''(4) Subsections (f) and (g) shall apply to contributions under this section in the same manner as they apply to contributions under subsection (b).

''(5) For the purpose of this subsection, the term 'medical savings account' has the meaning given such term by section 220(d) of the Internal Revenue Code of 1986.''.

(2) ALLOWING PAYMENT OF FULL AMOUNT OF CHARGE FOR CATASTROPHIC PLAN.—Section 8906(b)(2) of such title is amended by inserting ''(or 100 percent of the subscription charge in the case of a catastrophic plan)'' after ''75 percent of the subscription charge''.

(b) OFFERING OF CATASTROPHIC PLANS.—

(1) IN GENERAL.—Section 8903 of title 5, United States Code, is amended by adding at the end the following:

''(5) CATASTROPHIC PLANS.—One or more plans described in paragraph (1), (2), or (3), but which provide benefits of the types referred to by paragraph (5) of section 8904(a), instead of the types referred to in paragraphs (1), (2), and (3) of such section.''.

(2) TYPES OF BENEFITS.—Section 8904(a) of such title is amended by inserting after paragraph (4) the following new paragraph:

''(5) CATASTROPHIC PLANS.—Benefits of the types named under paragraph (1) or (2) of this subsection or both, to the extent expenses covered by the plan exceed $500.''.

(3) DISREGARDING CATASTROPHIC PLANS IN DETERMINING LEVEL OF GOVERNMENT CONTRIBUTIONS.—Section 8906(a)(3) of such title is amended by inserting ''described by section 8903(3)'' after ''plans''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to contract terms beginning on or after January 1, 1999.

Mr. FRIST. Mr. President, I am pleased to rise today to introduce the ''Patients' Bill of Rights'' with my colleague from Oklahoma, Senator DON NICKLES, the members of the Senate Republican Task Force on Health Care Quality, and our distinguished Majority Leader, Senator TRENT LOTT.

This bill is a product of several months of thoughtful discussion and debate among Republican members to reach a consensus proposal to improve health care quality.

As a physician who has practiced medicine for twenty years, I know that health care is delivered best when the relationship between doctor and patient is given the highest priority. My goal is to provide the necessary support to empower doctors and patients to make important health care decisions.

This proposal includes a ''Patients' Bill of Rights'' which offers protection for patients by insuring them full access to information about their health plan; making sure patients receive necessary emergency care; allowing patients to keep their doctor during a pregnancy or extended illness, even if their doctor is dropped by their plan; and allowing patients direct access to obstetric and gynecological care and pediatric care without having to obtain a referral from a gatekeeper.

Many consumers fear that their health care plans will not give them access to care when they need it most, that they will be denied the benefits they have paid for and been promised, and that their health plans care more about cost than they do about quality. A critical measure of this bill is to hold health plans accountable for the coverage decisions they make and to take the power of denial of care out of the hands of HMOs and place it in the hands of independent medical experts. Our bill requires health plans to make coverage determinations in less than 72 hours if a doctor determines that further delay could jeopardize the life or health of a patient. We want to protect patients before harm occurs by setting up a process for patients and their families to get an immediate answer. Furthermore, we require health plans to provide quick internal grievance and independent external appeals processes in cases where a plan may deny coverage for necessary medical action or because it is an experimental procedure.

Our bill fills a need by providing protections for patients who rely on plans that states cannot touch. Our bill provides independent review of health plans for 125 million Americans without lining the pockets of trial lawyers in the process. Further litigation serves to divert billions of dollars away from health care and puts in the pockets of trial lawyers.

Our bill guarantees patients the right to have access to their own medical information and the right to amend their medical information if mistakes are made. We require health plans to inform a patient of the plan's practices to protect the confidentiality of their medical record and requires health plans to establish safeguards to protect the confidentiality and security of health information.

Our bill has a strong focus on quality and a firm commitment to improve quality. Some believe that quality can be legislated. Some here in Washington believe they know how to define quality. Yet the risk of writing today's concept of quality into law, is that it is an evolving science and if we are too rigid, we fail to capture the innovation that improves quality of care and our ability to measure it.

Our legislation promotes quality improvement by supporting research to give patients and physicians better information regarding quality. The ''Patients' Bill of Rights'' establishes an Agency for Health Care Quality Research (AHQR), whose purpose is to foster overall improvement in health care quality through supporting pertinent research and disseminating information. The Agency is built on the platform of the current Agency for Health Care Policy and Research, but is refocused and enhanced to become the hub and driving force of federal efforts to improve quality of health care in all practice environments—from managed care to solo private practice, from urban to rural settings, and from federal to non-federal programs.

The role of the Agency is not to mandate a national definition of quality, but to support the science necessary to provide information to patients regarding the quality of the care they receive; to allow physicians to compare their quality outcomes with their peers; and to enable employers and individuals to be prudent purchasers based on quality.

The new Agency will build public-private partnerships to advance and share quality measures. Quality means different things to different people. Therefore, in collaboration with the private sector, the Agency shall conduct research that can figure out what quality really means to patients and clinicians, how to measure quality, and what actions can improve care.

It will promote quality by sharing information. While proven medical advances are made daily, patients wait too long to benefit from these discoveries. We must get the science to the people by better sharing of information and more effective dissemination. The Agency is required to develop evidence-rating systems to help people judge the quality of science.

The Agency plays an important role in facilitating innovation in patient care with streamlined assessment of new technologies. Patients should benefit from breakthrough technologies sooner, while inefficient methods should be phased out faster. The Agency will be accessible to both private and public entities for technology assessments and will share information on assessment methodologies.

Currently, quality measurement too often requires manual chart reviews for such simple data as frequently of procedures, infection rates, or other complications. Improved computer systems will advance quality scoring and facilitate decision-making in patient care.

The Agency will aggressively support the development of state-of-the-art information systems systems for health care quality.

While most policy discussions this year are targeting managed care, quality improvement is just as important to the solo private practitioner. The Agency will focus on primary care delivery research to examine how science is translated in the doctor's office. The agency will specifically address quality in rural and other underserved areas by advancing telemedicine services and other distance technologies.

Most of the many federal health care programs today support some kind of health services research and conduct various quality improvement projects. The Agency shall coordinate these initiatives to avoid disjointed, uncoordinated, or duplicative efforts.

Finally, this debate is due to the fact that patients want to know if they receive quality health care. But compared to what? Statistically accurate, sample-based national surveys will efficiently provide reliable and affordable data—without excessive, overly intrusive, and potentially destructive, mandatory reporting requirements. This is accomplished through an expansion of the current Medical Expenditure Panel Survey to require that outcomes be measured and reported to Congress so the public may better determine the state of quality, and cost, of the nation's health care.

The role of the AHQR is not to mandate national standards of clinical practice. Definitions and measures of quality are an evolving science, a science critically important to making educated and appropriate choices in a rapidly changing and dynamic health care system. This bill will go a long way in bridging the gap between what we know and what we do in health care today.

The bill we are introducing today has a strong focus on women's health issues. On March 6, 1998, I introduced S. 1722, the ''Women's Health Research and Prevention Amendments of 1998'' with our Majority Leader, Senator TRENT LOTT, to increase awareness of some of the most pressing diseases and health issues that women in our country face. These provisions, which have been included in the Patients' Bill of Rights Act, focus on women's health research and prevention activities at the National Institutes of Health and the Centers for Disease Control and Prevention. The goal of these provisions is to create greater awareness of women's health issues and to highlight the critical role our public health agencies, the NIH and CDC, play in providing a broad spectrum of activities to improve women's health—including research, screening, prevention, treatment, education, and data collection.

Among others, these provisions promote basic and clinical research for osteoporosis and breast and ovarian cancer. We expand our research efforts into the underlying causes and prevention of cardiovascular diseases in women—the leading cause of death in U.S. women. The bill reauthorizes the National Breast and Cervical Cancer Screening Program which provides for crucial screening services for breast and cervical cancers to underserved women and supports data collection through the National Center for Health Statistics and the National Program of Cancer Registries which are the leading sources of national data on the health status of U.S. women.

The reauthorization of these research programs will help assure scientific progress in our fight against these diseases and will lessen their burden on women and their families. We have the support of nearly the full Senate Labor and Human Resources committee and many members of the United States Senate from both sides of the aisle for these provisions. The level of support for these programs is a testament to the need to combat the disease affecting women and to maintain the crucial health services that help prevent these diseases.

One of the provisions I am most proud to include in this bill is the prohibition on genetic discrimination in healthy insurance practices. We as a nation must face the fear of discrimination in health insurance practices based on our increasing ability to gather genetic information about ourselves and our families. Our ability to predict what diseases individuals may be at risk for in the future has caused great concern that this powerful information—the information we all carry in our genes—may be used against us.

I am deeply troubled when I hear from the Tennessee Breast Cancer Coalition that genetic counselors are facing women everyday who are afraid of the consequences of genetic testing. Women are avoiding genetic testing due to concerns about loss of health insurance coverage for themselves or their families—even though a genetic test might reveal that a woman is not at high risk and therefore allow her to make more informed health care choices.

I am a strong advocate for legislation which would prohibit discrimination in health insurance against healthy individuals and their families based on their genetic information. We all carry genetic mutations that may place us at risk for future disease—therefore we are all at risk for discrimination. If I receive a genetic test which shows I am at risk for cancer, diabetes, or heart disease, should this predictive information be used against me or my family? Particularly when I am currently healthy and, in fact, may never develop the illness? I think the American public has answered quite clearly, ''no.''

The Senate Republican Task Force made the same decision to say ''no.'' Not only are we addressing the rights of patients today—but we are thinking forward to future concerns of patients. I must commend the efforts of my colleague Senator SNOWE whose original bill, S. 89, has provided a framework and the sound principles for the basis of the legislation. She has supported the Task Force effort and worked with us step by step to craft this legislation. I must also commend the members of the Task Force, particularly Senator JEFFORDS, who had the foresight to include these provisions.

Our bill prohibits health insurers from collecting genetic information about a patient; prohibits health insurers from using predictive genetic information to deny coverage; prohibits health insurers from using predictive genetic information in setting premiums or rates; and requires health insurers to inform patients of the health plans' confidentiality practices and safeguards in place if a patient wishes to disclose genetic information for purposes of treatment.

Preventing genetic discrimination has enormous implications for improving the quality of care patients receive. As a physician and researcher, I am particularly concerned that the fear of discrimination will prevent individuals from participating in research studies and therefore hinder the scientific answers we need which hold the promise of higher quality medical care. I am concerned that individuals feel safe taking advantage of new genetic technologies to improve their medical care.

The goal of our bill is to provide the public with peace of mind. If families or individuals want to undergo genetic testing, this bill will ensure that insurance companies cannot discriminate based on this information. We must act now. Only with these measures can we ensure that knowledge about our genetic heritage will be used to improve our health—and not force us to hide in fear that this information will cause us harm.

Finally, our bill enhances access and choice of health insurance coverage by increasing access to and affordability of health care. The bill includes provisions to allow self-employed individuals to fully deduct their health care expenses; provides greater flexibility to employees who utilize flexible spending accounts to pay for health care; and gives incentives to individuals to have control over their health care decisions and costs through expansion of the use of Medical Savings Accounts. This option will allow a patient to access the physician of their choice and choose the medical treatment they need without any interference from a gatekeeper.

The ''Patient's Bill of Rights'' offers all Americans: quality improvement built on a foundation of science, patient protection to access the care they need from the provider of choice, trust in the health care delivery system, and access to affordable health insurance coverage. I am pleased that this bill represents a forward-looking approach to provide for continuous improvement in health care quality. It meets our goal of assuring that the doctor and patient define quality, not HMOs, not bureaucrats and not trial attorneys.

Mr. JEFFORDS. Mr. President, I want to begin by commending Senator NICKLES and all of the Members who participated in putting the ''Patients' Bill of Rights'' legislation together. I think it is solid legislation that will result in a greatly improved health care system for Americans and I am proud to be a co-sponsor of the ''Patients' Bill of Rights.''

As always, there has been a flurry of work over the past few weeks as we have put this legislation together. But this last minute work is only possible because we have laid a solid foundation throughout the entire 105th Congress.

Over the past 14 months, the Labor and Human Resources Committee has held 11 hearings related to the issues of health care quality, confidentiality, genetic discrimination and the Health Care Financing Administration's (HCFA) implementation of its new health insurance responsibilties. Senator BILL FRIST's Public Health and Safety Subcommittee has also held three hearings on the work of the Agency of Health Care Policy and Research (AHCPR). Each of these hearings helped us in developing the separate pieces of legislation that are reflected in our ''Patients'' Bill of Rights.''

Other colleagues here and on the House side, have worked ont this subject for an extended period of time. Many of the protections that are included in the ''Patients' Bill of Rights'' are similar to those fashioned by Senator ROTH and the Finance Committee last year when we provided many of these same protections to plans that serve Medicare patients.

As we prepared this legislation we had three goals in mind. First, give families the protections they want and need. Second, ensure that medical decisions are made by physicians in consultation with their patients. And finally, keep the cost of this legislation low so it does not displace anyone from being able to get health-care coverage.

Information about products or services is the keystone to any well functioning market. This bill requires full information disclosure by an employer about the health plans he or she offers to employees. People need to know what the plan will cover and what their out-of-pocket expenses will be. They need to know where and how they will get their health care and who will be providing those services. They also need to know how adverse decisions by the plan can be appealed, both internally and externally to an independent reviewer.

This aspect of our bill, that gives enrollees a new ERISA remedy of an external grievance and appeals process, is one of which I am particularly proud since it is the cornerstone of S 1712, the Health Care QUEST Act, that I introduced with Senator LIEBERMAN. Under the ''Patients' Bill of Rights,'' enrollees will get timely decisions about what will be covered. Furthermore, if an individual disagrees with the plan's decision, that individual may ultimately appeal the decision to an independent external reviewer. The reviewer's decision will be binding on the part of the health plan. But, the patient maintains his or her current rights under ERISA to go to court.

The medical records provisions, which my committee has also worked on for the past year and are contained in S. 1921, the Health Care PIN Act, which I introduced with Senator DODD, will give people the right to inspect and copy their personal medical information and it will allow them to amend the record if there is inaccurate information. The bill will ensure that the holders of the information safeguard the medical records. It requires them to share, in writing, their confidentiality policies and procedures with individuals.

The 104th Congress enacted the Kassebaum/Kennedy legislation, also known as the Health Insurance Portability and Accountability Act of 1996 (HIPAA) Many consider this legislation to be the most significant federal health insurance reform of the past decade. During this Congress, I have tried to closely monitor the impact of HIPAA over the past year to ensure its successful implementation and consistency with legislative intent.

The federal regulators at HCFA have faced an overwhelming new set of health insurance duties under HIPAA. In the five states that have failed to or chosen not to pass the legislation required by HIPAA (California, Massachusetts, Michigan, Rhode Island, and Missouri), the Department of Health and Human Services is now required to act as insurance regulator for the state HIPAA provisions.

Based on the findings of a GAO report that I will be releasing next week, our experience under HIPAA demonstrates that HCFA is ill equipped to carry out the role of insurance regulator. Building a dual system of overlapping state and federal health insurance regulation is in no one's best interest. The principle that the states should continue to regulate the private health insurance market guided the design of our ''Patients' Bill of Rights'' legislation.

Our legislation creates new federal managed care standards to cover those 48 million Americans covered by ERISA plans that the states cannot protect. We feel that it would be inappropriate to set federal health insurance standards that duplicate the responsibility of the 50 state insurance departments and have HCFA enforce them.

A recent example demonstrates why this is such a concern. The Balanced Budget Act of 1997 establishes a prospective payment system (PPS) for home health care in fiscal year 2000. The payment system designed for the interim period is proving to be an intolerable burden for the home health agencies that serve Vermont's Medicare beneficiaries. At a July 16th House Ways and Means hearing, HCFA's administrator stated that she intended to postpone the development of a Medicare prospective payment systems for home health services. Her statement that she is delaying this mandate will result in many home health providers not receiving the reimbursement that they deserve and puts many of those providers at risk.

Given HCFA's inability to carry out its current responsibilities, I believe it would be irresponsible to promise the American people that they will be able to receive new federal guarantees in the private health insurance system if we are relying on HCFA to enforce these rights.

Our proposal, by keeping the regulation of health insurance where it belongs—at the state level—provides the American people with a real Patients' Bill of Rights that they can have the confidence in knowing will be enforced.

I am afraid that the political battle over this legislation will be the subject that dominates the headlines. But the real issue here is to give Americans the protections they want and need in a package that they can afford and that we can enact. That is why I and others here have been working on this legislation since the beginning of this Congress, and why I hope the ''Patients' Bill of Rights'' we have introduced today will be adopted before the end of the Congress and signed into law by the President.

By Mr. LUGAR:

S. 2331. A bill to provide a limited waiver for certain foreign students of the requirement to reimburse local educational agencies for the costs of the students' education; to the Committee on the Judiciary.

LIMITED WAIVER OF COSTS REQUIREMENTS FOR FOREIGN STUDENTS

• Mr. LUGAR. Mr. President, I rise today to introduce a bill to permit local school districts to waive the cost requirements of foreign students studying in our public high schools in the United States on F–1 visas. The law now mandates that all foreign students who are not in a government-funded exchange program must pay or reimburse the costs of their education in American public schools.

In those public school districts flooded with foreign students who pay no taxes, this requirement makes good sense. However, in those school districts which enroll a small number of foreign students and bear a tolerable burden there may be no need or desire for reimbursement. The decision to enroll and to require cost reimbursement should be made at the local level. Current law, however, does not permit this local discretion. The bill I am introducing will allow local school districts to waive the requirement that foreign students must pay for the cost of their education. The decision to waive or not waive this requirement should be made at the grass roots level, not in Washington and my bill seeks to preserve this principle. It would amend the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (IIRIRA).

Foreign exchange students bring knowledge, cultural exposure and understanding to American students, schools and communities. I have been a proponent of cultural and educational exchanges and have supported most international exchange programs over the years—both those which bring foreign visitors here and those which send American students, scholars and practitioners abroad. I remain committed to these programs.

In 1996, I supported the Illegal Immigration Reform and Immigrant Responsibility Act. This law states that as of November 30, 1996, IIRIRA prohibits any alien from receiving an F–1 student visa to attend a public elementary school, grades K–8, or a publicly-funded adult education program unless they pay the unsubsidized, per capita cost of their education in advance. My bill would not change current law relating to elementary schools or adult education. It would not pertain to students on formal, government-funded international exchanges. It would simply allow high school officials to waive the cost of education of high school-level foreign students in order to enroll an exchange student, should they wish to do so. I believe this has been an unintended consequence of IIRIRA.

Several cities have ''Sister City'' arrangements between American cities and cities in foreign countries. One valuable component of these arrangements is an exchange program for high school students enabling American youth to spend a year in a foreign high school while students from abroad spend a year in a high school here. No tuition is generally exchanged under the sister city agreement, but current U.S. law states that visitors to our country must pay the unsubsidized cost of their education, even though American students are exempted from the cost requirement.

Along the Alaska-Yukon, Alaska-British Columbia and U.S.-Mexican borders there are schools serving very remote communities on both sides of the border. After enactment of the 1996 law, Canadian or Mexican students were no longer eligible to enter the United States to attend the local public school even though governments and the local school districts agreed to enroll the students.

Many school districts prefer to enroll one or two exchange students a year. Reciprocal exchange agreements are beneficial and host families enjoy these students in their homes. American exchange students attending schools in Germany, for example, are not subjected to the same tuition requirements for their schooling, yet they gain an understanding of German history and culture and benefit from their travels. Currently, U.S. law requires foreign students to pay tuition before they arrive in the United States. The extra paper work, the up-front costs and the extra burden these requirements place on foreign students tend to undermine the purposes of cultural exchanges.

I remain mindful to past abuses of F–1 visas and am sympathetic to the burden that large enrollments of foreign students place on American public schools. My purpose in introducing this bill today is not to weaken the law as it currently reads, but to provide an outlet for our schools to give an educational opportunity for enrolling international exchange students.●

ADDITIONAL COSPONSORS

S. 358

At the request of Mr. DEWINE, the name of the Senator from Arizona [Mr. MCCAIN] was added as a cosponsor of S. 358, a bill to provide for compassionate payments with regard to individuals with blood-clotting disorders, such as hemophilia, who contracted human immunodeficiency virus due to contaminated blood products, and for other purposes.

S. 852

At the request of Mr. LOTT, the name of the Senator from Arizona [Mr. MCCAIN] was added as a cosponsor of S. 852, a bill to establish nationally uniform requirements regarding the titling and registration of salvage, nonrepairable, and rebuilt vehicles.

S. 1459

At the request of Mr. GRASSLEY, the name of the Senator from Florida [Mr. MACK] was added as a cosponsor of S. 1459, a bill to amend the Internal Revenue Code of 1986 to provide a 5-year extension of the credit for producing electricity from wind and closed-loop biomass.

S. 1464

At the request of Mr. LAUTENBERG, his name was added as a cosponsor of S. 1464, a bill to amend the Internal Revenue Code of 1986 to permanently extend the research credit, and for other purposes.

S. 1482

At the request of Mr. COATS, the name of the Senator from Arizona [Mr. MCCAIN] was added as a cosponsor of S. 1482, a bill to amend section 223 of the Communications Act of 1934 to establish a prohibition on commercial distribution on the World Wide Web of material that is harmful to minors, and for other purposes.

S. 2154

At the request of Mrs. BOXER, the name of the Senator from Illinois [Ms. MOSELEY-BRAUN] was added as a cosponsor of S. 2154, a bill to promote research to identify and evaluate the health effects of silicone breast implants, and to ensure that women and their doctors receive accurate information about such implants.

SENATE CONCURRENT RESOLUTION 97

At the request of Mrs. FEINSTEIN, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of Senate Concurrent Resolution 97, a concurrent resolution expressing the sense of Congress concerning the human rights and humanitarian situation facing the women and girls of Afghanistan.

SENATE CONCURRENT RESOLUTION 105

At the request of Mr. BIDEN, his name was added as a cosponsor of Senate Concurrent Resolution 105, a concurrent resolution expressing the sense of the Congress regarding the culpability of Slobodan Milosevic for war crimes, crimes against humanity, and genocide in the former Yugoslavia, and for other purposes.

SENATE RESOLUTION 189

At the request of Mr. TORRICELLI, the names of the Senator from Wyoming [Mr. ENZI] and the Senator from North Dakota [Mr. CONRAD] were added as cosponsors of Senate Resolution 189, a resolution honoring the 150th anniversary of the United States Women's Rights Movement that was initiated by the 1848 Women's Rights Convention held in Seneca Falls, New York, and calling for a national celebration of women's rights in 1998.

AMENDMENT NO. 3199

At the request of Mr. BINGAMAN his name was added as a cosponsor of Amendment No. 3199 proposed to S. 2168, an original bill making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, commissions, corporations, and offices for the fiscal year ending September 30, 1999, and for other purposes.

SENATE CONCURRENT RESOLUTION 108—RECOGNIZING THE 50TH ANNIVERSARY OF THE NATIONAL HEART, LUNG, AND BLOOD INSTITUTE

Mr. DORGAN (for himself and Mr. FRIST) submitted the following concurrent resolution; which was referred to the Committee on the Judiciary.

S. CON. RES. 108

Whereas in 1948 the Congress, by its enactment of the National Heart Act and creation of the National Heart Institute, recognized the urgent need to establish a national program of research and demonstration projects relating to the causes, diagnosis, treatment, and prevention of diseases of the heart and circulation;

Whereas the Congress has consistently and generously supported the purposes of the National Heart Act;

Whereas, since the creation of the National Heart Institute, the Congress changed the name of the Institute to the National Heart, Lung, and Blood Institute and expanded and clarified the Institute's role in advancing human understanding or awareness of diseases of the heart and blood vessels, diseases of the lungs, diseases of the blood, the use of blood and blood products, the management of blood resources, and sleep disorders through research, research training, demonstration projects, and public education activities;

Whereas June of 1998 marks the 50th anniversary of the creation of the National Heart Institute which was established to lead a national effort to prevent, diagnose, and treat heart diseases;

Whereas research supported by the National Heart, Lung, and Blood Institute has

led to the identification of risk factors for coronary heart disease such as high cholesterol level, high blood pressure, obesity, physical inactivity, and cigarette smoking;

Whereas the National Heart, Lung, and Blood Institute has conducted and supported studies that resulted in lifesaving procedures for heart disease patients, including open-heart surgery, balloon angioplasty, heart transplants, and insertion of pacemakers and other devices to improve heart function;

Whereas patients with asthma, cystic fibrosis, and other lung diseases are receiving better treatment with an improved quality of life because of research supported by programs of the National Heart, Lung, and Blood Institute;

Whereas the work of the National Heart, Lung, and Blood Institute has provided significant bases for progress in the treatment of inherited blood diseases such as sickle cell anemia and hemophilia, and in gene therapy research which suggests the possibility of cures for such diseases;

Whereas the work of the National Heart, Lung, and Blood Institute has provided significant bases for advances in molecular genetics, gene therapy, and other new technologies, which offer opportunity and promise of further advances against such devastating diseases as coronary heart disease, asthma, chronic obstructive lung disease, and cystic fibrosis;

Whereas the National Heart, Lung, and Blood Institute's national education programs have significantly raised public awareness about the dangers of elevated cholesterol levels and high blood pressure, the importance of early response to heart attack symptoms, and asthma prevention and treatment;

Whereas the National Heart, Lung, and Blood Institute's efforts to promote research and education have contributed to a dramatic decline over the past 50 years in death rates from coronary heart disease and stroke;

Whereas researchers, professional societies, voluntary and public health organizations, and patient groups have all contributed to the National Heart Act's goals of advancing research and increasing public awareness;

Whereas the Congress intends that the National Heart, Lung, and Blood Institute continue its contribution to public awareness by disseminating its research findings to health professionals and the public; and

Whereas the Congress intends that the National Heart, Lung, and Blood Institute continue to aggressively pursue efforts to improve the health of the people of the United States by conducting and supporting research and demonstration projects on the causes, diagnosis, treatment, and prevention of diseases of the heart and blood vessels, diseases of the lungs, and diseases of the blood while also conducting or supporting research and demonstration projects on the use of blood and blood products, the management of blood resources, and sleep disorders: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress—

(1) recognizes the historic significance of the 50th anniversary of the enactment of the National Heart Act and the creation of the institute that became the National Heart, Lung, and Blood Institute;

(2) recognizes heart, lung, and blood researchers, professional societies, voluntary and public health organizations, and patient groups for their active participation in the activities of, or promoted by, the National Heart, Lung, and Blood Institute, and for their many, varied contributions toward the achievement of the goals of the National Heart Act and subsequent related Acts; and

(3) reaffirms its support of the National Heart Act and subsequent related Acts and their primary goal of establishing and implementing a national effort to prevent, diagnose, and treat diseases of the heart and blood vessels, lungs, and blood.

Mr. DORGAN. Mr. President, I am pleased to be submitting today a Senate Concurrent Resolution recognizing and honoring the 50th anniversary of the National Heart, Lung, and Blood Institute. I am joined in this effort by our esteemed colleague from Tennessee, Dr. FRIST, who by profession is a heart and lung transplant surgeon and medical researcher. An identical resolution has already been introduced in the House of Representatives by Representative BILL YOUNG.

Heart disease is our country's No. 1 killer and a leading cause of disability. Chronic lung disease is the fourth leading cause of death. Virtually all of us have a friend or a loved one who has been affected by heart attack, stroke, high blood pressure, other cardiovascular diseases, asthma, cystic fibrosis, sickle cell anemia, or hemophilia.

The NHLBI is the Federal Government's leading supporter of heart research, as well as research into diseases of the blood vessels, lungs, and blood. There have been wonderful discoveries made through research and wonderful treatments that are provided in our hospitals in these areas. For instance, the first open heart surgery did not occur until 1954. Today, surgeons routinely perform double, triple, and even quadruple heart bypass procedures.

Yet there is so much we still do not know. It seems to me more and more research can unlock these mysteries and give us the opportunity to save more and more lives in this country.

I might also add that there is another organization devoted to the reduction of death and disability from heart attack, stroke, and other cardiovascular diseases that is also celebrating its 50th birthday—the American Heart Association. The American Heart Association has worked closely over the years with the National Heart, Lung, and Blood Institute in the fight against cardiovascular diseases.

As many of my colleagues know, I have become increasingly concerned about what has been happening to the amount of money spent on heart and stroke research by the federal government. Even with the significant increases that Congress has been giving to the National Institutes of Health over the past decade, funding for heart research has simply not kept pace even though it kills more Americans than any other disease.

In fact, funding for heart research at the NHLBI appears to be losing more and more ground. It constant dollars from FY 1987 to FY 1997, funding for the NHLBI heart program has decreased by 7.6 percent in constant dollars, while funding for the Heart Program has increased by 27.5 percent.

We can do better, and we must do better. Our Nation must do a better job than this in the battle against America's No. 1 killer.

During the commemoration of this 50th anniversary of the 1948 Heart Act, which created the National Heart Institute, I hope we can make more progress against cardiovascular and other insidious diseases by providing a significant increase in funding for the National Heart, Lung, and Blood Institute and particularly for research against heart disease and stroke.

AMENDMENTS SUBMITTED

RELATIVE TO SLOBODAN MILOSEVIC CULPABILITY

D'AMATO AMENDMENTS NOS. 3212–3213

Mr. D'AMATO proposed two amendments to the concurrent resolution (S. Con. Res. 105) expressing the sense of the Congress regarding the culpability of Slobodan Milosevic for war crimes, crimes against humanity, and genocide in the former Yugoslavia, and for other purposes; as follows:

AMENDMENT NO. 3212

On page 3, line 4, strike ''probable cause'' and insert ''reason''.

AMENDMENT NO. 3213

On page 5, strike lines 24 through page 6 line 5.

SHACKLEFORD BANKS WILD HORSES PROTECTION ACT

MURKOWSKI AMENDMENT NO. 3214

Mr. DOMENICI (for Mr. MURKOWSKI) proposed an amendment to the bill (H.R. 765) to ensure maintenance of a herd of wild horses in Cape Lookout National Seashore; as follows:

In lieu of the language proposed to be inserted, insert the following:

SECTION 1. MAINTENANCE OF WILD HORSES IN CAPE LOOKOUT NATIONAL SEASHORE.

Section 5 of the Act entitled ''An Act to provide for the establishment of the Cape Lookout National Seashore in the State of North Carolina, and for other purposes'', approved March 10, 1966 (Public Law 89–366; 16 U.S.C. 459g–4), is amended by inserting ''(a)'' after ''SEC. 5.'', and by adding at the end the following new subsection:

''(b)(1) The Secretary, in accordance with this subsection, shall allow a herd of 100 free roaming horses in Cape Lookout National Seashore (hereinafter referred to as the 'seashore'): *Provided,* That nothing in this section shall be construed to preclude the Secretary from implementing or enforcing the provisions of paragraph (3).

''(2) Within 180 days after enactment of this subsection, the Secretary shall enter into an agreement with the Foundation for Shackleford Horses (a nonprofit corporation established under the laws of the State of North Carolina), or another qualified nonprofit entity, to provide for management of free roaming horses in the seashore. The agreement shall—

''(A) provide for cost-effective management of the horses while ensuring that natural resources within the seashore are not adversely impacted; and

''(B) allow the authorized entity to adopt any of those horses that the Secretary removes from the seashore.

''(3) The Secretary shall not remove, assist in, or permit the removal of any free roaming horses from Federal lands within the boundaries of the seashore—

''(A) unless the entity with whom the Secretary has entered into the agreement under paragraph (2), following notice and a 90-day response period, fails to meet the terms and conditions of the agreement; or

''(B) unless the number of free roaming horses on Federal lands within Cape Lookout National Seashore exceeds 110; or

''(C) except in the case of an emergency, or to protect public health and safety.

''(4) The Secretary shall annually monitor, assess, and make available to the public findings regarding the population, structure, and health of the free roaming horses in the national seashore.

''(5) Nothing in this subsection shall be construed to require the Secretary to replace horses or otherwise increase the number of horses within the boundaries of the seashore where the herd numbers fall below 100 as a result of natural causes, including, but not limited to, disease or natural disasters.

''(6) Nothing in this subsection shall be construed as creating liability for the United States for any damages caused by the free roaming horses to property located inside or outside the boundaries of the seashore.''.

NOTICE OF HEARING

COMMITTEE ON RULES AND ADMINISTRATION

Mr. WARNER. Mr. President, I wish to announce that the Committee on Rules and Administration will meet in SR–301, Russell Senate Office Building, on Tuesday, July 21, 1998, at 9:30 a.m., to receive testimony on nominations to the Federal Election Commission.

For further information concerning this hearing, please contact Bruce Kasold of the Committee staff on 224–3448.

The nominees presenting testimony will be:

Scott E. Thomas, of the District of Columbia, to be a member of the Federal Election Commission for a term expiring April 30, 2003 (reappointment).

David M. Mason, of Virginia, to be a member of the Federal Election Commission for a term expiring April 30, 2003, vice Trevor Alexander McClurg Potter, resigned.

Darryl R. Wold, of California, to be a member of the Federal Election Commission for a term expiring April 30, 2001, vice Joan D. Aikens, term expired.

Karl J. Sandstrom, of Washington, to be a member of the Federal Election Commission for a term expiring April 30, 2001, vice John Warren McGarry, term expired.

AUTHORITY FOR COMMITTEE TO MEET

SUBCOMMITTEE ON FINANCIAL INSTITUTIONS

Mr. BENNETT. Mr. President, I ask unanimous consent that the Subcommittees on Financial Institutions and Regulatory Relief, and Housing Opportunity and Community Development of the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Friday, July 17, 1998, to conduct a joint hearing to review a report on the Real Estate Settlements Procedure Act and The Truth in Lending Act (RESPA/TILA) from the Department of Housing and Urban Development and the Federal Reserve.

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

ADDITIONAL STATEMENTS

HOMEOWNERS PROTECTION ACT OF 1998

• Mr. D'AMATO. Mr. President, I rise today to commend my colleagues in the Senate and the House for passing the Senate/House agreement on S. 318, the Homeowners Protection Act of 1998. This legislation, which I introduced last year, will put an end to forced payments by thousands of middle-class homeowners for unnecessary private mortgage insurance. These unnecessary premiums—which in some cases amount to over $1,000 per year—benefitted no one, other than the PMI companies that raked-in risk-free money. This legislation will make it thousands of dollars cheaper for struggling middle-class home buyers—as well as co-op and condominium buyers—to share in the American dream of home ownership without limiting this opportunity for people who do need PMI coverage.

Mr. President, the House passed this legislation late last night, so this bill will be sent to the White House for the President's signature. Today, requiring unnecessary PMI is unethical—when the President signs S. 318 into law, this fleecing of homeowners will become illegal.

Mr. President, let me begin by acknowledging the important and beneficial role PMI plays in our mortgage markets. Traditionally, lenders have required 20% down for home mortgage loans. PMI was developed to allow home buyers purchase with less than 20% down. PMI is typically required when a home buyer cannot make the standard 20% down payment. In many areas, such as my home region of Long Island, housing prices are so high that many middle class home buyers, particularly first-time buyers, can't come up with a 20% down payment. The problem faced by these home buyers arises because while PMI benefits one party, the lender, it is paid for by the home owner. As a result, the lenders and servicers have no vested interest in pursuing cancellation, and the homeowner who was paying for the PMI could not, or did not know, that the coverage could be canceled.

By passing this legislation, Congress is helping to make the American dream of home ownership more affordable for many home buyers—particularly struggling working families and people in areas with high housing costs—who needed PMI because they don't have a lot of cash on hand for a down payment.

Some industry proponents have questioned whether this is a problem. Mr. President, the numbers speak for themselves. Every year, approximately 1 million mortgage loans are made with PMI coverage.

In hearings in front of the Senate Banking Committee, even the private mortgage insurance industry was forced to admit that at least 250,000 homeowners have at least 20% equity in their homes and are still paying for unnecessary insurance. PMI premiums vary from $20 to $100 or more monthly. This means that working families are losing anywhere from $240 to $1200 or more per year in unnecessary payments. At $100 per month, the savings for 250,000 homeowners would be $300 million yearly.

And these are just low-ball estimates of the extent of this problem—a 1997 analysis of a 20,000 loan portfolio indicated that 1 out of 5 homeowners were still paying for PMI, despite the fact that they had accumulated equity in excess of 20 percent.

S. 318 will remedy this market anomaly by requiring automatic cancellation of PMI once a homeowner has accumulated 22% home equity if homeowner is current on payments. In addition, homeowners with good payment histories can initiate cancellation at 20% equity. This bill will prohibit life-of-the-loan PMI coverage by requiring that coverage be canceled half-way through the loan, regardless of circumstances.

S. 318 also provides that current and future homeowners be given notice of their cancellation rights on an annual basis. S. 318 will accomplish these goals without adding to the regulatory bureaucracy. This legislation is self-effecting and does not have a federal regulator.

In closing, I would like to thank my colleagues in the Senate that have worked tirelessly on this legislation—Senator LAUCH FAIRCLOTH, Senator ROD GRAMS, Senator PAUL SARBANES, Senator RICHARD BRYAN, Senator CHRISTOPHER DODD, Senator CAROL MOSELEY-BRAUN and all cosponsors of the bill.

I would also like to commend Chairman LEACH of the House Banking Committee for his tireless leadership on this issue, and Representative RICK LAZIO who chairs the Housing Subcommittee in the House.

Finally, I would like to thank Representative JIM HANSEN of Utah. Representative HANSEN first discovered the problem confronting homeowners when he tried to cancel the PMI on his condominium. It was Representative HANSEN who brought this abuse to our attention and first introduced PMI legislation in the House. I think we all owe Representative HANSEN a debt of gratitude for his work on this issue.

One more point that needs to be addressed is what is meant by the term ''single-family dwelling.'' This is a defined term in the bill, and is incorporated in defined terms ''residential mortgage'' ''residential mortgage transaction.'' It the intent of the Congress that this term, as used in this legislation, apply to condominiums and cooperatives as well as more traditional single-family detached homes. Many coops and condos are single family dwelling units within multiple dwelling unit structures; however, they are still single family dwelling units as described in the definition of ''single family dwelling'' in this bill (as opposed to multi-family dwellings that include rental units). In fact this issue came to the Congress' attention when Representative HANSEN tried to cancel the PMI on his condominium. The authors of this legislation realize that within real estate industry the term ''single-family dwelling'' is frequently used to refer to detached single family homes alone, and not to the full spectrum of single family housing units (including Condos and coops). Nevertheless, this industry usage was not what we were attempting codify in this bill—in this legislation ''single family dwelling'' includes all single family dwelling units, including condominiums and cooperatives, and owners of all single family residences, and are intended to be covered under this act.●

CLIMATE CHANGE

● Mr. LIEBERMAN. Mr. President, I want to take a few minutes today to talk about the mounting evidence of climate change. No one is saying that there will be an end to the four seasons or that the oceans are about to start boiling. But as we consider the new data, it is becoming increasing clear that we are being warned about the enormous power of humanity to affect our environment. We can either respect our surroundings and work in concert with nature, or we can pollute at our peril.

Here are some of the facts from data collected by the National Oceanic and Atmospheric Administration:

June 1998 was the warmest June on record. Temperatures averaged more than 1 degree Fahrenheit above the 1880–1997 long-term mean. Temperatures over land were even more astonishing—averaging nearly one and three quarters of a degree above the long term mean, exceeding the old record by several tenths of a degree Fahrenheit.

June continued an unprecedented string of record breaking temperatures. Each month this year has set new all-time record global near-surface temperatures.

The period January-June 1998 was the warmest on record.

Even though there was a cooling of the Central Pacific Ocean temperatures due to the end of El Nino, global ocean temperatures during June were still at record high levels.

Given the high degree of persistence of ocean temperature anomalies, scientists tell us it is quite possible that during July we will experience the warmest monthly temperatures ever observed on the planet for the past 600 years.

What has this trend meant for the United States? Essentially, throughout our country we have been experiencing patterns of weather extremes.

The South experienced record dry conditions, with the driest April through June period on record for New Mexico, Texas, Louisiana, and Florida. The drought was most severe in Texas and Florida, where it adversely impacted crops, ranges and pastures, and contributed to the burning of nearly one-half million acres of Florida land.

The drought and heat wave has resulted in a number of new records. For example, Amarillo Texas had 13 days in June where temperatures were over 100 F. With a stable climate, the probability of this recurring is once in 200 years, but with continued increases in greenhouse gases, the probability would change to a 1 in 6 year event.

On the other hand, there have been unusually wet conditions in the northeast and parts of the midwest during June. For example, rainfalls of 5 to 22 inches were observed across most of the central and northeastern states with totals exceeding 200 percent of normal across the Ohio Valley, New England the upper Mississipi Valley. Parts of the Midwest have experienced above normal rainfall since April, and the rains frequently fell from strong to severe thunderstorms, leading to abnormally frequent episodes of tornadoes, hail, managing winds and flash floods. The National Severe Storm Prediction Center reports that 372 tornadoes were recorded during June in the country, which is nearly 200 more than average. NOAA's National Hydrologic Information Center reports 63 flood-related fatalities for 1998 so far.

Numerous rainfall records have been broken. For example, more than 17 inches of rain fell during June at Blue Hill Observatory in Massachusetts, breaking all records.

For the April-June period as a whole, rainfall totals were the highest in the historical record dating back to 1895 in Rhode Island and Massachusetts, the third highest in Tennessee, and the fourth highest in Iowa. Rivers in 17 states were near or above flood state as of July 6.

Mr. President, I believe this new data is additional evidence that we must act to invest in an insurance policy to reduce the threat of global warming.

President Clinton has proposed to Congress a balanced program to arrest greenhouse gases over 5 years through tax credits for energy-efficient purchases and renewable energy investments, and through new research and development programs targeted towards building, industry, transportation and electricity. It is a well-conceived plan, and I'm disappointed that the Senate bill on EPA appropriations reduces the President's request for EPA's portion of this initiative by $91 million.

Unfortunately, the efforts of many here in Congress seem to be aimed at preventing the government from taking any action on climate change—even for programs that would be good for our environment and public health regardless of whether you believe that climate change will happen. The report accompanying the House EPA appropriations bill would even prohibit EPA and the Council on Environmental Quality from ''conducting educational outreach or informational seminars on policies underlying the Kyoto Protocol'' until or unless it is ratified.

Mr. President, let me take a final moment on the floor today to take some pride in the path that Connecticut's largest employer, United Technologies, is taking in this area. Some of you may have seen the full page ad in July 16's Roll Call by UT entitled, Responding to the Challenge of Climate Change. ''Our generation's challenge,'' declares the ad ''is addressing global climate change while sustaining a growing economy—a challenge that demands a serious response from government, as well as industry and the public.'' United Technologies has taken a major step forward to reduce emissions. By 2007, the company commits to cutting its energy and water consumption per dollar sales by 25 percent below 1997 levels, with approximately the same reduction in its emissions that cause climate change. I congratulate United Technologies and its president George David for this great leap forward and urge us all to accept the challenge the company has put forth. ●

UNUM ANNIVERSARY COMMEMORATIVE STATEMENT

● Ms. COLLINS. Mr. President, I rise to congratulate the UNUM Corporation on its 150th Anniversary.

UNUM is based in Portland, Maine, has offices across America and around the globe, and enjoys a reputation for excellence throughout the world.

July 17, 1998 marks the 150th Anniversary of the UNUM Corporation, a company incorporated in Maine in 1848 as Union Mutual Life Insurance Company.

Throughout the past 150 years, UNUM has stayed true to the charge of its founder Elisha B. Pratt to ''find the better way'' and is known today as the company that ''sees farther.''

UNUM has become the world leader in disability insurance and consistently ranks among the best places to work in America.

UNUM has chosen to celebrate its July 17 anniversary by having thousands of its employees volunteer a ''Day of Sharing'' to more than 200 community service projects in six countries.

UNUM's ''Day of Sharing'' builds on a record of community partnership that includes contributing more than 75,000 employee volunteer hours during each of the past five years and the UNUM Foundation contributing $2 million to community programs last year alone.

Not only is UNUM an outstanding and exemplary business leader, providing insurance protection to its customers, it is also an invaluable community partner, improving the communities where its employees have lived and worked for 150 years.

Today, I ask my colleagues in the Senate to join me in congratulating and commending UNUM on its 150th anniversary and its outstanding achievements as a business leader and community partner.●

● Mr. BINGAMAN. Mr. President, I have spoken here many times in the past expressing strong support on the issues of pension reform and pension portability, and I would like to do so again today.

I believe that the accumulation and availability of retirement savings is one of the most significant issues we face in our new economy. Yet while much of the current debate is focused on the viability of the Social Security system—and rightly so—we must not forget that this is only part of the administrative mechanisms we have in place that allow people to move from job to job and take care of their families. As my good friend and colleague from Vermont has already outlined in detail the specifics involved in our Retirement Portability Account bill, I will limit my own comments at this time to some issues I consider to be of special importance.

Currently, employers and employees face three specific problems as individuals attempt to take their retirement funds with them as they change jobs over their career.

The first problem is the specialized rules that have been established for the various kinds of accounts now available to employees. 401(k) plans for the private sector, 403(b) plans for nonprofit organizations, 457 plans for state and local government employees, and so on all possess unique characteristics that are beneficial to individual employers and employees, but also make administrative compatibility between the plans problematic.

The second problem concerns control of the funds accumulated by the employee, that is who is responsible for the paperwork as employees change jobs. This has been one of the foremost concerns of small business owners as they create accounts for a highly-mobile workforce.

The third problem involves the ability of employees to ''park'' their accumulated funds somewhere until they have a new retirement plan. Here, the key has been to find a convenient way to use so-called ''conduit IRA's'' as a transfer mechanism into which funds can be transferred on their way to a different retirement savings plan.

The Retirement Account Portability bill offered by Senator JEFFORDS and I has been developed to remedy these problems and more. This bill—a companion bill to the bipartisan bill introduced by our House colleagues, Representatives EARL POMEROY and JIM KOLBE—is designed to accomplish two very specific and very important goals.

First, the bill will begin the removal of the all too numerous and overly complex barriers that prevent employees from taking their retirement savings with them as they switch jobs. By both eliminating the redtape in the IRS Tax Code that unduly compartmentalizes various plan options and enhancing the effectiveness of conduit IRA's, it will allow individuals to roll their accumulated funds over into accounts at their current place of employment.

This offers two tangible outcomes. First, it allows employees to keep track of their savings in an efficient manner. Second, it alleviates the burden placed on employers in terms of tracking and managing accounts of individuals that have moved on to other jobs. Based on discussions with my constituents, these represent dramatic improvements to current law, and, most significantly, allows individuals the opportunity to take advantage of the best investment options available to them.

The second goal of the bill is, in my view, equally important. As you know, I believe that an internationally competitive economy entails first and foremost an effective diffusion of knowledge between firms and within regions. In the most dynamic regions in our country—Silicon Valley, Route 128, the Research Triangle—this is accomplished primarily by the movement of individuals from firm to firm and the iterative and cumulative interaction that results. This activity should be encouraged in every way possible, and the elimination of restrictions that prevent pension portability will assist in this effort.

In conclusion, let me say that I consider this bill to be an initial but very important step to where we want to go in this country in terms of our savings policy. Our overarching goal is to increase the financial security of all Americans and create an economic environment where each and every individual can prosper.

I would like to thank Senator JEFFORDS on the effort he has expended in crafting this bill, and I look forward to working with him in the future on ever more effective legislation.●

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 1999

The text of the bill (H.R. 4101), as amended and passed by the Senate on July 16, 1998, is as follows:

Resolved, That the bill from the House of Representatives (H.R. 4101) entitled ''An Act to making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1999, and for other purposes.'', do pass with the following amendment:

Strike out all after the enacting clause and insert:

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 1999, and for other purposes, namely:

TITLE I

AGRICULTURAL PROGRAMS

PRODUCTION, PROCESSING, AND MARKETING

OFFICE OF THE SECRETARY

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Office of the Secretary of Agriculture, and not to exceed $75,000 for employment under 5 U.S.C. 3109, $2,836,000: Provided, That not to exceed $11,000 of this amount, along with any unobligated balances of representation funds in the Foreign Agricultural Service, shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary.

EXECUTIVE OPERATIONS

CHIEF ECONOMIST

For necessary expenses of the Chief Economist, including economic analysis, risk assessment, cost-benefit analysis, and the functions of the World Agricultural Outlook Board, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1622g), and including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed $5,000 is for employment under 5 U.S.C. 3109, $5,048,000.

NATIONAL APPEALS DIVISION

For necessary expenses of the National Appeals Division, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed $25,000 is for employment under 5 U.S.C. 3109, $11,718,000.

OFFICE OF BUDGET AND PROGRAM ANALYSIS

For necessary expenses of the Office of Budget and Program Analysis, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed $5,000 is for employment under 5 U.S.C. 3109, $5,986,000.

OFFICE OF THE CHIEF INFORMATION OFFICER

For necessary expenses of the Office of the Chief Information Officer, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed $10,000 is for employment under 5 U.S.C. 3109, $5,551,000.

OFFICE OF THE CHIEF FINANCIAL OFFICER

For necessary expenses of the Office of the Chief Financial Officer, including employment pursuant to the second sentence of section

706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed $10,000 is for employment under 5 U.S.C. 3109, $4,283,000: Provided, That the Chief Financial Officer shall actively market cross-servicing activities of the National Finance Center.

OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION

For necessary salaries and expenses of the Office of the Assistant Secretary for Administration to carry out the programs funded by this Act, $613,000.

AGRICULTURE BUILDINGS AND FACILITIES AND RENTAL PAYMENTS

(INCLUDING TRANSFERS OF FUNDS)

For payment of space rental and related costs pursuant to Public Law 92–313, including authorities pursuant to the 1984 delegation of authority from the Administrator of General Services to the Department of Agriculture under 40 U.S.C. 486, for programs and activities of the Department which are included in this Act, and for the operation, maintenance, and repair of Agriculture buildings, $132,184,000: Provided, That in the event an agency within the Department should require modification of space needs, the Secretary of Agriculture may transfer a share of that agency's appropriation made available by this Act to this appropriation, or may transfer a share of this appropriation to that agency's appropriation, but such transfers shall not exceed 5 percent of the funds made available for space rental and related costs to or from this account. In addition, for construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities as necessary to carry out the programs of the Department, where not otherwise provided, $5,000,000, to remain available until expended; making a total appropriation of $137,184,000.

HAZARDOUS WASTE MANAGEMENT

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Department of Agriculture, to comply with the requirement of section 107(g) of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. 9607(g), and section 6001 of the Resource Conservation and Recovery Act, 42 U.S.C. 6961, $15,700,000, to remain available until expended: Provided, That appropriations and funds available herein to the Department for Hazardous Waste Management may be transferred to any agency of the Department for its use in meeting all requirements pursuant to the above Acts on Federal and non-Federal lands.

DEPARTMENTAL ADMINISTRATION

(INCLUDING TRANSFERS OF FUNDS)

For Departmental Administration, $27,034,000, to provide for necessary expenses for management support services to offices of the Department and for general administration and disaster management of the Department, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed $10,000 is for employment under 5 U.S.C. 3109: Provided, That this appropriation shall be reimbursed from applicable appropriations in this Act for travel expenses incident to the holding of hearings as required by 5 U.S.C. 551–558.

OUTREACH FOR SOCIALLY DISADVANTAGED FARMERS

For grants and contracts pursuant to section 2501 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279), $3,000,000, to remain available until expended.

OFFICE OF THE ASSISTANT SECRETARY FOR CONGRESSIONAL RELATIONS

(INCLUDING TRANSFERS OF FUNDS)

For necessary salaries and expenses of the Office of the Assistant Secretary for Congressional Relations to carry out the programs funded by this Act, including programs involving intergovernmental affairs and liaison within the executive branch, $3,668,000: Provided, That no other funds appropriated to the Department by this Act shall be available to the Department for support of activities of congressional relations: Provided further, That not less than $2,241,000 shall be transferred to agencies funded by this Act to maintain personnel at the agency level.

OFFICE OF COMMUNICATIONS

For necessary expenses to carry on services relating to the coordination of programs involving public affairs, for the dissemination of agricultural information, and the coordination of information, work, and programs authorized by Congress in the Department, $8,138,000, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed $10,000 shall be available for employment under 5 U.S.C. 3109, and not to exceed $2,000,000 may be used for farmers' bulletins.

OFFICE OF THE INSPECTOR GENERAL

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Office of the Inspector General, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and the Inspector General Act of 1978, $63,128,000, including such sums as may be necessary for contracting and other arrangements with public agencies and private persons pursuant to section 6(a)(9) of the Inspector General Act of 1978, including a sum not to exceed $50,000 for employment under 5 U.S.C. 3109; and including a sum not to exceed $125,000, for certain confidential operational expenses, including the payment of informants, to be expended under the direction of the Inspector General pursuant to Public Law 95–452 and section 1337 of Public Law 97–98: Provided, That funds transferred to the Office of the Inspector General through forfeiture proceedings or from the Department of Justice Assets Forfeiture Fund or the Department of the Treasury Forfeiture Fund, as a participating agency, as an equitable share from the forfeiture of property in investigations in which the Office of the Inspector General participates, or through the granting of a Petition for Remission or Mitigation, shall be deposited to the credit of this account for law enforcement activities authorized under the Inspector General Act of 1978, to remain available until expended.

OFFICE OF THE GENERAL COUNSEL

For necessary expenses of the Office of the General Counsel, $28,759,000.

OFFICE OF THE UNDER SECRETARY FOR RESEARCH, EDUCATION AND ECONOMICS

For necessary salaries and expenses of the Office of the Under Secretary for Research, Education and Economics to administer the laws enacted by the Congress for the Economic Research Service, the National Agricultural Statistics Service, the Agricultural Research Service, and the Cooperative State Research, Education, and Extension Service, $540,000.

ECONOMIC RESEARCH SERVICE

For necessary expenses of the Economic Research Service in conducting economic research and analysis, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621–1627) and other laws, $53,109,000: Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225).

NATIONAL AGRICULTURAL STATISTICS SERVICE

For necessary expenses of the National Agricultural Statistics Service in conducting statistical reporting and service work, including crop and livestock estimates, statistical coordination and improvements, marketing surveys, and the Census of Agriculture, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621–1627), the Census of Agriculture Act of 1997 (Public Law 105–113), and other laws, $103,964,000, of which up to $23,599,000 shall be available until expended for the Census of Agriculture: Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $40,000 shall be available for employment under 5 U.S.C. 3109.

AGRICULTURAL RESEARCH SERVICE

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to enable the Agricultural Research Service to perform agricultural research and demonstration relating to production, utilization, marketing, and distribution (not otherwise provided for); home economics or nutrition and consumer use including the acquisition, preservation, and dissemination of agricultural information; and for acquisition of lands by donation, exchange, or purchase at a nominal cost not to exceed $100, and for land exchanges where the lands exchanged shall be of equal value or shall be equalized by a payment of money to the grantor which shall not exceed 25 percent of the total value of the land or interests transferred out of Federal ownership, $768,221,000: Provided, That appropriations hereunder shall be available for temporary employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $115,000 shall be available for employment under 5 U.S.C. 3109: Provided further, That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed one for replacement only: Provided further, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250 for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of constructing any one building shall not exceed $250,000, except for headhouses or greenhouses which shall each be limited to $1,000,000, and except for ten buildings to be constructed or improved at a cost not to exceed $500,000 each, and the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building or $250,000, whichever is greater: Provided further, That the limitations on alterations contained in this Act shall not apply to modernization or replacement of existing facilities at Beltsville, Maryland: Provided further, That appropriations hereunder shall be available for granting easements at the Beltsville Agricultural Research Center, including an easement to the University of Maryland to construct the Transgenic Animal Facility which upon completion shall be accepted by the Secretary as a gift: Provided further, That the foregoing limitations shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113a): Provided further, That funds may be received from any State, other political subdivision, organization, or individual for the purpose of establishing or operating any research facility or research project of the Agricultural Research Service, as authorized by law.

None of the funds in the foregoing paragraph shall be available to carry out research related to the production, processing or marketing of tobacco or tobacco products.

In the fiscal year 1999, the agency is authorized to charge fees, commensurate with the fair market value, for any permit, easement, lease, or other special use authorization for the occupancy or use of land and facilities (including land and facilities at the Beltsville Agricultural Research Center) issued by the agency, as authorized by law, and such fees shall be credited to this account, and remain available until expended, for authorized purposes.

BUILDINGS AND FACILITIES

For acquisition of land, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities as necessary to carry out the agricultural research

programs of the Department of Agriculture, where not otherwise provided, $31,930,000, to remain available until expended (7 U.S.C. 2209b): Provided, That funds may be received from any State, other political subdivision, organization, or individual for the purpose of establishing any research facility of the Agricultural Research Service, as authorized by law, and an additional $13,500,000 is provided to be available on October 1, 1999 under the provisions of this paragraph.

COOPERATIVE STATE RESEARCH, EDUCATION, AND EXTENSION SERVICE

RESEARCH AND EDUCATION ACTIVITIES

For payments to agricultural experiment stations, for cooperative forestry and other research, for facilities, and for other expenses, including $173,796,000 to carry into effect the provisions of the Hatch Act (7 U.S.C. 361a–i); $21,112,000 for grants for cooperative forestry research (16 U.S.C. 582a–a7); $28,567,000 for payments to the 1890 land-grant colleges, including Tuskegee University (7 U.S.C. 3222); $51,400,000 for special grants for agricultural research (7 U.S.C. 450i(c)); $15,048,000 for special grants for agricultural research on improved pest control (7 U.S.C. 450i(c)); $92,200,000 for competitive research grants (7 U.S.C. 450i(b)); $4,918,000 for the support of animal health and disease programs (7 U.S.C. 3195); $550,000 for supplemental and alternative crops and products (7 U.S.C. 3319d); $600,000 for grants for research pursuant to the Critical Agricultural Materials Act of 1984 (7 U.S.C. 178) and section 1472 of the Food and Agriculture Act of 1977 (7 U.S.C. 3318), to remain available until expended; $3,000,000 for higher education graduate fellowship grants (7 U.S.C. 3152(b)(6)), to remain available until expended (7 U.S.C. 2209b); $4,350,000 for higher education challenge grants (7 U.S.C. 3152(b)(1)); $1,000,000 for a higher education multicultural scholars program (7 U.S.C. 3152(b)(5)), to remain available until expended (7 U.S.C. 2209b); $2,500,000 for an education grants program for Hispanic-serving Institutions (7 U.S.C. 3241); $1,000,000 for a secondary agriculture education program (7 U.S.C. 3152 (h)); $4,000,000 for aquaculture grants (7 U.S.C. 3322); $8,000,000 for sustainable agriculture research and education (7 U.S.C. 5811); $9,200,000 for a program of capacity building grants (7 U.S.C. 3152(b)(4)) to colleges eligible to receive funds under the Act of August 30, 1890 (7 U.S.C. 321–326 and 328), including Tuskegee University, to remain available until expended (7 U.S.C. 2209b); $1,494,000 for payments to the 1994 Institutions pursuant to section 534(a)(1) of Public Law 103–382; and $10,247,000 for necessary expenses of Research and Education Activities, of which not to exceed $100,000 shall be for employment under 5 U.S.C. 3109; in all, $432,982,000: Provided, That of the $2,000,000 made available for a food safety competitive research program at least $550,000 shall be available for research on E.coli:0157H7.

None of the funds in the foregoing paragraph shall be available to carry out research related to the production, processing or marketing of tobacco or tobacco products.

NATIVE AMERICAN INSTITUTIONS ENDOWMENT FUND

For establishment of a Native American institutions endowment fund, as authorized by Public Law 103–382 (7 U.S.C. 301 note), $4,600,000.

EXTENSION ACTIVITIES

Payments to States, the District of Columbia, Puerto Rico, Guam, the Virgin Islands, Micronesia, Northern Marianas, and American Samoa: For payments for cooperative extension work under the Smith-Lever Act, to be distributed under sections 3(b) and 3(c) of said Act, and under section 208(c) of Public Law 93–471, for retirement and employees' compensation costs for extension agents and for costs of penalty mail for cooperative extension agents and State extension directors, $276,548,000; payments for extension work at the 1994 Institutions under the Smith-Lever Act (7 U.S.C. 343(b)(3)), $2,060,000; payments for the nutrition and family education program for low-income areas under section 3(d) of the Act, $58,695,000; payments for the pest management program under section 3(d) of the Act, $10,783,000; payments for the farm safety program under section 3(d) of the Act, $2,855,000; payments for the pesticide impact assessment program under section 3(d) of the Act, $3,214,000; payments to upgrade 1890 land-grant college research, extension, and teaching facilities as authorized by section 1447 of Public Law 95–113 (7 U.S.C. 3222b), $8,304,000, to remain available until expended; payments for the rural development centers under section 3(d) of the Act, $908,000; payments for a groundwater quality program under section 3(d) of the Act, $9,061,000; payments for the agricultural telecommunications program, as authorized by Public Law 101–624 (7 U.S.C. 5926), $900,000; payments for youth-at-risk programs under section 3(d) of the Act, $9,554,000; payments for a food safety program under section 3(d) of the Act, $2,365,000; payments for carrying out the provisions of the Renewable Resources Extension Act of 1978, $3,192,000; payments for Indian reservation agents under section 3(d) of the Act, $1,756,000; payments for sustainable agriculture programs under section 3(d) of the Act, $3,309,000; payments for rural health and safety education as authorized by section 2390 of Public Law 101–624 (7 U.S.C. 2661 note, 2662), $2,628,000; payments for cooperative extension work by the colleges receiving the benefits of the second Morrill Act (7 U.S.C. 321–326 and 328) and Tuskegee University, $25,843,000; and for Federal administration and coordination including administration of the Smith-Lever Act, and the Act of September 29, 1977 (7 U.S.C. 341–349), and section 1361(c) of the Act of October 3, 1980 (7 U.S.C. 301 note), and to coordinate and provide program leadership for the extension work of the Department and the several States and insular possessions, $10,206,000; in all, $432,181,000: Provided, That funds hereby appropriated pursuant to section 3(c) of the Act of June 26, 1953, and section 506 of the Act of June 23, 1972, shall not be paid to any State, the District of Columbia, Puerto Rico, Guam, or the Virgin Islands, Micronesia, Northern Marianas, and American Samoa prior to availability of an equal sum from non-Federal sources for expenditure during the current fiscal year.

OFFICE OF THE ASSISTANT SECRETARY FOR MARKETING AND REGULATORY PROGRAMS

For necessary salaries and expenses of the Office of the Assistant Secretary for Marketing and Regulatory Programs to administer programs under the laws enacted by the Congress for the Animal and Plant Health Inspection Service, the Agricultural Marketing Service, and the Grain Inspection, Packers and Stockyards Administration, $618,000.

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For expenses, not otherwise provided for, including those pursuant to the Act of February 28, 1947 (21 U.S.C. 114b–c), necessary to prevent, control, and eradicate pests and plant and animal diseases; to carry out inspection, quarantine, and regulatory activities; to discharge the authorities of the Secretary of Agriculture under the Act of March 2, 1931 (46 Stat. 1468; 7 U.S.C. 426–426b); and to protect the environment, as authorized by law, $419,473,000, of which $3,099,000 shall be available for the control of outbreaks of insects, plant diseases, animal diseases and for control of pest animals and birds to the extent necessary to meet emergency conditions: Provided, That no funds shall be used to formulate or administer a brucellosis eradication program for the current fiscal year that does not require minimum matching by the States of at least 40 percent: Provided further, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $40,000 shall be available for employment under 5 U.S.C. 3109: Provided further, That this appropriation shall be available for the operation and maintenance of aircraft and the purchase of not to exceed four, of which two shall be for replacement only: Provided further, That, in addition, in emergencies which threaten any segment of the agricultural production industry of this country, the Secretary may transfer from other appropriations or funds available to the agencies or corporations of the Department such sums as may be deemed necessary, to be available only in such emergencies for the arrest and eradication of contagious or infectious disease or pests of animals, poultry, or plants, and for expenses in accordance with the Act of February 28, 1947, and section 102 of the Act of September 21, 1944, and any unexpended balances of funds transferred for such emergency purposes in the next preceding fiscal year shall be merged with such transferred amounts: Provided further, That appropriations hereunder shall be available pursuant to law (7 U.S.C. 2250) for the repair and alteration of leased buildings and improvements, but unless otherwise provided, the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building: Provided further, That, of the amounts made available under this heading, not less than $22,970,000 shall be used for fruit fly exclusion and detection.

In fiscal year 1999, the agency is authorized to collect fees to cover the total costs of providing technical assistance, goods, or services requested by States, other political subdivisions, domestic and international organizations, foreign governments, or individuals, provided that such fees are structured such that any entity's liability for such fees is reasonably based on the technical assistance, goods, or services provided to the entity by the agency, and such fees shall be credited to this account, to remain available until expended, without further appropriation, for providing such assistance, goods, or services.

Of the total amount available under this heading in fiscal year 1999, $88,000,000 shall be derived from user fees deposited in the Agricultural Quarantine Inspection User Fee Account.

BUILDINGS AND FACILITIES

For plans, construction, repair, preventive maintenance, environmental support, improvement, extension, alteration, and purchase of fixed equipment or facilities, as authorized by 7 U.S.C. 2250, and acquisition of land as authorized by 7 U.S.C. 428a, $4,200,000, to remain available until expended: Provided, That the Animal and Plant Health Inspection Service shall enter into a cooperative agreement for construction of a Federal large animal biosafety level-3 containment facility in Iowa.

AGRICULTURAL MARKETING SERVICE

MARKETING SERVICES

For necessary expenses to carry on services related to consumer protection, agricultural marketing and distribution, transportation, and regulatory programs, as authorized by law, and for administration and coordination of payments to States; including field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $90,000 for employment under 5 U.S.C. 3109, $45,567,000, including funds for the wholesale market development program for the design and development of wholesale and farmer market facilities for the major metropolitan areas of the country: Provided, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

Fees may be collected for the cost of standardization activities, as established by regulation pursuant to law (31 U.S.C. 9701).

LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed $59,521,000 (from fees collected) shall be obligated during the current fiscal year for administrative expenses: Provided, That if crop size is understated and/or other uncontrollable events occur, the agency may exceed this limitation by up to 10 percent with notification to the Appropriations Committees.

FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY (SECTION 32)

(INCLUDING TRANSFERS OF FUNDS)

Funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) shall be used only for commodity program expenses as authorized therein, and other related operating expenses, except for: (1) transfers to the Department of Commerce as authorized by the Fish and Wildlife Act of August 8, 1956; (2) transfers otherwise provided in this Act; and (3) not more than $10,998,000 for formulation and administration of marketing agreements and orders pursuant to the Agricultural Marketing Agreement Act of 1937 and the Agricultural Act of 1961.

PAYMENTS TO STATES AND POSSESSIONS

For payments to departments of agriculture, bureaus and departments of markets, and similar agencies for marketing activities under section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623(b)), $1,200,000.

GRAIN INSPECTION, PACKERS AND STOCKYARDS ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the United States Grain Standards Act, for the administration of the Packers and Stockyards Act, for certifying procedures used to protect purchasers of farm products, and the standardization activities related to grain under the Agricultural Marketing Act of 1946, including field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $25,000 for employment under 5 U.S.C. 3109, $26,390,000: Provided, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

INSPECTION AND WEIGHING SERVICES

LIMITATION ON INSPECTION AND WEIGHING SERVICE EXPENSES

Not to exceed $42,557,000 (from fees collected) shall be obligated during the current fiscal year for inspection and weighing services: Provided, That if grain export activities require additional supervision and oversight, or other uncontrollable factors occur, this limitation may be exceeded by up to 10 percent with notification to the Appropriations Committees.

OFFICE OF THE UNDER SECRETARY FOR FOOD SAFETY

For necessary salaries and expenses of the Office of the Under Secretary for Food Safety to administer the laws enacted by the Congress for the Food Safety and Inspection Service, $446,000.

FOOD SAFETY AND INSPECTION SERVICE

SALARIES AND EXPENSES

For necessary expenses to carry on services authorized by the Federal Meat Inspection Act, the Poultry Products Inspection Act, and the Egg Products Inspection Act, $605,149,000, and in addition, $1,000,000 may be credited to this account from fees collected for the cost of laboratory accreditation as authorized by section 1017 of Public Law 102–237: Provided, That this appropriation shall not be available for shell egg surveillance under section 5(d) of the Egg Products Inspection Act (21 U.S.C. 1034(d)): Provided further, That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $75,000 shall be available for employment under 5 U.S.C. 3109: Provided further, That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 percent of the current replacement value of the building.

OFFICE OF THE UNDER SECRETARY FOR FARM AND FOREIGN AGRICULTURAL SERVICES

For necessary salaries and expenses of the Office of the Under Secretary for Farm and Foreign Agricultural Services to administer the laws enacted by Congress for the Farm Service Agency, the Foreign Agricultural Service, the Risk Management Agency, and the Commodity Credit Corporation, $572,000.

FARM SERVICE AGENCY

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses for carrying out the administration and implementation of programs administered by the Farm Service Agency, $710,842,000: Provided, That the Secretary is authorized to use the services, facilities, and authorities (but not the funds) of the Commodity Credit Corporation to make program payments for all programs administered by the Agency: Provided further, That other funds made available to the Agency for authorized activities may be advanced to and merged with this account: Provided further, That these funds shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $1,000,000 shall be available for employment under 5 U.S.C. 3109.

STATE MEDIATION GRANTS

For grants pursuant to section 502(b) of the Agricultural Credit Act of 1987 (7 U.S.C. 5101–5106), $2,000,000.

DAIRY INDEMNITY PROGRAM

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses involved in making indemnity payments to dairy farmers for milk or cows producing such milk and manufacturers of dairy products who have been directed to remove their milk or dairy products from commercial markets because it contained residues of chemicals registered and approved for use by the Federal Government, and in making indemnity payments for milk, or cows producing such milk, at a fair market value to any dairy farmer who is directed to remove his milk from commercial markets because of: (1) the presence of products of nuclear radiation or fallout if such contamination is not due to the fault of the farmer; or (2) residues of chemicals or toxic substances not included under the first sentence of the Act of August 13, 1968 (7 U.S.C. 450j), if such chemicals or toxic substances were not used in a manner contrary to applicable regulations or labeling instructions provided at the time of use and the contamination is not due to the fault of the farmer, $450,000, to remain available until expended (7 U.S.C. 2209b): Provided, That none of the funds contained in this Act shall be used to make indemnity payments to any farmer whose milk was removed from commercial markets as a result of the farmer's willful failure to follow procedures prescribed by the Federal Government: Provided further, That this amount shall be transferred to the Commodity Credit Corporation: Provided further, That the Secretary is authorized to utilize the services, facilities, and authorities of the Commodity Credit Corporation for the purpose of making dairy indemnity disbursements.

AGRICULTURAL CREDIT INSURANCE FUND PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For gross obligations for the principal amount of direct and guaranteed loans as authorized by 7 U.S.C. 1928–1929, to be available from funds in the Agricultural Credit Insurance Fund, as follows: farm ownership loans, $510,649,000, of which $425,000,000 shall be for guaranteed loans; operating loans, $1,788,378,000, of which $992,906,000 shall be for unsubsidized guaranteed loans and $235,000,000 shall be for subsidized guaranteed loans; Indian tribe land acquisition loans as authorized by 25 U.S.C. 488, $1,000,000; for emergency insured loans, $25,000,000 to meet the needs resulting from natural disasters; and for boll weevil eradication program loans as authorized by 7 U.S.C. 1989, $40,000,000.

For the cost of direct and guaranteed loans, including the cost of modifying loans as defined in section 502 of the Congressional Budget Act of 1974, as follows: farm ownership loans, $19,580,000, of which $6,758,000 shall be for guaranteed loans; operating loans, $70,337,000, of which $11,518,000 shall be for unsubsidized guaranteed loans and $20,539,000 shall be for subsidized guaranteed loans; Indian tribe land acquisition loans as authorized by 25 U.S.C. 488, $153,000; for emergency insured loans, $5,900,000 to meet the needs resulting from natural disasters; and for boll weevil eradication program loans as authorized by 7 U.S.C. 1989, $576,000.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, $219,861,000, of which $209,861,000 shall be transferred to and merged with the appropriation for ''Farm Service Agency, Salaries and Expenses''.

RISK MANAGEMENT AGENCY

ADMINISTRATIVE AND OPERATING EXPENSES

For administrative and operating expenses, as authorized by the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 6933), $64,000,000: Provided, That not to exceed $700 shall be available for official reception and representation expenses, as authorized by 7 U.S.C. 1506(i).

CORPORATIONS

The following corporations and agencies are hereby authorized to make expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such corporation or agency, except as hereinafter provided.

FEDERAL CROP INSURANCE CORPORATION FUND

For payments as authorized by section 516 of the Federal Crop Insurance Act, such sums as may be necessary, to remain available until expended (7 U.S.C. 2209b).

COMMODITY CREDIT CORPORATION FUND

REIMBURSEMENT FOR NET REALIZED LOSSES

For fiscal year 1999, such sums as may be necessary to reimburse the Commodity Credit Corporation for net realized losses sustained, but not previously reimbursed (estimated to be $8,439,000,000 in the President's fiscal year 1999 Budget Request (H. Doc. 105–177)), but not to exceed $8,439,000,000, pursuant to section 2 of the Act of August 17, 1961 (15 U.S.C. 713a–11).

OPERATIONS AND MAINTENANCE FOR HAZARDOUS WASTE MANAGEMENT

For fiscal year 1999, the Commodity Credit Corporation shall not expend more than $5,000,000 for expenses to comply with the requirement of section 107(g) of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. 9607(g), and section 6001 of the Resource Conservation and Recovery Act, 42 U.S.C. 6961: Provided, That expenses shall be for operations and maintenance costs only and that other hazardous waste management costs shall be paid for by the USDA Hazardous Waste Management appropriation in this Act.

DISASTER ASSISTANCE

For necessary expenses to provide assistance to agricultural producers in a county with respect to which a disaster or emergency was declared by the President or the Secretary of Agriculture by July 15, 1998, as a result of drought and fire, through—

(1) the forestry incentives program established under the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101 et seq.), $9,000,000;

(2) a livestock indemnity program carried out in accordance with part 1439 of title 7, Code of Federal Regulations, $300,000;

(3) the emergency conservation program authorized under sections 401, 402, and 404 of the Agricultural Credit Act of 1978 (16 U.S.C. 2201, 2202, 2204), $2,000,000; and

(4) the disaster reserve assistance program established under section 813 of the Agricultural Act of 1970 (7 U.S.C. 1427a), $10,000,000;

to remain available until expended: Provided, That the entire amount shall be available only to the extent that the President submits to Congress an official budget request for a specific dollar amount that includes designation of the entire amount of the request as an emergency requirement for the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900 et seq.): Provided further, That the entire amount of funds necessary to carry out this paragraph is designated by Congress as an emergency requirement under section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)(A)).

RESERVE INVENTORIES

For the reserve established under section 813 of the Agricultural Act of 1970 (7 U.S.C. 1427a), $500,000,000: Provided, That the entire amount shall be available only to the extent that the President submits to Congress an official budget request for a specific dollar amount that includes designation of the entire amount of the request as an emergency requirement for the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900 et seq.): Provided further, That the entire amount of funds necessary to carry out this paragraph is designated by Congress as an emergency requirement under section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)(A)).

TITLE II

CONSERVATION PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR NATURAL RESOURCES AND ENVIRONMENT

For necessary salaries and expenses of the Office of the Under Secretary for Natural Resources and Environment to administer the laws enacted by the Congress for the Forest Service and the Natural Resources Conservation Service, $693,000.

NATURAL RESOURCES CONSERVATION SERVICE

CONSERVATION OPERATIONS

For necessary expenses for carrying out the programs administered by the Natural Resources Conservation Service, including the provisions of the Act of April 27, 1935 (16 U.S.C. 590a–f), including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures for soil and water management as may be necessary to prevent floods and the siltation of reservoirs and to control agricultural related pollutants); operation of conservation plant materials centers; classification and mapping of soil; dissemination of information; acquisition of lands, water, and interests therein for use in the plant materials program by donation, exchange, or purchase at a nominal cost not to exceed $100 pursuant to the Act of August 3, 1956 (7 U.S.C. 428a); purchase and erection or alteration or improvement of permanent and temporary buildings; and operation and maintenance of aircraft, $638,664,000, to remain available until expended (7 U.S.C. 2209b), of which not less than $5,835,000 is for snow survey and water forecasting and not less than $9,025,000 is for operation and establishment of the plant materials centers: Provided, That, of the total amount appropriated, $433,000 shall be used, along with prior year appropriations provided for this project, to complete construction of the Alderson Plant Materials Center, Alderson, West Virginia: Provided, further, That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250 for construction and improvement of buildings and public improvements at plant materials centers, except that the cost of alterations and improvements to other buildings and other public improvements shall not exceed $250,000: Provided further, That when buildings or other structures are erected on non-Federal land, that the right to use such land is obtained as provided in 7 U.S.C. 2250a: Provided further, That this appropriation shall be available for technical assistance and related expenses to carry out programs authorized by section 202(c) of title II of the Colorado River Basin Salinity Control Act of 1974 (43 U.S.C. 1592(c)): Provided further, That no part of this appropriation may be expended for soil and water conservation operations under the Act of April 27, 1935 in demonstration projects: Provided further, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $25,000 shall be available for employment under 5 U.S.C. 3109: Provided further, That qualified local engineers may be temporarily employed at per diem rates to perform the technical planning work of the Service (16 U.S.C. 590e–2).

WATERSHED SURVEYS AND PLANNING

For necessary expenses to conduct research, investigation, and surveys of watersheds of rivers and other waterways, and for small watershed investigations and planning, in accordance with the Watershed Protection and Flood Prevention Act approved August 4, 1954 (16 U.S.C. 1001–1009), $11,190,000: Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $110,000 shall be available for employment under 5 U.S.C. 3109.

WATERSHED AND FLOOD PREVENTION OPERATIONS

For necessary expenses to carry out preventive measures, including but not limited to research, engineering operations, methods of cultivation, the growing of vegetation, rehabilitation of existing works and changes in use of land, in accordance with the Watershed Protection and Flood Prevention Act approved August 4, 1954 (16 U.S.C. 1001–1005, 1007–1009), the provisions of the Act of April 27, 1935 (16 U.S.C. 590a–f), and in accordance with the provisions of laws relating to the activities of the Department, $101,036,000, to remain available until expended (7 U.S.C. 2209b) (of which up to $15,000,000 may be available for the watersheds authorized under the Flood Control Act approved June 22, 1936 (33 U.S.C. 701, 16 U.S.C. 1006a)): Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $200,000 shall be available for employment under 5 U.S.C. 3109: Provided further, That not to exceed $1,000,000 of this appropriation is available to carry out the purposes of the Endangered Species Act of 1973 (Public Law 93–205), including cooperative efforts as contemplated by that Act to relocate endangered or threatened species to other suitable habitats as may be necessary to expedite project construction.

RESOURCE CONSERVATION AND DEVELOPMENT

For necessary expenses in planning and carrying out projects for resource conservation and development and for sound land use pursuant to the provisions of section 32(e) of title III of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1010–1011; 76 Stat. 607), the Act of April 27, 1935 (16 U.S.C. 590a–f), and the Agriculture and Food Act of 1981 (16 U.S.C. 3451–3461), $34,377,000, to remain available until expended (7 U.S.C. 2209b): Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $50,000 shall be available for employment under 5 U.S.C. 3109.

FORESTRY INCENTIVES PROGRAM

For necessary expenses, not otherwise provided for, to carry out the program of forestry incentives, as authorized by the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101), including technical assistance and related expenses, $6,325,000, to remain available until expended, as authorized by that Act.

TITLE III

RURAL ECONOMIC AND COMMUNITY DEVELOPMENT PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR RURAL DEVELOPMENT

For necessary salaries and expenses of the Office of the Under Secretary for Rural Development to administer programs under the laws enacted by the Congress for the Rural Housing Service, the Rural Business-Cooperative Service, and the Rural Utilities Service of the Department of Agriculture, $588,000.

RURAL COMMUNITY ADVANCEMENT PROGRAM

(INCLUDING TRANSFERS OF FUNDS)

For the cost of direct loans, loan guarantees, and grants, as authorized by 7 U.S.C. 1926, 1926a, 1926c, and 1932, except for sections 381E–H and 381N of the Consolidated Farm and Rural Development Act (7 U.S.C. 2009f), $702,601,000, to remain available until expended, of which $29,786,000 shall be for rural community programs described in section 381E(d)(1) of the Consolidated Farm and Rural Development Act; of which $622,522,000 shall be for the rural utilities programs described in section 381E(d)(2) of such Act; and of which $47,893,000 shall be for the rural business and cooperative development programs described in section 381E(d)(3) of such Act: Provided, That of the amount appropriated for the rural business and cooperative development programs, not to exceed $500,000 shall be made available for a grant to a qualified national organization to provide technical assistance for rural transportation in order to promote economic development: Provided further, That of the total amount appropriated, 3 percent shall be reserved for federally recognized Indian tribes through July 31, 1999, and if not used by Indian tribes shall be available for use by other qualified applicants: Provided further, That of the total amount appropriated, not to exceed $70,000 shall be available under 7 U.S.C. 381O and shall be used only for demonstration programs: Provided further, That of the amount appropriated for rural utilities programs, not to exceed $20,000,000 shall be for water and waste disposal systems to benefit the Colonias along the United States/Mexico border, including grants pursuant to section 306C of such Act; not to exceed $25,000,000 shall be for water and waste disposal systems for rural and native villages in Alaska pursuant to section 306D of such Act; not to exceed $16,215,000 shall be for technical assistance grants for rural waste systems pursuant to section 306(a)(14) of such Act; and not to exceed $5,200,000 shall be for contracting with qualified national organizations for a circuit rider program to provide technical assistance for rural water systems: Provided further, That of the total amount appropriated, $2,800,000 shall be available for a community improvement project in Arkansas: Provided further, That of the total amount appropriated, not to exceed $33,926,000 shall be available through June 30, 1999, for empowerment zones and enterprise communities, as authorized by Public Law 103–66, of which $1,844,000 shall be for rural community programs described in section

381E(d)(1) of such Act; of which $24,900,100 shall be for the rural utilities programs described in section 381E(d)(2) of such Act; of which $8,134,000 shall be for the rural business and cooperative development programs described in section 381E(d)(3) of such Act.

RURAL HOUSING SERVICE

RURAL HOUSING INSURANCE FUND PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For gross obligations for the principal amount of direct and guaranteed loans as authorized by title V of the Housing Act of 1949, to be available from funds in the rural housing insurance fund, as follows: $4,000,000,000 for loans to section 502 borrowers, as determined by the Secretary, of which $3,000,000,000 shall be for unsubsidized guaranteed loans; $30,000,000 for section 504 housing repair loans; $75,000,000 for section 538 guaranteed multi-family housing loans; $15,758,000 for section 514 farm labor housing; $128,640,000 for section 515 rental housing; $5,000,000 for section 524 site loans; $25,000,000 for credit sales of acquired property, of which up to $4,000,000 may be for multi-family credit sales; and $5,000,000 for section 523 self-help housing land development loans.

For the cost of direct and guaranteed loans, including the cost of modifying loans, as defined in section 502 of the Congressional Budget Act of 1974, as follows: section 502 loans, $120,900,000, of which $2,700,000 shall be for unsubsidized guaranteed loans; section 504 housing repair loans, $10,569,000; section 538 multi-family housing guaranteed loans, $1,740,000; section 514 farm labor housing, $8,199,000; section 515 rental housing, $62,069,000; section 524 site loans, $16,000; credit sales of acquired property, $3,826,000, of which up to $1,932,000 may be for multi-family credit sales; and section 523 self-help housing land development loans, $282,000: Provided, That of the total amount appropriated in this paragraph, $10,380,100 shall be for empowerment zones and enterprise communities, as authorized by Public Law 103–66: Provided further, That if such funds are not obligated for empowerment zones and enterprise communities by June 30, 1999, they shall remain available for other authorized purposes under this head.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, $360,785,000, which shall be transferred to and merged with the appropriation for ''Rural Housing Service, Salaries and Expenses''.

RENTAL ASSISTANCE PROGRAM

For rental assistance agreements entered into or renewed pursuant to the authority under section 521(a)(2) or agreements entered into in lieu of debt forgiveness or payments for eligible households as authorized by section 502(c)(5)(D) of the Housing Act of 1949, $583,397,000; and, in addition, such sums as may be necessary, as authorized by section 521(c) of the Act, to liquidate debt incurred prior to fiscal year 1992 to carry out the rental assistance program under section 521(a)(2) of the Act: Provided, That of this amount, not more than $5,900,000 shall be available for debt forgiveness or payments for eligible households as authorized by section 502(c)(5)(D) of the Act, and not to exceed $10,000 per project for advances to nonprofit organizations or public agencies to cover direct costs (other than purchase price) incurred in purchasing projects pursuant to section 502(c)(5)(C) of the Act: Provided further, That agreements entered into or renewed during fiscal year 1999 shall be funded for a five-year period, although the life of any such agreement may be extended to fully utilize amounts obligated.

MUTUAL AND SELF-HELP HOUSING GRANTS

For grants and contracts pursuant to section 523(b)(1)(A) of the Housing Act of 1949 (42 U.S.C. 1490c), $26,000,000, to remain available until expended (7 U.S.C. 2209b): Provided, That of the total amount appropriated, $1,000,000 shall be for empowerment zones and enterprise communities, as authorized by Public Law 103–66: Provided further, That if such funds are not obligated for empowerment zones and enterprise communities by June 30, 1999, they shall remain available for other authorized purposes under this head.

RURAL HOUSING ASSISTANCE GRANTS

For grants and contracts for housing for domestic farm labor, very low-income housing repair, supervisory and technical assistance, compensation for construction defects, and rural housing preservation made by the Rural Housing Service, as authorized by 42 U.S.C. 1474, 1479(c), 1486, 1490e, and 1490m, $45,720,000, to remain available until expended: Provided, That of the total amount appropriated, $1,372,000 shall be for empowerment zones and enterprise communities, as authorized by Public Law 103–66: Provided further, That if such funds are not obligated for empowerment zones and enterprise communities by June 30, 1999, they shall remain available for other authorized purposes under this head.

SALARIES AND EXPENSES

For necessary expenses of the Rural Housing Service, including administering the programs authorized by the Consolidated Farm and Rural Development Act, title V of the Housing Act of 1949, and cooperative agreements, $60,978,000: Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $520,000 may be used for employment under 5 U.S.C. 3109: Provided futher, That the Administrator may expend not more than $10,000 to provide modest nonmonetary awards to non-USDA employees.

RURAL BUSINESS-COOPERATIVE SERVICE

RURAL DEVELOPMENT LOAN FUND PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For the cost of direct loans, $16,615,000, as authorized by the Rural Development Loan Fund (42 U.S.C. 9812(a)): Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That these funds are available to subsidize gross obligations for the principal amount of direct loans of $33,000,000: Provided further, That through June 30, 1999, of the total amount appropriated, $3,215,520 shall be available for the cost of direct loans for empowerment zones and enterprise communities, as authorized by title XIII of the Omnibus Budget Reconciliation Act of 1993, to subsidize gross obligations for the principal amount of direct loans, $7,246,000: Provided further, That if such funds are not obligated for empowerment zones and enterprise communities by June 30, 1999, they shall remain available for other authorized purposes under this head.

In addition, for administrative expenses to carry out the direct loan programs, $3,482,000 shall be transferred to and merged with the appropriation for ''Rural Business-Cooperative Service, Salaries and Expenses''.

RURAL ECONOMIC DEVELOPMENT LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For the principal amount of direct loans, as authorized under section 313 of the Rural Electrification Act, for the purpose of promoting rural economic development and job creation projects, $23,000,000.

For the cost of direct loans, including the cost of modifying loans as defined in section 502 of the Congressional Budget Act of 1974, $5,801,000.

Of the funds derived from interest on the cushion of credit payments in fiscal year 1999, as authorized by section 313 of the Rural Electrification Act of 1936, $3,783,000 shall not be obligated and $3,783,000 are rescinded.

RURAL COOPERATIVE DEVELOPMENT GRANTS

For rural cooperative development grants authorized under section 310B(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1932), $3,000,000, of which $1,300,000 shall be available for cooperative agreements for the appropriate technology transfer for rural areas program and $250,000 shall be available for an agribusiness and cooperative development program.

SALARIES AND EXPENSES

For necessary expenses of the Rural Business-Cooperative Service, including administering the programs authorized by the Consolidated Farm and Rural Development Act; section 1323 of the Food Security Act of 1985; the Cooperative Marketing Act of 1926; for activities relating to the marketing aspects of cooperatives, including economic research findings, as authorized by the Agricultural Marketing Act of 1946; for activities with institutions concerning the development and operation of agricultural cooperatives; and for cooperative agreements; $25,680,000: Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $260,000 may be used for employment under 5 U.S.C. 3109.

ALTERNATIVE AGRICULTURAL RESEARCH AND COMMERCIALIZATION CORPORATION REVOLVING FUND

For necessary expenses to carry out the Alternative Agricultural Research and Commercialization Act of 1990 (7 U.S.C. 5901–5908), $7,000,000 are appropriated to the Alternative Agricultural Research and Commercialization Corporation Revolving Fund.

RURAL UTILITIES SERVICE

RURAL ELECTRIFICATION AND TELECOMMUNICATIONS LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

Insured loans pursuant to the authority of section 305 of the Rural Electrification Act of 1936 (7 U.S.C. 935) shall be made as follows: 5 percent rural electrification loans, $71,500,000; 5 percent rural telecommunications loans, $75,000,000; cost of money rural telecommunications loans, $250,000,000; municipal rate rural electric loans, $295,000,000; and loans made pursuant to section 306 of that Act, rural electric, $700,000,000 and rural telecommunications, $120,000,000, to remain available until expended.

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, including the cost of modifying loans, of direct and guaranteed loans authorized by the Rural Electrification Act of 1936 (7 U.S.C. 935 and 936), as follows: cost of direct loans, $16,667,000; cost of municipal rate loans, $25,842,000; cost of money rural telecommunications loans, $675,000: Provided, That notwithstanding section 305(d)(2) of the Rural Electrification Act of 1936, borrower interest rates may exceed 7 percent per year.

In addition, for administrative expenses necessary to carry out the direct and guaranteed loan programs, $29,982,000, which shall be transferred to and merged with the appropriation for ''Rural Utilities Service, Salaries and Expenses''.

RURAL TELEPHONE BANK PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

The Rural Telephone Bank is hereby authorized to make such expenditures, within the limits of funds available to such corporation in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as may be necessary in carrying out its authorized programs. During fiscal year 1999 and within the resources and authority available, gross obligations for the principal amount of direct loans shall be $140,000,000.

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, including the

cost of modifying loans, of direct loans authorized by the Rural Electrification Act of 1936 (7 U.S.C. 935), $3,710,000.

In addition, for administrative expenses necessary to carry out the loan programs, $3,000,000, which shall be transferred to and merged with the appropriation for ''Rural Utilities Service, Salaries and Expenses''.

DISTANCE LEARNING AND TELEMEDICINE PROGRAM

For the cost of direct loans and grants, as authorized by 7 U.S.C. 950aaa et seq., $12,680,000, to remain available until expended, to be available for loans and grants for telemedicine and distance learning services in rural areas: Provided, That the costs of direct loans shall be as defined in section 502 of the Congressional Budget Act of 1974.

SALARIES AND EXPENSES

For necessary expenses of the Rural Utilities Service, including administering the programs authorized by the Rural Electrification Act of 1936, and the Consolidated Farm and Rural Development Act, and for cooperative agreements, $33,000,000: Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $105,000 may be used for employment under 5 U.S.C. 3109.

TITLE IV

DOMESTIC FOOD PROGRAMS

OFFICE OF THE UNDER SECRETARY FOR FOOD, NUTRITION AND CONSUMER SERVICES

For necessary salaries and expenses of the Office of the Under Secretary for Food, Nutrition and Consumer Services to administer the laws enacted by the Congress for the Food and Nutrition Service, $554,000.

CHILD NUTRITION PROGRAMS

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to carry out the National School Lunch Act (42 U.S.C. 1751 et seq.), except section 21, and the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.), except sections 17 and 21; $9,219,897,000, to remain available through September 30, 2000, of which $4,171,747,000 are hereby appropriated and $5,048,150,000 shall be derived by transfer from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c): Provided, That up to $4,300,000 shall be available for independent verification of school food service claims: Provided further, That none of the funds under this heading shall be available unless the value of bonus commodities provided under section 32 of the Act of August 24, 1935 (49 Stat. 774, chapter 641; 7 U.S.C. 612c), and section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431) is included in meeting the minimum commodity assistance requirement of section 6(g) of the National School Lunch Act (42 U.S.C. 1755(g)).

SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)

For necessary expenses to carry out the special supplemental nutrition program as authorized by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), $3,948,000,000, to remain available through September 30, 2000: Provided, That up to $15,000,000 may be used to carry out the farmers' market nutrition program: Provided further, That none of the funds in this Act shall be available to pay administrative expenses of WIC clinics, except those that have an announced policy of prohibiting smoking within the space used to carry out the program: Provided further, That none of the funds provided in this account shall be available for the purchase of infant formula except in accordance with the cost containment and competitive bidding requirements specified in section 17 of the Child Nutrition Act of 1966.

FOOD STAMP PROGRAM

For necessary expenses to carry out the Food Stamp Act (7 U.S.C. 2011 et seq.), $23,781,806,000, of which $100,000,000 shall be placed in reserve for use only in such amounts and at such times as may become necessary to carry out program operations: Provided, That not to exceed $5,700,000 of the funds made available under this head shall be used for studies and evaluations: Provided further, That funds provided herein shall be expended in accordance with section 16 of the Food Stamp Act: Provided further, That this appropriation shall be subject to any work registration or workfare requirements as may be required by law: Provided further, That funds made available for Employment and Training under this head shall remain available until expended, as authorized by section 16(h)(1) of the Food Stamp Act.

COMMODITY ASSISTANCE PROGRAM

For necessary expenses to carry out the commodity supplemental food program as authorized by section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note) and the Emergency Food Assistance Act of 1983, $141,000,000, to remain available through September 30, 2000: Provided, That none of these funds shall be available to reimburse the Commodity Credit Corporation for commodities donated to the program.

FOOD DONATIONS PROGRAMS FOR SELECTED GROUPS

For necessary expenses to carry out section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note), and section 311 of the Older Americans Act of 1965 (42 U.S.C. 3030a), $141,081,000, to remain available through September 30, 2000.

FOOD PROGRAM ADMINISTRATION

For necessary administrative expenses of the domestic food programs funded under this Act, $109,069,000, of which $5,000,000 shall be available only for simplifying procedures, reducing overhead costs, tightening regulations, improving food stamp coupon handling, and assistance in the prevention, identification, and prosecution of fraud and other violations of law: Provided, That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $150,000 shall be available for employment under 5 U.S.C. 3109.

TITLE V

FOREIGN ASSISTANCE AND RELATED PROGRAMS

FOREIGN AGRICULTURAL SERVICE AND GENERAL SALES MANAGER

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954 (7 U.S.C. 1761–1768), market development activities abroad, and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed $128,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), $131,795,000: Provided, That of the total amount appropriated, up to $2,000,000 is available solely for the purpose of offsetting fluctuations in international currency exchange rates and these funds and any other funds that are deposited into the overseas exchange rate account shall be available until expended: Provided further, That the Service may utilize advances of funds, or reimburse this appropriation for expenditures made on behalf of Federal agencies, public and private organizations and institutions under agreements executed pursuant to the agricultural food production assistance programs (7 U.S.C. 1736) and the foreign assistance programs of the International Development Cooperation Administration (22 U.S.C. 2392).

None of the funds in the foregoing paragraph shall be available to promote the sale or export of tobacco or tobacco products.

PUBLIC LAW 480 PROGRAM AND GRANT ACCOUNTS

(INCLUDING TRANSFERS OF FUNDS)

For expenses during the current fiscal year, not otherwise recoverable, and unrecovered prior years' costs, including interest thereon, under the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1691, 1701–1704, 1721–1726a, 1727–1727e, 1731–1736g–3, and 1737), as follows: (1) $203,475,000 for Public Law 480 title I credit, including Food for Progress programs; (2) $17,608,000 is hereby appropriated for ocean freight differential costs for the shipment of agricultural commodities pursuant to title I of said Act and the Food for Progress Act of 1985; (3) $837,000,000 is hereby appropriated for commodities supplied in connection with dispositions abroad pursuant to title II of said Act; and (4) $30,000,000 is hereby appropriated for commodities supplied in connection with dispositions abroad pursuant to title III of said Act: Provided, That not to exceed 15 percent of the funds made available to carry out any title of said Act may be used to carry out any other title of said Act: Provided further, That such sums shall remain available until expended (7 U.S.C. 2209b).

For the cost, as defined in section 502 of the Congressional Budget Act of 1974, of direct credit agreements as authorized by the Agricultural Trade Development and Assistance Act of 1954, and the Food for Progress Act of 1985, including the cost of modifying credit agreements under said Act, $176,596,000.

In addition, for administrative expenses to carry out the Public Law 480 title I credit program, and the Food for Progress Act of 1985, to the extent funds appropriated for Public Law 480 are utilized, $1,850,000, of which $1,035,000 may be transferred to and merged with the appropriation for ''Foreign Agricultural Service and General Sales Manager'' and $815,000 may be transferred to and merged with the appropriation for ''Farm Service Agency, Salaries and Expenses''.

COMMODITY CREDIT CORPORATION EXPORT LOANS PROGRAM ACCOUNT

(INCLUDING TRANSFERS OF FUNDS)

For administrative expenses to carry out the Commodity Credit Corporation's export guarantee program, GSM 102 and GSM 103, $3,820,000; to cover common overhead expenses as permitted by section 11 of the Commodity Credit Corporation Charter Act and in conformity with the Federal Credit Reform Act of 1990, of which $3,231,000 may be transferred to and merged with the appropriation for ''Foreign Agricultural Service and General Sales Manager'' and $589,000 may be transferred to and merged with the appropriation for ''Farm Service Agency, Salaries and Expenses''.

TITLE VI

RELATED AGENCIES AND FOOD AND DRUG ADMINISTRATION

DEPARTMENT OF HEALTH AND HUMAN SERVICES

FOOD AND DRUG ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Food and Drug Administration, including hire and purchase of passenger motor vehicles; for payment of space rental and related costs pursuant to Public Law 92–313 for programs and activities of the Food and Drug Administration which are included in this Act; for rental of special purpose space in the District of Columbia or elsewhere; and for miscellaneous and emergency expenses of enforcement activities, authorized and approved by the Secretary and to be accounted for solely on the Secretary's certificate, not to exceed $25,000; $1,072,640,000, of which not to exceed $132,273,000 in fees pursuant to section 736 of the Federal Food, Drug, and Cosmetic Act may be credited to this appropriation and remain available until expended: Provided, That fees derived from applications received during fiscal

year 1999 shall be subject to the fiscal year 1999 limitation: Provided further, That none of these funds shall be used to develop, establish, or operate any program of user fees authorized by 31 U.S.C. 9701.

In addition, fees pursuant to section 354 of the Public Health Service Act may be credited to this account, to remain available until expended.

In addition, fees pursuant to section 801 of the Federal Food, Drug, and Cosmetic Act may be credited to this account, to remain available until expended.

BUILDINGS AND FACILITIES

For plans, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities of or used by the Food and Drug Administration, where not otherwise provided, $12,350,000, to remain available until expended (7 U.S.C. 2209b).

DEPARTMENT OF THE TREASURY

FINANCIAL MANAGEMENT SERVICE

PAYMENTS TO THE FARM CREDIT SYSTEM FINANCIAL ASSISTANCE CORPORATION

For necessary payments to the Farm Credit System Financial Assistance Corporation by the Secretary of the Treasury, as authorized by section 6.28(c) of the Farm Credit Act of 1971, for reimbursement of interest expenses incurred by the Financial Assistance Corporation on obligations issued through 1994, as authorized, $2,565,000.

INDEPENDENT AGENCY

COMMODITY FUTURES TRADING COMMISSION

For necessary expenses to carry out the provisions of the Commodity Exchange Act (7 U.S.C. 1 et seq.), including the purchase and hire of passenger motor vehicles; the rental of space (to include multiple year leases) in the District of Columbia and elsewhere; and not to exceed $25,000 for employment under 5 U.S.C. 3109; $61,000,000, including not to exceed $1,000 for official reception and representation expenses: Provided, That the Commission is authorized to charge reasonable fees to attendees of Commission sponsored educational events and symposia to cover the Commission's costs of providing those events and symposia, and notwithstanding 31 U.S.C. 3302, said fees shall be credited to this account, to be available without further appropriation.

TITLE VII—GENERAL PROVISIONS

SEC. 701. Within the unit limit of cost fixed by law, appropriations and authorizations made for the Department of Agriculture for the fiscal year 1999 under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed 440 passenger motor vehicles, of which 437 shall be for replacement only, and for the hire of such vehicles.

SEC. 702. Funds in this Act available to the Department of Agriculture shall be available for uniforms or allowances therefor as authorized by law (5 U.S.C. 5901–5902).

SEC. 703. Not less than $1,500,000 of the appropriations of the Department of Agriculture in this Act for research and service work authorized by the Acts of August 14, 1946, and July 28, 1954 (7 U.S.C. 427, 1621–1629), and by chapter 63 of title 31, United States Code, shall be available for contracting in accordance with said Acts and chapter.

SEC. 704. The cumulative total of transfers to the Working Capital Fund for the purpose of accumulating growth capital for data services and National Finance Center operations shall not exceed $2,000,000: Provided, That no funds in this Act appropriated to an agency of the Department shall be transferred to the Working Capital Fund without the approval of the agency administrator.

SEC. 705. New obligational authority provided for the following appropriation items in this Act shall remain available until expended (7 U.S.C. 2209b): Animal and Plant Health Inspection Service, the contingency fund to meet emergency conditions, fruit fly program, integrated systems acquisition project, and up to $2,000,000 for costs associated with collocating regional offices; Farm Service Agency, salaries and expenses funds made available to county committees; and Foreign Agricultural Service, middle-income country training program.

New obligational authority for the boll weevil program; up to 10 percent of the screwworm program of the Animal and Plant Health Inspection Service; Food Safety and Inspection Service, field automation and information management project; funds appropriated for rental payments; funds for the Native American Institutions Endowment Fund in the Cooperative State Research, Education, and Extension Service; and funds for the competitive research grants (7 U.S.C. 450i(b)), shall remain available until expended.

SEC. 706. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 707. Not to exceed $50,000 of the appropriations available to the Department of Agriculture in this Act shall be available to provide appropriate orientation and language training pursuant to Public Law 94–449.

SEC. 708. No funds appropriated by this Act may be used to pay negotiated indirect cost rates on cooperative agreements or similar arrangements between the United States Department of Agriculture and nonprofit institutions in excess of 10 percent of the total direct cost of the agreement when the purpose of such cooperative arrangements is to carry out programs of mutual interest between the two parties. This does not preclude appropriate payment of indirect costs on grants and contracts with such institutions when such indirect costs are computed on a similar basis for all agencies for which appropriations are provided in this Act.

SEC. 709. Notwithstanding any other provision of this Act, commodities acquired by the Department in connection with Commodity Credit Corporation and section 32 price support operations may be used, as authorized by law (15 U.S.C. 714c and 7 U.S.C. 612c), to provide commodities to individuals in cases of hardship as determined by the Secretary of Agriculture.

SEC. 710. None of the funds in this Act shall be available to restrict the authority of the Commodity Credit Corporation to lease space for its own use or to lease space on behalf of other agencies of the Department of Agriculture when such space will be jointly occupied.

SEC. 711. With the exception of grants awarded under the Small Business Innovation Development Act of 1982, Public Law 97–219 (15 U.S.C. 638), none of the funds in this Act shall be available to pay indirect costs on research grants awarded competitively by the Cooperative State Research, Education, and Extension Service that exceed 14 percent of total Federal funds provided under each award.

SEC. 712. Notwithstanding any other provisions of this Act, all loan levels provided in this Act shall be considered estimates, not limitations.

SEC. 713. Appropriations to the Department of Agriculture for the cost of direct and guaranteed loans made available in fiscal year 1999 shall remain available until expended to cover obligations made in fiscal year 1999 for the following accounts: the rural development loan fund program account; the Rural Telephone Bank program account; the rural electrification and telecommunications loans program account; and the rural economic development loans program account.

SEC. 714. Such sums as may be necessary for fiscal year 1999 pay raises for programs funded by this Act shall be absorbed within the levels appropriated by this Act.

SEC. 715. Notwithstanding the Federal Grant and Cooperative Agreement Act, marketing services of the Agricultural Marketing Service and the Animal and Plant Health Inspection Service may use cooperative agreements to reflect a relationship between the Agricultural Marketing Service or the Animal and Plant Health Inspection Service and a State or Cooperator to carry out agricultural marketing programs or to carry out programs to protect the Nation's animal and plant resources.

SEC. 716. None of the funds in this Act may be used to retire more than 5 percent of the Class A stock of the Rural Telephone Bank or to maintain any account or subaccount within the accounting records of the Rural Telephone Bank the creation of which has not specifically been authorized by statute: Provided, That notwithstanding any other provision of law, none of the funds appropriated or otherwise made available in this Act may be used to transfer to the Treasury or to the Federal Financing Bank any unobligated balance of the Rural Telephone Bank telephone liquidating account which is in excess of current requirements and such balance shall receive interest as set forth for financial accounts in section 505(c) of the Federal Credit Reform Act of 1990.

SEC. 717. Hereafter, none of the funds made available to the Department of Agriculture may be used to provide assistance to, or to pay the salaries of personnel who carry out a market promotion/market access program pursuant to section 203 of the Agricultural Trade Act of 1978 (7 U.S.C. 5623) that provides assistance to the United States Mink Export Development Council or any mink industry trade association.

SEC. 718. Of the funds made available by this Act, not more than $1,350,000 shall be used to cover necessary expenses of activities related to all advisory committees, panels, commissions, and task forces of the Department of Agriculture, except for panels used to comply with negotiated rule makings and panels used to evaluate competitively awarded grants.

SEC. 719. None of the funds appropriated in this Act may be used to carry out the provisions of section 918 of Public Law 104–127, the Federal Agriculture Improvement and Reform Act.

SEC. 720. No employee of the Department of Agriculture may be detailed or assigned from an agency or office funded by this Act to any other agency or office of the Department for more than 30 days unless the individual's employing agency or office is fully reimbursed by the receiving agency or office for the salary and expenses of the employee for the period of assignment.

SEC. 721. None of the funds appropriated or otherwise made available to the Department of Agriculture shall be used to transmit or otherwise make available to any non-Department of Agriculture employee questions or responses to questions that are a result of information requested for the appropriations hearing process.

SEC. 722. None of the funds made available to the Department of Agriculture by this Act may be used to acquire new information technology systems or significant upgrades, as determined by the Office of the Chief Information Officer, without the approval of the Chief Information Officer and the concurrence of the Executive Information Technology Investment Review Board.

SEC. 723. (a) None of the funds provided by this Act, or provided by previous Appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in fiscal year 1999, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure through a reprogramming of funds which: (1) creates new programs; (2) eliminates a program, project, or activity; (3) increases funds or personnel by any means for any project or activity for which funds have been denied or restricted; (4) relocates an office or employees; (5) reorganizes offices, programs, or activities; or (6) contracts out or privatizes any functions or activities presently performed

by Federal employees; unless the Appropriations Committees of both Houses of Congress are notified fifteen days in advance of such reprogramming of funds.

(b) None of the funds provided by this Act, or provided by previous Appropriations Acts to the agencies funded by this Act that remain available for obligation or expenditure in fiscal year 1999, or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be available for obligation or expenditure for activities, programs, or projects through a reprogramming of funds in excess of $500,000 or 10 percent, whichever is less, that: (1) augments existing programs, projects, or activities; (2) reduces by 10 percent funding for any existing program, project, or activity, or numbers of personnel by 10 percent as approved by Congress; or (3) results from any general savings from a reduction in personnel which would result in a change in existing programs, activities, or projects as approved by Congress; unless the Appropriations Committees of both Houses of Congress are notified fifteen days in advance of such reprogramming of funds.

SEC. 724. Hereafter, none of the funds appropriated or otherwise available to the Department of Agriculture may be used to administer the provision of contract payments to a producer under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) for contract acreage on which wild rice is planted unless the contract payment is reduced by an acre for each contract acre planted to wild rice.

SEC. 725. The Federal facility located in Stuttgart, Arkansas, and known as the ''United States National Rice Germplasm Evaluation and Enhancement Center'', shall be known and designated as the ''Dale Bumpers National Rice Research Center'': Provided, That any reference in law, map, regulation, document, paper, or other record of the United States to such federal facility shall be deemed to be a reference to the ''Dale Bumpers National Rice Research Center''.

SEC. 726. Notwithstanding any other provision of law, the Secretary of Agriculture, subject to the reprogramming requirements established by this Act, may transfer up to $26,000,000 in discretionary funds made available by this Act among programs of the Department, not otherwise appropriated for a specific purpose or a specific location, for distribution to or for the benefit of the Lower Mississippi Delta Region, as defined in Public Law 100–460, prior to normal state or regional allocation of funds: Provided, That any funds made available through Chapter Four of Title III, Subtitle D of the Federal Agriculture Improvement and Reform Act of 1996 may be included in any amount reprogrammed under this section if such funds are used for a purpose authorized by such Chapter.

SEC. 727. None of the funds appropriated or otherwise made available by this Act may be used to pay the salaries and expenses of personnel to carry out section 793 of Public Law 104–127.

SEC. 728. None of the funds appropriated or otherwise made available by this Act may be used to pay the salaries and expenses of personnel to enroll in excess of 120,000 acres in the fiscal year 1999 wetlands reserve program as authorized by 16 U.S.C. 3837.

SEC. 729. Notwithstanding section 27(a) of the Food Stamp Act, the amount specified for allocation under such section for fiscal year 1999 shall be $80,000,000.

SEC. 730. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries and expenses of personnel to carry out a conservation farm option program, as authorized by section 335 of Public Law 104–127.

SEC. 731. Public Law 102–237, Title X, Section 1013(a) and (b) (7 U.S.C. 426 note) is amended by striking '', to the extent practicable,'' in each instance in which it appears.

SEC. 732. Funds made available for conservation operations by this or any other Act, including prior-year balances, shall be available for financial assistance and technical assistance for Franklin County, Mississippi, in the amounts earmarked in appropriations report language.

SEC. 733. Notwithstanding section 381A of Public Law 104–127, the definitions of rural areas for certain business programs administered by the Rural Business-Cooperative Service and the community facilities programs administered by the Rural Housing Service shall be those provided for in statute and regulations prior to the enactment of Public Law 104–127.

SEC. 734. Section 306D of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926d) is amended by inserting ''25 percent in'' in lieu of ''equal'' in subsection (b), and by inserting ''$25,000,000'' in lieu of ''$15,000,000'' in subsection (d).

SEC. 735. None of the funds made available to the Food and Drug Administration by this Act shall be used to close or relocate, or to plan to close or relocate, the Food and Drug Administration Division of Drug Analysis in St. Louis, Missouri.

SEC. 736. None of the funds appropriated or otherwise made available by this Act shall be used to carry out any commodity purchase program which would prohibit participation by a farmer-owned cooperative.

SEC. 737. None of the funds made available by this Act or any other Act for any fiscal year may be used to carry out section 302(h) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1622(h)) unless the Secretary of Agriculture inspects and certifies agricultural processing equipment, and imposes a fee for the inspection and certification, in a manner that is similar to the inspection and certification of agricultural products under that section, as determined by the Secretary: Provided, That this provision shall not affect the authority of the Secretary to carry out the Federal Meat Inspection Act (21 U.S.C. 601 et seq.), the Poultry Products Inspection Act (21 U.S.C. 451 et seq.), or the Egg Products Inspection Act (21 U.S.C. 1031 et seq.).

SEC. 738. (a) AMENDMENT OF THE ARMS EXPORT CONTROL ACT.—Section 102(b)(2)(D) of the Arms Export Control Act (22 U.S.C. 2799aa–1(b)(2)(D)) is amended—

(1) in clause (i) by striking ''or'' at the end;

(2) in clause (ii) by striking the period at the end and inserting '', or''; and

(3) by inserting after clause (ii) the following: ''(iii) to any credit, credit guarantee, or other financial assistance provided by the Department of Agriculture for the purchase or other provision of food or other agricultural commodities.''.

(b) The amendments made by subsection (a) shall apply to any credit, credit guarantee, or other financial assistance approved by the Department of Agriculture before, on, or after the date of enactment of this Act.

(c) Amounts made available by this section are designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: Provided, That such amounts shall be available only to the extent that an official budget request that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

SEC. 739. None of the funds appropriated or otherwise made available by this Act may be used to require any producer to pay an administrative fee for catastrophic risk protection under section 508(b)(5)(A) of the Federal Crop Insurance Act (7 U.S.C. 1508(b)(5)(A)) in an amount that is greater than $50 per crop per county.

SEC. 740. Nothing in this Act shall be interpreted or construed to alter the current implementation of the Wetlands Reserve Program, unless expressly provided herein.

SEC. 741. That notwithstanding section 4703(d)(1) of title 5, United States Code, the personnel management demonstration project established in the Department of Agriculture, as described at 55 FR 9062 and amended at 61 FR 9507 and 61 FR 49178, shall be continued indefinitely and become effective upon enactment of this Act.

SEC. 742. (a) The first sentence of section 509(f)(4)(A) of the Housing Act of 1949 (42 U.S.C. 1479(f)(4)(A)) is amended by striking ''fiscal year 1998'' and inserting ''fiscal year 1999''.

(b) Section 515(b)(4) of the Housing Act of 1949 (42 U.S.C. 1485(b)(4)) is amended by striking ''September 30, 1998'' and inserting ''September 30, 1999''.

(c) The first sentence of section 515(w)(1) of the Housing Act of 1949 (42 U.S.C. 1485(w)(1)) is amended by striking ''fiscal year 1998'' and inserting ''fiscal year 1999''.

(d) Section 538 of the Housing Act of 1949 (42 U.S.C. 1490p–2) is amended—

(1) in subsection (t), by striking ''fiscal year 1998'' and inserting ''fiscal year 1999''; and

(2) in subsection (u), by striking ''September 30, 1998'' and inserting ''September 30, 1999''.

SEC. 743. METHYL BROMIDE ALTERNATIVES RESEARCH. (a) REVIEW.—The Secretary of Agriculture, acting through the Agricultural Research Service, shall conduct a review of the methyl bromide alternatives research conducted by the Secretary that describes—

(1) the amount of funds expended by the Secretary since January 1, 1990, on methyl bromide alternatives research, including a description of the amounts paid for salaries, expenses, and actual research;

(2) plot and field scale testing of methyl bromide alternatives conducted by the Secretary since January 1, 1990, including a description of—

(A) the total amount of funds expended for the testing;

(B) the amount of funds expended for the testing as a portion of a larger project or independently of other projects; and

(C) the results of the testing and the impact of the results on future research; and

(3) variables that impact the effectiveness of methyl bromide alternatives, including a description of—

(A) the individual variables; and

(B) the plan of the Secretary for addressing each of the variables during the plot and field scale testing conducted by the Secretary.

(b) REPORT.—Not later than 120 days after the date of enactment of this Act, the Secretary shall submit to the appropriations committees of both Houses of Congress a report that describes the results of the review conducted under subsection (a).

SEC. 744. SENSE OF SENATE ON DISASTER ASSISTANCE FOR TEXAS AGRICULTURAL PRODUCERS. (a) FINDINGS.—The Senate finds that—

(1) the statewide economic impact of the drought on agriculture in the State of Texas could be more than $4,600,000,000 in losses, according to the Agricultural Extension Service of the State;

(2) the direct loss of income to agricultural producers in the State is $1,500,000,000;

(3) the National Weather Service has reported that all 10 climatic regions in the State have received below-average rainfall from March through May of 1998, a critical time in the production of corn, cotton, sorghum, wheat, and forage;

(4) the total losses for cotton producers in the State have already reached an estimated $500,000,000;

(5) nearly half of the rangeland in the State (as of May 31, 1998) was rated as poor or very poor as a result of the lack of rain;

(6) the value of lost hay production in the State will approach an estimated $175,000,000 statewide, leading to an economic impact of $582,000,000;

(7) dryland fruit and vegetable production losses in East Texas have already been estimated at $33,000,000;

(8) the early rains in many parts of the State produced a large quantity of forage that is now extremely dry and a dangerous source of fuel for wildfires; and

(9) the Forest Service of the State has indicated that over half the State is in extreme or high danger of wildfires due to the drought conditions.

(b) SENSE OF SENATE.—It is the sense of the Senate that the Secretary of Agriculture should—

(1) streamline the drought declaration process to provide necessary relief to the State of Texas as quickly as is practicable;

(2) ensure that local Farm Service Agency offices in the State are equipped with full-time and emergency personnel in drought-stricken areas to assist agricultural producers with disaster loan applications;

(3) direct the Forest Service, and request the Federal Emergency Management Agency, to assist the State in prepositioning fire fighting equipment and other appropriate resources in affected counties of the State;

(4) authorize haying and grazing on acreage in the State that is enrolled in the conservation reserve program carried out under section 1231 of the Food Security Act of 1985 (16 U.S.C. 3831); and

(5) convene experts within the Department of Agriculture to develop and implement an emergency plan for the State to help prevent wildfires and to overcome the economic impact of the continuing drought by providing assistance from the Department in a rapid and efficient manner for producers that are suffering from drought conditions.

SEC. 745. Section 1237D(c)(1) of subchapter C of the Food Security Act of 1985 is amended by inserting after ''perpetual'' the following ''or 30-year''.

SEC. 746. Section 1237(b)(2) of subchapter C of the Food Security Act of 1985 is amended by adding the following:

''(C) For purposes of subparagraph (A), to the maximum extent practicable should be interpreted to mean that acceptance of wetlands reserve program bids may be in proportion to landowner interest expressed in program options.''.

SEC. 747. TECHNICAL CORRECTIONS TO AGRICULTURAL RESEARCH, EXTENSION, AND EDUCATION REFORM ACT OF 1998. (a) FOREST AND RANGELAND RENEWABLE RESOURCES RESEARCH.—Section 3(d)(3) of the Forest and Rangeland Renewable Resources Research Act of 1978 (16 U.S.C. 1642(d)(3)) (as amended by section 253(b) of the Agricultural Research, Extension, and Education Reform Act of 1998) is amended by striking ''The Secretary'' and inserting ''At the request of the Governor of the State of Maine, New Hampshire, New York, or Vermont, the Secretary''.

(b) HONEY RESEARCH, PROMOTION, AND CONSUMER INFORMATION.—Section 7(e)(2) of the Honey Research, Promotion, and Consumer Information Act (7 U.S.C. 4606(e)(2)) (as amended by section 605(f)(3) of the Agricultural Research, Extension, and Education Reform Act of 1998) is amended by striking ''$0.0075'' each place it appears and inserting ''$0.01''.

(c) EFFECTIVE DATE.—The amendments made by this section take effect on the date of enactment of the Agricultural Research, Extension, and Education Reform Act of 1998.

SEC. 748. None of the funds appropriated by this Act or any other Act shall be used to pay the salaries and expenses of personnel who prepare or submit appropriations language as part of the President's Budget submission to the Congress of the United States for programs under the jurisdiction of the Appropriations Subcommittees on Agriculture, Rural Development, and Related Agencies that assumes revenues or reflects a reduction from the previous year due to user fees proposals that have not been enacted into law prior to the submission of the Budget unless such Budget submission identifies which additional spending reductions should occur in the event the users fees proposals are not enacted prior to the date of the convening of a committee of conference for the fiscal year 2000 appropriations Act.

SEC. 749. PILOT PROGRAM TO PERMIT HAYING AND GRAZING ON CONSERVATION RESERVE LAND. (a) DEFINITIONS.—In this section:

(1) ELIGIBLE STATE.—The term ''eligible State'' means any State that is approved by the Secretary for inclusion in the pilot program under subsection (b), except that the term shall not apply to more than 7 States.

(2) SECRETARY.—The term ''Secretary'' means the Secretary of Agriculture.

(3) STATE TECHNICAL COMMITTEE.—The term ''State technical committee'' means the State technical committee for a State established under section 1261 of the Food Security Act of 1985 (16 U.S.C. 3861).

(b) PILOT PROGRAM.—Notwithstanding section 1232(a)(7) of the Food Security Act of 1985 (16 U.S.C. 3832(a)(7)), during the 4-year period beginning on the date of enactment of this Act, on application by an owner or operator of a farm or ranch located in an eligible State who has entered into a contract with the Secretary under subchapter B of chapter 1 of subtitle D of title XII of that Act (16 U.S.C. 3831 et seq.)—

(1) the Secretary shall permit harvesting and grazing on land on the farm or ranch that the Secretary determines has a sufficiently established cover to permit harvesting or grazing without undue harm to the purposes of the contract if—

(A) no land under the contract will be harvested or grazed more than once in a 4-year period;

(B) the owner or operator agrees to a payment reduction under that subchapter in an amount determined by the Secretary; and

(C) the owner or operator agrees to such other terms and conditions as the Secretary, in consultation with the State technical committee for the State, may establish to ensure that the harvesting or grazing is consistent with the purposes of the program established under that subchapter;

(2) the Secretary may permit grazing on land under the contract if—

(A) the grazing is incidental to the gleaning of crop residues;

(B) the owner or operator agrees to a payment reduction in annual rental payments that would otherwise be payable under that subchapter in an amount determined by the Secretary; and

(C) the owner or operator agrees to such other terms and conditions as the Secretary, in consultation with the State technical committee for the State, may establish to ensure that the grazing is consistent with the purposes of the program established under that subchapter; and

(3) the Secretary shall permit harvesting on land on the farm or ranch that the Secretary determines has a sufficiently established cover to permit harvesting without undue harm to the purposes of the contract if—

(A) land under the contract will be harvested not more than once annually for recovery of biomass used in energy production;

(B) the owner or operator agrees to a payment reduction under that subchapter in an amount determined by the Secretary; and

(C) the owner or operator agrees to such other terms and conditions as the Secretary, in consultation with the State technical committee for the State, may establish to ensure that the harvesting is consistent with the purposes of the program established under that subchapter.

(c) RELATIONSHIP TO OTHER HAYING AND GRAZING AUTHORITY.—During the 4-year period beginning on the date of enactment of this Act, land that is located in an eligible State shall not be eligible for harvesting or grazing under section 1232(a)(7) of the Food Security Act of 1985 (16 U.S.C. 3832(a)(7)).

(d) CONSERVATION PRACTICES AND TIMING RESTRICTIONS.—Not later than March 1 of each year, the Secretary, in consultation with the State technical committee for an eligible State, shall determine any conservation practices and timing restrictions that apply to land in the State that is harvested or grazed under subsection (b).

(e) STUDY.—The Secretary shall make available not more than $100,000 of funds of the Commodity Credit Corporation to contract with the game, fish, and parks department of an eligible State to conduct an analysis of the program conducted under this section (based on information provided by all eligible States).

(f) REGULATIONS.—

(1) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, the Secretary shall issue such regulations as are necessary to implement this Act.

(2) PROCEDURE.—The issuance of the regulations shall be made without regard to—

(A) the notice and comment provisions of section 553 of title 5, United States Code;

(B) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; or

(C) chapter 35 of title 44, United States Code (commonly known as the ''Paperwork Reduction Act'').

SEC. 750. EGG GRADING AND SAFETY. (a) PROHIBITION ON PREVIOUS SHIPMENT OF SHELL EGGS UNDER VOLUNTARY GRADING PROGRAM.—Section 203(h) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1622(h)) is amended by adding at the end the following: ''Shell eggs packed under the voluntary grading program of the Department of Agriculture shall not have been shipped for sale previous to being packed under the program, as determined under a regulation promulgated by the Secretary.''.

(b) REPORT ON EGG SAFETY AND REPACKAGING.—Not later than 90 days after the date of enactment of this Act, the Secretary of Agriculture, and the Secretary of Health and Human Services, shall submit a joint status report to the Committees on Appropriations of the House of Representatives and the Senate that describes actions taken by the Secretary of Agriculture and the Secretary of Health and Human Services—

(1) to enhance the safety of shell eggs and egg products;

(2) to prohibit the grading, under the voluntary grading program of the Department of Agriculture, of shell eggs previously shipped for sale; and

(3) to assess the feasibility and desirability of applying to all shell eggs the prohibition on repackaging to enhance food safety, consumer information, and consumer awareness.

SEC. 751. (a) FINDINGS.—

(1) In contrast to our Nation's generally strong economy, in a number of States, agricultural producers and rural communities are experiencing serious economic hardship.

(2) Increased supplies of agricultural commodities in combination with weakened demand have caused prices of numerous farm commodities to decline dramatically.

(3) Demand for imported agricultural commodities has fallen in some regions of the world, due in part to world economic conditions, and United States agricultural exports have declined from their record level of $60,000,000,000 in 1996.

(4) Prolonged periods of weather disasters and crop disease have devastated agricultural producers in a number of States.

(5) Certain States experienced declines in personal farm income between 1996 and 1997.

(6) June estimates by the Department of Agriculture indicate that net farm income for 1998 will fall to $45,500,000,000, down 13 percent from the $52,200,000,000 for 1996.

(7) Total farm debt for 1998 is expected to reach $172,000,000,000, the highest level since 1985.

(8) Thousands of farm families are in danger of losing their livelihoods and life savings.

(b) SENSE OF SENATE.—Now, therefore, it is the sense of the Senate that immediate action by the President and Congress is necessary to respond to the economic hardships facing agricultural producers and their communities.

SEC. 752. ELIGIBILITY OF STATE AGRICULTURAL EXPERIMENT STATIONS FOR CERTAIN AGRICULTURAL RESEARCH PROGRAMS. (a) FUND FOR RURAL AMERICA.—Section 793(c)(2)(B) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 2204f(c)(2)(B)) is amended—

(1) in clause (iii), by striking ''or'' at the end;

(2) in clause (iv), by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(v) a State agricultural experiment station.''.

(b) INITIATIVE FOR FUTURE AGRICULTURE AND FOOD SYSTEMS.—Section 401(d) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7621(d)) is amended—

(1) in paragraph (3), by striking ''or'' at the end;

(2) in paragraph (4), by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(5) a State agricultural experiment station.''.

SEC. 753. EXEMPTION OF CERTAIN PRODUCTS FROM UNITED STATES SANCTIONS. (a) FINDINGS.—(1) Prohibiting or otherwise restricting the donations or sales of food, other agricultural products, medicines or medical equipment in order to sanction a foreign government for actions or policies that the United States finds objectionable, unnecessarily harms innocent populations in the targeted country and rarely causes the sanctioned government to alter its actions or policies.

(2) For the United States as a matter of United States policy to deny access to United States food, other agricultural products, medicines and medical equipment by innocent men, women and children in other countries weakens the international leadership and moral authority of the United States.

(3) Sanctions on the sale or donations of American food, other agricultural products, medicine or medical equipment needlessly harm American farmers and workers employed in these sectors by foreclosing markets for these United States products.

(b)(1) EXCLUSION FROM SANCTIONS.—Notwithstanding any other provision of law, the President shall not restrict or otherwise prohibit any exports (including financing) of food, other agricultural products (including fertilizer), medicines or medical equipment as part of any policy of existing or future unilateral economic sanctions imposed against a foreign government.

(2) EXCEPTIONS.—Subsection (b)(1) of this section shall not apply to any regulations or restrictions with respect to such products for health or safety purposes or during periods of domestic shortages of such products.

(c) IMPOSE SANCTIONS.—The President may retain or impose sanctions covered under subsection (b)(1) if he determines that retaining or imposing such sanctions would further United States national security interests.

(d) EFFECTIVE DATE.—This section shall take effect one day after the date of enactment of this section into law.

(e) EXCLUSION OF CERTAIN COUNTRIES.—Notwithstanding any other provision of this section, subsection (b)(2) shall read as follows:

''(2) EXCEPTIONS.—Subsection (b)(1) of this section shall not apply to any country that—

''(A) repeatedly provided support for acts of international terrorism, within the meaning of section 6(j)(1)(A) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(j)(1)(A)); or

''(B) systematically denies access to food, medicine, or medical care to persons on the basis of political beliefs or as a means of coercion or punishment.''.

SEC. 754. LIVESTOCK INDUSTRY IMPROVEMENT. (a) DOMESTIC MARKET REPORTING.—

(1) IN GENERAL.—Section 203(g) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1622(g)) is amended—

(A) by striking ''(g) To'' and inserting the following:

''(g) COLLECTION AND DISSEMINATION OF MARKETING INFORMATION.—

''(1) IN GENERAL.—The Secretary shall''; and

(B) by adding at the end the following:

''(2) DOMESTIC MARKET REPORTING.—

''(A) MANDATORY REPORTING PILOT PROGRAM.—

''(i) IN GENERAL.—The Secretary shall conduct a 3-year pilot program under which the Secretary shall require any person or class of persons engaged in the business of buying, selling, or marketing livestock, livestock products, meat, or meat products in an unmanufactured form to report to the Secretary in such manner as the Secretary shall require, such information relating to prices and the terms of sale for the procurement of livestock, livestock products, meat, or meat products in an unmanufactured form as the Secretary determines is necessary to carry out this subsection.

''(ii) NONCOMPLIANCE.—It shall be unlawful for a person engaged in the business of buying, selling, or marketing livestock, livestock products, meat, or meat products in an unmanufactured form to knowingly fail or refuse to provide to the Secretary information required to be reported under subparagraph (A).

''(iii) CEASE AND DESIST AND CIVIL PENALTY.—

''(I) IN GENERAL.—If the Secretary has reason to believe that a person engaged in the business of buying, selling, or marketing livestock, livestock products, meat, or meat products in an unmanufactured form is violating the provisions of subparagraph (A) (or regulation promulgated under subparagraph (A)), the Secretary after notice and opportunity for hearing, may make an order to cease and desist from continuing the violation and assess a civil penalty of not more than $10,000 for each violation.

''(II) CONSIDERATIONS.—In determining the amount of a civil penalty to be assessed under clause (i), the Secretary shall consider the gravity of the offense, the size of the business involved, and the effect of the penalty on the ability of the person to continue in business.

''(iv) REFERRAL TO ATTORNEY GENERAL.—If, after expiration of the period for appeal or after the affirmance of a civil penalty assessed under clause (iii), the person against whom the civil penalty is assessed fails to pay the civil penalty, the Secretary may refer the matter to the Attorney General, who may recover the amount of the civil penalty in a civil action in United States district court.

''(B) VOLUNTARY REPORTING.—The Secretary shall encourage voluntary reporting by persons engaged in the business of buying, selling, or marketing livestock, livestock products, meats, or meat products in an unmanufactured form that are not subjected to a mandatory reporting requirement under subparagraph (A).

''(C) AVAILABILITY OF INFORMATION.—The Secretary shall make information received under this paragraph available to the public only in a form that ensures that—

''(i) the identity of the person submitting a report is not disclosed; and

''(ii) the confidentiality of proprietary business information is otherwise protected.

''(D) EFFECT ON OTHER LAWS.—Nothing in this paragraph restricts or modifies the authority of the Secretary to collect voluntary reports in accordance with other provisions of law.''.

(2) TECHNICAL AMENDMENT.—Section 203 of the Agricultural Marketing Act of 1946 (7 U.S.C. 1622) is amended—

(A) by striking ''The Secretary is directed and authorized:''; and

(B) in the first sentence of each of subsections (a) through (f) and subsections (h) through (n), by striking ''To'' and inserting ''The Secretary shall''.

(b) PROHIBITION ON NONCOMPETITIVE PRACTICES.—Section 202 of the Packers and Stockyards Act, 1921 (7 U.S.C. 192), is amended—

(1) in subsection (g), by striking the period at the end and inserting ''; or''; and

(2) by adding at the end the following:

''(h) Engage in any practice or device that the Secretary by regulation, after consultation with producers of cattle, lamb, and hogs, and other persons in the cattle, lamb, and hog industries, determines is a detrimental noncompetitive practice or device relating to the price or a term of sale for the procurement of livestock or the sale of meat or other byproduct of slaughter.''.

(c) PROTECTION OF LIVESTOCK PRODUCERS AGAINST RETALIATION BY PACKERS.—

(1) RETALIATION PROHIBITED.—Section 202(b) of the Packers and Stockyards Act, 1921 (7 U.S.C. 192(b)), is amended—

(A) by striking ''or subject'' and inserting ''subject''; and

(B) by inserting before the semicolon at the end the following: '', or retaliate against any livestock producer on account of any statement made by the producer (whether made to the Secretary or a law enforcement agency or in a public forum) regarding an action of any packer''.

(2) SPECIAL REQUIREMENTS REGARDING ALLEGATIONS OF RETALIATION.—Section 203 of the Packers and Stockyards Act, 1921 (7 U.S.C. 193), is amended by adding at the end the following:

''(e) SPECIAL PROCEDURES REGARDING ALLEGATIONS OF RETALIATION.—

''(1) CONSIDERATION BY SPECIAL PANEL.—The President shall appoint a special panel consisting of 3 members to receive and initially consider a complaint submitted by any person that alleges prohibited packer retaliation under section 202(b) directed against a livestock producer.

''(2) COMPLAINT; HEARING.—If the panel has reason to believe from the complaint or resulting investigation that a packer has violated or is violating the retaliation prohibition under section 202(b), the panel shall notify the Secretary who shall cause a complaint to be issued against the packer, and a hearing conducted, under subsection (a).

''(3) EVIDENTIARY STANDARD.—In the case of a complaint regarding retaliation prohibited under section 202(b), the Secretary shall find that the packer involved has violated or is violating section 202(b) if the finding is supported by a preponderance of the evidence.''.

(3) DAMAGES FOR PRODUCERS SUFFERING RETALIATION.—Section 203 of the Packers and Stockyards Act, 1921 (7 U.S.C. 193) (as amended by subsection (b)), is amended by adding at the end the following:

''(f) DAMAGES FOR PRODUCERS SUFFERING RETALIATION.—

''(1) IN GENERAL.—If a packer violates the retaliation prohibition under section 202(b), the packer shall be liable to the livestock producer injured by the retaliation for not more than 3 times the amount of damages sustained as a result of the violation.

''(2) ENFORCEMENT.—The liability may be enforced either by complaint to the Secretary, as provided in subsection (e), or by suit in any court of competent jurisdiction.

''(3) OTHER REMEDIES.—This subsection shall not abridge or alter a remedy existing at common law or by statute. The remedy provided by this subsection shall be in addition to any other remedy.''.

(d) REVIEW OF FEDERAL AGRICULTURE CREDIT POLICIES.—The Secretary of Agriculture, in consultation with the Secretary of the Treasury, the Chairman of the Board of Governors of the Federal Reserve System, and the Chairman of the Board of the Farm Credit Administration, shall establish an interagency working group to study—

(1) the extent to which Federal lending practices and policies have contributed, or are contributing, to market concentration in the livestock and dairy sectors of the national economy; and

(2) whether Federal policies regarding the financial system of the United States adequately take account of the weather and price volatility risks inherent in livestock and dairy enterprises.

SEC. 755. METERED-DOSE INHALERS. (a) FINDINGS.—Congress finds that—

(1) the Montreal Protocol on Substances That Deplete the Ozone Layer (referred to in this section as the ''Montreal Protocol'') requires the phaseout of products containing ozone-depleting substances, including chloroflourocarbons;

(2) the primary remaining legal use in the United States of newly produced chloroflourocarbons is in metered-dose inhalers;

(3) treatment with metered-dose inhalers is the preferred treatment for many patients with asthma and chronic obstructive pulmonary disease;

(4) the incidence of asthma and chronic obstructive pulmonary disease is increasing in children and is most prevalent among low-income persons in the United States;

(5) the Parties to the Montreal Protocol have called for development of national transition strategies to non-chloroflourocarbon metered-dose inhalers;

(6) the Commissioner of Food and Drugs published an advance notice of proposed rulemaking that suggested a tentative framework for how to phase out the use of metered-dose inhalers that contain chloroflourocarbons in the Federal Register on March 6, 1997, 62 Fed. Reg. 10242 (referred to in this section as the ''proposal''); and

(7) the medical and patient communities, while calling for a formal transition strategy issued by the Food and Drug Administration by rulemaking, have expressed serious concerns that the proposal, if implemented without change, could potentially place some patients at risk by causing the removal of metered-dose inhalers containing chloroflourocarbons from the market before adequate non-chlorofluorocarbon replacements are available.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the Food and Drug Administration should, in consultation with the Environmental Protection Agency, assess the risks and benefits to the environment and to patient health of the proposal and any alternatives;

(2) in conducting such assessments, the Food and Drug Administration should consult with patients, physicians, other health care providers, manufacturers of metered-dose inhalers, and other interested parties;

(3) using the results of these assessments, and the information contained in the comments the Food and Drug Administration has received on the proposal, the Food and Drug Administration should promptly issue a rule ensuring that a range of non-chloroflourocarbon metered-dose inhaler alternatives is available for users, comparable to existing treatments in terms of safety, efficacy, and other appropriate parameters necessary to meet patient needs, which rule should not be based on a therapeutic class phaseout approach; and

(4) the Food and Drug Administration should issue a proposed rule described in paragraph (3) not later than May 1, 1999.

SEC. 756. REPORT ON MARKET ACCESS PROGRAM. (a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary of Agriculture, in consultation with the Comptroller General of the United States, shall submit to the committees of Congress specified in subsection (c) a report that, as determined by the Secretary—

(1)(A) analyzes the costs and benefits of programs carried out under that section in compliance with the cost-benefit analysis guidelines established by the Office of Management and Budget in Circular A–94, dated October 29, 1992; and

(B) in any macroeconomic studies, treats resources in the United States as if the resources were likely to be fully employed;

(2) considers all potential costs and benefits of the programs carried out under that section, specifically noting potential distortions in the economy that could lower national output of goods and services and employment;

(3) estimates the impact of programs carried out under that section on the agricultural sector and on consumers and other sectors of the economy in the United States;

(4) considers costs and benefits of operations relating to alternative uses of the budget for the programs under that section;

(5)(A) analyzes the relation between the priorities and spending levels of programs carried out under that section and the privately funded market promotion activities undertaken by participants in the programs; and

(B) evaluates the spending additionality for participants resulting from the program;

(6) conducts an analysis of the amount of export additionality for activities financed under programs carried out under that section in sponsored countries, controlling for relevant variables, including—

(A) information on the levels of private expenditures for promotion;

(B) government promotion by competitor nations;

(C) changes in foreign and domestic supply conditions;

(D) changes in exchange rates; and

(E) the effect of ongoing trade liberalization;

(7) provides an evaluation of the sustainability of promotional effort in sponsored markets for recipients in the absence of government subsidies.

(b) EVALUATION BY COMPTROLLER GENERAL.—The Comptroller General of the United States shall submit an evaluation of the report to the committees specified in subsection (c).

(c) COMMITTEES OF CONGRESS.—The committees of Congress referred to in subsection (a) are—

(1) the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate; and

(2) the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate.

SEC. 757. SENSE OF THE SENATE CONCERNING APPROPRIATE ACTIONS TO BE TAKEN TO ALLEVIATE THE ECONOMIC EFFECT OF LOW COMMODITY PRICES. It is the sense of the Senate that—

(1) Congress should pass and the President should sign S.1269, which would reauthorize fast-track trading authority for the President;

(2) Congress should pass and the President should sign S.2078, the Farm and Ranch Risk Management Act, which would allow farmers and ranchers to better prepare for fluctuations in the agricultural economy;

(3) the House of Representatives should follow the Senate and provide full funding for the International Monetary Fund;

(4) Congress should pass and the President should sign sanctions reform legislation so that the agricultural economy of the United States is not harmed by sanctions on foreign trade;

(5) Congress should uphold the Presidential waiver of the Jackson-Vanik amendment to the 1974 Trade Act providing normal trade relations status for China and continue to pursue normal trade relations with China;

(6) the House and Senate should continue to pursue a package of capital gains and estate tax reforms;

(7) the President should pursue stronger oversight on all international trade agreements affecting agriculture and commerce dispute settlement procedures when countries are found to be violating such trade agreements;

(8) the President should sign legislation providing full deductibility of health care insurance for self-employed individuals;

(9) the Congress and the administration should pursue efforts to reduce regulations on farmers; and

(10) the President should use the administrative tools available to him to use Commodity Credit Corporation and unused Export Enhancement Program funds for humanitarian assistance.

SEC. 758. RESERVE INVENTORIES. Section 813 of the Agricultural Act of 1970 (7 U.S.C. 1427a) is amended—

(1) in the first sentence of subsection (a), by inserting ''of agricultural producers'' after ''distress'';

(2) in subsection (c), by inserting ''the Secretary or'' after ''President or''; and

(3) in subsection (h)—

(A) by striking ''(h) There is hereby'' and inserting the following:

''(h) AUTHORIZATION OF APPROPRIATIONS.—

''(1) IN GENERAL.—There are''; and

(B) by adding at the end the following:

''(2) USE OF FUNDS FOR CASH PAYMENTS.—The Secretary may use funds made available under this section to make, in a manner consistent with this section, cash payments that don't go for crop disasters, but for income loss to carry out the purposes of this section.''.

SEC. 759. FOOD SAFETY INITIATIVE. (a) IN GENERAL.—In addition to the amounts made available under other provisions of this Act, there are appropriated, out of any money in the Treasury not otherwise appropriated, to carry out activities described in the Food Safety Initiative submitted by the President for fiscal year 1999—

(1) $98,000 to the Chief Economist;

(2) $906,000 to the Economic Research Service;

(3) $8,920,000 to the Agricultural Research Service;

(4) $11,000,000 to the Cooperative State Research, Education, and Extension Service;

(5) $8,347,000 to the Food Safety and Inspection Service; and

(6) $37,000,000 to the Food and Drug Administration.

(b) AMENDMENT OF THE NO NET COST FUND ASSESSMENTS TO PROVIDE FOR COLLECTION OF ALL ADMINISTRATIVE COSTS NOT PREVIOUSLY COVERED AND ALL CROP INSURANCE COSTS FOR TOBACCO.—Section 106A of the Agricultural Act of 1949, as amended (7 U.S.C. 1445–1(c)), is hereby amended by—in subsection (d)(7) changing ''the Secretary'' to ''the Secretary; and'' and by adding a new subsection (d)(8) to read as follows:

''(8) Notwithstanding any other provision of this subsection or other law, that with respect to the 1999 and subsequent crops of tobacco for which price support is made available and for which a fund is maintained under this section, an additional assessment shall be remitted over and above that otherwise provided for in this subsection. Such additional assessment shall be equal to—(1) the administrative costs within the Department of Agriculture that is not otherwise covered under another assessment under this section or under another provision of law; and (2) any and all net losses in Federal crop insurance programs for tobacco, whether those losses be on price-supported tobacco or on other tobaccos. The Secretary shall estimate those administrative and insurance costs in advance. The Secretary may make such adjustments in the assessment under this paragraph for future crops as are needed to cover shortfalls or over-collections. The assessment shall be applied so that the additional amount to be collected under this paragraph shall be the same for all price support tobaccos (and imported tobacco of like kind) which are marketed or imported into the United States during the marketing year for the crops covered by this paragraph. For each domestically produced pound of tobacco the assessment amount to be remitted under this paragraph shall be paid by the purchaser of the tobacco. On imported tobacco, the assessment shall be paid by the importer. Monies collected pursuant to this section shall be commingled with other monies in the No Net Cost Fund maintained under this section. The administrative and crop insurance costs that are taken into account in fixing the amount of the assessment shall be a claim on the Fund and shall be transferred to the appropriate account for the payment of administrative costs and insurance costs at a time determined appropriate by the Secretary. Collections under this paragraph shall not affect the amount of any other collection established under this section or under another provision of law but shall be enforceable

in the same manner as other assessments under this section and shall be subject to the same sanctions for nonpayment.''.

(c) AMENDMENT OF THE NO NET COST ACCOUNT ASSESSMENTS TO PROVIDE FOR COLLECTION OF ALL ADMINISTRATIVE COST NOT PREVIOUSLY COVERED AND ALL CROP INSURANCE COSTS.—Section 106B of the Agricultural Act of 1949, as amended (7 U.S.C. 1445–2), is amended by renumbering subsections ''(i)'' and ''(j)'' as ''(j)'' and ''(k)'' respectively, and by adding a new subsection ''(i)'' to read as follows:

''(i) Notwithstanding any other provision of this section or other law, the Secretary shall require with respect to the 1999 and subsequent crops of tobacco for which price support is made available and for which an account is maintained under this section, that an additional assessment shall be remitted over and above that otherwise provided for in this subsection. Such additional assessment shall be equal to—(1) the administrative costs within the Department of Agriculture that are not otherwise covered under another assessment under this section or under another provision of law; and (2) any and all net losses in Federal crop insurance programs for tobacco, whether those losses be on price-supported tobacco or on other tobaccos. The Secretary shall estimate those administrative and insurance costs in advance. The Secretary may make such adjustments in the assessments under this subsection for future crops as are needed to cover shortfalls or over-collections. The assessment shall be applied so that the additional amount to be collected under this subsection shall be the same for all price support tobaccos (and imported tobacco of like kind) which are marketed or imported into the United States during the marketing year for the crops covered by this subsection. For each domestically produced pound of tobacco the assessment amount to be remitted under this subsection shall be paid by the purchaser of the tobacco. On imported tobacco, the assessment shall be paid by the importer. Monies collected pursuant to this section shall be commingled with other monies in the No Net Cost Account maintained under this section. The administrative and crop insurance costs that are taken into account in fixing the amount of the assessment shall be a claim on the account and shall be transferred to the appropriate account for the payment of administrative costs and insurance costs at a time determined appropriate by the Secretary. Collections under this subsection shall not effect the amount of any other collection established under this section or under another provision of law but shall be enforceable in the same manner as other assessments under this section and shall be subject to the same sanctions for nonpayment.''.

(d) ELIMINATION OF THE TOBACCO BUDGET ASSESSMENT.—Notwithstanding any other provision of law, the provisions of section 106(g) of the Agricultural Act of 1949, as amended (7 U.S.C. 1445(g)), shall not apply or be extended to the 1999 crops of tobacco and shall not, in any case, apply to any tobacco for which additional assessments have been rendered under sections 1 and 2 of this Act.

(e) AMENDMENT OF THE COMMODITY CREDIT CORPORATION CHARTER ACT.—Section 4(g) of the Commodity Credit Corporation Charter Act (15 U.S.C. 714b(g)) is amended in the first sentence by striking ''$193,000,000'' and inserting ''$178,000,000''.

SEC. 760. Expenses for computer-related activities of the Department of Agriculture funded through the Commodity Credit Corporation pursuant to section 161(b)(1)(A) of Public Law 104–127 in fiscal year 1999 shall not exceed $50,000,000: Provided, That section 4(g) of the Commodity Credit Corporation Charter Act is amended by striking $178,000,000 and inserting $173,000,000.

SEC. 761. WAIVER OF STATUTE OF LIMITATIONS FOR CERTAIN DISCRIMINATION CLAIMS. (a) DEFINITION OF ELIGIBLE CLAIM.—In this section, the term ''eligible claim'' means a nonemployment-related claim that was filed with the Department of Agriculture on or before July 1, 1997 and alleges discrimination by the Department of Agriculture at any time during the period beginning on January 1, 1981, and ending on December 31, 1996—

(1) in violation of the Equal Credit Opportunity Act (15 U.S.C. 1691 et seq.) in administering—

(A) a farm ownership, farm operating, or emergency loan funded from the Agricultural Credit Insurance Program Account; or

(B) a housing program established under title V of the Housing Act of 1949; or

(2) in the administration of a commodity program or a disaster assistance program.

(b) WAIVER.—To the extent permitted by the Constitution, an eligible claim, if commenced not later than 2 years after the date of the enactment of this Act, shall not be barred by any statute of limitations.

(c) ADMINISTRATIVE PROCEEDINGS.—

(1) IN GENERAL.—In lieu of bringing a civil action, a claimant may seek a written determination on the merits of an eligible claim by the Secretary of Agriculture if such claim is filed with the Secretary within two years of the date of enactment of this Act.

(2) TIME PERIOD FOR RESOLUTION OF ADMINISTRATIVE CLAIMS.—To the maximum extent practicable, the Secretary shall, within 180 days from the date an eligible claim is filed with the Secretary under this subsection, conduct an investigation, issue a written determination, and propose a resolution in accordance with this subsection.

(3) HEARING AND AWARD.—The Secretary shall—

(A) provide the claimant an opportunity for a hearing before making the determination; and

(B) award the claimant such relief as would be afforded under the applicable statute from which the eligible claim arose notwithstanding any statute of limitations.

(d) STANDARD OF REVIEW.—Federal courts reviewing an eligible claim under this section shall apply a de novo standard of review.

(e) LIMITATION ON ADMINISTRATIVE AWARDS AND SETTLEMENT AUTHORITY AND EXTENSION OF TIME.—

(1) LIMITATION ON ADMINISTRATIVE AWARDS AND SETTLEMENT AUTHORITY.—A proposed administrative award or settlement exceeding $75,000 (other than debt relief) of an eligible claim—

(A) shall not take effect until 90 days after notice of the award or settlement is given to the Attorney General; and

(B) shall not take effect if, during that 90-day period, the Attorney General objects to the award or settlement.

(2) EXTENSION OF TIME.—Notwithstanding subsections (b) and (c), if an eligible claim is denied administratively, the claimant shall have at least 180 days to commence a cause of action in a Federal court of competent jurisdiction seeking a review of such denial.

SEC. 762. CENSUS OF AGRICULTURE. (a) IN GENERAL.—Section 2 of the Census of Agriculture Act of 1997 (7 U.S.C. 2204g) is amended—

(1) in subsection (b) by inserting at the end the following: ''In fiscal year 1999 the Secretary of Agriculture is directed to continue to revise the Census of Agriculture to eliminate redundancies in questions asked of farmers by USDA.''.

(2) in subsection (d) by deleting in paragraph (1) ''who willfully gives'' and inserting in its place ''shall not give'', and deleting '', shall be fined not more than $500''.

(3) in subsection (d) by deleting in paragraph (2) ''who refuses or willfully neglects'' and inserting in its place ''shall not refuse or willfully neglect'', and deleting '', shall not be fined more than $100''.

SEC. 763. TREE ASSISTANCE PROGRAM. (a) IN GENERAL.—The Secretary of Agriculture may use funds for tree assistance made available under Public Law 105–174, to carry out a tree assistance program to owners of trees that were lost or destroyed as a result of a disaster or emergency that was declared by the President or the Secretary of Agriculture during the period beginning May 1, 1998, and ending August 1, 1998, regardless of whether the damage resulted in loss or destruction after August 1, 1998.

(b) ADMINISTRATION.—Subject to subsection (c), the Secretary shall carry out the program, to the maximum extent practicable, in accordance with the terms and conditions of the tree assistance program established under part 783 of title 7, Code of Federal Regulations.

(c) ELIGIBILITY.—A person shall be presumed eligible for assistance under the program if the person demonstrates to the Secretary that trees owned by the person were lost or destroyed by May 31, 1999, as a direct result of fire blight infestation that was caused by a disaster or emergency described in subsection (a).

SEC. 764. STUDY OF FUTURE FEDERAL AGRICULTURAL POLICIES. (a) IN GENERAL.—On the request of the Commission on 21st Century Production Agriculture, the Secretary of Agriculture, acting through the Chief Economist of the Department of Agriculture, shall make assistance and information available to the Commission to enable the Commission to conduct a study to guide the development of future Federal agricultural policies.

(b) DUTIES.—In conducting the study, the Commission shall—

(1) examine a range of future Federal agricultural policies that may succeed the policies established under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.) for the 2003 and subsequent crops, and the impact of such policies on farm income, the structure of agriculture, trade competitiveness, conservation, the environment and other factors;

(2) assess the potential impact of any legislation enacted through the end of the 105th Congress on future Federal agricultural policies; and

(3) review economic agricultural studies that are relevant to future Federal agricultural policies.

(c) REPORT.—Not later than December 31, 1999, the Commission shall submit to the Committee on Agriculture of the House of Representatives, the Committee on Agriculture, Nutrition, and Forestry of the Senate, and the Committees on Appropriations of the House of Representatives and the Senate, the results of the study conducted under this section.

SEC. 765. INDICATION OF COUNTRY OF ORIGIN OF IMPORTED PERISHABLE AGRICULTURAL COMMODITIES. (a) DEFINITIONS.—In this section:

(1) FOOD SERVICE ESTABLISHMENT.—The term ''food service establishment'' means a restaurant, cafeteria, lunch room, food stand, saloon, tavern, bar, lounge, or other similar facility, operated as an enterprise engaged in the business of selling foods to the public.

(2) PERISHABLE AGRICULTURAL COMMODITY; RETAILER.—The terms ''perishable agricultural commodity'' and ''retailer'' have the meanings given the terms in section 1(b) of the Perishable Agricultural Commodities Act, 1930 (7 U.S.C. 499a(b)).

(b) NOTICE OF COUNTRY OF ORIGIN REQUIRED.—Except as provided in subsection (c), a retailer of a perishable agricultural commodity imported into the United States shall inform consumers, at the final point of sale of the perishable agricultural commodity to consumers, of the country of origin of the perishable agricultural commodity.

(c) EXEMPTION FOR FOOD SERVICE ESTABLISHMENTS.—Subsection (b) shall not apply to a perishable agricultural commodity imported into the United States to the extent that the perishable agricultural commodity is—

(1) prepared or served in a food service establishment; and

(2)(A) offered for sale or sold at the food service establishment in normal retail quantities; or

(B) served to consumers at the food service establishment.

(d) METHOD OF NOTIFICATION.—

(1) IN GENERAL.—The information required by subsection (b) may be provided to consumers by means of a label, stamp, mark, placard, or other clear and visible sign on the imported perishable agricultural commodity or on the package, display, holding unit, or bin containing the commodity at the final point of sale to consumers.

(2) LABELED COMMODITIES.—If the imported perishable agricultural commodity is already individually labeled regarding country of origin by the packer, importer, or another person, the retailer shall not be required to provide any additional information to comply with this section.

(e) VIOLATIONS.—If a retailer fails to indicate the country of origin of an imported perishable agricultural commodity as required by subsection (b), the Secretary of Agriculture may assess a civil penalty on the retailer in an amount not to exceed—

(1) $1,000 for the first day on which the violation occurs; and

(2) $250 for each day on which the same violation continues.

(f) DEPOSIT OF FUNDS.—Amounts collected under subsection (e) shall be deposited in the Treasury of the United States as miscellaneous receipts.

(g) APPLICATION OF SECTION.—This section shall apply with respect to a perishable agricultural commodity imported into the United States after the end of the 6-month period beginning on the date of the enactment of this Act.

SEC. 766. (a) FINDINGS.—

(1) The President's budget submission includes unauthorized user fees.

(2) It is unlikely these fees will be authorized in the immediate future.

(3) The assumption of revenue from unauthorized user fees results in a shortfall of funds available for programs under the jurisdiction of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Subcommittee.

(4) That among the programs for which additional funds can be justified are—

(A) human nutrition research;

(B) the Food Safety Initiative activities of the United States Department of Agriculture and the Food and Drug Administration;

(C) the Wetlands Reserve Program;

(D) the conservation Farm Option Program;

(E) the Farmland Protection Program;

(F) the Inspector General's Law Enforcement Initiative;

(G) the Food and Drug Administration pre-notification certification;

(H) the Food and Drug Administration clinical pharmacology;

(I) the Food and Drug Administration Office of Cosmetics and Color;

(J) the Rural Electric loan programs;

(K) the Pesticide Data Program;

(L) the Rural Community Advancement Program;

(M) civil rights activities; and

(N) the Fund for Rural America.

(b) SENSE OF SENATE.—Therefore, it is the sense of the Senate that in the event an additional allocation becomes available, the before mentioned programs should be considered for funding.

SEC. 767. OFFICE OF THE SMALL FARMS ADVOCATE. (a) DEFINITION OF SMALL FARM.—In this section, the term ''small farm'' has the meaning given the term in section 506 of the Rural Development Act of 1972 (7 U.S.C. 2666).

(b) ESTABLISHMENT.—Not later than 180 days after the date of enactment of this Act, the Secretary of Agriculture shall establish and maintain in the Department of Agriculture an Office of the Small Farms Advocate.

(c) FUNCTIONS.—The Office of the Small Farms Advocate shall—

(1) cooperate with, and monitor, agencies and offices of the Department to ensure that the Department is meeting the needs of small farms;

(2) provide input to agencies and offices of the Department on program and policy decisions to ensure that the interests of small farms are represented; and

(3) develop and implement a plan to coordinate the effective delivery of services of the Department to small farms.

(d) ADMINISTRATOR.—

(1) APPOINTMENT.—The Office of the Small Farms Advocate shall be headed by an Administrator, who shall be appointed by the President, with the advice and consent of the Senate. Nothing in this Act shall be construed to authorize a net increase in the number of political appointees within the Department of Agriculture.

(2) DUTIES.—The Administrator shall—

(A) act as an advocate for small farms in connection with policies and programs of the Department; and

(B) carry out the functions of the Office of the Small Farms Advocate under subsection (b).

(3) EXECUTIVE SCHEDULE.—Section 5315 of title 5, United States Code, is amended by adding at the end the following:

''Administrator, Office of the Small Farms Advocate, Department of Agriculture.''.

(e) RESOURCES.—Using funds that are otherwise available to the Department of Agriculture, the Secretary shall provide the Office of the Small Farms Advocate with such human and capital resources as are sufficient for the Office to carry out its functions in a timely and efficient manner.

(f) ANNUAL REPORT.—The Secretary shall annually submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate an annual report that describes actions taken by the Office of the Small Farms Advocate to further the interests of small farms.

SEC. 768. LIMIT ON PENALTY FOR INADVERTENT VIOLATION OF CONTRACT UNDER THE AGRICULTURAL MARKET TRANSITION ACT. If an owner or producer, in good faith, inadvertently plants edible beans during the 1998 crop year on acreage covered by a contract under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.), the Secretary of Agriculture shall minimize penalties imposed for the planting to prevent economic injury to the owner or producer.

SEC. 769. The Secretary of Agriculture shall present to Congress by March 1, 1999 a report on whether to recommend lifting the ban on the interstate-distribution of State inspected meat.

SEC. 770. PROHIBITION ON LOAN GUARANTEES TO BORROWERS THAT HAVE RECEIVED DEBT FORGIVENESS. Section 373 of the Consolidated Farm and Rural Development Act (7 U.S.C. 2008h) is amended by striking subsection (b) and inserting the following:

''(b) PROHIBITION OF LOANS FOR BORROWERS THAT HAVE RECEIVED DEBT FORGIVENESS.—

''(1) PROHIBITIONS.—Except as provided in paragraph (2)—

''(A) the Secretary may not make a loan under this title to a borrower that has received debt forgiveness on a loan made or guaranteed under this title; and

''(B) the Secretary may not guarantee a loan under this title to a borrower that has received—

''(i) debt forgiveness after April 4, 1996, on a loan made or guaranteed under this title; or

''(ii) received debt forgiveness on no more than 3 occasions on or before April 4, 1996.

''(2) EXCEPTIONS.—

''(A) IN GENERAL.—The Secretary may make a direct or guaranteed farm operating loan for paying annual farm or ranch operating expenses of a borrower that was restructured with a write-down under section 353.

''(B) EMERGENCY LOANS.—The Secretary may make an emergency loan under section 321 to a borrower that—

''(i) on or before April 4, 1996, received not more than 1 debt forgiveness on a loan made or guaranteed under this title; and

''(ii) after April 4, 1996, has not received debt forgiveness on a loan made or guaranteed under this title.''.

SEC. 771. DEFINITION OF FAMILY FARM. (a) REAL ESTATE LOANS.—Section 302 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1922) is amended by adding at the end the following:

''(c) DETERMINATION OF QUALIFICATION FOR LOAN.—

''(1) PRIMARY FACTOR.—The primary factor to be considered in determining whether an applicant for a loan under this subtitle is engaged primarily and directly in farming or ranching shall be whether the applicant is participating in routine, ongoing farm activities and in overall decisionmaking with regard to the farm or ranch.

''(2) NO BASIS FOR DENIAL OF LOAN.—The Secretary may not deny a loan under this subtitle solely because 2 or more individuals are employed full-time in the farming operation for which the loan is sought.''.

(b) OPERATING LOANS.—Section 311 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1941) is amended by adding at the end the following:

''(d) DETERMINATION OF QUALIFICATION FOR LOAN.—

''(1) PRIMARY FACTOR.—The primary factor to be considered in determining whether an applicant for a loan under this subtitle is engaged primarily and directly in farming or ranching shall be whether the applicant is participating in routine, ongoing farm activities and in overall decisionmaking with regard to the farm or ranch.

''(2) NO BASIS FOR DENIAL OF LOAN.—The Secretary may not deny a loan under this subtitle solely because 2 or more individuals are employed full-time in the farming operation for which the loan is sought.''.

(c) EMERGENCY LOANS.—Section 321 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1961) is amended by adding at the end the following:

''(e) DETERMINATION OF QUALIFICATION FOR LOAN.—

''(1) PRIMARY FACTOR.—The primary factor to be considered in determining whether an applicant for a loan under this subtitle is engaged primarily and directly in farming or ranching shall be whether the applicant is participating in routine, ongoing farm activities and in overall decisionmaking with regard to the farm or ranch.

''(2) NO BASIS FOR DENIAL OF LOAN.—The Secretary may not deny a loan under this subtitle solely because 2 or more individuals are employed full-time in the farming operation for which the loan is sought.''.

(d) EFFECTIVE DATE.—This section shall be considered to have been in effect as of January 1, 1977.

SEC. 772. APPLICABILITY OF DISASTER LOAN COLLATERAL REQUIREMENTS UNDER THE SMALL BUSINESS ACT. Section 324(d) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1964(d)) is amended—

(1) by striking ''(d) All loans'' and inserting the following:

''(d) REPAYMENT.—

''(1) IN GENERAL.— All loans''; and

(2) by adding at the end the following:

''(2) NO BASIS FOR DENIAL OF LOAN.—

''(A) IN GENERAL.—Subject to subparagraph (B), the Secretary shall not deny a loan under this subtitle to a borrower by reason of the fact that the borrower lacks a particular amount of collateral for the loan if the Secretary is reasonably certain that the borrower will be able to repay the loan.

''(B) REFUSAL TO PLEDGE AVAILABLE COLLATERAL.—The Secretary may deny or cancel a loan under this subtitle if a borrower refuses to pledge available collateral on request by the Secretary.''.

SEC. 773. NOTIFICATION OF RECALLS OF DRUGS AND DEVICES. (a) MATTHEW'S LAW.—This section shall be referred to as ''Matthew's Law''.

(b) DRUGS.—Section 505 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355) is amended by adding at the end the following:

''(o)(1) If the Secretary withdraws an application for a drug under paragraph (1) or (2) of the first sentence of subsection (e) and a class I recall for the drug results, the Secretary shall take such action as the Secretary may determine to be appropriate to ensure timely notification of the recall to individuals that received the drug, including using the assistance of health professionals that prescribed or dispensed the drug to such individuals.

''(2) In this subsection:

''(A) The term 'Class I' refers to the corresponding designation given recalls in subpart A of part 7 of title 21, Code of Federal Regulations, or a successor regulation.

''(B) The term 'recall' means a recall, as defined in subpart A of part 7 of title 21, Code of Federal Regulations, or a successor regulation, of a drug.''.

(c) DEVICES.—Section 518(e) of such Act (21 U.S.C. 360h(e)) is amended—

(1) in the last sentence of paragraph (2), by inserting ''or if the recall is a class I recall,'' after ''cannot be identified''; and

(2) by adding at the end the following:

''(4) In this subsection, the term 'Class I' refers to the corresponding designation given recalls in subpart A of part 7 of title 21, Code of Federal Regulations, or a successor regulation.''.

(d) CONFORMING AMENDMENT.—Section 705(b) of such Act (21 U.S.C. 375(b)) is amended—

(1) by striking ''or gross'' and inserting ''gross''; and

(2) by striking the period and inserting '', or a class I recall of a drug or device as described in section 505(o)(1) or 518(e)(2).''.

(e) EFFECTIVE DATE.—This section shall take effect one day after the date of enactment of this Act.

TITLE VIII—AGRICULTURAL CREDIT RESTORATION ACT

SEC. 801. SHORT TITLE. This title may be cited as the ''Agricultural Credit Restoration Act''.

SEC. 802. AMENDMENTS TO THE CONSOLIDATED FARM AND RURAL DEVELOPMENT ACT. (a) Section 343(a)(12)(B) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(a)(12)(B)) is amended to read as follows:

''(B) EXCEPTIONS.—The term 'debt forgiveness' does not include—

''(i) consolidation, rescheduling, reamortization, or deferral of a loan;

''(ii) 1 debt forgiveness in the form of a restructuring, write-down, or net recovery buyout, which occurred prior to date of enactment and was due to a financial problem of the borrower relating to a natural disaster or a medical condition of the borrower or of a member of the immediate family of the borrower (or, in the case of a borrower that is an entity, a principal owner of the borrower or a member of the immediate family of such an owner); and

''(iii) any restructuring, write-down, or net recovery buy-out provided as a part of a resolution of a discrimination complaint against the Secretary.''.

(b) Section 355(c)(2) of such Act (7 U.S.C. 2003(c)(2)) is amended to read as follows:

''(2) RESERVATION AND ALLOCATION.—

''(A) IN GENERAL.—The Secretary shall, to the greatest extent practicable, reserve and allocate the proportion of each State's loan funds made available under subtitle B that is equal to that State's target participation rate for use by the socially disadvantaged farmers or ranchers in that State. The Secretary shall, to the extent practicable, distribute the total so derived on a county by county basis according to the number of socially disadvantaged farmers or ranchers in the county.

''(B) REALLOCATION OF UNUSED FUNDS.—The Secretary may pool any funds reserved and allocated under this paragraph with respect to a State that are not used as described in subparagraph (A) in a State in the first 10 months of a fiscal year with the funds similarly not so used in other States, and may reallocate such pooled funds in the discretion of the Secretary for use by socially disadvantaged farmers and ranchers in other States.''.

(c) Section 373(b)(1) of such Act (7 U.S.C. 2008h(b)(1)) is amended to read as follows:

''(1) IN GENERAL.—Except as provided in this paragraph and in paragraph (2), the Secretary may not make or guarantee a loan under subtitle A or B to a borrower who received debt forgiveness on a loan made or guaranteed under this title unless such forgiveness occurred prior to April 4, 1996.''.

SEC. 803. REGULATIONS. Not later than 90 days after the date of the enactment of this Act, the Secretary of Agriculture shall promulgate regulations necessary to carry out the amendments made by this Act, without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code; and

(2) the statement of policy of the Secretary of Agriculture relating to notices of proposed rulemaking and public participation in rulemaking that became effective on July 24, 1971 (36 Fed. Reg. 13804).

TITLE IX—INDIA-PAKISTAN RELIEF ACT

SEC. 901. SHORT TITLE. This title may be cited as the ''India-Pakistan Relief Act of 1998''.

SEC. 902. WAIVER AUTHORITY. (a) AUTHORITY.—The President may waive for a period not to exceed one year upon enactment of this Act with respect to India or Pakistan the application of any sanction or prohibition (or portion thereof) contained in section 101 or 102 of the Arms Export Control Act, section 620E(e) of the Foreign Assistance Act of 1961, or section 2(b)(4) of the Export Import Bank Act of 1945.

(b) EXCEPTION.—The authority provided in subsection (a) shall not apply to any restriction in section 102(b)(2) (B), (C), or (G) of the Arms Export Control Act.

(c) AVAILABILITY OF AMOUNTS.—Amounts made available by this section are designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: Provided, That such amounts shall be available only to the extent that an official budget request that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

SEC. 903. CONSULTATION. Prior to each exercise of the authority provided in section 902, the President shall consult with the appropriate congressional committees.

SEC. 904. REPORTING REQUIREMENT. Not later than 30 days prior to the expiration of a one-year period described in section 902, the Secretary of State shall submit a report to the appropriate congressional committees on economic and national security developments in India and Pakistan.

SEC. 905. APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED. In this title, the term ''appropriate congressional committees'' means the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives and the Committees on Appropriations of the House of Representatives and the Senate.

TITLE X—MEAT LABELING

SEC. 1001. DEFINITIONS. Section 1 of the Federal Meat Inspection Act (21 U.S.C. 601) is amended by adding at the end the following:

''(w) BEEF.—The term 'beef'' means meat produced from cattle (including veal).

''(x) LAMB.—The term 'lamb' means meat, other than mutton, produced from sheep.

''(y) BEEF BLENDED WITH IMPORTED MEAT.—The term 'beef blended with imported meat' means ground beef, or beef in another meat food product that contains United States beef and any imported meat.

''(z) LAMB BLENDED WITH IMPORTED MEAT.—The term 'lamb blended with imported meat' means ground meat, or lamb in another meat food product, that contains United States lamb and any imported meat.

''(aa) IMPORTED BEEF.—The term 'imported beef' means any beef, including any fresh muscle cuts, ground meat, trimmings, and beef in another meat food product, that is not United States beef, whether or not the beef is graded with a quality grade issued by the Secretary.

''(bb) IMPORTED LAMB.—The term 'imported lamb' means any lamb, including any fresh muscle cuts, ground meat, trimmings, and lamb in another meat food product, that is not United States lamb, whether or not the lamb is graded with a quality grade issued by the Secretary.

''(cc) UNITED STATES BEEF.—

''(1) IN GENERAL.—The term 'United States beef' means beef produced from cattle slaughtered in the United States.

''(2) EXCLUSIONS.—The term 'United States beef' does not include—

''(A) beef produced from cattle imported into the United States in sealed trucks for slaughter;

''(B) beef produced from imported carcasses;

''(C) imported beef trimmings; or

''(D) imported boxed beef.

''(dd) UNITED STATES LAMB.—

''(1) IN GENERAL.—The term 'United States lamb' means lamb, except mutton, produced from sheep slaughtered in the United States.

''(2) EXCLUSIONS.—The term 'United States lamb' does not include—

''(A) lamb produced from sheep imported into the United States in sealed trucks for slaughter;

''(B) lamb produced from an imported carcass;

''(C) imported lamb trimmings; or

''(D) imported boxed lamb.''.

SEC. 1002. LABELING OF IMPORTED MEAT AND MEAT FOOD PRODUCTS. (a) LABELING REQUIREMENT.—

(1) IN GENERAL.—Section 1(n) of the Federal Meat Inspection Act (21 U.S.C. 601(n)) is amended by adding at the end the following:

''(13)(A) If it is imported beef or imported lamb offered for retail sale as fresh muscle cuts of beef or lamb and is not accompanied by labeling that identifies it as imported beef or imported lamb.

''(B) If it is United States beef or United States lamb offered for retail sale, or offered and intended for export as fresh muscle cuts of beef or lamb, and is not accompanied by labeling that identifies it as United States beef or United States lamb.

''(C) If it is United States or imported ground beef or other processed beef or lamb product and is not accompanied by labeling that identifies it 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 beef and imported beef United States lamb and imported lamb or contained in the product, as determined by the Secretary under section 7(g).''.

(2) CONFORMING AMENDMENT.—Section 20(a) of the Federal Meat Inspection Act (21 U.S.C. 620(a)) is amended by adding at the end the following: ''All imported beef or imported lamb offered for retail sale as fresh muscle cuts of beef or lamb shall be plainly and conspicuously marked, labeled, or otherwise identified as imported beef or imported lamb.''.

(b) GROUND OR PROCESSED BEEF AND LAMB.—Section 7 of the Federal Meat Inspection Act (21 U.S.C. 607) is amended by adding at the end the following:

''(g) GROUND OR PROCESSED BEEF AND LAMB.—

''(1) VOLUNTARY LABELING.—Subject to paragraph (2), the Secretary shall provide by 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. 1003. 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.

TITLE XI—BIODIESEL ENERGY DEVELOPMENT ACT

SEC. 1101. SHORT TITLE; TABLE OF CONTENTS. (a) SHORT TITLE.—This title may be cited as the ''Biodiesel Energy Development Act of 1998''.

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

Sec. 1101. Short title; table of contents.
Sec. 1102. Definitions.
Sec. 1103. Amendments to the Energy Policy and Conservation Act.
Sec. 1104. Minimum Federal fleet requirement.
Sec. 1105. State and local incentives programs.
Sec. 1106. Alternative fuel bus program.
Sec. 1107. Alternative fuel use in nonroad vehicles, engines, and marine vessels.
Sec. 1108. Mandate for alternative fuel providers.
Sec. 1109. Replacement fuel supply and demand program.
Sec. 1110. Modification of goals; additional rulemaking authority.
Sec. 1111. Fleet requirement program.
Sec. 1112. Credits.
Sec. 1113. Secretary's recommendation to Congress.

SEC. 1102. DEFINITIONS. Section 301 of the Energy Policy Act of 1992 (42 U.S.C. 13211) is amended—

(1) in paragraph (2), by striking ''derived from biological materials'' and inserting ''derived from domestically produced renewable biological materials (including biodiesel) at mixtures not less than 20 percent by volume'';

(2) in paragraph (8), by striking subparagraph (B) and inserting the following:

''(B) a motor vehicle (other than an automobile) or marine vessel that is capable of operating on alternative fuel, gasoline, or diesel fuel, or an approved blend of alternative fuel and petroleum-based fuel.'';

(3) by redesignating paragraphs (11) through (14) as paragraphs (12), (14), (15), and (16), respectively;

(4) by inserting after paragraph (10) the following:

''(11) the term 'heavy duty motor vehicle' means a motor vehicle or marine vessel that is greater than 8,500 pounds gross vehicle weight rating;'';

(5) by inserting after paragraph (12) (as redesignated by paragraph (3)) the following:

''(13) the term 'marine vessel' means a motorized watercraft or other artificial contrivance used as a means of transportation primarily on the navigable waters of the United States;'';

(6) in paragraph (15) (as redesignated by paragraph (3)), by striking ''biological materials'' and inserting ''domestically produced renewable biological materials (including biodiesel)''.

SEC. 1103. AMENDMENTS TO THE ENERGY POLICY AND CONSERVATION ACT. Section 400AA of the Energy Policy and Conservation Act (42 U.S.C. 6374) is amended—

(1) in the second sentence of subsection (a)(3)(B), by striking ''vehicles converted to use alternative fuels may be acquired if, after conversion,'' and inserting ''existing fleet vehicles may be converted to use alternative fuels at the time of a major vehicle overhaul or rebuild, or vehicles that have been converted to use alternative fuels may be acquired, if''; and

(2) in subsection (g)—

(A) in paragraph (2), by striking ''derived from biological materials'' and inserting ''derived from domestically produced renewable biological materials (including biodiesel) at mixtures not less than 20 percent by volume'';

(B) in paragraph (5), by striking subparagraph (B) and inserting the following:

''(B) a motor vehicle (other than an automobile) or marine vessel that is capable of operating on alternative fuel, gasoline, or diesel fuel, or an approved blend of alternative fuel and petroleum-based fuel; and''; and

(C) in paragraph (6), by inserting ''or marine vessel'' after ''a vehicle''.

SEC. 1104. MINIMUM FEDERAL FLEET REQUIREMENT. Section 303 of the Energy Policy Act of 1992 (42 U.S.C. 13212) is amended—

(1) by redesignating subsections (c) through (f) as subsections (d) through (g), respectively; and

(2) by inserting after subsection (b) the following:

''(c) HEAVY DUTY AND DUAL-FUELED VEHICLE COMPLIANCE CREDITS.—

''(1) IN GENERAL.—For purposes of meeting the requirements of this section, the Secretary, in consultation with the Administrator of General Services, if appropriate, shall permit a Federal fleet to acquire 1 heavy duty alternative fueled vehicle in place of 2 light duty alternative fueled vehicles.

''(2) ADDITIONAL CREDITS.—For purposes of this section, the Secretary, in consultation with the Administrator of General Services, if appropriate, shall permit a Federal fleet to take an additional credit for the purchase and documented use of alternative fuel used in a dual-fueled vehicle, comparable conventionally-fueled motor vehicle, or marine vessel.

''(3) ACCOUNTING.—

''(A) IN GENERAL.—In allowing a credit for the purchase of a dual-fueled vehicle or alternative fuel, the Secretary may request a Federal agency to provide an accounting of the purchase.

''(B) GUIDELINES.—The Secretary shall include any request made under subparagraph (A) in the guidelines required under section 308.

''(4) FUEL AND VEHICLE NEUTRALITY.—The Secretary shall carry out this subsection in a manner that is, to the maximum extent practicable, neutral with respect to the type of fuel and vehicle used.''.

SEC. 1105. STATE AND LOCAL INCENTIVES PROGRAMS. (a) ESTABLISHMENT OF PROGRAM.—Section 409(a) of the Energy Policy Act of 1992 (42 U.S.C. 13235(a)) is amended—

(1) in paragraph (2)(A), by striking ''alternative fueled vehicles'' and inserting ''light and heavy duty alternative fueled vehicles and increasing the use of alternative fuels''; and

(2) in paragraph (3)—

(A) in subparagraph (B), by inserting after ''introduction of'' the following: ''converted or acquired light and heavy duty'';

(B) in subparagraph (E), by inserting after ''of sales of'' the following: '', incentives toward use of, and reporting requirements relating to''; and

(C) in subparagraph (G)—

(i) by redesignating clauses (i) through (iii) as clauses (ii) through (iv), respectively; and

(ii) by inserting after ''cost of—'' the following:

''(I) alternative fuels;''.

(b) FEDERAL ASSISTANCE TO STATES.—Section 409(b) of the Energy Policy Act of 1992 (42 U.S.C. 13235(b)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (B), by striking ''and'' at the end;

(B) in subparagraph (C), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(D) grants of Federal financial assistance for the incremental purchase cost of alternative fuels.'';

(2) in paragraph (2)(B), by inserting after ''be introduced'' the following: ''and the volume of alternative fuel likely to be consumed''; and

(3) in paragraph (3)—

(A) by inserting ''alternative fuels and'' after ''in procuring''; and

(B) by inserting ''fuels and'' after ''of such''.

(c) GENERAL PROVISIONS.—Section 409(c)(2)(A) of the Energy Policy Act of 1992 (42 U.S.C. 13235(c)(2)(A)) is amended by inserting after ''alternative fueled vehicles in use'' the following: ''and volume of alternative fuel consumed''.

SEC. 1106. ALTERNATIVE FUEL BUS PROGRAM. Section 410(c) of the Energy Policy Act of 1992 (42 U.S.C. 13236(c)) is amended in the second sentence by striking ''and the conversion of school buses to dedicated vehicles'' and inserting ''the incremental cost of alternative fuels used in flexible fueled school buses, and the conversion of school buses to alternative fueled vehicles''.

SEC. 1107. ALTERNATIVE FUEL USE IN NONROAD VEHICLES, ENGINES, AND MARINE VESSELS. Section 412 of the Energy Policy Act of 1992 (42 U.S.C. 13238) is amended—

(1) in the section heading, by striking ''and engines'' and inserting '', engines, and marine vessels'';

(2) by striking ''vehicles and engines'' each place it appears in subsections (a) and (b) and inserting ''vehicles, engines, and marine vessels'';

(3) in subsection (a)—

(A) in the subsection heading, by striking ''NONROAD VEHICLES AND ENGINES'' and inserting ''IN GENERAL'';

(B) in paragraph (1)—

(i) in the first sentence, by striking ''a study'' and inserting ''studies''; and

(ii) in the second sentence—

(I) by striking ''study'' and inserting ''studies''; and

(II) by striking ''2 years'' and inserting ''2, 6, and 10 years'';

(C) in paragraph (2)—

(i) by striking ''study'' each place it appears and inserting ''studies''; and

(ii) in the second sentence, by inserting ''or marine vessels'' after ''such vehicles''; and

(D) in paragraph (3)—

(i) by striking ''report'' and inserting ''reports''; and

(ii) by striking ''may'' and inserting ''shall''; and

(4) in subsection (b)—

(A) in the subsection heading, by striking ''AND ENGINES'' and inserting '', ENGINES, AND MARINE VESSELS''; and

(B) by striking ''rail transportation, vehicles used at airports, vehicles or engines used for marine purposes, and other vehicles or engines'' and inserting ''rail and waterway transportation, vehicles used at airports and seaports, vehicles or engines used for marine purposes, marine vessels, and other vehicles, engines, or marine vessels''.

SEC. 1108. MANDATE FOR ALTERNATIVE FUEL PROVIDERS. Section 501 of the Energy Policy Act of 1992 (42 U.S.C. 13251) is amended—

(1) in subsection (a)(1), by inserting ''or heavy'' after ''new light''; and

(2) in subsection (b)—

(A) in paragraph (1), by striking ''and'' at the end;

(B) in paragraph (2), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(3) allow the conversion of an existing fleet vehicle into a dual-fueled alternative fueled vehicle at the time of a major overhaul or rebuild of the vehicle, if the original equipment manufacturer's warranty continues to apply to the vehicle, pursuant to an agreement between the original equipment manufacturer and the person performing the conversion.''.

SEC. 1109. REPLACEMENT FUEL SUPPLY AND DEMAND PROGRAM. Section 502 of the Energy Policy Act of 1992 (42 U.S.C. 13252) is amended—

(1) in the first sentence of subsection (a), by inserting ''and heavy'' after ''in light''; and

(2) in the first sentence of subsection (b), by inserting after ''October 1, 1993,'' the following: ''and every 5 years thereafter through October 1, 2008,''.

SEC. 1110. MODIFICATION OF GOALS; ADDITIONAL RULEMAKING AUTHORITY. Section 504 of the Energy Policy Act of 1992 (42 U.S.C. 13254) is amended—

(1) in the first sentence of subsection (a), by striking ''and periodically thereafter'' and inserting ''consistent with the reporting requirements of section 502(b)''; and

(2) in subsection (c), by inserting after the first sentence the following: ''Any additional regulation issued by the Secretary shall be, to the maximum extent practicable, neutral with respect to the type of fuel and vehicle used.''.

SEC. 1111. FLEET REQUIREMENT PROGRAM. (a) FLEET PROGRAM PURCHASE GOALS.—Section 507(a)(1) of the Energy Policy Act of 1992 (42 U.S.C. 13257(a)(1)) is amended by inserting ''acquired as, or converted into,'' after ''shall be''.

(b) FLEET REQUIREMENT PROGRAM.—Section 507(g) of the Energy Policy Act of 1992 (42 U.S.C. 13257(g)) is amended—

(1) in paragraph (1), by inserting ''acquired as, or converted into,'' after ''shall be'';

(2) by redesignating paragraph (4) as paragraph (5); and

(3) by inserting after paragraph (3) the following:

''(4) SUBSTITUTIONS.—The Secretary shall, by rule, permit fleets covered under this section to substitute the acquisition or conversion of 1 heavy duty alternative fueled vehicle for 2 light duty vehicle acquisitions to meet the requirements of this subsection.''.

(c) CONVERSIONS.—Section 507(j) of the Energy Policy Act of 1992 (42 U.S.C. 13257(j)) is amended—

(1) by striking ''Nothing in'' and inserting the following:

''(1) IN GENERAL.—Subject to paragraph (2), nothing in''; and

(2) by adding at the end the following:

''(2) CONVERSION INTO ALTERNATIVE FUELED VEHICLES.—

''(A) IN GENERAL.—A fleet owner shall be permitted to convert an existing fleet vehicle into an alternative fueled vehicle, and purchase the alternative fuel for the converted vehicle, for the purpose of compliance with this title or an amendment made by this title, if the original equipment manufacturer's warranty continues to apply to the vehicle, pursuant to an agreement between the original equipment manufacturer and the person performing the conversion.

''(B) CREDITS.—A fleet owner shall be allowed a credit for the conversion of an existing fleet vehicle and the purchase of alternative fuel for the vehicle.''.

(d) MANDATORY STATE FLEET PROGRAMS.—Section 507(o) of the Energy Policy Act of 1992 (42 U.S.C. 13257(o)) is amended—

(1) in paragraph (1)—

(A) by inserting ''or heavy'' after ''new light''; and

(B) by inserting ''or converted'' after ''acquired''; and

(2) in the first sentence of paragraph (2)(A)—

(A) by striking ''this Act'' and inserting ''the Biodiesel Energy Development Act of 1997''; and

(B) by inserting after ''of light'' the following: ''or heavy duty alternative fueled''.

SEC. 1112. CREDITS. (a) IN GENERAL.—Section 508(a) of the Energy Policy Act of 1992 (42 U.S.C. 13258(a)) is amended—

(1) by striking ''The Secretary'' and inserting the following:

''(1) ADDITIONAL ALTERNATIVE FUELED VEHICLES.—The Secretary''; and

(2) by adding at the end the following:

''(2) ALTERNATIVE FUEL.—The Secretary shall allocate a credit to a fleet or covered person that acquires a volume of alternative fuel equal to the estimated need for 1 year for any dual-fueled vehicle acquired or converted by the fleet or covered person as required under this title.''.

(b) ALLOCATION.—Section 508(b) of the Energy Policy Act of 1992 (42 U.S.C. 13258(b)) is amended—

(1) by striking ''In allocating credits under subsection (a),'' and inserting the following:

''(1) ADDITIONAL ALTERNATIVE FUELED VEHICLES.—In allocating credits under subsection (a)(1),''; and

(2) by adding at the end the following:

''(2) DUAL-FUELED VEHICLES; ALTERNATIVE FUEL.—In allocating credits under subsection (a)(2), the Secretary shall allocate 2 credits to a fleet or covered person for acquiring or converting a dual-fueled vehicle and acquiring a volume of alternative fuel equal to the estimated need for 1 year for any dual-fueled vehicle if the dual-fueled vehicle acquired is in excess of the number that the fleet or covered person is required to acquire or is acquired before the date that the fleet or covered person is required to acquire the number under this title.''.

SEC. 1113. SECRETARY'S RECOMMENDATION TO CONGRESS. Section 509(a) of the Energy Policy Act of 1992 (42 U.S.C. 13259(a)) is amended—

(1) in paragraph (1), by inserting before the semicolon at the end the following: ''and exempting replacement fuels from taxes levied on non-replacement fuels''; and

(2) in paragraph (2)—

(A) by inserting ''and converters'' after ''suppliers''; and

(B) by inserting before the semicolon the following: '', including the conversion and warranty of motor vehicles into alternative fueled vehicles''.

This Act may be cited as the ''Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 1999''.

AMENDMENT 3186

(The corrected text of amendment No. 3186, as agreed to on July 16, 1998, follows:)

AMENDMENT NO. 3186

(Purpose: To allow the USDA Rural Housing Service Administrator to provide non-monetary awards to non-USDA employees)

On page 40, line 20, strike the last period and replace with ''; ''

On page 40, line 20, after the ''; '' insert the following: ''*Provided further*, That the Administrator may expend not more than $10,000 to provide modest non-monetary awards to non-USDA employees.''

SHACKLEFORD BANKS WILD HORSES PROTECTION ACT

Mr. DOMENICI. Mr. President, I ask unanimous consent the Senate now proceed to the consideration of Calendar No. 229, H.R. 765.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

A bill (H.R. 765) to ensure maintenance of a herd of wild horses in Cape Lookout National Seashore.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Shackleford Banks Wild Horses Protection Act''.

SEC. 2. MAINTENANCE OF WILD HORSES IN CAPE LOOKOUT NATIONAL SEASHORE.

Section 5 of the Act entitled ''An Act to provide for the establishment of the Cape Lookout National Seashore in the State of North Carolina, and for other purposes'', approved March 10, 1966 (Public Law 89–366; 16 U.S.C. 459g–4), is amended by inserting ''(a)'' after ''Sec. 5.'', and by adding at the end the following new subsection:

''(b)(1) The Secretary, in accordance with this subsection, shall allow a herd of free-roaming horses in Cape Lookout National Seashore (hereinafter referred to as the 'Seashore').

''(2) Within 180 days after enactment of this subsection, the Secretary shall enter into an agreement with the Foundation for Shackleford Horses (a non-profit corporation established under the laws of the State of North Carolina), or another qualified non-profit entity, to provide for management of free-roaming horses in the seashore. The agreement shall—

''(A) provide for cost-effective management of the horses while ensuring that natural resources within the seashore are not adversely impacted; and,

''(B) allow the authorized entity to adopt any of those horses that the Secretary removes from the seashore.

''(3) The Secretary shall not remove, assist in, or permit the removal of any free-roaming horses from Federal lands within the boundaries of the seashore—

''(A) unless the entity with whom the Secretary has entered into the agreement under paragraph (2), following notice and a 90-day response period, fails to meet the terms and conditions of the agreement; or

''(B) unless the number of free-roaming horses on Federal lands within Cape Lookout National Seashore exceeds 110; or

''(C) except in the case of an emergency, or to protect public health and safety.

''(4) The Secretary shall annually monitor, assess, and make available to the public findings regarding the population structure and health of the free-roaming horses in the national seashore.

''(5) Nothing in this subsection shall be construed as creating liability for the United States for any damages caused by the free-roaming horses to property located inside or outside the boundaries of the seashore.''.

AMENDMENT NO. 3214

Mr. DOMENICI. There is an amendment at the desk to the bill. I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], for Mr. MURKOWSKI, proposes an amendment numbered 3214.

The amendment is as follows:

In lieu of the language proposed to be inserted, insert the following:

SEC. 1. MAINTENANCE OF WILD HORSES IN CAPE LOOKOUT NATIONAL SEASHORE.

Section 5 of the Act entitled ''An Act to provide for the establishment of the Cape Lookout National Seashore in the State of North Carolina, and for other purposes'', approved March 10, 1996 (Public Law 89–366; 16 U.S.C. 459g–4), is amended by inserting ''(a)'' after ''SEC. 5.'', and by adding at the end the following new subsection:

''(b)(1) The Secretary, in accordance with this subsection, shall allow a herd of 100 free roaming horses in Cape Lookout National Seashore (hereinafter referred to as the 'seashore'): *Provided*, That nothing in this section shall be construed to preclude the Secretary from implementing or enforcing the provisions of paragraph (3).

''(2) Within 180 days after enactment of this subsection, the Secretary shall enter into an agreement with the Foundation for Shackleford Horses (a nonprofit corporation established under the laws of the State of North Carolina), or another qualified nonprofit entity, to provide for management of free roaming horses in the seashore. The agreement shall—

''(A) provide for cost-effective management of the horses while ensuring that natural resources within the seashore are not adversely impacted; and

''(B) allow the authorized entity to adopt any of those horses that the Secretary removes from the seashore.

''(3) The Secretary shall not remove, assist in, or permit the removal of any free roaming horses from Federal lands within the boundaries of the seashore—

''(A) unless the entity with whom the Secretary has entered into the agreement under paragraph (2), following notice and a 90-day response period, fails to meet the terms and conditions of the agreement; or

''(B) unless the number of free roaming horses on Federal lands within Cape Lookout National Seashore exceeds 110; or

''(C) except in the case of an emergency, or to protect public health and safety.

''(4) The Secretary shall annually monitor, assess, and make available to the public findings regarding the population, structure, and health of the free roaming horses in the national seashore.

''(5) Nothing in this subsection shall be construed to require the Secretary to replace horses or otherwise increase the number of horses within the boundaries of the seashore where the herd numbers fall below 100 as a result of natural causes, including, but not limited to, disease or natural disasters.

''(6) Nothing in this subsection shall be construed as creating liability for the United States for any damages caused by the free roaming horses to property located inside or outside the boundaries of the seashore.''

Mr. DOMENICI. Mr. President, I ask unanimous consent the amendment be agreed to, the committee amendment as amended be agreed to, the bill be considered read a third time and passed, the motion to reconsider be laid upon the table, any statements relating to the bill appear at this point in the RECORD.

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

The amendment (No. 3214) was agreed to.

The committee amendment, as amended, was agreed to.

The bill was considered read a third time and passed as follows:

Resolved, That the bill from the House of Representatives (H.R. 765) entitled ''An Act to ensure maintenance of a herd of wild horses in Cape Lookout National Seashore.'', do pass with the following amendment:

Strike out all after the enacting clause and insert:

SECTION 1. MAINTENANCE OF WILD HORSES IN CAPE LOOKOUT NATIONAL SEASHORE.

Section 5 of the Act entitled ''An Act to provide for the establishment of the Cape Lookout National Seashore in the State of North Carolina, and for other purposes'', approved March 10, 1966 (Public Law 89–366; 16 U.S.C. 459g–4), is amended by inserting ''(a)'' after ''Sec. 5.'', and by adding at the end the following new subsection:

''(b)(1) The Secretary, in accordance with this subsection, shall allow a herd of 100 free roaming horses in Cape Lookout National Seashore (hereinafter referred to as the 'Seashore'): Provided, That nothing in this section shall be construed to preclude the Secretary from implementing or enforcing the provisions of paragraph (3).

''(2) Within 180 days after enactment of this subsection, the Secretary shall enter into an agreement with the Foundation for Shackleford Horses (a nonprofit corporation established under the laws of the State of North Carolina), or another qualified nonprofit entity, to provide for management of free roaming horses in the seashore. The agreement shall—

''(A) provide for cost-effective management of the horses while ensuring that natural resources within the seashore are not adversely impacted; and,

''(B) allow the authorized entity to adopt any of those horses that the Secretary removes from the seashore.

''(3) The Secretary shall not remove, assist in, or permit the removal of any free roaming horses from Federal lands within the boundaries of the seashore—

''(A) unless the entity with whom the Secretary has entered into the agreement under paragraph (2), following notice and a 90-day response period, fails to meet the terms and conditions of the agreement; or

''(B) unless the number of free roaming horses on Federal lands within Cape Lookout National Seashore exceeds 110; or

''(C) except in the case of an emergency, or to protect public health and safety.

''(4) The Secretary shall annually monitor, assess, and make available to the public findings regarding the population, structure, and health of the free roaming horses in the national seashore.

''(5) Nothing in this subsection shall be construed to require the Secretary to replace horses or otherwise increase the number of horses within the boundaries of the seashore where the herd numbers fall below 100 as a result of natural causes, including, but not limited to, disease or natural disasters.

''(6) Nothing in this subsection shall be construed as creating liability for the United States for any damages caused by the free roaming horses to property located inside or outside the boundaries of the seashore.''.

THE CALENDAR

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of the following bills: Calendar No. 443, S. 638; Calendar No. 349, S. 1069; Calendar No. 350, S. 1132; Calendar No. 444, S. 1043; Calendar No. 467, S. 1418; Calendar No. 454, S. 1510; Calendar No. 406, S. 1683; Calendar No. 464, S. 1695; Calendar No. 448, S. 1807; Calendar No. 450, H.R. 434; Calendar No. 445, H.R. 1439; Calendar No. 398, H.R. 1460, Calendar No. 446, H.R. 1779; Calendar No. 451, H.R. 2165; Calendar No. 452, H.R. 2217 and Calendar No. 453, H.R. 2841.

Mr. President, I ask unanimous consent that any committee amendments be agreed to; that the bills be read a third time and passed, as amended, if amended; that the motions to reconsider be laid upon the table; that any statements relating to the bills appear at the appropriate place in the RECORD, with the above occurring en bloc.

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

MOUNT ST. HELENS NATIONAL VOLCANIC MONUMENT COMPLETION ACT

The Senate proceeded to consider the bill (S. 638) to provide for the expeditious completion of the acquisition of private mineral interests within the Mount St. Helens National Volcanic Monument mandated by the 1982 Act that established the Monument, and for other purposes, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Mount St. Helens National Volcanic Monument Completion Act''.

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) the Act entitled ''An Act to designate the Mount St. Helens National Volcanic Monument in the State of Washington, and for other purposes'', approved August 26, 1982 (96 Stat. 301; 16 U.S.C. 431 note), required the United States to acquire all land and interests in land in the Mount St. Helens National Volcanic Monument;

(2) the Act directed the Secretary of Agriculture to acquire the surface interests and the mineral and geothermal interests by separate exchanges and expressed the sense of Congress that the exchanges be completed by November 24, 1982, and August 26, 1983, respectively; and

(3) the surface interests exchange was consummated timely, but the exchange of all mineral and geothermal interests has not yet been completed a decade and a half after the Act's enactment.

(b) PURPOSE.—The purpose of this Act is to provide for the expeditious completion of the previously mandated Federal acquisition of private mineral and geothermal interests within the Mount St. Helens National Volcanic Monument.

SEC. 3. ACQUISITION OF MINERAL RIGHTS WITHIN THE NATIONAL VOLCANIC MONUMENT.

Section 3 of the Act entitled ''An Act to designate the Mount St. Helens National Volcanic Monument in the State of Washington, and for other purposes'', approved August 26, 1982 (96 Stat. 302; 16 U.S.C. 431 note), is amended—

(1) in subsection (a), by striking ''and except that the Secretary may acquire mineral and geothermal interests only by exchange. It is the

sense of the Congress that in the case of mineral and geothermal interests such exchanges should be completed within one year after the date of enactment of this Act''; and

(2) by adding at the end the following:

''(g) EXPEDITIOUS COMPLETION OF MINERAL AND GEOTHERMAL INTERESTS.—

''(1) DEFINITION OF HOLDER.—In this subsection, the term 'holder' means a company, or its successor, referred to in subsection (c).

''(2) IN GENERAL.—Within the period described in paragraph (7), the Secretary of the Interior shall acquire by exchange the mineral and geothermal interests in the Monument of each holder.

''(3) MONETARY CREDITS.—

''(A) ISSUANCE.—In exchange for the mineral and geothermal interests acquired by the Secretary of the Interior from a holder under paragraph (2), the Secretary of the Interior shall issue to the holder monetary credits that may be exercised by the holder for payment of—

''(i) not more than 50 percent of the bonus or other payments made by successful bidders in any sales of mineral, oil, gas, or geothermal leases under the Mineral Leasing Act (30 U.S.C. 181 et seq.), the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.), or the Geothermal Steam Act of 1970 (30 U.S.C. 1001 et seq.); or

''(ii) not more than 50 percent of any royalty, rental, or advance royalty payment made to the United States to maintain any mineral, oil or gas, or geothermal lease issued under the Acts listed in clause (i).

''(B) VALUE OF CREDITS.—The credits issued under subparagraph (A) shall equal the fair market value of all mineral and geothermal interests conveyed in the exchange as determined under paragraph (4).

''(C) ACCEPTANCE OF CREDITS.—The Secretary of the Interior shall accept credits issued under subparagraph (A) in the same manner as cash for the payments described in subparagraph (A). The use and exercise of the credits shall be subject to the laws (including regulations) governing such payments, to the extent the laws are consistent with this subsection.

''(D) TREATMENT OF CREDITS FOR DISTRIBUTION TO STATES.—All amounts in the form of credits accepted by the Secretary of the Interior under subparagraph (C) for the payments described in subparagraph (A) shall be considered to be money received for the purpose of section 35 of the Mineral Leasing Act (30 U.S.C. 191) and section 20 of the Geothermal Steam Act of 1970 (30 U.S.C. 1019).

''(4) VALUATION OF INTERESTS.—

''(A) IN GENERAL.—Not later than 120 days after the date of enactment of this subsection, the mineral and geothermal interests to be conveyed by each holder in the exchanges required by paragraph (2) shall be valued by one of the following methods, as selected by the Secretary of the Interior:

''(i) USE OF APPRAISAL REPORT.—The 1982 value established by the report of the third party appraisal completed on September 11, 1991, shall be adjusted to reflect changes in the consumer price index for all urban consumers published by the Department of Labor as of the date on which the exchange is to be consummated pursuant to paragraph (7), or such other value as shall be mutually agreed to by the Secretary of the Interior and the holders not later than 30 days after the date of enactment of this subsection.

''(ii) NEW APPRAISAL.—

''(I) SELECTION OF APPRAISER.—Not later than 30 days after the date of enactment of this subsection, the Secretary of the Interior and the holders shall mutually agree on the selection of a qualified appraiser to conduct an appraisal of the mineral and geothermal interests.

''(II) NO AGREEMENT ON APPRAISER.—If no appraiser is mutually agreed to under subclause (I), not later than 60 days after the date of enactment of this subsection—

''(aa) the Secretary of the Interior and the holders shall each designate a qualified appraiser; and

''(bb) the two designated appraisers shall select a third qualified appraiser to perform the appraisal with the advice and assistance of the designated appraisers and in accordance with the instructions that were mutually agreed on for the September 11, 1991, third part appraisal.

''(III) DATE OF VALUATION.—The value of the mineral and geothermal interests to be conveyed by each holder shall be calculated as of August 26, 1982, adjusted to reflect changes in the consumer price index for all urban consumers published by the Department of Labor as of the date on which the exchange is to be consummated pursuant to paragraph (7).

''(IV) COSTS.—The Secretary of the Interior shall bear the costs of the process established by this clause.

''(B) TIMELY APPRAISAL REPORT.—The appraisal report resulting from subparagraph (A) shall be presented to the Secretary of the Interior timely to permit the Secretary of the Interior to determine the value of the mineral and geothermal interests to be conveyed by each holder. Not later than the date that is 180 days after the date of enactment of this subsection, the Secretary of the Interior shall notify each holder of the determination.

''(C) FAILURE OF PROCESS.—If the Secretary of the Interior fails to make a determination under subparagraph (B) by the date that is 180 days after the date of enactment of this subsection or if any holder does not agree with the value determined by the Secretary of the Interior under subparagraph (B), one or more of the holders may petition the United States Court of Federal Claims for a determination of the value of the mineral and geothermal interests to be conveyed by the holders in accordance with this subsection. Subject to the right of appeal, a determination by the Court shall be binding for purposes of this subsection on all parties.

''(5) EXCHANGE ACCOUNT.—

''(A) IN GENERAL.—Notwithstanding any other provision of law, not later than 30 days after the completion of each exchange with a holder required by this subsection, the Secretary of the Interior shall establish, with the Minerals Management Service of the Department of the Interior, an exchange account for the holder for monetary credits described in paragraph (3).

''(B) INITIAL BALANCE.—The initial balance of credits in each holder's account shall be equal to the value as determined under paragraph (4) of the mineral and geothermal interests conveyed by the holder in the exchange.

''(C) USE OF CREDITS.—The balance of credits in a holder's account shall be available to the holder or its assigns for the purposes of paragraph (3). The Secretary of the Interior shall adjust the balance of credits in the account to reflect payments made pursuant to paragraph (3).

''(D) TRANSFER OF CREDITS.—

''(i) IN GENERAL.—A holder may transfer or sell any credits in the holder's account to another person.

''(ii) USE OF TRANSFERRED CREDITS.—Credits transferred under clause (i) may be used in accordance with this subsection only by a person that is qualified to bid on, or that holds, a mineral, oil, or gas lease under the Mineral Leasing Act (30 U.S.C. 181 et seq.), the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.), or the Geothermal Steam Act of 1970 (30 U.S.C. 1001 et seq.).

''(iii) NOTIFICATION.—A holder shall notify the Secretary of the Interior of any transfer or sale under this subparagraph promptly after the transfer or sale.

''(E) TIME LIMIT ON USE OF CREDITS.—On the date that is 5 years after an account is created under subparagraph (A), the Secretary of the Interior shall terminate the account and any remaining credits in the account shall become unusable.

''(6) TITLE TO INTERESTS.—On the date of the establishment of an exchange account for a holder under paragraph (5)(A), title to any mineral and geothermal interests that are held by the holder and are to be acquired by the Secretary of the Interior under paragraph (2) shall transfer to the United States.

''(7) COMPLETION OF EXCHANGES.—The Secretary of the Interior shall complete the exchanges under paragraph (2) not later than 180 days after the date of enactment of this subsection or as soon as practicable after completion of the process described in paragraph (4)(C).''.

The committee amendment was agreed to.

The bill (S. 638), as amended, was deemed read the third time and passed.

NATIONAL DISCOVERY TRAILS ACT OF 1998

The Senate proceeded to consider the bill (S. 1069) entitled the ''National Discovery Trails Act of 1997, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''National Discovery Trails Act of 1998''.

SEC. 2. NATIONAL TRAILS SYSTEM ACT AMENDMENTS.

(a)(1) Section 3(a) of the National Trails System Act (16 U.S.C. 1242(a)) is amended by inserting after paragraph (4) the following:

''(5) National discovery trails, established as provided in section 5, which will be extended, continuous, interstate trails so located as to provide for outstanding outdoor recreation and travel and to connect representative examples of America's trails and communities. National discovery trails should provide for the conservation and enjoyment of significant natural, cultural, and historic resources associated with each trail and should be so located as to represent metropolitan, urban, rural, and back country regions of the Nation. Any such trail may be designated on federal lands and, with the consent of the owner thereof, on any non federal lands.''.

(2) FEASIBILITY REQUIREMENTS; COOPERATIVE MANAGEMENT REQUIREMENT.—Section 5(b) of such Act (16 U.S.C. 1244) is amended by adding at the end the following new paragraph:

''(12) For purposes of subsection (b), a trail shall not be considered feasible and desirable for designation as a national discovery trail unless it meets all of the following criteria:

''(A) The trail must link one or more areas within the boundaries of a metropolitan area (as those boundaries are determined under section 134(c) of title 23, United States Code). It should also join with other trails, connecting the National Trails System to significant recreation and resources areas.

''(B) The trail must be supported by at least one competent trailwide nonprofit organization. Each trail should have extensive local and trailwide support by the public, by user groups, and by affected State and local governments.

''(C) The trail must be extended and pass through more than one State. At a minimum, it should be a continuous, walkable route.

''(13) The appropriate Secretary for each national discovery trail shall administer the trail in cooperation with at least one competent trailwide volunteer-based organization. Where the designation of discovery trail is aligned with other units of the National Trails System, or State or local trails, the designation of a discovery trail shall not affect the protections or authorities provided for the other trail or trails, nor shall the designation of a discovery trail diminish the values and significance for which those trails were established.''.

(b) DESIGNATION OF THE AMERICAN DISCOVERY TRAIL AS A NATIONAL DISCOVERY TRAIL.—Section 5(a) of such Act (16 U.S.C. 1244(a)) is amended—

(1) by redesignating the paragraph relating to the California National Historic Trail as paragraph (18);

(2) by redesignating the paragraph relating to the Pony Express National Historic Trail as paragraph (19);

(3) by redesignating the paragraph relating to the Selma to Montgomery National Historic Trail as paragraph (20); and

(4) by adding at the end the following:

''(21) The American Discovery Trail, a trail of approximately 6,000 miles extending from Cape Henlopen State Park in Delaware to Point Reyes National Seashore in California, extending westward through Delaware, Maryland, the District of Columbia, West Virginia, Ohio, and Kentucky, where near Cincinnati it splits into two routes. The Northern Midwest route traverses Ohio, Indiana, Illinois, Iowa, Nebraska, and Colorado, and the Southern Midwest route traverses Indiana, Illinois, Missouri, Kansas, and Colorado. After the two routes rejoin in Denver, Colorado, the route continues through Colorado, Utah, Nevada, and California. The trail is generally described in Volume 2 of the National Park Service feasibility study dated June 1995 which shall be on file and available for public inspection in the office of the Director of the National Park Service, Department of the Interior, the District of Columbia. The American Discovery Trail shall be administered by the Secretary of the Interior in cooperation with at least one competent trailwide volunteer-based organization and other affected federal land managing agencies, and state and local governments, as appropriate. No lands or interests outside the exterior boundaries of federally administered areas may be acquired by the Federal Government solely for the American Discovery Trail. The provisions of sections 7(e), 7(f), and 7(g) shall not apply to the American Discovery Trail.''.

(c) COMPREHENSIVE NATIONAL DISCOVERY TRAIL PLAN.—Section 5 of such Act (16 U.S.C. 1244) is further amended by adding at the end the following new subsection:

''(g) Within three complete fiscal years after the date of enactment of any law designating a national discovery trail, the administering Federal agency shall, in cooperation with at least one competent trailwide volunteer-based organization, submit a comprehensive plan for the protection, management, development, and use of the federal portions of the trail, and provide technical assistance to states and local units of government and private landowners, as requested, for non-federal portions of the trail, to the Committee on Resources of the United States House of Representatives and the Committee on Energy and Natural Resources of the United States Senate. The responsible Secretary shall ensure that the comprehensive plan for the entire trail does not conflict with existing agency direction and that the volunteer-based organization shall consult with the affected land managing agencies, the Governors of the affected States, affected county and local political jurisdictions, and local organizations maintaining components of the trail. Components of the comprehensive plan include—

''(1) policies and practices to be observed in the administration and management of the trail, including the identification of all significant natural, historical, and cultural resources to be preserved, model agreements necessary for joint trail administration among and between interested parties, and an identified carrying capacity for critical segments of the trail and a plan for their implementation where appropriate;

''(2) general and site-specific trail-related development including costs; and

''(3) the process to be followed by the volunteer-based organization, in cooperation with the appropriate Secretary, to implement the trial marking authorities in section 7(c) conforming to approved trail logo or emblem requirements.''. Nothing in this Act may be construed to impose or permit the imposition of any landowner on the use of any non federal lands without the consent of the owner thereof. Neither the designation of a National Discovery Trail nor any plan relating thereto shall affect or be considered in the granting or denial of a right of way or any conditions relating thereto.''.

SEC. 3. CONFORMING AMENDMENTS.

The National Trails System Act is amended—

(1) in section 2(b) (16 U.S.C. 1241(b)), by striking ''scenic and historic'' and inserting ''scenic, historic, and discovery'';

(2) in the section heading to section 5 (16 U.S.C. 1244), by striking ''AND NATIONAL HISTORIC'' and inserting '', NATIONAL HISTORIC, AND NATIONAL DISCOVERY'';

(3) in section 5(a) (16 U.S.C. 1244(a)), in the matter preceding paragraph (1)—

(A) by striking ''and national historic'' and inserting '', national historic, and national discovery''; and

(B) by striking ''and National Historic'' and inserting '', National Historic, and National Discovery'';

(4) in section 5(b) (16 U.S.C. 1244(b)), in the matter preceding paragraph (1), by striking ''or national historic'' and inserting '', national historic, or national discovery;

(5) in section 5(b)(3) (16 U.S.C. 1244(b)(3)), by striking ''or national historic'' and inserting '', national historic, or national discovery'';

(6) in section 7(a)(2) (16 U.S.C. 1246(a)(2)), by striking ''and national historic'' and inserting '', national historic, and national discovery'';

(7) in section 7(b) (16 U.S.C. 1246(b)), by striking ''or national historic'' each place such term appears and inserting '', national historic, or national discovery'';

(8) in section 7(c) (16 U.S.C. 1246(c))—

(A) by striking ''scenic or national historic'' each place it appears and inserting ''scenic, national historic, or national discovery'';

(B) in the second proviso, by striking ''scenic, or national historic'' and inserting ''scenic, national historic, or national discovery''; and

(C) by striking '', and national historic'' and inserting '', national historic, and national discovery'';

(9) in section 7(d) (16 U.S.C. 1246(d)), by striking ''or national historic'' and inserting ''national historic, or national discovery'';

(10) in section 7(e) (16 U.S.C. 1246(e)), by striking ''or national historic'' each place such term appears and inserting '', national historic, or national discovery'';

(11) in section 7(f)(2) (16 U.S.C. 1246(f)(2)), by striking ''National Scenic or Historic'' and inserting ''national scenic, historic, or discovery trail'';

(12) in section 7(h)(1) (16 U.S.C. 1246(h)(1)), by striking ''or national historic'' and inserting ''national historic, or national discovery''; and

(13) in section 7(i) (16 U.S.C. 1246(i)), by striking ''or national historic'' and inserting ''national historic, or national discovery''.

The committee amendment was agreed to.

The bill (S. 1069), as amended, was deemed read the third time and passed.

BANDELIER NATIONAL MONUMENT ADMINISTRATIVE IMPROVEMENT AND WATERSHED PROTECTION ACT OF 1997

The Senate proceeded to consider the bill (S. 1132) to modify the boundaries of the Bandelier National Monument to include the lands within the headwater of the Upper Alamo Watershed which drain into the Monument and which are not currently within the jurisdiction of a Federal land management agency, to authorize purchase or donation of those lands and for other purposes, which had been reported from the Committee on Energy and Natural Resources, with amendments; as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italic.)

S. 1132

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 ''Bandelier National Monument Administrative Improvement and Watershed Protection Act of 1997''.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that:

(1) Bandelier National Monument (hereinafter, the Monument) was established by Presidential proclamation on February 11, 1916, to preserve the archeological resources of a ''vanished people, with as much land as may be necessary for the proper protection thereof. . .'' (No. 1322; 39 Stat. 1746).

(2) At various times since its establishment, the Congress and the President have adjusted the Monument's boundaries and purpose to further preservation of archeological and natural resources within the Monument.

(A) On February 25, 1932, the Otowi Section of the Santa Fe National Forest (some 4,699 acres of land) was transferred to the Monument from the Santa Fe National Forest (Presidential Proclamation No. 1191; 17 Stat. 2503).

(B) In December of 1959, 3,600 acres of Frijoles Mesa were transferred to the National Park Service from the Atomic Energy Committee (hereinafter, AEC) and subsequently added to the Monument on January 9, 1991, because of ''pueblo-type archeological ruins germane to those in the monument'' (Presidential Proclamation No. 3388).

(C) On May 27, 1963, Upper Canyon, 2,882 acres of land previously administered by the AEC, was added to the Monument to preserve ''their unusual scenic character together with geologic and topographic features, the preservation of which would implement the purposes'' of the Monument (Presidential Proclamation No. 3539).

(D) In 1976, concerned about upstream land management activities that could result in flooding and erosion in the Monument, Congress included the headwaters of the Rito de los Frijoles and the Cañada de Cochiti Grant (a total of 7,310 acres) within the Monument's boundaries (Public Law 94–578; 90 Stat. 2732).

(E) In 1976, Congress created the Bandelier Wilderness, a 23,267 acres area that covers over 70 percent of the Monument.

(3) The Monument still has potential threats from flooding, erosion, and water quality deterioration because of the mixed ownership of the upper watersheds, along its western border, particularly in Alamo Canyon.

[(b) PURPOSES.—The purposes of this Act are to**]** *(b) Purpose.—The purpose of this Act is to* modify the boundary of the Monument to allow for acquisition and enhanced protection of the lands within the Monument's upper watershed.

SEC. 3. BOUNDARY MODIFICATION.

Effective on the date of enactment of this Act, the boundaries of the Monument shall be modified to include approximately 935 acres of land comprised of the Elk Meadows

subdivision, the Gardner parcel, the Clark parcel, and the Baca Land & Cattle Co. lands within the Upper Alamo watershed as depicted on the map National Park Service map entitled [''Alamo Headwaters Proposed Additions'' dated 6/97.] *''Proposed Boundary Expansion Map Bandelier National Monument'' dated July, 1997.* Such map shall be on file and available for public inspection in the offices of the Director of the National Park Service, Department of the Interior.

[SEC. 4. TRANSFER AND ACQUISITION OF LANDS.

[Within the boundaries designated by this Act, the Secretary of the Interior is authorized to acquire lands (or interests in lands such as he determines shall adequately protect the Monument from flooding, erosion, and degradation of its drainage waters) by donation, purchase with donated or appropriated funds, exchange, or transfer of lands acquired by other Federal agencies.]

SEC. 4. LAND ACQUISITION.

(a) IN GENERAL.—Except as provided in subsections (b) and (c), the Secretary of the Interior is authorized to acquire lands and interests therein within the boundaries of the area added to the Monument by this Act by donation, purchase with donated or appropriated funds, transfer with another Federal agency, or exchange: Provided, That no lands or interests therein may be acquired except with the consent of the owner thereof.

(b) STATE AND LOCAL LANDS.—Lands or interests therein owned by the State of New Mexico or a political subdivision thereof may only be acquired by donation or exchange.

(c) ACQUISITION OF LESS THAN FEE INTERESTS IN LAND.—The Secretary may acquire less than fee interests in land only if the Secretary determines that such less than fee acquisition will adequately protect the Monument from flooding, erosion, and degradation of its drainage waters.

SEC. 5. ADMINISTRATION.

The Secretary of the Interior, acting through the Director of the National Park Service, shall manage the national Monument, including lands added to the Monument by this Act, in accordance with this Act and the provisions of law generally applicable to units of National Park System, including the Act of [August 25, an Act] *August 25, 1916, an Act* to establish a National Park Service (39 Stat. 535; 16 U.S.C. 1 et seq.), and such specific legislation as heretofore has been enacted regarding the Monument.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated such sums as may be necessary to carry out the purpose of this Act.

The committee amendments were agreed to.

The bill (S. 1132), as amended, was deemed read the third time and passed.

NATIONAL HISTORIC LIGHTHOUSE PRESERVATION ACT OF 1998

The Senate proceeded to consider the bill (S. 1043) to amend the National Historic Preservation Act for purposes of establishing a national historic lighthouse preservation program, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''National Historic Lighthouse Preservation Act of 1998''.

SEC. 2. PRESERVATION OF HISTORIC LIGHT STATIONS.

Title III of the National Historic Preservation Act (16 U.S.C. 470w–470w–6) is amended by adding at the end the following new section:

''§ 308. Historic lighthouse preservation

''(a) IN GENERAL.—In order to provide a national historic light station program, the Secretary shall—

''(1) collect and disseminate information concerning historic light stations, including historic lighthouses and associated structures;

''(2) foster educational programs relating to the history, practice, and contribution to society of historic light stations;

''(3) sponsor or conduct research and study into the history of light stations;

''(4) maintain a listing of historic light stations; and

''(5) assess the effectiveness of the program established by this section regarding the conveyance of historic light stations.

''(b) CONVEYANCE OF HISTORIC LIGHT STATIONS.—

''(1) Within one year of the date of enactment of this section, the Secretary and the Administrator of General Services (hereinafter Administrator) shall establish a process for identifying, and selecting, an eligible entity to which a historic light station could be conveyed for education, park, recreation, cultural, or historic preservation purposes.

''(2) The Secretary shall review all applicants for the conveyance of a historic light station, when the historic light station has been identified as excess to the needs of the agency with administrative jurisdiction over the historic light station, and forward to the Administrator a single approved application for the conveyance of the historic light station. When selecting an eligible entity, the Secretary may consult with the State Historic Preservation Officer of the state in which the historic light station is located. A priority of consideration shall be afforded public entities that submit applications in which the public entity enters into a partnership with a nonprofit organization whose primary mission is historic light station preservation.

''(3)(A) Except as provided in paragraph (B), the Administrator shall convey, by quit claim deed, without consideration, all right, title, and interest of the United States in and to the historic light station, subject to the conditions set forth in subsection (c). The conveyance of a historic light station under this section shall not be subject to the provisions of 42 U.S.C. 11301 et seq.

''(B)(i) Historic light stations located within the exterior boundaries of a unit of the National Park System or a refuge within the National Wildlife Refuge System shall be conveyed or sold only with the approval of the Secretary.

''(ii) If the Secretary approves the conveyance or sale of a historic light station referenced in this paragraph, such conveyance or sale shall be subject to the conditions set forth in subsection (c) and any other terms or conditions the Secretary considers necessary to protect the resources of the park unit or wildlife refuge.

''(iii) For those historic light stations referenced in this paragraph, the Secretary is encouraged to enter cooperative agreements with appropriate eligible entities, as provided in this Act, to the extent such cooperative agreements are consistent with the Secretary's responsibilities to manage and administer the park unit or wildlife refuge, as appropriate.

''(c) TERMS OF CONVEYANCE.—

''(1) The conveyance of a historic light station shall be made subject to any conditions the Administrator considers necessary to ensure that—

''(A) the lights, antennas, sound signal, electronic navigation equipment, and associated light station equipment located at the historic light station, which are active aids to navigation, shall continue to be operated and maintained by the United States for as long as needed for this purpose;

''(B) the eligible entity to which the historic light station is conveyed under this section shall not interfere or allow interference in any manner with aids to navigation without the express written permission of the head of the agency responsible for maintaining the aids to navigation;

''(C) there is reserved to the United States the right to relocate, replace, or add any aid to navigation located at the historic light station as may be necessary for navigation purposes;

''(D) the eligible entity to which the historic light station is conveyed under this section shall maintain the historic light station in accordance with the National Historic Preservation Act of 1966, 16 U.S.C. 470–470x, the Secretary of the Interior's Standards for the Treatment of Historic Properties, and other applicable laws;

''(E) the eligible entity to which the historic light station is conveyed under this section shall make the historic light station available for education, park, recreation, cultural or historic preservation purposes for the general public at reasonable times and under reasonable conditions; and

''(F) the United States shall have the right, at any time, to enter the historic light station without notice for purposes of maintaining and inspecting aids to navigation and ensuring compliance with paragraph (C), to the extent that it is not possible to provide advance notice.

''(2) The Secretary, the Administrator, and any eligible entity to which a historic light station is conveyed under this section, shall not be required to maintain any active aids to navigation associated with a historic light station.

''(3) In addition to any term or condition established pursuant to this subsection, the conveyance of a historic light station shall include a condition that the historic light station in its existing condition, at the option of the Administrator, revert to the United States if—

''(A) the historic light station or any part of the historic light station ceases to be available for education, park, recreation, cultural, or historic preservation purposes for the general public at reasonable times and under reasonable conditions which shall be set forth in the eligible entity's application;

''(B) the historic light station or any part of the historic light station ceases to be maintained in a manner that ensures its present or future use as an aid to navigation or compliance with the National Historic Preservation Act, 16 U.S.C. 470–470x, the Secretary of the Interior's Standards for the Treatment of Historic Properties, and other applicable laws; or

''(C) at least 30 days before the reversion, the Administrator provides written notice to the owner that the historic light station is needed for national security purposes.

''(d) DESCRIPTION OF PROPERTY.—The Administrator shall prepare the legal description of any historic light station conveyed under this section. The Administrator may retain all right, title, and interest of the United States in and to any historical artifact, including any lens or lantern, that is associated with the historic light station and located at the light station at the time of conveyance. All conditions placed with the deed of title to the historic light station shall be construed as covenants running with the land. No submerged lands shall be conveyed to nonfederal entities.

''(e) RESPONSIBILITIES OF CONVEYEES.—Each eligible entity to which a historic light station is conveyed under this section shall use and maintain the historic light station in accordance with this section, and have such conditions recorded with the deed of title to the historic light station.

''(f) DEFINITIONS.—For purposes of this section:

''(1) HISTORIC LIGHT STATION.—The term 'historic light station' includes the light tower, lighthouse, keepers dwelling, garages, storage sheds, oil house, fog signal building, boat house, barn, pumphouse, tramhouse support structures, piers, walkways, and related real property and improvements associated therewith; provided that the light tower or lighthouse shall be included in or eligible for inclusion in the National Register of Historic Places.

''(2) ELIGIBLE ENTITY.—The term 'eligible entity' shall mean—

''(A) any department or agency of the Federal government; or

''(B) any department or agency of the state in which the historic light station is located, the local government of the community in which the historic light station is located, nonprofit corporation, educational agency, or community development organization that—

''(i) has agreed to comply with the conditions set forth in subsection (c) and to have such conditions recorded with the deed of title to the historic light station;

''(ii) is financially able to maintain the historic light station in accordance with the conditions set forth in subsection (c); and

''(iii) can indemnify the Federal government to cover any loss in connection with the historic light station, or any expenses incurred due to reversion.''.

SEC. 3. SALE OF SURPLUS LIGHT STATIONS.

Title III of the National Historic Preservation Act (16 U.S.C. 470w–470w–6) is amended by adding at the end the following new section:

''§ 309. Historic light station sales

''In the event no applicants are approved for the conveyance of a historic light station pursuant to section 308, the historic light station shall be offered for sale. Terms of such sales shall be developed by the Administrator of General Services. Conveyance documents shall include all necessary covenants to protect the historical integrity of the historic light station and ensure that any active aids to navigation located at the historic light station are operated and maintained by the United States for as long as needed for that purpose. Net sale proceeds shall be transferred to the National Maritime Heritage Grant Program, established by the National Maritime Heritage Act of 1994, Pub. L. 103–451, within the Department of the Interior.''.

SEC. 4. TRANSFER OF HISTORIC LIGHT STATIONS TO FEDERAL AGENCIES.

Title III of the National Historic Preservation Act of 1966, 16 U.S.C. 470–470x, is amended by adding at the end the following new section:

''§ 310. Transfer of historic light stations to Federal agencies

''After the date of enactment of this section, any department or agency of the Federal government, to which a historic light station is conveyed, shall maintain the historic light station in accordance with the National Historic Preservation Act of 1966, 16 U.S.C. 470–470x, the Secretary of the Interior's Standards for the Treatment of Historic Properties, and other applicable laws.''.

SEC. 5. FUNDING.

There are hereby authorized to be appropriated to the Secretary of the Interior such sums as may be necessary to carry out this Act.

The committee amendment was agreed to.

The bill (S. 1043), as amended, was deemed read the third time and passed.

METHANE HYDRATE RESEARCH AND DEVELOPMENT ACT OF 1998

The Senate proceeded to consider the bill (S. 1418) to promote the research, identification, assessment, exploration, and development of methane hydrate resources, and for other purposes, which had been reported from the Committee on Energy and Natural Resources, with amendments; as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italic.)

S. 1418

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 ''Methane Hydrate Research and Development Act of 1997''.

SEC. 2. DEFINITIONS.

In this Act:

(1) CONTRACT.—The term ''contract'' means a procurement contract within the meaning of 6303 of title 31, United States Code.

(2) COOPERATIVE AGREEMENT.—The term ''cooperative agreement'' means a cooperative agreement within the meaning of section 6305 of title 31, United States Code.

(3) GRANT.—The term ''grant'' means a grant agreement within the meaning of section 6304 of title 31, United States Code.

(4) METHANE HYDRATE.—The term ''methane hydrate'' means a methane clathrate that—

(A) is in the form of a methane-water ice-like crystalline material; and

(B) is stable and occurs naturally in deep-ocean and permafrost areas.

(5) SECRETARY.—The term ''Secretary'' means the Secretary of Energy.

(6) SECRETARY OF DEFENSE.—The term ''Secretary of Defense'' means the Secretary of Defense, acting through the Secretary of the Navy.

(7) SECRETARY OF THE INTERIOR.—The term ''Secretary of the Interior'' means the Secretary of the Interior, acting through the Director of the United States Geological Survey.

(8) DIRECTOR.—The term ''Director'' means the Director of the National Science Foundation.

SEC. 3. METHANE HYDRATE RESEARCH AND DEVELOPMENT PROGRAM.

(a) IN GENERAL.—

[(1) COMMENCEMENT OF PROGRAM.—Not later than 180 days after the date of enactment of this Act, the Secretary, in consultation with the Secretary of Defense and the Secretary of the Interior, shall commence a program of methane hydrate research and development.

[(2) DESIGNATIONS.—The Secretary, Secretary of Defense, and Secretary of the Interior shall designate individuals to implement this Act.**]**

(1) COMMENCEMENT OF PROGRAM.—Not later than 180 days after the date of enactment of this Act, the Secretary, in consultation with the Secretary of Defense, the Secretary of the Interior, and the Director, shall commence a program of methane hydrate research and development.

(2) DESIGNATIONS.—The Secretary, the Secretary of Defense, the Secretary of the Interior, and the Director shall designate individuals to implement this Act.

(3) MEETINGS.—The individuals designated under paragraph (2) shall meet not less frequently than every 120 days to review the progress of the program under paragraph (1) and make recommendations on future activities.

(b) GRANTS, CONTRACTS, AND COOPERATIVE AGREEMENTS.—

(1) ASSISTANCE AND COORDINATION.—The Secretary may award grants or contracts to, or enter into cooperative agreements with, universities and industrial enterprises to—

(A) conduct basic and applied research to identify, explore, assess, and develop methane hydrate as a source of energy;

(B) assist in developing technologies required for efficient and environmentally sound development of methane hydrate resources;

(C) undertake research programs to provide safe means of transport and storage of methane produced from methane hydrates;

(D) promote education and training in methane hydrate resources research and resource development;

(E) conduct basic and applied research to assess and mitigate the environmental impacts of hydrate degassing, both natural and that associated with commercial development; and

(F) develop technologies to reduce the risks of drilling through methane hydrates.

(2) CONSULTATION.—The Secretary may establish an advisory panel consisting of experts from industry, academia, and Federal agencies to advise the Secretary on potential applications of methane hydrate and assist in developing recommendations and priorities for the methane hydrate research and development program carried out under this section.

(c) LIMITATIONS.—

(1) ADMINISTRATIVE EXPENSES.—Not more than 5 percent of the amount made available to carry out this section for a fiscal year may be used by the Secretary for expenses associated with the administration of the program *under* subsection (a)(1).

(2) CONSTRUCTION COSTS.—None of the funds made available to carry out this section may be used for the construction of a new building or the acquisition, expansion, remodeling, or alteration of an existing building (including site grading and improvement and architect fees).

(d) RESPONSIBILITIES OF THE SECRETARY.—In carrying out subsection (b)(1), the Secretary shall—

(1) facilitate and develop partnerships among government, industry, and academia to research, identify, assess, and explore methane hydrate resources;

(2) undertake programs to develop basic information necessary for promoting long-term interest in methane hydrate resources as an energy source;

(3) ensure that the data and information developed through the program are accessible and widely disseminated as needed and appropriate;

(4) promote cooperation among agencies that are developing technologies that may hold promise for methane hydrate resource development; and

(5) report annually to Congress on accomplishments under this Act.

SEC. 4. AMENDMENT TO THE MINING AND MINERALS POLICY ACT OF 1970.

Section 201 of the Mining and Minerals Policy Act of 1970 (30 U.S.C. 1901) is amended—

(1) by redesignating paragraphs (6) and (7) as paragraphs (7) and (8), respectively;

(2) by inserting after paragraph (5) the following:

(6) the term 'methane hydrate' means a methane clathrate that—

''(A) is in the form of a methane-water ice-like crystalline material; and

''(B) is stable and occurs naturally in deep-ocean and permafrost areas.''; and

(3) in paragraph (7) (as redesignated by paragraph (1))—

(A) in subparagraph (F), by striking ''and'';

(B) by redesignating subparagraph (G) as subparagraph (H); and

(C) by inserting after subparagraph (F) the following:

''(G) methane hydrate; and''.

SEC. [4.] *5.* AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.

The committee amendments were agreed to.

The bill (S. 1418), as amended, was deemed read the third time and passed.

LAND CONVEYANCE, COUNTY OF RIO ARRIBA, NEW MEXICO

The Senate proceeded to consider the bill (S. 1510) to direct the Secretary of the Interior and the Secretary of Agriculture to convey certain lands to the county of Rio Arriba, New Mexico, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

S. 1510

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

SECTION 1. OLD COYOTE ADMINISTRATIVE SITE.

(a) CONVEYANCE OF PROPERTY.—Not later than one year after the date of enactment of this Act, the Secretary of the Interior (herein ''the Secretary'') shall convey to the County of Rio Arriba, New Mexico (herein ''the County''), subject to the terms and conditions stated in subsection (b), all right, title, and interest of the United States in and to the land (including all improvements on the land) known as the ''Old Coyote Administrative Site'' located approximately ½ mile east of the Village of Coyote, New Mexico, on State Road 96, comprising one tract of 130.27 acres (as described in Public Land Order 3730), and one tract of 276.76 acres (as described in Executive Order 4599).

(b) TERMS AND CONDITIONS.—

(1) Consideration for the conveyance described in subsection (a) shall be—

(A) an amount that is consistent with the special pricing program for Governmental entities under the Recreation and Public Purposes Act; and

(B) an agreement between the Secretary and the County indemnifying the Government of the United States from all liability of the Government that arises from the property.

(2) The lands conveyed by this Act shall be used for public purposes. If such lands cease to be used for public purposes, at the option of the United States, such lands will revert to the United States.

(c) LAND WITHDRAWALS.—Land withdrawals under Public Land Order 3730 and Executive Order 4599 as extended in the Federal Register on May 25, 1989 (54 F.R. 22629) shall be revoked simultaneous with the conveyance of the property under subsection (a).

The committee amendment was agreed to.

The bill (S. 1510), as amended, was deemed read the third time and passed.

Mr. DOMENICI. Mr. President, I am very pleased that the Senate has today passed S. 1510, the Rio Arriba, New Mexico Land Conveyance Act of 1998. This legislation will provide long-term benefits for the people of Rio Arriba County, New Mexico.

Seventy percent of Rio Arriba County is in federal ownership. Communities find themselves unable to grow or find available property necessary to provide local services. This legislation allows for transfer by the Secretary of the Interior real property and improvements at an abandoned and surplus administrative site for the Carson National Forest to Rio Arriba County. The site is known as the old Coyote Ranger District Station, near the small town of Coyote, New Mexico.

The Coyote Station will continue to be used for public purposes, including a community center, and a fire substation. Some of the buildings will also be available for the County to use for storage and repair of road maintenance equipment, and other County vehicles.

Mr. President, the Forest Service has determined that this site is of no further use to them, since they have recently completed construction of a new administrative facility for the Coyote Ranger District. The Forest Service reported to the General Services Administration that the improvements on the site were considered surplus, and would be available for disposal under their administrative procedures. At this particular site, however, the land on which the facilities have been built is withdrawn public domain land, under the jurisdiction of the Bureau of Land Management.

I have worked closely with the Forest Service and Bureau of Land Management since introducing this bill in November. The Administration is supportive of the legislation and the changes made to the bill.

Mr. President, since neither the Bureau of Land Management nor the Forest Service have any interest in maintaining Federal ownership of this land and the surplus facilities, and Rio Arriba County desperately needs them, passage of S. 1510 is a win-win situation for the federal government and New Mexico. I look forward to the House's agreement and Presidential signature soon.

LAKE CHELAN NATIONAL RECREATION AREA

The Senate proceeded to consider the bill (S. 1683) to transfer administrative jurisdiction over part of the Lake Chelan National Recreation Area from the Secretary of the Interior to the Secretary of Agriculture for inclusion in the Wenatchee National Forest, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

S. 1683

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

SECTION 1. BOUNDARY ADJUSTMENTS, LAKE CHELAN NATIONAL RECREATION AREA AND WENATCHEE NATIONAL FOREST, WASHINGTON.

(a) BOUNDARY ADJUSTMENTS.—

(1) LAKE CHELAN NATIONAL RECREATION AREA.—The boundary of the Lake Chelan National Recreation Area, established by section 202 of Public Law 90–544 (16 U.S.C. 90a–1), is hereby adjusted to exclude a parcel of land and waters consisting of approximately 88 acres, as depicted on the map entitled ''Proposed Management Units, North Cascades, Washington'', numbered NP–CAS–7002A, originally dated October 1967, and revised July 13, 1994.

(2) WENATCHEE NATIONAL FOREST.—The boundary of the Wenatchee National Forest is hereby adjusted to include the parcel of land and waters described in paragraph (1).

(3) AVAILABILITY OF MAP.—The map referred to in paragraph (1) shall be on file and available for public inspection in the offices of the superintendent of the Lake Chelan National Recreation Area and the Director of the National Park Service, Department of the Interior, and in the office of the Chief of the Forest Service, Department of Agriculture.

(b) TRANSFER OF ADMINISTRATIVE JURISDICTION.—Administrative jurisdiction over Federal land and waters in the parcel covered by the boundary adjustments in subsection (a) is transferred from the Secretary of the Interior to the Secretary of Agriculture, and the transferred land and waters shall be managed by the Secretary of Agriculture in accordance with the laws and regulations pertaining to the National Forest System.

(c) LAND AND WATER CONSERVATION FUND.—For purposes of section 7 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–9), the boundaries of the Wenatchee National Forest, as adjusted by subsection (a), shall be considered to be the boundaries of the Wenatchee National Forest as of January 1, 1965.

The committee amendment was agreed to.

The bill (S. 1683), as amended, was deemed read the third time and passed.

SAND CREEK MASSACRE NATIONAL HISTORIC SITE STUDY ACT OF 1998

The Senate proceeded to consider the bill (S. 1695) to establish the Sand Creek Massacre National Historic Site in the State of Colorado, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Sand Creek Massacre National Historic Site Study Act of 1998''.

SEC. 2. FINDINGS.

(a) FINDINGS.—Congress finds that—

(1) on November 29, 1864, Colonel John M. Chivington led a group of 700 armed soldiers to a peaceful Cheyenne village of more than 100 lodges on the Big Sandy, also known as Sand Creek, located within the Territory of Colorado, and in a running fight that ranged several miles upstream along the Big Sandy, slaughtered several hundred Indians in Chief Black Kettle's village, the majority of whom were women and children;

(2) the incident was quickly recognized as a national disgrace and investigated and condemned by 2 congressional committees and a military commission;

(3) although the United States admitted guilt and reparations were provided for in article VI of the Treaty of Little Arkansas of October 14, 1865 (14 Stat. 703) between the United States and the Cheyenne and Arapaho Tribes of Indians, those treaty obligations remain unfulfilled;

(4) land at or near the site of the Sand Creek Massacre may be available for purchase from a willing seller; and

(5) the site is of great significance to the Cheyenne and Arapaho Indian descendants of those who lost their lives at the incident at Sand Creek and to their tribes, and those descendants and tribes deserve the right of open access to visit the site and rights of cultural and historical observance at the site.

SEC. 3. DEFINITIONS.

In this Act:

(1) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior acting through the Director of the National Park Service.

(2) SITE.—The term ''site'' means the Sand Creek massacre site described in section 2.

(3) TRIBES.—The term ''Tribes'' means—

(A) the Cheyenne and Arapaho Tribe of Oklahoma;

(B) the Northern Cheyenne Tribe; and

(C) the Northern Arapaho Tribe.

SEC. 4. STUDY.

(a) IN GENERAL.—Not later than 18 months after the date on which funds are made available for the purpose, the Secretary, in consultation with the Tribes and the State of Colorado, shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Resources of the House of Representatives a resource study of the site.

(b) CONTENTS.—The study under subsection (a) shall—

(1) identify the location and extent of the massacre area and the suitability and feasibility of designating the site as a unit of the National Park System; and

(2) include cost estimates for any necessary acquisition, development, operation and maintenance, and identification of alternatives for the management, administration, and protection of the area.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.

Amend the title so as to read: ''A bill to authorize the Secretary of the Interior to study the suitability and feasibility of designating the Sand Creek Massacre National Historic Site in the State of Colorado as a unit of the National Park System, and for other purposes.''.

The committee amendment was agreed to.

The bill (S. 1695), as amended, was deemed read the third time and passed.

HART MOUNTAIN TRANSFER ACT OF 1998

The Senate proceeded to consider the bill (S. 1807) to transfer administrative jurisdiction over certain parcels of public domain land in Lake County, Oregon, to facilitate management of the land, and for other purposes, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

S. 1807

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 ''Hart Mountain Transfer Act of 1998''.

SEC. 2. TRANSFERS OF ADMINISTRATIVE JURISDICTION OVER PARCELS OF LAND ADMINISTERED BY THE BUREAU OF LAND MANAGEMENT AND THE UNITED STATES FISH AND WILDLIFE SERVICE.

(a) TRANSFER FROM THE BUREAU OF LAND MANAGEMENT TO THE UNITED STATES FISH AND WILDLIFE SERVICE.—

(1) IN GENERAL.—Administrative jurisdiction over the parcels of land identified for transfer to the United States Fish and Wildlife Service on the map entitled ''Hart Mountain Jurisdictional Transfer'', dated February 26, 1998, comprising approximately 12,100 acres of land in Lake County, Oregon, located adjacent to or within the Hart Mountain National Antelope Refuge, is transferred from the Bureau of Land Management to the United States Fish and Wildlife Service.

(2) INCLUSION IN REFUGE.—The parcels of land described in paragraph (1) shall be included in the Hart Mountain National Antelope Refuge.

(3) WITHDRAWAL.—Subject to valid existing rights, the parcels of land described in paragraph (1)—

(A) are withdrawn from—

(i) surface entry under the public land laws;

(ii) leasing under the mineral leasing laws and Geothermal Steam Act of 1970 (30 U.S.C. 1001 et seq.); and

(iii) location and entry under the mining laws; and

(B) shall be treated as parcels of land subject to the provisions of Executive Order No. 7523 of December 21, 1936, as amended by Executive Order No. 7895 of May 23, 1938, and Presidential Proclamation No. 2416 of July 25, 1940, that withdrew parcels of land for the Hart Mountain National Antelope Refuge.

(4) MANAGEMENT.—The land described in paragraph (1) shall be included in the Hart Mountain National Antelope Refuge and managed in accordance with the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd et seq.), and other applicable law and with management plans and agreements between the Bureau of Land Management and the United States Fish and Wildlife Service for the Hart Mountain Refuge.

(b) CONTINUED MANAGEMENT OF GUANO CREEK WILDERNESS STUDY AREA BY THE BUREAU OF LAND MANAGEMENT.—

(1) IN GENERAL.—The parcels of land identified for cooperative management on the map entitled ''Hart Mountain Jurisdictional Transfer'', dated February 26, 1998, comprising approximately 10,900 acres of land in Lake County, Oregon, located south of the Hart Mountain National Antelope Refuge, shall be retained under the jurisdiction of the Bureau of Land Management.

(2) MANAGEMENT.—The parcels of land described in paragraph (1) that are within the Guano Creek Wilderness Study Area Act shall be managed so as not to impair the suitability of the area for designation as wilderness, in accordance with current and future management plans and agreements (including the agreement known as the ''Shirk Ranch Agreement'' dated September 30, 1997), until such date as Congress enacts a law directing otherwise.

(c) TRANSFER FROM THE UNITED STATES FISH AND WILDLIFE SERVICE TO THE BUREAU OF LAND MANAGEMENT.—

(1) IN GENERAL.—Administrative jurisdiction over the parcels of land identified for transfer to the Bureau of Land Management on the map entitled ''Hart Mountain Jurisdictional Transfer'', dated February 26, 1998, comprising approximately 7,700 acres of land in Lake County, Oregon, located adjacent to or within the Hart Mountain National Antelope Refuge, is transferred from the United States Fish and Wildlife Service to the Bureau of Land Management.

(2) REMOVAL FROM REFUGE.—The parcels of land described in paragraph (1) are removed from the Hart Mountain National Antelope Refuge, and the boundary of the refuge is modified to reflect that removal.

(3) REVOCATION OF WITHDRAWAL.—The provisions of Executive Order No. 7523 of December 21, 1936, as amended by Executive Order No. 7895 of May 23, 1938, and Presidential Proclamation No. 2416 of July 25, 1940, that withdrew the parcels of land for the refuge, shall be of no effect with respect to the parcels of land described in paragraph (1).

(4) STATUS.—The parcels of land described in paragraph (1)—

(A) are designated as public land; and

(B) shall be open to—

(i) surface entry under the public land laws;

(ii) leasing under the mineral leasing laws and the Geothermal Steam Act of 1970 (30 U.S.C. 1001 et seq.); and

(iii) location and entry under the mining laws.

(5) MANAGEMENT.—The land described in paragraph (1) shall be managed in accordance with the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.) and other applicable law, and the agreement known as the ''Shirk Ranch Agreement'' dated September 30, 1997.

(d) MAP.—A copy of the map described in subsections (a), (b), and (c) and such additional legal descriptions as are applicable shall be kept on file and available for public inspection in the Office of the Regional Director of Region 1 of the United States Fish and Wildlife Service, the local District Office of the Bureau of Land Management, the Committee on Energy and Natural Resources of the Senate, and the Committee on Resources of the House of Representatives.

SEC. 3. KLAMATH MARSH NATIONAL WILDLIFE REFUGE.

Section 28 of the Act of August 13, 1954 (68 Stat. 718, chapter 732; 72 Stat. 818; 25 U.S.C. 564w–1), is amended in subsections (f) and (g) by striking ''Klamath Forest National Wildlife Refuge'' each place it appears and inserting ''Klamath Marsh National Wildlife Refuge''.

The committee amendment was agreed to.

The bill (S. 1807), as amended, was deemed read the third time and passed.

LAND CONVEYANCE, SANTA FE NATIONAL FOREST, NEW MEXICO

The Senate proceeded to consider the bill (H.R. 434) to prove for the conveyance of small parcel of land in the Carson National Forest and the Santa Fe National Forest, New Mexico, to the village of El Rito and the town of Jemiz Springs, New Mexico, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

H.R. 434

SECTION 1. LAND CONVEYANCE, SANTA FE NATIONAL FOREST, NEW MEXICO.

(a) CONVEYANCE OF PROPERTY.—Within 60 days of enactment of this Act, the Secretary of Agriculture (herein ''the Secretary'') shall convey to the town of Jemez Springs, New Mexico, subject to the terms and conditions under subsection (c), all right, title, and interest of the United States in and to a parcel of real property (including any improvements on the land) consisting of approximately one acre located in the Santa Fe National Forest in Sandoval County, New Mexico.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the town of Jemez Springs.

(c) TERMS AND CONDITIONS.—

(1) Notwithstanding exceptions of application under the Recreation and Public Purposes Act (43 U.S.C. 869(c)), consideration for the conveyance described in subsection (a) shall be—

(A) an amount that is consistent with the Bureau of Land Management special pricing program for Governmental entities under the Recreation and Public Purposes Act; and,

(B) an agreement between the Secretary and the town of Jemez Springs indemnifying the Government of the United States from all liability of the Government that arises from the property.

(2) The lands conveyed by this Act shall be used for the purposes of construction and operation of a fire substation. If such lands cease to be used for such purposes, at the option of the United States, such lands will revert to the United States.

The committee amendment was agreed to.

The bill (H.R. 434), as amended, was deemed read the third time and passed.

TAHOE NATIONAL FOREST, CALIFORNIA

The bill (H.R. 1439) to facilitate the sale of certain land in Tahoe National Forest in the State of California to Placer County, California, was considered, ordered to a third reading, read the third time, and passed.

ELECTION OF THE DELEGATE OF GUAM

The bill (H.R. 1460) to allow for election of the Delegate of Guam by other than separate ballot, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

MARK TWAIN NATIONAL FOREST, MISSOURI

The bill (H.R. 1779) to make a minor adjustment in the exterior boundary of the Devils Backbone Wilderness in the Mark Twain National Forest, Missouri, to exclude a small parcel of land containing improvements, was considered, ordered to a third reading, read the third time, and passed.

FEDERAL POWER ACT EXTENSION FOR IOWA

The bill (H.R. 2165) to extend the deadline under the Federal Power Act applicable to the construction of FERC Project Number 3862 in the State of Iowa, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

FEDERAL POWER ACT EXTENSION FOR COLORADO

The bill (H.R. 2217) to extend the deadline under the Federal Power Act applicable to the construction of FERC Project Number 9248 in the State of Colorado, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

HYDROELECTRIC PROJECT EXTENSION

The bill (H.R. 2841) to extend the time required for the construction of a hydroelectric project, was considered, ordered to a third reading, read the third time, and passed.

ORDERS FOR MONDAY, JULY 20, 1998

Mr. DOMENICI. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 1 p.m. on Monday, July 20. I further ask unanimous consent that when the Senate reconvenes on Monday, immediately following the prayer, the routine requests through the morning hour be granted, and the Senate then begin a period for the transaction of morning business until 3 p.m., with Senators permitted to speak for up to 5 minutes each.

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

Mr. DOMENICI. Mr. President, I further ask unanimous consent that notwithstanding rule XXII, Members have until 2 p.m. on Monday to file first-degree amendments to the legislative branch appropriations bill. I further ask unanimous consent that following the debate on the legislative branch bill on Monday, the Senate begin consideration of S. 2260, the Commerce-State-Justice appropriations bill.

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

PROGRAM

Mr. DOMENICI. Mr. President, for the information of all Senators, when the Senate convenes on Monday at 1 p.m., there will be a period for the transaction of morning business until 3 p.m. Following morning business, the Senate will resume consideration of the legislative branch appropriations bill. Following that debate, the Senate will turn to the consideration of S. 2260, the Commerce-State-Justice appropriations bill. The majority leader has announced there will be no rollcall votes during Monday's session. Therefore, any votes ordered with respect to the legislative branch or Commerce-State-Justice bills will be stacked to occur at 9:30 a.m. on Tuesday, July 21.

ORDER FOR ADJOURNMENT

Mr. DOMENICI. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the previous order, following the remarks of Senator JEFFORDS from Vermont.

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

Mr. JEFFORDS addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

REPUBLICAN HEALTH CARE BILL

Mr. JEFFORDS. This has been, to me, one of the more important days of this session. I believe that is true because of the introduction earlier by Senator LOTT of the Republican health care bill.

First, I commend the majority leader for the dexterous way in which he handled both allowing the members of a committee, a standing committee, to work, and then to join them with a leadership task force, formed by the majority leader, to put together a bill which could be backed by all Members of the Republican side.

That was no easy task, but I am happy to say that by working together I think we have provided, for the Senate's review, an outstanding piece of legislation. I also want to begin by commending Senator NICKLES and all the Members who participated in putting this legislation together on the task force, and in my committee. I think it is solid legislation that will result in a greatly improved health care system for Americans. I am proud to be a cosponsor of the Patients' Bill of Rights.

As always, there has been a flurry of work over the past few weeks as we have put this legislation together. But this last-minute work is only possible because we laid a sound foundation throughout the entire 105th Congress through many hearings.

In particular, there are members on my committee, who also served on the task force, who I think were key in bringing about a consensus.

First, Senator FRIST, who, obviously, from his valuable expertise as a physician, as well as a masterful legislator, has assisted in helping us provide a bill which we can be proud of and which we can be assured will be in the best interest of all patients as well as the health care system.

Senator COLLINS, who came here after being a State regulator in the health care area, provided tremendous knowledge and insight into how we could weave in and out the very complicated aspects of what should the Federal Government do and what should the States do, with leaving an emphasis primarily on allowing the States—which I will talk about later.

Over the past 14 months, the Labor and Human Resources Committee has held 11 hearings related to issues of health care quality, confidentiality, genetic discrimination, privacy, and HCFA's implementation of its new health insurance responsibilities.

Senator BILL FRIST's Public Health and Safety Subcommittee has also held three hearings on the work of AHCPR. That has to do with trying to ensure that we have adequate information about outcomes and to try to utilize that information to better equip our professional people to be the best in the world in health care. Each of these hearings helped us in developing the separate pieces of legislation that are reflected in the Patients' Bill of Rights.

Other colleagues here and on the House side have worked on this subject for an extended period of time, as well. Many of the protections that are included in the Patients' Bill of Rights are similar to those fashioned by Senator ROTH in the Finance Committee last year when we provided many of these same protections to plans that serve Medicare patients.

As we prepared this legislation, we had three goals in mind: first, give families the protections they want and need; second, ensure that medical decisions are made by physicians in consultation with their patients; and, finally, keep the cost of this legislation low so it does not displace anyone from being able to get health care coverage.

As we all know, the number of people who participate is extremely sensitive

to the cost of health care. Information about products or services is the keystone to any well-functioning market. The bill requires full information disclosure by an employer about the health plans that he or she offers employees. People need to know what the plan will cover and what their out-of-pocket expenses will be. And this should be in clear and obvious language which is readily available for the patient or the prospective purchaser of the insurance to review so they do not suddenly realize they have run out of money as far as the plan is concerned or they find that many aspects are not covered.

They need to know where and how they will get their health care, and who will be providing these services. They also need to know how adverse decisions by the plan can be appealed, both internally and externally, to an independent reviewer. This is an extremely important part of this bill. This aspect of the bill which gives employees a brand new ERISA remedy of an external grievance and appeals process is one of which I am particularly proud since it is the cornerstone of S. 1712, my Health Care QUEST Act, which, incidentally, was a bipartisan bill.

Under our bill, patients will get timely decisions about what will be covered. Further, if an individual disagrees with the plan's decision about coverage, that individual may ultimately appeal the decision to an independent, external reviewer after an internal review decision. And this can be done in an expedited situation, if it is necessary.

The reviewer's decision will be binding on the part of the health plan, and the patients maintain their rights under ERISA to go to court. This is extremely important. This will be binding on the plan. So there will be no appeal by the plan through the courts or elsewhere from the decision by the reviewer.

It is infinitely better to be able to get the care needed than to sue to recover damages because he or she could not get the care they needed, and the fact that that care was not being granted resulted in grievous situations for them.

The medical records provision, which my committee also worked on for the past year, will give people the right to inspect and copy their personal medical information, and it will also allow them to append the record if there is inaccurate information. The bill will ensure that the holders of the information safeguard the medical records and requires them to share, in writing, their confidentiality policies and procedures with individuals. This is part of what was called the PIN Act, the Privacy Act, which also was a bipartisan bill.

I want to again mention the task force. Senator NICKLES started out some months ago desiring to provide the Republicans with a bill with which they could be pleased. A lot of work went into that. Many, many meetings were held. Many hours were spent trying to decide and make final decisions. I was a member of that task force, as was Senator FRIST and Senator COLLINS from our committee.

We had the ability to be able to utilize the expertise of the committee and the professional staff involved with them. I would like to mention Paul Harrington, in particular, and Karen Guice, of my staff, who is also a pediatrician and a fellow, for their incredibly good determinations on what the bill should have and their assistance in putting it together.

I praise Senators SNOWE and DOMENICI, who worked together to give us a portion of the bill which has to do with genetics and the protections that a patient should have, or an enrollee in a plan should have, to ensure that the genetic information—that genetic information—is not used against them to screen them.

What I want to get to now, and I know there will be a lot more discussion next week, is the question of whether or not it is better to hand over much of the regulation to the Federal Government or whether it is better to leave it with the States.

The 104th Congress enacted the Kassebaum-Kennedy legislation known as the Health Insurance Portability and Accountability Act in 1996, fondly referred to as HIPAA. Many consider this legislation to be the most significant Federal health insurance reform of the past decade. During this Congress, I have tried to closely monitor the impact of HIPAA over the past year to ensure its successful implementation consistent with legislative intent.

The Federal regulators at HCFA have faced an overwhelming new set of health insurance duties under HCFA. What we said was that if the States wanted to—and almost all of them did—they could take control and implement the provisions of HIPAA. But five decided not to—California, Massachusetts, Michigan, Rhode Island, and Missouri.

So what happened is that enforcement was handed over to the Federal Government. That is the point I want to make as to what has happened because of that. The Department of Health and Human Resources is now required to act as the insurance regulator for the State HIPAA provisions.

Based on the findings of the GAO report that will be released next week, HCFA is ill equipped to carry out the role of insurance regulator. Building a dual system of overlapping State and Federal health insurance regulation is in no one's best interest, and the principle that States should regulate private health insurance guided the design of our legislation to get out of the problems created by HIPAA.

Our legislation creates new Federal managed care standards to cover those 48 million Americans covered by ERISA plans that the States cannot protect. That is the second point. There are areas that the State is preempted from by ERISA which was passed in 1976. Under ERISA, it stated that those plans for self-insured or those that are multistate situations are under Federal order to provide uniformity in the regulation. We feel it would be irresponsible to set health insurance standards that duplicate their responsibility to the 50 State insurance departments and have HCFA enforce them.

In a July 16 House Ways and Means committee hearing, HCFA's administrator stated she intended to postpone, among other things, prospective payment systems for home health services. To Members who will note this, this is a real blow to many States, Vermont in particular, who are being damaged severely by the present situation with respect to the home health care services and payments.

The balanced budget amendment of 1997 establishes a prospective payment system, or PPS, for home health care in fiscal year 2000. The payment system designed for the interim period is proving to be an intolerable burden for the home health agencies that service Vermont's Medicare beneficiaries. They have already written to urge HCFA to urge a PPS by the October 1999 deadline set by Congress, thus minimizing the time an interim payment system will be in place. Her statement that she has delayed will result in many home health providers not receiving the reimbursement that they deserve. Given HCFA's inability to carry out its current responsibilities, I believe it would be irresponsible to promise the American people that it will be able to guarantee other rights by regulating the private health insurance industry.

I will not offer Americans a promise that experience tells us will be broken, a hope that I believe won't be met. Our proposal, by keeping the regulation of health insurance where it belongs—at the State level—provides the American people with a real Patients' Bill of Rights that they can have the confidence in knowing that they will be there when they need it.

I am afraid that the political battle over this legislation will be the subject that dominates the headlines. But the real issue here is to give Americans the protections they want and need in the package that they can afford and that we can enact, and also that they will have a remedy which will allow them to expeditiously get the care they need by having outside professionals give them that opportunity. That is why I and others have been working on this legislation since the beginning of Congress and why I hope it will be adopted before the end of Congress and signed into law by the President.

This is too important of an issue for us to get bogged down in partisanship. I know the Democrats, and many of them on my committee, too, have worked very hard on their own bills.

But let us not try to find out whose bill is better. Let us join together and make sure we can put together in the final analysis, through the legislative process, a bill which we all can be proud of and which the American people will be pleased with.

ADJOURNMENT UNTIL 1 P.M., MONDAY, JULY 20, 1998

The PRESIDING OFFICER. Under the previous order, the Senate stands in adjournment until 1 p.m., Monday, July 20, 1998.

There being no objection, the Senate, at 3:29 p.m., adjourned until Monday, July 20, 1998, at 1 p.m.

NOMINATIONS

Executive nominations received by the Senate July 17, 1998:

UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

JOHN J. PIKARSKI, JR., OF ILLINOIS, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE OVERSEAS PRIVATE INVESTMENT CORPORATION FOR THE REMAINDER OF THE TERM EXPIRING DECEMBER 17, 1998, VICE GERALD S. MCGOWAN.

JOHN J. PIKARSKI, JR., OF ILLINOIS, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE OVERSEAS PRIVATE INVESTMENT CORPORATION FOR A TERM EXPIRING DECEMBER 17, 2001. (REAPPOINTMENT)

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be general

LT. GEN. MONTGOMERY C. MEIGS, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C, SECTION 601:

To be lieutenant general

LT. GEN. WILLIAM M. STEELE, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. JOHN COSTELLO, 0000

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be admiral

VICE ADM. DENNIS C. BLAIR, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be vice admiral

REAR ADM. JOHN W. CRAINE, JR., 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF VICE ADMIRAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be vice admiral

VICE ADM. HERBERT A. BROWNE II, 0000

IN THE ARMY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE ARMY UNDER TITLE 10, U.S.C., SECTION 12203:

To be colonel

ROBERT D. BRANSON, 0000
WILLIAM P. FOSTER, 0000
DIANA G. FRENCH, 0000
LEWIS E. GORMAN III, 0000
CHARLES B. LANIER, 0000
ANTONIO S. LAUGLAUG, 0000
JOHN C. MALONEY, 0000
DOUGLAS A. PETERSON, 0000
WILLIAM B. WALTON, 0000

IN THE NAVY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be captain

DOUGLAS J. MCANENY, 0000
RICHARD A. MOHLER, 0000

ENVIRONMENTAL PROTECTION AGENCY

ROMULO L. DIAZ, JR., OF THE DISTRICT OF COLUMBIA, TO BE AN ASSISTANT ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION AGENCY, VICE JONATHAN Z. CANNON, RESIGNED.

J. CHARLES FOX, OF MARYLAND, TO BE AN ASSISTANT ADMINISTRATOR OF THE ENVIRONMENTAL PROTECTION AGENCY, VICE MARY DELORES NICHOLS.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

PAUL STEVEN MILLER, OF CALIFORNIA, TO BE A MEMBER OF THE EQUAL EMPLOYMENT OPPORTUNITY COMMISSION FOR THE REMAINDER OF THE TERM EXPIRING JULY 1, 1999, VICE GILBERT F. CASELLAS, RESIGNED.

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. RONALD E. ADAMS, 0000

IN THE ARMY

The following named officers for appointment to the grade indicated in the United States Army and for Regular appointment (identified by an asterisk(*)) under title 10, U.S.C., sections 624 and 531:

To be lieutenant colonel

MARK A. ACKER, 0000
RICHARD L. ADKISON, 0000
CHARLES J. AFRICANO, 0000
ROBIN B. AKIN, 0000
RAFAEL A. ALCOVER, 0000
BLAIR E. ALEXANDER, 0000
DAVID R. ALEXANDER, 0000
CYRIL R. ALLEN III, 0000
CAMPBELL D. ALLISON, 0000
KENNETH E. ANDERSON, 0000
PAUL T. ANDERSON, 0000
STEVEN P. APLAND, 0000
JOHN R. ARMSTRONG, 0000
LOWELL T. ASHER, 0000
ROBERT P. ASHLEY, JR., 0000
ERIC L. ASHWORTH, 0000
PETER W. AUBREY, 0000
DAVID A. AUSTIN, 0000
JAMES B. BAGBY, 0000
*JEFFREY L. BAILEY, 0000
THOMAS E. BAILEY, 0000
DANIEL. P. BAILIE, 0000
PETER R. BAKER, 0000
THOMAS A. BALISH, 0000
ARTHUR T. BALL, JR., 0000
DOMINIC R. BARAGONA, 0000
WAYLAND P. BARBER III, 0000
MICHAEL P. BARBERO, 0000
MARK J. BARBOSA, 0000
WALTER S. BARGE II, 0000
GORDON L. BARNHILL, 0000
ROGER J. BARROS, 0000
THOMAS H. BARTH, 0000
*DAVID L. BARTLETT, 0000
RAYMOND M. BATEMAN, 0000
TERENCE K. BATTLE, 0000
PETER C. BAYER, JR., 0000
ROBERTA B. BAYNES, 0000
SUSAN R. BEAUSOLEIL, 0000
JOHN F. BECK, 0000
MICHAEL F. BEECH, 0000
RENE D. BELANGER, 0000
HUGH M. BELL III, 0000
ROBERT T. BELL, 0000
DAVID B. BELLOWS, 0000
RODERICK A. BELLOWS, 0000
JEFFERY A. BENTON, 0000
RAYMOND P. BERNHAGEN, 0000
KURT M. BERRY, 0000
THOMAS M. BESCH, 0000
*DAVID P. BESHLIN, 0000
JEFFERY S. BESS, 0000
ALENA M. BETCHLEY, 0000
MARIA T. BEZUBIC, 0000
MARK A. BIEHLER, 0000
ROBERT E. BILLER, 0000
ROBERT B. BILLINGTON, 0000
MICHAEL A. BILLS, 0000
DAVID J. BISHOP, 0000
MICHAEL J. BITTRICK, 0000
PETER E. BLABER, 0000
HARLAN H. BLAKE, 0000
WILLIAM G. BLANCHARD, 0000
RANAY M. BLANFORD, 0000
KENNETH S. BLANKS, 0000
ARIE D. BOGAARD, 0000
PETER V. BOISSON, 0000
BEDE A. BOLIN, 0000
CRAIG L. BOLLENBERG, SR., 0000
KENT R. BOLSTER, 0000
TIMOTHY D. BOND, 0000
DAVID V. BOSLEGO, 0000
STEPHEN T. BOSTON, 0000
THOMAS T. BOWE, 0000
THOMAS S. BOWEN, 0000
MAX A. BOWERS, JR., 0000
MICHAEL W. BOWERS, 0000
LYNN N. BOWLER, 0000
HAROLD C. BOWLIN, JR., 0000
CLAYTON B. BOWMAN, JR., 0000
*RICKY R. BOYER, 0000
BRIAN T. BOYLE, 0000
ROBERT J. BRACKETT, 0000
JERRY L. BRADSHAW, JR., 0000
WILLIAM H. BRADY III, 0000
MATTHEW L. BRAND, 0000
JOHNNY W. BRAY, 0000
DONNA M. BRAZIL, 0000
WILLIAM A. BREFFEILH, 0000
LESLIE M. BREHM, 0000
NORMAN R. BREHM, 0000
JON K. BRIDGES, 0000
KELVIN L. BRIGHT, 0000
JAMES R. BRILEY, 0000
MICHAEL W. BRISKE, 0000
JAMES S. BRISTOW, 0000
GREGORY A. BROCKMAN, 0000
MICHAEL S. BROOKS, 0000
CORNELIUS BROWN, JR., 0000
JOSEPH D. BROWN, 0000
ROBERT W. BROWN, 0000
JEFFREY W. BROWNING, 0000
WANDA K. BRUCE, 0000
TYRONE J. BRUMFIELD, 0000
TORKILD P. BRUNSO, 0000
WILLIAM R. BRYAN, 0000
THOMAS E. BRYANT, 0000
TRACY G. BRYANT, 0000
DREW A. BRYNER, 0000
JOHN C. BUCKLEY, II, 0000
BILLY J. BUCKNER, 0000
RANDY A. BUHIDAR, 0000
RICHARD C. BULLIS, 0000
TONY B. BULLOCK, 0000
*HERBERT L. BURGESS, 0000
DOROTHEA M. BURKE, 0000
DENNIS S. BURKET, 0000
BRIAN J. BURNS, 0000
RICHARD B. BURNS, 0000
ROBERT T. BURNS, 0000
RONALD R. BURNS, 0000
JAMES B. BURTON, 0000
JAMES K. BURTON, 0000
CHARLES C. BUSH, 0000
JOHN C. BUSS, 0000
CAROL L. BUTTS, 0000
FELIX M. CABALLERO, 0000
PAUL T. CALBOS, 0000
GLENN M. CALLIHAN, 0000
FREDERICK O. CAMPBELL, 0000
JAMES A. CAMPBELL, 0000
SCOTT A. CAMPBELL, 0000
CAMPBELL P. CANTELOU, 0000
PATRICK H. CARAWAY, 0000
ROGER E. CAREY, 0000
PATRICK J. CARLEY, 0000
DAMIAN P. CARR, 0000
CAROLYN A. CARROLL, 0000
MAXWELL G. CARROLL, JR., 0000
MICHAEL J. CARROLL, 0000
CALVIN CARTER, 0000
BARBARA CASSIDY, 0000
VICTOR J. CASTRILLO, 0000
JACKIE W. CATES, 0000
SANDRA C. CAUGHLIN, 0000
CHELSEA Y. CHAE, 0000
LUCINDA M. CHAMBERLAIN, 0000
JILL W. CHAMBERS, 0000
ROBERT W. CHAMBERS, JR., 0000
JOHN G. CHAMBLISS, 0000
GREGORY T. CHASTEEN, 0000
JOHN E. CHERE, JR., 0000
ROBERT T. CHESHIRE, 0000
WALTER R. CHESHIRE, 0000
MICHAEL S. CHESNEY, 0000
FRANKLIN F. CHILDRESS, 0000
MARK E. CHILDRESS, 0000
STEPHEN G. CHIMINIELLO, 0000
CLEMENT B. CHOLEK, 0000
JOHN V. CHRISTIAN, 0000
SCOTT G. CILUFFO, 0000
DAVID J. CLARK, 0000
KENNETH H. CLARK, JR., 0000
THOMAS J. CLEARY, III, 0000
LAWRENCE E. CLINE, 0000
JAMES C. CLOSE, 0000
RUSSELL C. CLOY, 0000
GEOFFREY N. CLYMER, 0000
PETER E. CLYMER, 0000
JEFFREY A. COBB, 0000
EDWIN S. COCHRAN, 0000
EUGENE P. CODDINGTON, 0000
THOMAS D. COFFMAN, 0000
JOSEPH B. COLEMAN, 0000
GARY B. COLLIER, 0000
JEFFREY N. COLT, 0000
*ROBERT E. COMER, 0000
MARK E. CONDRY, 0000
GEORGE E. CONKLIN, II, 0000
CINDY L. CONNALLY, 0000
JAMES P. CONNOLLY, 0000
ALFRED CORBIN, 0000
STEPHEN M. CORCORAN, 0000
RONALD E. CORKRAN, JR., 0000
BRENT A. CORNSTUBBLE, 0000
JOSEPH W. CORRIGAN, 0000
MICHAEL A. COSS, 0000
RONALD G. COSTELLA, 0000

ALEXANDER A. COX, 0000
DAVID K. COX, 0000
RODERICK M. COX, 0000
EUGENE F. COYNE, 0000
THOMAS R. CRABTREE, 0000
DONALD M. CRAIG, 0000
SCOTT D. CRAWFORD, 0000
TIMOTHY J. CREAMER, 0000
ROBERT R. CROMBY, 0000
ERNEST G. CRONE, JR., 0000
CYNTHIA A. CROWELL, 0000
FRANKIE CRUZ, 0000
JOHN S. CULLISON, 0000
MICHAEL E. CULPEPPER, 0000
MARYANN B. CUMMINGS, 0000
TIMOTHY J. CUMMINGS, 0000
BRIAN J. CUMMINS, 0000
RUI O. CUNHA, 0000
PAUL F. CUNNINGHAM, 0000
MICHAEL A. CURCI, 0000
JAMES G. CURRIE, JR., 0000
MICHAEL J. CURRY, 0000
PETER J. CURRY, 0000
VIRGIL CURRY, JR., 0000
DANIEL D. CURTNER, 0000
ALONZO C. CUTLER, 0000
CATHERINE M. CUTLER, 0000
MICHAEL R. CZAJA, 0000
DEBRA L. DAGOSTINO, 0000
MARK A. DAGOSTINO, 0000
GERALD B. DANIELS, 0000
ROBERT E. DANIELS, 0000
JOHN J. DAUGIRDA, 0000
ANNE L. DAVIS, 0000
ARCHIE L. DAVIS III, 0000
DAN J. DAVIS, 0000
MARK S. DAVIS, 0000
WINSTON L. DAVIS, JR., 0000
MARK S. DAY, 0000
STUART E. DEAKIN, 0000
RONALD L. DEEDS, 0000
TODD V. DEEHL, 0000
RODERICK G. DEMPS, 0000
BRANDON F. DENECKE, 0000
WAYNE S. DENEFF, 0000
MICHAEL P. DEPUGLIO, 0000
*KURTIS L. DERELL, 0000
MICHAEL S. DESENS, 0000
CHRISTOPHER G. DEVENS, 0000
DOUGLAS A. DEVER, 0000
PARTICK DEVINE, 0000
GLEN R. DEWILLIE, 0000
MICHAEL A. DIETZ, 0000
JOYCE P. DIMARCO, 0000
WILLIAM G. DINNISON, 0000
MICHAEL J. DIXON, 0000
SCOTT F. DONAHUE, 0000
MATTHEW C. DONOHUE, 0000
RICHARD E. DOUGLASS, 0000
KAREN A. DOYLE, 0000
NORBERT S. DOYLE, JR., 0000
TIMOTHY E. DRAKE, 0000
VINCENT M. DREYER, 0000
FLOYD J. DRIVER, 0000
DAVID E. DUNCAN, 0000
SAMUEL M. DUNKLE, 0000
CARL E. DURHAM, 0000
DANNY D. DURHAM, 0000
DONALD P. EADY, 0000
MARK C. EASTON, 0000
JAY J. EBBESON, 0000
JOANN Y. EBERLE, 0000
STEVEN J. EDEN, 0000
JACQUELINE M. EDWARDS, 0000
STEVEN B. EDWARDS, 0000
CHARLES L. EHLERS, 0000
JOHN F. EICHLER, 0000
JUSTIN L. ELDRIDGE, 0000
WILLIAM H. ENICKS IV, 0000
JOSE R. ENRIQUEZ, 0000
HAROLD L. EPPERSON, 0000
CRAIG A. ERICKS, 0000
DOUGLAS J. EVANS, 0000
JASON T. EVANS, 0000
MICHAEL L. EVERETT, 0000
JAMES M. FAGAN, 0000
RICHARD J. FAGAN, 0000
KEVIN G. FAGEDES, 0000
*PAUL J. FAMELI, 0000
JEFFREY H. FARGO, 0000
WAYNE C. FARQUHAR, 0000
THOMAS R. FAUPEL, 0000
RODNEY L. FAUSETT, 0000
BONNIE B. FAUTUA, 0000
SCOTT A. FEDORCHAK, 0000
ROBERT A. FELKEL, 0000
ETZEL O. FERGUSON, 0000
JAMES C. FERGUSON III, 0000
MARK F. FIELDS, 0000
DAVID P. FIELY, 0000
BRENT C. FINEMORE, 0000
JAMES V. FINK, 0000
HENRY L. FINLEY, JR., 0000
WILLIAM J. FINLEY, 0000
CLAUDIA J. FISHER, 0000
ROY L. FISHEL, 0000
STEVEN S. FITZGERALD, 0000
THOMAS I. FITZPATRICK, 0000
CHARLES E. FLETCHER, 0000
DIANNA L. FLETT, 0000
KENNETH FLOWERS, 0000
THOMAS D. FLUKER, 0000
GRADY P. FLYTHE, 0000
RANDALL L, FOFI, 0000
STEPHEN G. FOGARTY, 0000
ROBERT W. FORRESTER, 0000
PAUL N. FORTUNE, 0000
CRAIG A. FOX, 0000
*DAVID G. FOX, 0000
RICHARD M. FRANCEY, JR., 0000
SCOTT A. FRANCIS, 0000
WILLIAM R. FRANCIS, 0000
STEPHEN D. FRAUNFELTER, 0000
TIMOTHY A. FREELON, 0000
LEAH R. FULLERFRIEL, 0000
PAUL E. FUNK, II, 0000
ROY W. FUNKHOUSER, 0000
WILLIE E. GADDIS, 0000
STEPHEN A. GADY, 0000
THOMAS K. GAINEY, 0000
DANIEL J. GALLAGHER, 0000
JOE E. GALLAGHER, 0000
PATRICK J. GARMAN, 0000
HARRY C. GARNER, III, 0000
MICHAEL X. GARRETT, 0000
MICHAEL E. GARRISON, 0000
RALPH H. GAY, III, 0000
CHRISTINE M. GAYAGAS, 0000
LEE D. GAZZANO, 0000
STEVEN D. GEISE, 0000
DENNIS GENUALDI, 0000
BRUCE A. GEORGIA, 0000
EDWARD G. GIBBONS, JR., 0000
RICKY D. GIBBS, 0000
DANIEL B. GIBSON, 0000
DONALD V. GIBSON, 0000
ROBERT D. GIBSON, 0000
WILLIAM C. GIBSON, 0000
GARY D. GIEBEL, 0000
DAVID F. GILBERT, 0000
THOMAS B. GILBERT, 0000
DAVID M. GILL, 0000
RICHARD L. GINGRAS, 0000
SHIRLEY L. GIVENS, 0000
MICHAEL C. GLADBACH, 0000
JERRY A. GLASOW, 0000
JAY L. GLOVER, 0000
BRYAN S. GODA, 0000
TIMOTHY G. GODDETTE, 0000
WILLIAM P. GOETZ, 0000
ORLANDO R. GOODWIN, 0000
TIMOTHY C. GORRELL, 0000
DENISE A. GOUDREAU, 0000
LINDA L. GOULD, 0000
DEAN A. GRABLE, 0000
STEVEN M. GRAHAM, 0000
PETER J. GRANDE, 0000
SAUL A. GRANDINETTI, 0000
MICHAEL O. GRAY, 0000
KEITH D. GREENE, 0000
STEVEN A. GREENE, 0000
THOMAS R. GREGORY, 0000
VINCENT E. GREWATZ, 0000
GARY M. GRIGGS, 0000
EDWARD P. GRZYBOWSKI, JR., 0000
ROBERT S. GUARINO, 0000
JEFFREY J. GUDMENS, 0000
JOHN A. GUIDOTTI, 0000
ROBERT C. GUILLOT, JR. 0000
EDWARD C. GULLY, 0000
CYRUS E. GWYN, JR., 0000
BRICE A. GYURISKO, SR., 0000
DAVID K. HAASENRITTER, 0000
JOHN K. HACKNEY, 0000
JOHN A. HADJIS, 0000
MARK D. HAFER, 0000
BENJAMIN T. HAGAR, 0000
TELEMACHUS C. HALKIAS, 0000
MICHAEL B. HALL, 0000
JOSEF R. HALLATSCHEK, 0000
PHILIP R. HALLENBECK, 0000
JOHN P. HAMMILL, 0000
DONALD R. HAND, 0000
MARK C. HANDLEY, 0000
CHARLES K. HANSON, 0000
CHARLES N. HARDY, II, 0000
MARY D. HARGON, 0000
GLENN W. HARP, 0000
MARSHALL B. HARPER, 0000
KIM R. HARRELL, 0000
GALE A. HARRINGTON, 0000
GRALYN D. HARRIS, 0000
SMITH K. HARRIS, 0000
KENNETH R. HARRISON, 0000
STUART G. HARRISON, 0000
CASEY P. HASKINS, 0000
STEVE C. HAWLEY, 0000
KAREN R. HAYES, 0000
DONALD A. HAZELWOOD, 0000
DEBBRA A. HEAD, 0000
JAMES F. HEALY, 0000
DAMIAN J. HEANEY, 0000
WILLIAM H. HEDGES, 0000
WILLIAM R. HEFLIN, 0000
LANNIE HENDERSON, 0000
ROBERT S. HENDERSON, JR., 0000
JOHN K. HENDRICK, 0000
THOMAS E. HENION, 0000
BRIAN G. HENNESSY, 0000
THOMAS M. HENRY, 0000
JOHN D. HENSHAW, JR., 0000
JAMES P. HERSON, JR., 0000
LARRY D. HETHCOX, 0000
STEVE W. HIGH, 0000
JOHN M. HILL, 0000
JAMES E. HILLEARY, 0000
CRAIG W. HILLIKER, 0000
HAMPTON E. HITE, 0000
JOHN S. HODGES, 0000
RAYMOND C. HODGKINS, 0000
JAMES P. HOGLE, 0000
CLIFTON J. HOLDEN, 0000
GEORGE M. HOLLAWAY, 0000
LARRY D. HOLLINGSWORTH, 0000
VICTOR HOLMAN, 0000
RICHARD B. HOOK, 0000
RUSSELL W. HORTON, 0000
STEVEN B. HORTON, 0000
DWAYNE A. HOUSTON, 0000
BART HOWARD, 0000
RICHARD A. HOWARD, 0000
JOHN M. HOWDEN, 0000
KENNETH W. HRICZ, 0000
LAWENCE M. HUDNALL, 0000
FEDDIE L. HUDSON, JR., 0000
DANIEL P. HUGES, 0000
EDWARD L. HUGHES, 0000
ALLEN HULL III, 0000
LAUREL J. HUMMEL, 0000
ROBERT G. HUNTER,0000
NATHANIEL IDLET, 0000
HEATHER J. IERARDI, 0000
MARK S. INCH, 0000
STEPHEN A. INGALLS, 0000
ERNST K. ISENSEE, JR., 0000
PETER R. ITAO, 0000
BILLY J. JACKSON, 0000
MICHAEL E. JACKSON, 0000
DENNIS J. JAROSZ, 0000
MICHAEL J. JASENAK, 0000
STANLEY M. JENSKINS, 0000
DANA D. JENNINGS III, 0000
RIAHCARD A. JODOIN, JR., 0000
AUDREY H. JOHNSON, 0000
BRETT E. JOHNSON, 0000
BRICE H. JOHNSON, 0000
JAMES K. JOHNSON, 0000
JEFFREY L. JOHNSON, 0000
*JOEL E. JOHNSON, 0000
STEVEN J. JOHNSON, 0000
WILLIAM H. JOHNSON, 0000
ARTHUR C. JOHNSTON, JR., 0000
MICHAEL A. JOINER, 0000
BRIAN D. JONES, 0000
BRUCE W. JONES, 0000
DAVID T. JONES, 0000
JANET E. JONES, 0000
JAY R. JONES, 0000
LUWANDA F. JONES, 0000
PHILLIP N. JONES, 0000
RAYMOND D. JONES, 0000
RONALD G. JONES, 0000
ANN J. JOSEPH, 0000
EDWARD D. JOZWIAK, 0000
JAMES H. KAISER, 0000
MOSES M. KAMAI, 0000
CHRISTIAN L. KAMMERMANN, 0000
DONNA M. KAPINUS, 0000
GREGORY G. KAPRAL, 0000
JOHN H. KARAUS, 0000
MICHAEL J. KARR, 0000
THOMAS M. KASTNER, 0000
ERIC P. KATZ, 0000
FRANK, G. KEATING, 0000
GARY L. KECK, 0000
PAUL M. KEITH, 0000
THOMAS C. KEITH, 0000
JOHN H. KELLEHER, JR., 0000
GEORGE G. KELLY, 0000
TERRENCE K. KELLY, 0000
MICHAEL H. KEOGH, 0000
TIMOTHY J. KEPPLER, 0000
RUSSELL J. KERN, 0000
RALPH F. KERR, 0000
MICHAEL M. KERSHAW, 0000
JAMES S. KESTNER, 0000
ROBERT F. KHAN, 0000
MICHAEL W. KICHMAN, 0000
SCOTT R. KIDD, 0000
CHRIS A. KING, 0000
DAVID T. KINSELLA, 0000
JOHN ROBERT OLIN KIRKLAND, 0000
EDRIC A. KIRKMAN, 0000
KENNETH W. KLATT, 0000
JAMES J. KLINGAMAN, 0000
MICHAEL J. KLINGELE, 0000
MARK D. KLINGELHOEFER, 0000
DANIEL M. KLIPPSTEIN, 0000
JOHN A. KLOTSKO, JR., 0000
CINDYLEE M. KNAPP, 0000
PERRY L. KNIGHT, 0000
LESTER W. KNOTTS, 0000
OLE A. KNUDSON, 0000
KEITH C. KODALEN, 0000
STEVEN J. KOEBRICH, 0000
DONALD L. KOEHLER, JR., 0000
DAVID J. KOLLEDA, 0000
KAREN J. KOMAR, 0000
JOHN W. KORSNICH, JR., 0000
JOHN L. KOSTER, 0000
GREGORY C. KRAAK, 0000
KATHI L. KREKLOW, 0000
RICHARD S. KUBU, 0000
MARK S. KUEHL, 0000
KATHRYN E. KUKLISH, 0000
GEORGE D. KUNKEL, 0000
BRIAN P. LACEY, 0000
CHRISTOPHER L. LADRA, 0000
MICHAEL D. LANDERS, 0000
PAUL L. LANGERHANS, 0000
GARY D. LANGFORD, 0000
CRAIG G. LANGHAUSER, 0000
PAULA K. LANTZER, 0000
CHARLES B. LARCOM III, 0000
WILLIAM S. LARESE, 0000
ROSEMARIE LAROCCO, 0000
DICK A. LARRY, 0000
HENRY S. LARSEN III, 0000
JAMES J. LAUER, 0000
AMEDEO J. LAURIA, 0000
BRIAN W. LAURITZEN, 0000

JEFFREY D. LAWRENCE, 0000
CALVIN D. LAWYER, 0000
DANIEL J. LAYTON, 0000
LEE D. LEBLANC, 0000
MONICA G. LEE, 0000
HAROLD LEFT, JR., 0000
EDWARD M. LEVY, 0000
RICK A. LEWIS, 0000
WILLIAM R. LEWIS, 0000
NORMAN H. LIER III, 0000
KIM G. LINDAHL, 0000
TIMOTHY W. LINDERMAN, 0000
SEAN P. LINEHAN, 0000
BOBBY L. LIPSCOMB, JR., 0000
CARL A. LIPSIT, 0000
JEFFRY W. LIPSTREUER, 0000
CHRISTOPHER W. LITTLE, 0000
MELVIN LITTLE, 0000
DAVID J. LIWANAG, 0000
JOHNNY D. LOCK, 0000
ANDREW T. LOEFFLER, 0000
HENRY B. LOGGINS, 0000
DAVID S. LONG, 0000
KEITH P. LONG, 0000
VIDA D. LONGMIRE, 0000
ROBERT A. LOVETT, 0000
MARK S. LOWE, 0000
ROSS A. LOZON, 0000
ANNA V. LUCERO, 0000
JOHN A. LUCYNSKI, II, 0000
MARK D. LUMB, 0000
VICTOR MAC CAGNAN, JR., 0000
JOHN D. MAC DONALD, 0000
JOHN D. MAC GILLIS, 0000
MICHAEL H. MAC NEIL, 0000
DAVID B. MADDEN, 0000
KEVIN W. MADDEN, 0000
CHARLES J. MADERO, JR., 0000
MICHAEL B. MAHONEY, 0000
DANA M. MANGHAM, 0000
NICHOLAS M. MANGUS, 0000
ROBERT L. MANNING, 0000
TERRY E. MANSFIELD, 0000
RICHARD A. MARCINOWSKI, 0000
CHARLES S. MARKHAM, 0000
JONATHAN A. MARKOL, 0000
PHILIP D. MAROTTO, 0000
JOSE M. MARRERO, 0000
JOHN C. MARSHALL, 0000
CURTIS M. MASIELLO, 0000
JOEANNA F. MASTRACCHIO, 0000
CURTIS A. MATHIS, 0000
RAYMOND J. MATUSKEY, 0000
LEROY L. MAURER, III, 0000
THOMAS D. MAYFIELD, III, 0000
EDWARD MAZION, JR., 0000
JAMES M. MC ALISTER, 0000
GARY M. MC ANDREWS, 0000
CHARLES S. MC ARTHUR, 0000
DAVID A. MC BRIDE, 0000
KERRY A. MC CABE, 0000
ROBERT M. MC CALEB, 0000
ROBERT E. MC CARTY, 0000
JEFFREY D. MC CLAIN, 0000
MARK S. MC CONKEY, 0000
KENNETH O. MC CREEDY, 0000
PATRICK K. MC DERMOTT, 0000
JOHN A. MC ELREE, 0000
*WILLIAM B. MC ELROY, 0000
WILLIAM T. MC GUIRE, 0000
STEPHEN J. MC HUGH, 0000
SIDNEY H. MC MANUS, III, 0000
HERBERT R. MC MASTER, JR., 0000
ERIC F. MC MILLIN, 0000
JOHN T. MC NAMARA, JR., 0000
LARRY D. MC NEAL, 0000
DEBORAH G. MC NEILL, 0000
JOSEPH M. MC NEILL, 0000
CATHERINE A. MC NERNEY, 0000
TOD D. MELLMAN, 0000
ROBERT E. MELLOTT, 0000
SIDNEY L. MELTON, 0000
MATT R. MERRICK, 0000
CLIFFORD A. MESSMAN, 0000
JOHN M. METZ, 0000
CALVIN H. MEYER, 0000
JAMES D. MEYER, 0000
RAYMOND G. MIDKIFF, 0000
MICHAEL J. MIKITISH, 0000
RICHARD Z. MILES, 0000
RAYMOND A. MILLEN, 0000
AUSTIN S. MILLER, 0000
CHRISTOPHER M. MILLER, 0000
JAMES C. MILLER, 0000
KATHERINE N. MILLER, 0000
LAWRENCE C. MILLER, JR., 0000
REGINALD A. MILLER, 0000
SCOT C. MILLER, 0000
SCOTT A. MILLER, 0000
WILLIAM P. MILLER, 0000
THOMAS J. MILTON, 0000
MARTIN MILUKAS, 0000
ALBERT H. MINNON, 0000
JOSEPH B. MOLES, 0000
ROBERT J. MONTGOMERY, JR., 0000
BRUCE MOORE, 0000
*DANIEL MOORE, 0000
KEVIN R. MOORE, 0000
LOBBAN A. MOORE, 0000
CHRISTOPHER MOREY, 0000
DANIEL MORGAN, 0000
GARY A. MORGAN, 0000
WILLIAM H. MORRIS, 0000
MATTHEW MOTEN, 0000
MARK R. MUELLER, 0000
PETER J. MULCHAY, 0000
EDWARD L. MULLIN, 0000
CONRAD H. MUNSTER, JR., 0000
WILLIAM E. MURRAY, JR., 0000
JAMES A. MUSKOFF, 0000
DEBRA L. MUYLAERT, 0000
DAVID C. NADEAU, 0000
VANCE J. NANNINI, 0000
FAUSTO A. NATAL, 0000
RAYMOND L. NAWOROL, 0000
DARYLL L. NEAL, 0000
JAMES E. NEAL, 0000
CASEY A. NEFF, 0000
ERIC M. NEKLSON, 0000
ROBERT F. NEKLSON, 0000
WALTER S. NESSMITH, 0000
SCOTT F. NETHERLAND, 0000
RICHARD C. NEW, 0000
BRIDGET C. NIEHUS, 0000
ROBERT F. NIPP, 0000
LARRY W. NOELL, 0000
CHARLES R. NOLL, 0000
DONALD L. NORRIS, JR., 0000
DAVID R. NORTON, 0000
TIMOTHY A. NORTON, 0000
RAYMOND H. NULK, 0000
DEBORAH L. NYKYFORCHYN, 0000
KENNETH OBERTUBBESING, 0000
DENNIS A. O'BRIEN, 0000
KEVIN G. O'CONNELL, 0000
RICHARD R. ODOM, 0000
ROSEMARY E. O'HARA, 0000
TIMOTHY F. O'HARA, 0000
MICHAEL P. O'KEEFE, 0000
EDWARD C. OLIVARES, JR., 0000
PEDRO J. OLIVER, 0000
ROBERT B. OLIVERAS, 0000
MARK A. ONESI, 0000
TIMOTHY S. O'ROURKE, 0000
RICHARD K. ORTH, 0000
TERRENCE L. O'SULLIVAN, 0000
THOMAS M. O'SULLIVAN, II, 0000
NOEL P. OWEN, 0000
BRYAN R. OWENS, 0000
DAVID B. PADGETT, 0000
JAMES R. PAGE, II, 0000
JOHN J. PAGE, JR., 0000
KAYLA J. PAGEL, 0000
REYNOLD F. PALAGANAS, 0000
DEREK J. PAQUETE, 0000
ERIC S. PARKER, 0000
PHILLIP R. PARKER, 0000
WILLIAM E. PARKER, 0000
GEORGE D. PARROTT, 0000
EDWIN W. PASSMORE, 0000
CHARLES A. PATE, 0000
MARIA C. PATE, 0000
ANTHONY R. PAUROSO, 0000
MARK K. PEARSON, 0000
WILLIAM M. PEDERSEN, 0000
ELLEN R. PEEBLES, 0000
BRADLEY E. PENN, 0000
HOZIE W. PENNINGTON, JR., 0000
KATHLEEN M. PENNINGTON, 0000
RICHARD B. PENNYCUICK, 0000
DANIEL R. PEPPERS, 0000
RUBEN R. PERALES, JR., 0000
RANDY J. PESTONA, 0000
RICHARD D. PETERS, JR., 0000
ALLEN L. PETERSON, 0000
JAMES R. PETERSON, 0000
VICTOR PETRENKO, 0000
ROBERT W. PETRILLO, 0000
SAMUEL R. PETTICOLAS, 0000
CHRISTOPHER R. PHILBRICK, 0000
PAUL S. PHILLIPS, 0000
WILLIAM A. PIERCE, 0000
TODD M. PIESTER, 0000
MICHAEL E. PIGOTT, 0000
THOMAS L. PIROZZI, 0000
ROBERT W. PIRTLE, 0000
THURMAN M. PITTMAN, JR., 0000
JOSE M. PIZARRO, 0000
JAMES H. PLACE, 0000
ANTHONY T. PLANA, 0000
DONALD P. POLICE, 0000
JOHN R. PORTER, 0000
MANUEL D. PORTES, 0000
JOHN E. POST, JR., 0000
MICHAEL H. POSTMA, 0000
GREGG C. POTTER, 0000
GARY M. POTTS, 0000
LAWRENCE D. POWELL, 0000
WEBSTER D. POWELL III, 0000
JOHN J. POWERS, 0000
TIMOTHY J. PRENDERGAST, 0000
CHARLES A. PREYSLER, 0000
CARL W. PRIOLEAU, 0000
ERIC L. PROVOST, 0000
JOSEPH F. PUETT III, 0000
EDWARD R. PULLEN, 0000
JOHN E. PULLIAM, JR., 0000
MARK R. QUANTOCK, 0000
CHARLES D. RAINEY, 0000
TIMOTHY A. RAINEY, 0000
WALTER P. RAINEY, 0000
BOBBY N. RAKES, JR., 0000
THOMAS J. RALEIGH, 0000
RICARDO E. RAMIREZ, 0000
FERNANDO J. RAMOS, 0000
FRANK RANDON, 0000
WILLIAM E. RAPP, 0000
WINFRED C. RAWLS, 0000
WILLIAM M. RAYMOND, JR., 0000
WILLIAM C. RAYNES, JR., 0000
MICHAEL J. REAGOR, 0000
RUSSELL H. RECTOR, 0000
KEVIN D. REECE, 0000
CHARLES R. REED, 0000
STEVENSON L. REED, 0000
EDWARD M. REEDER, JR., 0000
TOBY D. REESE, 0000
DONALD F. REICH, 0000
RICHARD H. REICHELT, 0000
DAVID S. REID, 0000
LYNDRA REID, 0000
KARL E. REINHARD, 0000
NEIL C. REINWALD, JR., 0000
DEBORAH A. REISWEBER, 0000
RICHARD A. RENNEBAUM, 0000
KEVIN S. RENTNER, 0000
DARRYL J. REYES, 0000
THOMAS E. RHEINLANDER, 0000
MARK A. RICCIO, 0000
JAMES M. RICHARDSON, 0000
JOHN M. RIED, 0000
JEFFREY L. RILEY, 0000
STEPHEN J. RIVIERE, 0000
CHARLES D. ROAN, 0000
BRYAN T. ROBERTS, 0000
CASSANDRA V. ROBERTS, 0000
RICKY J. ROBERTS, 0000
RUSSELL G. ROBERTSON, 0000
CHARLES R. ROCKHOLD, 0000
HUMBERTO RODRIGUEZ, 0000
MARIBEL A. RODRIGUEZ, 0000
SAMUEL M. ROLLINSON, 0000
DANIEL S. ROPER, 0000
KENT P. ROSBOROUGH, 0000
RANDY R. ROSENBERG, 0000
CHRISTOPHER M. ROSS, 0000
THOMAS ROTONDI, JR., 0000
THOMAS L. ROUSSEAU, 0000
THOMAS G. ROXBERRY, 0000
RICHARD C. RUNNER, JR., 0000
JOHN J. RUSH, JR., 0000
WADE D. RUSH, 0000
WILSON RUSS, 0000
BRUCE H. RUSSELL, 0000
MARVIN N. RUSSELL, 0000
JOHN J. RUZICH, 0000
JOHN J. RYAN, 0000
RICHARD H. SADDLER, 0000
HUBERT P. SALE, JR., 0000
FERDINAND D. SAMONTE, 0000
JOSEPH F. SARTIANO, JR., 0000
DAVID M. SAVAGE, 0000
ROBERT D. SAXON, 0000
MICHAEL D. SAXTON, 0000
WILLIAM S. SCHAFF, 0000
RICHARD A. SCHANTZ, 0000
JOHN A. SCHATZEL, 0000
THOMAS F. SCHNEIDER, 0000
JOHN S. SCHOEN, 0000
MICHAEL J. SCHOLL, 0000
ROBERT T. SCHULTHEIS, 0000
RAY A. SCHULTZ, 0000
JOSEPH E. SCHULZ, 0000
LOUIS P. SCHUROTT, 0000
JOSEPH P. SCHWEITZER, 0000
MICHAEL W. SCHWIND, 0000
PHILIP A. SCIBELLI, 0000
HOWELL P. SCOTT, 0000
WILLIAM J. SCOTT, 0000
JAMES D. SCUDIERI, 0000
BRUCE SCULLY, 0000
FRANKLYN B. SEALEY, 0000
PATRICK K. SEDLAK, 0000
JOHN C. SEES, JR., 0000
GEORGE F. SEIFERTH, 0000
BRIAN R. SELLING, 0000
LEWIS F. SETLIFF III, 0000
BRAD L. SHAFFER, 0000
EMMETT C. SHAFFER III, 0000
STEPHEN T. SHARKEY, 0000
PATRICK J. SHARON, 0000
DAVID R. SHAW, 0000
DONNA L. SHAW, 0000
KENNETH J. SHAW, 0000
ROBERT C. SHAW, 0000
STEVEN L. SHEA, 0000
SANFORD T. SHEAKS, 0000
LUTHER F. SHEALY III, 0000
PATSY L. SHELL, 0000
MARK A. SHEPHERD, 0000
EDWARD W. SHERIDAN, 0000
FRANK W. SHEROD II, 0000
MICHAEL H. SHIELDS, 0000
KENNETH G. SHIMABUKU, 0000
RANDALL R. SHIRLEY, 0000
MALCOM A. SHORTER, 0000
KENNETH W. SHREVES, 0000
DAVID L. SHUTT, 0000
EARL M. SILVER, 0000
ERIC D. SINE, 0000
JAMES G. SINGLETON, 0000
PAUL A. SKVARKA, 0000
THOMAS P. SLAFKOSKY, 0000
JAMES A. SMART III, 0000
JONATHAN J. SMIDT, 0000
CARY L. SMITH, 0000
JAMES M. SMITH, 0000
JOHN J. SMITH, 0000
JOHN L. SMITH, 0000
MARTIN C. SMITH, 0000
ROBERT B. SMITH, 0000
ROBERT P. SMITH, 0000
ROBERT P. SMITH, JR., 0000
THOMAS T. SMITH, 0000
TIMOTHY C. SMITH, 0000
JOHN B. SNYDER, 0000
JOHN E. SNYDER, 0000
RANDALL A. SOBOUL, 0000
ULISES J. SOTO, 0000
ROBERT J. SOVA, 0000
MICHAEL A. SPENCER, 0000

RANDALL K. STAGNER, 0000
JOHN R. STAUTER, 0000
RONALD T. STAVER, 0000
FRANK D. STEARNS, 0000
ROY D. STEED, 0000
MICHAEL D. STEELE, 0000
*STEVEN R. STEININGER, 0000
ROBERT L. STEINRAUF, 0000
RONALD C. STEPHENS, 0000
RICHARD L. STEVENS, 0000
DANIEL S. STEWART, 0000
DAVID STEWART, 0000
JOE M. STEWART, 0000
MICHAEL D. STEWART, 0000
STEVEN D. STEWART, 0000
RONALD R. STIMEARE, 0000
GREGORY E. STINNER, 0000
RICHARD C. STOCKHAUSEN, 0000
DAVID B. STOCKWELL, 0000
DEAN C. STODTER, 0000
KEVIN S. STOLESON, 0000
KENNETH R. STOLWORTHY, 0000
CATHERINE M. STOUT, 0000
KEVIN A. STREETS, 0000
JAMES H. STRICKLAND, JR., 0000
BARRY L. STUCKEY, 0000
WAYDE L. SUMERIX, 0000
LORI L. SUSSMAN, 0000
DOUGLAS M. SUTTON, 0000
EDWARD A. SWANDA, JR., 0000
JOHN J. SWART, 0000
JOSEPH F. SWEENEY, 0000
MATTHEW C. SWEENEY, 0000
PATRICK J. SWEENEY, 0000
ROBERT A. SWENSON, 0000
RODNEY J. SYLVESTER, 0000
CHARLES N. TANGIRES, 0000
JOHN A. TANZI, 0000
DANIEL N. TARTER, 0000
KEVIN W. TATE, 0000
CLARENCE L. TAYLOR, JR., 0000
JACK A. TAYLOR, 0000
JOHN R. TAYLOR III, 0000
CHARLES A. TENNISON, 0000
JEFFREY W. TERHUNE, 0000
MICHAEL J. TERIBURY, 0000
CURTIS L. THALKEN, 0000
STEPHEN M. THARP, 0000
JERRY W. THOMAS, 0000
KEVIN S. THOMPSON, 0000
MITCHELL J. THOMPSON, 0000
SHEILA J. THURBER, 0000
RICHARD A. THURSTON, 0000
JOHN R. TIBBETTS, 0000
HALIMA M. TIFFANY, 0000
TRACEY E. TINSLEY, 0000
GLENN D. TIONGSON, 0000
ROBERT A. TIPTON, 0000
LEONARD G. TOKAR, JR., 0000
SCOTT R. TORGERSON, 0000
SAMUEL D. TORREY, 0000
NORMA P. TOVAR, 0000
STEPHEN J. TOWNSEND, 0000
STEPHEN M. TOWNSEND, 0000
STANLEY M. TRADER, 0000
TIMOTHY R. TRITCH, 0000
GERY B. TRUITT, 0000
JAMES T. TRUITT, JR., 0000
GREGORY N. TUBBS, 0000
MARGARET W. TUBESING, 0000
JOHN N. TULLY, 0000
KENNETH A. TURNER, 0000
LAWRENCE L. TURNER, JR., 0000
WENDELL H. TURNER, JR., 0000
WILLIAM D. TURNER, 0000
JAMES R. UPRIGHT, 0000
RONDA G. UREY, 0000
THOMAS P. URICH, 0000
DAVID M. VANLAAR, 0000
ROBERT R. VARELA, 0000
JAMES E. VARNER, 0000
BRIAN S. VEIT, 0000
LAWRENCE J. VERBIEST, 0000
FRANK VESELICKY, 0000
JOHN A. VIAENE, 0000
PATRICK J. VIRGILIO, 0000
ROBERT E. VITTETOE, 0000
MICHAEL J. VOGL, 0000
MICHAEL P. WADSWORTH, 0000
HENRICUS F. WAGENAAR, 0000
RICHARD P. WAGENAAR, 0000
STEPHEN K. WALKER, 0000
STEPHEN M. WALLACE, 0000
MICHAEL S. WARBURTON, JR., 0000
KENNETH M. WARD, 0000
EARL B. WARDELL, JR., 0000
PATRICK T. WARREN, 0000
GLENNYS H. WARSOCKI, 0000
RICHARD J. WASSMUTH, 0000
DWANE E. WATSEK, 0000
BRYAN G. WATSON, 0000
HAROLD W. WAUGH, 0000
JOANN C. WEBBER, 0000
FORREST C. WENTWORTH, 0000
THOMAS F. WESTFALL, 0000
KENNETH A. WHEELER, 0000
JORDAN R. WHITE, 0000
STEPHEN P. WILKINS, 0000
CLYDE L. WILLIAMS, 0000
CURTIS R. WILLIAMS, 0000
DARRELL K. WILLIAMS, 0000
DARRYL A. WILLIAMS, 0000
DENISE F. WILLIAMS, 0000
HORACE E. WILLIAMS, 0000
KENNETH S. WILLIAMS, 0000
PERRY W. WILLIAMS, 0000
STEPHEN C. WILLIAMS, 0000
YANCEY R. WILLIAMS, 0000
MICHAEL C. WILMER, 0000
BRENDAN L. WILSON, 0000
KENNETH L. WILSON, 0000
THOMAS C. WILSON, 0000
WILLIAM R. WINDSOR, 0000
WILLIAM T. WINNEWISSER, 0000
MICHAEL D. WINSTEAD, 0000
WALTER M. WIRTH, JR., 0000
MARK S. WOEMPNER, 0000
JOHN H. WOMACK, 0000
CHARLES H. WOOD, 0000
PAUL J. WOOD, 0000
STEPHEN N. WOOD, 0000
TAMASINE N. WOODCREIGHTON, 0000
MICHAEL E. WOODGERD, 0000
*MELINDA S. WOODHURST, 0000
JIMMY E. WOODRUFF, 0000
KURT M. WOODS, 0000
LAMONT WOODY, 0000
DONALD H. WOOLVERTON, 0000
MICHAEL A. WOOTEN, 0000
DANIEL J. WORTH, 0000
ROBERT E. WRAY, JR., 0000
RANDALL A. WRIGHT, 0000
WILLIAM W. WRIGHT, 0000
THOMAS A. WUCHTE, 0000
RUSSELL E. WYLER, 0000
ALLEN G. WYNDER, 0000
MICHAEL N. YAMASHIRO, 0000
RICHARD N. YAW, 0000
RAYMOND T. YOCUM, 0000
CHARLES M. YOMANT, 0000
JAMES R. YONTS, 0000
ROGER D. YONTS, 0000
CAROL R. YOUNG, 0000
KITTY M. YOUNG, 0000
ALBERT M. ZACCOR, 0000
JAMES J. ZANOLI, 0000
DANIEL S. ZUPAN, 0000
KEITH J. ZURLO, 0000