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Senate

EMERGENCY FARM FINANCIAL RELIEF ACT

Mr. LOTT. Mr. President, I ask unanimous consent that the Agriculture Committee be discharged from further consideration of S. 2344, and that the Senate proceed to its consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk reported as follows:

A bill (S. 2344) to amend the Agricultural Market Transition Act to provide for the advance payment, in full, of the fiscal year 1999 payments otherwise required under production flexibility contracts.

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

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The minority leader is recognized.

Mr. DASCHLE. Mr. President, reserving the right to object, I thought the majority leader and I were working on this. I am a little bit surprised he has chosen to call it up right now. We can object. But I would prefer that we continue to see if we can't resolve this matter. We have been cooperating all night.

I guess I expected a little more reciprocation on the other side. I am disappointed that I was surprised in this manner, and at this hour under these circumstances it is uncalled for.

Mr. LOTT. Mr. President, I think the Senator would like to withhold that last comment about it being uncalled for. I don't do this lightly.

Mr. DASCHLE. I was not informed this was going to happen.

Mr. LOTT. I did it for a reason.

Mr. President, if I could respond to the Senator's comments, this is not a controversial issue. This is an issue that I am sure that all agriculture Members would very much like for us to get resolved. There is no budget impact. All it does is say that this allows farmers suffering from drought, El Nino, fire, and other natural disasters to begin considering and receiving emergency transition payments that they are entitled to under the Freedom to Farm Act. As a matter of fact, I understand that it will allow them to get these benefits in October rather than having to wait until January. I did it for a reason.

If we don't get it resolved before we get to a final vote, then objections later on tonight would make it impossible for us to get any consideration.

If the Senator would indicate to me that there is some idea that we could get this agreed to tonight, I would be glad to work with him like I always do. But the timing was such that we have to do it now in order to get it considered, or it could be objected to after Senators have gone, and we would not get it completed.

I am trying to complete action so that we can go through a long list of Executive Calendar nominations, so that we could complete some more of them tomorrow. If we don't do these two issues now, they are basically gone until September.

I thought that—I understood there was an objection, but that we had worked through that, and that we would not have any problem in getting this cleared.

I had talked to Senators on your side of the aisle that have agriculture interests that indicated they would not object to this.

If there is some problem that we could resolve right quick, I would be glad to withhold. But we need to try to get this resolved, because it is something that is very important timewise to the Department of Agriculture and to the farmers that have been affected by drought.

We have worked this year on both sides of the aisle on the agriculture appropriations bill to get considerations for farmers that have been impacted by these disasters. This is just one way to do that.

Since there is no cost factor involved, it just gives authority for this to be moved forward.

Mr. DASCHLE. Mr. President, reserving the right to object again, I was consumed, I guess, in assisting the chairman of the Defense Appropriations Subcommittee in working down the amendments. We have been working on that tirelessly all day. The majority leader and I have worked throughout the day on a number of issues. Not once did he raise this issue with me. That explanation would have been welcomed, would have been appreciated 5 minutes ago, a half hour ago, 2 hours ago. But he surprises me at this hour after we cooperated all week on an array of issues working over these appropriations bills amendment after amendment. And I guess it is very, very disappointing to me.

I ask unanimous consent that an amendment that would provide $500 million in indemnity payments to farmers and that was passed unanimously on the Senate floor during the debate on the agricultural appropriations bill be attached to the bill that is now under consideration, and for which the majority has asked unanimous consent.

Would he accept that addition to the bill? Because, if he would, I am sure then that we could accommodate the majority leader and those who wish to pass this, as it was a surprise to the rest of us.

Mr. LOTT. Mr. President, this comes as no surprise to Senators interested in agriculture on either side of the aisle. In fact, I did bring this subject up to Senator DASCHLE earlier today, standing right there.

By the way, I have been working on amendments and Executive Calendar items while we have been having these last few votes. I have been talking to Senators on both sides of the aisle about nominations. I talked to Senator DORGAN who I know confers with Senator DASCHLE all the time about this

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

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particular unanimous consent request within the hour.

I don't believe there is anybody on either side of the aisle surprised by this.

Mr. DASCHLE. I am one.

Mr. LOTT. As a matter of fact, we just discussed it a moment ago.

If the Senator wants to object, he can go ahead and object. I think the implication here is that there is some sinister effort here. And it is certainly not true. This is something that is very noncontroversial. I don't know of any problem with it. I can't imagine why any Senator would object to it.

Mr. HARKIN. Will the Senator yield?

Mr. ROBERTS. Will the majority leader yield?

Mr. LOTT. With regard to his unanimous consent request, I have no idea of the ramifications of the unanimous consent request he just asked. I don't know what is involved there. We already passed the agriculture appropriations bill. There was action taken on that particular item.

I would not be able to agree to that at this point without checking with Senators that have been involved in that legislation with that amendment.

So there is no need in holding up the Senate any further. If the Senator wants to object, he can do so.

I am going to also ask unanimous consent that he go ahead and move on the H–1B issue which has been worked out previously in conference by both sides of the Capitol by both parties. This is an issue that we need to get resolved.

I thought that we had a reasonable resolution of the issue.

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

The PRESIDING OFFICER. The majority leader has the floor.

Mr. ROBERTS. Mr. President, will the majority leader yield?

Mr. LOTT. I would be glad to yield.

Mr. ROBERTS. Mr. President, the basic reason I think this is so important is that the other body, the House, is going to pass this very same bill, and all it is, is one of the many steps that we need to consider and hopefully pass in regard to growing problems we are experiencing in farm country.

There was a great deal of press last week about the intention of the House to provide something called ''advanced transition payments.'' All that does is provide the farmer an opportunity for a voluntarily decision which he can make as to whether or not he can accept next year's transition payments this year.

It means a considerable amount of money. And if we are able to pass the Farm Savings Account that Senator GRASSLEY has introduced, it will be of tremendous cash flow assistance.

I thought it was not controversial. Since the House is going to pass it next week, since the House is out of session, it made a lot of sense, it seemed to me, and many others, for us to deem it passed, or to pass it.

Farmers would then have, under the banner of consistency and predictability, the knowledge that they would have this as a tool.

Now, I can't tell you what we are going to do in September with the $500 million that was referred to by the distinguished Democratic leader. That is a place hold, and it is sitting there, and as we go through the situation of judging what is happening with adverse weather all around the country—in Texas, Oklahoma, Florida, Georgia, South Carolina, and the Northern Plains certainly—perhaps that number will change. We can take a look at it at that particular point.

As a matter of fact, I was just going to give to all the distinguished Senators from the Dakotas a proposal that I have had in regard to crop insurance and see maybe if the $500 million could be increased somewhat and funneled through crop insurance to answer these indemnity payment questions that have been raised.

But for goodness' sake, to object to this at this particular time—to give farmers the advance news that this is, as a matter of fact, on the table, that they can expect this, that they have some consistency, some idea of what is coming—I think is very untoward.

More to the point, I think it has been agreed to in a tremendous bipartisan effort in the House and, I had thought, in this as well.

Now, I understand that people perhaps don't get the word on each and every occasion, but I cannot imagine anybody objecting to this knowing full well in September we will get to the $500 million that the distinguished Senator has mentioned. I would certainly urge that we not object to this, we give the farmers a very clear signal, and we get on with the business.

Mr. LOTT. Will the Senator respond to a question?

Mr. ROBERTS. I would be delighted to respond if I can.

Mr. LOTT. I believe the Senator from Kansas has been working on this issue. He knew we were trying to get it cleared tonight. I made a specific call to him to contact Senators on both sides of the aisle and discuss this issue. I assumed that he was doing that. I had the impression that it had been—any holds or objections had been cleared.

Did it come as surprise to the Senator? Does the Senator think it came as a surprise?

Mr. ROBERTS. I am always pleased, if I can respond to the majority leader, to be Garcia and run the trap lines for anything that could be proposed by the Senator and the distinguished leader of the minority. I have checked with a great many Senators. I thought it was pretty much common knowledge. I have checked with the chairman of the Subcommittee on Ag Appropriations, the distinguished chairman of the Senate Agriculture Committee, checked with Senator DORGAN, checked with Senator CONRAD, and checked with others. I could go down the list. But I just did not anticipate that there would be an objection, and so consequently—or, more especially, when the very subject that Senator DASCHLE indicated is already in the Agriculture appropriations bill.

As a matter of fact, I think if we fund it now, you could make the argument that later down the road, in regard to disaster assistance, there would not be any more forthcoming. I apologize if it is my fault, if in fact I was supposed to run the trap line and I didn't run all the traps. I am sorry, but I just did not anticipate that this would be this much of a problem.

Mr. DASCHLE. Mr. President, reserving the right to object, we can play these games all night long, and there are a lot of people who are tired. This isn't the way to end what I thought was a fairly productive week.

We are not going to object. Let's just quit playing these kinds of games. Let's just get on with it. Let's pass it. But let's all be aware of what we have done.

You and I have a good relationship. We ought to keep it that way. I don't like being dealt with this way. I will accept it this time, but I wish we would work in the manner in which we have been working all week.

This is a very serious, important issue. There are a lot of political ramifications, and we can play the political game. The fact is that there are a lot of people out there who want some help. This is going to be a little help. I wish we could pass the indemnity payment tonight. I don't see why we could not. The fact is that we would pass it unanimously, and that would be new money, $500 million in new money. I wish we could do that just as easily as we are going to agree to pass this thing that isn't going to mean that much. But we will pass it.

But I must say, we shouldn't be doing it this way. I have been here all night. I haven't left the floor. Somebody could have come to me to say, look, we want to do this. Instead, what has happened is that this was sprung on me.

Now, you don't have to apologize. Nobody has to apologize. It just isn't the way we ought to do business.

So, Mr. President, we don't object.

Mr. LOTT. Mr. President, I appreciate the fact the Senator did not object.

Mr. HARKIN. Reserving the right to object—I will reserve the right to object. Is this unanimous consent on advancing AMTA payments? Is that what is before the body right now?

Mr. President, parliamentary inquiry. What is the unanimous consent before the Senate right now?

Mr. LOTT. Mr. President, if I could respond, it is unanimous consent that the Agriculture Committee be discharged from further consideration of S. 2344, which is a bill that allows farmers who are suffering from the drought to begin receiving emergency transition payments that they are entitled to in October instead of having to wait until January.

Mr. HARKIN. I would ask the proponents, I would ask the majority leader then, is this the unanimous consent

that would reopen the 1996 farm bill? Because the farm bill stipulates that a farmer could get half of the payment if he wanted to in December or January and could get the other half the next September.

That was in the farm bill. As I understand it, this then changes what the farm bill provides. Is that correct?

Mr. LOTT. It says, as I understand it, that they would get the same amount they would get either way. They would just get it earlier in the year instead of later in the year so they could begin to deal with the problems that they have had to face as a result of disasters.

Mr. HARKIN. Further reserving the right to object then, this then would undo some of the provisions that were in the 1996 farm bill, because it changes the dates and circumstances under which the farmer could get the AMTA payment, as it is called.

I understand that some people want to do that and they want to reopen the farm bill. That is fine. But I would remind my colleagues that a couple of weeks ago we offered an amendment to take the caps off the commodity loan rates. For a typical Iowa farmer with 500 acres of corn that amendment would have put about $20,000 of additional income in the farmer's pocket this fall. Not only does this bill involve significantly less money for that farmer, but it only advances money that he is already going to get anyway. As far as increasing income to the farmer, this bill doesn't do a darned thing.

What we need to do is to get the indemnity payments through that Senator DASCHLE is talking about, $500 million. There are a lot of farmers out there who are hurting very badly. I have to tell you, there is a crisis in agriculture today. Farmers have been devastated by bad weather, by crop disease in the Upper Midwest, and especially in the Dakotas.

We can pass the $500 million for indemnity payments tonight. Why don't we pass that measure by unanimous consent right now to get that $500 million in indemnity payments out to farmers immediately? Why can't we do that?

I ask the majority leader, why can't we pass that?

Mr. LOTT. Mr. President, this is a bill that has been offered. It provides help now. I know no Senator would want to delay that help that they were going to get anyway. We just get it earlier. This is a bill that is going to pass the House next Monday, probably unanimously, which would provide some more immediate help to these farmers.

There is no effort to play games here. This is an effort to provide some help to the farmers who need it as soon as they can possibly get it. That is all there is to it. The idea we are playing games here—I will be glad to yield to the Senator from Idaho.

Mr. CRAIG. Mr. President, I had the privilege of working with Senator CONRAD on crafting the indemnity payment. We cooperated with Senator COCHRAN in getting it in the agriculture bill. We are going to go to conference right soon. We think that will be in the new fiscal year. You talk about immediacy of payment? We hope that will be available by late this year to deal with some of these agricultural problems.

But I must say, it has not been shaped to my satisfaction. Senator CONRAD and I have talked about how we would work within the conference to make sure that it is a legitimate approach toward a true disaster environment. This is a broader approach that deals with more farmers.

The definition under which Senator CONRAD and I shaped that—he being the primary author—dealt with double, back-to-back disasters. It is narrower by scope. We may want to adjust that some. I would not think tonight we would want to just accept it as it was originally crafted with its narrowness. The problem is already much larger today than when we passed it, by character of the drought and heat in Texas and in other States. It is already broader. We will want to look at that again.

It is not that I am objecting. I am saying I think we will be working together in the conference of the Ag approps to make that a viable approach as we originally thought it ought to be.

Mr. LOTT. Let me ask Senator CRAIG, if he would respond, do you think this bill, which is very limited, with no budget impact, would, at any rate, still provide some help quicker to the farmers who had been affected by these disasters?

Mr. CRAIG. There is no question it does. Is it something new? No. Is it advanced? You bet it is. When the crops dried out in the field and the banker wants you to pay your bills and you can pay them sooner than later, then it is a big help. This is not opening up Freedom to Farm. This is advancing a payment that is already built within that structure. That is why there is the budget impact about which the majority leader spoke.

I hope we can work together to resolve this, as we thought we had, so that this can move forward this week to deal with the problems that are very current in our agricultural sector.

Mr. LOTT. Mr. President, I renew my unanimous consent request.

Mr. CONRAD. Reserving the right to object.

The PRESIDING OFFICER. Objection is heard.

Mr. CONRAD. Mr. President, reserving the right to object, and I will not object—but I do object to what has occurred here, in terms of the way we are dealing with each other.

When I worked to put together an indemnity plan, I went to Members on the other side and I consulted with everyone. On this matter, there was no consultation.

Mr. LOTT. Mr. President—did we not have conversations with Senators?

The PRESIDING OFFICER. The majority leader is recognized.

Mr. CONRAD. No, no, I have reserved the right to object. I just say this: My name was raised as having been consulted; I haven't been consulted. I was not consulted. So, when my name is raised on the floor of this body and it has been said publicly that I was consulted, that is not the case. In fact, I heard a rumor that this was occurring and went to another Member.

I am just saying, in terms of the way we treat each other here, this is not quite the way it ought to be done. I would hope we would truly work together to advance the interests of our farmers who, in many parts of our country, are, indeed, financially troubled.

There is no question this proposal is of some help. It is no new money, but it is of some assistance.

But I couldn't be silent when it is suggested people came and consulted with us. That did not happen. The Democratic leader is precisely right; there was no consultation, at least with this Senator.

Mr. LOTT. We are late in the hour. I see a number of Senators from farm States who would like to speak, perhaps, on this.

Senator HUTCHISON, I know her State of Texas has been affected by the drought. Is this a matter that would be helpful in your State of Texas?

Mrs. HUTCHISON. Mr. President, if we let the perfect be the enemy of the good, we are going to let a lot of people down who are in desperation right now. This is a good bill. I think the debate can be legitimately waged, but, please, at this late hour, as we are leaving for a month, do not fail to let us have this relief. These farmers can get credit if they can get that payment moved up. It is no new money. But they need this help. This will help my State, which is the most drastically affected at this point with this drought.

I urge you, for whatever other reasons it may not have been handled right, let this unanimous consent go through. It will be to everyone's benefit who has a stake here. Let's work out the other problems when we can. We are going into a month recess.

Mr. LOTT. Let me say again, Mr. President, when you get to the end of a period of time like this, when you are fixing to go on a recess for an extended period of time, there are a lot of bills, there are a lot of issues we are dealing with, a lot of nominations we are trying to clear.

I am either going to have to do it now or later tonight or tomorrow, when everybody else is gone. We wouldn't have been able to get this cleared, probably, tomorrow. But by doing it now, I think everybody will realize that this is something that will help. It is not that controversial, and we can get it done and we can move on to the recess and feel like we did something here that will be helpful. We will have other opportunities before the

year is out to provide more help as we go through the conference.

Mr. DORGAN. Mr. President, reserving the right to object.

Mr. LOTT. Mr. President, I know there are a lot of Senators on their feet, but in an effort to try to be fair before I move for regular order, I am going to withhold so the Senator from North Dakota can comment and then the Senator from Georgia, and then I will ask for the regular order.

Mr. DORGAN. I do not intend to object. I have no quarrel with this provision that is being proposed tonight.

Mr. LOTT. Didn't I call the Senator and ask if there was a problem?

Mr. DORGAN. You did call within the last hour or so. I indicated to you there was no problem with this provision, and I do not object to this provision.

But I do want to make the point that the Senate has debated and passed an emergency provision calling for $500 million of indemnity payments. That is the only new money available. It is the only new money around in the appropriations process. If it is completed by October 1, then perhaps we may get money into the pockets of some farmers. We have seen prices collapse even further in recent weeks. It may get money into the hands of some farmers, perhaps in October—unlikely—perhaps November, maybe December.

My proposition is that to the extent that we have already debated this subject, the Senate, by 99 to nothing, has said we have an emergency in farm country. They have already passed a $500 million indemnity payment program. It makes eminent good sense to me that we would be able to pass that indemnity program this evening and move it to the House. Does the House want to deal with it? I don't know. But they won't have an opportunity to deal with it in any timely way if we don't proceed.

I have no objection at all to what the Senator is requesting. I simply ask that he consider, and we consider, taking the $500 million we have already decided upon and see if we can't move that to the hands of family farmers, many of whom are desperately strapped for cash.

As soon as the Senator has completed getting his unanimous consent and as soon as I am able to get the floor, I intend to ask unanimous consent the Senate will proceed to the bill providing the $500 million of agriculture indemnity payments, which was agreed to as an amendment to the agricultural appropriations bill, and the bill be read a third time and passed, and the motion to reconsider be laid upon the table.

If someone objects to that, fine. But I hope they would not object to it. We will not object to this. I think this may help. I hope you will not object to that, because I know it will help. It would help in a more timely way than will be the case if we wait until after recess, and farmers have to wait until November or December. Perhaps we can help farmers to get some help from that provision earlier.

Mr. LOTT. I yield to the Senator from Georgia.

Mr. COVERDELL. Mr. President, I have just returned from a disaster area in our State. It is the most emotional difficulty, I believe, with which I have ever dealt. And I have dealt with a 1000-year flood and a 500-year flood. Back-to-back crises like this are enormous.

I heard the exchange between the majority and minority leaders. I understand the tensions of the day. I appreciate the minority leader, in deference to the issue involved, removing his right to object. I appreciate that.

That removal of an objection will lead to the movement and option of farmers, in many States, to relieve their cash flow problem. They have an equity problem. The proposal that the minority leader has mentioned, about the $500 million, and others, is something for the broader issue. There are many issues we are going to have to bring to the table to deal with this crisis. That is one idea. It is probably not near enough. It wouldn't take care of Georgia and South Carolina, much less Alabama and Texas and the Midwestern States.

We do have a major issue in front of us dealing with food and fiber and the Nation's security. I hope we could proceed this evening with that which does not require new funds and it is simply a logistical and administrative decision that will move money more rapidly.

I say to the leader, I appreciate the chance to speak on this. Again, I thank the minority leader for removing his objection.

Mr. LOTT. Mr. President, I ask unanimous consent that the bill be considered read the third time and passed; that the motion to reconsider be laid upon the table; and that any statement relating to the bill appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Is there objection to the request? Without objection, it is so ordered.

The bill (S. 2344) was considered read the third time and passed, as follows:

S. 2344

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 ''Emergency Farm Financial Relief Act''.

SEC. 2. SPECIAL RULE FOR FISCAL YEAR 1999 PAYMENT UNDER PRODUCTION FLEXIBILITY CONTRACTS.

Section 112(d) of the Agirucltural Market Transition Act (7 U.S.C. 7212(d)) is amended by adding at the end the following:

''(3) SPECIAL RULE FOR FISCAL YEAR 1999.—Notwithstanding the requirements for making an annual contract payment specified in paragraphs (1) and (2), at the option of the owner or producer, the Secretary shall pay the full amount (or such portion as the owner or producer may specify) of the contract payment required to be paid for fiscal year 1999 at such time or times during that fiscal year as the owner or producer may specify.''.

Mr. LOTT. Mr. President, I ask unanimous consent that when the Senate receives the House bill relative to H–1B, the text of which I send to the desk, the bill be deemed agreed to and the motion to reconsider be laid upon the table. I further ask that if the text of the House-passed bill is not identical to the text just sent to the desk, then the House bill will be appropriately referred.

Mr. DASCHLE. Mr. President, there are objections on our side.

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1999

The Senate continued with the consideration of the bill.

Mr. LOTT. Mr. President, I believe we are ready to go to final passage of the defense bill.

Mr. STEVENS. I ask we proceed with the unanimous consent agreement.

The PRESIDING OFFICER. The question is, Shall the bill, H.R. 4103, as amended, pass? On this question, the yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from North Carolina (Mr. HELMS) is absent because of illness.

I further announce that, if present and voting, the Senator from North Carolina (Mr. HELMS) would vote ''aye.''

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

The result was announced—yeas 97, nays 2, as follows:

[Rollcall Vote No. 252 Leg.]

YEAS—97

Abraham	Faircloth	Lugar
Akaka	Feinstein	Mack
Allard	Ford	McCain
Ashcroft	Frist	McConnell
Baucus	Glenn	Mikulski
Bennett	Gorton	Moseley-Braun
Biden	Graham	Moynihan
Bingaman	Gramm	Murkowski
Bond	Grams	Murray
Boxer	Grassley	Nickles
Breaux	Gregg	Reed
Brownback	Hagel	Reid
Bryan	Harkin	Robb
Bumpers	Hatch	Roberts
Burns	Hollings	Rockefeller
Byrd	Hutchinson	Roth
Campbell	Hutchison	Santorum
Chafee	Inhofe	Sarbanes
Cleland	Inouye	Sessions
Coats	Jeffords	Shelby
Cochran	Johnson	Smith (NH)
Collins	Kempthorne	Smith (OR)
Conrad	Kennedy	Snowe
Coverdell	Kerrey	Specter
Craig	Kerry	Stevens
D'Amato	Kohl	Thomas
Daschle	Kyl	Thompson
DeWine	Landrieu	Thurmond
Dodd	Lautenberg	Torricelli
Domenici	Leahy	Warner
Dorgan	Levin	Wyden
Durbin	Lieberman	
Enzi	Lott	

NAYS—2

Feingold	Wellstone

NOT VOTING—1

Helms

The bill (H.R. 4103), as amended, was passed.

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

The PRESIDING OFFICER. Under the previous order, the Senate insists on its amendment, requests a conference with the House, and the Chair appoints the following conferees.

The Presiding Officer appointed Mr. STEVENS, Mr. COCHRAN, Mr. SPECTER, Mr. DOMENICI, Mr. BOND, Mr. MCCONNELL, Mr. SHELBY, Mr. GREGG, Mrs. HUTCHISON, Mr. INOUYE, Mr. HOLLINGS, Mr. BYRD, Mr. LEAHY, Mr. BUMPERS, Mr. LAUTENBERG, Mr. HARKIN, and Mr. DORGAN, conferees on the part of the Senate.

The PRESIDING OFFICER. Under the order, S. 2132 is indefinitely postponed.

UNANIMOUS CONSENT REQUEST—S. 2344

Mr. DORGAN. Mr. President, as I indicated to the majority leader, it is my intent to ask unanimous consent that the Senate proceed to the bill which provides $500 million in agricultural indemnity payments which was agreed to as an amendment to the agricultural appropriations bill, and the bill be read the third time and passed, and the motion to reconsider be laid upon the table.

Mr. GREGG. I object.

The PRESIDING OFFICER. The objection is heard.

Mr. WELLSTONE. Mr. President, I heard on the other side of the aisle a chorus of ''I object.'' I am not quite sure why.

I was on a show this morning, WCCO Radio, in Minnesota. It is hard to explain to farmers why we can't take the action right now on the indemnity payment, the $500 million. We passed it. The correction would be made later on, but we can get assistance to farmers right now.

Why can't we send this over to the House? I say to my colleagues.

Mr. CRAIG. Will the Senator yield?

Mr. WELLSTONE. I am pleased to yield.

Mr. CRAIG. I helped craft that indemnity payment. It is very important we do work with the House. Senator CONRAD, I, and others, deserve to go to conference. Senator DORGAN was a part of that.

I can understand a rush to immediacy. That is in the next fiscal cycle. I think it is important we deal with it in a fair and balanced way. As it is written, already the circumstances of agriculture have changed significantly enough. We deserve to look at it in a broader spectrum.

We, the Senate, tonight acted to bring some immediacy to the difficulty you are expressing. There may be more to be done in the coming weeks as this whole difficulty with production agriculture increases across our country.

Mr. WELLSTONE. Mr. President, let the RECORD show I am speaking for myself, but let the RECORD show that there was no objection to moving forward on advance payments for this ''freedom to fail'' bill, which is just an admission what an awful piece of legislation it was on our side. In addition, we could have gotten a $500 million indemnity payment out to farmers.

People are asking, when are we going to see this assistance? People are thinking about a lifetime of 2 months or 3 months.

I hear this discussion that we need to take a broader view, it needs to go over to the House, and we need to work it in conference committee, and we haven't had a chance to meet yet in conference committee. Do you know how ridiculous that sounds to the people whom we represent?

Mr. President, I will just say I don't think it is just that simple. Obviously, I am not going to change the course of events tonight.

My colleague from Iowa came out here earlier and spoke about this. First, the minority leader asked whether or not we also could have unanimous consent to get this indemnity payment out to the countryside, out to families in rural America. Then the Senator from Iowa spoke about it. Then the Senator from North Dakota comes to the floor, after we have agreed to go forward—fast forward the advance payments was just fine with this Freedom to Farm bill. And now we come out and the Senator from North Dakota asks unanimous consent that we get the $500 million—when did we pass that? I ask my colleagues.

Mr. DORGAN. Almost a month ago.

Mr. WELLSTONE. A month ago. We get this out now, over to the House of Representatives; they take action this week or next week; and then we get the assistance out to farmers.

And what I hear on this side is this chorus of ''No,'' and then everyone leaves. With all due respect, it is not that simple. I want the farmers in Minnesota and I want the farmers across the country to know that there was an effort made tonight to get some additional help to people above and beyond these advance payments, which will help only a little.

It is a desperate situation. Many people are going to go under over the next several months. There was an effort tonight to get $500 million passed, over to the House, and out to farmers all across the country, especially in those areas that have been hardest hit. And my colleagues on the other side said no. And they are gone.

I will be willing to yield in 1 second. I would like to speak a little bit more about this for another 3 minutes. It is not that simple. I will just say to my colleagues on the other side, I see that it is late at night, but I will just say to them, it is not as simple as saying no. You said no to a proposal, to an effort to get assistance to people now. We could have done it. We have done it.

I think the RECORD should be very clear. I want every single farm family in northwest Minnesota that is in desperate shape to know that this proposal was turned down by the Republican Party—unwilling to do it. We were more than willing to help out a little bit with moving forward on the advance payments. No reciprocation or cooperation on the other side in getting the $500 million out to people right now.

I don't think it will be very easy to explain to people why we are waiting another month. I don't know whether we should have even left. It is sort of interesting to me, a bitter irony. Now we are gone. We probably shouldn't have gone. We probably shouldn't be going into recess.

How do you say to people, well, it will be in a conference committee and we haven't quite got that together and we just didn't want to do it tonight because there are some things that I am not satisfied with as a Senator and I would like to work on that longer?

The future is now for people. Time is not neutral. We could have passed something which would have provided $500 million to farmer families that are in real trouble, and we didn't do it. I am embarrassed that we are going into recess. I am embarrassed that the U.S. Senate blocked this. I am embarrassed, specifically, that my Republican colleagues blocked it.

I didn't get a chance to talk earlier because the majority leader tried to move things along, said he would recognize two Senators, and the Senator from Georgia was the last Senator. So now I get to speak. I think it is just outrageous.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. I simply wanted to make the point that the reason I asked the unanimous consent request really has nothing to do with the request by others to advance the Agriculture Marketing Assistance Act, or AMTA payments as they are called, under the Freedom to Farm bill. I didn't object to that. If that will help a producer here and there, that is good. Anything that helps gets assistance into the pockets of family farmers, I am for that. So I didn't object to that. I told folks this evening I wouldn't object to that.

But, this is not new money at all. This is just a payment that they are supposed to get later on. Now, they might get this payment earlier or at least they will have the option to get it earlier.

I was thinking about the farmer who testified yesterday at our farm policy hearing. This was young fellow from South Dakota who testified. When he talked about putting the crop in this spring, he could barely continue. His chin was quivering, and he had tears in his eyes. He talked about having to find something on his farm to sell in order to get the money together to put in his crop. Then things went bad for him and he was out of money again. He had to sell some of the feed for his cattle that he put aside for this winter. He

didn't have any money. He talks about the need to feed his kids, the need to provide for his family. He could barely continue because he was talking about something that is much more than a business. It is a way of life. This was life, and his dream. I had a call from a guy in Sarles, ND. You could hear the pain in his voice. Everything that he has, everything that he owns, everything that he aspires to, everything that he has fought and worked for in his family is on the line. He said, ''You know, I'm going to harvest my barley and I'm going to have to take it right to the elevator. Prices have crashed, I am not going to get anything for it. I don't have a choice. I have to pay back my lender, and feed my family.'' The pain was so evident in his voice. He was asking, ''What can I do? Is there help someplace?''

The point of both of these producers is that they didn't cause these conditions. They didn't cause the Asian financial crisis that has caused our exports to start to slow down and prices collapse. They didn't cause the crop diseases that have devastated these crops. They didn't cause the price collapse of wheat and barley. It is not their fault. The question for this country is whether we are going to have any family farmers left. And, does anybody care about that?

This Senate did something that I thought was the right thing to do. We passed an indemnity program of $500 million. Frankly, that is going to have to increase substantially. Since that time, in the last several weeks, we have learned that the Texas cotton crop is gone, with over $2 billion in damage. In Louisiana and Oklahoma, the agricultural economies are devastated. So the $500 million is going to have to be increased. The point is, while I think advancing the Freedom to Farm payments is fine, I think we can do more by deciding to take the $500 million we have already agreed upon and advance that and move that out.

The earliest farmers are going to get these indemnity payments would be perhaps November or December. Tonight, we could have taken that $500 million and made it available. We could have sent it to the House, and let them pass it. Next week, or the week after, the Department of Agriculture could have begun to try to deal with this deepening farm crisis. This isn't an ordinary crisis. I have mentioned before that we have so many auction sales of family farms in North Dakota that they were calling auctioneers out of retirement to handle the sales. You can go to those sales and see these little tykes wearing their britches and cowboy hats with hair in their eyes, wondering why mom and dad have to sell the farm, and why their life is going to change. You can see the husband and wife with tears in their eyes, watching people bid on their machinery. Most of the equipment is old because they can't afford the new machinery. You can see the pain being suffered out in the great plains.

I am disappointed tonight. I wish we could have done what we have already decided to do. We should make $500 million available now. We should do it sooner rather than later. We will come back in September and have another significant debate. Advancing the Freedom to Farm payment is fine. It may help some producers. If it does, I am for that. But we must do more. This Congress must decide that family farmers matter. This isn't just about dollars and cents, or about economic theory. With all that is going on in agriculture, including unfair trade, unfair competition, a choked market, monopolies up and down and sideways, and everywhere, we are losing something very important. We are losing family farmers. Then all the yard lights will be turned off on these farms. You will fly from California to Maine and you won't see family farms because agrifactories don't have yard lights. They plow as far as you can plow for 10 hours, and they plow back. There will be nobody living out in the country. That seed bed of family values that existed and that nurtures us from small towns to America's cities, and which has always refreshed this country will be gone. Then somebody will scratch their head and say: What happened to our country? What will have happened is that this Congress didn't understand, as some other countries do, that family farmers make a difference in our national life. It is not just dollars and cents. It is a lot more than some economic calculation made by those who give us a bunch of constipated theories about agriculture. This is everyday living by farm families that just ask for an even chance to make a decent living. Yet they are confronted in every direction by monopolies, price collapse, disease, and then by a Government that says they want to pull the rug out from under them on price supports.

What if the Government tried to do that on the minimum wage? They would say, ''Let's reduce the minimum wage to $1 an hour and call it freedom to work.'' It's the same thing. The fact is, we must come back here in September and have a real debate about real policies that will give family farmers in this country a real opportunity to make a decent living. They are the economic all stars in this country. Make no mistake about it. This country will make a serious mistake if it turns its back to the economic opportunity that ought to be offered to the family farmers in this country.

I yield the floor.

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER (Mr. DEWINE). The Senator from North Dakota is recognized.

Mr. CONRAD. Mr. President, perhaps it is healthy that we had a discussion on the farm crisis started again tonight. It is unfortunate the way it came up because, typically, those of us who represent farm country have tried to work together. That did not happen tonight. That is unfortunate. There is no great harm done. In fact, we passed something that will be modestly helpful, although it represents no new money.

Mr. President, the reason there is such a high level of feeling about what is happening in farm country is because we face an unmitigated disaster. In North Dakota, farm income declined 98 percent from 1996 to 1997. The result is a massive number of auction sales, and the result is that the Secretary of Agriculture came to North Dakota and his crisis response team said that we are in danger of losing 30 percent of our farmers in the next 2 years. That is a disaster of staggering proportion.

Of course, it is not limited to North Dakota because we have the lowest prices for wheat and barley in 50 years. Those prices continue to crash. I just received a phone call from a farmer back home in North Dakota, who heard this debate occurring and he said, ''Don't they know down there that just shuffling payments is not going to solve the problem? Don't they know that this kind of shell game is not what is needed? What is needed are additional resources to fight what is an international trade war. Don't they know that Europe spends 10 times more supporting their producers than we do supporting ours? Don't they know Europe is spending 100 times more than we are supporting exports? Don't they understand the result is not only the lowest prices in 50 years, but in addition to that, disasters that are not being addressed?''

The disaster in North Dakota is the outbreak of a disease called scab, a fungus that is loose in the fields, which cost us a third of the crop last year. That combination of the lowest prices in 50 years and losing a third of the crop to this horrible disease, scab, has meant devastation to farm income. As I indicated, there has been a 98 percent reduction in farm income from 1996 to 1997, with literally thousands of farmers being forced off the land this year, and many more coming next year. One of the major agricultural lenders in my State called me and told me, ''Senator, there is something radically wrong with this country's farm policy. If a State like North Dakota, which is one of the breadbasket States of our country, is in a farm depression, then there is something radically wrong with the farm policy.

Mr. President, I just want to conclude by saying that we do face low prices in North Dakota. It is not just in North Dakota because now it is spreading to other States as well. They are being hit by the low prices, but they are also being hit by these disaster conditions. In different parts of the country, it is different kinds of weather disasters. In Oklahoma and Texas, it is overly dry conditions, a drought. It's the same thing in Louisiana. In our part of the country, it is overly wet conditions that led to this outbreak of

the fungus called scab. In other parts of the country, it has been hurricanes.

The combined result is a farm crisis worse than anything we have seen since I have been in public life. I have been in public life now for over 20 years.

Mr. President, I hope when we return that we are ready to aggressively address this problem. What we did tonight will help. It is not new money. It just moves money forward. That will be of some assistance. But it in no way solves the problem. We have a crisis of staggering dimensions, and it requires our full response.

I thank the Chair. I yield the floor.

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

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

Mr. JEFFORDS. Mr. President, we are now in the closing process for the evening, and we have several matters to be considered.

MORNING BUSINESS

Mr. JEFFORDS. Mr. President, I ask unanimous consent that there now be a period for the transaction of morning business.

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

MEDIA CAMPAIGN HELPS INFORM CONGRESSIONAL ACTION ON ENCRYPTION

Mr. LOTT. Mr. President, I rise to recognize the continuing efforts of Americans for Computer Privacy (ACP), a broad-based advocacy coalition, to energize the discussion now taking place in Washington on encryption. ACP has a role since they represent industry, private citizens and interest groups from all sides of the political spectrum. The computer industry believes, as do many members in both the House and Senate, that it is time to reform America's outdated encryption regime. Last week, an important step was taken when a multimedia campaign was launched to raise Congressional and public awareness on the encryption issue. This campaign includes television commercials, print media, and an online banner component with such statements as, ''would you give the government the keys to your safety deposit box or home.'' In the past few days, television commercials highlighting the need for encryption reform have appeared during Good Morning America, the Today show, Hardball, and Cross Fire.

Mr. President, ACP has an impressive membership which includes such organizations as the Law Enforcement Alliance of America, the Louisiana Sheriff's Association, American Small Business Alliance, Americans for Tax Reform, Electronic Commerce Forum, Information Technology Industry Council, the National Association of Manufacturers, the U.S. Chamber of Commerce, and over sixty technology companies. It's bipartisan advisory panel includes several intelligence and law enforcement experts such as former National Security Advisor Richard Allen, former NSA Deputy Director William Crowell, former CIA Director John Deutch, former FBI Director William Webster, and former San Jose Police Chief Joseph McNamara. This array adds credibility to their message.

As you are well aware, encryption plays a significant role in our daily lives. This technology scrambles and unscrambles computer text to keep private communications from being read by unauthorized individuals such as hackers, thieves, and other criminals. Encryption protects private citizens credit card numbers when they buy something over the Internet, ensures that only authorized medical personnel can read a patients' medical records stored on a hospital database, shields tax information that we send to the IRS, and safeguards personal letters that we E-mail to loved ones. Encryption means that American companies can protect confidential employee information, such as salary and performance data; valuable trade secrets and competitive bidding information; and critical target market data.

Encryption also benefits America's security by protecting our nation's critical infrastructures, like the power grid, telecommunications infrastructure, financial networks, air traffic control operations, and emergency response systems. Strong encryption thwarts infiltration attempts by computer hackers and terrorists who have destructive, life threatening intent.

Yes, this is an issue that truly affects all Americans.

By allowing a public policy that limits encryption to continue, we risk sending more potential U.S. business overseas. This approach only serves to harm America's economic and national security interest by encouraging criminals to purchase foreign made products now widely available with unlimited encryption strength. By contrast, the broad development and use of American encryption products should be advantageous to our law enforcement and intelligence communities.

I must say that I am deeply troubled by the comments made by Commerce Under Secretary William Reinsch, head of the Bureau of Export Administration, in response to ACP's efforts. Apparently, Under Secretary Reinsch doubts that this initiative will work—that industry and privacy advocates are wasting their money. I disagree. This media campaign is rightfully educating the public about the importance of encryption in our every day lives. These advertisements make clear that encryption technology preserves our First Amendment right to freedom of speech and our Fourth Amendment freedom against unreasonable search and seizure. They illustrate that we need strong security to keep all Americans safe from infrastructure attack. And they explain that Americans and computer users everywhere must feel confident in the knowledge that their private information will remain private. Clearly, the development and use and strong encryption is critical if Internet commerce is going to grow to its full potential and sustain the economic engine that is driving this country into the 21st century.

I believe this advertising campaign is yet another indication of industry's willingness and desire to find a reasonable solution to the encryption issue. Industry and privacy groups, for example, have been working in earnest with Administration officials for several months. In May, a proposed interim solution to the encryption issue was offered. The Administration responded that it would take five to six months to review the proposal. This reaction in conjunction with Under Secretary Reinsch's recent comments, lead many in Congress, from both sides of the aisle, to conclude that the Administration, despite what it has been saying publicly, does not want to see a balanced resolution before this Congress adjourns.

Mr. President, I think it is also important to reiterate that the Administration's restrictions against U.S. encryption exports and its proposals to control domestic use just cannot work. Innovation in the high tech industry is relentless and ubiquitous. The government cannot stop it. It is for this reason that industry is trying to persuade the Administration that innovation is the solution to this issue, not the enemy. Two weeks ago, a coalition of thirteen companies proposed ''private doorbells'', a technology solution that would provide law enforcement with court approved access to computer messages. Clearly, industry leaders want to help officials capture criminals and terrorists. I believe the ideas they have put forward are reasonable and responsible. On the other hand, I do not believe the Administration's response has been forthcoming. Encryption policy can be modernized with the stroke of a pen, but the Administration has shown little willingness. Thus, industry takes appropriate action by implementing a media campaign.

While encryption is a complex and divisive information technology issue, this media initiative reinforces the need for legislation to bring America's encryption policy into the 21st century. The national security and law enforcement communities have legitimate concerns that must be considered. I believe that the best way to deal with these concerns is to pass during this Congress legislation that strikes a balance on encryption. Legislation that would help keep private and corporate communications away from

hackers, terrorists and other criminals, provide a level playing field for U.S. encryption manufacturers, and ensure Constitutional protections for all Americans. A number of my colleagues have been pushing for this type of reform for years and several competing encryption bills have been offered in both the House and Senate during this session.

Mr. President, as you may recall, I engaged in a colloquy with my colleagues last week which reinforced the need for Congress to act during this session to break the impasse. This is a difficult issue, not easily explained or understood, but it is a crucial one. Momentum has been built in both the House and Senate toward finding a workable solution. Congress must seize upon these efforts and pass a consensus encryption bill now or risk starting all over during the next session. Congress has come too far on this issue to go back to the beginning.

Americans need a sound and reasonable encryption policy that protects public safety, reinforces security, promotes digital privacy, and encourages online commerce and economic growth. Without the development and use of powerful encryption, we may bear the consequences of the next hacker's attack on the Pentagon's information network, a terrorist attack on the city's power supply, or a thief's attack on the international financial markets.

With over $60 billion and over 200,000 jobs at stake by the year 2000, the House and Senate cannot continue to hope that the Administration will reach an amicable solution that satisfies the needs of all parties. I strongly encourage my colleagues to report out a balanced encryption bill that Congress can act on before the end of this session. Before it is too late.

INSTALLATION OF WILLIAM B. GREENWOOD AS PRESIDENT OF THE INDEPENDENT INSURANCE AGENTS OF AMERICA

Mr. FORD. Mr. President, I rise today to commend a fellow Kentuckian and my friend, William B. Greenwood of Central City, who will be installed as president of the nation's largest insurance association—the Independent Insurance Agents of America (IIAA)—next month in Boston. Bill is president of C.A. Lawton Insurance, an independent insurance agency located in Central City.

Bill's career as an independent insurance agent has been marked with outstanding dedication to his clients, his community, IIAA, the State association—the Independent Insurance Agents of Kentucky—his colleagues and his profession.

At the state level, Bill served as president of the Independent Insurance Agents of Kentucky in 1983, and was named the Kentucky association's Insurer of the Year in 1986. He was Kentucky's representative to IIAA's National Board of State Directors for seven years beginning in 1985.

Bill also has been very active with IIAA. He served as chairman of its Communications and Membership Committees as well as chairman of the Future One Communications Task Force. Bill was elected to IIAA's Executive Committee in 1992 and since then he has exhibited a spirit of dedication and concern for his 300,000 independent agent colleagues around the country.

Bill's selfless attitude also extends to his involvement in numerous Central City-area community activities. He received the 1989 Kentucky Chamber of Commerce Volunteer of the Year Award. He is on the Boards of Directors for the Leadership Kentucky Foundation, Kentucky Audubon Council Boy Scouts of America, and Central City, Main Street, Inc.

In the past, Bill served on the Board of Directors of the Muhlenberg Community Theater, the Everly Brothers Foundation, and the Central City Main Street and Redy Downtown Development Corporation. Also, Bill is past president of the Central City Chamber of Commerce and the Central City Lions Club.

Bill's professional endeavors outside IIAA extend to serving on the board of directors and serving as president of the First United Holding Company, which owns Central City's First National Bank.

I have complete confidence that Bill will serve with distinction and provide strong leadership as president of the Independent Insurance Agents of America. I wish him and his lovely wife, Leslie, all the best as IIAA President and First Lady over the next year.

UTAH ASSISTIVE TECHNOLOGY PROGRAM

Mr. HATCH. Mr. President, today I pay tribute to the noteworthy efforts of the Utah Assistive Technology Program, which has helped empower individuals with disabilities, allowing them to live more rewarding, productive, and independent lives.

An estimated 216,100 Utahns of all ages—approximately 10 percent of our state's population—live with a disabling condition. Assistive technology provides a means whereby these individuals can live and work in virtually all areas of society. Stated plainly, assistive technology not only improves the quality of life for individuals with disabilities but also enables the rest of us to have the benefit of their contributions.

The term ''assistive technology'' encompasses all devices that improve the functional capabilities of individuals with disabilities. Such devices can be as simple as a wheelchair or as high-tech as an electronic Liberator, a technological apparatus that makes communication possible for disabled individuals who are not able to speak. Organizations such as the Utah Assistive Technology Program provide services that assist disabled individuals in the selection and acquisition of these products.

With the help of assistive technology, children have received a more meaningful and challenging education; adults have undertaken rewarding careers; and senior citizens have continued to live independently in their own homes.

The Tech Act, as it is known, passed by Congress in 1988, has proven invaluable to the realization of these goals. Under this act, Utah has established an impressive assistive technology program. According to my fellow Utahn, Ms. Corey Rowley, chairperson of the National Council on Independent Living Assistive Technology Task Force, the effectiveness of the Utah Assistive Technology Program lies in its ability to initiate and coordinate projects with all relevant Utah agencies—an integrated effort that transcends any one piece of federal legislation.

Prominent among its achievements is the creation of the Utah Center for Assistive Technology in Salt Lake City—a statewide service center that provides invaluable assessments and demonstrations of applicable assistive technology devices to consumers. This center also provides people with informative guidance concerning available resources to acquire these services. While federal funds from the Tech Act were crucial to the center's creation, it is now fully funded by the state. This is an excellent example of how Utah has been able to leverage a small amount of federal funding.

Mr. President, we must make sure that the Tech Act is reauthorized. While this act has already enhanced the lives of many Americans, a great need still exists. We must do more. It seems clear that the need for assistive technology in the coming years will increase as America's population ages. Moreover, we must take full advantage of scientific and technological advances that can be applied to persons with disabilities.

Congress will have the opportunity this year to continue a modest federal effort to empower individuals with disabilities to learn, to work, and to prosper. I hope that all my colleagues will support this program.

HONORING THE WRIGHTS ON THEIR 50TH WEDDING ANNIVERSARY

Mr. ASHCROFT. Mr. President, families are the cornerstone of America. Individuals from strong families contribute to the society. In an era when nearly half of all couples married today will see their union dissolve into divorce, I believe it is both instructive and important to honor those who have taken the commitment of ''till death us do part'' seriously, demonstrating successfully the timeless principles of love, honor, and fidelity. These characteristics make our country strong.

For these important reasons, I rise today to honor Lonnie and Regina Wright of Goshen, Arkansas, who on August 4, 1998, will celebrate their 50th

wedding anniversary. My wife, Janet, and I look forward to the day we can celebrate a similar milestone. The Wrights' commitment to the principles and values of their marriage deserves to be saluted and recognized.

RECOGNITION OF ACHIEVEMENT

Mr. ASHCROFT. Mr. President, I rise today to extend appreciation to Arsalan Iftikhar for his service as an intern in my office during the Spring of 1998. Arsalan set the highest standard of excellence on a project undertaken by my Operations Team.

Since I was elected in 1994, my staff and I have made an oath of service, commitment, and dedication. We dedicate ourselves to quality service. America's future will be determined by the character and productivity of our people. In this respect, we seek to lead by our example. We strive to lead with humility and honesty, and to work with energy and spirit. Our standard of productivity is accuracy, courtesy, efficiency, integrity, validity, and timeliness.

Arsalan has not only achieved this standard, he set a new standard on the project he was given. He exemplified a competitive level of work while maintaining a cooperative spirit. His performance truly was inspiring to my entire office. It is with much appreciation that I recognize Arsalan's contribution to me and my staff in our effort to fulfill our office pledge and to serve all people by whose consent we govern.

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COMMUNITY SERVICES BLOCK GRANT LEGISLATION

Mr. ASHCROFT. Mr. President, I would like to take this opportunity to thank Senator COATS, the Chairman of the Labor Committee's Subcommittee on Children and Families, for the excellent work he has done in drafting legislation to reauthorize the Community Services Block Grant, which recently passed in the Senate. The CSBG program is intended to fight poverty and alleviate its effects on people and their communities. Through these block grants, federal money is given to the states and local communities to create programs that help low-income people secure employment, get an adequate education, make better use of their available income, obtain and maintain adequate housing, and ultimately achieve self-sufficiency.

These block grants free states and local communities of federal red tape and give them the flexibility they desire to initiate programs that meet the needs of people who need help. As a former governor, I learned that state and local governments are far more effective in serving local communities than Washington's bureaucracy.

Further, Community Services Block Grants provide opportunities for the government to partner with the non-governmental sector to provide a variety of services to the poor. I am grateful that Senator COATS has led a bipartisan effort to include within this reauthorization bill language that can expand the opportunities for charitable and faith-based organizations to serve their communities with CSBG funds. The provisions included will help faith-based organizations to maintain their religious character and integrity when providing social services with government funds.

For years, America's charities and churches have been transforming shattered lives by addressing the deeper needs of people—by instilling hope and values which help change behavior and attitudes. As a matter of sound public policy, we in Congress need to find ways to allow these successful organizations to unleash the cultural remedy that our society so desperately needs. Senator COATS' legislation reauthorizing the Community Services Block Grant will help to further this goal.

The language in this bill regarding charitable and faith-based providers is similar to my Charitable Choice provision contained in the welfare reform law which we passed two years ago, but it does contain some differences. For non-governmental organizations wishing to participate in both the Community Service Block Grant and the Temporary Assistance for Needy Families programs, the differences between the two provisions may cause some confusion and lead to additional administrative burdens.

This situation demonstrates the need to pass legislation that applies the same Charitable Choice language to all federally funded social service programs in which the government is authorized to use nongovernmental organizations to provide services to beneficiaries. Under my Charitable Choice Expansion Act, which I introduced in May of this year, uniform protections and guidelines would apply to faith-based entities using federal dollars to provide housing, substance abuse prevention and treatment, juvenile services, seniors services, abstinence education, and child welfare services, as well as services under the Community Development Block Grant, the Social Services Block Grant, and of course, the Community Services Block Grant. One uniform Charitable Choice provision will certainly make it easier for both the government and faith-based organizations to work together more efficiently to help our nation's needy.

Again, I thank Senator COATS and all the members of the Labor Committee, as well as their staff, for their hard work on this legislation, and I commend them for their decision to include provisions that invite the greater participation of charitable and faith-based providers in the Community Services Block Grant program. I hope that we in the Senate will continue working together to pursue legislative proposals that encourage successful non-governmental organizations to expand their life-transforming programs to serve our nation's poor and needy.

NUCLEAR NON-PROLIFERATION AND SENATE RATIFICATION OF THE COMPREHENSIVE NUCLEAR TEST-BAN TREATY

Mr. BIDEN. Thank you, Mr. President.

It is a truism that despite the end of the Cold War, we live in a dangerous world. The ultimate danger we face, perhaps, is that nuclear weapons will be obtained—or even used—by unstable countries or terrorist groups.

We must undertake a range of activities to reduce that danger. There is no magic bullet. No single program or initiative will rid the world of the threat of nuclear cataclysm at the hands of a new or unstable nuclear power.

Rather, we need a coherent strategy with many elements—a strategy designed to reduce both the supply of nuclear weapons technology to would-be nuclear powers and the regional tensions that fuel their demand for those weapons.

I would like to spend a few minutes today talking about one piece of that strategy that this body can implement: We can and should give our advice and consent to ratification of the Comprehensive Nuclear Test-Ban Treaty. And we should do that promptly.

In her speech on the 35th anniversary of John F. Kennedy's American University speech, Secretary of State Madeleine Albright called for U.S. ratification of the Comprehensive Nuclear Test-Ban Treaty. Noting the recent Indian and Pakistani nuclear tests, she said that ratification was needed ''now, more than ever.''

Senator SPECTER and I have also called for ratification now, both in floor statements and by drafting a resolution calling for expeditious Senate consideration of the Test-Ban Treaty.

Why is the Test-Ban so crucial? Because it is directly related to the global bargain that is the heart of the global nonproliferation regime. Other countries will give up their ambition to acquire nuclear weapons, but only if the declared nuclear powers honestly seek to end their nuclear advantage. We have to keep up our side of the bargain—and that means ratifying and adhering to the comprehensive test ban—or the non-nuclear weapons states will not feel bound to theirs.

One lesson of this decade's nuclear developments in India, Pakistan, Iraq and North Korea is that very basic nuclear weapon design information is no longer a tightly held secret. The technology required to produce nuclear weapons remains expensive and complex, but it is well within the reach of literally scores of countries.

To keep countries from producing what scores of them could produce, you need more than pressure or sanctions. You must constantly maintain their consent to remain non-nuclear weapons states.

Ideally, we would maintain that consent by removing the security concerns that propel countries to seek nuclear weapons. But that is terribly difficult, be it in Kashmir or the Middle East, in the Balkans or the Korean Peninsula or the Taiwan Straits.

In the world of today and of the foreseeable future, peace does not reign. Nuclear non-proliferation will not prevail in this world either, unless we convince states that nuclear weapons are not the key to survival, to status or to power.

The Comprehensive Nuclear Test-Ban Treaty is not merely emblematic of the nuclear powers' commitment to the non-nuclear weapons states. It also will put a cap on the development of new classes of nuclear weapons by the nuclear powers.

The test-ban treaty will also limit the ability of any non-nuclear weapons state to develop sophisticated nuclear weapons or to gain confidence in more primitive nuclear weapons if it were to illegally acquire or produce them. If you can't test your weapon, you are very unlikely to rely upon it as an instrument of war.

These are important reassurances to the non-nuclear nations of the world. They are why those countries agreed to foreswear all nuclear tests and to accept intrusive on-site inspection if a suspicion arose that they might have tested a nuclear device.

Will the Test-Ban Treaty also gradually reduce a country's confidence in the reliability of its nuclear weapons over the next 30 or 50 years, as some of its opponents assert? If so, that is actually reassuring to the non-nuclear weapons states, for it gives them hope of the eventual realization of that ''cessation of the nuclear arms race'' encouraged by Article VI of the Non-Proliferation Treaty. So even the cloud that most frightens test-ban opponents has a silver lining: it helps keep the rest of the world on board the non-proliferation bandwagon.

Now it is true, Mr. President, that some countries have never accepted the world non-proliferation bargain. The so-called ''threshold states'' of India, Pakistan and Israel all viewed nuclear weapons as essential to their national security, and India denounced the Non-Proliferation Treaty because it did not require immediate nuclear disarmament.

Still other countries, like Iran, Iraq and North Korea, signed the Non-Proliferation Treaty but maintained covert nuclear weapons programs.

But the vast majority of the world's states, including many prospective nuclear powers, have gone along with this bargain. And it is vital to our national security that we maintain their adherence to the world non-proliferation regime. They must not become ''threshold states,'' let alone actually test nuclear weapons.

So, how will we maintain the adherence of the world's non-nuclear weapons states to the nuclear proliferation regime? The Indian and Pakistani nuclear tests are a direct challenge to that regime. The regime—and the countries who support it—can only meet that challenge if the United States leads the way.

On one level, we are already doing that. We have imposed severe sanctions on both India and Pakistan, and both of their economies are at risk. We have adjusted our sanctions to limit their effect upon innocent populations, and we are working to give the President the flexibility to lift them in return for serious steps by India and Pakistan toward capping their arms race and addressing their differences.

On the world-wide level, however, our record is mixed. Some countries have joined us in imposing sanctions on India and Pakistan. We have also been joined in strong statements by countries ranging from Japan to Russia and China.

Statements and resolutions by the G-8, the Organization of American States, the Conference on Disarmament, and the United Nations Security Council have rightly condemned India and Pakistan's nuclear tests and called upon them to join the Nuclear Non-Proliferation Treaty, to refrain from actual deployment of their weapons, to ratify the Comprehensive Nuclear Test-Ban Treaty and to move toward a peaceful settlement of the Kashmir dispute.

But the world is acutely aware of our failure to persuade more countries to impose sanctions, and also of our own failure, so far, to ratify the Comprehensive Test-Ban Treaty. Until we ratify this Treaty, the nuclear hardliners in India and Pakistan will be able to cite U.S. hypocrisy as one more reason to reject the nuclear non-proliferation regime. And until we ratify the Treaty, the rest of the world will find it easier to reject U.S. calls for diplomatic and economic measures to pressure India and Pakistan.

We must keep our part of that non-proliferation bargain, if we are to maintain U.S. leadership on non-proliferation, keep the rest of the world on board, and influence India and Pakistan. The truth is that we have little choice.

If we fail to keep faith with the non-nuclear states because we cannot even ratify the Test-Ban Treaty, then we will also fail to keep them from developing nuclear weapons of their own. And in that case, Mr. President, we might as well prepare for a world of at least 15 or 20 nuclear weapon states, rather than the 5 or 7 or 8 we have today. That is the stark reality we face.

THE FATE OF THE TEST-BAN TREATY

But we need not fail, Mr. President. The Comprehensive Nuclear Test-Ban Treaty is a very sensible treaty that is clearly in our national interest. It binds the rest of the world to refrain from nuclear testing, just as we have bound our own government for the last 6 years.

The Test-Ban Treaty forces us to rely upon so-called ''stockpile stewardship'' to maintain the safety and reliability of our nuclear weapons, but we are in a better position economically and scientifically to do that than is any other country in the world.

Treaty verification will require our attention and our resources, but those are resources that we would have to spend anyway in order to monitor world-wide nuclear weapons programs.

Indeed, the International Monitoring System under the Treaty may save us money, as we will pay only a quarter of those costs for monitoring resources that otherwise we might well have to finance in full.

But we do have a problem. We have been unable to hold hearings on this treaty in the Foreign Relations Committee, even though committees with lesser roles have held them. And the Majority Leader has said that he will not bring this treaty to the floor.

Why is that, Mr. President? I know that my good friends the chairman and the majority leader have raised arguments against the Treaty, but they seem curiously unwilling to make those arguments in the context of a proper committee or floor debate on a resolution of ratification.

Could they be afraid of losing? Could they be afraid that, once the pros and cons are laid out with a resolution of ratification before us, two thirds of this body will support ratification? Perhaps; I know that I think the Treaty can readily get that support.

For the arguments in favor of ratification look pretty strong. The conditions that the President has asked us to attach to a resolution of ratification will assure that we maintain our weapons and the ability to test them, and

that he will consider every year whether we must withdraw from the Treaty and resume testing to maintain nuclear deterrence.

I also know, Mr. President, that the American people overwhelmingly support ratification of the Test-Ban Treaty. A nation-wide poll in mid-May, after the Indian tests, found 73 percent in favor of ratification and only 16 percent against it. Later polls in 5 states—with 7 Republican senators—found support for the Treaty ranging from 79 percent to 86 percent.

The May poll also found that the American people knew there was a risk that other countries would try to cheat, so the public is not supporting ratification because they wear rose-colored glasses. The people are pretty level-headed on this issue, as on so many others. They know that no treaty is perfect. They also know that this Treaty, on balance, is good for America.

So perhaps those who block the Senate from fulfilling its Constitutional duty regarding this Treaty are doing that because they know the people overwhelmingly support this Treaty, and they know that ratification would pass.

Perhaps they just don't like arms control treaties. Perhaps they would rather rely only upon American military might, including nuclear weapons tests. Perhaps they want a nation-wide ballistic missile defense and figure that then it won't matter how many countries have nuclear weapons. Perhaps they figure our weapons will keep us safe, even if we let the rest of the world fall into the abyss of nuclear war.

I don't share that view, Mr. President. I believe we can keep non-proliferation on track. I believe that we can maintain nuclear deterrence without engaging in nuclear testing, and that the Comprehensive Test-Ban Treaty is a small price for keeping the non-nuclear states with us on an issue where the fate of the world is truly at stake.

I cannot force a resolution of ratification on this Treaty through the Foreign Relations Committee and onto the floor of this body.

But the American people want us to ratify this Treaty. They are absolutely right to want that. I will remind my colleagues—however often I must—of their duty under the U.S. Constitution and to our national security. I will make sure that the American people know who stands with them in that vital quest.

My colleague, the senior Senator from Pennsylvania, and I have drafted a resolution calling for expeditious consideration of this Treaty. So far, we have been joined by 34 of our colleagues as co-sponsors of that resolution.

We know that many others support us quietly, Mr. President, but hesitate to part company with their leaders. We are confident, however, that as more of them reflect on what is at stake, and on the need for continued U.S. leadership in nuclear non-proliferation, they will realize that they will do their leaders a favor by helping the Senate to do what is so clearly in the national interest.

The Senate will give its advice and consent to ratification of the Comprehensive Nuclear Test-Ban Treaty. The only question is when.

The world is a dangerous place, Mr. President, and we must no underestimate the challenges our country faces. But the spirit of America lies in our ability to rise to those challenges and overcome them. The immediate challenge of non-proliferation is to bring forth a resolution of ratification on a useful treaty, Mr. President. We should show more of that American spirit in our approach to that task.

THE IMPORTANCE OF IMF FUNDING

Mr. BIDEN. Mr. President, no less an authority than Alan Greenspan recently pronounced our economy in the best shape he has seen in his professional life.

Unemployment, inflation, and interest rates are low; incomes, investment, and optimism remain high.

Clearly, Mr. President, now is the time to worry.

Now is the time to worry, Mr. President, because these are exactly the circumstances that breed overconfidence and complacency. Pride, Mr. President, goeth before the fall.

Mr. President, we enjoy this excellent economic performance because we have got our own house in order—we have gone through a painful period of restructuring that has made our economy more efficient, and we have taken the tough steps to balance our federal budget.

So our factories and businesses are operating efficiently, our workers are earning more, and our sound government finances are helping to keep interest rates down. What could go wrong?

Well, what if the markets for this new, more productive economy were not there? What if international investors pull their money out of some of our major trading partners? What if those countries stop buying our products and services? What if they can't pay back their loans, and American investments there lose money instead of sending profits back home?

Unfortunately, that is just what is happening now, and instead of acting quickly to limit the threat of these developments, the majority in the House of Representatives has chosen to play a dangerous game of chicken with international financial markets.

Mr. President, the Senate went on record in March, by an overwhelming vote of 84 to 16, in favor of full funding of U.S. participation in the International Monetary Fund. But those funds were dropped by the House in Conference.

I am pleased to see that Chairman STEVENS, who, along with my colleague Senator HAGEL on the Foreign Relations Committee has shown real leadership on this issue, has taken a second crack at the problem by including this funding on the Foreign Operations Appropriations bill. Unfortunately, we will not act on that bill until after the August recess.

But just last week, the House pulled its version of the Foreign Ops bill from further consideration because of their internal squabbling over funding for the IMF.

I fear that those squabbles may mask an even more cynical motive—to hold the IMF, and by extension global financial stability, hostage to increase their bargaining leverage on unrelated issues at the end of the legislative session this fall.

Mr. President, I want to stress what is at stake while the majority in the House dithers. The financial crisis that began a year ago in Asia has not gone away—it continues to fester, and threatens to spread. Indeed, with the resources of the IMF already stretched thin, we may be entering the most critical phase of this threat to the global economy.

If the worst case happens, Mr. President, we will have no place to hide, no matter how well things have been going for us lately. Just look at the risks.

Japan is the keystone of the Asian economy—it could pull that already fragile region into a real depression if current trends are not quickly and dramatically reversed. That's why the recent elections there were so important, and why international investors are watching closely to see if Japan has the political muscle to overhaul its financial system and restore growth at the same time. That is a lot to ask, and much hangs on the outcome, including the health of important markets for American exports throughout Asia.

Mr. President, in May our trade deficit soared to $15.8 billion, as exports to Asia dropped by 21 percent compared to a year ago. Still, our friends in the House suggest that we wait until the fall to see if things get worse.

Russia presents an additional threat to our economic and security interests. Despite the announcement of a new IMF package, the Moscow stock market index has dropped 24 percent. An economically foundering Russia, facing political collapse, opens a Pandora's box of issues for stability in Europe and around the world.

On top of all this, other countries, including South Africa, Ukraine, and Malaysia, are lined up in the IMF's waiting room.

But because of the severity of the Asian crisis, the IMF's resources are so low that international investors must now have real fear that it will not be able to provide further support to its current clients, or support any additional countries now on the brink. This will add uncertainty to an already shaky situation, and can only make further panic more likely.

Mr. President, the distinguished Senator from Maryland, Senator SARBANES, recently warned those who think we can do without the IMF that they are ''playing with fire.'' He's right.

They have decided, for short-term political reasons—some as small as their own fight over the Speaker's job—that they are willing to fiddle while the international economy burns. The IMF is not a perfect institution, Mr. President, but right now it is the only fire insurance we have got.

By delaying indefinitely the funding for the IMF, these gamblers are taking deadly risks with our own economy, an economy that has taken years of sacrifice to restore to health. They are squandering our ability to lead economically and politically in a time of international crisis in exchange for some short-term political gains.

It is time to cease this recklessness, Mr. President. It's time to provide the IMF with the funds it needs, and remove short-sighted bickering and self-serving calculations in the U.S. Congress from the list of threats to our own economy.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting three withdrawals and sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 4:08 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills, in which it request the concurrence of the Senate:

H.R. 872. An act to establish rules governing product liability actions against raw materials and bulk component suppliers to medical device manufacturers, and for other purposes.

H.R. 3506. An act to award a congressional gold medal to Gerald R. and Betty Ford.

H.R. 3982. An act to designate the Federal building located at 310 New Bern Avenue in Raleigh, North Carolina, as the ''Terry Sanford Federal Building''.

H.R. 4194. An act making appropriations for the Department of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 1999, and for other purposes.

The message also announced that the House has agreed to the following concurrent resolutions, in which it requests the concurrence of the Senate:

H. Con. Res. 294. Concurrent resolution commending the Armed Forces for their efforts, leadership, and success in providing equality of treatment and opportunity for their military and civilian personnel without regard to race, color, religion, or natural origin.

H. Con. Res. 305. Concurrent resolution authorizing the use of the Capitol Grounds for a clinic to be conducted by the United States Luge Association.

The message further announced that the Houses agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4059) making appropriations for military construction, family housing, and base realignment and closure for the Department of the Defense for the fiscal year ending September 30, 1999, and for other purposes.

The message also announced that the House disagrees to the amendment of the Senate to the bill (H.R. 4060) making appropriations for energy and water development for the fiscal year ending September 30, 1999, and for other purposes, and agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon; and appoints Mr. MCDADE, Mr. ROGERS, Mr. KNOLLENBERG, Mr. FRELINGHUYSEN, Mr. PARKER, Mr. CALLAHAN, Mr. DICKEY, Mr. LIVINGSTON, Mr. FAZIO of California, Mr. VISCLOSKY, Mr. EDWARDS, Mr. PASTOR, and Mr. OBEY, as the managers of the conference on the part of the House.

At 10:31 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 4237. An act to amend the District of Columbia Convention Center and Sports Arena Authorization Act of 1995 to revise the revenues and activities covered under such Act, and for other purposes.

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent and referred as indicated:

H.R. 3982. An act to designate the Federal building located at 310 New Bern Avenue in Raleigh, North Carolina, as the ''Terry Sanford Federal Building''; to the Committee on Environmental and Public Works.

The following concurrent resolutions were read and referred as indicated:

H. Con. Res 294. Concurrent resolution commending the Armed Forces for their efforts, leadership, and success in providing equality of treatment and opportunity for their military and civilian personnel without regard to race, color, religion, or natural origin; to the Committee on Armed Services.

H. Con. Res. 305. Concurrent resolution authorizing the use of the Capitol Grounds for a clinic to be conducted by the United States Luge Association; to the Committee on Rules and Administration.

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–6287. A communication from the Associate Managing Director for Performance Evaluation and Records Management, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Rules to Adopt Regulations for Automatic Vehicle Monitoring Systems'' (Docket 93–61) received on July 29, 1998; to the Committee on Commerce, Science, and Transportation.

EC–6288. A communication from the Chief of the Regulations Unit of the Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Conversion to the Euro'' (RIN1545–AW34) received on July 29, 1998; to the Committee on Finance.

EC–6289. A communication from the Director of the Office of Surface Mining Reclamation and Enforcement, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled ''Kentucky Regulatory Program'' (Docket KY–217–FOR) received on July 29, 1998; to the Committee on Energy and Natural Resources.

EC–6290. A communication from the Chairman of the National Endowment for the Humanities, transmitting, pursuant to law, the Endowment's annual report for fiscal year 1997; to the Committee on Labor and Human Resources.

EC–6291. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to law, certification of a proposed Technical Assistance Agreement for the export of defense services to the Federation of Bosnia and Herzegovina (DTC–71–98); to the Committee on Foreign Relations.

EC–6292. A communication from the Assistant Secretary for Export Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Additions to the Entity List: Russian Entities'' (RIN0694–AB60) received on July 29, 1998; to the Committee on Banking, Housing, and Urban Affairs.

EC–6293. A communication from the Acting Assistant Secretary for Export Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Exports to the Federal Republic of Yugoslavia (Serbia and Montenegro); Imposition of Foreign Policy Controls'' (RIN0694–AB69) received on July 29, 1998; to the Committee on Banking, Housing, and Urban Affairs.

EC–6294. A communication from the Employee Benefits Manager, AgFirst Farm Credit Bank, transmitting, pursuant to law, the financial statements of the Bank's Retirement Plan and Employee Thrift Plan for calendar year 1997; to the Committee on Governmental Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ROTH, from the Committee on Finance, with an amendment in the nature of a substitute:

S. 442: A bill to establish a national policy against State and local government interference with interstate commerce on the Internet or interactive computer services, and to exercise Congressional jurisdiction over interstate commerce by establishing a moratorium on the imposition of exactions that would interfere with the free flow of commerce via the Internet, and for other purposes (Rept. No. 105–276).

By Mr. D'AMATO, from the Committee on Banking, Housing, and Urban Affairs, without amendment:

S. 2375: An original bill to amend the Securities Exchange Act of 1934 and the Foreign Corrupt Practices Act of 1997, to strengthen prohibitions on international bribery and other corrupt practices, and for other purposes (Rept. No. 105–277).

By Mr. MCCAIN, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute:

S. 2279: A bill to amend title 49, United States Code, to authorize the programs of the Federal Aviation Administration for fiscal years 1999, 2000, 2001, and 2002, and for other purposes (Rept. No. 105–278).

By Mr. STEVENS, from the Committee on Appropriations: Special Report entitled ''Further Revised Allocation to Subcommittees of Budget Totals for Fiscal Year 1999'' (Rept. No. 105–279).

By Mr. HATCH, from the Committee on the Judiciary, with amendments:

H.R. 3528: A bill to amend title 28, United States Code, with respect to the use of alternative dispute resolution processes in United States district courts, and for other purposes.

By Mr. HATCH, from the Committee on the Judiciary, without amendment and with a preamble:

S. Res. 193: A resolution designating December 13, 1998, as ''National Children's Memorial Day''.

By Mr. HATCH, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

S. 1031: A bill to protect Federal law enforcement officers who intervene in certain situations to protect life or prevent bodily injury.

By Mr. HATCH, from the Committee on the Judiciary, without amendment:

S.J. Res. 51: A joint resolution granting the consent of Congress to the Potomac Highlands Airport Authority Compact entered into between the States of Maryland and West Virginia.

EXECUTIVE REPORTS OF COMMITTEE

The following executive reports of committees were submitted:

By Mr. D'AMATO, from the Committee on Banking, Housing, and Urban Affairs:

Rebecca M. Blank, of Illinois, to be a Member of the Council of Economic Advisers.

(The above nomination was reported with the recommendation that she be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. HATCH, from Committee on the Judiciary:

Rebecca R. Pallmeyer, of Illinois, to be United States District Judge for the Northern District of Illinois.

Nora M. Manella, of California, to be United States District Judge for the Central District of California.

Jeanne E. Scott, of Illinois, to be United States District Judge for the Central District of Illinois.

David R. Herndon, of Illinois, to be United States District Judge for the Southern District of Illinois.

Carl J. Barbier, of Louisiana, to be United States District Judge for the Eastern District of Louisiana.

Gerald Bruce Lee, of Virginia, to be United States District Judge for the Eastern District of Virginia.

Patricia A. Seitz, of Florida, to be United States District Judge for the Southern District of Florida.

Howard Hikaru Tagomori, of Hawaii, to be United States Marshal for the District of Hawaii for the term of four years.

Paul M. Warner, of Utah, to be United States Attorney for the District of Utah for the term of four years.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. GRASSLEY (for Mr. LOTT (for himself, Mr. GRASSLEY, Mr. HAGEL, Mr. ROBERTS, Mr. BURNS, Mr. CRAIG, Mr. SHELBY, Mr. SESSIONS, Mr. THOMAS, Mr. COVERDELL, and Mr. COCHRAN):

S. 2371. A bill to amend the Internal Revenue Code of 1986 to reduce individual capital gains tax rates and to provide tax incentives for farmers; to the Committee on Finance.

By Mr. BOND (for himself, Ms. SNOWE, and Mr. BENNETT):

S. 2372. A bill to provide for a pilot loan guarantee program to address Year 2000 problems of small business concerns, and for other purposes; to the Committee on Small Business.

By Mr. GRASSLEY (for himself and Mr. DURBIN):

S. 2373. A bill to amend title 28, United States Code, with respect to the use of alternative dispute resolution processes in United States district courts, and for other purposes; to the Committee on the Judiciary.

By Mr. SARBANES:

S. 2374. A bill to provide additional funding for repair of the Korean War Veterans Memorial; to the Committee on Energy and Natural Resources.

By Mr. D'AMATO:

S. 2375. An original bill to amend the Securities Exchange Act of 1934 and the Foreign Corrupt Practices Act of 1977, to strengthen prohibitions on international bribery and other corrupt practices, and for other purposes; from the Committee on Banking, Housing, and Urban Affairs; placed on the calendar.

By Mr. JEFFORDS:

S. 2376. A bill to amend the Internal Revenue Code of 1986 to provide tax incentives for land sales for conservation purposes; to the Committee on Finance.

By Mr. MOYNIHAN (for himself, Mr. LEVIN, Mr. JEFFORDS, Mr. LEAHY, Mr. CLELAND, Mr. DURBIN, Mr. D'AMATO, and Mrs. BOXER):

S. 2377. A bill to amend the Clean Air Act to limit the concentration of sulfur in gasoline used in motor vehicles; to the Committee on Environment and Public Works.

By Mr. AKAKA:

S. 2378. A bill to amend title XVIII of the Social Security Act to increase the amount of payment under the Medicare program for pap smear laboratory tests; to the Committee on Finance.

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

S. 2379. A bill to establish a program to establish and sustain viable rural and remote communities; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. ASHCROFT:

S. 2380. A bill to require the written consent of a parent of an unemancipated minor prior to the provision of contraceptive drugs or devices to such a minor, or the referral of such minor for abortion services, under any Federally funded program; to the Committee on the Judiciary.

By Mr. MACK (for himself and Mr. GRAHAM):

S. 2381. A bill to provide that no electric utility shall be required to enter into a new contract or obligation to purchase or to sell electricity or capacity under section 210 of the Public Utility Regulatory Policies Act of 1978; to the Committee on Energy and Natural Resources.

By Mr. MCCAIN (for himself and Mr. KERRY):

S. 2382. A bill to amend title XIX of the Social Security Act to allow certain community-based organizations and health care providers to determine that a child is presumptively eligible for medical assistance under a State plan under that title; to the Committee on Finance.

By Mr. HARKIN (for himself, Mr. KENNEDY, Mr. KERRY, and Ms. MOSELEY-BRAUN):

S. 2383. A bill to amend the Fair Labor Standards Act of 1938 to reform the provisions relating to child labor; to the Committee on Labor and Human Resources.

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

S. 2384. A bill entitled ''Year 2000 Enhance Cooperation Solution''; to the Committee on the Judiciary.

By Mr. BENNETT (for himself and Mr. HATCH):

S. 2385. A bill to establish the San Rafael Swell National Heritage Area and the San Rafael National Conservation Area in the State of Utah, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. FAIRCLOTH (for himself and Mrs. FEINSTEIN):

S. 2386. A bill to provide that a charitable contribution deduction shall be allowed for that portion of the cost breast cancer research stamp which is in excess of the cost of a regular first-class stamp; to the Committee on Finance.

By Mr. BIDEN:

S. 2387. A bill to confer and confirm Presidential authority to use force abroad, to set forth procedures governing the exercise of that authority, and thereby to facilitate cooperation between the President and Congress in decisions concerning the use or deployment of United States Armed Forces abroad in situations of actual or potential hostilities; to the Committee on Foreign Relations.

By Mr. DORGAN:

S. 2388. A bill to amend the Internal Revenue Code of 1986 to provide an exclusion for gain from the sale of farmland which is similar to the exclusion from gain on the sale of a principal residence; to the Committee on Finance.

By Mr. WELLSTONE:

S. 2389. A bill to strengthen the rights of workers to associate, organize and strike, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. BROWNBACK (for himself and Mr. HELMS):

S. 2390. A bill to permit ships built in foreign countries to engage in coastwise in the transport of certain products; to the Committee on Commerce, Science, and Transportation.

By Mr. DASCHLE:

S. 2391. A bill to authorize and direct the Secretary of Commerce to initiate an investigation under section 702 of the Tariff Act of 1930 of methlyl tertiary butyl ether imported from Saudi Arabia; to the Committee on Finance.

By Mr. BENNETT (for himself, Mr. DODD, Mr. MOYNIHAN, Mr. KOHL, and Mr. ROBB) (by request):

S. 2392. A bill to encourage the disclosure and exchange of information about computer processing problems and related matters in connection with the transition to the Year 2000; to the Committee on the Judiciary.I16By Mr. MURKOWSKI:

S. 2393. A bill to protect the sovereign right of the State of Alaska and prevent the Secretary of Agriculture and the Secretary of the Interior from assuming management of Alaska's fish and game resources; read the first time.

By Mr. ROTH (for himself and Mr. MOYNIHAN) (by request):

S. 2394. A bill to amend section 334 of the Uruguay Round Agreements Act to clarify the rules of origin with respect to certain textile products; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

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

By Mr. GRAHAM (for himself, Mrs. MURRAY, Mr. DORGAN, Mr. SARBANES, Mr. LEVIN, Mr. MOYNIHAN, Mr. BYRD, Mr. DODD, Mr. AKAKA, Mr. LAUTENBERG, Mr. DURBIN, Mrs. BOXER, Ms. LANDRIEU, Mr. KOHL, Ms. MIKULSKI, Ms. MOSELEY-BRAUN, Mr. DEWINE, Mr. FAIRCLOTH, Mr. SPECTER, Mr. BOND, and Mr. COCHRAN):

S. Res. 260. A resolution expressing the sense of the Senate that October 11, 1998, should be designated as ''National Children's Day''; to the Committee on the Judiciary.

By Mr. BROWNBACK:

S. Res. 261. A resolution requiring the privatization of the Senate barber and beauty shops and the Senate restaurants; to the Committee on Rules and Administration.

By Mr. ROTH (for himself and Mr. BINGAMAN):

S. Res. 262. A resolution to state the sense of the Senate that the government of the United States should place priority on formulating a comprehensive and strategic policy of engaging and cooperating with Japan in advancing science and technology for the benefit of both nations as well as the rest of the world; to the Committee on Foreign Relations.

By Mr. WARNER:

S. Res. 263. A resolution to authorize the payment of the expenses of representatives of the Senate attending the funeral of a Senator; considered and agreed to.

By Mr. LOTT:

S. Con. Res. 114. A concurrent resolution providing for a conditional adjournment or recess of the Senate and a conditional adjournment of the House of Representatives; considered and agreed to.

By Mr. WARNER:

S. Con. Res. 115. A concurrent resolution to authorize the printing of copies of the publication entitled ''The United States Capital'' as a Senate document; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GRASSLEY (for Mr. LOTT (for himself, Mr. HAGEL, Mr. ROBERTS, Mr. BURNS, Mr. CRAIG, Mr. SHELBY, Mr. SESSIONS, and Mr. THOMAS)):

S. 2371. A bill to amend the Internal Revenue Code of 1986 to reduce individual capital gains tax rates and to provide tax incentives for farmers; to the Committee on Finance.

FAMILY INVESTMENT AND RURAL SAVINGS TAX ACT

Mr. GRASSLEY. Mr. President, today several of us from rural States and the leadership of the Senate take a step to help America's farmers as representatives of States with major agricultural economies. All of us introducing this legislation agree that farmers are facing some difficult times.

While we must do what we can to make sure that farmers survive for the short term, the key to the agricultural economic situation is long-term solutions. While we can't eliminate every risk and we can't control every factor that governs the success of the family farm, there are initiatives that we can pursue that will help smooth out some of the bumps that are in the road.

That is why today several of us are introducing the FIRST Act, the Family Investment and Rural Savings Tax Act of 1998. As I said at the outset, there are some genuine problems in the ag community. Some parts of the country are experiencing problems that are worse than we are seeing in my own State of Iowa. We can offer reforms that address short-term and long-term needs.

To address short-term needs and help give farmers that extra support that some will need to get through this year, I have joined with several of my colleagues in supporting legislation that will speed up transition payments, payments that would be made during 1999 and could, upon election by individual farmers, be taken in 1998. In my State of Iowa, that will bring 36 cents per bushel into the farmer's income in 1998 that would otherwise not be there.

But the focus of this legislation which I am speaking about today, the FIRST Act, is to address long-term need, because what I just described to you, advancing the transition payments, is obviously a short-term solution.

What we are saying is that we must ensure economic stability for everyone first through the transition proposition I described, and then we must help our farmers plan for the future.

This measure takes a three-prong approach to assist farmers and families through tax reform.

The first section of our bill reduces the capital gains tax rate for individuals from 20 percent to 15 percent. This will spur growth, entrepreneurship and help farmers make the most of their capital assets. It will also encourage movement of capital investment from one generation to the other to help young farmers get started.

This language builds on the capital gains tax reform that we made in last year's Tax Relief Act.

Secondly, the FIRST Act includes my legislation that creates savings accounts for farmers. This initiative would allow farmers to make contributions to tax-deferred accounts. These Grassley savings accounts, as I call them, will give farmers a tool to control their lives. This savings account legislation will encourage farmers to save during good years to help cushion the fall from the inevitable bad years. The accounts will give farmers even greater freedom in their business decisions rather than giving the Government more authority over farmers and their lives.

As a working farmer myself, and an American, I know that we want to control our own destiny. We want to manage our own business. We want to make those decisions that are connected with being a good business operator. We do not want to have to wait for the bureaucrats at the USDA in Washington, DC, in that bureaucracy to tell us how many acres of corn and how many acres of soybeans that we can plant. This allows, through the balancing out of income, the leveling out of the peaks and valleys from one year to another, because in farming, it seems to be all boom or all bust. This farmers' savings account that I suggest will give farmers an opportunity to do that.

Finally, our tax legislation allows for the permanent extension of income averaging. Income averaging helps farmers because when prices are low and when farmers' income goes down, their tax burden will also be lowered. This helps farmers prepare for the especially volatile nature of their income.

This is a tough time for a lot of farmers. I know there is a great deal of anxiety among farmers about what the future might bring. This proposal will help them to know that we in Congress recognize the particular difficulties they face in trying to plan for the future. I, along with other Members who have worked on this bill, believe that our initiatives will provide farmers with additional financial insurance they need to help face the future.

The initiatives of this legislation have been endorsed by virtually every major agricultural organization. These organizations know that these measures are what farmers need to have more confidence and security in the future.

I am very pleased to see the majority leader, TRENT LOTT, the Senator from Mississippi, taking a strong stand in favor of this. I thank my colleagues who have worked with me on this legislation. We all agree that passing this measure as soon as possible is one of the best things that we can do for our farmers in our States and across the country.

This legislation is a long-term solution. It helps our farmers and our families survive and to keep control of their own decisions, so that we can let Washington make decisions for Washington but let farmers make decisions for themselves.

The bottom line, Mr. President, is right now we are facing a variety of troubling circumstances: an economic crisis in southeast Asia, a drought combined with the hot weather in

Texas today, fires in Florida, too much wheat coming across the Canadian border, unfairly, to drive down the price of wheat in North Dakota, and the prospect of having bumper crops this year and big carryovers from last year. These are things that are beyond the control of the family farmer.

Because we in family farming assume the responsibility—each one of us—of feeding, on average, 126 other people, we must keep the family farms strong as a matter of national policy, as a matter of good economics. We do that not because of nostalgia for family farmers but because when there is a good supply of food, the urban populations of this country are going to feel more secure and more certain about the future.

We want to continually remind people, though, through actions of this Congress that we in the Congress know that food grows on farms, it does not grow in supermarkets. If there were not farmers producing, if there were not the labor and processing people, if there were not truckers and trains taking the food from the farm to the city, we would not have the high quality of food we have, we would not have the quantity of food we have, we would not have the stability that we have in our cities, we would not have the quality of life that we have beyond food for the American people. Let's not forget that food as a percentage of disposable income at about 11 percent is cheaper for the American consumer than any consumer anywhere else in the world.

This legislation that we are all introducing is in support of maintaining that sort of environment for the people of America, and also as we export food for people around the world. We are committed to it, but also as a Congress we are committed to maintaining the family farm as well. So I introduce this bill for Senator LOTT, myself, Senator HAGEL, Senator ROBERTS, Senator BURNS, Senator CRAIG, Senator SHELBY, and Senator SESSIONS. I thank my colleagues for their hard work and support.

I yield the floor.

Mr. HAGEL addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. HAGEL. Thank you, Mr. President.

Mr. President, I rise to support, as an original cosponsor, the Family Investment and Rural Savings Tax Act of 1998. I thank the majority leader, Senator LOTT, for working with many of us to make tax relief for farmers and ranchers a very top priority this year.

Mr. President, I am not a farmer. When I want advice about agricultural issues, I ask farmers, I ask ranchers. About a month ago, the Senators offering this bill, and several others concerned about the problems facing rural America, agriculture today, right now, sat down with every major farm and commodity group in America. These representatives of American agriculture—real agriculture—told us the same thing I hear repeatedly from ranchers and farmers across my State of Nebraska: ''We do not want to go back to the failed Government supply and demand policies of the past.'' That is clear. They told us very clearly that there are three things—three things—Congress can do to help America's farmers and ranchers: One, open up more export markets; two, tax relief; and, three, reduce Government regulation. This, after all, Mr. President, was indeed the promise of the 1996 Freedom to Farm Act.

Those of us on the floor today and our colleagues have been working very hard over the last few months to open more markets overseas, especially in the area of dealing with unilateral sanctions. And we are going to keep pushing aggressively for important export tools, important for all of America, not just American agriculture, important tools like fast track, and reform and complete funding for the IMF.

This bill we are introducing today goes to the second point. It will provide real and meaningful tax relief, tax relief to America's agricultural producers. It will provide farmers and ranchers with the tools they need in managing the unique financial situations that they alone face on their farms and ranches.

This bill has three provisions, which Senator GRASSLEY has just outlined accurately and succinctly: One, the farm and ranch risk management accounts; two, the permanent extension of income averaging for farmers; and, three, reduction of capital gains rates not just for American agriculture but for all of America.

Mr. President, I have said over the last 2 years I would like to see the capital gains tax completely eliminated. But that is a debate for another day. However, this bill is a major step in the right direction. This bill will mean lower taxes for our farmers and ranchers and many Americans. It is the right thing to do.

I hope a majority of my colleagues will join us in support of this bill, an important bill for America, an important bill for our farmers and ranchers.

Mr. THOMAS. Mr. President, I rise for just a moment to thank the Senator from Nebraska and the Senator from Iowa for their leadership on this agricultural issue that we have before us. I join as an original cosponsor to the effort.

It seems to me that clearly there are two areas that have to be pursued. The Senator from Nebraska talked about one, and that is seeking to reopen and to strengthen these foreign markets that are there that are critical to agricultural production.

One of the areas, of course, in this matter is unilateral sanctions, of which some action has already been taken in the case of Pakistan and India. We need to do more of that. The other, of course, is to do something domestically. I agree entirely that we should not try to return to the managed agriculture that we had before, but to continue to move towards market agriculture in which our production is based on demand. But it is a difficult transition. And that, coupled with the Asian crisis, coupled with the fact that, particularly in the northern tier and in the south, we have had drought, we have had floods, we have had freezes—we have had a series of difficult things that lend to the difficulty of agriculture.

So I am pleased that the Congress has taken some steps. I think this idea of moving forward with the transition payments is a good idea.

Certainly we can do that for farmers. Then if we can provide a farmer savings account which will allow them to have these payments, in advance, without being taxed until they are used, is a good one.

Certainly, as the Senator from Nebraska has indicated, I, too, favor the idea of reducing and, indeed, eventually eliminating the capital gains taxes. I just want to say I support this very much.

There perhaps are other activities that we can undertake that will be helpful, but we do need to get started. I think this is a good beginning. I want to say again that I appreciate the leadership of the Senator from Iowa and the Senator from Nebraska.

I yield the floor.

Mr. CRAIG addressed the Chair.

The PRESIDING OFFICER (Mr. THOMAS). The Senator from Idaho.

Mr. CRAIG. Mr. President, I, too, have come to the floor this morning to thank you, and certainly the Senator from Iowa, the Senator from Wyoming, who has been involved with us, along with our leader, TRENT LOTT, Senator BURNS of Montana, Senator ROBERTS, and myself in looking at the current agricultural situation in this country, which is very concerning to all of us as commodity prices plummet in the face of what could be record harvests and as foreign markets diminish because of the Asian crisis and world competition.

As a result of that, we have come together to look at tools that we could bring to American agriculture, production agriculture, farmers and ranchers, that would assist them now and into the future to build stability there and allow them not only to invest but to save during years of profit in a way that is unique for American agricultural.

In 1986, when this Congress made sweeping tax reform, they eliminated income averaging. I was in the House at that time and I opposed that legislation. I remember an economist from the University of Virginia saying that it would take a decade or more, but there would come a time when all of us in Congress would begin to see the problems that a denial of income averaging would do to production agriculture; that slowly but surely the ability to divert income during cyclical market patterns would, in effect, weaken production agriculture at the farm

and ranch level to a point that they could not sustain themselves during these cyclical patterns. Bankruptcies would occur; family operations that had been in business for two or three generations would begin to fail.

We are at that point. We have been at that point for several years. I remember the words of that economist in a hearing before one of the House committees echoing, saying, ''Don't do this. This is the wrong approach.'' In those days, though, I wasn't, but others in Congress were anxious to crank up the money and spend it here in Washington and return it in farm products, recycle it, skim off the 15 or 20 percent that it oftentimes takes to run a government operation, and then somehow appear to be magnanimous by returning it in some form of farm program.

That day is over. We ought to be looking at the tools that we can offer production agriculture of the kind that is now before the Senate in the legislation that we call the Family Investment and Rural Savings Act, not only looking at a permanency income averaging, but looking at real estate depreciation, recapturing, and a variety of tools that we think will be extremely valuable to production agriculture at a time when they are in very real need.

Also, the transition payments' extension that we have talked about moving forward to give some immediate cash to production agriculture, that is appropriate under the Freedom to Farm transitions in which we are currently involved, becomes increasingly valuable.

I join today and applaud those who have worked on this issue, to bring it immediately, and I hope that we clearly can move it in this Congress, to give farmers and ranchers today those tools—be it drought or be it a very wet year or be it the collapse of foreign markets. Prices in some of our commodity areas today are at a 20-plus year low, yet, of course, the tractor and the combine purchased is at an all-time high.

I do applaud those who have worked with us in bringing this legislation to the floor, and I thank the chairman for the time.

I yield the floor.

The PRESIDING OFFICER. The distinguished former chairman of the House Agriculture Committee, the Senator from Kansas.

Mr. ROBERTS. I thank the Presiding Officer and the distinguished Senator from Wyoming.

Mr. ROBERTS. Mr. President, I am pleased to join my friends and colleagues in introducing the Family Investment and Rural Savings Tax (FIRST) Act. I would especially like to thank our Leader, Senator LOTT, for his strong commitment to this effort. His dedication and interest in these important issues should underscore how serious we are about providing tax relief and improvements for farmers and ranchers before the 105th Congress adjourns.

America's producers are currently experiencing a troubling time. Thanks in large part to the Asian economic crisis and the Administration's inability to open up new markets for U.S. farm products, commodity prices across the board have fallen to dangerously low levels. Low prices, combined with isolated weather-related problems in some regions of the country on one hand and election-year posturing on the other, have prompted some of our Democratic colleagues to call for a return to the failed agriculture policies of the past. They support loan programs that price the United States out of the world market. They support a return to the system whereby the U.S. Government is in the grain business. And they support a return to command-and-control agriculture whereby producers are required to limit their production in a foolish and futile attempt to try to bolster commodity prices. These policies did not work for 50 years and they will not work now.

The FIRST Act is designed to address the real needs of producers today. The FIRST Act provides tax relief for every farmer and rancher in the United States. Specifically, income averaging—which was an important component of the 1996 tax bill—would become permanent, the capital gains tax brackets would be cut by 25 percent across the board and a new Farm and Ranch Risk Management Account would be established to allow producers to manage the volatile shifts in farm income from one year to another.

I specifically want to address the capital gains tax cut and the FARRM accounts. The capital gains tax represents one of the most burdensome, expensive provisions of the U.S. Tax Code for America's farmers and ranchers and for America's families. Production agriculture is a capital-intensive business. Without equipment and inputs—expensive equipment and inputs—you simply can't survive in the incredibly competitive agriculture world. Therefore, because of the tremendous costs of depreciating that expensive equipment, the capital gains tax hits farmers and ranchers especially hard. In addition, today the Congress encourages middle-income families to save for their future in part to take pressure off of the Social Security system. However, we continue to allow capital gains taxes to hit America's families twice. Investors' money is taxed both as income when they get their paycheck and as capital gain when they make a smart investment. That's a strange and counterproductive way to encourage personal responsibility and savings for the future. As a result, I am very grateful to our Majority Leader for including the ''Crown Jewel'' of his tax and Speaker GINGRICH's tax bill in the FIRST Act today and I look forward to working with the Leader to pass meaningful tax relief before the Senate adjourns.

I also want to address the creation of the new FARRM Accounts. While Chairman of the House Agriculture Committee, I was charged with producing the 1996 farm bill. As we were producing that legislation, I wanted very badly to create what I called a ''farmer IRA.'' Basically, the farmer IRA would be a rainy day account whereby if a farmer or rancher had a good year, he could invest part of his profits in a tax-deferred account. Then, when a bad year hits, he could withdraw that money to offset the downturn. That's exactly what the FARRM Accounts would do. Producers will be able to invest up to 20 percent of their Schedule F (farm) income in any interest-bearing account. They may withdraw that money at any time during a five-year period. If passed, FARRM Accounts will correct the huge problem in our existing Tax Code that encourages producers to buy a new tractor or combine at the end of the year in order to reduce taxable income instead of saving for the future. Again, I wanted to do this during the farm bill but we ran out of time. I'm very pleased that the Congress may finally get the opportunity to provide the flexibility and tax relief producers so desperately need.

I want to thank my colleagues again for their leadership in this area and I look forward to working with them and the rest of the Senate to pass this important legislation.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that a copy 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. 2371

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 ''Family Investment and Rural Savings Tax Act''.

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.

TITLE I—REDUCTION IN INDIVIDUAL CAPITAL GAINS TAX RATES

Sec. 101. Reduction in individual capital gains tax rates.

TITLE II—TAX INCENTIVES FOR FARMERS

Sec. 201. Farm and ranch risk management accounts.

Sec. 202. Permanent extension of income averaging for farmers.

TITLE I—REDUCTION IN INDIVIDUAL CAPITAL GAINS TAX RATES

SEC. 101. REDUCTION IN INDIVIDUAL CAPITAL GAINS TAX RATES.

(a) IN GENERAL.—Subsection (h) of section 1 of the Internal Revenue Code of 1986 is amended to read as follows:

''(h) MAXIMUM CAPITAL GAINS RATE.—

''(1) IN GENERAL.—If a taxpayer has a net capital gain for any taxable year, the tax imposed by this section for such taxable year shall not exceed the sum of—

''(A) a tax computed at the rates and in the same manner as if this subsection had not been enacted on taxable income reduced by the net capital gain,

''(B) 7.5 percent of so much of the net capital gain (or, if less, taxable income) as does not exceed the excess (if any) of—

''(i) the amount of taxable income which would (without regard to this paragraph) be taxed at a rate below 28 percent, over

''(ii) the taxable income reduced by the net capital gain, and

''(C) 15 percent of the amount of taxable income in excess of the sum of the amounts on which tax is determined under subparagraphs (A) and (B).

''(2) NET CAPITAL GAIN TAKEN INTO ACCOUNT AS INVESTMENT INCOME.—For purposes of this subsection, the net capital gain for any taxable year shall be reduced (but not below zero) by the amount which the taxpayer takes into account as investment income under section 163(d)(4)(B)(iii).''

(b) ALTERNATIVE MINIMUM TAX.—Paragraph (3) of section 55(b) of such Code is amended to read as follows:

''(3) MAXIMUM RATE OF TAX ON NET CAPITAL GAIN OF NONCORPORATE TAXPAYERS.—The amount determined under the first sentence of paragraph (1)(A)(i) shall not exceed the sum of—

''(A) the amount determined under such first sentence computed at the rates and in the same manner as if this paragraph had not been enacted on the taxable excess reduced by the net capital gain,

''(B) 7.5 percent of so much of the net capital gain (or, if less, taxable excess) as does not exceed the amount on which a tax is determined under section 1(h)(1)(B), and

''(C) 15 percent of the amount of taxable excess in excess of the sum of the amounts on which tax is determined under subparagraphs (A) and (B).''

(c) CONFORMING AMENDMENTS.—

(1) Paragraph (1) of section 1445(e) of such Code is amended by striking ''20 percent'' and inserting ''15 percent''.

(2) The second sentence of section 7518(g)(6)(A) of such Code, and the second sentence of section 607(h)(6)(A) of the Merchant Marine Act, 1936, are each amended by striking ''20 percent'' and inserting ''15 percent''.

(3) Section 311 of the Taxpayer Relief Act of 1997 is amended by striking subsection (e).

(4) Paragraph (7) of section 57(a) of such Code (as amended by the Internal Revenue Service Restructuring and Reform Act of 1998) is amended by striking the last sentence.

(5) Paragraphs (11) and (12) of section 1223, and section 1235(a), of such Code (as amended by the Internal Revenue Service Restructuring and Reform Act of 1998) are each amended by striking ''18 months'' each place it appears and inserting ''1 year''.

(d) TRANSITIONAL RULES FOR TAXABLE YEARS WHICH INCLUDE JUNE 24, 1998.—

(1) IN GENERAL.—Subsection (h) of section 1 of such Code (as amended by the Internal Revenue Service Restructuring and Reform Act of 1998) is amended by adding at the end the following new paragraph:

''(14) SPECIAL RULES FOR TAXABLE YEARS WHICH INCLUDE JUNE 24, 1998.—For purposes of applying this subsection in the case of a taxable year which includes June 24, 1998—

''(A) Gains or losses properly taken into account for the period on or after such date shall be disregarded in applying paragraph (5)(A)(i), subclauses (I) and (II) of paragraph (5)(A)(ii), paragraph (5)(B), paragraph (6), and paragraph (7)(A).

''(B) The amount determined under subparagraph (B) of paragraph (1) shall be the sum of—

''(i) 7.5 percent of the amount which would be determined under such subparagraph if the amount of gain taken into account under such subparagraph did not exceed the net capital gain taking into account only gain or loss properly taken into account for the portion of the taxable year on or after such date, plus

''(ii) 10 percent of the excess of the amount determined under such subparagraph (determined without regard to this paragraph) over the amount determined under clause (i).

''(C) The amount determined under subparagraph (C) of paragraph (1) shall be the sum of—

''(i) 15 percent of the amount which would be determined under such subparagraph if the adjusted net capital gain did not exceed the net capital gain taking into account only gain or loss properly taken into account for the portion of the taxable year on or after such date, plus

''(ii) 20 percent of the excess of the amount determined under such subparagraph (determined without regard to this paragraph) over the amount determined under clause (i).

''(D) Rules similar to the rules of paragraph (13)(C) shall apply.''

(2) ALTERNATIVE MINIMUM TAX.—Paragraph (3) of section 55(b) of such Code (as amended by the Internal Revenue Service Restructuring and Reform Act of 1998) is amended by adding at the end the following new sentence: ''For purposes of applying this paragraph for a taxable year which includes June 24, 1998, rules similar to the rules of section 1(h)(14) shall apply.''

(e) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to taxable years beginning on or after June 24, 1998.

(2) TRANSITIONAL RULES FOR TAXABLE YEARS WHICH INCLUDE JUNE 24, 1998.—The amendments made by subsection (d) shall apply to taxable years beginning before such date and ending on or after June 24, 1998.

(3) WITHHOLDING.—The amendment made by subsection (c)(1) shall apply only to amounts paid after the date of the enactment of this Act.

(4) CERTAIN CONFORMING AMENDMENTS.—The amendments made by subsection (c)(5) shall take effect on June 24, 1998.

TITLE II—TAX INCENTIVES FOR FARMERS

SEC. 201. FARM AND RANCH RISK MANAGEMENT ACCOUNTS.

(a) IN GENERAL.—Subpart C of part II of subchapter E of chapter 1 of the Internal Revenue Code of 1986 (relating to taxable year for which deductions taken) is amended by inserting after section 468B the following new section:

''SEC. 468C. FARM AND RANCH RISK MANAGEMENT ACCOUNTS.

''(a) DEDUCTION ALLOWED.—In the case of an individual engaged in an eligible farming business, there shall be allowed as a deduction for any taxable year the amount paid in cash by the taxpayer during the taxable year to a Farm and Ranch Risk Management Account (hereinafter referred to as the 'FARRM Account').

''(b) LIMITATION.—The amount which a taxpayer may pay into the FARRM Account for any taxable year shall not exceed 20 percent of so much of the taxable income of the taxpayer (determined without regard to this section) which is attributable (determined in the manner applicable under section 1301) to any eligible farming business.

''(c) ELIGIBLE FARMING BUSINESS.—For purposes of this section, the term 'eligible farming business' means any farming business (as defined in section 263A(e)(4)) which is not a passive activity (within the meaning of section 469(c)) of the taxpayer.

''(d) FARRM ACCOUNT.—For purposes of this section—

''(1) IN GENERAL.—The term 'FARRM Account' means a trust created or organized in the United States for the exclusive benefit of the taxpayer, but only if the written governing instrument creating the trust meets the following requirements:

''(A) No contribution will be accepted for any taxable year in excess of the amount allowed as a deduction under subsection (a) for such year.

''(B) The trustee is a bank (as defined in section 408(n)) or another person who demonstrates to the satisfaction of the Secretary that the manner in which such person will administer the trust will be consistent with the requirements of this section.

''(C) The assets of the trust consist entirely of cash or of obligations which have adequate stated interest (as defined in section 1274(c)(2)) and which pay such interest not less often than annually.

''(D) All income of the trust is distributed currently to the grantor.

''(E) The assets of the trust will not be commingled with other property except in a common trust fund or common investment fund.

''(2) ACCOUNT TAXED AS GRANTOR TRUST.—The grantor of a FARRM Account shall be treated for purposes of this title as the owner of such Account and shall be subject to tax thereon in accordance with subpart E of part I of subchapter J of this chapter (relating to grantors and others treated as substantial owners).

''(e) INCLUSION OF AMOUNTS DISTRIBUTED.—

''(1) IN GENERAL.—Except as provided in paragraph (2), there shall be includible in the gross income of the taxpayer for any taxable year—

''(A) any amount distributed from a FARRM Account of the taxpayer during such taxable year, and

''(B) any deemed distribution under—

''(i) subsection (f)(1) (relating to deposits not distributed within 5 years),

''(ii) subsection (f)(2) (relating to cessation in eligible farming business), and

''(iii) subparagraph (A) or (B) of subsection (f)(3) (relating to prohibited transactions and pledging account as security).

''(2) EXCEPTIONS.—Paragraph (1)(A) shall not apply to—

''(A) any distribution to the extent attributable to income of the Account, and

''(B) the distribution of any contribution paid during a taxable year to a FARRM Account to the extent that such contribution exceeds the limitation applicable under subsection (b) if requirements similar to the requirements of section 408(d)(4) are met.

For purposes of subparagraph (A), distributions shall be treated as first attributable to income and then to other amounts.

''(3) EXCLUSION FROM SELF-EMPLOYMENT TAX.—Amounts included in gross income under this subsection shall not be included in determining net earnings from self-employment under section 1402.

''(f) SPECIAL RULES.—

''(1) TAX ON DEPOSITS IN ACCOUNT WHICH ARE NOT DISTRIBUTED WITHIN 5 YEARS.—

''(A) IN GENERAL.—If, at the close of any taxable year, there is a nonqualified balance in any FARRM Account—

''(i) there shall be deemed distributed from such Account during such taxable year an amount equal to such balance, and

''(ii) the taxpayer's tax imposed by this chapter for such taxable year shall be increased by 10 percent of such deemed distribution.

The preceding sentence shall not apply if an amount equal to such nonqualified balance is distributed from such Account to the taxpayer before the due date (including extensions) for filing the return of tax imposed by this chapter for such year (or, if earlier, the date the taxpayer files such return for such year).

''(B) NONQUALIFIED BALANCE.—For purposes of subparagraph (A), the term 'nonqualified balance' means any balance in the Account

on the last day of the taxable year which is attributable to amounts deposited in such Account before the 4th preceding taxable year.

''(C) ORDERING RULE.—For purposes of this paragraph, distributions from a FARRM Account shall be treated as made from deposits in the order in which such deposits were made, beginning with the earliest deposits. For purposes of the preceding sentence, income of such an Account shall be treated as a deposit made on the date such income is received by the Account.

''(2) CESSATION IN ELIGIBLE FARMING BUSINESS.—At the close of the first disqualification period after a period for which the taxpayer was engaged in an eligible farming business, there shall be deemed distributed from the FARRM Account (if any) of the taxpayer an amount equal to the balance in such Account at the close of such disqualification period. For purposes of the preceding sentence, the term 'disqualification period' means any period of 2 consecutive taxable years for which the taxpayer is not engaged in an eligible farming business.

''(3) CERTAIN RULES TO APPLY.—Rules similar to the following rules shall apply for purposes of this section:

''(A) Section 408(e)(2) (relating to loss of exemption of account where individual engages in prohibited transaction).

''(B) Section 408(e)(4) (relating to effect of pledging account as security).

''(C) Section 408(g) (relating to community property laws).

''(D) Section 408(h) (relating to custodial accounts).

''(4) TIME WHEN PAYMENTS DEEMED MADE.—For purposes of this section, a taxpayer shall be deemed to have made a payment to a FARRM Account on the last day of a taxable year if such payment is made on account of such taxable year and is made within 3½ months after the close of such taxable year.

''(5) INDIVIDUAL.—For purposes of this section, the term 'individual' shall not include an estate or trust.

''(g) REPORTS.—The trustee of a FARRM Account shall make such reports regarding such Account to the Secretary and to the person for whose benefit the Account is maintained with respect to contributions, distributions, and such other matters as the Secretary may require under regulations. The reports required by this subsection shall be filed at such time and in such manner and furnished to such persons at such time and in such manner as may be required by those regulations.''

(b) DEDUCTION ALLOWED IN COMPUTING ADJUSTED GROSS INCOME.—Subsection (a) of section 62 of such Code (defining adjusted gross income) is amended by inserting after paragraph (17) the following new paragraph:

''(18) CONTRIBUTIONS TO FARM AND RANCH RISK MANAGEMENT ACCOUNTS.—The deduction allowed by section 468C(a).''

(c) TAX ON EXCESS CONTRIBUTIONS.—

(1) Subsection (a) of section 4973 of such Code (relating to tax on certain excess contributions) is amended by striking ''or'' at the end of paragraph (3), by redesignating paragraph (4) as paragraph (5), and by inserting after paragraph (3) the following new paragraph:

''(4) a FARRM Account (within the meaning of section 468C(d)), or''.

(2) Section 4973 of such Code is amended by adding at the end the following new subsection:

''(g) EXCESS CONTRIBUTIONS TO FARRM ACCOUNTS.—For purposes of this section, in the case of a FARRM Account (within the meaning of section 468C(d)), the term 'excess contributions' means the amount by which the amount contributed for the taxable year to the Account exceeds the amount which may be contributed to the Account under section 468C(b) for such taxable year. For purposes of this subsection, any contribution which is distributed out of the FARRM Account in a distribution to which section 468C(e)(2)(B) applies shall be treated as an amount not contributed.''

(3) The section heading for section 4973 of such Code is amended to read as follows:

"SEC. 4973. EXCESS CONTRIBUTIONS TO CERTAIN ACCOUNTS, ANNUITIES, ETC."

(4) The table of sections for chapter 43 of such Code is amended by striking the item relating to section 4973 and inserting the following new item:

''Sec. 4973. Excess contributions to certain accounts, annuities, etc.''

(d) TAX ON PROHIBITED TRANSACTIONS.—

(1) Subsection (c) of section 4975 of such Code (relating to prohibited transactions) is amended by adding at the end the following new paragraph:

''(6) SPECIAL RULE FOR FARRM ACCOUNTS.—A person for whose benefit a FARRM Account (within the meaning of section 468C(d)) is established shall be exempt from the tax imposed by this section with respect to any transaction concerning such Account (which would otherwise be taxable under this section) if, with respect to such transaction, the account ceases to be a FARRM Account by reason of the application of section 468C(f)(3)(A) to such Account.''

(2) Paragraph (1) of section 4975(e) of such Code is amended by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (G), respectively, and by inserting after subparagraph (D) the following new subparagraph:

''(E) a FARRM Account described in section 468C(d),''.

(e) FAILURE TO PROVIDE REPORTS ON FARRM ACCOUNTS.—Paragraph (2) of section 6693(a) of such Code (relating to failure to provide reports on certain tax-favored accounts or annuities) is amended by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E), respectively, and by inserting after subparagraph (B) the following new subparagraph:

''(C) section 468C(g) (relating to FARRM Accounts).''

(f) CLERICAL AMENDMENT.—The table of sections for subpart C of part II of subchapter E of chapter 1 of such Code is amended by inserting after the item relating to section 468B the following new item:

''Sec. 468C. Farm and Ranch Risk Management Accounts.''

(g) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 202. PERMANENT EXTENSION OF INCOME AVERAGING FOR FARMERS.

Section 933(c) of the Taxpayer Relief Act of 1997 is amended by striking '', and before January 1, 2001''.

Mr. BURNS. Mr. President, I rise today along with Senators LOTT, CRAIG, GRASSLEY, HAGEL, ROBERTS, SESSIONS, SHELBY, and THOMAS to introduce the Family Investment and Rural Savings Tax (FIRST) Act of 1998.

Mr. President, today's family farms are in jeopardy. This bill will help all Americans as well as our nation's farming families.

The bill consists of two titles—the first will reduce the top individual capital gains tax rate from 20% to 15% and reduces the capital gains tax rate for individuals with lower incomes from 10% to 7.5%.

Title two of the bill consists of two separate measures which work hand in hand: First, the bill will allow farmers to open their own tax deferred savings accounts. These accounts would provide farmers and ranchers an opportunity to set aside income in high-income years and withdraw the money in low-income years. The money is taxed only when it is withdrawn and can be deferred for up to five years.

In 1995, 2.2 million taxpayers, qualified as farmers under IRS definitions, would have been eligible to use these accounts. Only 725,000 of those filed a net income while 1.5 million filed a net loss.

Now that could mean one of two things: (1) fewer and fewer farmers are able to stay in the black or; (2) more and more farmers are going out of business. We cannot continue to treat our farmers and ranchers as second class citizens in our tax code.

The second part of this title contains language that I introduced earlier this year. This language would allow farmers to use average their income over three years and make that tool permanent in the tax code. This bill will give American farmers a fair tool to offset the unpredictable nature of their business.

The question is who will benefit most from income averaging and farm savings accounts. This is the best part—this legislation will allow farmers to delay payment of their taxes by reducing their overall income and spreading it out over a number of years.

However, based on the tax rate schedule, this bill would favor farmers in the lower tax bracket. If a farmer could use these tools to reduce their tax burden from one year to the next, it is very conceivable that taxpayer would pay only 15% on his income compared to 28%. That is a significant savings.

This bill leaves the business decisions in the hands of farmers, not the government. Farmers can decide whether to defer income and when to withdraw funds to supplement operations.

Farmers and ranchers labor seven days a week, from dawn until dusk, to provide our nation with the world's best produce, dairy products and meats. Farming is a difficult business requiring calloused hands and rarely a profitable financial reward. This profession is not getting any easier. Today, we are seeing more and more of our family farms swallowed up by the corporate farms.

Farming has always been a family affair. Rural communities rely on the family farm for their own economic sustenance. Although family farms are traditionally passed on from father to son—it is becoming more and more difficult as the economics of farming are becoming more and more complicated. Further tightening of the belt on these folks can only mean the eventual loss of the family farm.

Montana's farmers take pride in their harvests. You could call today's farmer the ultimate environmentalist.

They know how to take care of the land and ensure that future harvests will be plentiful. As land managers, farmers understand the importance of proper land stewardship.

Those colleagues of mine who grew up on a farm or ranch would certainly understand the frustration of this business. Farmers and ranchers don't receive an annual salary. They cannot rely on income that may not be there at the end of the year and they certainly cannot count on a monthly paycheck. This is a crucial time for family farms and tax relief can mean the difference between keeping the family farm for future generations or losing it.

With the recent passage of the Farm Bill, farmers are more than ever impacted by market forces and in the farming business, those market forces can be very unpredictable.

Market forces in farming are very unique—drought, flooding, infestation and disease all play a vital role in a farmer's bottom line. And it's not often when the elements of mother nature allow for a profitable harvest.

At best, most farmers are lucky to break even more than two years in a row. One year may be a windfall, while the next may mean bankruptcy. Farmers and ranchers are forced to make large capital investments in machinery, livestock and improvements to their properties.

Agricultural markets are rarely predictable. Farmers, more than any other sector of our economy are likely to experience substantial fluctuations in income.

We also need to address the issue of the estate tax. This is a death blow to a family farm that has been passed down through the generations. A family farm in Montana is not really referred to as an estate. We call it home, we call it work, and we call it our lives, but we don't call it an estate.

I urge my colleagues to support this bill and urge you also to support future bills such as estate tax relief legislation to encourage America's farming family of a safe and secure future.

I have letters in support of this bill signed by numerous agriculture groups as well as a letter from the National Federation of Independent Businesses (NFIB). I ask unanimous consent to have both of these letters printed in the RECORD.

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

July 23, 1998.

Hon. CONRAD BURNS,
U.S. Senate, Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR BURNS: Farming and ranching is a high risk endeavor. Problems due to this year's adverse weather and low prices provide a vivid illustration of the difficulties that can be caused by nature and markets.

The tax code can and should help producers deal with financial uncertainties unique to agriculture. Agricultural organizations have recommended estate tax relief, permanent income averaging for farmers, the full deductibility of health insurance premiums for the self-employed and the creation of farm and ranch risk management accounts (FARRM).

We applaud you for introducing legislation that encompasses the creation of FARRM accounts and makes income averaging a permanent part of the tax code. FARRM accounts will help producers by providing incentives to save during good times for times that are not. Income averaging will help producers by allowing them to manage their volatile incomes for financial planning.

A reduction in capital gains tax rates is also part of your legislation. Because farming and ranching is a capital intensive business, capital gains taxes have a huge impact on agriculture. Lower capital gains tax rates will help producers by making it easier for them to invest in their businesses and make the best use of their capital assets.

We support your legislation and pledge our help to secure its passage into law.

Agricultural Retailers Association.
Alabama Farmers Federation .
American Farm Bureau Federation.
American Horse Council.
American Nursery and Landscape Association.
American Sheep Industry Association.
American Soybean Association.
American Sugarbeet Growers Association.
Communicating for Agriculture.
Farm Credit Council.
The Fertilizer Institute.
National Association of State Departments of Agriculture.
National Association of Wheat Growers.
National Barley Growers Association.
National Cattlemen's Beef Association.
National Corn Growers Association.
National Cotton Council of America.
National Council of Farmer Cooperatives.
National Grain Sorghum Producers Association.
National Grange.
National Pork Producers Council.
National Sunflower Association.
North Carolina Peanut Growers Association.
United Fresh Fruit and Vegetable Association.
USA Rice Federation.

NATIONAL FEDERATION OF INDEPENDENT BUSINESS—THE VOICE OF SMALL BUSINESS,

July 29, 1998.

Hon. CONRAD BURNS,
U.S. Senate, Washington, DC.

DEAR SENATOR BURNS: I am writing to commend you for introducing legislation, "The Family Investment and Rural Savings Tax (FIRST) Act of 1998, that will provide needed tax relief to small businesses and farms.

Among other provisions, this legislation would reduce and simplify the current capital gains tax for the many small business owners who file as individuals. Small businesses face unique difficulties trying to obtain capital, including lack of access to the securities market and difficulty in getting bank loans. They often must get their capital from the business itself, family members or associates. Small businesses, therefore, need capital gains relief that will promote investment by both investors and business owners themselves.

The FIRST Act also contains needed relief to help farmers and ranchers by allowing eligible ones to make contributions to tax deferred accounts and by restoring income averaging. We very much support extending income averaging to small businesses, as well, and hope that Congress will consider this soon.

We applaud your efforts to reduce the tax burden on small businesses, farmers and ranchers, and look forward to working with you in the future.

Sincerely,

DAN DANNER,
Vice President,
Federal Governmental Relations.

By Mr. BOND (for himself, Ms. SNOWE, and Mr. BENNETT):

S. 2372. A bill to provide for a pilot loan guarantee program to address Year 2000 problems of small business concerns, and for other purposes; to the Committee on Small Business.

SMALL BUSINESS YEAR 2000 READINESS ACT

Mr. BOND. Mr. President, I rise today to introduce the Small Business Year 2000 Readiness Act along with my colleagues Senators BENNETT and SNOWE. This bill provides small businesses with the resources necessary to repair Year 2000 computer problems. This legislation is an important step toward avoiding the widespread failure of small businesses.

The problem, as many Senators are aware, is that certain computers and processors in automated systems will fail because such systems will not recognize the Year 2000. My colleague Senator BENNETT, who is the Chairman of the Senate Special Year 2000 Technology Problem Committee and is cosponsoring this bill, is very well versed in this problem and has been active in getting the word out to industries and to agencies of the federal government of the drastic consequences that may result from the Y2K problem.

Recently, the Committee on Small Business, which I chair, held hearings on the effect the Y2K problem will have on small businesses. The outlook is not good. The Committee received testimony that the companies most at risk from Y2K failures are small and medium-sized industries, not larger companies. The major reasons for this anomaly is that many small companies have not begun to realize how much of a problem Y2K failures will be and may not have the access to capital to cure such problems before they cause disastrous effects.

A study on Small Business and the Y2K Problem sponsored by Wells Fargo Bank and the NFIB found that an estimated four and three-quarter million small employers are exposed to the Y2K problem. This equals approximately 82 percent of all small businesses that have at least two employees. Such exposure to the Y2K problem will have devastating affects on our economy generally. As the result of communications with small businesses, computer manufacturers, consultants and groups, the Small Business Committee has found there is significant likelihood that the Y2K issue will cause many small businesses to close, playing a large role in Federal Reserve Chairman Greenspan's prediction of a 40 percent chance for recession at the beginning of the new millennium.

The Committee received information indicating that approximately 330,000 small businesses will shut down due to the Y2K problem and an even larger

number will be severely crippled. Such failures will affect not only the employees and owners of such small businesses, but also the creditors, suppliers and customers of such failed small businesses. Lenders, including banks and non-bank lenders, that have extended credit to small businesses will face significant losses if small businesses either go out of business or have a sustained period in which they cannot operate.

It must be remembered that the Y2K problem is not a problem for only those businesses that have large computer networks or mainframes. A small business is at risk if it uses any computers in its business, if it has customized software, if it is conducting e-commerce, if it accepts credit card payments, if it uses a service bureau for its payroll, if it depends on a data bank for information, if it has automated equipment for communicating with its sales or service force of if it has automated manufacturing equipment.

A good example of how small businesses are dramatically affected by the Y2K problem is the experience of John Healy, the owner of Coventry Spares Ltd. in Holliston, Massachusetts, as reported in INC Magazine. Coventry Spares is a distributor of vintage motorcycle parts. Like many small business owners, Mr. Healy's business depends on trailing technology purchased over the years, including a 286 computer, with software that is 14 years old and an operating system that is six or seven versions out of date. Mr. Healy uses this computer equipment, among other matters, for handling the company's payroll, ordering, inventory control, product lookup and maintaining a database of customers and subscribers to a vintage motorcycle magazine he publishes. The system handles 85 percent of his business and, without it working properly, Mr. Healy stated that ''I'd be a dead duck in the water.'' Unlike many small business owners, however, Mr. Healy is aware of the Y2K problem and tested his equipment to see if his equipment could handle the Year 2000. His tests confirmed his fear—the equipment and software could not process the year 2000 date and would not work properly after December 21, 1999. Therefore, Mr. Healy will have to expand over $20,000 to keep his business afloat. The experience of Mr. Healy has been and will continue to be repeated across the country as small businesses realize the impact the Y2K problem will have on their business.

The Gartner Group, an international computer consulting firm, has conducted studies showing small businesses are way behind—the worst of all sectors studied—where they need to be in order to avoid significant failures due to non-Y2K compliance. It estimates that only 15 percent of all businesses with under 200 employees have even begun to inventory the automated systems that may be affected by this computer glitch. That means that 85 percent of small businesses have not be even begun the initial task of determining how much of a problem they may have or taken steps to ensure that their businesses are not impaired by this problem.

Given the effects a substantial number of small business failures will have on our nation's economy, it is imperative that Congress take steps to ensure that small businesses are aware of the Y2K problem and have access to capital to fix such problems. Moreover, it is imperative that Congress take such steps before the problem occurs, not after it has already happened. Therefore, today I am introducing the Small Business Year 2000 Readiness Act.

This Act will serve the dual purpose of providing small businesses with the means to continue operating successfully after January 1, 2000, and making lenders and small firms more aware of the dangers that lie ahead. The Act requires the Small Business Administration to establish a limited-term loan program whereby SBA would guarantee 50 percent of the principal amount of a loan made by a private lender to assist small businesses in correcting Year 2000 computer problems. The loan amount would be capped at $50,000. The guarantee limit and loan amount will limit the exposure of the government and ensure that eligible lenders retain sufficient risk so that they make sound underwriting decisions.

The Y2K loan program guidelines will be based on the guidelines SBA has already established governing its FA$TRACK pilot program. Lenders originating loans under the Y2K loan program would be permitted to process and document loans using the same internal procedures they would on loans of a similar type and size not governed by a government guarantee. Otherwise, the loans are subject to the same requirements as all other loans made under the (7)(a) loan program.

Under the loan program, each lender designated as a Preferred Lender or Certified Lender by SBA would be eligible to participate in the Y2K loan program. This would include approximately 1,000 lenders that have received special authority from the SBA to originate loans under SBA's existing 7(a) loan program. The Year 2000 loan program would sunset after October 31, 2001.

To assure that the loan program is made available to those small businesses that need it, the legislation requires SBA to inform all lenders eligible to participate in the program of the loan program's availability. It is intended that these lenders, in their own self-interest, will contact their small business customers to ensure that they are Y2K complaint and inform them of the loan program if they are not.

The Small Business Year 2000 Readiness Act is a necessary step to ensure that the economic health of this country is not marred by a substantial number of small business failures following January 1, 2000, and that small businesses continue to be the fastest growing segment of our economy in the Year 2000 and beyond.

Mr. President, I ask unanimous consent that the full text of the bill be printed in the RECORD.

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

S. 2372

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 ''Small Business Year 2000 Readiness Act''.

SEC. 2. FINDINGS.

Congress finds that—

(1) the failure of many computer programs to recognize the Year 2000 will have extreme negative financial consequences in the Year 2000 and in subsequent years for both large and small businesses;

(2) small businesses are well behind larger businesses in implementing corrective changes to their automated systems—85 percent of businesses with 200 employees or less have not commenced inventorying the changes they must make to their automated systems to avoid Year 2000 problems;

(3) many small businesses do not have access to capital to fix mission critical automated systems; and

(4) the failure of a large number of small businesses will have a highly detrimental effect on the economy in the Year 2000 and in subsequent years.

SEC. 3. YEAR 2000 COMPUTER PROBLEM LOAN GUARANTEE PROGRAM.

(a) PROGRAM ESTABLISHED.—Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended by adding at the end the following:

''(27) YEAR 2000 COMPUTER PROBLEM PILOT PROGRAM.—

''(A) DEFINITIONS.—In this paragraph—

''(i) the term 'eligible lender' means any lender designated by the Administration as eligible to participate in—

''(I) the Preferred Lenders Program authorized by the proviso in section 5(b)(7); or

''(II) the Certified Lenders Program authorized in paragraph (19); and

''(ii) the term 'Year 2000 computer problem' means, with respect to information technology, any problem that prevents the information technology from accurately processing, calculating, comparing, or sequencing date or time data—

''(I) from, into, or between—

''(aa) the 20th or 21st centuries; or

''(bb) the years 1999 and 2000; or

''(II) with regard to leap year calculations.

''(B) ESTABLISHMENT OF PROGRAM.—The Administration shall—

''(i) establish a pilot loan guarantee program, under which the Administration shall guarantee loans made by eligible lenders to small business concerns in accordance with this subsection; and

''(ii) notify each eligible lender of the establishment of the program under this paragraph.

''(C) USE OF FUNDS.—A small business concern that receives a loan guaranteed under this paragraph shall use the proceeds of the loan solely to address the Year 2000 computer problems of that small business concern, including the repair or acquisition of information technology systems and other automated systems.

''(D) MAXIMUM AMOUNT.—The total amount of a loan made to a small business concern and guaranteed under this paragraph shall not exceed $50,000.

''(E) GUARANTEE LIMIT.—The guarantee percentage of a loan guaranteed under this paragraph shall not exceed 50 percent of the

balance of the financing outstanding at the time of disbursement of the loan.

''(F) REPORT.—The Administration shall annually submit to the Committees on Small Business of the House of Representatives and the Senate a report on the results of the program under this paragraph, which shall include information relating to—

''(i) the number and amount of loans guaranteed under this paragraph;

''(ii) whether the loans guaranteed were made to repair or replace information technology and other automated systems; and

''(iii) the number of eligible lenders participating in the program.''.

(b) REGULATIONS.—

(1) IN GENERAL.—Not later than 60 days after the date of enactment of this Act, the Administrator of the Small Business Administration shall issue final regulations to carry out the program under section 7(a)(27) of the Small Business Act, as added by this section.

(2) REQUIREMENTS.—Except to the extent inconsistent this section or section 7(a)(27) of the Small Business Act, as added by this section, the regulations issued under this subsection shall be substantially similar to the requirements governing the FA$TRACK pilot program of the Small Business Administration, or any successor pilot program to that pilot program.

(c) REPEAL.—Effective on October 1, 2001, this section and the amendment made by this section are repealed.

SEC. 4. PILOT PROGRAM REQUIREMENTS.

Section 7(a)(25) of the Small Business Act (15 U.S.C. 636(a)(25)) is amended by adding at the end the following:

''(D) NOTIFICATION OF CHANGE.—Not later than 30 days prior to initiating any pilot program or making any change in a pilot program under this subsection that may affect the subsidy rate estimates for the loan program under this subsection, the Administration shall notify the Committees on Small Business of the House of Representatives and the Senate, which notification shall include—

''(i) a description of the proposed change; and

''(ii) an explanation, which shall be developed by the Administration in consultation with the Director of the Office of Management and Budget, of the estimated effect that the change will have on the subsidy rate.

''(E) REPORT ON PILOT PROGRAMS.—The Administration shall annually submit to the Committees on Small Business of the House of Representatives and the Senate a report on each pilot program under this subsection, which report shall include information relating to—

''(i) the number and amount of loans made under the pilot program;

''(ii) the number of lenders participating in the pilot program; and

''(iii) the default rate, delinquency rate, and recovery rate for loans under each pilot program, as compared to those rates for other loan programs under this subsection.''.

By Mr. GRASSLEY (for himself and Mr. DURBIN):

S. 2373. A bill to amend title 28, United States Code, with respect to the use of alternative dispute resolution processes in United States district courts, and for other purposes; to the Committee on the Judiciary.

ALTERNATIVE DISPUTE RESOLUTION ACT

Mr. GRASSLEY. Mr. President, I rise today to introduce the Alternative Dispute Resolution Act of 1998. My Judiciary Subcommittee on Administrative Oversight and the Courts has jurisdiction over this matter, and I am very pleased that the ranking member of the subcommittee, Senator DURBIN, has joined me in sponsoring this bill. It will require every Federal district court in the country to institute an alternative dispute resolution, or ADR, program. The bill will provide parties and district court judges with options other than the traditional, costly and adversarial process of litigation.

ADR programs have been gaining in popularity and respect for years now. For example, many contracts drafted today—between private parties, corporations, and even nations—include arbitration clauses. Most State and Federal bar associations, including the ABA, have established committees to focus on ADR. Also, comprehensive ADR programs are flourishing in many of the States.

ADR is also being used at the Federal level. In 1990, for example, President Bush signed into law a bill that I introduced called the Administrative Dispute Resolutions Act. The law promoted the increased use of ADR in Federal agency proceedings. In 1996, because ADR was working so well, we permanently re-authorized the law. And earlier this year, the executive branch recommitted themselves to using ADR as much as possible.

Since the late 1970s, our Federal district courts have also been successfully introducing ADR. In 1998, we authorized 20 district courts to begin implementing ADR programs. The results were very encouraging, so last year we made these programs permanent. It's time to take another step and make ADR available in all district courts.

Mr. President, ADR allows innovations and flexibility in the administration of justice. The complex legal problems that people have demand creative and flexible solutions on the part of the courts. There are numerous benefits to providing people with alternatives to traditional litigation. For example, a recent Northwestern University study of ADR programs in State courts indicated that mediation significantly reduced the duration of lawsuits and produced significant cost savings for litigants. That means fewer cases on the docket and decreased costs. The Federal courts should be taking every opportunity to reap the benefits that the state courts have been enjoying.

Mr. President, the fact of the matter is that ADR works. The future of justice in this country includes ADR. Perhaps one of the signs of this is that many of the best law, business, and graduate schools in the country are beginning to emphasize training in negotiation, mediation, and other kinds of dispute resolution.

Quite simply, this bill will increase the availability of ADR in our Federal courts. It mandates that every district court establish some form of professional ADR program. It provides the district, however, with the flexibility to decide what kind of ADR works best locally. The bill also allows a district with a current ADR program that's working well to continue the program.

This bill is the Senate companion to H.R. 3528, which was reported out of the Judiciary Committee today without any opposition. Our bill tracks the original House bill, except for some findings and a few technical changes to improve the legislation. These changes were included in the bill reported out of committee. The House bill received overwhelming, bipartisan support, passing 405–2.

The Department of Justice, along with the administration, the Administrative Office of the Courts, and the American Bar Association, including its business section, all support the legislation with these improvements. The consensus is clear: ADR has an important role to play in our Federal court system.

Mr. President, this bill is a step in the right direction for the administration of justice in our country. Increased availability of ADR will benefit all of us. It should be an option to people in every judicial district of the country. This bill assures that it will be.

By Mr. SARBANES:

S. 2374. A bill to provide additional funding for repair of the Korean War Veterans Memorial; to the Committee on Energy and Natural Resources.

KOREAN WAR VETERANS MEMORIAL LEGISLATION

• Mr. SARBANES. Mr. President, today I am introducing legislation to fix and restore one of our most important monuments, the Korean War Veterans Memorial. My bill would authorize the Secretary of the Army to provide, within existing funds, up to $2 million to complete essential repairs to the Memorial.

The Korean War Memorial is the newest war monument in Washington, DC. It was authorized in 1986 by Public Law 99–752 which established a Presidential Advisory Board to raise funds and oversee the design of the project, and charged the American Battle Monuments Commission with the management of this project. The authorization provided $1 million in federal funds for the design and initial construction of the memorial and Korean War Veterans' organizations and the Advisory Board raised over $13 million in private donations to complete the facility. Construction on the memorial began in 1992 and it was dedicated on July 27, 1995.

For those who haven't visited, the Memorial is located south of the Vietnam Veteran's Memorial on the Mall, to the east of the Lincoln Memorial. Designed by world class Cooper Lecky Architects, the monument contains a triangular ''field of service,'' with 19 stainless steel, larger than life statues, depicting a squad of soldiers on patrol. A curb of granite north of the statues lists the 22 countries of the United Nations that sent troops in defense of

South Korea. To the south of the patrol stands a wall of black granite, with engraved images of more than 2,400 unamed servicemen and women detailing the countless ways in which Americans answered the call to service. Adjacent to the wall is a fountain which is supposed to be encircled by a Memorial Grove of linden trees, creating a peaceful setting for quiet reflection. When this memorial was originally created, it was intended to be a lasting and fitting tribute to the bravery and sacrifice of our troops who fought in the ''Forgotten War.'' Unfortunately, just three years after its dedication, the monument is not lasting and is no longer fitting.

The Memorial has not functioned as it was originally conceived and designed and has instead been plagued by a series of problems in its construction. The grove of 40 linden trees have all died and been removed from the ground, leaving forty gaping holes. The pipes feeding the ''pool of remembrance's'' return system have cracked and the pool has been cordoned off. The monument's lighting system has been deemed inadequate and has caused safety problems for those who wish to visit the site at night. As a result, most of the 1.3 million who visit the monument each year—many of whom are veterans—must cope with construction gates or areas which have been cordoned off instead of experiencing the full effect of the Memorial.

Let me read a quote from the Washington Post—from a Korean War Veteran, John LeGault who visited the site—that I think captures the frustration associated with not having a fitting and complete tribute for the Korean War. He says, ''Who cares?'' ''That was the forgotten war and this is the forgotten memorial.'' Mr. President, we ought not to be sunshine patriots when it comes to making decisions which affect our veterans. Too often, we are very high on the contributions that our military makes in times of crisis, but when a crisis fades from the scene, we seem to forget about this sacrifice. Our veterans deserve better.

To resolve these problems and restore this monument to something that our Korean War Veterans can be proud of, the U.S. Army Corps of Engineers conducted an extensive study of the site in an effort to identify, comprehensively, what corrective actions would be required. The Corps has determined that an additional $2 million would be required to complete the restoration of the grove work and replace the statuary lighting. My legislation would provide the authority for the funds to make these repairs swiftly and once and for all.

With the 50th anniversary of the Korean War conflict fast approaching, we must ensure that these repairs are made as soon as possible. This additional funding would ensure that we have a fitting, proper, and lasting tribute to those who served in Korea and that we will never forget those who served in the ''Forgotten War.'' I urge my colleagues to join me in supporting this important legislation.

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. 2374

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

SECTION 1. ADDITIONAL FUNDING FOR KOREAN WAR VETERANS MEMORIAL.

Section 3 of Public Law 99–572 (40 U.S.C. 1003 note) is amended by adding at the end the following:

''(c) ADDITIONAL FUNDING.—

''(1) IN GENERAL.—In addition to amounts made available under subsections (a) and (b), the Secretary of the Army may expend, from any funds available to the Secretary on the date of enactment of this paragraph, $2,000,000 for repair of the memorial.

''(2) DISPOSITION OF FUNDS RECEIVED FROM CLAIMS.—Any funds received by the Secretary of the Army as a result of any claim against a contractor in connection with construction of the memorial shall be deposited in the general fund of the Treasury.''.●

By Mr. JEFFORDS:

S. 2376. A bill to amend the Internal Revenue Code of 1986 to provide tax incentives for land sales for conservation purposes; to the Committee on Finance.

THE CONSERVATION TAX INCENTIVES ACT OF 1998

● Mr. JEFFORDS. Mr. President, today, I am introducing the Conservation Tax Incentives Act of 1998, a bill that will result in a reduction in the capital gains tax for landowners who sell property for conservation purposes. This bill creates a new incentive for private, voluntary land protection. This legislation is a cost-effective nonregulatory, market-based approach to conservation, and I urge my colleagues to join me in support of it.

The tax code's charitable contribution deduction currently provides an incentive to taxpayers who give land away for conservation purposes. That is, we already have a tax incentive to encourage people to donate land or conservation easements to government agencies like the Fish and Wildlife Service or to citizens' groups like the Vermont Land Trust. This incentive has been instrumental in the conservation of environmentally significant land across the country.

Not all land worth preserving, however, is owned by people who can afford to give it away. For many landowners, their land is their primary financial asset, and they cannot afford to donate it for conservation purposes. While they might like to see their land preserved in its underdeveloped state, the tax code's incentive for donations is of no help.

The Conservation Tax Incentives Act will provide a new tax incentive for sales of land for conservation by reducing the amount of income that landowners would ordinarily have to report—and pay tax on—when they sell their land. The bill provides that when land is sold for conservation purposes, only one half of any gain will be included in income. The other half can be excluded from income, and the effect of this exclusion is to cut in half the capital gains tax the seller would otherwise have to pay. The bill will apply to land and to partial interests in land and water.

It will enable landowners to permanently protect a property's environmental value without forgoing the financial security it provides. The bill's benefits are available to landowners who sell land either to a government agency or to a qualified conservation nonprofit organization, as long as the land will be used for such conservation purposes as protection of fish, wildlife or plant habitat, or as open space for agriculture, forestry, outdoor recreation or scenic beauty.

Land is being lost to development and commercial use at an alarming rate. By Department of Agriculture estimates, more than four square miles of farmland are lost to development every day, often with devastating effects on the habitat wildlife need to thrive. Without additional incentives for conservation, we will continue to lose ecologically valuable land.

A real-life example from my home state illustrates the need for this bill. A few years ago, in an area of Vermont known as the Northeast Kingdom, a large well-managed forested property came on the market. The land had appreciated greatly over the years and was very valuable commercially. With more than 3,000 acres of mountains, forests, and ponds, with hiking trails, towering cliffs, scenic views and habitat for many wildlife species, the property was very valuable environmentally. Indeed, the State of Vermont was anxious to acquire it and preserve it for traditional agricultural uses and habitat conservation.

After the property had been on the market for a few weeks, the seller was contacted by an out-of-state buyer who planned to sell the timber on the land and to dispose of the rest of the property for development. After learning of this, the State quickly moved to obtain appraisals and a legislative appropriation in preparation for a possible purchase of the land by the State. Subsequently, the State and The Nature Conservancy made a series of purchase offers to the landowner. The out-of-state buyer however, prevailed upon the landowner to accept his offer. Local newspaper headlines read, ''State of Vermont Loses Out On Northeast Kingdom Land Deal.'' The price accepted by the landowner was only slightly higher than the amount the State had offered. Had the bill I'm introducing today been on the books, the lower offer by the State may well have been as attractive—perhaps more so—than the amount offered by the developer.

This bill provides an incentive-based means for accomplishing conservation in the public interest. It helps tax dollars accomplish more, allowing public

and charitable conservation funds to go to higher-priority conservation projects. Preliminary estimates indicate that with the benefits of this bill, nine percent more land could be acquired, with no increase in the amount governments currently spend for conservation land acquisition. At a time when little money is available for conservation, it is important that we stretch as far as possible the dollars that are available.

State and local governments will be important beneficiaries of this bill. Many local communities have voted in favor of raising taxes to finance bond initiatives to acquire land for conservation. My bill will help stretch these bond proceeds so that they can go further in improving the conservation results for local communities. In addition, because the bill applies to sales to publicly-supported national, regional, State and local citizen conservation groups, its provisions will strengthen private, voluntary work to save places important to the quality of life in communities across the country. Private fundraising efforts for land conservation will be enhanced by this bill, as funds will be able to conserve more, or more valuable, land.

Let me provide an example to show how I intend the bill to work. Let's suppose that in 1952 a young couple purchased a house and a tract of adjoining land, which they have maintained as open land. Recently, the county where they lived passed a bond initiative to buy land for open space, as county residents wanted to protect the quality of their life from rampant development and uncontrolled sprawl. Let's further assume that the couple, now contemplating retirement, is considering competing offers for their land, one from a developer, the other from the county, which will preserve the land in furtherance of its open-space goals. Originally purchased for $25,000, the land is now worth $250,000 on the open market. If they sell the land to the developer for its fair market value, the couple would realize a gain of $225,000 ($250,000 sales price minus $25,000 costs), owe tax of $45,000 (at a rate of 20% on the $225,000 gain), and thus net $205,000 after tax.

Under my bill, if the couple sold the land for conservation purposes, they could exclude from income one half of any gain they realized upon the sale. This means they would pay a lower capital gains tax; consequently, they would be in a position to accept a lower offer from a local government or a conservation organization, yet still end up with more money in their pockets than they would have had if they had accepted the developer's offer. Continuing with the example from the preceding paragraph, let's assume the couple sold the property to the county, for the purpose of conservation, at a price of $240,000. They would realize a gain of $215,000 ($240,000 sales price minus $25,000 cost). Under my bill, only half of this gain $107,500, would be includible in income. The couple would pay $21,500 in capital gains tax (at a rate of 20% on the $107,500 gain includible in income) and thus net $218,500 ($240,000 sales price minus $21,500 tax). Despite having accepted a sales price $10,000 below the developer's offer, the couple will keep $13,000 more than they would have kept if they had accepted his offer.

The end result is a win both for the landowners, who end up with more money in their pocket than they would have had after a sale to an outsider, and for the local community, which is able to preserve the land at a lower price. This example illustrates how the exclusion from income will be especially beneficial to middle-income, ''land rich/cash poor'' landowners who can't avail themselves of the tax benefits available to those who can afford to donate land.

As this bill also applies to partial interests in land, the exclusion from income—and the resulting reduction in capital gains tax—will, in certain instances, also be available to landowners selling partial interests in their land for conservation purposes. A farmer could, for example, sell a conservation easement, continuing to remain on and farm his land, yet still be able to take advantage of the provisions in this bill. The conservation easement must meet the tax code's requirements i.e., it must serve a conservation purpose, such as the protection of fish or wildlife habitat or the preservation of open space (including farmland and forest land).

There are some things this bill does not do. It does not impose new regulations or controls on people who own environmentally-sensitive land. It does not compel anyone to do anything; it is entirely voluntary. Nor will it increase government spending for land conservation. In fact, the effect of this bill will be to allow better investment of tax and charitable dollars used for land conservation.

The estimated cost of this bill is just $50 million annually. This modest cost, however, does not take into account the value of the land conserved. It is estimated that for every dollar foregone by the Federal treasury, $1.76 in land will be permanently preserved.

I urge all my colleagues to join me in support of the Conservation Tax Incentives Act of 1998.●

By Mr. MOYNIHAN (for himself, Mr. LEVIN, Mr. JEFFORDS, Mr. LEAHY, Mr. CLELAND, Mr. DURBIN, Mr. D'AMATO, and Mrs. BOXER):

S. 2377. A bill to amend the Clean Air Act to limit the concentration of sulfur in gasoline used in motor vehicles; to the committee on Environment and Public Works.

CLEAN GASOLINE ACT OF 1998

● Mr. MOYNIHAN. Mr. President, I am proud to introduce today the Clean Gasoline Act of 1998, a bill to establish a nationwide, year-round cap on the sulfur content of gasoline. My bill presents an opportunity to make tremendous progress in improving our national air quality through a simple, cost-effective measure. Today, 70 million people—30 percent of the nation's population—live in counties which exceed heatlh-based ozone standards. For just a few pennies a gallon, we can make our urban environment appreciably better.

Sulfur in gasoline contaminates catalytic converters so that they remove less of the nitrogen oxide (NO_x), carbon monoxide (CO), and hydrocarbons (HC) contained in tailpipe emissions. These pollutants elevate the levels of particulate matter (PM) and contribute to ground-level ozone. By reducing the amount of sulfur allowed in gasoline sold nationwide, my bill will substantially improve air quality, especially in America's largest cities.

The current average sulfur content in U.S. gasoline is approximately 330 parts per million (ppm), and ranges as high as 1,000 ppm. the Clean Gasoline Act will impose a year-round cap of 40 ppm on the sulfur content of all gasoline sold in the United States. Under my bill, refineries will also have the option of meeting an 80 ppm cap, provided that they maintain an overall average sulfur content of no more than 30 ppm.

Imposing limits on the sulfur content of gasoline will achieve tremendous—and virtually immediate—air quality benefits. The emissions reductions achieved by lowering gasoline sulfur levels to 40 ppm would be equivalent to removing 3 million vehicles from the streets of New York, and nearly 54 million vehicles from our roads nationwide.

California imposed a similar cap on gasoline sulfur beginning in 1996, resulting in significant air quality gains. Japan has already established a 50 ppm gasoline standard, and the European Union currently has a gasoline sulfur standard of 150 ppm—which will drop to 50 ppm beginning in the year 2005.

The gasoline sulfur cap established by my bill will apply year-round. A seasonal cap is insufficient because the damage done to catalytic converters by sulfur poisoning is not fully reversible by typical driving—meaning that vehicle emission controls would be repoisoned every year when high-sulfur gasoline returned to the market. In the absence of national standards, travel over state boundaries could disable emissions controls.

The current high-sulfur content of U.S. gasoline will also preclude the introduction of the next generation of fuel efficiency technologies—most notably fuel cells and direct-injection gasoline engines. U.S. citizen will not have access to these advanced technologies—unless we adopt low sulfur gasoline standards.

Mr. President, I believe our task is clear. A national low sulfur gasoline standard will result in considerable health and environmental benefits. It will maximize the effectiveness of currently available vehicle emissions

technology, and will enable the introduction of the next generation of vehicle technology into the U.S. market. Refineries can reduce the sulfur content of gasoline using existing technology that is already being used to supply markets in California, Japan, and the European Union. Our national fleet is already comprised of world-class vehicles. It is time for us to provide this fleet with world-class fuel. I urge my colleagues to join my cosponsors and me in supporting this important legislation.●

● Mr. JEFFORDS. Mr. President, I join Senator MOYNIHAN in offering legislation that would reduce the sulfur content of gasoline. Current levels of sulfur in gasoline lead to high nitrogen oxide, carbon monoxide, and hydrocarbon emissions by weakening catalytic converter emission controls. These emissions elevate ground-level ozone and particulate matter pollution.

As we all have learned, long-term exposure to ozone pollution can have significant health impacts, including asthma attacks, breathing and respiratory problems, loss of lung function, and lowered immunity to disease. The EPA has compared breathing ozone to getting a sunburn in your lungs. Children, including Vermont's approximately 10,000 asthmatic children, are at special risk for adverse health effects from ozone pollution. Children playing outside in the summer time, the season when concentrations of ground-level ozone are the greatest, may suffer from coughing, decreased lung function, and have trouble catching their breath. Exposure to particulate matter pollution is similarly dangerous causing premature death, increased respiratory symptoms and disease, decreased lung function, and alterations in lung tissue. These pollutants also result in adverse environmental effects such as acid rain and visibility impairment.

Mr. President, this bill will reduce these pollutants in our communities, and more importantly it will reduce these pollutants cost-effectively. To reduce the sulfur content of gasoline, refineries can use currently available technology. These measures will not break the bank. California has already adopted the measures in this bill on a statewide basis. So have Japan and the members of the European Union.

Mr. President, I urge my colleagues to support this bill. Let's clean up our air so we can all breathe just a little bit easier.●

● Mr. CLELAND. Mr. President, I am pleased today to announce that I have added my name as an original co-sponsors of the Low Sulfur Fuel Act of 1998 and to express my reasons for supporting this important legislation. I would first like to thank my colleague from New York, Senator MOYNIHAN, for his authorship of this measure and his leadership on this issue. The bill establishes a national, year-round cap on gasoline sulfur levels, and would impose a reduction of sulfur content in gasoline from 300 parts per million (ppm) to 40 ppm within two years from the date of enactment.

High sulfur levels in gasoline increase vehicle emissions of nitrogen oxides (NO_x), carbon monoxide (CO), and hydrocarbons (HC) which in turn produce higher levels of particulate matter (PM) and contribute to ground level ozone. Reducing sulfur content levels to 40 ppm has been shown to reduce Nitrogen Oxides by 51 percent, Carbon Monoxide by 40 percent, and Hydrocarbons by 24 percent. Essentially, the sulfur in gasoline inhibits the catalyst in an automobile from doing its job—which is to reduce the emissions of the aforementioned pollutants. Sulfur is a contaminant only and does not in any way enhance engine performance.

There are two compelling reasons which led me to support this bill: First, helping our states attain the health requirements set forth by the Clean Air Act by providing them with a viable tool for reducing NO_x and CO emissions; and second, updating our gasoline to keep pace with other industrialized nations thereby keeping our automotive fleet competitive in the international marketplace.

In my home state of Georgia, the Metro Atlanta area has experienced extensive difficulties in complying with the standards set forth by the Clean Air Act. In a recent attempt to meet these standards, the Georgia Department of Natural Resources (DNR), has voted to implement reduced sulfur content in fuel. The rule would require gasoline in the 25 county area surrounding Atlanta to be reduced to 30 ppm by 2003. Georgia is only the second state, after California, to take such innovative steps to meet air quality goals. In my review of this bill, I sent a copy to Harold Reheis, Director of the Georgia Environmental Protection Division (EPD), an agency of the Georgia DNR for his comments. In his response, which I will ask unanimous consent to add as part of the RECORD after my statement, Mr. Reheis states that the Moynihan bill would ''result in a reduction in air pollutants statewide and nationwide.'' Further, he added that this bill ''could help prevent ozone nonattainment problems in other urban areas of Georgia like Augusta, Columbus, and Macon, which all could have difficulty meeting the tighter federal ozone standards adopted by the USEPA last year.'' I encourage all my colleagues to contact their State Environmental Agencies to request their input on this matter.

Relating to the second point in support of the bill, the U.S. must maintain our innovative and forward thinking approach and support this measure because other countries, such as Japan, Egypt, Thailand, and every member of the European Union have already required similar caps on the sulfur content of their gasoline. Thus, in order for us to compete with these and other countries, we must take this extremely valuable step. California has already taken such action and now we have the opportunity to send a message to the rest of the world, that we, as a nation, are committed to cleaner, more fuel efficient gasoline. Further, we should signify that we are committed to ensuring that our auto industry and the U.S. consumer are equipped with the infrastructure necessary to take advantage of the emerging market for new, innovative, less polluting automobiles.

There is a real possibility that if the U.S. does not take this action, we would fall behind the rest of the industrialized world—a position that the US should never be in—and become the dumping ground for higher sulfur level fuels—making it more difficult to shift to the lower sulfur fuels and inhibiting U.S. automakers from producing and U.S. consumers from purchasing, cleaner and more fuel efficient technologies.

The crux of this issue is that reducing sulfur content in gasoline to 40 ppm, year round, is a viable, cost-effective tool to dramatically reduce pollutants which cause high levels of Particulate Matter as well as Ozone and I urge my colleagues to support this bill.

I ask unanimous consent that the letter from Mr. Reheis be printed in the RECORD.

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

GEORGIA DEPARTMENT
OF NATURAL RESOURCES,
Atlanta, GA, June 22, 1998.

Hon. MAX CLELAND,
U.S. Senate, Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR CLELAND: Thank you for sharing with EPD the proposed bill by Senator Moynihan to require the use of low sulfur gasoline all over the United States. The bill is a fine idea, and we have done something similar in Georgia. The Board of Natural Resources, upon my recommendation, recently promulgated rules to require low sulfur gasoline to be sold in 25 counties in and around Metro Atlanta starting May 1999.

The proposed Senate bill would result in a reduction in air pollutants statewide and nationwide. This could help prevent ozone nonattainment problems in other urban areas of Georgia like Augusta, Columbus, and Macon, which all could have difficulty meeting the tighter federal ozone standards adopted by USEPA last year.

I think the bill deserves your support. Please contact me if you need future information.

Sincerely,

HAROLD F. REHEIS,
Director.●

By Mr. AKAKA:

S. 2378. A bill to amend title XVIII of the Social Security Act to increase the amount of payment under the Medicare program for pap smear laboratory tests; to the Committee on Finance.

INVESTMENT IN WOMEN'S HEALTH CARE ACT OF 1998

Mr. AKAKA. Mr. President, today I introduce the Investment in Women's Health Act of 1998, a bill to increase Medicare reimbursement for Pap smear laboratory tests. This is the Senate

companion measure to the bill introduced in the House by my colleague and friend, Representative NEIL ABERCROMBIE.

Last year, I was contacted by pathologists who alerted me to the cost-payment differential for Pap smear testing in Hawaii. According to the American Pathology Foundation, Hawaii is one of 23 states where the cost of performing the test significantly exceeds the Medicare payment. In Hawaii, the cost of performing the test ranges between $13.04 and $15.80. The Medicare reimbursement rate is only $7.15.

This large disparity between the reimbursement rate and the actual cost may force labs in Hawaii and other states to discontinue Pap smear testing. Additionally, the below-cost-reimbursement may compel some labs to process tests faster and in higher volume to improve cost efficiency. This situation increases the risk of inaccurate results and can severely handicap patient outcomes.

If the Pap smear is to continues an effective cancer screening tool, it must remain widely available and reasonably priced for all women. Adequate payment is a necessary component of ensuring women's continued access to quality Pap smears.

My bill will increase the Medicare reimbursement rate for Pap smear lab work from its current $7.15 to $14.60—the national average cost of the test. This rate is important because it establishes a benchmark for many private insurers.

No other cancer screening procedure is as effective for early detection of cancer as the Pap smear. Over the last 50 years, the incidence of cervical cancer deaths has declined by 70 percent due in large part to the use of this cancer detection measure. Experts agree that the detection and treatment of precancerous lesions can actually prevent cervical cancer. Evidence also shows that the likelihood of survival when cervical cancer is detected in its earliest stage is almost 100 percent with timely and appropriate treatment and follow-up.

Mr. President, an estimated 13,700 new cases of invasive cervical cancer will be diagnosed in 1998 and 4,900 women will die of the disease. I urge my colleagues to support this important legislation.

Mr. President, I ask unanimous consent that a list of the average Pap smear production costs for 23 states be printed in the RECORD.

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

Pap Smear Production Costs

California	$18.84
	17.11
	17.00
	13.05
Colorado	16.94
Connecticut	16.87
Delaware	22.00
Florida	14.00

Pap Smear Production Costs—Continued

Georgia	10.73
Hawaii	13.04
	14.04
	15.40
	15.80
Illinois	13.12
Iowa	13.78
Kansas	14.62
Kentucky	16.00
	13.01
Maryland	14.05
Michigan	13.16
Nebraska	16.12
New Mexico	20.65
Ohio	18.46
	14.15
	14.50
South Carolina	16.89
	13.00
South Dakota	10.25
Tennessee	12.36
Texas	13.50
Vermont	18.92
Washington	11.64
	12.00
	12.52
	12.90
	12.91
	13.22
	13.42
	14.69
Wisconsin	13.00

Note.—This data was obtained from the American Pathology Foundation.

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

S. 2379. A bill to establish a program to establish and sustain viable rural and remote communities; to the Committee on Banking, Housing, and Urban Affairs

THE RURAL AND REMOTE COMMUNITY FAIRNESS ACT OF 1998

• Mr. MURKOWSKI. Mr. President, today I introduce the Rural and Remote Community Fairness Act of 1998. This Act will lead to a brighter future for rural and remote communities by establishing two new grant programs that will address the unique economic and environmental challenges faced by small communities in rural and remote areas across this country. I am pleased that this legislation is co-sponsored by the Minority Leader, Senator DASCHLE.

The bill authorizes up to $100 million a year in grant aid from 1999 through 2005 for any commuunities across the nation with populations of less than 10,000 which face electric rates in excess of 150 percent of the national average retail price. The money can go for electricity system improvements, energy efficiency and weatherization efforts, water and sanitation improvements or work to solve leaking fuel storage tanks.

The bill also amends the Rural Electrification Act to authorize Rural and Remote Electrification Grants of an additional $20 million a year to the same communities. The grants can be used to increase energy efficiency, lower electricity rates or provide for the modernization of electric facilities.

This nation has well-established programs for community development grants. The majority of these programs were established to help resolve the very real problems found in this Nation's urban areas. However, our most rural and remote communities experience different, but equally real, problems that are not addressed by existing law. Not only are these communities generally ineligible for the existing programs, their unique challenges, while sometimes similar to those experienced by urban areas, require a different focus and approach.

The biggest single economic problem facing small communities is the expense of establishing a modern infrastructure. These costs, which are always substantial, are exacerbated in remote and rural areas. The existence of this infrastructure, including efficient housing, electricity, bulk fuel storage, waste water and water service, is a necessity for the health and welfare of our children, the development of a prosperous economy and minimizing environmental problems.

There is a real cost in human misery and to the health and welfare of everyone, especially our children and our elderly from poor or polluted water or bad housing or an inefficient power system. Hepatitis B infections in rural Alaska are five times more common than in urban Alaska. We just have to do better if we are to bring our rural communities into the 21st Century.

The experience of many Alaskans is a perfect example. Most small communities or villages in Alaska are not interconnected to an electricity grid, and rely upon diesel generators for their electricity. Often, the fuel can only be delivered by barge or airplane, and is stored in tanks. These tanks are expensive to maintain, and in many cases, must be completely replaced to prevent leakage of fuel into the environment. While economic and environmental savings clearly justify the construction of new facilities, these communities simply don't have the ability to raise enough capital to make the necessary investments.

As a result, these communities are forced to bear an oppressive economic and environmental burden that can be eased with a relatively small investment on the part of the Federal government. I can give you some examples: in Manley Hot Springs, Alaska, the citizens pay almost 70 cents per kilowatt hour for electricity. In Igiugig, Kokhanok, Akiachak Native Community, and Middle Kuskokwim, consumers all pay over 50 cents per kilowatt hour for electricity. The national average is around 7 cents per kilowatt hour.

Further, in Alaska, for example, many rural villages still lack modern water and sewer sanitation systems taken for granted in all other areas of America. According to a Federal Field Working Group, 190 of the state's villages have ''unsafe'' sanitation systems, 135 villages still using ''honey buckets'' for waste disposal. Only 31 villages have a fully safe, piped water system; 71 villages having only one central watering source.

Concerning leaking storage tanks, the Alaska Department of Community

and Regional Affairs estimates that there are more than 2,000 leaking above-ground fuel storage tanks in Alaska. There are several hundred other below-ground tanks that need repair, according to the Alaska Department of Environmental Conservation.

These are not only an Alaskan problem. The highest electricity rates in America are paid by a small community in Missouri, and communities in Maine, as well as islands in Rhode Island and New York will likely qualify for this program. Providing safe drinking water and adequate waste treatment facilities is a problem for very small communities all across this land.

What will this Act do to address these problems? First, the Act authorizes $100 million per year for the years 1999–2005 for block grants to communities of under 10,000 inhabitants who pay more than 150 percent of the national average retail price for electricity.

The grants will be allocated by the Secretary of Housing and Urban Development among eligible communities proportionate to cost of electricity in the community, as compared to the national average. The communities may use the grants only for the following eligible activities:

Low-cost weatherization of homes and other buildings;

Construction and repair of electrical generation, transmission, distribution, and related facilities;

Construction, remediation and repair of bulk fuel storage facilities;

Facilities and training to reduce costs of maintaining and operating electrical generation, distribution, transmission, and related facilities;

Professional management and maintenance for electrical generation, distribution and transmission, and related facilities;

Investigation of the feasibility of alternate energy services;

Construction, operation, maintenance and repair of water and waste water services;

Acquisition and disposition of real property for eligible activities and facilities; and

Development of an implementation plan, including administrative costs for eligible activities and facilities.

In addition, this bill will amend the rural Electrification Act of 1936 to authorize Rural and Remote Electrification Grants for $20 million per year for years 1999–2005 for grants to qualified borrowers under the Act that are in rural and remote communities who pay more than 150 percent of the national average retail price for electricity. These grants can be used to increase energy efficiency, lower electricity rates, or provide or modernize electric facilities.

This Act makes a significant step toward resolving the critical social, economic, and environmental problems faced by our Nation's rural and remote communities. I encourage my colleagues to support this legislation.●

By Mr. ASHCROFT:

S. 2380. A bill to require the written consent of a parent of an unemancipated minor prior to the provision of contraceptive drugs or devices to such a minor, or the referral of such minor for abortion services, under any Federally funded program; to the Committee on the Judiciary.

PUTTING PARENTS FIRST ACT

Mr. ASHCROFT. Mr. President, I rise today to introduce legislation to reaffirm the vital role parents play in the lives of their children. My legislation, the Putting Parents First Act, will guarantee that parents have the opportunity to be involved in their children's most important decisions—whether or not to have an abortion and whether or not to receive federally-subsidized contraception.

The American people have long understood the unique role the family plays in our most cherished values. As usual, President Reagan said it best. Within the American family, Reagan said, ''the seeds of personal character are planted, the roots of public value first nourished. Through love and instruction, discipline, guidance and example, we learn from our mothers and fathers the values that will shape our private lives and public citizenship.''

The Putting Parents First Act contains two distinct provisions to protect the role of parents in the important life decisions of their minor children. The first part ensures that parents are given every opportunity to be involved in a child's decision whether or not to have an abortion. Specifically, the Act prohibits any individual from performing an abortion upon a woman under the age of 18 unless that individual has secured the informed written consent of the minor and a parent or guardian. In accordance with Supreme Court decisions concerning state-passed parental consent laws, the Putting Parents First Act allows a minor to forego the parental involvement requirement where a court has issued a waiver certifying that the process of obtaining the consent of a parent or guardian is not in the best interests of the minor or that the minor is emancipated.

For too long, the issue of abortion has polarized the American people. To some extent, this is the inevitable result of vastly distinct views of what an abortion is. Many, including myself, view abortion as the unconscionable taking of innocent human life. Others, including a majority of Supreme Court Justices, view abortion as a constitutionally-protected alternative for pregnant women.

There are, however, a few areas of common ground where people on both sides of the abortion issue can agree. One such area of agreement is that, whenever possible, parents should be involved in helping their young daughters to make the critically important decision of whether or not to have an abortion. A recent CNN/USA Today survey conducted by the Gallup Organization found that 74 percent of Americans support parental consent before an abortion is performed on a girl under age 18. Even those who do not view an abortion as a taking of human life recognize it as a momentous and life-changing decision that a minor should not make alone. The fact that nearly 40 states have passed laws requiring doctors to notify or seek the consent of a minor's parents before performing an abortion also demonstrates the consensus in favor of parental involvement.

The instruction and guidance of which President Reagan spoke are needed most when children are forced to make important life decisions. It is hard to imagine a decision more fundamental in our culture than whether or not to beget a child. Parental involvement in this crucial decision is necessary to ensure that the sanctity of human life is given appropriate consideration. There are few more issues deserving of our attention than promoting parental involvement.

Only half of the 39 states with parental involvement laws on the books currently enforce them. Some states have enacted laws that have been struck down in state or federal courts while in other states the executive department has chosen not to enforce the legislature's will. As a result, just over 20 states have parental laws in effect today. In these states, parents do not have the right to be involved in their minor children's most fundamental decisions, decisions that can have severe physical and emotional health consequences for young women.

Moreover, in those states where laws requiring consent are on the books and being enforced, those laws are frequently circumvented by pregnant minors who cross state lines to avoid the laws' requirements. Sadly, nowhere is this problem more apparent than in my home state of Missouri. I was proud to have successfully defended Missouri's parental consent law before the Supreme Court in Planned Parenthood versus Ashcroft. Unfortunately, the law has not been as effective as I had hoped. A study last year in the American Journal of Public Health found that the odds of a minor traveling out of state for an abortion increased by over 50 percent after Missouri's parental consent law went into effect.

The limited degree of enforcement and the ease with which state laws can be evaded demand a national solution. The importance of protecting life demands a national solution. It is time for Congress to act. Requiring a parent's consent before a minor can receive an abortion is one way states have chosen to protect not only the role of parents and the health and safety of young women, but also, the lives of the unborn. Congress shares with the states the authority—and duty—to protect life under the Constitution. Thus, enactment of a federal parental consent law will allow Congress to protect the guiding role of parents as it protects human life.

The Putting Parents First Act is based on state statutes that already have been determined to be constitutional by the U.S. Supreme Court. The legislation establishes a minimum level of parental involvement that must be honored nationwide. It does not preempt state parental involvement laws that provide additional protections to the parents of pregnant minors.

The second part of the Putting Parents First Act extends the idea of parental involvement to the arena of federally-subsidized contraception. Currently, the federal government funds many different programs through the Department of Health and Human Services and the Department of Education that can provide prescription contraceptive drugs and devices, as well as abortion referrals, to minors without parental consent.

The case of the little girl from Crystal Lake, IL is just one example, but it makes clear everything that is wrong with current law in this area. In that case, the young girl was just 14 years old when her 37-year-old teacher brought her to the county health department for birth control injections. He wanted to continue having sex with her, but had grown tired of using condoms. A county health official injected the young girl with the controversial birth control drug Depo-Provera without notifying the girl's parents. The teacher knew that federal Title X rules prohibited clinics from notifying parents when issuing birth control drugs to minors. He continued to molest her for 18 months until the girl finally broke down and told her parents. The teacher was arrested and sentenced to ten years in prison. The young girl spent five days a week in therapy and is still recovering from effects of anorexia nervosa.

Although the teacher's crime was unspeakable, it was the federal government's policy that allowed him to shield his crime for so long. This is an outrage. The policy of the Government of the United States should be to help parents to help their children. Providing contraceptives and abortion referrals to children without involving parents undermines, not strengthens the role of parents. Worse yet, it jeopardizes the health of children.

The current law for federally-funded contraceptives puts bureaucrats in front of parents when it comes to a child's decision-making process. That is intolerable. We must put parents first when it comes to such critical decisions. The legislation I am introducing today restores common sense to government policy by requiring programs that receive federal funds to obtain a parent's consent before dispensing contraceptives or referring abortion services to the parent's minor child.

In my view, Mr. President, sound and sensible public policy requires that parents be involved in critical, life-shaping decisions involving their children. A young person whose life is in crisis may be highly anxious, and may want to take a fateful step without their parents' knowledge. But it is at these times of crisis that children need their parents, not government bureaucrats or uninvolved strangers. This legislation will strengthen the family and protect human life by ensuring that parents have the primary role in helping their children when they are making decisions that will shape the rest of their lives.

By Mr. MCCAIN (for himself and Mr. KERRY):

S. 2382. A bill to amend title XIX of the Social Security Act to allow certain community-based organizations and health care providers to determine that a child is presumptively eligible for medical assistance under a State plan under that title; to the Committee on Finance.

CHILDREN'S HEALTH ASSURANCE THROUGH THE MEDICAID PROGRAM (CHAMP) ACT

• Mr. MCCAIN. Mr. President, today I am proud to rise with my colleague and dear friend, JOHN KERRY, to introduce legislation which would help provide thousands, if not millions, of children with health care coverage. Clearly, a bipartisan priority in the 105th Congress has been to find a solution for providing access to health insurance for the approximately 10 million uninsured children in our nation. This matter has been a very high priority for me since coming to Congress. The legislation we are introducing today, the ''Children's Health Assurance through the Medicaid Program'' (CHAMP), would help our states reach more than 3 million uninsured children who are eligible for the Medicaid program but not enrolled.

The consequences of lack of insurance are problematic for everyone, but they are particularly serious for children. Uninsured and low income children are less likely to receive vital primary and preventative care services. This is quite discouraging since it is repeatedly demonstrated that regular health care visits facilitate the continuity of care which plays a critical role in the development of a healthy child. For example, one analysis found that children living in families with incomes below the poverty line were more likely to go without a physician visit than those with Medicaid coverage or those with other insurance. The result is many uninsured, low-income children not seeking health care services until they are seriously sick.

Studies have further demonstrated that many of these children are more likely to be hospitalized or receive their care in emergency rooms, which means higher health care costs for conditions that could have been treated with appropriate outpatient services or prevented through regular check ups.

Last year, as Congress was searching for ways to reduce the number of uninsured children, I kept hearing about children who are uninsured, yet, could qualify for health care insurance through the Medicaid program. I was unable to find specific information about who these children are, where they reside, and why they are not enrolled in the Medicaid program. Subsequently, I requested that the General Accounting Office conduct an in-depth analysis to provide Congress data on uninsured Medicaid eligible children. This information would provide the necessary tools to develop community outreach strategies and education programs to address this problem.

The GAO study was completed in March. The data shows that 3.4 million children are eligible for the Medicaid program (under the minimum federal standards) but are not enrolled. It also shows that these kids are more likely to be part of a working family with parents who are employed but earning a low income. A significant number of these children come from two-parent families rather than single-parent families. The study also discovered that more than thirty-five percent of these children are Hispanic, with seventy-four percent of them residing in Southern or Western states. Finally, the GAO report suggested that states need to be developing and implementing creative outreach and enrollment strategies which specifically target the unenrolled children.

It is important that we build upon these findings and develop methods for states to reach out to these families and educate them about the resources which exist for their children. The CHAMP bill is an important step in this process and would assist these children by expanding the state offices which can presume Medicaid eligibility for a child.

As you know, the 1997 Balanced Budget Act provided states with the option of utilizing ''presumptive eligibility'' as an outreach method for enrolling eligible children into their state Medicaid programs. Presumptive eligibility allows certain agencies to temporarily enroll children in the state Medicaid program for a brief period if the child appears to be eligible for the program based on their family's income. Health care services can be provided to these children if necessary during this ''presumptive'' period while the state Medicaid agency processes the child's application and makes a final determination of their eligibility.

Presumptive eligibility is completely optional for the states and is not mandatory.

Under current law, states are only given the limited choice of using a few specific community agencies for presumptive eligibility including: Head Start Centers, WIC clinics, Medicaid providers and state or local child care agencies. The McCain-Kerry CHAMP bill would expand the types of community-based organizations which would be recognized as qualified entities and permitted to presume eligibility for children. Under our bill, public schools,

entities operating child welfare programs under Title IV-A, Temporary Assistance to Needy Families (TANF) offices and the new Children Health Insurance Program (CHIP) offices would be permitted to help identify Medicaid eligible kids. Allowing more entities to participate in outreach would increase the opportunities for screening children and educating their families about the Medicaid services available to them. By increasing the ''net'' for states, we would be helping them ''capture'' more children who are going without health care services because their families are not familiar, comfortable or aware of the Medicaid program and its enrollment process.

Our bill would help millions of children gain access to health care without creating a new government program, imposing mandates on states, or expanding the role of government in our communities. This is important to note—we would not be creating new agencies, bureaucracies or benefits. Instead we would be increasing the efficiency and effectiveness of a longstanding program designed to help one of our most vulnerable populations, children. We urge our colleagues to support this innovative piece of legislation.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

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

S. 2382

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 ''Children's Health Assurance through the Medicaid Program (CHAMP) Act''.

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) Twenty-three percent or 3,400,000 of the 15,000,000 medicaid-eligible children went without health insurance in 1996.

(2) Medicaid-eligible children with working parents are more likely to be uninsured.

(3) More than 35 percent of the 3,400,000 million uninsured medicaid-eligible children are Hispanic.

(4) Almost three-fourths of the uninsured medicaid-eligible children live in the Western and Southern States.

(5) Multiple studies have shown that insured children are more likely to receive preventive and primary health care services as well as to have a relationship with a physician.

(6) Studies have shown that a lack of health insurance prevents parents from trying to obtain preventive health care for their children.

(7) These studies demonstrate that low-income and uninsured children are more likely to be hospitalized for conditions that could have been treated with appropriate outpatient services, resulting in higher health care costs.

SEC. 3. ADDITIONAL ENTITIES QUALIFIED TO DETERMINE MEDICAID PRESUMPTIVE ELIGIBILITY FOR LOW-INCOME CHILDREN.

Section 1920A(b)(3)(A)(i) of the Social Security Act (42 U.S.C. 1396r–1a(b)(3)(A)(i)) is amended—

(1) by striking ''or (II)'' and inserting '', (II)''; and

(2) by inserting ''eligibility of a child for medical assistance under the State plan under this title, or eligibility of a child for child health assistance under the program funded under title XXI, or (III) is an elementary school or secondary school, as such terms are defined in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801), an elementary or secondary school operated or supported by the Bureau of Indian Affairs, a State child support enforcement agency, a child care resource and referral agency, or a State office or private contractor that accepts applications for or administers a program funded under part A of title IV or that determines eligibility for any assistance or benefits provided under any program of public or assisted housing that receives Federal funds, including the program under section 8 or any other section of the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.)'' before the semicolon.●

● Mr. KERRY. Mr. President, I want to thank my friend and colleague Senator MCCAIN for his work on this important issue. I am honored to introduce with him this legislation, entitled the Children's Health Assurance Through the Medicaid Program (CHAMP), which would increase health coverage for eligible children and increase state flexibility.

Mr. President, the Balanced Budget Act of 1997 gave States the option to bring more eligible but uninsured children into Medicaid by allowing states to grant ''presumptive eligibility.'' This means that a child would temporarily be covered by Medicaid if preliminary information suggests that they qualify. Providing health insurance for children is important because studies show that children without health insurance are more likely to be in worse health, less likely to see a doctor, and less likely to receive preventive care such as immunizations.

Mr. President, the legislation Senator MCCAIN and I are introducing today would strengthen the existing option and give states more flexibility. First, it will allow states to rely on a broader range of agencies to assist with Medicaid outreach and enrollment. By expanding the list of community-based providers and state and local agencies to include schools, child support agencies, and some child care facilities, states will be able to make significant gains in the number of children identified and enrolled in Medicaid. States would not be required to rely on these additional providers but would have the flexibility to choose among qualified providers and shape their own outreach and enrollment strategies.

The cost of these changes to the presumptive eligibility option for Medicaid under last year's Balanced Budget Act are modest. Our understanding is that our proposal would cost approximately $250 million over five years. This is a positive step in the right direction, helping ensure that the growing population of American children start off on the right foot. Access to affordable health care in the early years saves the country's financial resources in the long run.

Once again, I would like to thank Senator MCCAIN for his invaluable work on behalf of children. I look forward to working with him and the Senate to pass this important legislation.●

By Mr. HARKIN (for himself, Mr. KENNEDY, Mr. KERRY, and Ms. MOSELEY-BRAUN):

S. 2383. A bill to amend the Fair Labor Standards Act of 1938 to reform the provisions relating to child labor; to the Committee on Labor and Human Resources.

THE CHILDREN'S ACT FOR RESPONSIBLE EMPLOYMENT

● Mr. HARKIN. Mr. President, on behalf of myself, Mr. KENNEDY, Mr. KERRY and Ms. MOSELEY-BRAUN I introduce the Children's Act for Responsible Employment or the CARE Act that will modernize our antiquated domestic child labor laws. Congressman RICHARD GEPHARDT and Congressman TOM LANTOS are introducing companion legislation in the House.

It is hard to imagine that we are on the verge of entering the 21st century and we still have young children working under hazardous conditions in the United States. Unfortunately, outdated U.S. child labor laws that have not been revamped since the 1930's allow this practice to continue.

I have been working on the eradication of child labor overseas since 1992. At that time, I introduced the Child Labor Deterrence Act, which prohibits the importation of products made by abusive and exploitative child labor. Since then, we have made some important progress, but in order to end child labor overseas the U.S. must lead by example and address child labor in our own backyard.

Now, when I talk about child labor, I'm not talking about a part time job or a teenager who helps out on the family farm after school. There is nothing wrong with that. What I am talking about is the nearly 300,000 children illegally employed in the U.S. I would like to insert for the record at this time the testimony of Sergio Reyes, who was expected to testify at a hearing before the Senate Subcommittee on Employment and Training I requested on June 11 of this year. Mr. Reyes was unable to attend that hearing but his written testimony tells a story that is becoming all to familiar in the United States.

According to a recent study by economist Douglas L. Krause of Rutgers University, there are nearly 60,000 children under age 14 working in the U.S. Of those children, one will die every five days in a work related accident according to the National Institute of Occupational Safety and Health. Nowhere is this more true than children who work in agriculture.

In general, children receive fewer protections in agriculture than other industries. The minimum age for hazardous work in agriculture is 16, it is 18 for all other occupations. In a GAO preliminary report released in March 1998,

the researchers noted that ''children working in agriculture are legally permitted to work at younger ages, in more hazardous occupations, and for longer periods of time than their peers in other industries.'' For example, a 13 year old child can not work as a clerk in an air conditioned office building, but can pick strawberries in a field in the middle of summer. That same report noted that over 155,000 children are working in agriculture. However, because that number is based on census data, the Farm Worker Union places the number at nearly 800,000 children working in agriculture.

In December 1997, the Associated Press (AP) did a five part series on child labor in the United States documenting 4 year olds picking chili peppers in New Mexico and 10 year olds harvesting cucumbers in Ohio. In one tragic example reported by the AP, 14 year-old Alexis Jaimes was crushed to death when a 5000 lb. hammer fell on him while working on a construction site in Texas. I was outraged.

At the June hearing of the Senate Employment and Training Subcommittee, two things became clear with regard to U.S. domestic child labor. First, agricultural child laborers are dropping out of school at an alarming rate. Over of 45 percent of farm worker youth will never complete high school. Second, the laws that we do have regarding child labor are inadequate to protect a modern workforce. Our present civil and criminal penalties are simply insufficient to deter compliance with the law and need to be strengthened and more vigorously enforced.

My legislation, which is supported by the Administration and children's advocates groups across the country, such as the Child Labor Coalition and the Solidarity Center, will help rectify this alarming situation. It will; raise the current age of 16 to 18 in order to engage in hazardous agricultural work, close the loopholes in federal child labor laws which allow a three year old to work in the fields, and increase the civil and criminal penalties for child labor violations to a minimum of $500, up from $100 and a maximum of $15,000, up from $10,000.

In closing. Let me say that we must end child labor—the last vestige of slavery in the world. It is time to give all children the chance at a real childhood and give them the skills necessary to compete in tomorrow's work place. There is no excuse for the number of children being maimed or killed in work related accidents when labor saving technologies have been developed in recent years. So, on today's farms, it makes even less sense than ever to put kids in dangerous situations operating hazardous machinery.

Mr. President, I hope that we will be able to vote on this legislation in the near future so that we can prepare our children for the 21st century. I urge my colleagues to support this important legislation.

Mr. President, I ask unanimous consent that a copy of the bill, a letter from the Child Labor Coalition, and the testimony of Sergio Reyes be printed in the RECORD.

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

S. 2383

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

SECTION 1. SHORT TITLE; REFERENCE.

(a) SHORT TITLE.—This Act may be cited as the ''Children's Act for Responsible Employment'' or the ''CARE Act''.

(b) REFERENCE.—Whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Fair Labor Standards Act of 1938 (29 U.S.C. 201 et seq.).

SEC. 2. AGRICULTURAL EMPLOYMENT.

Section 13(c) (29 U.S.C. 213(c)) is amended—

(1) by striking paragraph (1) and inserting the following:

''(1) The provisions of section 12 relating to child labor shall not apply to any employee employed in agriculture outside of school hours for the school district where such employee is living while he or she is so employed, if such employee is employed by his or her parent or legal guardian, on a farm owned or operated by such parent or legal guardian.''; and

(2) by striking paragraphs (2) and (4).

SEC. 3. YOUTH PEDDLING.

(a) FAIR LABOR STANDARDS ACT COVERAGE.—

(1) FINDING.—The last sentence of section 2(a) (29 U.S.C. 202(a)) is amended by inserting after ''households'' the following: '', and the employment of employees under the age of 16 years in youth peddling,''.

(2) DEFINITION.—Section 3 (29 U.S.C. 203) is amended by adding at the end the following:

''(y) 'Youth peddling' means selling goods or services to customers at their residences, places of business, or public places such as street corners or public transportation stations. 'Youth peddling' does not include the activities of persons who, as volunteers, sell goods or services on behalf of not-for-profit organizations.''.

(b) DEFINITION OF OPPRESSIVE CHILD LABOR.—Section 3(l) (29 U.S.C. 203(l)) is amended in the last sentence by insert after ''occupations other than'' the following: ''youth peddling,''.

(c) PROHIBITION OF YOUTH PEDDLING.—Section 12(c) (29 U.S.C. 212(c)) is amended by inserting after ''oppressive child labor in commerce or in the production of goods for commerce'' the following: '', or in youth peddling,''.

SEC. 4. CIVIL AND CRIMINAL PENALTIES FOR CHILD LABOR VIOLATIONS.

(a) CIVIL MONEY PENALTIES.—Section 16(e) (29 U.S.C. 216(e)) is amended in the first sentence—

(1) by striking ''$10,000'' and inserting ''$15,000'';

(2) by inserting after ''subject to a civil penalty of'' the following: ''not less than $500 and''.

(b) CRIMINAL PENALTIES.—Section 16(a) (29 U.S.C. 216(a)) is amended by adding at the end the following: ''Any person who violates the provisions of section 15(a)(4), concerning oppressive child labor, shall on conviction be subject to a fine of not more than $15,000, or to imprisonment for not more than 5 years, or both, in the case of a willful or repeat violation that results in or contributes to a fatality of a minor employee or a permanent disability of a minor employee, or a violation which is concurrent with a criminal violation of any other provision of this Act or of any other Federal or State law.''.

SEC. 5. GOODS TAINTED BY OPPRESSIVE CHILD LABOR.

Section 12(a) (29 U.S.C. 212(a)) is amended by striking the period at the end and inserting the following: ''*: And provided further,* that the Secretary shall determine the circumstances under which such goods may be allowed to be shipped or delivered for shipment in interstate commerce.''.

SEC. 6. COORDINATION.

Section 4 (29 U.S.C. 204) is amended by adding at the end the following:

''(g) The Secretary shall encourage and establish closer working relationships with non-governmental organizations and with State and local government agencies having responsibility for administering and enforcing labor and safety and health laws. Upon the request of the Secretary, and to the extent permissible under applicable law, State and local government agencies with information regarding injuries and deaths of employees shall submit such information to the Secretary for use as appropriate in the enforcement of section 12 and in the promulgation and interpretation of the regulations and orders authorized by section 3(l). The Secretary may reimburse such State and local government agencies for such services.''.

SEC. 7. REGULATIONS AND MEMORANDUM OF UNDERSTANDING.

(a) REGULATIONS.—The Secretary of Labor shall issue such regulations as are necessary to carry out this Act and the amendments made by this Act.

(b) MEMORANDUM OF UNDERSTANDING.—The Secretary of Labor and the Secretary of Agriculture shall, not later than 180 days after the date of enactment of this Act, enter into a memorandum or understanding to coordinate the development and enforcement of standards to minimize child labor.

SEC. 8. AUTHORIZATION.

There is authorized to be appropriated to the Secretary of Labor such sums as may be necessary for to carry out this Act and the amendments made by this Act.

THE CHILD LABOR COALITION,
Washington, DC, July 30, 1998.

Hon. TOM HARKIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR HARKIN: The Child Labor Coalition thanks you for your leadership over the last six years to end child labor exploitation overseas. Your influence has spurred much of the progress that has been made in the international community.

As you are certainly aware, the United States is not immune to child labor problems. Two of our most significant problems are the escalating injuries to young workers and the inadequate protection of children working in agriculture. The legislation you are introducing is a positive step toward addressing these problems.

Evey year, more than 200,000 minors are injured and more than 100 die in the workplace. Research has shown that injuries often occur when youth are engaged in prohibited duties or occupations. Your legislation to increase penalties for child labor violations will send a clear message to employers to ensure the safety of their young workers through increased diligence in following the child labor laws.

The FLSA does not adequately protect children working as hired farmworkers. Children may work at younger ages, for more hours, and engage in hazardous employment at a younger age than a minor employed in any other workplace or occupation. This has to change and your legislation to equalize

the protections of all children who are working, regardless of the occupation, is applauded.

On behalf of the more than 50 organizational members of the Child Labor Coalition we thank you for your efforts to update our nation's child labor laws and wholeheartedly support this legislation.

Sincerely,

DARLENE S. ADKINS,
Coordinator.

TESTIMONY OF SERGIO REYES BEFORE THE SENATE SUBCOMMITTEE ON EMPLOYMENT AND TRAINING, JUNE 11, 1998

Good morning. My name is Sergio Reyes, and I'm 15 years old. This is my brother Oscar and he is nine years old. We're from Hollister, California, and we are farmworkers like our father and our grandfather. We are permanent residents here in the United States. Thank you for inviting us to speak today about our experience being frameworkers. We both have been farmworkers for five years now, ever since our family came from Mexico. I started working when I was 10 years old, and Oscar started when he was four. He has been working for more than half of his life. We work for as many as 10 hours a days, cutting paprika, topping garlic and pulling onions. The work is very hard and it gets very hot. It's tough working these long and going to school too. We work after school, during the weekends, during the summer and on holidays. Oscar can show you some of the tools that we use and how we top garlic and cut onions. I don't have any idea when pesticides are used on these crops or not.

To do this work we have to stay bent over for most of the time and have to lift heavy bags and buckets filled with the crops that we're picking. It's hard work for adults and very hard work for kids. We work because our family needs the money. I'd rather be in school. I am in the 10th grade and someday I'd like to be a lawyer. Oscar wants to be fireman when he grow up. My family knows how important it is to go to school and get an education. But there are times when working is more important. We know lots of families like ours where the kids drop out of school because they need to work. It's sad because they really need an education or to learn another job skill if they're ever going to get out of the fields. Without an education, I will never become a lawyer and Oscar will never be a fireman.

My dad is trying to get out of farmwork. He is working in farmwork and also in a farmworker job training program to learn another skill. He is trying to get another job so that he can earn more money and have some health insurance. We've never had health insurance before. As hard as my dad works, he's not guaranteed to make a good living. And my dad works very hard. I just hope that when I get older and if something happens to keep me from graduating from school, that there will be a program for Oscar and me.

Thank you for letting us come. We appreciate all the you do that will help our dad, other farmworker kids and my brother Oscar and me.●

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

S. 2384. A bill entitled ''Year 2000 Enhance Cooperation Solution''; to the Committee on the Judiciary.

YEAR 2000 SOLUTION LEGISLATION

Mr. ASHCROFT. Mr. President, I rise today to introduce a bill that addresses a critical problem that demands immediate attention from the Congress.

For many years now I have been involved with a variety of issues that affect the technology sector. As I have said before, no other sector of the economy is as vibrant and forward looking. The ingenuity, drive and vision of this industry should be a model for all of us, including those of us in the Senate. Moreover, the importance of this industry should only grow in the coming years. However, as I look to the future with the hope of seeing the next century stamped ''Made in America'' I see one large impediment—the Year 2000 bug.

The 105th Congress must consider this problem and assist the country in trying to avoid a potentially disastrous crisis. We cannot wait for disaster to strike. We must act now to enable companies to avert the crisis. No individual will be left untouched if the country fails to address this problem and experiences widespread ramifications. No company will escape huge costs if they cannot successfully fix their own problems and have some assurances that their business partners and suppliers have fixed their problems. A great deal of effort has been undertaken to bring attention to this problem, including several efforts here in the U.S. Senate. However, it is now time to move beyond simply highlighting the problem. We need to roll up our sleeves and get to work on a solution.

I begin today to lay out my plan for assisting individuals and businesses to walk safely through the minefield called the Y2K problem. The first part of this overall plan is the Year 2000 Enhanced Cooperation Solution. This legislation provides a very narrow exemption to the antitrust laws if and when a company is engaged in cooperative conduct to alleviate the impact of a year 2000 date failure in hardware or software. The exemption has a clear sunset and expressly ensures that the law continues to prohibit anti-competitive conduct such as boycotts or agreements to allocate markets or fix prices.

This simple, straightforward proposal is critical to allowing for true cooperation in an effort to rectify the problem. No company can solve the Y2K problem alone. Even if one company devises a workable solution to their own problems they still face potential disaster from components provided by outside suppliers. What is more, when companies find workable solutions we certainly want to provide them with every incentive to disseminate those solutions as widely as possible. Cooperation is essential. But without a clear legislative directive, potential antitrust liability will stand in the way of cooperation. We must provide our industries with the appropriate incentives and tools to fix this problem without the threat of antitrust lawsuits based on the very cooperation we ought to be encouraging.

I do want to be very clear on one point—as important as it is that this legislation be enacted and enacted soon, it is merely the first piece of a difficult puzzle. The Administration has presented the Congress with their view of how information sharing on the Y2K problem should be furthered. Based on my initial review, that proposal appears to be headed in the right direction but falls far short of the target destination. Most importantly, the proposed approach which purports to promote information sharing does not accomplish its objective as it leaves the problem of potential antitrust liability. In other words, it does not accomplish the task that it set out to complete.

I will seek the introduction of the second piece of the solution, the Year 2000 Enhanced Information Solution, which while working within the guidelines of the Administration's language will add the teeth, make clear that good faith disclosure of information will be protected, and provide for protection of individual consumers. Together with the antitrust legislation I introduce today, this should provide sufficient protection to promote the kind of cooperation that will be essential to addressing this looming problem.

The final piece of the package will be the Year 2000 Litigation Solution. Real harm from inadequate efforts to address this problem must be compensated. However, we cannot allow the prospect of frivolous litigation to block efforts to avoid such harm. We also must ensure that frivolous litigation over the Y2K problem does not consume the lion's share of the next millennium. While it is not possible for Congress to guarantee that private individuals and companies will be able to solve the Y2K problem, Congress can eliminate legal obstacles that stand in the way of private solutions. Information regarding existing software and known problems must be shared as completely and openly as possible. The current fear of litigation and liability that imposes a distinct chilling effect on information sharing must be alleviated.

Resources to address the Y2K problem, particularly time, are finite. They must be focused as fully as possible on remediation, rather than on unproductive litigation. Moreover, the availability of adequate development and programming talent may hinge upon a working environment that protects good faith remediation efforts from the threat of liability for their work. Congress must prevent a fiasco where only lawyers win.

I look forward to working with those that are interested as this process moves forward. I believe that this Congress cannot wait to address this problem. This issue is about time, and we have precious little left in this Congress and before the Y2K problem is upon us. I hope we can work together to free up talented individuals to address this serious problem.

By Mr. BENNETT (for himself and Mr. HATCH):

S. 2385. A bill to establish the San Rafael Swell National Heritage Area and the San Rafael National Conservation Area in the State of Utah, and for other purposes; to the Committee on Energy and Natural Resources.

THE SAN RAFAEL NATIONAL HERITAGE AND CONSERVATION ACT

Mr. BENNETT. Mr. President, I am pleased to introduce the ''San Rafael National Heritage and Conservation Act'' and I am pleased to be joined by Senator HATCH in this effort.

The San Rafael National Heritage and Conservation Act not only accomplishes the preservation of an important historic area, but it is the result of a collaborative approach among Federal land managers, state and local governments and other concerned agencies and organizations. This revised legislation incorporates several of the suggestions of the Administration, the House and those who originally expressed concerns about the bill as introduced in the House. The legislation we introduce today is the result of months of discussions between the Bureau of Land Management, the citizens of Emery County and Members of Congress. It is a good-faith effort to initiate what we hope will bring resolution to the larger philosophical differences between land management practices in Utah. With a little luck, we might even begin a process which could lead to a resolution to the ongoing Utah wilderness debate.

The San Rafael Swell region in the State of Utah was one of America's last frontiers. I have in my office, a map of the State of Utah drafted in 1876 in which large portions of the San Rafael Swell were simply left blank because they were yet to be explored. Visitors who comment on this map are amazed when they see that large portions of the San Rafael area remained unmapped thirty years after the Mormon pioneers arrived in the Salt Lake Valley.

This area is known for its important historical sites, notable tradition of mining, widely recognized paleontological resources, and numerous recreational opportunities. As such, it needs to be protected. The San Rafael Swell National Conservation Area created through this legislation will be approximately 630,000 acres in size and will comprise wilderness, a Bighorn Sheep Management Area, a scenic Area of Critical Environmental Concern, and Semi-Primitive Area of Non-Motorized Use. The value of the new management structure for the National Conservation Area can be found in the flexibility it gives in addressing a broad array of issues from the protection of critical lands to the oversight of recreational uses.

The San Rafael National Heritage and Conservation Act sets aside 130,000 acres as BLM wilderness lands. It permanently removes the threat of mining, oil drilling, and timbering from the Swell. It also sets aside a conservation area of significant size to protect Utah's largest herd of Desert Bighorn Sheep. Vehicle travel is restricted to designated roads and trails in other areas and visitors recreational facilities are provided. Finally, it will assist the BLM and the local communities in developing a long term strategy to preserve the history and heritage of the region through the National Heritage Area. Careful study of the bill shows that the San Rafael Swell National Heritage and Conservation Act is a multidimensional management plan for an area with multidimensional needs. It provides comprehensive protection and management for an entire ecosystem.

My colleagues in the House have worked hard to address the concerns of the Administration and they have made several changes to the House version as introduced in an effort to improve the legislation. We have redrawn maps, eliminated roads from wilderness areas, eliminated cherry stems of other roads and increased the size of wilderness and semi-primitive areas. Specifically, by including new provisions dealing with the Compact and Heritage Plan, the new language ensures that the resources found in the county will be properly surveyed and understood prior to the Heritage Area moving forward.

With regards to the Conservation Area, bill language guarantees that the management plan will not impair any of the important resources within the Swell. We have also included new language that ensures the Secretary of Interior is fully represented on the Advisory Council.

The San Rafael Swell National Heritage and Conservation Act is unique in that it sets the San Rafael Swell apart from Utah's other national parks and monuments. It protects not only the important lands in this area but also another resource just as precious—its captivating history and heritage. This bill is an example of how a legislative solution can result from a grassroots effort involving both state and local government officials, the BLM, historical preservation groups, and wildlife enthusiasts. Most important, it takes the necessary steps to preserve the wilderness value of these lands.

This legislation has broad statewide and local support. It is sound, reasonable, and innovative in its approach to protecting and managing the public land treasures of the San Rafael Swell. Finally, it is based on the scientific methods of ecosystem management and prevents the fracturing of large areas of multiple use lands with small parcels of wilderness interspersed between.

Mr. President, I will conclude with this point; the wilderness debate in Utah has gone on too long. My colleagues will be reminded that in the last Congress, the debate centered around whether two million acres or 5.7 million acres were the proper amount of wilderness to designate. We are now trying to protect more than 600,000 acres in one county in Utah alone. The Emery County Commissioners should be commended for their foresight and vision in preparing this proposal. I hope that this legislation can become a model for future conflict resolutions.

Unfortunately, the shouting match over acreage has often drowned out the discussion over what types of protection were in order for these lands. I doubt that there are few people who would debate the need to protect these lands. But too often in the past we have argued over the definition of what constitutes ''protection.'' Unfortunately for some groups, a certain designation is the only method of acceptable protection. I urge those groups to look beyond the trees and see the forest for a change. Should these groups decide to come to the table, lend their considerable expertise to our efforts and try to reach a consensus, the first steps toward resolving the decades-old wilderness debate in Utah will have been taken.

I hope my colleagues will carefully review this legislation and support for this bill.

Mr. HATCH. Mr. President, I rise in support of the San Rafael Swell National Heritage and Conservation Act. As a cosponsor of this measure, I applaud the efforts of my friend and colleague, Senator BENNETT, for bringing this matter before the United States Senate. This is a refreshing approach to managing public lands in the West.

This legislation reflects the ability of our citizens to make wise decisions about how land in their area should be used and protected. It is an article of our democracy that we recognize the prerogatives and preferences of citizens who are most affected by public policy. This measure gives citizens who live next to these lands a say as to what is right and appropriate for the land's management. I believe this initiative, which began locally at the grassroots level, is a cynosure for future land management decisions in the West.

Much more than simply protecting rocks and soil, this legislation safeguards wildlife and their habitat, cultural sites and artifacts, and Indian and Western heritage. This is not your standard one-size-fits-all land management plan. It provides for the conservation of this unique area, opting to encourage visitors not development.

Mr. President, the San Rafael Swell is an area of immense scenic beauty and cultural heritage. It was once the home to Native Americans who adorned the area with petroglyphs on the rock outcrops and canyon walls. What were once their dwellings are now significant archaeological sites scattered throughout the Swell. After the Indian tribes came explorers, trappers, and outlaws. In the 1870s, ranchers and cowboys came to the area and began grazing the land, managing it for its continued sustainability. Today, there are still citizens with roots in this long western tradition. These citizens understand the land; they understand conservation and preservation

principles; and they want to see the land they love and depend on preserved for present and future generations.

First of all, Mr. President, this legislation sets up a National Heritage Area, the first of its kind west of the Mississippi. In the new National Heritage Area, tourists will walk where Indians walked and where other outstanding historical figures such as Kit Carson, Chief Walker, Jedediah Smith, John Wesley Powell, Butch Cassidy, and John C. Fremont spent time. The area already boasts a number of fine museums, including the John Wesley Powell Museum, the Museum of the San Rafael, the College of Eastern Utah Prehistoric Museum, the Helper Mining Museum, and the Cleveland-Lloyd Dinosaur Quarry. Consolidated under the new National Heritage Area, these important sites and museums will add a Western flavor to the already diverse network of existing National Heritage Areas in our nation.

Next, this legislation sets up one of our nation's most significant and dynamic conservation areas. The San Rafael Conservation Area will encompass the entire San Rafael Swell and protect approximately 1 million acres of scenic splendor. The area will be managed according to the same standards set by Congress for all other conservation areas. In fact, this legislation withdraws the entire San Rafael Swell from future oil drilling, logging, mining, and tar sands development. Moreover, the area will protect important paleontological resources including an area on the northern edge of the Swell know as the Cleveland-Lloyd Dinosaur Quarry which was set aside in 1966 as a National Natural Landmark, preserving one of the largest sources of fossils in the New World.

Of particular interest, Mr. President, is the designation of the Desert Bighorn Sheep National Management Area. This provision ensures that our precious herd of bighorn sheep will continue to be monitored by state wildlife managers. The bill also provides strict protections to other resources in the area. Last but not least, Mr. President, this legislation formally designates certain areas within the Swell as wilderness.

This proposal preserves a portion of the West as it currently exists and allows for traditional uses, where appropriate, such as hunting, trapping, and fishing. It will foster the development and management of tourism in keeping with the overall goals of preservation. This management concept is one of multiple use and allows for the continuation of working landscapes including agriculture, irrigation, and ranching, which are a part of our Western tradition.

Mr. President, this initiative is compatible with local and regional needs, but it invites the world to come and enjoy the natural and historical treasures of the San Rafael Swell. I urge my colleagues to support this important citizens' initiative to preserve the San Rafael Swell.

By Mr. BIDEN:

S. 2387. A bill to confer and confirm Presidential authority to use force abroad, to set forth procedures governing the exercise of that authority, and thereby to facilitate cooperation between the President and Congress in decisions concerning the use or deployment of United States Armed Forces abroad in situations of actual or potential hostilities; to the Committee on Foreign Relations.

USE OF FORCE ACT

● Mr. BIDEN. Mr. President, today I introduce legislation designed to provide a framework for joint congressional-executive decision-making about the most solemn decision that a nation can make: to send men and women to fight and die for their country.

Entitled the ''Use of Force Act,'' the legislation would replace the war powers resolution of 1973 with a new mechanism that, I hope, will be more effective than the existing statute.

Enacted nearly a quarter century ago, over the veto of President Nixon, the war powers resolution has enjoyed an unhappy fate—scorned by Presidents who questioned its constitutionality, and ignored by a Congress too timid to exercise its constitutional duty.

That was not, of course, the intent of its framers, who sought to improve executive-congressional cooperation on questions involving the use of force—and to remedy a dangerous constitutional imbalance.

This imbalance resulted from what I call the ''monarchist'' view of the war power—the thesis that the President holds nearly unlimited power to direct American forces into action.

The thesis is largely a product of the cold war and the nuclear age: the view that, at a time when the fate of the planet itself appeared to rest with two men thousands of miles apart, Congress had little choice, or so it was claimed but to cede tremendous authority to the executive.

This thesis first emerged in 1950, when President Truman sent forces to Korea without congressional authorization. It peaked twenty years later, in 1970, when President Nixon sent U.S. forces into Cambodia—also without congressional authorization, but this time accompanied by sweeping assertions of autonomous Presidential power.

President Nixon's theory was so extreme that it prompted the Senate to begin a search—a search led by Republican Jacob Javits and strongly supported by a conservative Democrat, John Stennis of Mississippi—for some means of rectifying the constitutional imbalance. That search culminated in the war powers resolution.

Unfortunately, the war powers resolution has failed to fulfill its objective. If anything, the monarchist view has become more deeply ingrained with the passage of time.

This trend was been on display throughout this decade. Before the gulf war, for example, with half a million American forces standing ready in Saudi Arabia—a situation clearly requiring congressional authorization—President Bush still refused to concede that he required an act of Congress before using force. Only at the last minute, and only grudgingly, did President Bush seek congressional support. Even then, he continued to assert that he sought only support, refusing to concede that congressional authorization was a legal necessity.

Several years ago, the notion of broad executive power was claimed on the eve of a proposed invasion of Haiti—an invasion that, thankfully, was averted by a last-minute diplomatic initiative.

In 1994, officials of the Clinton administration characterized the Haiti operation as a mere ''police action''—a semantic dodge designed to avoid congressional authorization—and a demonstration that the monarchist view prevails in the White House, without regard to political party.

And, most recently, the Clinton administration asserted that it had all the authority it needed to initiate a military attack against Iraq—though it never publicly elaborated on this supposed authority.

In this case, the question was not clear-cut—as it was in 1991. But two things emerged in the debate that reinforce the need for this legislation. First, it demonstrated that the executive instinct to find ''sufficient legal authority'' to use force is undiluted.

Second, it demonstrated that Congress often lacks the institutional will to carry out its responsibilities under the war power. Although there was strong consensus that a strong response was required to Saddam Hussein's resistance to U.N. inspections, there was no consensus in this body about whether Congress itself should authorize military action. Lacking such a consensus, Congress did nothing.

Congress' responsibilities could not be clearer. Article one, section eight, clause eleven of the Constitution grants to Congress the power ''to declare war, grant letters of marque and reprisal and to make rules concerning captures on land and water.''

To the President, the Constitution provides in article two, section two the role of ''Commander in Chief of the Army and Navy of the United States.''

It may fairly be said that, with regard to many constitutional provisions, the Framers' intent was ambiguous. But on the war power, both the contemporaneous evidence and the early construction of these clauses do not leave much room for doubt.

The original draft of the Constitution would have given to Congress the power to ''make war.'' At the Constitutional Convention, a motion was made to change this to ''declare war.'' The reason for the change is instructive.

At the Convention, James Madison and Elbridge Gerry argued for the

amendment solely in order to permit the President the power ''to repel sudden attacks.'' Just one delegate, Pierce Butler of South Carolina, suggested that the President should be given the power to initiate war.

The rationale for vesting the power to launch war in Congress was simple. The Framers' views were dominated by their experience with the British King, who had unfettered power to start wars. Such powers the Framers were determined to deny the President.

Even Alexander Hamilton, a staunch advocate of Presidential power, emphasized that the President's power as Commander in Chief would be ''much inferior'' to the British King, amounting to ''nothing more than the supreme command and direction of the military and naval forces,'' while that of the British King ''extends to declaring of war and to the raising and regulating of fleets and armies—all which, by [the U.S.] Constitution, would appertain to the legislature.''

It is frequently contended by those who favor vast Presidential powers that Congress was granted only the ceremonial power to declare war. But the Framers had little interest, it seems, in the ceremonial aspects of war. The real issue was congressional authorization of war. As Hamilton noted in Federalist twenty-five, the ''ceremony of a formal denunciation of war has of late fallen into disuse.''

The conclusion that Congress was given the power to initiate all wars, except to repel attacks on the United States, is also strengthened in view of the second part of the war clause: the power to ''grant letters of marque and reprisal.''

An anachronism today, letters of marque and reprisal were licenses issued by governments empowering agents to seize enemy ships or take action on land short of all-out war. In essence, it was an eighteenth century version of what we now regarded as ''limited war'' or ''police actions.''

The framers undoubtedly knew that reprisals, or ''imperfect war,'' could lead to an all-out war. England, for example, had fought five wars between 1652 and 1756 which were preceded by public naval reprisals.

Surely, those who met at Philadelphia—all learned men—knew and understood this history. Given this, the only logical conclusion is that the framers intended to grant to Congress the power to initiate all hostilities, even limited wars.

In sum, to accept the proposition that the war power is merely ceremonial, or applies only to ''big wars,'' is to read much of the war clause out of the Constitution. Such a reading is supported neither by the plain language of the text, or the original intent of the framers.

Any doubt about the wisdom of relying on this interpretation of the intent of the framers is dispelled in view of the actions of early Presidents, early Congresses, and early Supreme Court decisions.

Our earliest Presidents were extremely cautious about encroaching on Congress' power under the war clause.

For example, in 1793, the first President, George Washington, stated that offensive operations against an indian tribe, the Creek Nation, depended on congressional action: ''The Constitution vests the power of declaring war with Congress; therefore no offensive expedition of importance can be undertaken until after they have deliberated upon the subject, and authorized such a measure.''

During the Presidency of John Adams, the United States engaged in an undeclared naval war with France. But it bears emphasis that these military engagements were clearly authorized by Congress by a series of incremental statutes.

The naval war with France also yielded three important Supreme Court decisions regarding the scope of the war power.

In 1799, Congress authorized the President to intercept any U.S. vessels headed to France. President Adams subsequently ordered the Navy to seize any ships traveling to or from France.

The Supreme Court declared the seizure of a U.S. vessel traveling from France to be illegal—thus ruling that Congress had the power not only to authorize limited war, and but also to limit Presidential power to take military action.

The court ruled in two other cases bearing on the question of limited war. Wars, the Court said, even if ''imperfect,'' are nonetheless wars. In still another case, Chief Justice Marshall opined that ''the whole powers of war [are] by the Constitution . . . vested in Congress . . . [which] may authorize general hostilities . . . or partial war.''

These precedents, and the historical record of actions taken by other early Presidents, have significantly more bearing on the meaning of the war clause than the modern era.

As Chief Justice Warren once wrote, ''The precedential value of [prior practice] tends to increase in proportion to the proximity'' to the constitutional convention.

Unfortunately, this constitutional history seems largely forgotten, and the doctrine of Presidential power that arose during the cold war remains in vogue.

To accept the status quo requires us to believe that the constitutional imbalance serves our nation well. But it can hardly be said that it does.

As matters now stand, Congress is denied its proper role in sharing in the decision to commit American troops, and the President is deprived of the consensus to help carry this policy through.

I believe that only by establishing an effective war powers mechanism can we ensure that both of these goals are met. The question then is this: How to revise the war powers resolution in a manner that gains bipartisan support—and support of the executive?

In the past two decades, a premise has gained wide acceptance that the war powers resolution is fatally flawed. Indeed, there are flaws in the resolution but they need not have been fatal.

In 1988, determining that a review of the war powers resolution was in order, the Foreign Relations Committee established a special subcommittee to assume the task.

As chairman of the subcommittee, I conducted extensive hearings. Over the course of two months, the subcommittee heard from many distinguished witnesses: former President Ford, former Secretaries of State and Defense, former Joint Chiefs of Staff, former Members of Congress who drafted the war powers resolution, and many constitutional scholars.

At the end of that process, I wrote a law review article describing how the war powers resolution might be thoroughly rewritten to overcome its actual and perceived liabilities.

That effort provided the foundation for the legislation I introduced in the 104th Congress, and that I reintroduce today. The bill has many elements; I will briefly summarize it.

First, the bill replaces the war powers resolution with a new version. But I should make clear that I retain its central element: a time-clock mechanism that limits the President's power to use force abroad. That mechanism, it bears emphasis, was found to be unambiguously constitutional in a 1980 opinion issued by the Office of Legal Counsel at the Department of Justice.

It is often asserted that the time-clock provisions is ''unworkable,'' or that it invites our adversaries to make a conflict so painful in the short run so as to induce timidity in the Congress.

But with or without a war powers law, American willingness to undertake sustained hostilities will always be subject to democratic pressures. A statutory mechanism is simply a means of delineating procedure.

And the procedure set forth in this legislation assures that if the President wants an early congressional vote on a use of force abroad, his congressional supporters can produce it.

Recent history tells us, of course, that the American people, as well as Congress, rally around the flag—and the Commander-in-Chief—in the early moments of a military deployment.

Second, my bill defuses the specter that a ''timid Congress'' can simply sit on its hands and permit the authority for a deployment to expire.

First, it establishes elaborate expedited procedures designed to ensure that a vote will occur. And it explicitly defeats the ''timid Congress'' specter by granting to the President the authority he has sought if these procedures nonetheless fail to produce a vote.

Thus, if the President requests authority for a sustained use of force—one outside the realm of emergency—and Congress fails to vote, the President's authority is extended indefinitely.

Third, the legislation delineates what I call the ''going in'' authorities for the President to use force. One fundamental weakness of the war powers resolution is that it fails to acknowledge powers that most scholars agree are inherent Presidential powers: to repel an armed attack upon the United States or its Armed Forces, or to rescue Americans abroad.

My legislation corrects this deficiency by enumerating five instances where the President may use force:

(1) To repel attack on U.S. territory or U.S. forces;

(2) To deal with urgent situations threatening supreme U.S. interests;

(3) To extricate imperiled U.S. citizens;

(4) To forestall or retaliate against specific acts of terrorism;

(5) To defend against substantial threats to international sea lanes or airspace;

It may be that no such enumeration can be exhaustive. But the circumstances set forth would have sanctioned virtually every use of force by the United States since World War Two.

This concession of authority is circumscribed by the maintenance of the time-clock provision.

After sixty days have passed, the President's authority would expire, unless one of three conditions had been met:

(1) Congress has declared war or enacted specific statutory authorization;

(2) The President has requested authority for an extended use of force but Congress has failed to act on that request, notwithstanding the expedited procedures established by this act:

(3) The President has certified the existence of an emergency threatening the supreme national interests of the United States.

The legislation also affirms the importance of consultation between the President and Congress and establishes a new means to facilitate it.

To overcome the common complaint that Presidents must contend with ''535 Secretaries of State,'' the bill establishes a congressional leadership group with whom the President is mandated to consult on the use of force.

Another infirmity of the war powers resolution is that it fails to define ''hostilities.'' Thus, Presidents frequently engaged in a verbal gymnastics of insisting that ''hostilities'' were not ''imminent''—even when hundreds of thousands of troops were positioned in the Arabian desert opposite Saddam's legions.

Therefore, the legislation includes a more precise definition of what constitutes a ''use of force.''

Finally, to make the statutory mechanism complete, the use of force act provides a means for judicial review. Because I share the reluctance of many of my colleagues to inject the judiciary into decisions that should be made by the political branches, this provision is extremely limited. It empowers a three-judge panel to decide only whether the time-clock mechanism has been triggered.

The bill contains a provision granting standing to Members of Congress, a door that the Supreme Court appears to have largely closed in the case of Raines versus Byrd—the line-item veto challenge brought by the senior Senator from West Virginia. I believe, notwithstanding the holding of that case, that a Member of Congress would suffer the concrete injury necessary to satisfy the standing requirement under article three of the Constitution.

The reason is this: The failure of the President to submit a use of force report would harm the ability of a Member of Congress to exercise a power clearly reposed in Congress under article one, section eight. That injury, I believe, should suffice in clearing the high hurdle on standing which the Court imposed in the Byrd case. No private individual can bring such a suit; if a Member of Congress cannot, then no one can.

I have no illusions that enacting this legislation will be easy. But I am determined to try.

The status quo—with Presidents asserting broad executive power, and Congress often content to surrender its constitutional powers—does not serve the American people well.

More fundamentally, it does not serve the men and women who risk their lives to defend our interests. For that, ultimately, must be the test of any war powers law.

Mr. President, I ask unanimous consent that the section-by-section analysis be included in the RECORD.

There being no objection, the section-by-section analysis was ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION ANALYSIS

Section 1. *Short Title.* The title of the bill is the ''Use of Force Act (UFA).''

Section 2. *Table of Contents.*

Section 3. *Findings.* This section sets forth three findings regarding the need to provide a statutory framework to facilitate joint decisionmaking between Congress and the President regarding decisions to use force abroad.

Section 4. *Statement of Purpose.* The key phrase in this section is ''confer and confirm Presidential authority.'' The Use of Force Act is designed to bridge the long-standing—and, for all practical purposes, unresolvable—dispute over precisely what constitutes the President's ''inherent'' authority to use force. Whereas the War Powers Resolution purported to delineate the President's constitutional authority and to grant no more, the Use of Force Act sets forth a range of authorities that are practical for the modern age and sufficiently broad to subsume all presidential authorities deemed ''inherent'' by any reasonable constitutional interpretation.

Section 5. *Definitions.* This section defines a number of terms, including the term ''use of force abroad,'' thus correcting a major flaw of the War Powers Resolution, which left undefined the term ''hostilities.''

As defined in the Use of Force Act, a ''use of force abroad'' comprises two prongs:

(1) a deployment of U.S. armed forces (either a new introduction of forces, a significant expansion of the U.S. military presence in a country, or a commitment to a new mission or objective); and

(2) the deployment is aimed at deterring an identified threat, or the forces deployed are incurring or inflicting casualties (or are operating with a substantial possibility of incurring or inflicting casualties).

TITLE I—GENERAL PROVISIONS

Section 101. *Authority and Governing Principles.* This section sets forth the Presidential authorities being ''conferred and confirmed.'' Based on the Constitution and this Act, the President may use force—

(1) to repel an attack on U.S. territory or U.S. forces;

(2) to deal with urgent situations threatening supreme U.S. interests;

(3) to extricate imperiled U.S. citizens;

(4) to forestall or retaliate against specific acts of terrorism;

(5) to defend against substantial threats to international sea lanes or airspace.

Against a complaint that this list is excessively permissive, it should be emphasized that these are the President's initial authorities to undertake a use of force—so-called ''going in'' authorities—and that the ''staying in'' conditions set forth in section 104 will, in most cases, bear heavily on the President's original decision.

Section 102. *Consultation.* Section 102 affirms the importance of consultation between the President and Congress and establishes new means to facilitate it. To overcome the common complaint that Presidents must contend with ''535 secretaries of state,'' the UFA establishes a Congressional Leadership Group with whom the President is mandated to consult on the use of force.

A framework of regular consultations between specified Executive branch officials and relevant congressional committees is also mandated in order to establish a ''norm'' of consultative interaction and in hope of overcoming what many find to be the overly theatrical public-hearing process that has superseded the more frank and informal consultations of earlier years.

Note: An alternative to the Use of Force Act is to repeal (or effectively repeal) the War Powers Resolution and leave in its place *only* a Congressional Leadership Group. (This is the essence of S.J. Res. 323, 100th Congress, legislation to amend the War Powers Resolution introduced by Senators Byrd, Warner, Nunn, and Mitchell in 1988.) This approach, which relies on ''consultation and the Constitution,'' avoids the complexities of enacting legislation such as the UFA but fails to solve chronic problems of procedure or authority, leaving matters of process and power to be debated anew as each crisis arises. In contrast, the Use of Force Act would perform one of the valuable functions of law, which is to guide individual and institutional behavior.

Section 103. *Reporting Requirements.* Section 103 requires that the President report in writing to the Congress concerning any use of force, not later than 48 hours after commencing a use of force abroad.

Section 104. *Conditions for Extended Use of Force.* Section 104 sets forth the ''staying in'' conditions: that is, the conditions that must be met if the President is to sustain a use of force he has begun under the authorities set forth in section 101. A use of force may extend beyond 60 days only if—

(1) Congress has declared war or enacted specific statutory authorization;

(2) the President has requested authority for an extended use of force but Congress has failed to act on that request (notwithstanding the expedited procedures established by Title II of this Act);

(3) the President has certified the existence of an emergency threatening the supreme national interests of the United States.

The second and third conditions are designed to provide sound means other than a declaration of war or the enactment of specific statutory authority by which the President may engage in an extended use of force. Through these conditions, the Use of Force Act avoids two principal criticisms of the War Powers Resolution: (1) that Congress could irresponsibly require a force withdrawal simply through inaction; and (2) that the law might, under certain circumstances, unconstitutionally deny the President the use of his ''inherent'' authority.

To defuse the specter of a President hamstrung by a Congress too timid or inept to face its responsibilities, the UFA uses two means: first, it establishes elaborate expedited procedures designed to ensure that a vote will occur; second, it explicitly defeats the ''timid Congress'' specter by granting to the President the authority he has sought if these procedures nonetheless fail to produce a vote. Thus, if the President requests authority for a sustained use of force—one outside the realm of emergency—and Congress fails to vote, the President's authority is extended indefinitely.

The final condition should satisfy all but proponents of an extreme ''monarchist'' interpretation under which the President has the constitutional authority to use force as he sees fit. Under all other interpretations, the concept of an ''inherent'' authority depends upon the element of emergency: the need for the President to act under urgent circumstances to defend the nation's security and its citizens. If so, the UFA protects any ''inherent'' presidential authority by affirming his ability to act for up to 60 days under the broad-ranging authorities in section 101 and, in the event he is prepared to certify an extended national emergency, to exercise the authority available to him through the final condition of section 104.

Section 105. *Measures Eligible for Congressional Priority Procedures.* This section establishes criteria by which joint and concurrent resolutions become eligible for the expedited procedures created by Title II of the UFA.

A joint resolution that declares war or provides specific statutory authorization—or one that terminates, limits, or prohibits a use of force—becomes eligible if it is introduced: (1) pursuant to a written request by the President to any one member of Congress; (2) if cosponsored by a majority of the members of the Congressional Leadership Group in the house where introduced; or (3) if cosponsored by 30 percent of the members of either house. Thus, there is almost no conceivable instance in which a President can be denied a prompt vote: he need only ask *one member of Congress* to introduce a resolution on his behalf.

A concurrent resolution becomes eligible if it meets either of the cosponsorship criteria cited above and contains a finding that a use of force abroad began on a certain date, or has exceeded the 60 day limitation, or has been undertaken outside the authority provided by section 101, or is being conducted in a manner inconsistent with the governing principles set forth in section 101.

While having no direct legal effect, the passage of a concurrent resolution under the UFA could have considerable significance: politically, it would represent a clear, prompt, and formal congressional repudiation of a presidential action; within Congress, it would trigger parliamentary rules blocking further consideration of measures providing funds for the use of force in question (as provided by section 106 of the UFA); and juridically, it would become a consideration in any action brought by a member of Congress for declaratory judgment and injunctive relief (as envisaged by section 107 of the UFA).

Section 106. *Funding Limitations.* This section prohibits the expenditure of funds for any use of force inconsistent with the UFA. Further, this section exercises the power of Congress to make its own rules by providing that a point of order will lie against any measure containing funds to perpetuate a use of force that Congress, by concurrent resolution, has found to be illegitimate.

Section 107. *Judicial Review.* This section permits judicial review of any action brought by a Member of Congress on the grounds that the UFA has been violated. It does so by—

(1) granting standing to any Member of Congress who brings suit in the U.S. District Court for the District of Columbia;

(2) providing that neither the District Court nor the Supreme Court may refuse to make a determination on the merits based on certain judicial doctrines, such as political question or ripeness (doctrines invoked previously by courts to avoid deciding cases regarding the war power);

(3) prescribing the judicial remedies available to the District Court; and

(4) creating a right of direct appeal to the Supreme Court and encouraging expeditious consideration of such appeal.

It bears emphasis that the remedy prescribed is modest, and does not risk unwarranted interference of the judicial branch in a decision better reposed in the political branches. It provides that the matter must be heard by a three-judge panel; one of these judges must a circuit judge. Additionally, the power of the court is extremely limited: it may only declare that the 60-day period set forth in Section 104 has begun.

In 1997, the Supreme Court held, in *Raines v. Byrd*, that Members of Congress did not have standing to challenge an alleged constitutional violation under the Line-Item Veto Act. That case might be read to suggest that a Member of Congress can never attain standing. But such a conclusion would be unwarranted. First, the Court made clear in *Raines* that an explicit grant of authority to bring a suit eliminates any ''prudential'' limitations on standing. *Raines v. Byrd*, 521 U.S. ___, ___, n.3 (1997) (slip op., at 8, n.3) Second, a more recent decision of the Court suggests that a Member of Congress could attain ''constitutional standing'' (that is, meet the ''case or controversy'' requirements of Article III) in just the sort of case envisaged by the Use of Force Act. In *Federal Election Commission v. Akins*, a case decided on June 1, 1998, the Court permitted standing in a case where the plaintiffs sought to require the Federal Election Commission (FEC) to treat an organization as a ''political committee,'' which then would have triggered public disclosure of certain information about that organization. The Court held that standing would be permitted where the plaintiff ''fails to obtain information which must be publicly disclosed pursuant to statute.'' A case under the Use of Force Act would be analogous—in that the plaintiff Members of Congress would seek information in a ''Use of Force Report'' required to be submitted to Congress by Section 103(a). Such information, quite obviously, would be essential to Members of Congress in the exercise of their constitutional powers under the war clause of the Constitution (Article I, Section 8, Clause 11), a power they alone possess.

Section 108. *Interpretation.* This section clarifies several points of interpretation, including these: that authority to use force is not derived from other statutes or from treaties (which create international obligations but not authority in a domestic, constitutional context); and that the failure of Congress to pass any joint or concurrent resolution concerning a particular use of force may not be construed as indicating congressional authorization or approval.

Section 109. *Severability.* This section stipulates that certain sections of the UFA would be null and void, and others not affected, if specified provisions of the UFA were held by the Courts to be invalid.

Section 110. *Repeal of War Powers Resolution.* Section 110 repeals the War Powers Resolution of 1973.

TITLE II—EXPEDITED PROCEDURES

Section 201. *Priority Procedures.* Section 201 provides for the expedited parliamentary procedures that are integral to the functioning of the Act. (These procedures are drawn from the war powers legislation cited earlier, introduced by Senator Robert Byrd *et al.* in 1988.)

Section 202. *Repeal of Obsolete Expedited Procedures.* Section 202 repeals other expedited procedures provided for in existing law.●

By Mr. DORGAN.

S. 2388. A bill to amend the Internal Revenue Code of 1986 to provide an exclusion for gain from the sale of farmland which is similar to the exclusion from gain on the sale of a principal residence; to the Committee on Finance.

LEGISLATION TO PROVIDE EXCLUSION FOR GAIN FROM THE SALE OF FARMLAND

● Mr. DORGAN. Mr. President, a new and disastrous farm crisis is roaring through the Upper Midwest. Family farmers are under severe assault and many of them are simply not making it. It's not their fault. It's just that the combination of bad weather, crop disease, low yield, low prices and bad federal farm policy is too much to handle. Under the current federal farm law there is no price safety net. Farmers are—as they were in the 1930's —at the mercy of forces much bigger than they are.

The exodus occurring from family farms in the Upper Midwest is heartbreaking and demands the immediate attention of this Congress. We need to address this problem both within the farm program and in other policy areas as well.

For example, Mr. President, there's a fundamental flaw in the tax code that we need to fix. It adds insult to injury for many of these farmers. You see, too often, these family farmers are not able to take full advantage of the $500,000 capital gains tax break that city folks get when they sell their homes. Once family farmers have been beaten down and forced to sell the farm they've farmed for generations, they get a rude awakening. Many of them discover, as they leave the farm, that Uncle Sam is waiting for them at the end of the lane with a big tax bill.

One of the most popular provisions included in last year's major tax bill permits families to exclude from federal income tax up to $500,000 of gain from the sale of their principal residences. That's a good deal, especially for most urban and suburban dwellers who have spent many years paying for their houses, and who regard their houses as both a home and a retirement account. For many middle income families, their home is their major financial asset, an asset the family can draw on in retirement. House

prices in major growth markets such as Washington, D.C., New York, or California may start at hundreds of thousands of dollars. As a result, the urban dwellers who have owned their homes through many years of appreciation can often benefit from a large portion of this new $500,000 capital gains tax exclusion. Unfortunately this provision, as currently applied, is virtually useless to family farmers.

For farm families, their farm is their major financial asset. Unfortunately, family farmers under current law receive little or no benefit from the new $500,000 exclusion because the IRS separates the value of their homes from the value of the farmland the homes sit on. As people from my state of North Dakota know, houses out on the farmsteads of rural America are more commonly sold for $5,000 to $40,000. Most farmers plow any profits they make into the whole farm rather than into a house that will hold little or no value when the farm is sold. It's not surprising that the IRS often judges that homes far out in the country have very little value and thus farmers receive much less benefit from this $500,000 exclusion than do their urban and suburban counterparts. As a result, the capital gain exclusion is little or no help to farmers who are being forced out of business. They may immediately face a hefty capital gains tax bill from the IRS.

This is simply wrong, Mr. President. It is unfair. Federal farm policy helped create the hole that many of these farmers find themselves in. Federal tax policy shouldn't dig the hole deeper as they attempt to shovel their way out.

The legislation that I'm introducing today recognizes the unique character and role of our family farmers and their important contributions to our economy. It expands the $500,000 capital gains tax exclusion for sales of principal residences to cover family farmers who sell their farmhouses or surrounding farmland, so long as they are actively engaged in farming prior to the sales. In this way, farmers may get some benefit from a tax break that would otherwise be unavailable to them.

I fully understand that this legislation is not a cure-all for financial hardships that are ailing our farm communities. This legislation is just one of a number of policy initiatives we can use to ease the pain for family farmers as we pursue other initiatives to help turn around the crippled farm economy.

Again, my legislation would expand the $500,000 tax exclusion for principle residences to cover the entire farm. Specifically, the provision will allow a family or individual who has actively engaged in farming prior to the farm sale to exclude the gain from the sale up to the $500,000 maximum.

What does this relief mean to the thousands of farmers who are being forced to sell off the farm due to current economic conditions?

Take, for example, a farmer who is forced to leave today because of crop disease and slumping grain prices and sells his farmstead that his family has operated for decades. If he must report a gain of $10,000 on the sale of farm house, that is all he can exclude under current law. But if, for example, he sold 1000 acres surrounding the farm house for $400,000, and the capital gain was $200,000, he would be subject to $40,000 tax on that gain. Again, my provision excludes from tax the gain on the farmhouse and land up to the $500,000 maximum that is otherwise available to a family on the sale of its residence.

We must wage, on every federal and state policy front, the battle to stem the loss of family farmers. Tax provisions have grown increasingly important as our farm families deal with drought, floods, diseases and price swings.

I believe that Congress should move quickly to pass this legislation and other meaningful measures to help get working capital into the hands of our family farmers in the Great Plains. Let's stop penalizing farmers who are forced out of agriculture. Let's allow farmers to benefit from the same kind of tax exclusion that most homeowners already receive. This is the right thing to do. And it's the fair thing to do.●

By Mr. WELLSTONE:

S. 2389. A bill to strengthen the rights of workers to associate, organize and strike, and for other purposes; to the Committee on Labor and Human Resources.

FAIR LABOR ORGANIZING ACT

● Mr. WELLSTONE. Mr. President, I rise to introduce a bill, the Fair Labor Organizing Act, to strengthen the basic rights of workers freely to associate, organize and to join a union. The bill would address significant shortcomings in the National Labor Relations Act. These shortcomings amount to impediments to one of the most fundamental ways that working people can seek to improve their own and their families' standard of living and quality of life, which is to join, belong to and participate in a union.

Mr. President, in the past few years, working men and women across the country have been fighting and organizing with a new energy. They are fighting for better health care, pensions, a living wage, better education policy and fairer trade policy. They also are fighting and organizing to ensure that they have the opportunity to be represented by a union through which they can collectively bargain with their employers. Much of this organizing is taking place among sectors of the workforce, and among portions of our working population, that have not previously been organized. I think these new efforts are part of what really is a new civil rights and human rights struggle in our country. It is an important and positive historical development. There is probably no clearer indication that the impact of this development is being felt, and that many of these efforts are succeeding, than some of the attacks in the current Congress on unions representing the country's working people.

Why have we seen so many bills with Orwellian titles such as the TEAM Act, which has little to do with employer-employee teamwork and a lot more to do with company-dominated labor organizations? Such as the ''Family Friendly Workplace Act,'' which really isn't family friendly, but would reduce working families' pay and undercut the 40-hour workweek? Such as the so-called SAFE Act, which doesn't promote safety but actually would roll back well-established and necessary OSHA protections?

Why does the majority in Congress seem so desperate to single out unions to suppress their political activities at the same time they maneuver to kill genuine political campaign finance reform?

It is because unions are succeeding. That is a good thing because in my view, when organized labor fights for job security, for dignity, justice and for a fair share of America's prosperity, it is not a struggle merely for their own benefit. The gains of unionized workers on basic bread and butter issues are key to the economic security of all working families.

How can it be that as many as 10,000 Americans lose their jobs each year for supporting union organizing when the National Labor Relations Act already supposedly prohibits the firing of an employee to deny his or her right to freely organize or join a union? If more than four in 10 workers who are not currently in a union say they would join one if they had the opportunity, why aren't there more opportunities? Since we know that union workers earn up to one-third more than non-union workers and are more likely to have pensions and health benefits, why aren't more workers unionized when the new labor movement is correctly focused on organizing?

The answer to these basic questions is this: we need labor law reform. We need to improve the National Labor Relations Act (NLRA).

The Fair Labor Organizing Act would achieve three basic goals. First, it would help employees make fully informed, free decisions about union representation. Second, it would expand the remedies available to wrongfully discharged employees. Third, it would require mediation and arbitration when employers and employees fail to reach a collective bargaining agreement on their own.

It is late in the current Congress. My bill may not receive full consideration or be enacted into law this year. But I believe it is important to set a standard and place a marker. Workers across America are fighting for their rights, and many are finding that the playing field is tilted against them. The NLRA does not fully allow them fair opportunity to speak freely, to associate, organize and join a union, even though

that is its intended purpose. I have walked some picket lines during the past two years. I have joined in solidarity with workers seeking to organize. I have called on employers to bargain in good faith with their employees during disputes. I intend to continue doing so, and I urge colleagues to do the same. At the same time, it is clear to nearly any organizer and to many workers who have sought to join a union that the rules in crucial ways are stacked against them. My bill seeks to address that fact.

First, it is a central tenet of U.S. labor policy that employees should be free to make informed and free decisions about union representation. Yet, union organizers have limited access to employees while employers have unfettered access. Employers have daily contact with employees. They may distribute written materials about unions. They may require employees to attend meetings where they present their views on union representation. They may talk to employees one-on-one about how they view union representation. On the other hand, union organizers are restricted from worksites and even public areas.

If we want people to make independent, informed decisions about whether they should be represented by a union, then we have to give them equal access to both sides of the story. This bill would amend the National Labor Relations Act to provide equal time to labor organizations to provide information about union representation. Equal time. That means that an employer would trigger the equal time provision that this bill would insert into the NLRA by expressing opinions on union representation during work hours or at the worksite. The provision would give a union equal time to use the same media used by the employer to distribute information, and would allow the union access to the worksite to communicate with employees.

The second reform in the bill would toughen penalties for wrongful discharge violations. It would require the National Labor Relations Board to award back pay equal to 3 times the employee's wages when the Board finds that an employee is discharged as a result of an unfair labor practice. It also would allow employees to file civil actions to recover punitive damages when they have been discharged as a result of an unfair labor practice.

Third, the bill would put in place mediation and arbitration procedures to help employers and employees reach mutually agreeable first-contract collective bargaining agreements. It would require mediation if the parties cannot reach agreement on their own after 60 days. Should the parties not reach agreement 30 days after a mediator is selected, then either party could call in the Federal Mediation and Conciliation Service for binding arbitration. I believe that this proposal represents a balanced solution—one that would help both parties reach agreements they can live with. It gives both parties incentive to reach genuine agreement without allowing either side to indefinitely hold the other hostage to unrealistic proposals.

Mr. President, this bill would be a step toward fairness for working families in America. The proposals are not new. I hope my colleagues will support the bill.●

By Mr. DASCHLE:

S. 2391. A bill to authorize and direct the Secretary of Commerce to initiate an investigation under section 702 of the Tariff Act of 1930 of methlyl tertiary butyl ether imported from Saudi Arabia; to the Committee on Finance.

FAIR TRADE IN MTBE ACT OF 1998

Mr. DASCHLE. Mr. President, today I am pleased to introduce legislation designed to combat unfairly traded imports of methyl tertiary butyl ether (MTBE) from Saudi Arabia. MTBE is an oxygenated fuel additive derived from methanol.

Through the wintertime oxygenated fuels program to reduce carbon monoxide pollution and through the reformulated gasoline program to reduce emissions of toxics and ozone-causing chemicals, we have created considerable demand in this nation for oxygenated fuels, such as MTBE, ETBE and ethanol. It has been my hope that this demand could be met with domestically-produced oxygenates, thereby reducing our dependence on foreign imports and expanding economic opportunities at home. Unfortunately, this goal has not been achieved, in large part because of a substantial expansion of subsidized MTBE imports from Saudi Arabia.

Mr. President, I am a supporter of free trade when it is also fair trade. However, there has been a marked surge in MTBE imports from Saudi Arabia in recent years that does not reflect the natural outcome of market-based competition.

These imports appear to be driven by a pattern of government subsidies. Not only is this increasing our dependence on foreign suppliers, but it is unfairly harming domestic oxygenate producers and those who provide the raw materials for these oxygenates, such as America's farmers.

The Saudi government has made no secret of its desire to expand domestic industrial capacity of methyl tertiary butyl ether (MTBE). In particular, several years ago, there were public reports that the Saudi government promised investors a 30% discount relative to world prices on the feedstock raw materials used in the production of MTBE. The feedstock is the major cost component of MTBE production, and the Saudi government decree has apparently translated into a nearly −30% artificial cost advantage to Saudi-based producers and exporters.

Moreover, it appears that this blatant subsidy is in large measure responsible for the increase in Saudi MTBE exports to the United States in recent years. These exports have not only reduced the U.S. market share of American producers of MTBE, ETBE, and ethanol, but also has discouraged new capital investment, thereby depriving American workers, farmers, and investors of a significant share of the economic activity that Congress contemplated when it drafted the oxygenated fuel requirements of the Clean Air Act Amendments of 1990.

Mr. President, I believe it is high time for the United States government to respond to the Saudi government's subsidies. Saudi Arabia is a valued ally; however, our bond of friendship should not be a justification for turning a blind eye to an unfair element of our otherwise mutually beneficial trading relationship.

Because it is not a member of the World Trade Organization nor a party to its Agreement on Subsidies and Countervailing Measures, the Saudi government may not feel constrained by the international trade rules by which we legally are required to abide. This does not mean, however, that we must stand idly by while foreign subsidies undermine an important sector of our economy.

For this reason, my bill would require the Secretary of Commerce to self-initiate an investigation under Section 702 of the Tariff Act of 1930 to determine whether a countervailable subsidy has been provided with respect to Saudi Arabian exports of methyl tertiary butyl ether (MTBE). If the Secretary finds that a subsidy has indeed been provided to Saudi producers, he would be required under the terms of our existing law to impose an import duty in the amount necessary to offset the subsidy. Because Saudi Arabia is not a member of the WTO, there would be no requirement for a demonstration of injury to the domestic industry as a result of the subsidy.

Let's talk for a moment about what is at stake here for American consumers. Last year, I asked the U.S. General Accounting Office (GAO) to assess the impact on U.S. oil imports of the Reformulated Gasoline (RFG) program that was created by Congress in 1991. The GAO found that the U.S. RFG program has already resulted in over 250,000 barrels per day less imported petroleum due to the addition of oxygenates like ethanol, ETBE and MTBE. That means, at an average of $20 spent per barrel of imported oil, we currently save nearly $2 billion per year due to domestically produced oxygenates.

The GAO further found that, if all gasoline in the U.S. were reformulated (compared to the current 35%), the U.S. would import 777,000 fewer barrels of oil per day. That is more than $5.5 billion per year that would not be flowing to foreign oil producers and could be reinvested in the United States.

This is not ''pie-in-the-sky'' theory. Ethanol production and domestically produced MTBE can reduce oil imports

and strengthen our economy. In rural America, for example, new ethanol and ETBE plants will be built, so long as we wise up and create a level playing field against subsidized Saudi competition.

Phase II of the Clean Air Act's reformulated gasoline program (RFG) requires transportation fuels to meet even tougher emissions standards starting in the year 2000. That gasoline market is growing, with demand for ethanol, ETBE and MTBE in 2005 estimated to be 300,000 barrels per day. Unless we act to ensure that American-made oxygenated fuels can compete in American fuels markets, we stand to cede those markets to subsidized Saudi Arabian MTBE.

Mr. President, I am hopeful that my legislation will help level the playing field for American producers of ethanol, ETBE and MTBE and add new economic vitality to their associated communities of workers, farmers, and business owners. I urge my colleagues to give it serious consideration and to enact it as soon as possible so that we may begin the process of bringing fairness back into the realm of international trade in oxygenated fuels.

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. 2391

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Fair Trade in MTBE Act of 1998''.

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) Section 814 of Public Law 101-549 (commonly referred to as the ''Clean Air Act Amendments of 1990'') expressed the sense of Congress that every effort should be made to purchase and produce American-made reformulated gasoline and other clean fuel products.

(2) Since the passage of the Clean Air Amendments Act of 1990, Saudi Arabia has added substantial industrial capacity for the production of methyl tertiary butyl ether (in this Act referred to as ''MTBE'').

(3) The expansion of Saudi Arabian production capacity has been stimulated by government subsidies, notably in the form of a governmental decree guaranteeing Saudi Arabian MTBE producers a 30 percent discount relative to world prices on feedstock.

(4) The expansion of subsidized Saudi Arabian production has been accompanied by a major increase in Saudi Arabian MTBE exported to the United States.

(5) The subsidized Saudi Arabian MTBE exports have reduced the market share of American producers of MTBE, ETBE, and ethanol, as well as discouraged capital investment by American producers.

(6) Saudi Arabia is not a member of the World Trade Organization and is not subject to the terms and conditions of the Agreement on Subsidies and Countervailing Measures negotiated as part of the Uruguay Round Agreements.

SEC. 3. INITIATION OF COUNTERVAILING DUTY INVESTIGATION.

(a) IN GENERAL.—Not later than 30 days after the date of enactment of this Act, the administering authority shall initiate an investigation pursuant to title VII of the Tariff Act of 1930 (19 U.S.C. 1671 et seq.) to determine if the necessary elements exist for the imposition of a duty under section 701 of such Act with respect to the importation into the United States of MTBE from Saudi Arabia.

(b) ADMINISTERING AUTHORITY.—For purposes of this section, the term ''administering authority'' has the meaning given such term by section 771(1) of the Tariff Act of 1930 (19 U.S.C. 1677(1)).

By Mr. BENNETT (for himself, Mr. DODD, Mr. MOYNIHAN, Mr. KOHL, and Mr. ROBB) (by request):

S. 2392. A bill to encourage the disclosure and exchange of information about computer processing problems and related matters in connection with the transition to the Year 2000; to the Committee on the Judiciary.

YEAR 2000 INFORMATION DISCLOSURE ACT

● Mr. BENNETT. Mr. President, today I introduce, by request of President Bill Clinton, the Administration's ''Good Samaritan'' legislation referred to as the ''Year 2000 Information Disclosure Act''.

I want to thank the White House for joining Vice Chairman DODD and the rest of the members of the Special Committee on the Year 2000 Technology Problem in the debate on how to promote the flow of information on Year 2000 readiness throughout the private sector. The Administration's recognition of this problem, the fear of law suits and its stifling effect on companies' willingness to disclose helpful Y2K information, is invaluable in helping all of us deal with this national crisis.

The existing legal framework clearly discourages the sharing of critical information between private sector companies. The President's bill attempts to limit the legal liability of corporations and other organizations who in good faith openly share information about computer and technology processing problems and related matters in connection with the transition to the Year 2000. We welcome the thoughtful ideas of the White House and the hard work of the Office of Management and Budget, as well John Koskinen, the Chairman of the President's Council on Year 2000 Conversion.

President Clinton's proposal represents a good starting point from which to begin the process of addressing the critical need for private sector information sharing announced in his speech before the National Sciences Foundation on Tuesday, July 14.

The Senate Special Committee on the Year 2000 Technology Problem, which I chair, has to date held hearings on Year 2000 problems in several industry sectors including energy utilities, financial institutions, and health care. This Friday, July 31, the Committee will hold its fourth hearing the subject of which will be the telecommunications industry. In each of the prior hearings, it has become increasingly evident that the fear of legal liability has proven to be the single biggest deterrent to the open sharing of Year 2000 information. With just over 500 days remaining before the Year 2000 problem manifests itself in full, we must do everything we can to encourage the sharing of vital Year 2000 information. Through this sharing, organizations can save valuable time and resources in addressing their Year 2000 problems.

But, we must be careful to pass meaningful legislation that will indeed encourage disclosure and sharing of Year 2000 information. For example, small companies which cannot afford to do all of their own testing and who, for the most part, are not as knowledgeable about where the dangers of the Y2K bug may appear are significant elements of our economy and their Y2K failures could have devastating impacts on those who depend on their services.

We look forward to hearing the input of those companies and individuals who are affected both as plaintiffs and defendants. To be of value, we must pass legislation this year. To that end, we will be working closely with the administration, and with Senators HATCH and LEAHY of the Judiciary Committee which has the primary jurisdiction for this legislation.●

● Mr. MOYNIHAN. Mr. President, I am pleased to join with Senators ROBERT F. BENNETT (R–UT) and CHRISTOPHER DODD (D–CT) today as original cosponsors of President Clinton's ''Year 2000 (Y2K) Information Disclosure Act.'' This legislation is intended to promote the open sharing of information about Y2K solutions by protecting those who share information in good faith from liability claims based on exchanges of information. As the President stated in his speech at the National Academy of Sciences on July 14, 1998, the purpose of this legislation is to ''guarantee that businesses which share information about their readiness with the public or with each other, and do it honestly and carefully, cannot be held liable for the exchange of that information if it turns out to be inaccurate.''

The open sharing of information on the Y2K problem will play a significant role in preparing the nation and the world for the millennial malady. I urge the prompt and favorable consideration of this legislation. There is no time to waste.●

● Mr. DODD. Mr. President, today I join with Senator ROBERT BENNETT, the chairman of the Senate Special Committee on the Year 2000 Technology Problem, to introduce, at the request of the President of the United States, ''The Year 2000 Information Disclosure Act.'' We are joined in this introduction by Senators MOYNIHAN, KOHL, and ROBB.

It should be clear to even the most disinterested observer that we are facing a serious economic challenge in

form of the Year 2000 computer problem. There is little doubt that the millennium conversion will have a significant impact on the economy; the outstanding question is how large that impact will be.

One of the most relevant factors in assessing the potential impact of this problem is the expected readiness of small and medium sized businesses to deal with this issue. Many of the nation's largest corporations are spending hundreds of millions of dollars to prepare for Year 2000 conversion: Citibank is spending $600 million, Aetna is spending more than $125 million, and the list goes on and on. However, it is not so clear that small and medium sized businesses are approaching the problem with similar vigor.

As a result, it is my opinion that it will become increasingly necessary for those companies that have successfully completed remediation and are now testing to able to share those results with other companies that might not be as far along. It will be an increasing national economic priority to use all the tools available to help businesses and government entities meet the millennium deadline, and encouraging the sharing of information that can cut precious weeks off the time it takes to get ready will be essential.

I agree with the statements of President Clinton that companies that make such voluntary disclosures should not be punished for those disclosures with frivolous or abusive lawsuits. It is to address that concern that the President has requested that Senator BENNETT and I introduce his legislation.

I also agree with the President's analysis that in order for this information-sharing to be effective, it must start to take place as soon as possible. Sharing information about non-compliant systems six, eight, or twelve months from now will be of limited value to all concerned.

Some questions have emerged in the press as to the scope of this legislation. The fact is that there are very few weeks left in this session, and therefore the broader the bill, the more difficult it will be to pass. Therefore, if we are intent on providing protection for voluntary disclosures on Year 2000, it will be very hard to add to that provisions dealing with other aspects of Year 2000 liability. While I believe that concerns on underlying liability are real and meaningful, there is little question that dealing with any liability issues is always a controversial and lengthy process. So as we move forward with the concept of a safe harbor for voluntary disclosure, I hope that we can do so without encumbering that legislation with these larger and contentious issues regarding liability.

President Clinton has given us an excellent starting point for discussing these important issues. I look forward to working with all my colleagues in the weeks remaining to craft final legislation that addresses these issues in a meaningful and constructive manner.●

ADDITIONAL COSPONSORS

S. 230

At the request of Mr. FAIRCLOTH, his name was added as a cosponsor of S. 230, a bill to amend section 1951 of title 18, United States Code (commonly known as the Hobbs Act), and for other purposes.

S. 657

At the request of Mr. DASCHLE, the name of the Senator from Arizona (Mr. MCCAIN) was added as a cosponsor of S. 657, a bill to amend title 10, United States Code, to permit retired members of the Armed Forces who have a service-connected disability to receive military retired pay concurrently with veterans' disability compensation.

S. 1360

At the request of Mr. ABRAHAM, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 1360, a bill to amend the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 to clarify and improve the requirements for the development of an automated entry-exit control system, to enhance land border control and enforcement, and for other purposes.

S. 1459

At the request of Mr. GRASSLEY, the name of the Senator from Louisiana (Mr. BREAUX) 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. 1759

At the request of Mr. HATCH, the names of the Senator from Ohio (Mr. DEWINE), the Senator from Arkansas (Mr. BUMPERS), and the Senator from Nevada (Mr. REID) were added as cosponsors of S. 1759, a bill to grant a Federal charter to the American GI Forum of the United States.

S. 1877

At the request of Mr. WYDEN, the name of the Senator from Virginia (Mr. WARNER) was added as a cosponsor of S. 1877, a bill to remove barriers to the provision of affordable housing for all Americans.

S. 1905

At the request of Mr. JOHNSON, his name was added as a cosponsor of S. 1905, a bill to provide for equitable compensation for the Cheyenne River Sioux Tribe, and for other purposes.

S. 1959

At the request of Mr. COVERDELL, the name of the Senator from Arizona (Mr. MCCAIN) was added as a cosponsor of S. 1959, a bill to prohibit the expenditure of Federal funds to provide or support programs to provide individuals with hypodermic needles or syringes for the use of illegal drugs.

S. 1960

At the request of Mr. WARNER, the names of the Senator from Mississippi (Mr. LOTT), the Senator from Mississippi (Mr. COCHRAN), the Senator from Washington (Mrs. MURRAY), the Senator from New Jersey (Mr. TORRICELLI), the Senator from Delaware (Mr. ROTH), and the Senator from North Carolina (Mr. HELMS) were added as cosponsors of S. 1960, a bill to allow the National Park Service to acquire certain land for addition to the Wilderness Battlefield, as previously authorized by law, by purchase or exchange as well as by donation.

S. 2061

At the request of Mr. GRAHAM, the name of the Senator from Nevada (Mr. BRYAN) was added as a cosponsor of S. 2061, a bill to amend title XIX of the Social Security Act to prohibit transfers or discharges of residents of nursing facilities.

S. 2071

At the request of Mr. LEAHY, his name was added as a cosponsor of S. 2071, a bill to extend a quarterly financial report program administered by the Secretary of Commerce.

S. 2086

At the request of Mr. WARNER, the names of the Senator from Florida (Mr. GRAHAM), the Senator from Mississippi (Mr. LOTT), the Senator from Mississippi (Mr. COCHRAN), the Senator from New Jersey (Mr. TORRICELLI), the Senator from Delaware (Mr. ROTH), the Senator from North Carolina (Mr. HELMS), and the Senator from Georgia (Mr. CLELAND) were added as cosponsors of S. 2086, a bill to revise the boundaries of the George Washington Birthplace National Monument.

S. 2161

At the request of Mr. THOMPSON, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S. 2161, a bill to provide Government-wide accounting of regulatory costs and benefits, and for other purposes.

S. 2213

At the request of Mr. FRIST, the name of the Senator from Utah (Mr. BENNETT) was added as a cosponsor of S. 2213, a bill to allow all States to participate in activities under the Education Flexibility Partnership Demonstration Act.

S. 2217

At the request of Mr. FAIRCLOTH, his name was added as a cosponsor of S. 2217, a bill to provide for continuation of the Federal research investment in a fiscally sustainable way, and for other purposes.

S. 2233

At the request of Mr. HATCH, the names of the Senator from Alaska (Mr. MURKOWSKI), and the Senator from New York (Mr. D'AMATO) were added as cosponsors of S. 2233, a bill to amend section 29 of the Internal Revenue Code of 1986 to extend the placed in service date for biomass and coal facilities.

S. 2295

At the request of Mr. MCCAIN, the names of the Senator from Missouri (Mr. BOND), and the Senator from Massachusetts (Mr. KERRY) were added as cosponsors of S. 2295, a bill to amend

the Older Americans Act of 1965 to extend the authorizations of appropriations for that Act, and for other purposes.

S. 2308

At the request of Mr. GRAHAM, the name of the Senator from Nevada (Mr. BRYAN) was added as a cosponsor of S. 2308, a bill to amend title XIX of the Social Security Act to prohibit transfers or discharges of residents of nursing facilities as a result of a voluntary withdrawal from participation in the medicaid program.

S. 2318

At the request of Mr. CAMPBELL, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 2318, a bill to amend the Internal Revenue Code of 1986 to phaseout the estate and gift taxes over a 10-year period.

S. 2344

At the request of Mr. COVERDELL, the names of the Senator from North Carolina (Mr. HELMS), and the Senator from Oregon (Mr. SMITH) were added as cosponsors of S. 2344, a bill to amend the Agricultural Market Transition Act to provide for the advance payment, in full, of the fiscal year 1999 payments otherwise required under production flexibility contracts.

At the request of Mr. BROWNBACK, his name was added as a cosponsor of S. 2344, supra.

At the request of Mr. LOTT, the name of the Senator from Missouri (Mr. BOND) was added as a cosponsor of S. 2344, supra.

S. 2352

At the request of Mr. LEAHY, the name of the Senator from Alaska (Mr. MURKOWSKI) was added as a cosponsor of S. 2352, a bill to protect the privacy rights of patients.

S. 2354

At the request of Mr. BOND, the name of the Senator from Tennessee (Mr. FRIST) was added as a cosponsor of S. 2354, a bill to amend title XVIII of the Social Security Act to impose a moratorium on the implementation of the per beneficiary limits under the interim payment system for home health agencies, and to modify the standards for calculating the per visit cost limits and the rates for prospective payment systems under the medicare home health benefit to achieve fair reimbursement payment rates, and for other purposes.

S. 2359

At the request of Mr. INHOFE, the name of the Senator from New York (Mr. MOYNIHAN) was added as a cosponsor of S. 2359, a bill to amend the National Environmental Education Act to extend the programs under the Act, and for other purposes.

SENATE CONCURRENT RESOLUTION 83

At the request of Mr. WARNER, the names of the Senator from Montana (Mr. BAUCUS), the Senator from California (Mrs. FEINSTEIN), the Senator from Wyoming (Mr. ENZI), the Senator from Maryland (Mr. SARBANES), the Senator from Delaware (Mr. ROTH), and the Senator from Delaware (Mr. BIDEN) were added as cosponsors of Senate Concurrent Resolution 83, a concurrent resolution remembering the life of George Washington and his contributions to the Nation.

SENATE CONCURRENT RESOLUTION 108

At the request of Mr. DORGAN, the names of the Senator from South Dakota (Mr. JOHNSON), the Senator from Illinois (Mr. DURBIN), the Senator from South Dakota (Mr. DASCHLE), the Senator from South Carolina (Mr. HOLLINGS), and the Senator from California (Mrs. BOXER) were added as cosponsors of Senate Concurrent Resolution 108, a concurrent resolution recognizing the 50th anniversary of the National Heart, Lung, and Blood Institute, and for other purposes.

SENATE RESOLUTION 199

At the request of Mr. TORRICELLI, the name of the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of Senate Resolution 199, a resolution designating the last week of April of each calendar year as ''National Youth Fitness Week.''

AMENDMENT NO. 3124

At the request of Mr. HUTCHINSON the names of the Senator from Minnesota (Mr. WELLSTONE), the Senator from Florida (Mr. MACK), the Senator from Oklahoma (Mr. INHOFE), the Senator from Michigan (Mr. ABRAHAM), and the Senator from Missouri (Mr. ASHCROFT) were added as cosponsors of Amendment No. 3124 proposed to S. 2132, an original bill making appropriations for the Department of Defense for fiscal year ending September 30, 1999, and for other purposes.

AMENDMENT NO. 3338

At the request of Mr. JOHNSON his name was added as a cosponsor of Amendment No. 3338 proposed to H.R. 1151, a bill to amend the Federal Credit Union Act to clarify existing law and ratify the longstanding policy of the National Credit Union Administration Board with regard to field of membership of Federal credit unions.

AMENDMENT NO. 3388

At the request of Mr. JOHNSON his name was added as a cosponsor of Amendment No. 3388 proposed to S. 2312, an original bill 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.

AMENDMENT NO. 3389

At the request of Mr. KERREY the names of the Senator from New York (Mr. MOYNIHAN) and the Senator from Louisiana (Mr. BREAUX) were added as cosponsors of amendment No. 3389 proposed to S. 2312, an original bill 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.

SENATE CONCURRENT RESOLUTION 114—PROVIDING FOR A CONDITIONAL ADJOURNMENT OF BOTH HOUSES

Mr. LOTT submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 114

Resolved by the Senate (the House of Representatives concurring), That, in consonance with section 132(a) of the Legislative Reorganization Act of 1946, when the Senate recesses or adjourns at the close of business on Friday, July 31, 1998, Saturday, August 1, 1998, or Sunday, August 2, 1998, pursuant to a motion made by the Majority Leader or his designee in accordance with this concurrent resolution, it stand recessed or adjourned until noon on Monday, August 31 or Tuesday, September 1, 1998, or until such time on that day as may be specified by the Majority Leader or his designee in the motion to recess or adjourn, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first; and that when the House adjourns on the legislative day of Friday, August 7, 1998, it stand adjourned until noon on Wednesday, September 9, 1998, or until noon on the second day after Members are notified to reassemble pursuant to section 2 of this concurrent resolution, whichever occurs first.

SEC. 2. The Majority Leader of the Senate and the Speaker of the House, acting jointly after consultation with the Minority Leader of the Senate and the Minority Leader of the House, shall notify the Members of the Senate and House, respectively, to reassemble whenever, in their opinion, the public interest shall warrant it.

SENATE CONCURRENT RESOLUTION 115—TO AUTHORIZE THE PRINTING OF COPIES OF THE PUBLICATION ENTITLED ''THE UNITED STATES CAPITOL'' AS A SENATE DOCUMENT

Mr. WARNER submitted the following resolution; which was considered and agreed to:

S. CON. RES. 115

Resolved by the Senate (the House of Representatives concurring), That (a) a revised edition of the publication entitled ''The United States Capitol'' (referred to as ''the pamphlet'') shall be reprinted as a Senate document.

(b) There shall be printed 2,000,000 copies of the pamphlet in the English language at a cost not to exceed $100,000 for distribution as follows:

(1)(A) 206,000 copies of the publication for the use of the Senate with 2,000 copies distributed to each Member;

(B) 886,000 copies of the publication for the use of the House of Representatives, with 2,000 copies distributed to each Member; and

(C) 908,000 of the publication for distribution to the Capitol Guide Service; or

(2) if the total printing and production costs of copies in paragraph (1) exceed $100,000, such number of copies of the publication as does not exceed total printing and production costs of $100,000, with distribution to be allocated in the same proportion as in paragraph (1).

(c) In addition to the copies printed pursuant to subsection (b), there shall be printed at a total printing and production cost of not to exceed $70,000—

(1) 50,000 copies of the pamphlet in each of the following 5 languages: German, French, Russian, Chinese, and Japanese; and

(2) 100,000 copies of the pamphlet in Spanish;

to be distributed to the Capitol Guide Service.

SENATE RESOLUTION 260—DESIGNATING ''NATIONAL CHILDREN'S DAY''

Mr. GRAHAM (for himself, Mrs. MURRAY, Mr. DORGAN, Mr. SARBANES, Mr. LEVIN, Mr. MOYNIHAN, Mr. BYRD, Mr. DODD, Mr. AKAKA, Mr. LAUTENBERG, Mr. DURBIN, Mrs. BOXER, Ms. LANDRIEU, Mr. KOHL, Ms. MIKULSKI, Ms. MOSELEY-BRAUN, Mr. DEWINE, Mr. FAIRCLOTH, Mr. SPECTER, Mr. BOND, and Mr. COCHRAN) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 260

Whereas the people of the United States should celebrate children as the most valuable asset of the Nation;

Whereas children represent the future, hope, and inspiration of the United States;

Whereas the children of the United States should be allowed to feel that their ideas and dreams will be respected because adults in the United States take time to listen;

Whereas many children of the United States face crises of grave proportions, especially as they enter adolescent years;

Whereas it is important for parents to spend time listening to their children on a daily basis;

Whereas modern societal and economic demands often pull the family apart;

Whereas encouragement should be given to families to set aside a special time for all family members to engage together in family activities;

Whereas adults in the United States should have an opportunity to reminisce on their youth and to recapture some of the fresh insight, innocence, and dreams that they may have lost through the years;

Whereas the designation of a day to commemorate the children of the United States will provide an opportunity to emphasize to children the importance of developing an ability to make the choices necessary to distance themselves from impropriety and to contribute to their communities;

Whereas the designation of a day to commemorate the children of the Nation will emphasize to the people of the United States the importance of the role of the child within the family and society;

Whereas the people of the United States should emphasize to children the importance of family life, education, and spiritual qualities; and

Whereas children are the responsibility of all Americans and everyone should celebrate the children of the United States, whose questions, laughter, and tears are important to the existence of the United States: Now, therefore, be it

Resolved, That—

(1) it is the sense of the Senate that October 11, 1998, should be designated as ''National Children's Day''; and

(2) the President is requested to issue a proclamation calling upon the people of the United States to observe ''National Children's Day'' with appropriate ceremonies and activities.

● Mr. GRAHAM. Mr. President, today I submit a resolution that designated October 11, 1998 as National Children's Day.

Our children are our future. Over 5 million children, however, go hungry at some point each month. There has been a 60 percent increase in the number of children needing foster care in the last 10 years. Many children today face crises of grave proportions, especially as they enter their adolescent years.

The establishment of a National Children's Day would help us focus on our children's needs and recognize their accomplishments. It would encourage families to spend more quality time together and highlight the special importance of the child in the family unit.

It is important that we show our support for the youth of America. This simple resolution will foster family togetherness and ensure that our children receive the attention they deserve.

I urge my colleagues to join me in establishing National Children's Day.●

SENATE RESOLUTION 261—TO PRIVATIZE THE SENATE BARBER AND BEAUTY SHOPS AND THE SENATE RESTAURANTS

Mr. BROWNBACK submitted the following resolution; which was referred to the Committee on Rules and Administration:

S. RES. 261

Resolved, That (a) the Sergeant at Arms and Doorkeeper of the Senate shall convert the Senate barber shop and Senate beauty shop to operation by a private sector source under contract.

(b) The Architect of the Capitol shall convert the Senate restaurants to operation by a private sector source under contract.

SENATE RESOLUTION 262—TO STATE THE SENSE OF THE SENATE THAT THE GOVERNMENT OF THE UNITED STATES SHOULD PLACE A PRIORITY ON FORMULATING A COMPREHENSIVE AND STRATEGIC POLICY WITH JAPAN IN ADVANCING SCIENCE

Mr. ROTH (for himself and Mr. BINGAMAN) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 262

Whereas, advances in science and technology will continue to underlie the prosperity and security of the United States and the international community into the next century;

Whereas, the United States and Japan are global leaders in science and technology;

Whereas, the rapid pace of innovation creates growing linkages between science and technology and bilateral relations in security and trade;

Whereas, the Government of Japan, through its 1996 Basic Plan for Science and Technology, made science and technology a higher priority area of investment for the Government of Japan;

Whereas, the Supplemental Budget of the Government of Japan for 1998 will result in more than a 21 percent increase in the Government of Japan's support for science and technology this year;

Whereas, advances in Japanese science and technology are increasingly at the global frontier;

Whereas, cooperation between the United States and Japan in science and technology holds the promise of better assuring human health and nutrition, enhancing the quality of the environment, lessening the impact of natural and man-made disasters, providing for more productive agriculture, stimulating discoveries in the basic processes of life and matter, expanding supplies of energy, furthering advances in space exploration, improving manufacturing processes, and strengthening communications through electronic language translation;

Whereas, productive collaboration with Japan has increased due to negotiated frameworks such as the bilateral Agreement for Cooperation in Science and Technology and efforts by the Government of Japan to invite larger numbers of U.S. scientists to participate in university, government and industrial research in Japan;

Whereas, the flow of science and technology from the United States to Japan is nonetheless still larger than the reverse due partly to barriers Japan has erected to the outward flow of scientific and technological information and data, as well as barriers to the inward flow of foreign investment and foreign participation in industrial organizations such as consortia and associations;

Whereas, the application of rigorous scientific methods to the development of standards and regulations can help mitigate certain market access and trade problems;

Whereas, Japan's treatment of scientific and technological advances continues to handicap U.S. innovators in Japan due to inadequate intellectual property protection;

Resolved, That it is the sense of the Senate that:

(1) The Government of the United States should place priority on formulating a comprehensive and strategic policy of engaging and cooperating with Japan in advancing science and technology for the benefit of both nations as well as the rest of the world;

(2) Among other goals, that policy should aim to promote strategic cooperation on areas that further U.S. policy interests in science and technology; more balanced flows of scientific and technological information and personnel between the United States and Japan; more rigorous application of scientific methods in the development of standards and regulations to promote efficient technological progress and mitigate trade problems; and more equitable intellectual property protection; and

(3) The Government of the United States should integrate this strategic policy into current and future science and technology agreements with the Government of Japan.

● Mr. ROTH. Mr. President, I rise today on behalf of myself and Mr. BINGAMAN to submit a resolution to state the sense of the Senate that the Governments of the United States and Japan should place priority on formulating a comprehensive and strategic policy of advancing science and technology for the benefit of both nations as well as the rest of the world.

As this body is well aware, Japan is facing a number of economic and financial challenges that are of vital importance to the bilateral relationship. I have spoken about these challenges at length in other fora including through a hearing recently held by the Finance Committee. While our priority in bilateral relations should remain Japan's rapid economic recovery, we must not lose sight of other aspects of the relationship that are important to our shared future.

For example, Japan is a major source of leading-edge science and technology. Two years ago, the Government of Japan released its Basic Plan for Science and Technology. That plan called for substantial funding increases and important policy reforms to further innovation in the country's science and technology programs and processes.

This year, the Government of Japan will increase its investment in science and technology by more than 21 percent. With these new resources, Japan—already at the forefront in many areas of science and technology—will be poised to make further important advances.

For decades, the U.S. has shared the fruit of its own basic research with Japan and the rest of the world in an effort to enhance global prosperity and the lives of average people around the world. With its increased resources devoted to science and technology, Japan has a more important opportunity to join the United States in taking a similar approach toward sharing advances in science and technology. The potential for greater benefits for both countries and for the rest of the world are enormous.

For example, opportunities are emerging to improve human health by jointly addressing the problems posed by infectious diseases; sustaining the quality of the environment through research on global climate change; reducing the risks posed by earthquakes and hurricanes; furthering the fundamental understanding of matter so important for advances in new materials, telecommunications, and new medical treatments; and better ensuring mutual security.

Partly because Japan was engaged in catching up with other leaders in science and technology for much of the postwar period, Tokyo tended to emphasize the accumulation—rather than the sharing—of information. Now that Japan is a global leader in science and technology, however, I believe Tokyo should move toward greater emphasis on cooperation. Similarly, I believe it important that Japan pay more attention to basic research that advances general knowledge as opposed to Tokyo's traditional emphasis on applied research.

The potential for a greater bilateral partnership in science and technology is growing, and both the U.S. and Japanese governments should work toward turning that potential into reality. That is the purpose of this resolution and I urge my colleagues to support its early passage.●

Mr. BINGAMAN. Mr. President, I rise today in enthusiastic support of the statement made by Senator ROTH concerning the U.S.-Japan relationship and, furthermore, to ask our colleagues to support this resolution.

As you are aware, I have been integrally involved over the years with many of my colleagues in ascertaining the obstacles and opportunities that exist between the United States and Japan. I have offered ongoing support for a cooperative, forward-looking bilateral relationship that is defined by transparency, access, equity and reciprocity. Given the current environment in East Asia and the potential for political economic instability, I believe the U.S.-Japan relationship to be one of our country's most important in that region, and worthy of constant and precise attention.

In the future, much as in the past, Japan will be both partner and competitor, and we must ensure that we maintain our support for this relationship while we recognize both its possibilities and its limitations.

The resolution submitted by Senator ROTH and I identifies the level of science and technology interaction that has developed between the United States and Japan over the last decade, and gives a number of suggestions as to where we should go in the future. Specific reference is made to the U.S.-Japan Science and Technology Agreement, which is now being re-negotiated by our two governments. Let me describe in concise terms what I see as important in this regard.

Significantly, the United States and Japan are, at present, cooperating in a range of projects as diverse as Global Change, Earthquake Disaster Mitigation, Emerging Infectious Diseases, Global Information Infrastructure, Space Cooperation, Thermonuclear Experimentation, Deep Sea Drilling, and Sustainable Development. Individually, these projects include the participation of nearly every department and agency in the U.S. government, and all have been initiated and have prospered as a result of the U.S.-Japan Science and Technology Agreement. All of these projects will grow even more substantially with the renewal of the agreement. Clearly this is something to be encouraged.

Significantly, all of these projects mentioned above will benefit not only the United States and Japan, but also the developed and developing countries in the world—many of which are eager for the knowledge and technology that derive from our two countries' cooperative activities. This interaction has already provided innumerable advantages to the international community, and can only provide even more in the future. With certain conditions, it deserves our wholehearted support.

The current resolution outlines some, but not all of these conditions. As specific examples, we need to ensure that the cooperative interaction between the United States and Japan results in balanced and easily accessible flows of information between the United States and Japan, and that all data from this interaction be easily available to other scientists and engineers in the international community. International access to private sector laboratories in Japan needs to be improved. Divisions that exist between ministries in Japan—fragmentation that creates serious obstacles for research projects that include national universities and government research laboratories—must be made less evident. Effective mechanisms that allow the U.S. and other countries to participate in Japanese research projects need to be identified and obstacles that preclude this interaction eliminated. A more complete development of common regulations and standards should be pursued, and dual use and export control policies clarified. Questions relating to intellectual property rights have existed far too long and should be rectified. Finally, the obvious relationship that exists between science, technology and trade relations should be recognized, and understandings reached between the two governments on important, cross-cutting issues.

While these aforementioned problems should not prevent the U.S.-Japan Science and Technology Agreement from being renewed, our concerns should be made apparent during negotiations.

I would argue that any new agreement must satisfy three criteria:

First, it must recognize that serious structural and procedural assymetries still exist between the two countries and that they must be resolved;

Second, it must provide freedom for scientists and engineers to interact and complete their research as free as possible from government interference;

Finally, it must recognize that the results that derive from U.S.-Japan science and technology cooperation has the potential to alleviate many of the problems we face in the world today and, as such, should be easily diffused into the international community.

Much of our current science and technology cooperation with Japan rests on a single but extremely important premise: the U.S. economic and national security interest depends upon its ability to complete fundamental research in critical areas, and then encourage innovation that will result in competitive advantage. Where this research might once have been done in isolation and without data input from other countries, it now requires the capacity to access information and technologies being developed elsewhere. While the United States has been inattentive to the importance of increased expenditures on science and technology, Japan has not. While we still lead in many technologies, we will not do so in perpetuity.

Science and engineering are the archetypical endeavors of the current international society: individuals and ideas come together in an effort to improve the collective welfare of the global community at large. We must recognize this dynamic, and encourage it every way we can.

Let me emphasize that the results of research in laboratories across the world are not abstractions. As America's productivity, competitiveness, and economic performance—indeed, its very economic security—depends upon

cooperative research and development with Japan and other countries, these results provide tangible advantages for families in New Mexico and every other state in the union. The car you drive, the home you live in, the appliances you use, the food you eat, the air you breathe—all of these derive from research and development programs that were undertaken yesterday. These programs should be a national priority.

To this end, it is essential that we further solidify the cooperative linkages that exist between our two countries, to find ways to leverage increasingly scarce funds, to combine diverse and complementary streams of ideas and technologies, and to provide mutual advantages to our respective societies and the international community as a whole.

Although some would deny the obvious synergies that exist between the United States and Japan at this time, it is not in our national interest to do so. The question is no longer whether these synergies will exist, but under what conditions they will exist. Interaction between our two countries exists on a scale far beyond what many once considered possible, and it will only grow as scientific and technological interaction between the two countries increases. We should take real pride in this development, just as we must, at the same time, carefully consider the path we will follow in the future.

While the current resolution is nonbinding, it does reflect our desire to engage Japan in an ongoing, cooperative, and reciprocal relationship. Senator ROTH and I consider the U.S.-Japan Science and Technology Agreement to be an interactive arrangements of the highest importance, and we hope other colleagues will join us in our support for its renewal.

SENATE RESOLUTION 263—TO AUTHORIZE PAYMENT OF THE EXPENSES OF REPRESENTATIVES OF THE SENATE ATTENDING THE FUNERAL OF A SENATOR

Mr. WARNER submitted the following resolution; which was considered and agreed to:

S. RES. 263

Resolved, That, upon approval by the Committee on Rules and Administration, the Secretary of the Senate is authorized to pay, from the contingent fund of the Senate, the actual and necessary expenses incurred by the representatives of the Senate who attend the funeral of a Senator, including the funeral of a retired Senator. Expenses of the Senate representatives attending the funeral of a Senator shall be processed on vouchers submitted by the Secretary of the Senate and approved by the Chairman of the Committee on Rules and Administration.

AMENDMENTS SUBMITTED

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 1999

GRASSLEY AMENDMENT NO. 3390

(Ordered to lie on the table.)

Mr. GRASSLEY submitted an amendment intended to be proposed by him to the bill (S. 2132) making appropriations for the Department of Defense for fiscal year ending September 30, 1999, and for other purposes; as follows:

On page 99, between lines 17 and 18, insert the following:

SEC. 8104. Effective on June 30, 1999, section 8106(a) of the Department of Defense Appropriations Act, 1997 (titles I through VIII of the matter under section 101(b) of Public Law 104–208; 110 Stat. 3009–111; 10 U.S.C. 113 note), is amended—

(1) by striking out ''not later than June 30, 1997,'', and inserting in lieu thereof ''not later than June 30, 1999,''; and

(2) by striking out ''$1,000,000'' and inserting in lieu thereof ''$500,000''.

STEVENS (AND INOUYE) AMENDMENT NO. 3391

Mr. STEVENS (for himself and Mr. INOUYE) proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, in between lines 17 and 18, insert the following:

SEC. 8104(a) On page 34, line 24, strike out all after ''$94,500,000'' down to and including ''1999'' on page 35, line 7.

(b) On page 42, line 1, strike out the amount ''$2,000,000,000'', and insert the amount ''$1,775,000,000''.

(c) In addition to funds provided under title I of this Act, the following amounts are hereby appropriated: for ''Military Personnel, Army'', $58,000,000; for ''Military Personnel, Navy'', $43,000,000; for ''Military Personnel, Marine Corps'', $14,000,000; for ''Military Personnel, Air Force'', $44,000,000; for ''Reserve Personnel, Army'', $5,377,000; for ''Reserve Personnel, Navy'', $3,684,000; for ''Reserve Personnel, Marine Corps'', $1,103,000; for ''Reserve Personnel, Air Force'', $1,000,000; for ''National Guard Personnel, Army'', $9,392,000; and ''National Guard Personnel, Air Force'', $4,112,000''.

(d) Notwithstanding any other provision in this Act, the total amount available in this Act for ''Quality of Life Enhancements, Defense'', real property maintenance is hereby decreased by reducing the total amounts appropriated in the following accounts: ''Operation and Maintenance, Army'', by $58,000,000; ''Operation and Maintenance, Navy'', by $43,000,000; ''Operation and Maintenance, Marine Corps'', by $14,000,000; and ''Operation and Maintenance, Air Force'', $44,000,000.

(e) Notwithstanding any other provision in this Act, the total amount appropriated under the heading ''National Guard and Reserve Equipment'', is hereby reduced by $24,668,000.

STEVENS AMENDMENT NO. 3392

Mr. STEVENS proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, between lines 17 and 18, insert the following:

SEC. . For an additional amount for ''Overseas Contingency Operations Transfer Fund,'' $1,858,600,000: *Provided*, That the Secretary of Defense may transfer these funds only to military personnel accounts, operation and maintenance accounts, procurement accounts, the defense health program appropriations and working capital funds: *Provided further*, That the funds transferred shall be merged with and shall be available for the same purposes and for the same time period, as the appropriation to which transferred: *Provided further*, That the transfer authority provided in this paragraph is in addition to any other transfer authority available to the Department of Defense: *Provided further*, That such amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(D)(i) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

ROBERTS AMENDMENT NO. 3393

Mr. ROBERTS proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, between lines 17 and 18, insert the following:

SEC. 8104. (a) None of the funds appropriated or otherwise made available under this Act may be obligated or expended for any deployment of forces of the Armed Forces of the United States to Yugoslavia, Albania, or Macedonia unless and until the President, after consultation with the Speaker of the House of Representatives, the Majority Leader of the Senate, the Minority Leader of the House of Representatives, and the Minority Leader of the Senate, transmits to Congress a report on the deployment that includes the following:

(1) The President's certification that the presence of those forces in each country to which the forces are to be deployed is necessary in the national security interests of the United States.

(2) The reasons why the deployment is in the national security interests of the United States.

(3) The number of United States military personnel to be deployed to each country.

(4) The mission and objectives of forces to be deployed.

(5) The expected schedule for accomplishing the objectives of the deployment.

(6) The exit strategy for United States forces engaged in the deployment.

(7) The costs associated with the deployment and the funding sources for paying those costs.

(8) The anticipated effects of the deployment on the morale, retention, and effectiveness of United States forces.

(b) Subsection (a) does not apply to a deployment of forces—

(1) in accordance with United Nations Security Council Resolution 795; or

(2) under circumstances determined by the President to be an emergency necessitating immediate deployment of the forces.

SANTORUM AMENDMENT NO. 3394

Mr. SANTORUM proposed an amendment to the bill, S. 2132, supra; as follows:

On page 26, line 8, increase the amount by $8,200,000.

On page 10, line 6, reduce the first amount by $8,200,000.

● Mr. SANTORUM. Mr. President, this amendment to S. 2132, the Fiscal Year 1999 Defense Appropriations Act, seeks to add $8.2 million for the procurement of M888, 60-millimeter, high-explosive munitions for the Marine Corps.

The additional funds would help alleviate training constraints for Marine

Corps units due to shortages in this term, and will help reduce the coming ''bow-wave'' of procurement requirements we may not have the resources to fund in future years. The Marine Corps has stated that procurement at this level would be consistent with its acquisition strategy regarding ammunition.

I would like to clarify that funds for this procurement have been identified. In order to fund this important acquisition I have identified the Air Force war reserve materials account.●

KEMPTHORNE AMENDMENT NO. 3395

(Ordered to lie on the table.)

Mr. KEMPTHORNE submitted an amendment intended to be proposed by him to the bill, S. 2132, supra; as follows:

On page 11, line 7 after the period insert the following: ''*Provided*, That of the funds appropriated under this heading, $35,000,000 shall be made available only for use for Impact Aid to local educational agencies.''

FAIRCLOTH AMENDMENT NO. 3396

(Ordered to lie on the table.)

Mr. FAIRCLOTH submitted an amendment intended to be proposed by him to the bill, S. 2132, supra; as follows:

On page 99, between lines 17 and 18, insert the following:

SEC. 8014. (a) Not later than six months after the date of enactment of this Act, the Comptroller General shall submit to Congress a report containing a comprehensive assessment of the TRICARE program.

(b) The assessment under subsection (a) shall include the following:

(1) A comparison of the health care benefits available under the health care options of the TRICARE program known as TRICARE Standard, TRICARE Prime, and TRICARE Extra with the health care benefits available under the health care plan of the Federal Employees Health Benefits program most similar to each such option that has the most subscribers as of the date of enactment of this Act, including—

(A) the types of health care services offered by each option and plan under comparison;

(B) the ceilings, if any, imposed on the amounts paid for covered services under each option and plan under comparison; and

(C) the timeliness of payments to physicians providing services under each option and plan under comparison.

(2) An assessment of the effect on the subscription choices made by potential subscribers to the TRICARE program of the Department of Defense policy to grant priority in the provision of health care services to subscribers to a particular option.

(3) An assessment whether or not the implementation of the TRICARE program has discouraged medicare-eligible individuals from obtaining health care services from military treatment facilities, including—

(A) an estimate of the number of such individuals discouraged from obtaining health care services from such facilities during the two-year period ending with the commencement of the implementation of the TRICARE program; and

(B) an estimate of the number of such individuals discouraged from obtaining health care services from such facilities during the two-year period following the commencement of the implementation of the TRICARE program.

(4) An assessment of any other matters that the Comptroller General considers appropriate for purposes of this section.

(c) In this section:

(1) The term ''Federal Employees Health Benefits program'' means the health benefits program under chapter 89 of title 5, United States Code.

(2) The term ''TRICARE program'' has the meaning given that term in section 1072(7) of title 10, United States Code.

FEINGOLD (AND OTHERS) AMENDMENT NO. 3397

(Ordered to lie on the table.)

Mr. FEINGOLD (for himself, Mr. KOHL, and Mr. BRYAN) submitted an amendment to be proposed by him to the bill, S. 2132, supra; as follows:

On page 13, line 9, increase the amount by $219,700,000.

On page 25, line 25, reduce the amount by $219,700,000.

KYL AMENDMENT NO. 3398

Mr. KYL proposed an amendment to the bill, S. 2312, supra; as follows:

On page 99, between lines 17 and 18, insert the following:

SEC. 8104. (a) None of the funds appropriated by this Act may be obligated or expended for the establishment or operation of the Defense Threat Reduction Agency until the Secretary of Defense takes the following actions:

(1) Establishes within the Office of the Under Secretary of Defense for Policy the position of Deputy Under Secretary of Defense for Technology Security Policy and designates that official to serve as the Director of the Defense Security Technology Agency with only the following duties:

(A) To develop for the Department of Defense policies and positions regarding the appropriate export control policies and procedures that are necessary to protect the national security interests of the United States.

(B) To supervise activities of the Department of Defense relating to export controls.

(C) As the Director of the Defense Security Technology Agency—

(i) to administer the technology security program of the Department of Defense;

(ii) to review, under that program, international transfers of defense-related technology, goods, services, and munitions in order to determine whether such transfers are consistent with United States foreign policy and national security interests and to ensure that such international transfers comply with Department of Defense technology security policies;

(iii) to ensure (using automation and other computerized techniques to the maximum extent practicable) that the Department of Defense role in the processing of export license applications is carried out as expeditiously as is practicable consistent with the national security interests of the United States; and

(iv) to actively support intelligence and enforcement activities of the Federal Government to restrain the flow of defense-related technology, goods, services, and munitions to potential adversaries.

(2) Submits to Congress a written certification that—

(A) the Defense Security Technology Agency is to remain a Defense Agency independent of all other Defense Agencies of the Department of Defense and the military departments; and

(B) no funds are to be obligated or expended for integrating the Defense Security Technology Agency into another Defense Agency.

(b) The Deputy Under Secretary of Defense for Technology Security Policy may report directly to the Secretary of Defense on the matters that are within the duties of the Deputy Under Secretary.

(c) Not later than 10 days after the Secretary of Defense establishes the position of Deputy Under Secretary of Defense for Technology Security Policy, the Secretary shall submit to the Committees on Armed Services and on Appropriations of the Senate and the Committees on National Security and on Appropriations of the House of Representatives a report on the establishment of the position. The report shall include the following:

(1) A description of any organizational changes that have been made or are to be made within the Department of Defense to satisfy the conditions set forth in subsection (a) and otherwise to implement this section.

(2) A description of the role of the Chairman of the Joint Chiefs of Staff in the export control activities of the Department of Defense after the establishment of the position, together with a discussion of how that role compares to the Chairman's role in those activities before the establishment of the position.

(d) Unless specifically authorized and appropriated for such purpose, funds may not be obligated to relocate any office or personnel of the Defense Technology Security Administration to any location that is more than five miles from the Pentagon Reservation (as defined in section 2674(f) of title 10, United States Code).

BAUCUS AMENDMENT NO. 3399

(Ordered to lie on the table.)

Mr. BAUCUS submitted an amendment to be proposed by him to the bill, S. 2132, supra; as follows:

On page 18, line 22, insert before the period at the end the following: ''*Provided further*, That of the amounts available under this heading, $150,000 shall be made available to the Bear Paw Development Council, Montana, for the management and conversion of the Havre Air Force Base and Training Site, Montana, for public benefit purposes, including public schools, housing for the homeless, and economic development''.

BINGAMAN (AND DOMENICI) AMENDMENT NO. 3400

(Ordered to lie on the table.)

Mr. BINGAMAN (for himself and Mr. DOMENICI) submitted an amendment intended to be proposed by them to the bill, S. 2132, supra; as follows:

On page 99, in between lines 17 and 18, insert before the period at the end the following: '': Sec. 8104(a) that of the amount available under Air National Guard, Operations and Maintenance for flying hours and related personnel support, $4,500,000 shall be available for the Defense Systems Evaluation program for support of test and training operations at White Sands Missile range, New Mexico, and Fort Bliss, Texas''.

GRAHAM (AND MACK) AMENDMENT NO. 3401

(Ordered to lie on the table.)

Mr. GRAHAM (for himself and Mr. MACK) submitted an amendment intended to be proposed by them to the bill, S. 2132, supra; as follows:

On page 99, between lines 17 and 18, insert the following:

TITLE IX—COMMERCIAL SPACE

SEC. 901. SHORT TITLE.

This title may be cited as the ''Commercial Space Act of 1998''.

SEC. 902. DEFINITIONS.

In this title:

(1) ADMINISTRATOR.—The term ''Administrator'' means the Administrator of the National Aeronautics and Space Administration.

(2) COMMERCIAL PROVIDER.—The term ''commercial provider'' means any person providing space transportation services or other space-related activities, primary control of which is held by persons other than Federal, State, local, and foreign governments.

(3) PAYLOAD.—The term ''payload'' means anything that a person undertakes to transport to, from, or within outer space, or in suborbital trajectory, by means of a space transportation vehicle, but does not include the space transportation vehicle itself except for its components which are specifically designed or adapted for that payload.

(4) SPACE-RELATED ACTIVITIES.—The term ''space-related activities'' includes research and development, manufacturing, processing, service, and other associated and support activities.

(5) SPACE TRANSPORTATION SERVICES.—The term ''space transportation services'' means the preparation of a space transportation vehicle and its payloads for transportation to, from, or within outer space, or in suborbital trajectory, and the conduct of transporting a payload to, from, or within outer space, or in suborbital trajectory.

(6) SPACE TRANSPORTATION VEHICLE.—The term ''space transportation vehicle''—

(A) means any vehicle constructed for the purpose of operating in, or transporting a payload to, from, or within, outer space, or in suborbital trajectory; and

(B) includes any component of that vehicle not specifically designed or adapted for a payload.

(7) STATE.—The term ''State'' means each of the several States of the Union, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and any other commonwealth, territory, or possession of the United States.

(8) UNITED STATES COMMERCIAL PROVIDER.—The term ''United States commercial provider'' means a commercial provider, organized under the laws of the United States or of a State, that is—

(A) more than 50 percent owned by United States nationals; or

(B) a subsidiary of a foreign company and the Secretary of Transportation finds that—

(i) that subsidiary has in the past evidenced a substantial commitment to the United States market through—

(I) investments in the United States in long-term research, development, and manufacturing (including the manufacture of major components and subassemblies); and

(II) significant contributions to employment in the United States; and

(ii)(I) each country in which that foreign company is incorporated or organized; and

(II) if appropriate, in which that foreign company principally conducts its business, affords reciprocal treatment to companies described in subparagraph (A) comparable to that afforded to that foreign company's subsidiary in the United States, as evidenced by—

(aa) providing comparable opportunities for companies described in subparagraph (A) to participate in Government sponsored research and development similar to that authorized under this Act;

(bb) providing no barriers, to companies described in subparagraph (A) with respect to local investment opportunities, that are not provided to foreign companies in the United States; and

(cc) providing adequate and effective protection for the intellectual property rights of companies described in subparagraph (A).

SEC. 903. COMMERCIALIZATION OF SPACE STATION.

(a) POLICY.—Congress declares that—

(1) a priority goal of constructing the International Space Station is the economic development of Earth orbital space;

(2) free and competitive markets create the most efficient conditions for promoting economic development, and should therefore govern the economic development of Earth orbital space; and

(3) the use of free market principles in operating, servicing, allocating the use of, and adding capabilities to the Space Station, and the resulting fullest possible engagement of commercial providers and participation of commercial users, will reduce International Space Station operational costs for all partners and the Federal Government's share of the United States burden to fund operations.

(b) REPORTS.—

(1) IN GENERAL.—The Administrator shall deliver to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science of the House of Representatives, not later than 90 days after the date of enactment of this Act, a study that identifies and examines—

(A) the opportunities for commercial providers to play a role in International Space Station activities, including operation, use, servicing, and augmentation;

(B) the potential cost savings to be derived from commercial providers playing a role in each of these activities;

(C) which of the opportunities described in subparagraph (A) the Administrator plans to make available to commercial providers during fiscal years 1999 and 2000;

(D) the specific policies and initiatives the Administrator is advancing to encourage and facilitate these commercial opportunities; and

(E) the revenues and cost reimbursements to the Federal Government from commercial users of the International Space Station.

(2) STUDY.—

(A) IN GENERAL.—The Administrator shall deliver to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science of the House of Representatives, not later than 180 days after the date of enactment of this Act, an independently-conducted market study that examines and evaluates potential industry interest in providing commercial goods and services for the operation, servicing, and augmentation of the International Space Station, and in the commercial use of the International Space Station.

(B) ADDITIONAL REQUIREMENTS.—In addition to meeting the requirements under subparagraph (A), the study under this paragraph shall also include updates to the cost savings and revenue estimates made in the study described in paragraph (1) based on the external market assessment.

(3) SUBMISSION OF REPORT.—The Administrator shall deliver to Congress, no later than the submission of the President's annual budget request for fiscal year 2000 submitted in accordance with section 1105(a) of title 31, United States Code, a report detailing how many proposals (whether solicited or not) the National Aeronautics and Space Administration received during calendar year 1998 regarding commercial operation, servicing, utilization, or augmentation of the International Space Station, broken down by each of those 4 categories, and specifying how many agreements the National Aeronautics and Space Administration has entered into in response to these proposals, also broken down by those 4 categories.

(4) ROLE OF STATE GOVERNMENTS.—Each of the studies and reports required by paragraphs (1), (2), and (3) shall include consideration of the potential role of State governments as brokers in promoting commercial participation in the International Space Station program.

SEC. 904. COMMERCIAL SPACE LAUNCH AMENDMENTS.

(a) AMENDMENTS.—Chapter 701 of title 49, United States Code, is amended—

(1) in the table of sections—

(A) by amending the item relating to section 70104 to read as follows:

''70104. Restrictions on launches, operations, and reentries.'';

(B) by amending the item relating to section 70108 to read as follows:

''70108. Prohibition, suspension, and end of launches, operation of launch sites and reentry sites, and reentries.'';

(C) by amending the item relating to section 70109 to read as follows:

''70109. Preemption of scheduled launches or reentries.'';

and

(D) by adding at the end the following new items:

''70120. Regulations.

''70121. Report to Congress.''.

(2) in section 70101—

(A) by inserting ''microgravity research,'' after ''information services,'' in subsection (a)(3);

(B) by inserting '', reentry,'' after ''launching'' both places it appears in subsection (a)(4);

(C) by inserting '', reentry vehicles,'' after ''launch vehicles'' in subsection (a)(5);

(D) by inserting ''and reentry services'' after ''launch services'' in subsection (a)(6);

(E) by inserting '', reentries,'' after ''launches'' both places it appears in subsection (a)(7);

(F) by inserting '', reentry sites,'' after ''launch sites'' in subsection (a)(8);

(G) by inserting ''and reentry services'' after ''launch services'' in subsection (a)(8);

(H) by inserting ''reentry sites,'' after ''launch sites,'' in subsection (a)(9);

(I) by inserting ''and reentry site'' after ''launch site'' in subsection (a)(9);

(J) by inserting '', reentry vehicles,'' after ''launch vehicles'' in subsection (b)(2);

(K) by striking ''launch'' in subsection (b)(2)(A);

(L) by inserting ''and reentry'' after ''conduct of commercial launch'' in subsection (b)(3);

(M) by striking ''launch'' after ''and transfer commercial'' in subsection (b)(3); and

(N) by inserting ''and development of reentry sites,'' after ''launch-site support facilities,'' in subsection (b)(4);

(3) in section 70102—

(A) in paragraph (3)—

(i) by striking ''and any payload'' and inserting in lieu thereof ''or reentry vehicle and any payload from Earth'';

(ii) by striking the period at the end of subparagraph (C) and inserting in lieu thereof a comma; and

(iii) by adding after subparagraph (C) the following:

''including activities involved in the preparation of a launch vehicle or payload for launch, when those activities take place at a launch site in the United States.'';

(B) by inserting ''or reentry vehicle'' after ''means of a launch vehicle'' in paragraph (8);

(C) by redesignating paragraphs (10), (11), and (12) as paragraphs (14), (15), and (16), respectively;

(D) by inserting after paragraph (10) the following new paragraphs:

''(10) 'reenter' and 'reentry' mean to return or attempt to return a reentry vehicle and its payload, if any, from Earth orbit or from outer space to Earth.

''(11) 'reentry services' means—

''(A) activities involved in the preparation of a reentry vehicle and its payload, if any, for reentry; and

''(B) the conduct of a reentry.

''(12) 'reentry site' means the location on Earth to which a reentry vehicle is intended to return (as defined in a license the Secretary issues or transfers under this chapter).

''(13) 'reentry vehicle' means a vehicle designed to return from Earth orbit or outer space to Earth, or a reusable launch vehicle designed to return from Earth orbit or outer space to Earth, substantially intact.''; and

(E) by inserting ''or reentry services'' after ''launch services'' each place it appears in paragraph (15), as so redesignated by subparagraph (C) of this paragraph;

(4) in section 70103(b)—

(A) by inserting ''AND REENTRIES'' after ''LAUNCHES'' in the subsection heading;

(B) by inserting ''and reentries'' after ''commercial space launches'' in paragraph (1); and

(C) by inserting ''and reentry'' after ''space launch'' in paragraph (2);

(5) in section 70104—

(A) by amending the section designation and heading to read as follows:

''§ 70104. Restrictions on launches, operations, and reentries'';

(B) by inserting ''or reentry site, or to reenter a reentry vehicle,'' after ''operate a launch site'' each place it appears in subsection (a);

(C) by inserting ''or reentry'' after ''launch or operation'' in subsection (a)(3) and (4);

(D) in subsection (b)—

(i) by striking ''launch license'' and inserting in lieu thereof ''license'';

(ii) by inserting ''or reenter'' after ''may launch''; and

(iii) by inserting ''or reentering'' after ''related to launching''; and

(E) in subsection (c)—

(i) by amending the subsection heading to read as follows: ''PREVENTING LAUNCHES AND REENTRIES.—'';

(ii) by inserting ''or reentry'' after ''prevent the launch''; and

(iii) by inserting ''or reentry'' after ''decides the launch'';

(6) in section 70105—

(A) by inserting ''(1)'' before ''A person may apply'' in subsection (a);

(B) by striking ''receiving an application'' both places it appears in subsection (a) and inserting in lieu thereof ''accepting an application in accordance with criteria established pursuant to subsection (b)(2)(D)'';

(C) by adding at the end of subsection (a) the following: ''The Secretary shall transmit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science of the House of Representatives a written notice not later than 30 days after any occurrence when a license is not issued within the deadline established by this subsection.

''(2) In carrying out paragraph (1), the Secretary may establish procedures for safety approvals of launch vehicles, reentry vehicles, safety systems, processes, services, or personnel that may be used in conducting licensed commercial space launch or reentry activities.'';

(D) by inserting ''or a reentry site, or the reentry of a reentry vehicle,'' after ''operation of a launch site'' in subsection (b)(1);

(E) by striking ''or operation'' and inserting in lieu thereof '', operation, or reentry'' in subsection (b)(2)(A);

(F) by striking ''and'' at the end of subsection (b)(2)(B);

(G) by striking the period at the end of subsection (b)(2)(C) and inserting in lieu thereof ''; and'';

(H) by adding at the end of subsection (b)(2) the following new subparagraph:

''(D) regulations establishing criteria for accepting or rejecting an application for a license under this chapter within 60 days after receipt of such application.''; and

(I) by inserting '', including the requirement to obtain a license,'' after ''waive a requirement'' in subsection (b)(3);

(7) in section 70106(a)—

(A) by inserting ''or reentry site'' after ''observer at a launch site'';

(B) by inserting ''or reentry vehicle'' after ''assemble a launch vehicle''; and

(C) by inserting ''or reentry vehicle'' after ''with a launch vehicle'';

(8) in section 70108—

(A) by amending the section designation and heading to read as follows:

''§ 70108. Prohibition, suspension, and end of launches, operation of launch sites and reentry sites, and reentries'';

and

(B) in subsection (a)—

(i) by inserting ''or reentry site, or reentry of a reentry vehicle,'' after ''operation of a launch site''; and

(ii) by inserting ''or reentry'' after ''launch or operation'';

(9) in section 70109—

(A) by amending the section designation and heading to read as follows:

''§ 70109. Preemption of scheduled launches or reentries'';

(B) in subsection (a)—

(i) by inserting ''or reentry'' after ''ensure that a launch'';

(ii) by inserting '', reentry site,'' after ''United States Government launch site'';

(iii) by inserting ''or reentry date commitment'' after ''launch date commitment'';

(iv) by inserting ''or reentry'' after ''obtained for a launch'';

(v) by inserting '', reentry site,'' after ''access to a launch site'';

(vi) by inserting '', or services related to a reentry,'' after ''amount for launch services''; and

(vii) by inserting ''or reentry'' after ''the scheduled launch''; and

(C) in subsection (c), by inserting ''or reentry'' after ''prompt launching'';

(10) in section 70110—

(A) by inserting ''or reentry'' after ''prevent the launch'' in subsection (a)(2); and

(B) by inserting ''or reentry site, or reentry of a reentry vehicle,'' after ''operation of a launch site'' in subsection (a)(3)(B);

(11) in section 70111—

(A) by inserting ''or reentry'' after ''launch'' in subsection (a)(1)(A);

(B) by inserting ''and reentry services'' after ''launch services'' in subsection (a)(1)(B);

(C) by inserting ''or reentry services'' after ''or launch services'' in subsection (a)(2);

(D) by striking ''source.'' in subsection (a)(2) and inserting ''source, whether such source is located on or off a Federal range.'';

(E) by inserting ''or reentry'' after ''commercial launch'' both places it appears in subsection (b)(1);

(F) by inserting ''or reentry services'' after ''launch services'' in subsection (b)(2)(C);

(G) by inserting after subsection (b)(2) the following new paragraph:

''(3) The Secretary shall ensure the establishment of uniform guidelines for, and consistent implementation of, this section by all Federal agencies.'';

(H) by striking ''or its payload for launch'' in subsection (d) and inserting in lieu thereof ''or reentry vehicle, or the payload of either, for launch or reentry''; and

(I) by inserting '', reentry vehicle,'' after ''manufacturer of the launch vehicle'' in subsection (d);

(12) in section 70112—

(A) in subsection (a)(1), by inserting ''launch or reentry'' after ''(1) When a'';

(B) by inserting ''or reentry'' after ''one launch'' in subsection (a)(3);

(C) by inserting ''or reentry services'' after ''launch services'' in subsection (a)(4);

(D) in subsection (b)(1), by inserting ''launch or reentry'' after ''(1) A'';

(E) by inserting ''or reentry services'' after ''launch services'' each place it appears in subsection (b);

(F) by inserting ''applicable'' after ''carried out under the'' in paragraphs (1) and (2) of subsection (b);

(G) by striking '', Space, and Technology'' in subsection (d)(1);

(H) by inserting ''OR REENTRIES'' after ''LAUNCHES'' in the heading for subsection (e);

(I) by inserting ''or reentry site or a reentry'' after ''launch site'' in subsection (e); and

(J) in subsection (f), by inserting ''launch or reentry'' after ''carried out under a'';

(13) in section 70113—by inserting ''or reentry'' after ''one launch'' each place it appears in paragraphs (1) and (2) of subsection (d);

(14) in section 70115(b)(1)(D)(i)—

(A) by inserting ''reentry site,'' after ''launch site,''; and

(B) by inserting ''or reentry vehicle'' after ''launch vehicle'' both places it appears;

(15) in section 70117—

(A) by inserting ''or reentry site, or to reenter a reentry vehicle'' after ''operate a launch site'' in subsection (a);

(B) by inserting ''or reentry'' after ''approval of a space launch'' in subsection (d);

(C) by amending subsection (f) to read as follows:

''(f) LAUNCH NOT AN EXPORT; REENTRY NOT AN IMPORT.—A launch vehicle, reentry vehicle, or payload that is launched or reentered is not, because of the launch or reentry, an export or import, respectively, for purposes of a law controlling exports or imports, except that payloads launched pursuant to foreign trade zone procedures as provided for under the Foreign Trade Zones Act (19 U.S.C. 81a–81u) shall be considered exports with regard to customs entry.''; and

(D) in subsection (g)—

(i) by striking ''operation of a launch vehicle or launch site,'' in paragraph (1) and inserting in lieu thereof ''reentry, operation of a launch vehicle or reentry vehicle, or operation of a launch site or reentry site,''; and

(ii) by inserting ''reentry,'' after ''launch,'' in paragraph (2); and

(16) by adding at the end the following new sections:

''§ 70120. Regulations

''(a) IN GENERAL.—The Secretary of Transportation, not later than 9 months after the date of the enactment of this section, shall issue regulations to carry out this chapter that include—

''(1) guidelines for industry and State governments to obtain sufficient insurance coverage for potential damages to third parties;

''(2) procedures for requesting and obtaining licenses to launch a commercial launch vehicle;

''(3) procedures for requesting and obtaining operator licenses for launch;

''(4) procedures for requesting and obtaining launch site operator licenses; and

''(5) procedures for the application of government indemnification.

''(b) REENTRY.—The Secretary of Transportation, not later than 6 months after the date of the enactment of this section, shall issue a notice of proposed rulemaking to carry out this chapter that includes—

''(1) procedures for requesting and obtaining licenses to reenter a reentry vehicle;

''(2) procedures for requesting and obtaining operator licenses for reentry; and

''(3) procedures for requesting and obtaining reentry site operator licenses.

''§ 70121. Report to Congress

''The Secretary of Transportation shall submit to Congress an annual report to accompany the President's budget request submitted under section 1105(a) of title 31, United States Code, that—

''(1) describes all activities undertaken under this chapter, including a description of the process for the application for and approval of licenses under this chapter and recommendations for legislation that may further commercial launches and reentries; and

''(2) reviews the performance of the regulatory activities and the effectiveness of the Office of Commercial Space Transportation.''.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 70119 of title 49, United States Code, is amended to read as follows:

''§ 70119. Authorization of appropriations

''There are authorized to be appropriated to the Secretary of Transportation for the activities of the Office of the Associate Administrator for Commercial Space Transportation—

''(1) $6,275,000 for the fiscal year ending September 30, 1999; and

''(2) $6,600,000 for the fiscal year ending September 30, 2000.''.

(c) EFFECTIVE DATE.—The amendments made by subsection (a)(6)(B) shall take effect upon the effective date of final regulations issued pursuant to section 70105(b)(2)(D) of title 49, United States Code, as added by subsection (a)(6)(H).

SEC. 905. PROMOTION OF UNITED STATES GLOBAL POSITIONING SYSTEM STANDARDS.

(a) FINDING.—Congress finds that the Global Positioning System, including satellites, signal equipment, ground stations, data links, and associated command and control facilities, has become an essential element in civil, scientific, and military space development because of the emergence of a United States commercial industry which provides Global Positioning System equipment and related services.

(b) INTERNATIONAL COOPERATION.—In order to support and sustain the Global Positioning System in a manner that will most effectively contribute to the national security, public safety, scientific, and economic interests of the United States, Congress encourages the President to—

(1) ensure the operation of the Global Positioning System on a continuous worldwide basis free of direct user fees;

(2) enter into international agreements that promote cooperation with foreign governments and international organizations to—

(A) establish the Global Positioning System and its augmentations as an acceptable international standard; and

(B) eliminate any foreign barriers to applications of the Global Positioning System worldwide; and

(3) provide clear direction and adequate resources to United States representatives so that on an international basis they can—

(A) achieve and sustain efficient management of the electromagnetic spectrum used by the Global Positioning System; and

(B) protect that spectrum from disruption and interference.

SEC. 906. ACQUISITION OF SPACE SCIENCE DATA.

(a) ACQUISITION FROM COMMERCIAL PROVIDERS.—In order to satisfy the scientific and educational requirements of the National Aeronautics and Space Administration, and where practicable of other Federal agencies and scientific researchers, the Administrator shall to the maximum extent practicable acquire, if cost effective, space science data from a commercial provider.

(b) TREATMENT OF SPACE SCIENCE DATA AS COMMERCIAL ITEM UNDER ACQUISITION LAWS.—Acquisitions of space science data by the Administrator shall be carried out in accordance with applicable acquisition laws and regulations (including chapters 137 and 140 of title 10, United States Code), except that space science data shall be considered to be a commercial item for purposes of such laws and regulations. Nothing in this subsection shall be construed to preclude the United States from acquiring sufficient rights in data to meet the needs of the scientific and educational community or the needs of other government activities.

(c) DEFINITION.—For purposes of this section, the term ''space science data'' includes scientific data concerning the elemental and mineralogical resources of the moon, asteroids, planets and their moons, and comets, microgravity acceleration, and solar storm monitoring.

(d) SAFETY STANDARDS.—Nothing in this section shall be construed to prohibit the Federal Government from requiring compliance with applicable safety standards.

(e) LIMITATION.—This section does not authorize the National Aeronautics and Space Administration to provide financial assistance for the development of commercial systems for the collection of space science data.

SEC. 907. ADMINISTRATION OF COMMERCIAL SPACE CENTERS.

The Administrator shall administer the Commercial Space Center program in a coordinated manner from National Aeronautics and Space Administration headquarters in Washington, D.C.

SEC. 908. LAND REMOTE SENSING POLICY ACT OF 1992 AMENDMENTS.

(a) FINDINGS.—Congress finds that—

(1) a robust domestic United States industry in high resolution Earth remote sensing is in the economic, employment, technological, scientific, and national security interests of the United States;

(2) to secure its national interests the United States must nurture a commercial remote sensing industry that leads the world;

(3) the Federal Government must provide policy and regulations that promote a stable business environment for that industry to succeed and fulfill the national interest;

(4) it is the responsibility of the Federal Government to create domestic and international conditions favorable to the health and growth of the United States commercial remote sensing industry;

(5) it is a fundamental goal of United States policy to support and enhance United States industrial competitiveness in the field of remote sensing, while at the same time protecting the national security concerns and international obligations of the United States;

(6) it is fundamental that the States be able to deploy and utilize that technology in their land management responsibilities;

(7) to date, very few States have the ability to deploy and utilize that technology in the manner described in paragraph (6) without engaging the academic institutions within their boundaries; and

(8) in order to develop a market for the commercial sector, the States must have the capacity to fully utilize that technology.

(b) AMENDMENTS.—The Land Remote Sensing Policy Act of 1992 is amended—

(1) in section 2 (15 U.S.C. 5601)—

(A) by amending paragraph (5) to read as follows:

''(5) Commercialization of land remote sensing is a near-term goal, and should remain a long-term goal, of United States policy.'';

(B) by striking paragraph (6) and redesignating paragraphs (7) through (16) as paragraphs (6) through (15), respectively;

(C) in paragraph (11), as redesignated by subparagraph (B) of this paragraph, by striking ''determining the design'' and all that follows through ''international consortium'' and inserting in lieu thereof ''ensuring the continuity of Landsat quality data''; and

(D) by adding at the end the following:

''(16) The United States should encourage remote sensing systems to promote access to land remote sensing data by scientific researchers and educators.

''(17) It is in the best interest of the United States to encourage remote sensing systems whether privately-funded or publicly-funded, to promote widespread affordable access to unenhanced land remote sensing data by scientific researchers and educators and to allow such users appropriate rights for redistribution for scientific and educational noncommercial purposes.'';

(2) in section 101 (15 U.S.C. 5611)—

(A) in subsection (c)—

(i) by inserting ''and'' at the end of paragraph (6);

(ii) by striking paragraph (7); and

(iii) by redesignating paragraph (8) as paragraph (7); and

(B) in subsection (e)(1)—

(i) by inserting ''and'' at the end of subparagraph (A);

(ii) by striking '', and'' at the end of subparagraph (B) and inserting in lieu thereof a period; and

(iii) by striking subparagraph (C);

(3) in section 201 (15 U.S.C. 5621)—

(A) by inserting ''(1)'' after ''NATIONAL SECURITY.—'' in subsection (b);

(B) in subsection (b)(1), as redesignated by subparagraph (A) of this paragraph—

(i) by striking ''No license shall be granted by the Secretary unless the Secretary determines in writing that the applicant will comply'' and inserting in lieu thereof ''The Secretary shall grant a license if the Secretary determines that the activities proposed in the application are consistent'';

(ii) by inserting '', and that the applicant has provided assurances adequate to indicate, in combination with other information available to the Secretary that is relevant to activities proposed in the application, that the applicant will comply with all terms of the license'' after ''concerns of the United States''; and

(iii) by inserting ''and policies'' after ''international obligations'';

(C) by adding at the end of subsection (b) the following new paragraph:

''(2) The Secretary, not later than 6 months after the date of the enactment of the Department of Defense Appropriations Act, 1999, shall publish in the Federal Register a complete and specific list of all information required to comprise a complete application for a license under this title. An application shall be considered complete when the applicant has provided all information required by the list most recently published in the Federal Register before the date the application was first submitted. Unless the Secretary has, within 30 days after receipt of an application, notified the applicant of information necessary to complete

an application, the Secretary may not deny the application on the basis of the absence of any such information.''; and

(D) in subsection (c), by amending the second sentence thereof to read as follows: ''If the Secretary has not granted the license within such 120-day period, the Secretary shall inform the applicant, within such period, of any pending issues and actions required to be carried out by the applicant or the Secretary in order to result in the granting of a license.'';

(4) in section 202 (15 U.S.C. 5622)—

(A) by striking ''section 506'' in subsection (b)(1) and inserting in lieu thereof ''section 507'';

(B) in subsection (b)(2), by striking ''as soon as such data are available and on reasonable terms and conditions'' and inserting in lieu thereof ''on reasonable terms and conditions, including the provision of such data in a timely manner subject to United States national security and foreign policy interests'';

(C) in subsection (b)(6), by striking ''any agreement'' and all that follows through ''nations or entities'' and inserting in lieu thereof ''any significant or substantial agreement''; and

(D) by inserting after paragraph (6) of subsection (b) the following:

''The Secretary may not seek to enjoin a company from entering into a foreign agreement the Secretary receives notification of under paragraph (6) unless the Secretary has, within 30 days after receipt of such notification, transmitted to the licensee a statement that such agreement is inconsistent with the national security, foreign policy, or international obligations of the United States, including an explanation of that inconsistency.'';

(5) in section 203(a)(2) (15 U.S.C. 5623(a)(2)), by striking ''under this title and'' and inserting in lieu thereof ''under this title or'';

(6) in section 204 (15 U.S.C. 5624), by striking ''may'' and inserting in lieu thereof ''shall'';

(7) in section 205(c) (15 U.S.C. 5625(c)), by striking ''if such remote sensing space system is licensed by the Secretary before commencing operation'' and inserting in lieu thereof ''if such private remote sensing space system will be licensed by the Secretary before commencing its commercial operation'';

(8) by adding at the end of title II the following new section:

''SEC. 206. NOTIFICATION.

''(a) LIMITATIONS ON LICENSEE.—Not later than 30 days after a determination by the Secretary to require a licensee to limit collection or distribution of data from a system licensed under this title, the Secretary shall provide written notification to Congress of such determination, including the reasons therefor, the limitations imposed on the licensee, and the period during which those limitations apply.

''(b) TERMINATION, MODIFICATION, OR SUSPENSION.—Not later than 30 days after an action by the Secretary to seek an order of injunction or other judicial determination pursuant to section 202(b) or section 203(a)(2), the Secretary shall provide written notification to Congress of that action and the reasons for that action.'';

(9) in section 301 (15 U.S.C. 5631)—

(A) by inserting '', that are not being commercially developed'' after ''and its environment'' in subsection (a)(2)(B); and

(B) by adding at the end the following:

''(d) DUPLICATION OF COMMERCIAL SECTOR ACTIVITIES.—The Federal Government shall not undertake activities under this section which duplicate activities available from the United States commercial sector, unless such activities would result in significant cost savings to the Federal Government, or are necessary for reasons of national security or international obligations or policies.'';

(10) in section 302 (15 U.S.C. 5632)—

(A) by striking ''(a) GENERAL RULE.—'';

(B) by striking '', including unenhanced data gathered under the technology demonstration program carried out pursuant to section 303,''; and

(C) by striking subsection (b);

(11) by striking section 303 (15 U.S.C. 5633);

(12) in section 401(b)(3) (15 U.S.C. 5641(b)(3)), by striking '', including any such enhancements developed under the technology demonstration program under section 303,'';

(13) in section 501(a) (15 U.S.C. 5651(a)), by striking ''section 506'' and inserting ''section 507'';

(14) in section 502(c)(7) (15 U.S.C. 5652(c)(7)), by striking ''section 506'' and inserting ''section 507''; and

(15) in section 507 (15 U.S.C. 5657)—

(A) by striking subsection (a) and inserting the following:

''(a) RESPONSIBILITY OF THE SECRETARY OF DEFENSE.—The Secretary shall consult with the Secretary of Defense on all matters under title II affecting national security. The Secretary of Defense shall be responsible for determining those conditions, consistent with this Act, necessary to meet national security concerns of the United States, and for notifying the Secretary promptly of such conditions. The Secretary of Defense shall convey to the Secretary the determinations for a license issued under title II, consistent with this Act, that the Secretary of Defense determines necessary to meet the national security concerns of the United States.'';

(B) by striking subsection (b)(1) and (2) and inserting the following:

''(b) RESPONSIBILITY OF THE SECRETARY OF STATE.—(1) The Secretary shall consult with the Secretary of State on all matters under title II affecting international obligations and policies of the United States. The Secretary of State shall be responsible for determining those conditions, consistent with this Act, necessary to meet international obligations and policies of the United States and for notifying the Secretary promptly of such conditions. The Secretary of State shall convey to the Secretary the determinations for a license issued under title II, consistent with this Act, that the Secretary of State determines necessary to meet the international obligations and policies of the United States.

''(2) Appropriate United States Government agencies are authorized and encouraged to provide to developing nations, as a component of international aid, resources for purchasing remote sensing data, training, and analysis from commercial providers. National Aeronautics and Space Administration, United States Geological Survey, and National Oceanic and Atmospheric Administration should develop and implement a program to aid the transfer of remote sensing technology and Mission to Planet Earth (OES) science at the state level''; and

(C) in subsection (d), by striking ''Secretary may require'' and inserting ''Secretary shall, if appropriate, require''.

SEC. 909. ACQUISITION OF EARTH SCIENCE DATA.

(a) ACQUISITION.—For purposes of meeting Government goals for Mission to Planet Earth, and in order to satisfy the scientific and educational requirements of the National Aeronautics and Space Administration, and if appropriate, of other Federal agencies and scientific researchers, the Administrator shall to the maximum extent practicable acquire, if cost-effective, space-based and airborne Earth remote sensing data, services, distribution, and applications from a commercial provider.

(b) TREATMENT AS COMMERCIAL ITEM UNDER ACQUISITION LAWS.—Acquisitions by the Administrator of the data, services, distribution, and applications referred to in subsection (a) shall be carried out in accordance with applicable acquisition laws and regulations (including chapters 137 and 140 of title 10, United States Code), except that those data, services, distribution, and applications shall be considered to be a commercial item for purposes of such laws and regulations. Nothing in this subsection shall be construed to preclude the United States from acquiring sufficient rights in data to meet the needs of the scientific and educational community or the needs of other government activities.

(c) SAFETY STANDARDS.—Nothing in this section shall be construed to prohibit the Federal Government from requiring compliance with applicable safety standards.

(d) ADMINISTRATION AND EXECUTION.—This section shall be carried out as part of the Commercial Remote Sensing Program at the Stennis Space Center.

SEC. 910. REQUIREMENT TO PROCURE COMMERCIAL SPACE TRANSPORTATION SERVICES.

(a) IN GENERAL.—Except as otherwise provided in this section, the Federal Government shall acquire space transportation services from United States commercial providers in any case in which those services are required in the course of its activities. To the maximum extent practicable, the Federal Government shall plan missions to accommodate the space transportation services capabilities of United States commercial providers.

(b) EXCEPTIONS.—The Federal Government shall not be required to acquire space transportation services under subsection (a) if, on a case-by-case basis, the Administrator or, in the case of a national security issue, the Secretary of the Air Force, determines that—

(1) a payload requires the unique capabilities of the Space Shuttle;

(2) cost effective space transportation services that meet specific mission requirements would not be reasonably available from United States commercial providers when required;

(3) the use of space transportation services from United States commercial providers poses an unacceptable risk of loss of a unique scientific opportunity;

(4) the use of space transportation services from United States commercial providers is inconsistent with national security objectives;

(5) the use of space transportation services from United States commercial providers is inconsistent with foreign policy purposes, or launch of the payload by a foreign entity serves foreign policy purposes;

(6) it is more cost effective to transport a payload in conjunction with a test or demonstration of a space transportation vehicle owned by the Federal Government; or

(7) a payload may make use of the available cargo space on a Space Shuttle mission as a secondary payload, and that payload is consistent with the requirements of research, development, demonstration, scientific, commercial, and educational programs authorized by the Administrator.

(c) DELAYED EFFECT.—Subsection (a) shall not apply to space transportation services and space transportation vehicles acquired or owned by the Federal Government before the date of enactment of this Act, or with respect to which a contract for that acquisition or ownership has been entered into before that date.

(d) HISTORICAL PURPOSES.—This section shall not be construed to prohibit the Federal Government from acquiring, owning, or maintaining space transportation vehicles solely for historical display purposes.

SEC. 911. ACQUISITION OF COMMERCIAL SPACE TRANSPORTATION SERVICES.

(a) TREATMENT OF COMMERCIAL SPACE TRANSPORTATION SERVICES AS COMMERCIAL ITEM UNDER ACQUISITION LAWS.—Acquisitions of space transportation services by the Federal Government shall be carried out in accordance with applicable acquisition laws and regulations (including chapters 137 and 140 of title 10, United States Code), except that space transportation services shall be considered to be a commercial item for purposes of those laws and regulations.

(b) SAFETY STANDARDS.—Nothing in this section shall be construed to prohibit the Federal Government from requiring compliance with applicable safety standards.

SEC. 912. LAUNCH SERVICES PURCHASE ACT OF 1990 AMENDMENTS.

The Launch Services Purchase Act of 1990 (42 U.S.C. 2465b et seq.) is amended—

(1) by striking section 202;

(2) in section 203—

(A) by striking paragraphs (1) and (2); and

(B) by redesignating paragraphs (3) and (4) as paragraphs (1) and (2), respectively;

(3) by striking sections 204 and 205; and

(4) in section 206—

(A) by striking ''(a) COMMERCIAL PAYLOADS ON THE SPACE SHUTTLE.—''; and

(B) by striking subsection (b).

SEC. 913. SHUTTLE PRIVATIZATION.

(a) POLICY AND PREPARATION.—The Administrator shall prepare for an orderly transition from the Federal operation, or Federal management of contracted operation, of space transportation systems to the Federal purchase of commercial space transportation services for all nonemergency launch requirements, including human, cargo, and mixed payloads. In those preparations, the Administrator shall take into account the need for short-term economies, as well as the goal of restoring the National Aeronautics and Space Administration's research focus and its mandate to promote the fullest possible commercial use of space. As part of those preparations, the Administrator shall plan for the potential privatization of the Space Shuttle program. That plan shall keep safety and cost effectiveness as high priorities. Nothing in this section shall prohibit the National Aeronautics and Space Administration from studying, designing, developing, or funding upgrades or modifications essential to the safe and economical operation of the Space Shuttle fleet.

(b) FEASIBILITY STUDY.—The Administrator shall conduct a study of the feasibility of implementing the recommendation of the Independent Shuttle Management Review Team that the National Aeronautics and Space Administration transition toward the privatization of the Space Shuttle. The study shall identify, discuss, and, where possible, present options for resolving, the major policy and legal issues that must be addressed before the Space Shuttle is privatized, including—

(1) whether the Federal Government or the Space Shuttle contractor should own the Space Shuttle orbiters and ground facilities;

(2) whether the Federal Government should indemnify the contractor for any third party liability arising from Space Shuttle operations, and, if so, under what terms and conditions;

(3) whether payloads other than National Aeronautics and Space Administration payloads should be allowed to be launched on the Space Shuttle, how missions will be prioritized, and who will decide which mission flies and when;

(4) whether commercial payloads should be allowed to be launched on the Space Shuttle and whether any classes of payloads should be made ineligible for launch consideration;

(5) whether National Aeronautics and Space Administration and other Federal Government payloads should have priority over non-Federal payloads in the Space Shuttle launch assignments, and what policies should be developed to prioritize among payloads generally;

(6) whether the public interest requires that certain Space Shuttle functions continue to be performed by the Federal Government; and

(7) how much cost savings, if any, will be generated by privatization of the Space Shuttle.

(c) REPORT TO CONGRESS.—Within 60 days after the date of enactment of this Act, the National Aeronautics and Space Administration shall complete the study required under subsection (b) and shall submit a report on the study to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science of the House of Representatives.

SEC. 914. USE OF EXCESS INTERCONTINENTAL BALLISTIC MISSILES.

(a) IN GENERAL.—The Federal Government shall not—

(1) convert any missile described in subsection (c) to a space transportation vehicle configuration or otherwise use any such missile to place a payload in space; or

(2) transfer ownership of any such missile to another person, except as provided in subsection (b).

(b) AUTHORIZED FEDERAL USES.—

(1) A missile described in subsection (c) may be converted for use as a space transportation vehicle by the Federal Government if except as provided in paragraph (2), at least 30 days before that conversion the agency seeking to use the missile as a space transportation vehicle transmits to the Committee on Armed Services and the Committee on Commerce, Science, and Transportation of the Senate and the Committee on National Security and the Committee Science of the House of Representatives, shall ensure in writing that the use of that missile—

(A) would result in cost savings to the Federal Government when compared to the cost of acquiring space transportation services from United States commercial providers;

(B) meets all mission requirements of the agency, including performance, schedule, and risk requirements;

(C) is consistent with international obligations of the United States; and

(D) is approved by the Secretary of Defense or his designee.

(2) The requirement under paragraph (1) that the assurance described in that paragraph must be transmitted at least 30 days before conversion of the missile shall not apply if the Secretary of Defense determines that compliance with that requirement would be inconsistent with meeting immediate national security requirements.

(c) MISSILES REFERRED TO.— The missiles referred to in this section are missiles owned by the United States that—

(1) were formerly used by the Department of Defense for national defense purposes as intercontinental ballistic missiles; and

(2) have been declared excess to United States national defense needs and are in compliance with international obligations of the United States.

SEC. 915. NATIONAL LAUNCH CAPABILITY.

(a) FINDINGS.—Congress finds that—

(1) a robust satellite and launch industry in the United States serves the interest of the United States by—

(A) contributing to the economy of the United States;

(B) strengthening employment, technological, and scientific interests of the United States; and

(C) serving the foreign policy and national security interests of the United States.

(b) DEFINITIONS.—In this section:

(1) SECRETARY.—The term ''Secretary'' means the Secretary of Defense.

(2) TOTAL POTENTIAL NATIONAL MISSION MODEL.—The term ''total potential national mission model'' means a model that—

(A) is determined by the Secretary, in consultation with the Administrator, to assess the total potential space missions to be conducted by the United States during a specified period of time; and

(B) includes all United States launches (including launches conducted on or off a Federal range).

(c) REPORT.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary shall, in consultation with the Administrator and appropriate representatives of the satellite and launch industry and the governments of States and political subdivisions thereof—

(A) prepare a report that meets the requirements of this subsection; and

(B) submit that report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science of the House of Representatives.

(2) REQUIREMENTS FOR REPORT.—The report prepared under this section shall—

(A) identify the total potential national mission model for the period beginning on the date of the report and ending on December 31, 2007;

(B) identify the resources that are necessary to carry out the total potential national mission model described in subparagraph (A), including providing for—

(i) launch property and services of the Department of Defense; and

(ii) the ability to support a launch within 6 hours after the appropriate official of the Federal Government receives notification by telephone at Government facilities located at—

(I) Cape Canaveral in Florida; or

(II) Vandenberg Air Force Base in California;

(C) identify each deficiency in the resources referred to in subparagraph (B);

(D) with respect to the deficiencies identified under subparagraph (C), including estimates of the level of funding necessary to address those deficiencies for the period described in subparagraph (A);

(E) identify opportunities for investment by non-Federal entities (including States and political subdivisions thereof and private sector entities) to assist the Federal Government in providing launch capabilities for the commercial space industry in the United States;

(F) identify 1 or more methods by which, if sufficient resources referred to in subparagraph (D) are not available to the Department of Defense, the control of the launch property and launch services of the Department of Defense may be transferred from the Department of Defense to—

(i) 1 or more other Federal agencies;

(ii) 1 or more States (or subdivisions thereof);

(iii) 1 or more private sector entities; or

(iv) any combination of the entities described in clauses (i) through (iii); and

(G) identify the technical, structural, and legal impediments associated with making launch sites in the United States cost-competitive on an international level.

HARKIN AMENDMENTS NOS. 3402–3404

(Ordered to lie on the table.)

Mr. HARKIN submitted three amendments intended to be proposed by him to the bill, S. 2132, supra; as follows:

AMENDMENT NO. 3402

On page 99, between lines 17 and 18, insert the following:

SEC. 8104. (a) Of the total amount appropriated under title IV for research, development, test and evaluation, Defense-wide, for basic research, $29,646,000 is available for research and development relating to Persian Gulf illnesses.

(b) Notwithstanding any provision of title IV, the total amount available under title IV for the Foreign Military Comparative Testing program is $10,000,000 less than the amount provided for that program under that title.

AMENDMENT NO. 3403

On page 36, line 22, before the period at the end insert the following: ''*Provided*, That the total amount available under this heading is hereby increased by $50,000,000, which shall be available for making smoking cessation therapy available for members of the Armed Forces (including retired members), former members of the Armed Forces entitled to retired or retainer pay, and dependents of such members and former members who are identified as persons likely to benefit from effective smoking cessation therapy, including providing subsidies for defraying costs incurred by the members, former members, and dependents for counseling and nicotine replacement: *Provided, further*, That the total amount appropriated under title IV is hereby reduced by $50,000,000, to be derived from amounts appropriated under that title for advisory and assistance services''.

AMENDMENT NO. 3404

On page 99, between lines 17 and 18, insert the following:

SEC. 8104. (a) Out of funds appropriated by this Act, the Secretary of Defense shall make available to the Army Reserve Personnel Command, the Bureau of Naval Personnel, and the Air Force Personnel Center, and the National Archives and Records Administration funds in amounts necessary to ensure the elimination of the backlog in satisfying requests of former members of the Armed Forces for replacement medals and replacements for other decorations that such personnel have earned in the military service of the United States, and shall make any additional allocations of resources that the Secretary considers necessary to ensure the elimination of that backlog.

(b) An allocation of funds may be made under subsection (a) only if and to the extent that the allocation does not detract from the performance of other personnel service and personnel support activities within the Department of Defense.

FRIST AMENDMENT NO. 3405

(Ordered to lie on the table.)

Mr. FRIST submitted an amendment intended to be proposed by him to the bill, S. 2132, supra; as follows:

On page 9, line 13, increase the amount by $5,000,000.

On page 24, line 16, increase the amount by $2,000,000.

LEAHY AMENDMENT NO. 3406

(Ordered to lie on the table.)

Mr. LEAHY submitted an amendment intended to be proposed by him to the bill, S. 2132, supra; as follows:

At the appropriate place in the bill, insert the following:

SEC. . TRAINING AND OTHER PROGRAMS.

(a) PROHIBITION.—None of the funds made available by this Act may be used to support any training program or exercise involving a unit of the security forces of a foreign country if the Secretary of Defense has credible information that a member of such unit has committed a gross violation of human rights.

(b) MONITORING.—The Secretary of Defense, in consultation with the Secretary of State, shall establish procedures to ensure full consideration of all available information relating to human rights violations by foreign security forces.

(c) WAIVER.—The Secretary of Defense, after consultation with the Secretary of State, may waive the prohibition in paragraph (a) if he determines that such waiver is required by extraordinary circumstances.

(d) REPORT.—Not more than 15 days after the exercise of any waiver under paragraph (c), the Secretary of Defense shall submit a report to the congressional defense committees describing the extraordinary circumstances, the purpose and duration of the training program, the United States forces and the foreign security forces involved in the training program, and the information relating to human rights violations that necessitates the waiver.

COATS (AND LIEBERMAN) AMENDMENT NO. 3407

(Ordered to lie on the table.)

Mr. COATS (for himself and Mr. LIEBERMAN) submitted an amendment intended to be proposed by them to the bill, S. 2132, supra; as follows:

At the appropriate place, insert:

JOINT WAR FIGHTING EXPERIMENTATION

SEC. FINDINGS.

The Senate makes the following findings:

(1) The collapse of the Soviet Union in 1991 and the unprecedented explosion of technological advances that could fundamentally redefine military threats and military capabilities in the future have generated a need to assess the defense policy, strategy, and force structure necessary to meet future defense requirements of the United States.

(2) The assessment conducted by the administration of President Bush (known as the ''Base Force'' assessment) and the assessment conducted by the administration of President Clinton (known as the ''Bottom-Up Review'') were important attempts to redefine the defense strategy of the United States and the force structure of the Armed Forces necessary to execute that strategy.

(3) Those assessments have become inadequate as a result of the pace of global geopolitical change and the speed of technological change, which have been greater than expected.

(4) The Chairman of the Joint Chiefs of Staff reacted to the changing environment by developing and publishing in May 1996 a vision statement, known as ''Joint Vision 2010'', to be a basis for the transformation of United States military capabilities. The vision statement embodies the improved intelligence and command and control that is available in the information age and sets forth the operational concepts of dominant maneuver, precision engagement, full-dimensional protection, and focused logistics to achieve the objective of full spectrum dominance.

(5) In 1996 Congress, concerned about the shortcomings in defense policies and programs derived from the Base-Force Review and the Bottom Up Review, determined that there was a need for a new, comprehensive assessment of the defense strategy of the United States and the force structure of the Armed Forces necessary for meeting the threats to the United States in the 21st century.

(6) As a result of that determination, Congress passed the Military Force Structure Review Act of 1996 (subtitle B of title IX of the National Defense Authorization Act for Fiscal Year 1997), which required the Secretary of Defense to complete in 1997 a quadrennial defense review of the defense program of the United States. The review was required to include a comprehensive examination of the defense strategy, force structure, force modernization plans, infrastructure, and other elements of the defense program and policies with a view toward determining and expressing the defense strategy of the United States and establishing a revised defense program through 2005. The Act also established a National Defense Panel to assess the Quadrennial Defense Review and to conduct an independent, nonpartisan review of the strategy, force structure, and funding required to meet anticipated threats to the national security of the United States through 2010 and beyond.

(7) The Quadrennial Defense Review, completed by the Secretary of Defense in May 1997, defined the defense strategy in terms of ''Shape, Respond, and Prepare Now''. The Quadrennial Defense Review placed greater emphasis on the need to prepare now for an uncertain future by exploiting the revolution in technology and transforming the force toward Joint Vision 2010. It concluded that our future force will be different in character than our current force.

(8) The National Defense Panel Report, published in December 1997, concluded that ''the Department of Defense should accord the highest priority to executing a transformation strategy for the United States military, starting now.'' The panel recommended the establishment of a Joint Forces Command with the responsibility to be the joint force integrator and provider and the responsibility for driving the process for transforming United States forces, including the conduct of joint experimentation, and to have the budget for carrying out those responsibilities.

(9) The assessments of both the Quadrennial Defense Review and the National Defense Panel provide the Senate with a compelling argument that the future security environment and the military challenges to be faced by the United States in the future will be fundamentally different than the current environment and challenges. The assessments also reinforce the foundational premise of the Goldwater-Nichols Department of Defense Reorganization Act of 1986 that warfare, in all of its varieties, will be joint warfare requiring the execution of developed joint operational concepts.

(10) A process of joint experimentation is necessary for—

(A) integrating advances in technology with changes in the organizational structure of the Armed Forces and the development of joint operational concepts that will be effective against national security threats anticipated for the future; and

(B) identifying and assessing the interdependent aspects of joint warfare that are key for transforming the conduct of military operations by the United States to meet those anticipated threats successfully.

(11) It is critical for future readiness that the Armed Forces of the Untied States innovatively investigate and test technologies, forces, and joint operational concepts in simulations, wargames, and virtual settings, as well as in field environments under realistic conditions against the full range of future challenges. It is essential that an energetic and innovative organization be established

and empowered to design and implement a process of joint experimentation to develop and validate new joint warfighting concepts, along with experimentation by the Armed Forces, that is directed at transforming the Armed Forces to meet the threats to the national security that are anticipated for the early 21st century. That process will drive changes in doctrine, organization, training and education, materiel, leadership, and personnel.

(12) The Department of Defense is committed to conducting aggressive experimentation as a key component of its transformation strategy. The competition of ideas is critical for achieving effective transformation. Experimentation by each of the Armed Forces has been, and will continue to be, a vital aspect of the pursuit of effective transformation. Joint experimentation leverages the effectiveness of each of the Armed Forces and the Defense Agencies.

SEC. . SENSE OF SENATE.

(a) DESIGNATION OF COMMANDER TO HAVE JOINT WARFIGHTING EXPERIMENTATION MISSION.—It is the sense of Senate that Congress supports the initiative of the Secretary of Defense and the Chairman of the Joint Chiefs of Staff to designate a commander of a combatant command to have the mission for joint warefighting experimentation, consistent with the understanding of the Senate that the Chairman of the Joint Chiefs of Staff will assign the designated commander the tasks to develop and validate new joint warfighting concepts and capabilities, and to determine the implications, for doctrine, organization, training and education, materiel, leadership, and personnel, of the Department of Defense strategy for transforming the Armed Forces to meet the national security threats of the future.

(b) RESOURCES OF COMMANDER.—It is, further, the sense of Senate that the commander designated to have the joint warfighting experimentation mission should—

(1) have sufficient freedom of action and authority over the necessary forces to successfully establish and conduct the process of joint warfighting experimentation;

(2) be provided resources adequate for the joint warfighting experimentation process; and

(3) have authority over the use of the resources for the planning, preparation, conduct, and assessment of joint warfighting experimentation.

(c) AUTHORITY AND RESPONSIBILITIES OF COMMANDER.—It is, further, the sense of Senate that, for the conduct of joint warfighting experimentation to be effective, it is necessary that the commander designated to have the joint warfighting experimentation mission also have the authority and responsibility for the following:

(1) Developing and implementing a process of joint experimentation to formulate and validate concepts critical for joint warfighting in the future, including (in such process) analyses, simulations, wargames, information superiority and other experiments, advanced concept technology demonstrations, and joint exercises conducted in virtual and actual field environments.

(2) Planning, preparing, and conducting the program of joint warfighting experimentation.

(3) Assessing the effectiveness of organizational structures, operational concepts, and technologies employed in joint experimentation, investigating opportunities for coordinating the evolution of the organizational structure of the Armed Forces compatibly with the concurrent evolution of advanced technologies, and investigating new concepts for transforming joint warfighting capabilities to meet the operational challenges expected to be encountered by the Armed Forces in the early 21st century.

(4) Coordinating with each of the Armed Forces and the Defense Agencies regarding the development of the equipment (including surrogate or real technologies, platforms, and systems) necessary for the conduct of joint experimentation, or, if necessary, developing such equipment directly.

(5) Coordinating with each of the Armed Forces and the Defense Agencies regarding the acquisition of the materiel, supplies, services, and surrogate or real technology resources necessary for the conduct of joint experimentation, or, if necessary, acquiring such items and services directly.

(6) Developing scenarios and measures of effectiveness for joint experimentation.

(7) conducting so-called ''red team'' vulnerability assessments as part of joint experimentation.

(8) Assessing the interoperability of equipment and forces.

(9) Providing the Secretary of Defense and the Chairman of the Joint Chiefs of Staff with the commander's recommendations (developed on the basis of joint experimentation) for reducing unnecessary redundancy of equipment and forces.

(10) Providing the Secretary of Defense and the Chairman of the Joint Chiefs of Staff with the commander's recommendations (developed on the basis of joint experimentation) regarding synchronization of the fielding of advanced technologies among the Armed Forces to enable the development and execution of joint operational concepts.

(11) Submitting, reviewing, and making recommendations (in conjunction with the joint experimentation and evaluation process) to the Chairman of the Joint Chiefs of Staff on mission needs statements and operational requirements documents.

(12) Exploring new operational concepts (including those developed within the Office of the Secretary of Defense and Defense Agencies, other unified commands, the Armed Forces, and the Joint Staff), and integrating and testing in joint experimentation the systems and concepts that result from warfighting experimentation by the Armed Forces and the Defense Agencies.

(13) Developing, planning, refining, assessing, and recommending to the Secretary of Defense and the Chairman of the Joint Chiefs of Staff the most promising joint concepts and capabilities for experimentation and assessment.

(14) Assisting the Secretary of Defense and the Chairman of the Joint Chiefs of Staff to prioritize joint requirements and acquisition programs on the basis of joint warfighting experimentation.

(d) CONTINUED EXPERIMENTATION BY OTHER DEFENSE ORGANIZATIONS.—It is, further, the sense of Senate that—

(1) the Armed Forces are expected to continue to develop concepts and conduct intraservice and multiservice warfighting experimentation within their core competencies; and

(2) the commander of United States Special Operations Command is expected to continue to develop concepts and conduct joint experimentation associated with special operations forces.

(e) CONGRESSIONAL REVIEW.—It is, further, the sense of Senate that—

(1) The Senate will carefully review the initial report and annual reports on joint warfighting experimentation required under section 1203 to determine the adequacy of the scope and pace of the transformation of the Armed Forces to meet future challenges to the national security; and

(2) if the progress is inadequate, the Senate will consider legislation to establish a unified combatant command with the mission, forces, budget, responsibilities, and authority described in the preceding provisions of this section.

SEC. . REPORTS ON JOINT WARFIGHTING EXPERIMENTATION.

(a) INITIAL REPORT.—(1) On such schedule as the Secretary of Defense shall direct, the commander of the combatant command assigned the mission for joint warfighting experimentation shall submit to the Secretary an initial report on the implementation of joint experimentation. Not later than April 1, 1999, the Secretary shall submit the report, together with any comments that the Secretary considers appropriate and any comments that the Chairman of the Joint Chiefs of Staff considers appropriate, to the U.S. Senate.

(2) The initial report of the commander shall include the following:

(A) The commander's understanding of the commander's specific authority and responsibilities and of the commander's relationship to the Secretary of Defense, the Chairman of the Joint Chiefs of Staff, the Joint Staff, the commanders of other combatant commands, the Armed Forces, and the Defense Agencies and activities.

(B) The organization of the commander's combatant command, and of its staff, for carrying out the joint warfighting experimentation mission.

(C) The process established for tasking forces to participate in joint warfighting experimentation and the commander's specific authority over the forces.

(D) Any forces designated or made available as joint experimentation forces.

(E) The resources provided for joint warfighting experimentation, including the personnel and funding for the initial implementation of joint experimentation, the process for providing the resources to the commander, the categories of the funding, and the authority of the commander for budget execution.

(F) The authority of the commander, and the process established, for the development and acquisition of the material, supplies, services, and equipment necessary for the conduct of joint warfighting experimentation, including the authority and process for development and acquisition by the Armed Forces and the Defense Agencies and the authority and process for development and acquisition by the commander directly.

(G) The authority of the commander to design, prepare, and conduct joint experiments (including the scenarios and measures of effectiveness used) for assessing operational concepts for meeting future challenges to the national security.

(H) The role assigned the commander for—

(i) integrating and testing in joint warfighting experimentation the systems that emerge from warfighting experimentation by the Armed Forces or the Defense Agencies;

(ii) assessing the effectiveness of organizational structures, operational concepts, and technologies employed in joint warfighting experimentation; and

(iii) assisting the Secretary of Defense and the Chairman of the Joint Chiefs of Staff in prioritizing acquisition programs in relationship to future joint warfighting capabilities.

(I) Any other comments that the commander considers appropriate.

(b) ANNUAL REPORT.—(1) On such schedule as the Secretary of Defense shall direct, the commander of the combatant command assigned the mission for joint warfighting experimentation shall submit to the Secretary an annual report on the conduct of joint experimentation activities for the fiscal year ending in the year of the report. Not later

than December 1 of each year, the Secretary shall submit the report, together with any comments that the Secretary considers appropriate and any comments that the Chairman of the Joint Chiefs of Staff considers appropriate, to the U.S. Senate. The first annual report shall be submitted in 1999.

(2) The annual report of the commander shall include, for the fiscal year covered by the report, the following:

(A) Any changes in—

(i) the commander's authority and responsibilities for joint warfighting experimentation;

(ii) the commander's relationship to the Secretary of Defense, the Chairman of the Joint Chiefs of Staff, the commanders of the other combatant commands, the Armed Forces, or the Defense Agencies or activities;

(iii) the organization of the commander's command and staff for joint warfighting experimentation;

(iv) any forces designated or made available as joint experimentation forces;

(v) the process established for tasking forces to participate in joint experimentation activities or the commander's specific authority over the tasked forces;

(vi) the procedures for providing funding for the commander, the categories of funding, or the commander's authority for budget execution;

(vii) the authority of the commander, and the process established, for the development and acquisition of the material, supplies, services, and equipment necessary for the conduct of joint warfighting experimentation;

(viii) the commander's authority to design, prepare, and conduct joint experiments (including the scenarios and measures of effectiveness used) for assessing operational concepts for meeting future challenges to the national security; or

(ix) any role described in subsection (a)(2)(H).

(B) The conduct of joint warfighting experimentation activities, including the number of activities, the forces involved, the national security challenges addressed, the operational concepts assessed, and the scenarios and measures of effectiveness used.

(C) An assessment of the results of warfighting experimentation within the Department of Defense.

(D) The effect of warfighting experimentation on the process for transforming the Armed Forces to meet future challenges to the national security.

(E) Any recommendation that the commander considers appropriate regarding—

(i) the development or acquisition of advanced technologies; or

(ii) changes in organizational structure, operational concepts, or joint doctrine.

(F) An assessment of the adequacy of resources, and any recommended changes for the process of providing resources, for joint warfighting experimentation.

(G) Any recommended changes in the authority or responsibilities of the commander.

(H) Any additional comments that the commander considers appropriate.

BINGAMAN AMENDMENT NO. 3408

(Ordered to lie on the table.)

Mr. BINGAMAN submitted an amendment intended to be proposed by him to the bill, S. 2132, supra; as follows:

On page 99, between lines 17 and 18, insert the following:

SEC. 8104. (a) The Secretary of Defense, in coordination with the Secretary of Health and Human Services, shall carry out a program to distribute surplus dental equipment of the Department of Defense, at no cost to the recipients, to Federally-qualified health centers (within the meaning of section 1905(l)(2)(B) of the Social Security Act (42 U.S.C. 1396d(l)(2)(B))) that serve special medically underserved populations including migratory and seasonal agricultural workers, the homeless, and residents of public housing.

(b) Not later than March 15, 1999, the Secretary of Defense shall submit to Congress a report on the program, including the actions taken under the program.

HUTCHISON (AND ABRAHAM) AMENDMENT NO. 3409

Mrs. HUTCHISON (for herself and Mr. ABRAHAM) proposed an amendment to the bill, S 2132, supra; as follows:

At the appropriate place in the bill, insert the following:

SEC. (a): Congress makes the following findings:

(1) Since 1989,

(A) The national defense budget has been cut in half as a percentage of the gross domestic product;

(B) The national defense budget has been cut by over $120 billion in real terms;

(C) The U.S. military force structure has been reduced by more than 30 percent;

(D) The Department of Defense's operations and maintenance accounts have been reduced by 40 percent;

(E) The Department of Defense's procurement funding has declined by more than 50 percent;

(F) U.S. military operational commitments have increased fourfold;

(G) The Army has reduced its ranks by over 630,000 soldiers and civilians, closed over 700 installations at home and overseas, and cut 10 divisions from its force structure;

(H) The Army has reduced its presence in Europe from 215,000 to 65,000 personnel;

(I) The Army has averaged 14 deployments every four years, increased significantly from the Cold War trend of one deployment every four years;

(J) The Air Force has downsized by nearly 40 percent, while experiencing a four-fold increase in operational commitments.

(2) In 1992, 37 percent of the Navy's fleet was deployed at any given time. Today that number is 57 percent; at its present rate, it will climb to 62 percent by 2005.

(3) The Navy Surface Warfare Officer community will fall short of its needs a 40 percent increase in retention to meet requirements;

(4) The Air Force is 18 percent short of its retention goal for second-term airmen;

(5) The Air Force is more than 800 pilots short, and more than 70 percent eligible for retention bonuses have turned them down in favor of separation;

(6) The Army faces critical personnel shortages in combat units, forcing unit commanders to borrow troops from other units just to participate in training exercises.

(7) An Air Force F–16 squadron commander testified before the House National Security Committee that his unit was forced to borrow three aircraft and use cannibalized parts from four other F–16s in order to deploy to Southwest Asia;

(8) In 1997, the Army averaged 31,000 soldiers deployed away from their home station in support of military operations in 70 countries with the average deployment lasting 125 days;

(9) Critical shortfalls in meeting recruiting and retention goals is seriously affecting the ability of the Army to train and deploy. The Army reduced its recruiting goals for 1998 by 12,000 personnel;

(10) In fiscal year 1997, the Army fell short of its recruiting goal for critical infantry soldiers by almost 5,000. As of February 15, 1998, Army-wide shortages existed for 28 Army specialities. Many positions in squads and crews are left unfilled or minimally filled because personnel are diverted to work in key positions elsewhere;

(11) The Navy reports it will fall short of enlisted sailor recruitment for 1998 by 10,000

(12) One in ten Air Force front-line units are not combat ready;

(13) Ten Air Force technical specialties, representing thousands of airmen, deployed away from their home station for longer than the Air Force standard 120-day mark in 1997;

(14) The Air Force fell short of its reenlistment rate for mid-career enlisted personnel by an average of six percent, with key war fighting career fields experiencing even larger drops in reenlistments;

(15) In 1997, U.S. Marines in the operating forces have deployed on more than 200 exercises, rotational deployments, or actual contingencies.

(16) U.S. Marine Corps maintenance forces are only able to maintain 92 percent ground equipment and 77 percent aviation equipment readiness rates due to excessive deployments of troops and equipment;

(17) The National Security Strategy of the United States assumes the ability of the U.S. Armed Forces to prevail in two major regional conflicts nearly simultaneously.

(18) To execute the National Security of the United States, the U.S. Army's five later-deploying divisions, which constitute almost half of the Army's active combat forces, are critical to the success of specific war plans;

(19) According to commanders in these divisions, the practice of under staffing squads and crews that are responsible for training, and assigning personnel to other units as fillers for exercises and operations, has become common and is degrading unit capability and readiness.

(20) In the aggregate, the Army's later-deploying divisions were assigned 93 percent of their authorized personnel at the beginning of fiscal year 1998. In one specific case, the 1st Armored Division was staffed at 94 percent in the aggregate; however, its combat support and service support specialties were filled at below 85 percent, and captains and majors were filled at 73 percent.

(21) At the 10th Infantry Division, only 138 of 162 infantry squads were fully or minimally filled, and 36 of the filled squads were unqualified. At the 1st Brigade of the 1st Infantry Division, only 56 percent of the authorized infantry soldiers for its Bradley Fighting Vehicles were assigned, and in the 2nd Brigade, 21 of 48 infantry squads had no personnel assigned. At the 3rd Brigade of the 1st Armored Division, only 16 of 116 M1A1 tanks had full crews and were qualified, and in one of the Brigade's two armor battalions, 14 of 58 tanks had no crewmembers assigned because the personnel were deployed to Bosnia.

(23) At the beginning of fiscal year 1998, the five later-deploying divisions critical to the execution of the U.S. National Security Strategy were short nearly 1,900 of the total 25,357 Non-Commissioned Officers authorized, and as of February 15, 1998, this shortage had grown to almost 2,200.

(24) Rotation of units to Bosnia is having a direct and negative impact on the ability of later-deploying divisions to maintain the training and readiness levels needed to execute their mission in a major regional conflict. Indications of this include:

(A) The reassignment by the Commander of the 3rd Brigade Combat Team of 63 soldiers within the brigade to serve in infantry

squads of a deploying unit of 800 troops, stripping non-deploying infantry and armor units of maintenance personel, and reassigning Non-Commissioned Officers and support personnel to the task force from throughout the brigade;

(B) Cancellation of gunnery exercises for at least two armor battalions in later-deploying divisions, causing 43 of 116 tank crews to lose their qualifications on the weapon system;

(C) Hiring of outside contract personnel by 1st Armored and 1st Infantry later-deploying divisions to perform routine maintenance.

(25) National Guard budget shortfalls compromise the Guard's readiness levels, capabilities, force structure, and end strength, putting the Guard's personel, schools, training, full-time support, retention and recruitment, and morale at risk.

(26) The President's budget requests for the National Guard have been insufficient, notwithstanding the frequent calls on the Guard to handle wide-ranging tasks, including deployments in Bosnia, Iraq, Haiti, and Somalia.

(b) Sense of Congress:

(1) It is the sense of Congress that—

(A) The readiness of U.S. military forces to execute the National Security Strategy of the United States is being eroded from a combination of declining defense budgets and expanded missions;

(B) The ongoing, open-ended commitment of U.S. forces to the peacekeeping mission in Bosnia is causing assigned and supporting units to compromise their principle wartime assignments;

(C) Defense appropriations are not keeping pace with the expanding needs of the armed forces.

(c) Report Requirement.

(1) Not later than June 1, 1999, the President shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives, and to the Committees on Appropriations in both Houses, a report on the military readiness of the Armed Forces of the United States. The President shall include in the report a detailed discussion of the competition for resources service-by-service caused by the ongoing commitment to the peacekeeping operation in Bosnia, including in those units that are supporting but not directly deployed to Bosnia. The President shall specifically include in the report the following:

(A) an assessment of current force structure and its sufficiency to execute the National Security Strategy of the United States;

(B) an outline of the service-by-service force structure expected to be committed to a major regional contingency as envisioned in the National Security Strategy of the United States;

(C) a comparison of the force structures outlined in sub-paragraph (c)(1)(B) above with the service-by-service order of battle in Operation Desert Shield/Desert Storm, as a representative and recent major regional conflict;

(D) the force structure and defense appropriation increases that are necessary to execute the National Security Strategy of the United States assuming current projected ground force levels assigned to the peacekeeping mission in Bosnia are unchanged;

(E) a discussion of the U.S. ground force level in Bosnia that can be sustained without impacting the ability of the Armed Forces to execute the National Security Strategy of the United States, assuming no increases in force structure and defense appropriations during the period in which ground forces are assigned to Bosnia.

HARKIN (AND BUMPERS) AMENDMENT NO. 3410

(Ordered to lie on the table.)

Mr. HARKIN (for himself and Mr. BUMPERS) submitted and amendment intended to be proposed by them to the bill, S. 2132, supra; as follows:

At the appropriate place, insert the following:

SEC. . No later than the date that the Senate passes S.2132, CBO shall revise and reduce its estimates of outlays for fiscal year 1999 for nondefense outlays in a manner consistent with the adjustments and reductions made by the Chairman of the Committee on the Budget of the Senate of outlays for fiscal year 1999 for defense outlays.

HARKIN AMENDMENT NO. 3411

(Ordered to lie on the table.)

Mr. HARKIN submitted an amendment intended to be proposed by him to the bill, S. 2132, supra; as follows:

On page 99, between lines 17 and 18, insert the following:

SEC. 8104. (a) The Secretary of Defense shall take such actions as are necessary to ensure the elimination of the backlog of incomplete actions on requests of former members of the Armed Forces for replacement medals and replacements for other decorations that such personnel have earned in the military service of the United States.

(b)(1) The actions taken under subsection (a) shall include, except as provided in paragraph (2), allocations of additional resources to improve relevant staffing levels at the Army Reserve Personnel Command, the Bureau of Naval Personnel, and the Air Force Personnel Center, allocations of Department of Defense resources to the National Archives and Records Administration, and any additional allocations of resources that the Secretary considers necessary to carry out subsection (a).

(2) An allocation of resources may be made under paragraph (1) only if and to the extent that the allocation does not detract from the performance of other personnel service and personnel support activities within the Department of Defense.

COATS (AND LIEBERMAN) AMENDMENT NO. 3412

(Ordered to lie on the table.)

Mr. COATS (for himself, and Mr. LIEBERMAN) submitted an amendment intended to be proposed by them to the bill, S. 2132, supra; as follows:

At the appropriate place, insert:

REQUIREMENT FOR QUADRENNIAL DEFENSE REVIEW.

(a) REVIEW REQUIRED.—Chapter 2 of title 10, United States Code, is amended by inserting after section 116 the following:

"§ 117. Quadrennial defense review

''(a) REVIEW REQUIRED.—The Secretary of Defense, in consultation with the Chairman of the Joint Chiefs of Staff, shall conduct in each year in which a President is inaugurated a comprehensive examination of the defense strategy, force structure, force modernization plans, infrastructure, budget plan, and other elements of the defense program and policies with a view toward determining and expressing the defense strategy of the United States and establishing a revised defense plan for the ensuing 10 years and a revised defense plan for the ensuing 20 years.

''(b) CONSIDERATION OF REPORTS OF NATIONAL DEFENSE PANEL.—In conducting the review, the Secretary shall take into consideration the reports of the National Defense Panel submitted under section 181(d) of this title.

''(c) REPORT TO CONGRESS.—The Secretary shall submit a report on each review to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives not later than September 30, 2001. The report shall include the following:

''(1) The results of the review, including a comprehensive discussion of the defense strategy of the United States and the force structure best suited to implement that strategy.

''(2) The threats examined for purposes of the review and the scenarios developed in the examination of such threats.

''(3) The assumptions used in the review, including assumptions relating to the cooperation of allies and mission-sharing, levels of acceptable risk, warning times, and intensity and duration of conflict.

''(4) The effect on the force structure of preparations for and participation in peace operations and military operations other than war.

''(5) The effect on the force structure of the utilization by the Armed Forces of technologies anticipated to be available for the ensuing 10 years and technologies anticipated to be available for the ensuing 20 years, including precision guided munitions, stealth, night vision, digitization, and communications, and the changes in doctrine and operational concepts that would result from the utilization of such technologies.

''(6) The manpower and sustainment policies required under the defense strategy to support engagement in conflicts lasting more than 120 days.

''(7) The anticipated roles and missions of the reserve components in the defense strategy and the strength, capabilities, and equipment necessary to assure that the reserve components can capably discharge those roles and missions.

''(8) The appropriate ratio of combat forces to support forces (commonly referred to as the ''tooth-to-tail'' ratio) under the defense strategy, including, in particular, the appropriate number and size of headquarter units and Defense Agencies for that purpose.

''(9) The air-lift and sea-lift capabilities required to support the defense strategy.

''(10) The forward presence, pre-positioning, and other anticipatory deployments necessary under the defense strategy for conflict deterrence and adequate military response to anticipated conflicts.

''(11) The extent to which resources must be shifted among two or more theaters under the defense strategy in the event of conflict in such theaters.

''(12) The advisability of revisions to the Unified Command Plan as a result of the defense strategy.

''(13) Any other matter the Secretary considers appropriate.''.

(b) NATIONAL DEFENSE PANEL.—Chapter 7 of such title is amended by adding at the end the following:

"§ 181. National Defense Panel

''(a) ESTABLISHMENT.—Not later than January 1, 2000, the Secretary of Defense shall establish a nonpartisan, independent panel to be known as the National Defense Panel. The Panel shall have the duties set forth in this section.

''(b) MEMBERSHIP.—The Panel shall be composed of a chairman and eight other individuals appointed by the Secretary, in consultation with the chairman and ranking member of the Committee on Armed Services of the Senate and the chairman and ranking member of the Committee on National Security of the House of Representatives, from among

individuals in the private sector who are recognized experts in matters relating to the national security of the United States.

''(c) DUTIES.—The Panel shall—

''(1) conduct and submit to the Secretary of Defense and to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a comprehensive assessment of the defense strategy, force structure, force modernization plans, infrastructure, budget plan, and other elements of the defense program and policies with a view toward recommending a defense strategy of the United States and a revised defense plan for the ensuing 10 years and a revised defense plan for the ensuing 20 years; and

''(2) identify issues that the Panel recommends for assessment during the next QDR.

''(d) REPORT.—(1) The Panel, (c), shall submit to the Secretary of Defense and to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives two reports on its activities and the findings and recommendations of the Panel, including any recommendations for legislation that the Panel considers appropriate, as follows:

''(A) An interim report not later than July 1, 2000.

''(B) A final report not later than December 1, 2000.

''(2) Not later than December 15, 2000, the Secretary shall submit to the committees referred to in subsection (b) a copy of the report together with the Secretary's comments on the report.

''(e) INFORMATION FROM FEDERAL AGENCIES.—The Panel may secure directly from the Department of Defense and any of its components and from any other Federal department and agency such information as the Panel considers necessary to carry out its duties under this section. The head of the department or agency concerned shall ensure that information requested by the Panel under this subsection is promptly provided.

''(f) PERSONNEL MATTERS.—(1) Each member of the Panel shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5 for each day (including travel time) during which the member is engaged in the performance of the duties of the Panel.

''(2) The members of the Panel shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5 while away from their homes or regular places of business in the performance of services for the Panel.

''(3)(A) The chairman of the Panel may, without regard to the civil service laws and regulations, appoint and terminate an executive director and a staff if the Panel determines that an executive director and staff are necessary in order for the Panel to perform its duties effectively. The employment of an executive director shall be subject to confirmation by the Panel.

''(B) The chairman may fix the compensation of the executive director without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5 relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

''(4) Any Federal Government employee may be detailed to the Panel without reimbursement of the employee's agency, and such detail shall be without interruption or loss of civil service status or privilege. The Secretary shall ensure that sufficient personnel are detailed to the Panel to enable the Panel to carry out its duties effectively.

''(5) To the maximum extent practicable, the members and employees of the Panel shall travel on military aircraft, military ships, military vehicles, or other military conveyances when travel is necessary in the performance of a duty of the Panel, except that no such aircraft, ship, vehicle, or other conveyance may be scheduled primarily for the transportation of any such member or employee when the cost of commercial transportation is less expensive.

''(g) ADMINISTRATIVE PROVISIONS.—(1) The Panel may use the United States mails and obtain printing and binding services in the same manner and under the same conditions as other departments and agencies of the Federal Government.

''(2) The Secretary shall furnish the Panel any administrative and support services requested by the Panel.

''(3) The Panel may accept, use, and dispose of gifts or donations of services or property.

''(h) PAYMENT OF PANEL EXPENSES.—The compensation, travel expenses, and per diem allowances of members and employees of the Panel shall be paid out of funds available to the Department of Defense for the payment of compensation, travel allowances, and per diem allowances, respectively, of civilian employees of the Department. The other expenses of the Panel shall be paid out of funds available to the Department for the payment of similar expenses incurred by the Department.

''(i) TERMINATION.—The Panel shall terminate at the end of the year following the year in which the Panel submits its final report under subsection (d)(1)(B). For the period that begins 90 days after the date of submittal of the report, the activities and staff of the panel shall be reduced to a level that the Secretary of Defense considers sufficient to continue the availability of the panel for consultation with the Secretary of Defense and with the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives.''.

(c) CLERICAL AMENDMENTS.—(1) The table of sections at the beginning of chapter 2 of title 10, United States Code, is amended by inserting after the item relating to section 116 the following:

''117. Quadrennial defense review.''.

(2) The table of sections at the beginning of chapter 7 of such title is amended by adding at the end the following:

''181. National Defense Panel.''.

HUTCHISON (AND OTHERS) AMENDMENT NO. 3413

Mrs. HUTCHISON (for herself, Mr. STEVENS, Mr. CRAIG, Mr. SESSIONS, Mr. SMITH of Oregon, and Mr. FEINGOLD) proposed an amendment to the bill, S. 2132, supra; as follows:

At the appropriate place in the bill, insert the following:

SEC. . (a) The Congress finds the following:

(1) United States Armed Forces in the Republic of Bosnia and Herzegovina have accomplished the military mission assigned to them as a component of the Implementation and Stabilization Forces.

(2) The continuing and open-ended commitment of U.S. ground forces in the Republic of Bosnia and Herzegovina is subject to the oversight authority of the Congress.

(3) Congress may limit the use of appropriated funds to create the conditions for an orderly and honorable withdrawal of U.S. troops from the Republic of Bosnia and Herzegovina.

(4) On November 27, 1995, the President affirmed that United States participation in the multinational military Implementation Force in the Republic of Bosnia and Herzegovina would terminate in about one year.

(5) The President declared the expiration date of the mandate for the Implementation Force to be December 20, 1996.

(6) The Secretary of Defense and the Chairman of the Joint Chiefs of Staff expressed confidence that the Implementation Force would complete its mission in about one year.

(7) the Secretary of Defense and the Chairman of the Joint Chiefs of Staff expressed the critical importance of establishing a firm deadline, in the absence of which there is a potential for expansion of the mission of U.S. forces.

(8) On October 3, 1996, the Chairman of the Joint Chiefs of Staff announced the intention of the United States Administration to delay the removal of United States Armed Forces personnel from the Republic of Bosnia and Herzegovina until March 1997.

(9) In November 1996 the President announced his intention to further extend the deployment of United States Armed Forces in the Republic of Bosnia and Herzegovina until June 1998.

(10) The President did not request authorization by the Congress of a policy that would result in the further deployment of United States Armed Forces in the Republic of Bosnia and Herzegovina until June 1998.

(11) Notwithstanding the passage of two previously established deadlines, the reaffirmation of those deadlines by senior national security officials, and the endorsement by those same national security officials of the importance of having a deadline as a hedge against an expanded mission, the President announced on December 17, 1997 that establishing a deadline had been a mistake and that U.S. ground combat forces were committed to the NATO-led mission in Bosnia for the indefinite future.

(12) NATO military forces have increased their participation in law enforcement, particularly police activities.

(13) U.S. Commanders of NATO have stated on several occasions that, in accordance with the Dayton Peace Accords, the principal responsibility for such law enforcement and police activities lies with the Bosnian parties themselves.

SEC. 2. LIMITATIONS ON THE USE OF FUNDS.

(a) Funds appropriated or otherwise made available for the Department of Defense for any fiscal year may not be obligated for the ground elements of the United States Armed Forces in the Republic of Bosnia and Herzegovina except as conditioned below.

(1) The President shall continue the ongoing withdrawal of American forces from the NATO Stabilization Force in the Republic of Bosnia and Herzegovina such that U.S. ground forces in that force or the planned multi-national successor force shall not exceed:

(A) 6500, by February 2, 1999;

(B) 5000, by October 1, 1999.

(b) EXCEPTIONS.—The limitation in subsection (a) shall not apply—

(1) to the extent necessary for U.S. ground forces to protect themselves as the drawdowns outlined in sub-paragraph (a)(1) proceeds;

(2) to the extent necessary to support a limited number of United States military personnel sufficient only to protect United States diplomatic facilities in existence on the date of the enactment of this Act; or

(3) to the extent necessary to support non-combat military personnel sufficient only to

advise the commanders North Atlantic Treaty Organization peacekeeping operations in the Republic of Bosnia and Herzegovina; and

(4) to U.S. ground forces that may be deployed as part of NATO containment operations in regions surrounding the Republic of Bosnia and Herzegovina.

(v) CONSTRUCTION OF SECTION.—Nothing in this section shall be deemed to restrict the authority of the President under the Constitution to protect the lives of the United States citizens.

(d) LIMITATION ON SUPPORT FOR LAW ENFORCEMENT ACTIVITIES IN BOSNIA.—None of the funds appropriated or otherwise made available to the Department of Defense for any fiscal year may be obligated or expended after the date of the enactment of this Act for the—

(1) conduct of, or direct support for, law enforcement and police activities in the Republic of Bosnia and Herzegovina, except for the training of law enforcement personnel or to prevent imminent loss of life;

(2) conduct of, or support for, any activity in the Republic of Bosnia and Herzegovina that may have the effect of jeopardizing the primary mission of the NATO-lead force in preventing armed conflict between the Federation of Bosnia and Herzegovina and the Republika Srpska (''Bosnian Entities'');

(3) transfer of refugees within the Republic of Bosnia and Herzegovina that, in the opinion of the commander of NATO Forces involved in such transfer—

(A) has as one of its purposes the acquisition of control by a Bosnian Entity of territory allocated to the other Bosnian Entity under the Dayton Peace Agreement; or

(B) may expose United States Armed Forces to substantial risk to their personal safety; and

(4) implementation of any decision to change the legal status of any territory within the Republic of Bosnia and Herzegovina unless expressly agreed to by all signatories to the Dayton Peace Agreement.

SEC. 4. PRESIDENTIAL REPORT.

(a) Not later than December 1, 1998, the President shall submit to Congress a report on the progress towards meeting the drawdown limit established in section 2(a).

(b) The report under paragraph (a) shall include an identification of the specific steps taken by the United States Government to transfer the United States portion of the peacekeeping mission in the Republic of Bosnia and Herzegovina to European allied nations or organizations.

DODD AMENDMENT NO. 3414

(Ordered to lie on the table.)

Mr. DODD submitted an amendment intended to be proposed by him to the bill, S. 2132, supra; as follows:

On page 99, between lines 17 and 18, insert the following:

SEC. 8104. (a) Of the total amount appropriated for the Army, the Army Reserve, and the Army National Guard under title I, $1,700,000 shall be available for taking the actions required under this section to eliminate the backlog of unpaid retired pay and to submit a report.

(b) The Secretary of the Army shall take such actions as are necessary to eliminate, by December 31, 1998, the backlog of unpaid retired pay for members and former members of the Army (including members and former members of the Army Reserve and the Army National Guard).

(c) Not later than 30 days after the date of the enactment of this Act, the Secretary of the Army shall submit to Congress a report on the backlog of unpaid retired pay. The report shall include the following:

(1) The actions taken under subsection (b).

(2) The extent of the remaining backlog.

(3) A discussion of any additional actions that are necessary to ensure that retired pay is paid in a timely manner.

DODD AMENDMENT NO. 3415

(Ordered to lie on the table.)

Mr. DODD submitted an amendment intended to be proposed by him to the bill, S. 2132, supra; as follows:

On page 99, between lines 17 and 18, insert the following:

SEC. 8104. Of the funds available under title VI for the Defense Health Program, $3,000,000 shall be available for Department of Defense programs relating to Lyme disease and other tick-borne diseases, which shall include programs involving risk assessments at military installations, training for medical personnel in the detection, diagnosis and treatment of such diseases, improvement of educational and awareness programs for Armed Forces personnel, development of diagnostic tests for such diseases, testing of repellents, and field testing of new control technologies, and may include other programs.

MURKOWSKI AMENDMENT NO. 3416

(Ordered to lie on the table.)

Mr. MURKOWSKI submitted an amendment intended to be proposed by him to the bill, S. 2132, supra; as follows:

On page 99, between lines 17 and 18, insert the following new section: ''From within the funds provided, with the heading ''Operations and Maintenance, Army'', up to $500,000 shall be available for paying subcontractors and suppliers for work performed at Fort Wainwright, Alaska, in 1994, under Army services contract number DACA85–93–C–0065''.

LOTT AMENDMENT NO. 3417

(Ordered to lie on the table.)

Mr. LOTT submitted an amendment intended to be proposed by him to the bill, S. 2132, supra; as follows:

On page 99, between lines 17 and 18, insert the following:

SEC. 8104. The Department of Defense shall, in allocating funds for the Next Generation Internet (NGI) initiative, give full consideration to the allocation of funds to the regional partnerships that will best leverage Department investments in the Major Shared Resource Centers and Distributed Centers of the Department, including the high performance networks associated with such centers.

ROBB AMENDMENT NO. 3418

(Ordered to lie on the table.)

Mr. ROBB submitted an amendment intended to be proposed by him to the bill, S. 2132, supra; as follows:

On page 99, between lines 17 and 18, insert the following:

SEC. 8104. Of the amounts appropriated or otherwise made available by title II of this Act under the heading ''OPERATION AND MAINTENANCE, NAVY'', $45,000,000 shall be available for emergency and extraordinary expenses associated with the accident involving a United States Marine Corps A–6 aircraft on February 3, 1998, near Cavalese, Italy: *Provided,* That the amount available under this section shall remain available until expended: *Provided further,* That the amount available under this section shall be available only for payments to persons, communities, or other entities in Italy for reimbursement for damages resulting from the expenses, or for settlement of claims arising from deaths, associated with the accident described in this section: *Provided further,* That notwithstanding any other provision of law, the amount available under this section may be used to rebuild or replace the funicular system in Cavalese, Italy, destroyed on February 3, 1998, by United States aircraft: *Provided further,* That any amount paid to any individual or entity from the amount available under this section shall be credited against any amount subsequently determined to be payable to that individual or entity under section 127 or chapter 163 of title 10, United States Code, or any other provision of law for administrative settlement of claims against the United States with respect to damages arising from the accident described in this section: *Provided further,* That payment of an amount under this section shall not be considered to constitute a statement of legal liability on the part of the United States or otherwise to prejudge any judicial proceeding or investigation arising from the accident described in this section.

HUTCHINSON (AND OTHERS) AMENDMENT NO. 3419

Mr. HUTCHINSON (for himself, Mr. LEVIN, Mr. KERRY, Mr. BIDEN, and Mr. LIEBERMAN) proposed an amendment to amendment No. 3124 proposed by Mr. HUTCHINSON to the bill, S. 2132, supra; as follows:

Strike all after the word ''TITLE'' and insert the following:

IX

HUMAN RIGHTS IN CHINA

Subtitle A—Forced Abortions in China

SEC. 9001. This subtitle may be cited as the ''Forced Abortion Condemnation Act''.

SEC. 9002. Congress makes the following findings:

(1) Forced abortion was rightly denounced as a crime against humanity by the Nuremberg War Crimes Tribunal.

(2) For over 15 years there have been frequent and credible reports of forced abortion and forced sterilization in connection with the population control policies of the People's Republic of China. These reports indicate the following:

(A) Although it is the stated position of the politburo of the Chinese Communist Party that forced abortion and forced sterilization have no role in the population control program, in fact the Communist Chinese Government encourages both forced abortion and forced sterilization through a combination of strictly enforced birth quotas and immunity for local population control officials who engage in coercion. Officials acknowledge that there have been instances of forced abortions and sterilization, and no evidence has been made available to suggest that the perpetrators have been punished.

(B) People's Republic of China population control officials, in cooperation with employers and works unit officials, routinely monitor women's menstrual cycles and subject women who conceive without government authorization to extreme psychological pressure, to harsh economic sanctions, including unpayable fines and loss of employment, and often to physical force.

(C) Official sanctions for giving birth to unauthorized children include fines in amounts several times larger than the per capita annual incomes of residents of the People's Republic of China. In Fujian, for example, the average fine is estimated to be

twice a family's gross annual income. Families which cannot pay the fine may be subject to confiscation and destruction of their homes and personal property.

(D) Especially harsh punishments have been inflicted on those whose resistance is motivated by religion. For example, according to a 1995 Amnesty International report, the Catholic inhabitants of 2 villages in Hebei Province were subjected to population control under the slogan ''better to have more graves than one more child''. Enforcement measures included torture, sexual abuse, and the detention of resisters' relatives as hostages.

(E) Forced abortions in Communist China often have taken place in the very late stages of pregnancy.

(F) Since 1994 forced abortion and sterilization have been used in Communist China not only to regulate the number of children, but also to eliminate those who are regarded as defective in accordance with the official eugenic policy known as the ''Natal and Health Care Law''.

SEC. 9003. (a) Notwithstanding any other provision of law, the Secretary of State may not utilize any funds appropriated or otherwise available for the Department of State for fiscal year 1999 to issue any visa to any official of any country (except the head of state, the head of government, and cabinet level ministers) who the Secretary finds, based on credible and specific information, has been directly involved in the establishment or enforcement of population control policies forcing a woman to undergo an abortion against her free choice, or forcing a man or woman to undergo sterilization against his or her free choice or policies condoning the practice of genital mutilation.

(b) Notwithstanding any other provision of law, the Attorney General may not utilize any funds appropriated or otherwise available for the Department of Justice for fiscal year 1999 to admit to the United States any national covered by subsection (a).

(c) The President may waive the prohibition in subsection (a) or (b) if the President—

(1) determines that it is in the national interest of the United States to do so; and

(2) provides written notification to Congress containing a justification for the waiver.

Subtitle B—Freedom on Religion in China

SEC. 9011. (a) It is the sense of Congress that the President should make freedom of religion one of the major objectives of United States foreign policy with respect to China.

(b) As part of this policy, the Department of State should raise in every relevant bilateral and multilateral forum the issue of individuals imprisoned, detained, confined, or otherwise harassed by the Chinese Government on religious grounds.

(c) In its communications with the Chinese Government, the Department of State should provide specific names of individuals of concern and request a complete and timely response from the Chinese Government regarding the individuals' whereabouts and condition, the charges against them, and sentence imposed.

(d) The goal of these official communications should be the expeditious release of all religious prisoners in China and Tibet and the end of the Chinese Government's policy and practice of harassing and repressing religious believers.

SEC. 9012. (a) Notwithstanding any other provision of law, the Secretary of State may not utilize any funds appropriated or otherwise available for the Department of State for fiscal year 1999 to issue a visa to any official or any country (except the head of state, the head of government, and cabinet level ministers) who the Secretary of State finds, based on credible and specific information, has been directly involved in the establishment or enforcement of policies or practices designed to restrict religious freedom.

(b) Notwithstanding any other provision of law, the Attorney General may not utilize any funds appropriated or otherwise available for the Department of Justice for fiscal year 1999 to admit to the United States any national covered by subsection (a).

(c) The President may waive the prohibition in subsection (a) or (b) with respect to an individual described in such subsection if the President—

(1) determines that it is vital to the national interest to do so; and

(2) provides written notification to the appropriate congressional committees containing a justification for the waiver.

SEC. 9014. In this subtitle, 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.

AKAKA (AND OTHERS) AMENDMENT NO. 3420

Mr. STEVENS (for Mr. AKAKA for himself, Mr. JEFFORDS, Mr. LEAHY, Mr. COATS, Mrs. BOXER, and Mr. INOUYE) proposed an amendment to the bill S. 2132, supra; as follows:

On page 33, line 25, insert before the period at the end the following: ''*:Provided*, That of the funds appropriated under this heading, $12,000,000 shall be available only to continue development of electric and hybrid-electric vehicles''.

BINGAMAN (AND DOMENICI) AMENDMENT NO. 3421

Mr. STEVENS (for Mr. BINGAMAN for himself and Mr. DOMENICI) proposed an amendment to the bill, S. 2132, supra; as follows:'

On page 99, in between lines 17 and 18, insert before the period at the end the following: '': SEC. 8104(a), That of the amount available under Air National Guard, Operations and Maintenance for flying hours and related personnel support, 2,250,000 shall be available for the Defense Systems Evaluation program for support of test and training operations at White Sands Missile Range, New Mexico, and Fort Bliss, Texas''.

COCHRAN AMENDMENT NO. 3422

Mr. STEVENS (for Mr. COCHRAN) proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, insert at the appropriate place the following new section:

SEC. . That of the funds appropriated for Defense-wide research, development test and evaluation, $1,000,000 is available for Acoustic Sensor Technology Development Planning.

DOMENICI (AND HARKIN) AMENDMENT NO. 3423

Mr. STEVENS (for Mr. DOMENICI for himself and Mr. HARKIN) proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, between lines 17 and 18, insert the following:

SEC. 8104. (a) The Secretary of Defense shall submit to the Committees on Appropriations of the Senate and the House of Representatives a report on food stamp assistance for members of the Armed Forces. The Secretary shall submit the report at the same time that the Secretary submits to Congress, in support of the fiscal year 2000 budget, the materials that relate to the funding provided in that budget for the Department of Defense.

(b) The report shall include the following:

(1) The number of members of the Armed Forces and dependents of members of the Armed Forces who are eligible for food stamps.

(2) The number of members of the Armed Forces and dependents of members of the Armed Forces who received food stamps in fiscal year 1998.

(3) A proposal for using, as a means for eliminating or reducing significantly the need of such personnel for food stamps, the authority under section 2828 of title 10, United States Code, to lease housing facilities for enlisted members of the Armed Forces and their families when Government quarters are not available for such personnel.

(4) A proposal for increased locality adjustments through the basic allowance for housing and other methods as a means for eliminating or reducing signficantly the need of such personnel for food stamps.

(5) Other potential alternative actions (including any recommended legislation) for eliminating or reducing significantly the need of such personnel for food stamps.

(6) A discussion of the potential for each alternative action referred to in paragraph (3) or (4) to result in the elimination or a significant reduction in the need of such personnel for food stamps.

(c) Each potential alternative action included in the report under paragraph (3) or (4) of subsection (b) shall meet the following requirements:

(1) Apply only to persons referred to in paragraph (1) of such subsection.

(2) Be limited in cost to the lowest amount feasible to achieve the objectives.

(d) In this section:

(1) The term ''fiscal year 2000 budget'' means the budget for fiscal year 2000 that the President submits to Congress under section 1105(a) of title 31, United States Code.

(2) The term ''food stamps'' means assistance under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.).

SEC. 8105. (a) The Comptroller General shall carry out a study of issues relating to family life, morale, and retention of members of the Armed Forces and, not later than June 25, 1999, submit the results of the study to the Committees on Appropriations of the Senate and the House of Representatives. The Comptroller General may submit to the committees an interim report on the matters described in paragraphs (1) and (2) of subsection (c). Any such interim report shall be submitted by February 12, 1999.

(b) In carrying out the study, the Comptroller General shall consult with experts on the subjects of the study who are independent of the Department of Defense.

(c) The study shall include the following matters:

(1) The conditions of the family lives of members of the Armed Forces and the members' needs regarding their family lives, including a discussion of each of the following:

(A) How leaders of the Department of Defense and leaders of each of the Armed Forces—

(i) collect, organize, validate, and assess information to determine those conditions and needs;

(ii) determine consistency and variations among the assessments and assessed information for each of the Armed Forces; and

(iv) use the information and assessments to address those conditions and needs.

(B) How the information on those conditions and needs compares with any corresponding information that is available on the conditions of the family lives of civilians in the United States and the needs of such civilians regarding their family lives.

(C) How the conditions of the family lives of members of each of the Armed Forces and the members' needs regarding their family lives compare with those of the members of each of the other Armed Forces.

(D) How the conditions and needs of the members compare or vary among members in relation to the pay grades of the members.

(E) How the conditions and needs of the members compare or vary among members in relation to the occupational specialties of the members.

(F) What, if any, effects high operating tempos of the Armed Forces have had on the family lives of members, including effects on the incidence of substance abuse, physical or emotional abuse of family members, and divorce.

(G) The extent to which family lives of members of the Armed Forces prevent members from being deployed.

(2) The rates of retention of members of the Armed Forces, including the following:

(A) The rates based on the latest information available when the report is prepared.

(B) Projected rates for future periods for which reasonably reliable projections can be made.

(C) An analysis of the rates under subparagraphs (A) and (B) for each of the Armed Forces, each pay grade, and each major occupational specialty.

(3) The relationships among the quality of the family lives of members of the Armed Forces, high operating tempos of the Armed Forces, and retention of the members in the Armed Forces, analyzed for each of the Armed Forces, each pay grade, and each occupational specialty, including, to the extent ascertainable and relevant to the analysis of the relationships, the reasons expressed by members of the Armed Forces for separating from the Armed Forces and the reasons expressed by the members of the Armed Forces for remaining in the Armed Forces.

(4) The programs and policies of the Department of Defense (including programs and policies specifically directed at quality of life) that have tended to improve, and those that have tended to degrade, the morale of members of the Armed Forces and members of their families, the retention of members of the Armed Forces, and the perceptions of members of the Armed Forces and members of their families regarding the quality of their lives.

(d) In this section, the term ''major occupational specialty'' means the aircraft pilot specialty and each other occupational specialty that the Comptroller General considers a major occupational specialty of the Armed Forces.

DURBIN AMENDMENT NO. 3424

Mr. STEVENS (for Mr. DURBIN) proposed an amendment to the bill, S. 2132, supra; as follows:

At the appropriate place, insert the following:

SEC. . (a)(1) Notwithstanding any other provision of law, no funds appropriated or otherwise made available by this Act may be used to carry out any conveyance of land at the former Fort Sheridan, Illinois, unless such conveyance is consistent with a regional agreement among the communities and jurisdictions in the vicinity of Fort Sheridan and in accordance with section 2862 of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 573).

(2) The land referred to in paragraph (1) is a parcel of real property, including any improvements thereon, located at the former Fort Sheridan, Illinois, consisting of approximately 14 acres, and known as the northern Army Reserve enclave area, that is covered by the authority in section 2862 of the Military Construction Authorization Act for Fiscal Year 1996 and has not been conveyed pursuant to that authority as of the date of enactment of this Act.

GREGG AMENDMENT NO. 3425

Mr. STEVENS (for Mr. GREGG) proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, between lines 17 and 18, insert the following:

SEC. 8104. (a) CONVEYANCE REQUIRED.—The Secretary of the Air Force shall convey, without consideration, to the Town of Newington, New Hampshire, all right, title, and interest of the United States in and to a parcel of real property, together with improvements thereon, consisting of approximately 1.3 acres located at former Pease Air Force Base, New Hampshire, and known as the site of the old Stone School.

(b) EXCEPTION FROM SCREENING REQUIREMENT.—The Secretary shall make the conveyance under subsection (a) without regard to the requirement under section 2696 of title 10, United States Code, that the property be screened for further Federal use in accordance with the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.).

(c) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Secretary.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interest of the United States.

HOLLINGS AMENDMENT NO. 3426

Mr. STEVENS (for Mr. HOLLINGS) proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, between lines 17 and 18, insert the following:

SEC. 8104. Of the amounts appropriated or otherwise made available for the Department of Defense by this Act, up to $10,000,000 may be available for the Department of Defense share of environmental remediation and restoration activities at Defense Logistics Agency inventory location 429 (Macalloy site) in Charleston, South Carolina.

INOUYE AMENDMENTS NOS. 3427–3429

Mr. STEVENS (for Mr. INOUYE) proposed three amendments to the bill, S. 2132, supra; as follows:

AMENDMENT NO. 3427

On page 99, insert in the appropriate place the following new general provision:

SEC. 8104. Of the funds provided under Title IV of this Act under the heading ''Research, Development, Test and Evaluation, Defense-Wide'', for Materials and Electronics Technology, $2,000,000 shall be made available only for the Strategic Materials Manufacturing Facility project.

AMENDMENT NO. 3428

On page 99, between lines 17 and 18, insert the following:

SEC. 8104. (a) Chapter 157 of title 10, United States Code, is amended by inserting after section 2641 the following:

''§ 2641a. Transportation of American Samoa veterans on Department of Defense aircraft for certain medical care in Hawaii

''(a) TRANSPORTATION AUTHORIZED.—The Secretary of Defense may provide transportation on Department of Defense aircraft for the purpose of transporting any veteran specified in subsection (b) between American Samoa and the State of Hawaii if such transportation is required in order to provide hospital care to such veteran as described in that subsection.

''(b) VETERANS ELIGIBLE FOR TRANSPORT.—A veteran eligible for transport under subsection (a) is any veteran who—

''(1) resides in and is located in American Samoa; and

''(2) as determined by an official of the Department of Veterans Affairs designated for that purpose by the Secretary of Veterans Affairs, must be transported to the State of Hawaii in order to receive hospital care to which such veteran is entitled under chapter 17 of title 38 in facilities of such Department in the State of Hawaii.

''(c) ADMINISTRATION.—(1) Transportation may be provided to veterans under this section only on a space-available basis.

''(2) A charge may not be imposed on a veteran for transportation provided to the veteran under this section.

''(d) DEFINITIONS.—In this section:

''(1) The term 'veteran' has the meaning given that term in section 101(2) of title 38.

''(2) The term 'hospital care' has the meaning given that term in section 1701(5) of title 38.''.

(b) The table of sections at the beginning of chapter 157 of such title is amended by inserting after the item relating to section 2641 the following new item:

''2641a. Transportation of American Samoa veterans on Department of Defense aircraft for certain medical care in Hawaii.''.

AMENDMENT NO. 3424

SEC. . Not later than December 1, 1998, the Secretary of Defense shall submit to the President and the Congressional Defense Committees a report regarding the potential for development of Ford Island within the Pearl Harbor Naval Complex, Oahu, Hawaii through an integrated resourcing plan incorporating both appropriated funds and one or more public-private ventures. This report shall consider innovative resources development measures, including but not limited to, an enhanced-use leasing program similar to that of the Department of Veterans Affairs as well as the sale or other disposal of land in Hawaii under the control of the Navy as part of an overall program for Ford Island development. The report shall include proposed legislation for carrying out the measures recommended therein.

KENNEDY AMENDMENT NO. 3430

Mr. STEVENS (for Mr. KENNEDY) proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, insert in the appropriate place the following new general provision:

SEC. 8104. Within the amounts appropriated under Title IV of this Act under the heading ''Research, Development, Test and Evaluation, Navy'', the amount available for S–3 Weapon System Improvement is hereby reduced by $8,000,000: *Provided,* Within the amounts appropriated under Title IV of this Act under the heading ''Research, Development, Test and Evaluation, Air Force'', the

amount available for a cyber-security program is hereby increased by $8,000,000: *Provided further,* That the funds are made available for the cyber-security program to conduct research and development on issues relating to security information assurance and to facilitate the transition of information assurance technology to the defense community.

SARBANES (AND CAMPBELL) AMENDMENT NO. 3431

Mr. STEVENS (for Mr. SARBANES for himself and Mr. CAMPBELL) proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, between lines 17 and 18, insert the following:

SEC. 8___. ADDITIONAL FUNDING FOR KOREAN WAR VETERANS MEMORIAL.

Section 3 of Public Law 99–572 (40 U.S.C. 1003 note) is amended by adding at the end the following:

''(c) ADDITIONAL FUNDING.—

''(1) IN GENERAL.—In addition to amounts made available under subsections (a) and (b), the Secretary of the Army may expend, from any funds available to the Secretary on the date of enactment of this paragraph, $2,000,000 for repair of the memorial.

''(2) DISPOSITION OF FUNDS RECEIVED FROM CLAIMS.—Any funds received by the Secretary of the Army as a result of any claim against a contractor in connection with construction of the memorial shall be deposited in the general fund of the Treasury.''.

MCCONNELL (AND OTHERS) AMENDMENT NO. 3432

Mr. STEVENS (for Mr. MCCONNELL for himself, Mr. FORD, and Mr. SHELBY) proposed an amendment to the bill, S 2132, supra; as follows:

On page 99, between lines 17 and 18, insert the following:

SEC. 8104. Of the funds available under title VI for chemical agents and munitions destruction, Defense, for research and design, $18,000,000 shall be made available for the program manager for the Assembled Chemical Weapons Assessment (under section 8065 of the Department of Defense Appropriations Act, 1997) for demonstrations of technologies under the Assembled Chemical Weapons Assessment, for planning and preparation to proceed from demonstration of an alternative technology immediately into the development of a pilot-scale facility for the technology, and for the design, construction, and operation of a pilot facility for the technology.

MACK AMENDMENT NO. 3433

Mr. STEVENS (for Mr. MACK) proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, between lines 17 and 18, insert the following:

SEC. 8014. (a) The Secretary of the Navy may lease to the University of Central Florida (in this section referred to as the ''University''), or a representative or agent of the University designated by the University, such portion of the property known as the Naval Air Warfare Center, Training Systems Division, Orlando, Florida, as the Secretary considers appropriate as a location for the establishment of a center for research in the fields of law enforcement, public safety, civil defense, and national defense.

(b) Notwithstanding any other provision of law, the term of the lease under subsection (a) may not exceed 50 years.

(c) As consideration for the lease under subsection (a), the University shall—

(1) undertake and incur the cost of the planning, design, and construction required to establish the center referred to in that subsection; and

(2) during the term of the lease, provide the Secretary such space in the center for activities of the Navy as the Secretary and the University jointly consider appropriate.

(d) The Secretary may require such additional terms and conditions in connection with the lease authorized by subsection (a) as the Secretary considers appropriate to protect the interest of the United States.

MIKULSKI AMENDMENT NO. 3434

Mr. STEVENS (for Ms. MIKULSKI) proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99 in between lines 17 and 18, insert the following:

SEC. 8104. Funds appropriated under O&M Navy are available for a vessel scrapping pilot program which the Secretary of the Navy may carry out during fiscal year 1999 and (notwithstanding the expiration of authority to obligate funds appropriated under this heading) fiscal year 2000, and for which the Secretary may define the program scope as that which the Secretary determines sufficient for gathering data on the cost of scrapping Government vessels and for demonstrating cost effective technologies and techniques to scrap such vessels in a manner that is protective of worker safety and health and the environment''.

LOTT AMENDMENT NO. 3435

Mr. STEVENS (for Mr. LOTT) proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, between lines 17 and 18, insert the following:

SEC. 8104. The Department of Defense shall, in allocating funds for the Next Generation Internet (NGI) initiative, give full consideration to the allocation of funds to the regional partnerships that will best leverage Department investments in the DoD Major Shared Resource Centers and Centers with supercomputers purchased using DoD RDT&E funds, including the high performance networks associated with such centers.

MURKOWSKI AMENDMENT NO. 3436

Mr. STEVENS (for Mr. MURKOWSKI) proposed an amenment to the bill, S. 2132, supra; as follows:

On page 99, between lines 17 and 18, insert the following new section: ''From within the funds provided, with the heading, ''Operations and Maintenance, Army'', up to $500,000 shall be available for paying subcontractors and suppliers for work performed at Fort Wainwright, Alaska, in 1994, under Army services contract number DACA85– 93–C–0065''.

SHELBY AMENDMENT NO. 3437

Mr. STEVENS (for Mr. SHELBY) proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, insert in the appropriate place the following new general provision:

SEC. 8104. Of the funds provided under Title IV of this Act under the heading ''Research, Development, Test and Evaluation, Army'', for Industrial Preparedness, $2,000,000 shall be made available only for the Electronic Circuit Board Manufacturing Development Center.

SPECTER AMENDMENT NO. 3438

Mr. STEVENS (for Mr. SPECTER) proposed an amendment to the bill, S. 2132, supra; as follows:

At the appropriate place in the bill, insert the following:

SEC. . COMMISSION TO ASSESS THE ORGANIZATION OF THE FEDERAL GOVERNMENT TO COMBAT THE PROLIFERATION OF WEAPONS OF MASS DESTRUCTION.

The Combatting Proliferation of Weapons of Mass Destruction Act of 1996 (as contained in Public Law 104–293) is amended—

(1) in section 711(b), in the text above paragraph (1), by striking ''eight'' and inserting ''twelve'';

(2) in section 711(b)(2), by striking ''one'' and inserting ''three'';

(3) in section 711(b)(4), by striking ''one'' and inserting ''three'';

(4) in section 711(e), by striking ''on which all members of the Commission have been appointed'' and inserting ''on which the Department of Defense Appropriations Act, 1999, is enacted, regardless of whether all members of the Commission have been appointed''; and

(5) in section 712(c), by striking ''not later than 18 months after the date of enactment of this Act,'' and inserting ''Not later than June 15, 1999,''.

STEVENS AMENDMENT NO. 3439

Mr. STEVENS proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, insert in the appropriate place the following general provision:

SEC. 8104. Of the funds provided under Title III of this Act under the heading ''Other Procurement, Army'', for Training Devices $4,000,000 shall be made available only for procurement of Multiple Integrated Laser Engagement System (MILES) equipment to support Department of Defense Cope Thunder exercises.

STEVENS AMENDMENT NO. 3440

Mr. STEVENS proposed an amendment to the bill, S. 2132, supra; as follows:

On page 73, line 4 of the bill, revise the text ''rescinded from'' to read ''rescinded as of the date of enactment of this act from''.

COCHRAN AMENDMENT NO. 3441

Mr. STEVENS (for Mr. COCHRAN) proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, insert in the appropriate place the following new general provision:

SEC. 8104. Within the amounts appropriated under Title IV of this Act under the heading ''Research, Development, Test and Evaluation, Army'', the amount available for Joint Tactical Radio is hereby reduced by $10,981,000, and the amount available for Army Data Distribution System development is hereby increased by $10,981,000.

WARNER AMENDMENT NO. 3442

Mr. STEVENS (for Mr. WARNER) proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, insert in the appropriate place the following new general provision:

SEC. 8104. Of the funds provided under Title IV of this Act under the heading ''Research, Development, Test and Evaluation, Army'', for Digitization, $2,000,000 shall be made

available only for the Ditigal Intelligence Situation Mapboard (DISM).

BOXER AMENDMENT NO. 3443

Mr. STEVENS (for Mrs. BOXER) proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, between lines 17 and 18, insert the following:

SEC. 8104. Of the funds available for the Navy for research, development, test, and evaluation under title IV, $5,000,000 shall be available for the Shortstop Electronic Protection System''.

FORD (AND OTHERS) AMENDMENT NO. 3444

Mr. STEVENS (for Mr. FORD for himself, Mr. BOND, and Mr. LOTT) proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, between lines 17 and 18, insert the following:

SEC. 8104. (a) Subsection (a)(3) of section 112 of title 32, United States Code, is amended by striking out ''and leasing of equipment'' and inserting in lieu thereof ''and equipment, and the leasing of equipment,''.

(b) Subsection (b)(2) of such section is amended to read as follows:

''(2)(A) A member of the National Guard serving on full-time National Guard duty under orders authorized under paragraph (1) shall participate in the training required under section 502(a) of this title in addition to the duty performed for the purpose authorized under that paragraph. The pay, allowances, and other benefits of the member while participating in the training shall be the same as those to which the member is entitled while performing duty for the purpose of carrying out drug interdiction and counter-drug activities.

''(B) Appropriations available for the Department of Defense for drug interdiction and counter-drug activities may be used for paying costs associated with a member's participation in training described in subparagraph (A). The appropriation shall be reimbursed in full, out of appropriations available for paying those costs, for the amounts paid. Appropriations available for paying those costs shall be available for making the reimbursements.''.

(c) Subsection (b)(3) of such section is amended to read as follows:

''(2) A unit or member of the National Guard of a State may be used, pursuant to a State drug interdiction and counter-drug activities plan approved by the Secretary of Defense under this section, to provide services or other assistance (other than air transportation) to an organization eligible to receive services under section 508 of this title if—

''(A) the State drug interdiction and counter-drug activities plan specifically recognizes the organization as being eligible to receive the services or assistance;

''(B) in the case of services, the provision of the services meets the requirements of paragraphs (1) and (2) of subsection (a) of section 508 of this title; and

''(C) the services or assistance is authorized under subsection (b) or (c) of such section or in the State drug interdiction and counter-drug activities plan.''.

(d) Subsection (i)(1) of such section is amended by inserting after ''drug interdiction and counter-drug law enforcement activities'' the following: '', including drug demand reduction activities,''.

DODD AMENDMENT NO. 3445

Mr. STEVENS (for Mr. DODD) proposed an amendment to the bill, S. 2132, supra; as follows:

On page 36, line 22, insert before the period at the end the following: '': *Provided*, That, of the funds available under this heading, $3,000,000 shall be available for research and surveillance activities relating to Lyme disease and other tick-borne diseases''.

KERRY AMENDMENT NO. 3446

Mr. STEVENS (for Mr. KERRY) proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, between lines 17 and 18, insert the following:

SEC. 8104. Of the amounts appropriated by title IV of this Act under the heading ''RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY'', $3,000,000 shall be available for advanced research relating to solid state dye lasers.

MCCAIN (AND KYL) AMENDMENT NO. 3447

Mr. STEVENS (for Mr. MCCAIN for himself and Mr. KYL) proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, between lines 17 and 18, insert the following:

SEC. 8104. (a) The Secretary of the Air Force may enter into an agreement to lease from the City of Phoenix, Arizona, the parcel of real property described in subsection (b), together with improvements on the property, in consideration of annual rent not in excess of one dollar.

(b) The real property referred to in subsection (a) is a parcel, known as Auxiliary Field 3, that is located approximately 12 miles north of Luke Air Force Base, Arizona, in section 4 of township 3 north, range 1 west of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, is bounded on the north by Bell Road, on the east by Litchfield Road, on the south by Greenway Road, and on the west by agricultural land, and is composed of approximately 638 acres, more or less, the same property that was formerly an Air Force training and emergency field developed during World War II.

(c) The Secretary may require such additional terms and conditions in connection with the lease under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

MCCAIN (AND KYL) AMENDMENT NO. 3448

Mr. STEVENS (for Mr. MCCAIN for himself and Mr. KYL) proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, insert in the appropriate place the following new general provision:

SEC. 8104. Of the funds provided under Title IV of this Act under the heading ''Research, Development, Test and Evaluation, Army'', up to $1,300,000 may be made available only to integrate and evaluate enhanced, active and passive, passenger safety system for heavy tactical trucks.

GRASSLEY AMENDMENT NO. 3449

Mr. STEVENS (for Mr. GRASSLEY) proposed an amendment to the bill, S. 2132, supra; as follows:

At the end of title VIII, add the following:

SEC. ____. Effective on June 30, 1999, section 8106(a) of the Department of Defense Appropriations Act, 1997 (titles I through VIII of the matter under section 101(b) of Public Law 104–208; 110 Stat. 3009–111; 10 U.S.C. 113 note), is amended—

(1) by striking out ''not later than June 30, 1997,'', and inserting in lieu thereof ''not later than June 30, 1999,''; and

(2) by striking out ''$1,000,000'' and inserting in lieu thereof ''$500,000''.

HARKIN AMENDMENT NO. 3450

Mr. STEVENS (for Mr. HARKIN) proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, between lines 17 and 18, insert the following:

SEC. 8104. (a) Of the total amount appropriated under title IV for research, development, test and evaluation, Defense-wide, for basic research, $29,646,000 is available for research and development relating to Persian Gulf illnesses.

STEVENS AMENDMENT NO. 3451

Mr. STEVENS proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, insert in the appropriate place the following new general provision:

SEC. 8104. Within the amounts appropriated under Title IV of this Act under the heading ''Research, Development, Test and Evaluation, Navy'', the amount available for Hard and Deeply Buried Target Defeat System is hereby reduced by $9,827,000, and the amount available for Consolidated Training Systems Development is hereby increased by $9,827,000.

FAIRCLOTH AMENDMENT NO. 3452

Mr. STEVENS (for Mr. FAIRCLOTH) proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, between lines 17 and 18, insert the following:

SEC. 8014. (a) Not later than six months after the date of enactment of this Act, the Comptroller General shall submit to Congress a report containing a comprehensive assessment of the TRICARE program.

(b) The assessment under subsection (a) shall include the following:

(1) A comparison of the health care benefits available under the health care options of the TRICARE program known as TRICARE Standard, TRICARE Prime, and TRICARE Extra with the health care benefits available under the health care plan of the Federal Employees Health Benefits program most similar to each such option that has the most subscribers as of the date of enactment of this Act, including—

(A) the types of health care services offered by each option and plan under comparison;

(B) the ceilings, if any, imposed on the amounts paid for covered services under each option and plan under comparison; and

(C) the timeliness of payments to physicians providing services under each option and plan under comparison.

(2) An assessment of the effect on the subscription choices made by potential subscribers to the TRICARE program of the Department of Defense policy to grant priority in the provision of health care services to subscribers to a particular option.

(3) An assessment whether or not the implementation of the TRICARE program has discouraged medicare-eligible individuals from obtaining health care services from military treatment facilities, including—

(A) an estimate of the number of such individuals discouraged from obtaining health care services from such facilities during the two-year period ending with the commencement of the implementation of the TRICARE program; and

(B) an estimate of the number of such individuals discouraged from obtaining health-care services from such facilities during the two-year period following the commencement of the implementation of the TRICARE program.

(4) An assessment of any other matters that the Comptroller General considers appropriate for purposes of this section.

(c) In this section:

(1) The term ''Federal Employees Health Benefits program'' means the health benefits program under chapter 89 of title 5, United States Code.

(2) The term ''TRICARE program'' has the meaning given that term in section 1072(7) of title 10, United States Code.

STEVENS AMENDMENT NO. 3453

Mr. STEVENS proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, between lines 17 and 18, insert the following:

SEC. 8104. (a) The Secretary of the Army and the Secretary of the Air Force may each enter into one or more multiyear leases of non-tactical firefighting equipment, non-tactical crash rescue equipment, or non-tactical snow removal equipment. The period of a lease entered into under this section shall be for any period not in excess of 10 years. Any such lease shall provide that performance under the lease during the second and subsequent years of the contract is contingent upon the appropriation of funds and shall provide for a cancellation payment to be made to the lessor if such appropriations are not made.

(b) Lease payments made under subsection (a) shall be made from amounts provided in this or future appropriations Acts.

(c) This section is effective for all fiscal years beginning after September 30, 1998.

BUMPERS AMENDMENT NO. 3454

Mr. STEVENS (for Mr. BUMPERS) proposed an amendment to the bill, S. 2132, supra; as follows:

At the appropriate place in the bill in Title VIII, insert the following:

''SEC. . Of the amounts appropriated in this bill for the Defense Threat seduction and Treaty Compliance Agency and for Operations and Maintenance, National Guard, $1,500,000 shall be available to develop training materials and a curriculum for a Domestic Preparedness Sustainment Training Center at Pine Bluff Arsenal, Arkansas.''

FAIRCLOTH AMENDMENT NO. 3455

Mr. STEVENS (for Mr. FAIRCLOTH) proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, insert in the appropriate place the following new general provision:

SEC. 8104. Of the funds provided under Title IV of this Act under the heading ''Research, Development, Test and Evaluation, Army'', up to $10,000,000 may be made available only for the efforts associated with building and demonstrating a deployable mobile large aerostat system platform.

BAUCUS AMENDMENT NO. 3456

Mr. STEVENS (for Mr. BAUCUS) proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, between lines 17 and 18, insert before the period at the end the following: '': SEC. . That of the amounts available under this heading, $150,000 shall be made available to the Bear Paw Development Council, Montana, for the management and conversion of the Havre Air Force Base and Training Site, Montana, for public benefit purposes, including public schools, housing for the homeless, and economic development''.

MCCAIN (AND HUTCHISON) AMENDMENT NO. 3457

Mr. STEVENS (for Mr. MCCAIN for himself and Mrs. HUTCHISON) proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, between lines 17 and 18, insert the following:

SEC. 8104. (a) Section 4344(b) of title 10, United States Code, is amended—

(1) in the second sentence of paragraph (2), by striking out '', except that the reimbursement rates may not be less than the cost to the United States of providing such instruction, including pay, allowances, and emoluments, to a cadet appointed from the United States''; and

(2) by striking out paragraph (3).

(b) Section 6957(b) of such title is amended—

(1) in the second sentence of paragraph (2), by striking out '', except that the reimbursement rates may not be less than the cost to the United States of providing such instruction, including pay, allowances, and emoluments, to a midshipman appointed from the United States''; and

(2) by striking out paragraph (3).

(c) Section 9344(b) of such title is amended—

(1) in the second sentence of paragraph (2), by striking out '', except that the reimbursement rates may not be less than the cost to the United States of providing such instruction, including pay, allowances, and emoluments, to a cadet appointed from the United States''; and

(2) by striking out paragraph (3).

DORGAN AMENDMENT NO. 3458

Mr. STEVENS (for Mr. DORGAN) proposed an amendment to the bill, S. 2132, supra; as follows:

On page 54, strike Section 8023 and insert the following:

SEC. 8023. (a) In addition to the funds provided elsewhere in this Act, $8,000,000 is appropriated only for incentive payments authorized by Section 504 of the Indian Financing Act of 1974 (25 U.S.C. 1544): *Provided,* That contractors participating in the test program established by section 854 of Public Law 101–189 (15 U.S.C. 637 note) shall be eligible for the program established by section 504 of the Indian Financing Act of 1974 (25 U.S.C. 1544).

(b) Section 8024 of the Department of Defense Appropriations Act (Public Law 105–56) is amended by striking out ''That these payments'' and all that follows through ''*Provided further,*''.

MCCONNELL (AND OTHERS) AMENDMENT NO. 3459

Mr. STEVENS (for Mr. MCCONNELL for himself, Mr. FORD, and Mr. SHELBY) proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, between lines 17 and 18, insert the following:

SEC. 8104. Out of the funds available for the Department of Defense under title VI of this Act for chemical agents and munitions, Defense, or the unobligated balances of funds available for chemical agents and munitions destruction, Defense, under any other Act making appropriations for military functions administered by the Department of Defense for any fiscal year, the Secretary of Defense may use not more than $25,000,000 for the Assembled Chemical Weapons Assessment to complete the demonstration of alternatives to baseline incineration for the destruction of chemical agents and munitions and to carry out the pilot program under section 8065 of the Department of Defense Appropriations Act, 1997 (section 101(b) of Public Law 104–208; 110 Stat. 3009–101; 50 U.S.C. 1521 note). The amount specified in the preceding sentence is in addition to any other amount that is made available under title VI of this Act to complete the demonstration of the alternatives and to carry out the pilot program: *Provided,* That none of these funds shall be taken from any ongoing operational chemical munition destruction programs.

WELLSTONE AMENDMENT NO. 3460

Mr. STEVENS (for Mr. WELLSTONE) proposed an amendment to the bill, S. 2132, supra; as follows:

At the appropriate place, add the following:

Findings:

child experts estimate that as many as 250,000 children under the age of 18 are currently serving in armed forces or armed groups in more than 30 countries around the world;

contemporary armed conflict has caused the deaths of 2,000,000 minors in the last decade alone, and has left an estimated 6,000,000 children seriously injured or permanently disabled;

children are uniquely vulnerable to military recruitment because of their emotional and physical immaturity, are easily manipulated, and can be drawn into violence that they are too young to resist or understand;

children are most likely to become child soldiers if they are poor, separated from their families, displaced from their homes, living in a combat zone, or have limited access to education;

orphans and refugees are particularly vulnerable to recruitment;

one of the most egregious examples of the use of child soldiers is the abduction of some 10,000 children, some as young as 8 years of age, by the Lord's Resistance Army (in this resolution referred to as the ''LRA'') in northern Uganda;

the Department of State's Country Reports on Human Rights Practices for 1997 reports that in Uganda the LRA kills, maims, and rapes large numbers of civilians, and forces abducted children into ''virtual slavery as guards, concubines, and soldiers'';

children abducted by the LRA are forced to raid and loot villages, fight in the front line of battle against the Ugandan army and the Sudan People's Liberation Army (SPLA); serve as sexual slaves to rebel commanders, and participate in the killing of other children who try to escape;

former LRA child captives report witnessing Sudanese government soldiers delivering food supplies, vehicles, ammunition, and arms to LRA base camps in government-controlled southern Sudan;

children who manage to escape from LRA captivity have little access to trauma care and rehabilitation programs, and many find their families displaced, unlocatable, dead, or fearful of having their children return home;

Graca Machel, the former United Nations expert on the impact of armed conflict on

children, identified the immediate demobilization of all child soldiers as an urgent priority, and recommended the establishment through an optional protocol to the Convention on the Rights of the Child of 18 as the minimum age for recruitment and participation in armed forces; and

the International Committee of the Red Cross, the United Nations Children's Fund (UNICEF), the United Nations High Commission on Refugees, and the United Nations High Commissioner on Human Rights, as well as many nongovernmental organizations, also support the establishment of 18 as the minimum age for military recruitment and participation in armed conflict:

SEC. 1. (a) The Senate hereby—

(1) deplores the global use of child soldiers and supports their immediate demobilization;

(2) condemns the abduction of Ugandan children by the LRA;

(3) calls on the Government of Sudan to use its influence with the LRA to secure the release of abducted children and to halt further abductions; and

(4) encourages the United States delegation not to block the drafting of an optional protocol to the Convention on the Rights of the Child that would establish 18 as the minimum age for participation in armed conflict.

(b) It is the sense of the Senate that the President and the Secretary of State should—

(1) support efforts to end the abduction of children by the LRA, secure their release, and facilitate their rehabilitation and reintegration into society;

(2) not block efforts to establish 18 as the minimum age for participation in conflict through an optional protocol to the Convention on the Rights of the Child; and

(3) provide greater support to United Nations agencies and nongovernmental organizations working for the rehabilitation and reintegration of former child soldiers into society.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the President and the Secretary of State.

FAIRCLOTH AMENDMENT NO. 3461

Mr. STEVENS (for Mr. FAIRCLOTH) proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, insert in the appropriate place the following new general provision:

SEC. 8104. Notwithstanding any other provision of law, the Secretary of Defense shall obligate the funds provided for Counterterror Technical Support in the Department of Defense Appropriations Act, 1998 (under title IV of Public Law 105–56) for the projects and in the amounts provided for in House Report 105–265 of the House of Representatives, 105th Congress, first session: *Provided*, That the funds available for the Pulsed Fast Neutron Analysis Project should be executed through cooperation with the Office of National Drug Control Policy.

BENNETT AMENDMENT NO. 3462

Mr. STEVENS (for Mr. BENNETT) proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, insert in the appropriate place the following new general provision:

SEC. 8104. Of the funds provided under Title IV of this Act under the heading ''Research, Development, Test and Evaluation, Navy'', up to $1,000,000 may be made available only for the development and testing of alternate turbine engines for missiles.

GRAMM AMENDMENT NO. 3463

Mr. STEVENS (for Mr. GRAMM) proposed an amendment to the bill, S. 2132, supra; as follows:

At the appropriate place, insert the following:

SEC. . VOTING RIGHTS OF MILITARY PERSONNEL.

(a) GUARANTEE OF RESIDENCY.—Article VII of the Soldiers' and Sailors' Civil Relief Act of 1940 (50 U.S.C. 590 et seq.) is amended by adding at the end the following:

''SEC. 704. (a) For purposes of voting for an office of the United States or of a State, a person who is absent from a State in compliance with military or naval orders shall not, solely by reason of that absence—

''(1) be deemed to have lost a residence or domicile in that State;

''(2) be deemed to have acquired a residence or domicile in any other State; or

''(3) be deemed to have become resident in or a resident of any other State.

''(b) In this section, the term 'State' includes a territory or possession of the United States, a political subdivision of a State, territory, or possession, and the District of Columbia.''.

(b) STATE RESPONSIBILITY TO GUARANTEE MILITARY VOTING RIGHTS.—(1) REGISTRATION AND BALLOTING.—Section 102 of the Uniformed and Overseas Absentee Voting Act (42 U.S.C. 1973ff–1) is amended—

(A) by inserting ''(a) ELECTIONS FOR FEDERAL OFFICES.—'' before ''Each State shall—''; and

by adding at the end the following:

(b) ELECTIONS FOR STATE AND LOCAL OFFICES.—Each State shall—

''(1) permit absent uniformed services voters to use absentee registration procedures and to vote by absentee ballot in general, special, primary, and run-off elections for State and local offices; and

''(2) accept and process, with respect to any election described in paragraph (1), any otherwise valid voter registration application from an absent uniformed services voter if the application is received by the appropriate State election official not less than 30 days before the election.''.

(2) CONFORMING AMENDMENT.—The heading for title I of such Act is amended by striking out ''**FOR FEDERAL OFFICE**''.

MOSELEY-BRAUN AMENDMENT NO. 3464

Mr. INOUYE (for Ms. MOSELEY-BRAUN) proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, between lines 17 and 18, insert the following:

SEC. 8014. From amounts made available by this Act, up to $10,000,000 may be available to convert the Eighth Regiment National Guard Armory into a Chicago Military Academy: *Provided*, That the Academy shall provide a 4 year college prepatory curriculum combined with a mandatory JROTC instruction program.

DURBIN AMENDMENT NO. 3465

Mr. DURBIN proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, between lines 17 and 18, insert the following:

SEC. 8104. No funds appropriated or otherwise made available by this Act may be used to initiate or conduct offensive military operations by United States Armed Forces except in accordance with Article I, Section 8 of the Constitution, which vests in Congress the power to declare war and take certain other related actions.

D'AMATO AMENDMENT NO. 3466

Mr. STEVENS (for Mr. D'AMATO) proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, between lines 17 and 18, insert the following:

SEC. 8104. (a) The Air National Guard shall, during the period beginning on April 15, 1999, and ending on October 15, 1999, provide support at the Francis S. Gabreski Airport, Hampton, New York, for seasonal search and rescue mission requirements of the Coast Guard in the vicinity of Hampton, New York.

(b) The support provided under subsection (a) shall include access to and use of appropriate facilities at Francis S. Gabreski Airport, including runways, hangars, the operations center, and aircraft berthing and maintenance spaces.

(c)(1) The adjutant general of the National Guard of the State of New York and the Commandant of the Coast Guard shall enter into a memorandum of understanding regarding the support to be provided under subsection (a).

(2) Not later than December 1, 1998, the adjutant general and the Commandant shall jointly submit to the Committee on Appropriations of the Senate and the Committee on Appropriations of the House of Representatives a copy of the memorandum of understanding entered into under paragraph (1).

BINGAMAN AMENDMENT NO. 3467

Mr. STEVENS (for Mr. BINGAMAN) proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, between lines 17 and 18, insert the following:

SEC. 8104. (a) The Secretary of Defense, in coordination with the Secretary of Health and Human Services, may carry out a program to distribute surplus dental equipment of the Department of Defense, at no cost to DoD Indian Health Service facilities and to Federally-qualified health centers (within the meaning of section 1905(l)(2)(B) of the Social Security Act (42 U.S.C. 1396d(1)(2)(B))).

(b) Not later than March 15, 1999, the Secretary of Defense shall submit to Congress a report on the program, including the actions taken under the program.

BINGAMAN AMENDMENT NO. 3468

Mr. STEVENS (for Mr. BINGAMAN) proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, between lines 17 and 18, insert the following:

SEC. 8104. (a) Not later than March 15, 1999, the Secretary of Defense shall submit to the Committees on Appropriations and on Armed Services of the Senate and the Committees on Appropriations and on National Security of the House of Representatives a report on the policies, practices, and experience of the uniformed services pertaining to the furnishing of dental care to dependents of members of the uniformed services on active duty who are 18 years of age and younger.

(b) The report shall include (1) the rates of usage of various types of dental services under the health care system of the uniformed services by the dependents, set forth in categories defined by the age and the gender of the dependents and by the rank of the members of the uniformed services who are the sponsors for those dependents, (2) an assessment of the feasibility of providing the dependents with dental benefits (including initial dental visits for children) that conform with the guidelines of the American Academy of Pediatric Dentistry regarding infant oral health care, and (3) an evaluation

of the feasibility and potential effects of offering general anesthesia as a dental health care benefit available under TRICARE to the dependents.

DODD AMENDMENT NO. 3469

Mr. STEVENS (for Mr. DODD) proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, between lines 17 and 18, insert the following:

SEC. 8104. (a) Of the total amount appropriated for the Army, the Army Reserve, and the Army National Guard under title I, $1,700,000 may be available for taking the actions required under this section to eliminate the backlog of unpaid retired pay and to submit a report.

(b) The Secretary of the Army may take such actions as are necessary to eliminate, by December 31, 1998, the backlog of unpaid retired pay for members and former members of the Army (including members and former members of the Army Reserve and the Army National Guard).

(c) Not later than 30 days after the date of the enactment of this Act, the Secretary of the Army shall submit to Congress a report on the backlog of unpaid retired pay. The report shall include the following:

(1) The actions taken under subsection (b).

(2) The extent of the remaining backlog.

(3) A discussion of any additional actions that are necessary to ensure that retired pay is paid in a timely manner.

HARKIN AMENDMENT NO. 3470

Mr. STEVENS (for Mr. HARKIN) proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, between lines 17 and 18, insert the following:

SEC. 8104. (a) The Secretary of Defense may take such actions as are necessary to ensure the elimination of the backlog of incomplete actions on requests of former members of the Armed Forces for replacement medals and replacements for other decorations that such personnel have earned in the military service of the United States.

(b)(1) The actions taken under subsection (a) may include, except as provided in paragraph (2), allocations of additional resources to improve relevant staffing levels at the Army Reserve Personnel Command, the Bureau of Naval Personnel, and the Air Force Personnel Center, allocations of Department of Defense resources to the National Archives and Records Administration, and any additional allocations of resources that the Secretary considers necessary to carry out subsection (a).

(2) An allocation of resources may be made under paragraph (1) only if and to the extent that the allocation does not detract from the performance of other personnel service and personnel support activities within the Department of Defense.

HARKIN AMENDMENT NO. 3471

Mr. STEVENS (for Mr. HARKIN) proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, between lines 17 and 18, insert the following:

SEC. 8104. Beginning no later than 60 days after enactment, effective tobacco cessation products and counseling may be provided for members of the Armed Forces (including retired members), former members of the Armed Forces entitled to retired or retainer pay, and dependents of such members and former members, who are identified as likely to benefit from such assistance in a manner that does not impose costs upon the individual.

FRIST AMENDMENT NO. 3472

Mr. STEVENS (for Mr. FRIST) proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, between lines 17 and 18, insert the following:

SEC. 8104. (a) Of the amounts appropriated by title II of this Act under the heading ''OPERATION AND MAINTENANCE, MARINE CORPS'', $5,000,000 may be available for procurement of lightweight maintenance enclosures (LME).

(b) Of the amounts appropriated by title III of this Act under the heading ''OTHER PROCUREMENT, ARMY'', $2,000,000 may be available for procurement of light-weight maintenance enclosures (LME).

DORGAN AMENDMENT NO. 3473

Mr. STEVENS (for Mr. DORGAN) proposed an amendment to the bill, S. 2132, supra; as follows:

On page 10, line 15, before the period, insert the following: ": *Provided further*, that out of the funds available under this heading, $300,000 may be available for the abatement of hazardous substances in housing at the Finley Air Force Station, Finley, North Dakota''.

DEWINE AMENDMENT NO. 3474

Mr. STEVENS (for Mr. DEWINE) proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, between lines 17 and 18, insert the following:

SEC. 8104: Of the funds available for Drug Interdiction, up to $8,500,000 may be made available to support restoration of enhanced counter-narcotics operations around the island of Hispaniola, for operation and maintenance for establishment of ground-based radar coverage at Guantanamo Bay Naval Base, Cuba, for procurement of 2 Schweizer observation/spray aircraft, and for upgrades for 3 UH–IH helicopter for Colombia.

WELLSTONE AMENDMENT NO. 3475

Mr. STEVENS (for Mr. WELLSTONE) proposed an amendment to the bill, S. 2132, supra; as follows:

On page 99, between lines 17 and 18, insert the following:

SEC. 8104. (a) The Secretary of Defense shall study the policies, procedures, and practices of the military departments for protecting the confidentiality of communications between—

(1) a dependent of a member of the Armed Forces who—

(A) is a victim of sexual harassment, sexual assault, or intrafamily abuse; or

(B) has engaged in such misconduct; and

(2) a therapist, counselor, advocate, or other professional from whom the victim seeks professional services in connection with effects of such misconduct.

(b)(1) The Secretary of Defense shall prescribe in regulations the policies and procedures that the Secretary considers necessary to provide the maximum possible protections for the confidentiality of communications described in subsection (a) relating to misconduct described in that subsection.

(2) The regulations shall provide the following:

(A) Complete confidentiality of the records of the communications of dependents of members of the Armed Forces.

(B) Characterization of the records under family advocacy programs of the Department of Defense as primary medical records for purposes of the protections from disclosure that are associated with primary medical records.

(C) Facilitated transfer of records under family advocacy programs in conjunction with changes of duty stations of persons to whom the records relate in order to provide for continuity in the furnishing of professional services.

(D) Adoption of standards of confidentiality and ethical standards that are consistent with standards issued by relevant professional associations.

(3) In prescribing the regulations, the Secretary shall consider the following:

(A) Any risk that the goals of advocacy and counseling programs for helping victims recover from adverse effects of misconduct will not be attained if there is no assurance that the records of the communications (including records of counseling sessions) will be kept confidential.

(B) The extent, if any, to which a victim's safety and privacy should be factors in determinations regarding—

(i) disclosure of the victim's identity to the public or the chain of command of a member of the Armed Forces alleged to have engaged in the misconduct toward the victim; or

(ii) any other action that facilitates such a disclosure without the consent of the victim.

(C) The eligibility for care and treatment in medical facilities of the uniformed services for any person having a uniformed services identification card (including a card indicating the status of a person as a dependent of a member of the uniformed services) that is valid for that person.

(D) The appropriateness of requiring that so-called Privacy Act statements be presented as a condition for proceeding with the furnishing of treatment or other services by professionals referred to in subsection (a).

(E) The appropriateness of adopting the same standards of confidentiality and ethical standards that have been issued by such professional associations as the American Psychiatric Association and the National Association of Social Workers.

(4) The regulations may not prohibit the disclosure of information to a Federal or State agency for a law enforcement or other governmental purpose.

(c) The Secretary of Defense shall consult with the Attorney General in carrying out this section.

(d) Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the actions taken under this section. The report shall include a discussion of the results of the study under subsection (a) and the comprehensive discussion of the regulations prescribed under subsection (b).

ROBB AMENDMENT NO. 3476

Mr. STEVENS (for Mr. ROBB) proposed an amendment to the bill, S. 2132, supra; as follows:

At the appropriate place, insert:

Findings:

On the third of February a United States Marine Corps jet aircraft, flying a low-level training mission out of Aviano, Italy, flew below its prescribed altitude and severed the cables supporting a gondola at the Italian ski resort near Cavalese, resulting in the death of twenty civilians;

The crew of the aircraft, facing criminal charges, is entitled to a speedy trial and is being provided that and all the other protections and advantages of the U.S. system of justice;

The United States, to maintain its credibility and honor amongst its allies and all nations of the world, should make prompt reparations for an accident clearly caused by a United States military aircraft;

A high-level delegation, including the U.S. Ambassador to Italy, recently visited Cavalese and, as a result, 20 million dollars was promised to the people in Cavalese for their property damage and business losses;

Without our prompt action, these families continue to suffer financial agonies, our credibility in the European community continues to suffer, and our own citizens remain puzzled and angered by our lack of accountability;

Under the current arrangement we have with Italy in the context of our Status of Forces Agreement (SOFA), civil claims arising from the accident at Cavalese must be brought against the Government of Italy, in accordance with the laws and regulations of Italy, as if the armed forces of Italy had been responsible for the accident;

Under Italian law, every claimant for property damage, personal injury or wrongful death must file initially an administrative claim for damages with the Ministry of Defense in Rome which is expected to take 12–18 months, and, if the Ministry's offer in settlement is not acceptable, which it is not likely to be, the claimant must thereafter resort to the Italian court system, where civil cases for wrongful death are reported to take up to ten years to resolve;

While under the SOFA process, the United States—as the ''sending state''—will be responsible for 75 percent of any damages awarded, and the Government of Italy—as the ''receiving state''—will be responsible for 25 percent, the United States has agreed to pay all damages awarded in this case;

It is the Sense of the Congress that the United States should resolve the claims of the victims of the February 8, 1998 U.S. Marine Corps aircraft incident in Cavalese, Italy as quickly and fairly as possible.

LEAHY AMENDMENT NO. 3477

Mr. STEVENS (for Mr. LEAHY) proposed an amendment to the bill, S. 2132, supra; as follows:

At the appropriate place in the bill, insert the following:

SEC. . TRAINING AND OTHER PROGRAMS.

(a) PROHIBITION.—None of the funds made available by this Act may be used to support any training program involving a unit of the security forces of a foreign country if the Secretary of Defense has received credible information from the Department of State that a member of such unit has committed a gross violation of human rights, unless all necessary corrective steps have been taken.

(b) MONITORING.—Not more than 90 days after enactment of this Act, the Secretary of Defense, in consultation with the Secretary of State, shall establish procedures to ensure that prior to a decision to conduct any training program referred to in paragraph (a), full consideration is given to all information available to the Department of State relating to human rights violations by foreign security forces.

(c) WAIVER.—The Secretary of Defense, after consultation with the Secretary of State, may waive the prohibition in paragraph (a) if he determines that such waiver is required by extraordinary circumstances.

(d) REPORT.—Not more than 15 days after the exercise of any waiver under paragraph (c), the Secretary of Defense shall submit a report to the congressional defense committees describing the extraordinary circumstances, the purpose and duration of the training program, the United States forces and the foreign security forces involved in the training program, and the information relating to human rights violations that necessitates the waiver.

KERREY (AND OTHERS) AMENDMENT NO. 3478

Mr. STEVENS (for Mr. KERREY, for himself, Mr. MOYNIHAN, and Mr. BREAUX) proposed an amendment to the bill, S. 2132, supra; as follows:

At the appropriate place, insert:

SECTION 1. SENSE OF THE SENATE REGARDING PAYROLL TAX RELIEF.

(a) FINDINGS.—The Senate finds the following:

(1) The payroll tax under the Federal Insurance Contributions Act (FICA) is the biggest, most regressive tax paid by working families.

(2) The payroll tax constitutes a 15.3 percent tax burden on the wages and self-employment income of each American, with 12.4 percent of the payroll tax used to pay social security benefits to current beneficiaries and 2.9 percent used to pay the medicare benefits of current beneficiaries.

(3) The amount of wages and self-employment income subject to the social security portion of the payroll tax is capped at $68,400. Therefore, the lower a family's income, the more they pay in payroll tax as a percentage of income. The Congressional Budget Office has estimated that for those families who pay payroll taxes, 80 percent pay more in payroll taxes than in income taxes.

(4) In 1996, the median household income was $35,492, and a family earning that amount and taking standard deductions and exemptions paid $2,719 in Federal income tax, but lost $5,430 in income to the payroll tax.

(5) Ownership of wealth is essential for everyone to have a shot at the American dream, but the payroll tax is the principal burden to savings and wealth creation for working families.

(6) Since 1983, the payroll tax has been higher than necessary to pay current benefits.

(7) Since most of the payroll tax receipts are deposited in the social security trust funds, which masks the real amount of Government borrowing, those whom the payroll tax hits hardest, working families, have shouldered a disproportionate share of the Federal budget deficit reduction and, therefore, a disproportionate share of the creation of the Federal budget surplus.

(8) Over the next 10 years, the Federal Government will generate a budget surplus of $1,550,000,000,000, and all but $32,000,000,000 of that surplus will be generated by excess payroll taxes.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) if Congress decides to provide tax relief, reducing the burden of payroll taxes should be a top priority; and

(2) Congress and the President should work to reduce this payroll tax burden on American families.

CURT FLOOD ACT OF 1998

HATCH AMENDMENT NO. 3479

Mr. JEFFORDS (for Mr. HATCH) proposed an amendment to the bill (S. 53) to require the general application of the antitrust laws to major league baseball, and for other purposes; as follows:

Strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Curt Flood Act of 1998.''

SEC. 2. PURPOSE.

It is the purpose of this legislation to state that major league baseball players are covered under the antitrust laws (*i.e*, that major league baseball players will have the same rights under the antitrust laws as do other professional athletes, *e.g.*, football and basketball players), along with a provision that makes it clear that the passage of this Act does not change the application of the antitrust laws in any other context or with respect to any other person or entity.

SEC. 3. APPLICATION OF THE ANTITRUST LAWS TO PROFESSIONAL MAJOR LEAGUE BASEBALL.

The Clayton Act (15 U.S.C. §12 et seq.) is amended by adding at the end the following new section:

''SEC. 27. (a) Subject to subsections (b) through (d) below, the conduct, acts, practices or agreements of persons in the business of organized professional major league baseball directly relating to or affecting employment of major league baseball players to play baseball at the major league level are subject to the antitrust laws to the same extent such conduct, acts, practices or agreements would be subject to the antitrust laws if engaged in by persons in any other professional sports business affecting interstate commerce.

''(b) No court shall rely on the enactment of this section as a basis for changing the application of the antitrust laws to any conduct, acts, practices or agreements other than those set forth in subsection (a). This section does not create, permit or imply a cause of action by which to challenge under the antitrust laws, or otherwise apply the antitrust laws to, any conduct, acts, practices or agreements that do not directly related to or affect employment of major league baseball players to play baseball at the major league level, including but not limited to:

''(1) any conduct, acts, practices or agreements of persons engaging in, conducting or participating in the business of organized professional baseball relating to or affecting employment to play baseball at the minor league level, any organized professional baseball amateur or first-year player draft, or any reserve clause as applied to minor league players;

''(2) the agreement between organized professional major league baseball teams and the teams of the National Association of Professional Baseball Leagues, commonly known as the ''Professional Baseball Agreement,'' the relationship between organized professional major league baseball and organized professional minor league baseball, or any other matter relating to organized professional baseball's minor leagues;

''(3) any conduct, acts, practices or agreements of persons engaging in, conducting or participating in the business of organized professional baseball relating to or affecting franchise expansion, location or relocation, franchise ownership issues, including ownership transfers, the relationship between the Office of the Commissioner and franchise owners, the marketing or sales of the entertainment product of organized professional baseball and the licensing of intellectual property rights owned or held by organized professional baseball teams individually or collectively;

''(4) any conduct, acts, practices or agreements protected by Public Law 87–331 (15 U.S.C. §1291 et seq.) (commonly known as ''the Sports Broadcasting Act of 1961'');

''(5) the relationship between persons in the business of organized professional baseball and umpires or other individuals who are employed in the business of organized professional baseball by such persons; or

''(6) any conduct, acts, practices or agreements of persons not in the business of organized professional major league baseball.

''(c) Only a major league baseball player has standing to sue under this section. For the purposes of this section, a major league baseball player is:

''(1) a person who is a party to a major league player's contract, or is playing baseball at the major league level; or

''(2) a person who was a party to a major league player's contract or playing baseball at the major league level at the time of the injury that is the subject of the complaint; or

''(3) a person who has been a party to a major league player's contract or who has played baseball at the major league level, and who claims he has been injured in his efforts to secure a subsequent major league player's contract by an alleged violation of the antitrust laws, provided however, that for the purposes of this paragraph, the alleged antitrust violation shall not include any conduct, acts, practices or agreements of persons in the business of organized professional baseball relating to or affect employment to play baseball at the minor league level, including any organized professional baseball amateur or first-year player draft, or any reserve clause as applied to minor league players; or

''(4) a person who was a party to a major league player's contract or who was playing baseball at the major league level at the conclusion of the last full championship season immediately preceding the expiration of the last collective bargaining agreement between persons in the business of organized professional major league baseball and the exclusive collective bargaining representative of major league baseball players.

''(d)(1) As used in this section, ''person'' means any entity, including an individual, partnership, corporation, trust or unincorporated association or any combination or association thereof. As used in this section, the National Association of Professional Baseball Leagues, its member leagues and the clubs of those leagues, are not ''in the business of organized professional major league baseball.''

''(2) In cases involving conduct, acts, practices or agreements that directly relate to or affect both employment of major league baseball players to play baseball at the major league level and also relate to or affect any other aspect of organized professional baseball, including but not limited to employment to play baseball at the minor league level and the other areas set forth in subsection (b) above, only those components, portions or aspects of such conduct, acts, practices or agreements that directly relate to or affect employment of major league players to play baseball at the major league level may be challenged under subsection (a) and then only to the extent that they directly relate to or affect employment of major league baseball players to play baseball at the major league level.

''(3) As used in subsection (a), interpretation of the term 'directly' shall not be governed by any interpretation of 29 U.S.C. §151 et seq. (as amended).

''(4) Nothing in this section shall be construed to affect the application to organized professional baseball of the nonstatutory labor exemption from the antitrust laws.

''(5) The scope of the conduct, acts, practices or agreements covered by subsection (b) shall not be strictly or narrowly construed.

IDENTITY THEFT AND ASSUMPTION DETERRENCE ACT OF 1998

KYL (AND OTHERS) AMENDMENT NO. 3480

Mr. JEFFORDS (for Mr. KYL for himself, Mr. LEAHY, Mr. HATCH, Mrs. FEINSTEIN, Mr. DEWINE, Mr. D'AMATO, Mr. GRASSLEY, Mr. ABRAHAM, Mr. FAIRCLOTH, Mr. HARKIN, Mr. WARNER, Mr. MURKOWSKI, and Mr. ROBB) proposed an amendment to the bill (S. 512) to amend chapter 47 of title 18, United State Code, relating to fraud, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Identity Theft and Assumption Deterrence Act of 1998''.

SEC. 2. IDENTITY THEFT.

(a) ESTABLISHMENT OF OFFENSE.—Section 1028(a) of title 18, United States Code, is amended—

(1) in paragraph (5), by striking ''or'' at the end;

(2) in paragraph (6), by adding ''or'' at the end;

(3) in the flush matter following paragraph (6), by striking ''or attempts to do so,''; and

(4) by inserting after paragraph (6) the following:

''(7) knowingly transfers or uses, without lawful authority, a means of identification of another person with the intent to commit, or otherwise promote, carry on, or facilitate any unlawful activity that constitutes a violation of Federal law, or that constitutes a felony under any applicable State or local law;''.

(b) PENALTIES.—Section 1028(b) of title 18, United States Code, is amended—

(1) in paragraph (1)—

(A) in subparagraph (B), by striking ''or'' at the end;

(B) in subparagraph (C), by adding ''or'' at the end; and

(C) by adding at the end the following:

''(D) an offense under paragraph (7) of such subsection that involves the transfer or use of 1 or more means of identification if, as a result of the offense, any individual committing the offense obtains anything of value aggregating $1,000 or more during any 1-year period;'';

(2) in paragraph (2)—

(A) in subparagraph (A), by striking ''or transfer of an identification document or'' and inserting ''transfer, or use of a means of identification, an identification document, or a''; and

(B) in subparagraph (B), by inserting ''or (7)'' after ''(3)'';

(3) by striking paragraphs (3) and (4) and inserting the following:

''(3) a fine under this title or imprisonment for not more than 20 years, or both, if the offense is committed—

''(A) to facilitate a drug trafficking crime (as defined in section 929(a)(2)); or

''(B) after a prior conviction under this section becomes final;

''(4) a fine under this title or imprisonment for not more than 25 years, or both, if the offense is committed—

''(A) to facilitate an act of international terrorism (as defined in section 2331(1)); or

''(B) in connection with a crime of violence (as defined in section 924(c)(3));'';

(4) by redesignating paragraph (5) as paragraph (6); and

(5) by inserting after paragraph (4) (as added by paragraph (3) of this subsection) the following:

''(5) in the case of any offense under subsection (a), forfeiture to the United States of any personal property used or intended to be used to commit the offense; and''.

(c) CIRCUMSTANCES.—Section 1028(c) of title 18, United States Code, is amended by striking paragraph (3) and inserting the following:

''(3) either—

''(A) the production, transfer, possession, or use prohibited by this section is in or affects interstate or foreign commerce; or

''(B) the means of identification, identification document, false identification document, or document-making implement is transported in the mail in the course of the production, transfer, possession, or use prohibited by this section.''.

(d) DEFINITIONS.—Section 1028 of title 18, United States Code, is amended by striking subsection (d) and inserting the following:

''(d) DEFINITIONS.—In this section:

''(1) DOCUMENT-MAKING IMPLEMENT.—The term 'document-making implement' means any implement, impression, electronic device, or computer hardware or software, that is specifically configured or primarily used for making an identification document, a false identification document, or another document-making implement.

''(2) IDENTIFICATION DOCUMENT.—The term 'identification document' means a document made or issued by or under the authority of the United States Government, a State, political subdivision of a State, a foreign government, political subdivision of a foreign government, an international governmental or an international quasi-governmental organization which, when completed with information concerning a particular individual, is of a type intended or commonly accepted for the purpose of identification of individuals.

''(3) MEANS OF IDENTIFICATION.—The term 'means of identification' means any name or number that may be used, alone or in conjunction with any other information, to identify a specific individual, including any—

''(A) name, social security number, date of birth, official State or government issued driver's license or identification number, alien registration number, government passport number, employer or taxpayer identification number;

''(B) unique biometric data, such as fingerprint, voice print, retina or iris image, or other unique physical representation;

''(C) unique electronic identification number, address, or routing code; or

''(D) telecommunication identifying information or access device (as defined in section 1029(e)).

''(4) PERSONAL IDENTIFICATION CARD.—The term 'personal identification card' means an identification document issued by a State or local government solely for the purpose of identification.

''(5) PRODUCE.—The term 'produce' includes alter, authenticate, or assemble.

''(6) STATE.—The term 'State' includes any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any other commonwealth, possession, or territory of the United States.''.

(e) ATTEMPT AND CONSPIRACY.—Section 1028 of title 18, United States Code, is amended by adding at the end the following:

''(f) ATTEMPT AND CONSPIRACY.—Any person who attempts or conspires to commit any offense under this section shall be subject to the same penalties as those prescribed for the offense, the commission of which was the object of the attempt or conspiracy.''.

(f) FORFEITURE PROCEDURES.—Section 1028 of title 18, United States Code, is amended by adding at the end the following:

''(g) FORFEITURE PROCEDURES.—The forfeiture of property under this section, including

any seizure and disposition of the property and any related judicial or administrative proceeding, shall be governed by the provisions of section 413 (other than subsection (d) of that section) of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 853).''.

(g) RULE OF CONSTRUCTION.—Section 1028 of title 18, United States Code, is amended by adding at the end the following:

''(h) RULE OF CONSTRUCTION.—For purpose of subsection (a)(7), a single identification document or false identification document that contains 1 or more means of identification shall be construed to be 1 means of identification.''.

(h) CONFORMING AMENDMENTS.—Chapter 47 of title 18, United States Code, is amended—

(1) in section 1028, by striking ''or attempts to do so,'';

(2) in the heading for section 1028, by adding ''**and information**'' at the end; and

(3) in the analysis for the chapter, in the item relating to section 1028, by adding ''and information'' at the end.

SEC. 3. RESTITUTION.

Section 3663A of title 18, United States Code, is amended—

(1) in subsection (c)(1)(A)—

(A) in clause (ii), by striking ''or'' at the end;

(B) in clause (iii), by striking ''and'' at the end and inserting ''or''; and

(C) by adding at the end the following:

''(iv) an offense described in section 1028 (relating to fraud and related activity in connection with means of identification or identification documents); and''; and

(2) by adding at the end the following:

''(e) FRAUD AND RELATED ACTIVITY IN CONNECTION WITH IDENTIFICATION DOCUMENTS AND INFORMATION.—Making restitution to a victim under this section for an offense described in section 1028 (relating to fraud and related activity in connection with means of identification or identification documents) may include payment for any costs, including attorney fees, incurred by the victim, including any costs incurred—

''(1) in clearing the credit history or credit rating of the victim; or

''(2) in connection with any civil or administrative proceeding to satisfy any debt, lien, or other obligation of the victim arising as a result of the actions of the defendant.''.

SEC. 4. AMENDMENT OF FEDERAL SENTENCING GUIDELINES FOR OFFENSES UNDER SECTION 1028.

(a) IN GENERAL.—Pursuant to its authority under section 994(p) of title 28, United States Code, the United States Sentencing Commission shall review and amend the Federal sentencing guidelines and the policy statements of the Commission, as appropriate, to provide an appropriate penalty for each offense under section 1028 of title 18, United States Code, as amended by this Act.

(b) FACTORS FOR CONSIDERATION.—In carrying out subsection (a), the United States Sentencing Commission shall consider, with respect to each offense described in subsection (a)—

(1) the extent to which the number of victims (as defined in section 3663A(a) of title 18, United States Code) involved in the offense, including harm to reputation, inconvenience, and other difficulties resulting from the offense, is an adequate measure for establishing penalties under the Federal sentencing guidelines;

(2) the number of means of identification, identification documents, or false identification documents (as those terms are defined in section 1028(d) of title 18, United States Code, as amended by this Act) involved in the offense, is an adequate measure for establishing penalties under the Federal sentencing guidelines;

(3) the extent to which the value of the loss to any individual caused by the offense is an adequate measure for establishing penalties under the Federal sentencing guidelines;

(4) the range of conduct covered by the offense;

(5) the extent to which sentencing enhancements within the Federal sentencing guidelines and the court's authority to sentence above the applicable guideline range are adequate to ensure punishment at or near the maximum penalty for the most egregious conduct covered by the offense;

(6) the extent to which Federal sentencing guidelines sentences for the offense have been constrained by statutory maximum penalties;

(7) the extent to which Federal sentencing guidelines for the offense adequately achieve the purposes of sentencing set forth in section 3553(a)(2) of title 18, United States Code; and

(8) any other factor that the United States Sentencing Commission considers to be appropriate.

SEC. 5. CENTRALIZED COMPLAINT AND CONSUMER EDUCATION SERVICE FOR VICTIMS OF IDENTITY THEFT.

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Federal Trade Commission shall establish procedures to—

(1) log and acknowledge the receipt of complaints by individuals who certify that they have a reasonable belief that 1 or more of their means of identification (as defined in section 1028 of title 18, United States Code, as amended by this Act) have been assumed, stolen, or otherwise unlawfully acquired in violation of section 1028 of title 18, United States Code, as amended by this Act;

(2) provide informational materials to individuals described in paragraph (1); and

(3) refer complaints described in paragraph (1) to appropriate entities, which may include referral to—

(A) the 3 major national consumer reporting agencies; and

(B) appropriate law enforcement agencies for potential law enforcement action.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

SEC. 6. TECHNICAL AMENDMENTS TO TITLE 18, UNITED STATES CODE.

(a) TECHNICAL CORRECTION RELATING TO CRIMINAL FORFEITURE PROCEDURES.—Section 982(b)(1) of title 18, United States Code, is amended to read as follows: ''(1) The forfeiture of property under this section, including any seizure and disposition of the property and any related judicial or administrative proceeding, shall be governed by the provisions of section 413 (other than subsection (d) of that section) of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 853).''.

(b) ECONOMIC ESPIONAGE AND THEFT OF TRADE SECRETS AS PREDICATE OFFENSES FOR WIRE INTERCEPTION.—Section 2516(1)(a) of title 18, United States Code, is amended by inserting ''chapter 90 (relating to protection of trade secrets),'' after ''to espionage),''.

BORDER IMPROVEMENT AND IMMIGRATION ACT OF 1998

ABRAHAM AMENDMENT NO. 3481

Mr. JEFFORDS (for Mr. ABRAHAM) proposed an amendment to the bill (S. 1360) to amend the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 to clarify and improve the requirements for the development of an automated entry-exit control system, to enhance land border control and enforcement, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Border Improvement and Immigration Act of 1998''.

SEC. 2. AMENDMENT OF THE ILLEGAL IMMIGRATION REFORM AND IMMIGRANT RESPONSIBILITY ACT OF 1996.

(a) IN GENERAL.—Section 110(a) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1221 note) is amended to read as follows:

''(a) SYSTEM.—

''(1) IN GENERAL.—Subject to paragraph (2), not later than 2 years after the date of enactment of this Act, the Attorney General shall develop an automated entry and exit control system that will—

''(A) collect a record of departure for every alien departing the United States and match the record of departure with the record of the alien's arrival in the United States; and

''(B) enable the Attorney General to identify, through on-line searching procedures, lawfully admitted nonimmigrants who remain in the United States beyond the period authorized by the Attorney General.

''(2) EXCEPTION.—The system under paragraph (1) shall not collect a record of arrival or departure—

''(A) at a land border or seaport of the United States for any alien; or

''(B) for any alien for whom the documentary requirements in section 212(a)(7)(B) of the Immigration and Nationality Act have been waived by the Attorney General and the Secretary of State under section 212(d)(4)(B) of the Immigration and Nationality Act.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the enactment of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (division C of Public Law 104–208; 110 Stat. 3009–546).

SEC. 3. REPORT ON AUTOMATED ENTRY-EXIT CONTROL SYSTEM.

(a) REQUIREMENT.—Not later than 1 year after the date of enactment of this Act, the Attorney General shall submit a report to the Committees on the Judiciary of the Senate and the House of Representatives on the feasibility of developing and implementing an automated entry-exit control system that would collect a record of departure for every alien departing the United States and match the record of departure with the record of the alien's arrival in the United States, including departures and arrivals at the land borders and seaports of the United States.

(b) CONTENTS OF REPORT.—Such report shall—

(1) assess the costs and feasibility of various means of operating such an automated entry-exit control system, including exploring—

(A) how, if the automated entry-exit control system were limited to certain aliens arriving at airports, departure records of those aliens could be collected when they depart through a land border or seaport; and

(B) the feasibility of the Attorney General, in consultation with the Secretary of State, negotiating reciprocal agreements with the governments of contiguous countries to collect such information on behalf of the United States and share it in an acceptable automated format;

(2) consider the various means of developing such a system, including the use of pilot projects if appropriate, and assess which means would be most appropriate in which geographical regions;

(3) evaluate how such a system could be implemented without increasing border traffic congestion and border crossing delays and, if any such system would increase border crossing delays, evaluate to what extent such congestion or delays would increase; and

(4) estimate the length of time that would be required for any such system to be developed and implemented.

SEC. 4. ANNUAL REPORTS ON ENTRY-EXIT CONTROL AND USE OF ENTRY-EXIT CONTROL DATA.

(a) ANNUAL REPORTS ON IMPLEMENTATION OF ENTRY-EXIT CONTROL AT AIRPORTS.—Not later than 30 days after the end of each fiscal year until the fiscal year in which Attorney General certifies to Congress that the entry-exit control system required by section 110(a) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, as amended by section 2 of this Act, has been developed, the Attorney General shall submit to the Committees on the Judiciary of the Senate and the House of Representatives a report that—

(1) provides an accurate assessment of the status of the development of the entry-exit control system;

(2) includes a specific schedule for the development of the entry-exit control system that the Attorney General anticipates will be met; and

(3) includes a detailed estimate of the funding, if any, needed for the development of the entry-exit control system.

(b) ANNUAL REPORTS ON VISA OVERSTAYS IDENTIFIED THROUGH THE ENTRY-EXIT CONTROL SYSTEM.—Not later than June 30 of each year, the Attorney General shall submit to the Committees on the Judiciary of the House of Representatives and the Senate a report that sets forth—

(1) the number of arrival records of aliens and the number of departure records of aliens that were collected during the preceding fiscal year under the entry-exit control system under section 110(a) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, as so amended, with a separate accounting of such numbers by country of nationality;

(2) the number of departure records of aliens that were successfully matched to records of such aliens' prior arrival in the United States, with a separate accounting of such numbers by country of nationality and by classification as immigrant or nonimmigrant; and

(3) the number of aliens who arrived as nonimmigrants, or as visitors under the visa waiver program under section 217 of the Immigration and Nationality Act, for whom no matching departure record has been obtained through the system, or through other means, as of the end of such aliens' authorized period of stay, with an accounting by country of nationality and approximate date of arrival in the United States.

(c) INCORPORATION INTO OTHER DATABASES.—Information regarding aliens who have remained in the United States beyond their authorized period of stay that is identified through the system referred to in subsection (a) shall be integrated into appropriate databases of the Immigration and Naturalization Service and the Department of State, including those used at ports-of-entry and at consular offices.

SEC. 5. BORDER CROSSING-RELATED VISAS.

(a) WAIVER OF FEES FOR CERTAIN VISAS.—

(1) REQUIREMENT.—Notwithstanding any other provision of law, the Secretary of State or the Attorney General may waive all or part of any fee or fees for the processing of any application for the issuance of a combined border crossing identification card and nonimmigrant visa under section 101(a)(15)(B) of the Immigration and Nationality Act where the application is made in Mexico on behalf of a Mexican national under 15 years old at the time of application.

(2) PERIOD OF VALIDITY OF VISAS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), if the fee for a combined border crossing card and nonimmigrant visa issued under section 101(a)(15)(B) of the Immigration and Nationality Act has been waived under paragraph (1) for a child under 15 years of age, the visa shall be issued to expire on the earlier of—

(i) the date that is 10 years after the date of issuance; or

(ii) the date on which the child attains the age of 15.

(B) EXCEPTION.—At the request of the parent or guardian of any alien under 15 years of age otherwise covered by subparagraph (A), the Secretary of State or the Attorney General may charge a fee for the processing of an application of the issuance of a combined border crossing card and nonimmigrant visa under section 101(a)(15)(B) of the Immigration and Nationality Act provided that the visa is issued to expire as of the same date as is usually provided for visas issued under that section.

(3) LEVEL OF FEES.—Notwithstanding any other provision of law, fees authorized pursuant to section 140(a) of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 (8 U.S.C. 1351 note) may be set at a level that will ensure recovery of the full cost to the Department of State of providing machine readable nonimmigrant visas and machine readable combined border crossing identification cards and nonimmigrant visas, including the cost of such combined cards and visas for which the fee is waived pursuant to this subsection.

(b) MODIFIED SCHEDULE FOR IMPLEMENTATION OF BORDER CROSSING RESTRICTIONS.—

(1) MODIFIED SCHEDULE.—Paragraph (2) of section 104(b) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (division C of Public Law 104–208; 110 Stat. 3009–555; 8 U.S.C. 1101 note) is amended to read as follows:

''(2) CLAUSE B.—Clause (B) of such sentence shall apply to the extent that inspections personnel and technology in operation at the port of entry can verify information from the card. For the replacement of existing border crossing identification cards, clause (B) of such sentence shall apply in accordance with the timetable as follows:

''(A) As of October 1, 2000, to not less than 25 percent of the border crossing identification cards in circulation as of April 1, 1998.

''(B) As of October 1, 2001, to not less than 50 percent of such cards in circulation as of April 1, 1998.

''(C) As of October 1, 2002, to not less than 75 percent of such cards in circulation as of April 1, 1998.

''(D) As of October 1, 2003, to all such cards in circulation as of April 1, 1998.''.

(2) EARLIER DEADLINES.—Such section 104(b) is further amended by adding at the end the following:

''(3) EARLIER DEADLINES.—If the Secretary of State and the Attorney General jointly determine that sufficient capacity exists to replace border crossing identification cards in advance of any of the deadlines otherwise provided for under paragraph (2), the Secretary and the Attorney General may by regulation advance such deadlines.''.

(c) PROCESSING IN MEXICAN BORDER CITIES.—The Secretary of State shall continue, until at least October 1, 2000, to process applications for visas under section 101(a)(15)(B) of the Immigration and Nationality Act at the following cities in Mexico located near the international border with the United States: Nogales, Nuevo Laredo, Ciudad Acuna, Piedras Negras, Agua Prieta, and Reynosa.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS FOR BORDER CONTROL AND ENFORCEMENT ACTIVITIES OF THE IMMIGRATION AND NATURALIZATION SERVICE.

(a) AUTHORIZATION.—In order to enhance enforcement and inspection resources on the land borders of the United States, enhance investigative resources for anticorruption efforts and efforts against drug smuggling and money-laundering organizations, reduce commercial and passenger traffic waiting times, and open all primary lanes during peak hours at major land border ports of entry on the Southwest and Northern land borders of the United States, in addition to any other amounts appropriated, there are authorized to be appropriated for salaries, expenses, and equipment for the Immigration and Naturalization Service for purposes of carrying out this section—

(1) $119,604,000 for fiscal year 1999;

(2) $123,064,000 for fiscal year 2000; and

(3) such sums as may be necessary in each fiscal year thereafter.

(b) USE OF CERTAIN FISCAL YEAR 1999 FUNDS.—Of the amounts authorized to be appropriated under subsection (a)(1) for fiscal year 1999 for the Immigration and Naturalization Service, $19,090,000 shall be available until expended for acquisition and other expenses associated with implementation and full deployment of narcotics enforcement and other technology along the land borders of the United States, including—

(1) $11,000,000 for 5 mobile truck x-rays with transmission and backscatter imaging to be distributed to border patrol checkpoints and in secondary inspection areas of land border ports-of-entry;

(2) $200,000 for 10 ultrasonic container inspection units to be distributed to border patrol checkpoints and in secondary inspection areas of land border ports-of-entry;

(3) $240,000 for 10 Portable Treasury Enforcement Communications System (TECS) terminals to be distributed to border patrol checkpoints;

(4) $5,000,000 for 20 remote watch surveillance camera systems to be distributed to border patrol checkpoints and at secondary inspection areas of land border ports-of-entry;

(5) $180,000 for 36 AM radio ''Welcome to the United States'' stations located at permanent border patrol checkpoints and at secondary inspection areas of land border ports-of-entry;

(6) $875,000 for 36 spotter camera systems located at permanent border patrol checkpoints and at secondary inspection areas of land border ports-of-entry; and

(7) $1,600,000 for 40 narcotics vapor and particle detectors to be distributed to border patrol checkpoints and at secondary inspection areas of land border ports-of-entry.

(c) USE OF CERTAIN FUNDS AFTER FISCAL YEAR 1999.—Of the amounts authorized to be appropriated under paragraphs (2) and (3) of subsection (a) for the Immigration and Naturalization Service for fiscal year 2000 and each fiscal year thereafter, $4,773,000 shall be for the maintenance and support of the equipment and training of personnel to maintain and support the equipment described in subsection (b), based on an estimate of 25 percent of the cost of such equipment.

(d) USE OF FUNDS FOR NEW TECHNOLOGIES.—

(1) IN GENERAL.—The Attorney General may use the amounts authorized to be appropriated for equipment under this section for equipment other than the equipment specified in subsection (b) if such other equipment—

(A)(i) is technologically superior to the equipment specified in subsection (b); and

(ii) will achieve at least the same results at a cost that is the same or less than the equipment specified in subsection (b); or

(B) can be obtained at a lower cost than the equipment authorized in subsection (b).

(2) TRANSFER OF FUNDS.—Notwithstanding any other provision of this section, the Attorney General may reallocate an amount not to exceed 10 percent of the amount specified in paragraphs (1) through (7) of subsection (b) for any other equipment specified in subsection (b).

(e) PEAK HOURS AND INVESTIGATIVE RESOURCE ENHANCEMENT.—Of the amounts authorized to be appropriated under paragraphs (1) and (2) of subsection (a) for the Immigration and Naturalization Service for fiscal years 1999 and 2000, $100,514,000 in fiscal year 1999 and $121,555,000 for fiscal year 2000 shall be for—

(1) a net increase of 535 inspectors for the Southwest land border and 375 inspectors for the Northern land border, in order to open all primary lanes on the Southwest and Northern borders during peak hours and enhance investigative resources;

(2) in order to enhance enforcement and reduce waiting times, a net increase of 100 inspectors and canine enforcement officers for border patrol checkpoints and ports-of-entry, as well as 100 canines and 5 canine trainers;

(3) 100 canine enforcement vehicles to be used by the Immigration and Naturalization Service for inspection and enforcement at the land borders of the United States;

(4) a net increase of 40 intelligence analysts and additional resources to be distributed among border patrol sectors that have jurisdiction over major metropolitan drug or narcotics distribution and transportation centers for intensification of efforts against drug smuggling and money-laundering organizations;

(5) a net increase of 68 positions and additional resources to the Office of the Inspector General of the Department of Justice to enhance investigative resources for anticorruption efforts; and

(6) the costs incurred as a result of the increase in personnel hired pursuant to this section.

SEC. 7. AUTHORIZATION OF APPROPRIATIONS FOR BORDER CONTROL AND ENFORCEMENT ACTIVITIES OF THE UNITED STATES CUSTOMS SERVICE.

(a) AUTHORIZATION.—In order to enhance border investigative resources on the land borders of the United States, enhance investigative resources for anticorruption efforts, intensify efforts against drug smuggling and money-laundering organizations, process cargo, reduce commercial and passenger traffic waiting times, and open all primary lanes during peak hours at certain ports on the Southwest and Northern borders, in addition to any other amount appropriated, there are authorized to be appropriated for salaries, expenses, and equipment for the United States Customs Service for purposes of carrying out this section—

(1) $161,248,584 for fiscal year 1999;

(2) $185,751,328 for fiscal year 2000; and

(3) such sums as may be necessary in each fiscal year thereafter.

(b) USE OF CERTAIN FISCAL YEAR 1999 FUNDS.—Of the amounts authorized to be appropriated under subsection (a)(1) for fiscal year 1999 for the United States Customs Service, $48,404,000 shall be available until expended for acquisition and other expenses associated with implementation and full deployment of narcotics enforcement and cargo processing technology along the land borders of the United States, including—

(1) $6,000,000 for 8 Vehicle and Container Inspection Systems (VACIS);

(2) $11,000,000 for 5 mobile truck x-rays with transmission and backscatter imaging;

(3) $12,000,000 for the upgrade of 8 fixed-site truck x-rays from the present energy level of 450,000 electron volts to 1,000,000 electron volts (1–MeV);

(4) $7,200,000 for 8 1–MeV pallet x-rays;

(5) $1,000,000 for 200 portable contraband detectors (busters) to be distributed among ports where the current allocations are inadequate;

(6) $600,000 for 50 contraband detection kits to be distributed among border ports based on traffic volume and need as identified by the Customs Service;

(7) $500,000 for 25 ultrasonic container inspection units to be distributed among ports receiving liquid-filled cargo and ports with a hazardous material inspection facility, based on need as identified by the Customs Service;

(8) $2,450,000 for 7 automated targeting systems;

(9) $360,000 for 30 rapid tire deflator systems to be distributed to those ports where port runners are a threat;

(10) $480,000 for 20 Portable Treasury Enforcement Communications System (TECS) terminals to be moved among ports as needed;

(11) $1,000,000 for 20 remote watch surveillance camera systems at ports where there are suspicious activities at loading docks, vehicle queues, secondary inspection lanes, or areas where visual surveillance or observation is obscured, based on need as identified by the Customs Service;

(12) $1,254,000 for 57 weigh-in-motion sensors to be distributed among the ports on the Southwest border with the greatest volume of outbound traffic;

(13) $180,000 for 36 AM radio ''Welcome to the United States'' stations, with one station to be located at each border crossing point on the Southwest border;

(14) $1,040,000 for 260 inbound vehicle counters to be installed at every inbound vehicle lane on the Southwest border;

(15) $950,000 for 38 spotter camera systems to counter the surveillance of Customs inspection activities by persons outside the boundaries of ports where such surveillance activities are occurring;

(16) $390,000 for 60 inbound commercial truck transponders to be distributed to all ports of entry on the Southwest border;

(17) $1,600,000 for 40 narcotics vapor and particle detectors to be distributed to each border crossing on the Southwest border; and

(18) $400,000 for license plate reader automatic targeting software to be installed at each port on the Southwest border to target inbound vehicles.

(c) USE OF CERTAIN FUNDS AFTER FISCAL YEAR 1999.—Of the amounts authorized to be appropriated under paragraphs (2) and (3) of subsection (a) for the United States Customs Service for fiscal year 2000 and each fiscal year thereafter, $4,840,400 shall be for the maintenance and support of the equipment and training of personnel to maintain and support the equipment described in subsection (b), based on an estimate of 10 percent of the cost of such equipment.

(d) USE OF FUNDS FOR NEW TECHNOLOGIES.—

(1) IN GENERAL.—The Commissioner of Customs may use the amounts authorized to be appropriated for equipment under this section for equipment other than the equipment specified in subsection (b) if such other equipment—

(A)(i) is technologically superior to the equipment specified in subsection (b); and

(ii) will achieve at least the same results at a cost that is the same or less than the equipment specified in subsection (b); or

(B) can be obtained at a lower cost than the equipment authorized in paragraphs (1) through (18) of subsection (b).

(2) TRANSFER OF FUNDS.—Notwithstanding any other provision of this section, the Commissioner of Customs may reallocate an amount not to exceed 10 percent of the amount specified in paragraphs (1) through (18) of subsection (b) for any other equipment specified in such paragraphs.

(e) PEAK HOURS AND INVESTIGATIVE RESOURCE ENHANCEMENT.—Of the amounts authorized to be appropriated under paragraphs (1) and (2) of subsection (a) for the United States Customs Service for fiscal years 1999 and 2000, $112,844,584 in fiscal year 1999 and $180,910,928 for fiscal year 2000 shall be for—

(1) a net increase of 535 inspectors and 60 special agents for the Southwest border and 375 inspectors for the Northern border, in order to open all primary lanes on the Southwest and Northern borders during peak hours and enhance investigative resources;

(2) a net increase of 285 inspectors and canine enforcement officers to be distributed at large cargo facilities as needed to process and screen cargo (including rail cargo) and reduce commercial waiting times on the land borders of the United States;

(3) a net increase of 360 special agents, 40 intelligence analysts, and additional resources to be distributed among offices that have jurisdiction over major metropolitan drug or narcotics distribution and transportation centers for intensification of efforts against drug smuggling and money-laundering organizations;

(4) a net increase of 50 positions and additional resources to the Office of Internal Affairs to enhance investigative resources for anticorruption efforts; and

(5) the costs incurred as a result of the increase in personnel hired pursuant to this section.

COMMERCIAL SPACE ACT OF 1998

FRIST AMENDMENT NO. 3482

Mr. JEFFORDS (for Mr. FRIST) proposed an amendment to the bill (H.R. 1702) to encourage the development of a commercial space industry in the United States, and for other purposes; as follows:

On page 46, between lines 1 and 2, strike the item relating to section 306 and insert the following:

Sec. 306. National launch capability study.

On page 87, beginning in line 21, strike ''Government, if except as provided in paragraph (2), at least 30 days before such conversion'' and inserting ''Government if, except as provided in paragraph (2) and at least 30 days before such conversion,''.

On page 88, beginning in line 3, strike ''shall ensure in writing'' and insert ''a certification.''

On page 89, line 7, strike **''CAPABILITY''** and insert **''CAPABILITY STUDY.''**.

On page 91, strike lines 9 through 16 and insert the following:

(ii) the ability to support commercial launch-on-demand on short notification at national launch sites or test ranges;

On page 91, line 18, insert ''and'' after the semicolon.

On page 91, line 23, strike ''(A);'' and insert ''(A).''.

On page 91, between lines 23 and 24, insert the following:

(3) QUINQUENNIAL UPDATES.—The Secretary shall update the report required by paragraph (1) quinquennially beginning with 2012.

(d) RECOMMENDATIONS.—Based on the reports under subsection (c), the Secretary, after consultation with the Secretary of

Transportation, the Secretary of Commerce, and representatives from interested private sector entities, States, and local governments, shall—

Reset the matter appearing on page 91, beginning with line 24 through line 22 on page 92, 2 ems closer to the left margin.

On page 91, line 24, strike ''(E)'' and insert ''(1)''.

On page 92, line 5, strike ''(F)'' and insert ''(2)''.

On page 92, beginning in line 6, strike ''subparagraph (D),'' and insert ''subsection (c)(2)(D),''.

On page 92, line 12, strike ''(i)'' and insert ''(A)''.

On page 92, line 13, strike ''(ii)'' and insert ''(B)''.

On page 92, line 15, strike ''(iii)'' and insert ''(C)''.

On page 92, line 17, strike ''(iv)'' and insert ''(D)''.

On page 92, line 18, strike ''clauses (i) through (iii);'' and insert ''subparagraphs (A) through (C);''.

On page 92, line 19, strike ''(G)'' and insert ''(3)''.

On page 92, beginning in line 21, strike ''launch sites in the United States cost-competitive on an international level.'' and insert ''national ranges in the United States viable and competitive.''.

NOTICE OF HEARING

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. LUGAR. Mr. President, I would like to announce that the Senate Committee on Agriculture, Nutrition, and Forestry will meet on Friday, July 31, 1998 at 9:00 a.m. in SR–328A. The purpose of this meeting will be to review pending nominations to the U.S. Department of Agriculture and the Commodity Futures Trading Commission.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be allowed to meet during the session of the Senate on Thursday, July 30, 1998. The purpose of this meeting will be to examine a recent concept release by CFTC on over-the-counter derivatives and related legislation proposed by the Treasury Department, the Board of Governors of the Federal Reserve System and the SEC.

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

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet in executive session during the session of the Senate on Thursday, July 30, 1998, to conduct a mark-up of S. 1405, the ''Financial Regulatory Relief and Economic Efficiency Act of 1997''.

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

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. STEVENS. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works be granted permission to conduct a hearing to receive testimony from Romulo L. Diaz, Jr., nominated by the President to be an Assistant Administrator for Administration and Resources Management of the Environmental Protection Agency, and J. Charles Fox, nominated by the President to be an Assistant Administrator for Water of the Environmental Protection Agency, Thursday, July 30, 1998, 2:00 p.m., Hearing Room (SD–406).

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

COMMITTEE ON FINANCE

Mr. STEVENS. Mr. President, the Finance Committee requests unanimous consent to conduct a hearing on Thursday, July 30, 1998 beginning at 10:00 a.m. in room 215 Dirksen.

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

SUBCOMMITTEE ON GOVERNMENT AFFAIRS

Mr. STEVENS. Mr. President, I ask unanimous consent on behalf of the Committee on Governmental Affairs to meet on Thursday, July 30, 1998, at 10:00 a.m. for a hearing on Observations on the Census Dress Rehearsal and Implications for Census 2000.

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

COMMITTEE ON THE JUDICIARY

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on the Judiciary, be authorized to hold an executive business meeting during the session of the Senate on Thursday, July 30, 1998, at 9:30 a.m., in room 226, of the Senate Dirksen Office Building.

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

COMMITTEE ON THE JUDICIARY

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Thursday, July 30, 1998 at 1:00 p.m. in room 226 of the Senate Dirksen Office Building to hold a hearing on: ''Judicial Nominations.''

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

COMMITTEE ON LABOR AND HUMAN RESOURCES

Mr. STEVENS. Mr. President, I ask unanimous consent that the Committee on Labor and Human Resources be authorized to meet in executive session during the session of the Senate on Thursday, July 30, 1998 at 2:15 p.m.

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

SUBCOMMITTEE ON CLEAN AIR, WETLANDS, PRIVATE PROPERTY, AND NUCLEAR SAFETY

Mr. STEVENS. Mr. President, I ask unanimous consent that the Subcommittee on Clean Air, Wetlands, Private Property, and Nuclear Safety be granted permission to conduct an oversight hearing on the Nuclear Regulatory Commission Thursday, July 30, 1998, at 9:00 a.m., Hearing Room (SD–406).

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

SUBCOMMITTEE ON COMMUNICATIONS

Mr. STEVENS. Mr. President, I ask unanimous consent that the Subcommittee on Communications of the Senate Committee on Commerce, Science, and Transportation be authorized to meet on Thursday, July 30, 1998, at 9:30 a.m. on international satellite reform.

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

ADDITIONAL STATEMENTS

HARNESSING AMERICAN IDEALS

• Mr. DURBIN. Mr. President, I submit an article to be printed in the RECORD. I thought it would be beneficial for my colleagues to learn about the success that the AmeriCorps program has had among my constituents in Illinois. These are only a few stories about the positive impact that this program has had on people who live in often under served communities in the Chicago area.

The article follows:

[From the Chicago Sun-Times, July 3, 1998]

HARNESSING AMERICAN IDEALS

[By Michael Gillis]

In Uptown, they teach Asian immigrants English and help them adjust to life in the United States.

In Ford Heights, they help low-income parents become better teachers of their own children.

In neighborhoods throughout the Chicago area, they teach adults how to read, tutor students after school, counsel battered women, teach first aid and help communities right themselves.

Four years after President Clinton's Americorps project was launched amid a flurry of publicity, its workers are toiling away in relative obscurity. While some still criticize the program for its cost, supporters say it is changing the city in small, but important, ways.

''We never say we're going to change a community in a year,'' said Craig Huffman, executive director of City Year Chicago, which employed about 50 Americorps workers last year and this week received funding to hire about 55 workers starting in the fall.

''But far too many people use the excuse that problems are insurmountable. . . . You have to think about solving a problem, even when everyone else is saying it can't be solved.''

Americorps workers say they're more than worth the money they're paid.

''I realized the impact that one person can have in a lot of lives,'' said Lisa Novak, 23, of Flossmoor, who taught CPR and first aid to thousands of Chicago public school students in the last year as one of the 13 Americorps workers for the American Red Cross of Greater Chicago.

That's the kind of idealism Clinton sought to harness when he proposed the Americorps program during his 1992 presidential campaign. Lawmakers passed Clinton's pet project in 1993, and Clinton signed the bill using the pens Franklin D. Roosevelt and John F. Kennedy used to create the Civilian Conservation Corps and the Peace Corps.

Under the program, which is run by a public-private partnership called the Corporation for Public Service, students earn $4,725 to apply toward college tuition or student loans by completing a year of community

service work. They also earn living allowances of about $7,400 a year and health care and child day care benefits.

About 90,000 people have served in the program since it started in 1993. More than $1.7 billion has been spent on or committed to the program so far, including $400 million set aside for education awards.

This year, Illinois has about 500 Americorps workers. About 450 are expected next year.

According to the Corporation for National Service, Americorps workers last year tutored more than 500,000 youth, mentored 95,000 more, created 3,100 safety patrols, built or rehabilitated 5,600 homes, placed 32,000 homeless people in permanent housing and recruited more than 300,000 volunteers.

Many Republicans, including House Speaker Newt Gingrich (R–Ga.), oppose the national service program. Gingrich told Newsweek magazine in 1995 that he was ''totally, unequivocally opposed to national service. . . . It is coerced volunteerism. It's a gimmick.''

Critics also question whether the program is worth the expense, but officials at the corporation say they try to fund programs that get the most bang for the buck. The program uses strict standards to ensure funded programs produce results that can be measured—say, the number of children tutored or the number of homes rehabilitated.

And they argue that the program represents a way for Washington to help communities help themselves—an argument tailor-made for Republicans who advocate decentralizing government.

''Right now there is a consensus in Washington that Washington cannot solve every problem and that we have to look at ways to strengthen local communities so they can take on the needs that are specific to their communities,'' said Tara Murphy, the director of public affairs for the corporation. ''That's exactly what this program does.'' Two-thirds of the funds go straight to state commissions, made up of members appointed by the governors, she said. Those commissions decide which agencies get the money, and the agencies recruit and deploy the workers, she said.

Agencies that were awarded grants this week to hire Americorps workers don't question whether the program is worth the expense.

''It's definitely worth it,'' said Pat Clay, the director of the program at the Aunt Martha's Youth Services Center of Park Forest, where 10 Americorps workers teach low-income parents how to instruct their preschool children.

''To see the smile on a child's face, to hear a parent say, 'My child tested very well in a preschool screening test'—that makes it worthwhile. You are investing in a child's future for life.

Aunt Martha's hires its Americorps workers from the communities the program serves—in this case, Ford Heights and Chicago Heights.

The Uptown-based Asian Human Services agency, which will hire about 14 workers to aid Asian refugees and immigrants this year, does the same.

Ralph Hardy, the director of programs at Asian Human Services, said he believes the program is inspiring Americorps workers to a career in public service.

''The outcome of the program will be best seen down the road, say 10 or 15 years from now, after a whole generation has gone through it,'' he said, ''We've seen it here—we have workers who will go into some sort of community-based career.''

That's what Trina Poole, 25, plans to do. Poole, one of six Americorps workers at Family Rescue, a community service agency in South Shore for victims of domestic violence, answers the agency's crisis line and helps arrange services for callers.

A victim of domestic violence herself, Poole said she hopes to be hired for a permanent position to continue providing to women and children the services she never received.

''It's a healing process for me to help as many women as possible,'' she said. ''I'm not doing this for the money. I'm doing it to help the community.''

Becky Nieves, 21, of Hanover Park, an Americorps worker for City Year who helped run an after-school program on gardening and environment, said she learned how much she meant to her students at the end of the year.

''When it's over and you say your goodbyes, and the kids tell you what they learned, that's when you know you've made a difference,'' she said.●

CBO COST ESTIMATE ON S. 1283

● Mr. D'AMATO. Mr. President, the Committee on Banking, Housing, and Urban Affairs reported S. 1283, the ''Little Rock Nine Congressional Gold Medal Act'' on Friday, June 26, 1998. The Committee report, S. 105–245, was filed on Friday, July 10, 1998.

The Congressional Budget Office cost estimate required by Senate Rule XXVI, section 11(b) of the Standing Rules of the Senate and section 403 of the Congressional Budget Impoundment and Control Act, was not available at the time of filing and, therefore, was not included in the Committee Report. Instead, the Committee indicated the Congressional Budget Office cost estimate would be published in the CONGRESSIONAL RECORD when it became available.

Mr. President, I ask that the full statement and cover letter from the Congressional Budget Office regarding S. 1283 be printed in the RECORD.

The material follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, July 23, 1998.

Hon. ALFONSE M. D'AMATO,
Chairman, Committee on Banking, Housing, and Urban Affairs, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 1283, an act to award congressional gold medals to the ''Little Rock Nine'' on the occasion of the 40th anniversary of the integration of the Central High School in Little Rock, Arkansas.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is John R. Righter.

Sincerely,

JUNE E. O'NEILL, *Director.*

Enclosure.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

S. 1283—An act to award congressional gold medals to the ''Little Rock Nine'' on the occasion of the 40th anniversary of the integration of the Central High School in Little Rock, Arkansas

S. 1283 would authorize the President to present gold medals to Jean Brown Trickey, Carlotta Walls LaNier, Melba Patillo Beals, Terrence Roberts, Gloria Ray Karlmark, Thelma Mothershed Wair, Ernest Green, Elizabeth Eckford, and Jefferson Thomas, referred to as the ''Little Rock Nine,'' on behalf of the Congress. To help recover the costs of the gold medals, the legislation would authorize the U.S. Mint to strike and sell bronze duplicates of the medals at a price that covers production costs for both the medals and the duplicates.

Based on the costs of recent medals produced by the Mint, CBO estimates that authorizing the gold medals would increase direct spending from the U.S. Mint Public Enterprise Fund by about $65,000 in fiscal year 1999, largely to cover the cost of the gold for each medal. The Mint could recoup some of those costs by selling bronze duplicates to the public; however, based on the sales of duplicates in previous cases, we expect that the proceeds from the duplicates would not cover the cost of the medals.

In addition to authorizing the gold medals, the legislation would allow the Mint to continue selling coins commemorating Jackie Robinson through the end of this calendar year. CBO estimates that extending the time by which the Mint can sell these coins would increase collections to the Mint by about $1 million over fiscal years 1998 and 1999. (The Mint's authority to sell the coins expired on July 1.) According to the Mint, it has close to 80,000 coins in its inventory. If the Mint were to sell all of its remaining inventory, it would generate between $3 million and $5 million in additional collections, net of surcharges that must be paid to the Jackie Robinson Foundation, a nonprofit organization. That range depends on whether the Mint would sell some or all of the coins in bulk at a discounted price. Based on the sales of previous commemorative coin programs and because the coins were available already for purchase by the public, CBO expects that the Mint would sell far less than the amount of its remaining inventory. In any event, because the Mint can retain and spend the additional collections on other commercial activities, CBO estimates that the provision would have no net budgetary impact over time.

S. 1283 would affect direct spending, so pay-as-you-go procedures would apply. S. 1283 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

The CBO staff contact is John R. Righter. This estimate was approved by Paul N. Van de Water, Assistant Director for Budget Analysis.●

CHEYENNE RIVER SIOUX TRIBE EQUITABLE COMPENSATION ACT OF 1998

● Mr. JOHNSON. Mr. President, I rise today to express my support as a cosponsor of S. 1905, the Cheyenne River Sioux Tribe Equitable Compensation Act of 1998. This extremely important issue is the highest priority for the Cheyenne River Sioux tribe and will have a positive and lasting impact on the Cheyenne River reservation community and the entire State of South Dakota. I have worked closely with the Indian Affairs Committee to insure that this legislation protects the future interests of tribal members, and I am pleased that the bill reported by the Committee reflects these concerns. I am committed to seeing that the bill receive strong Senate support, and look forward to working with my colleagues to ensure that the bill moves forward for approval by the full Senate.

The Cheyenne River Sioux Tribe Equitable Compensation Act would establish a trust fund within the Department of the Treasury for the development of certain tribal infrastructure projects for the Cheyenne River Tribe as compensation for lands lost to federal public works projects. The trust fund would be capitalized from a small percentage of hydropower revenues and would be capped at $290 million. Independent research has concluded that the economic loss to the tribe justifies such a compensation fund. The tribe would then receive the interest from the fund to be used according to a development plan based on legislation previously passed by Congress, and prepared in conjunction with the Bureau of Indian Affairs and the Indian Health Service.

This type of funding mechanism has seen unanimous support in the Congress though recent passage of the Lower Brule Sioux Tribe Infrastructure Development Trust Fund Act as well as the Crow Creek legislation passed last Congress. Precedent for these infrastructure development trust funds capitalized through hydro-power revenue was established with the Three Affiliated Tribes and Standing Rock Sioux Tribe Equitable Compensation Act of 1992, which set up a recovery fund financed entirely from a percentage of Pick-Sloan power revenues to compensate the tribes for lands lost to Pick-Sloan.

I believe it is important for the Senate to understand the historic context of this proposed compensation. As you may know, the Flood Control Act of 1944 created five massive earthen dams along the Missouri River. Known as the Pick-Sloan Plan, this public works project has since provided much-needed flood control, irrigation, and hydropower for communities along the Missouri. Four of the Pick-Sloan dams are located in South Dakota and the benefits of the project have proven indispensable to the people of my State.

Unfortunately, construction of the Big Bend and Fort Randall dams was severely detrimental to economic and agricultural development for several of South Dakota's tribes, including Cheyenne River. Over 100,000 acres of the tribe's most fertile and productive land, the basis for the tribal economy, were inundated, forcing the relocation of roughly 30 percent of the tribe's population, including four entire communities.

The Cheyenne River Sioux Tribe Equitable Compensation Act of 1998 will enable the Cheyenne River Tribe to address and improve their infrastructure and will provide the needed resources for further economic development within the Cheyenne River reservation community. However, the damage caused by the Pick-Sloan projects touched every aspect of life in South Dakota, on and off reservation. The economic development goal targeted in this approach is a pressing issue for surrounding communities off reservation as well, because every effort toward healthy local economies in rural South Dakota resonates throughout the State.

Language included in this bill would prohibit any increase in power rates in connection with the trust fund. This legislation has broad support in South Dakota. South Dakota Governor Bill Janklow has endorsed this type of funding mechanism for the compensation of South Dakota tribes, and fully supports S. 1905.

Mr. President, the tribes in my State experience some of the most extreme poverty and unemployment in this country. Under the current Chairman, Gregg Bourland, the Cheyenne River Sioux Tribe has been a leader in economic development initiatives within the reservation community and I believe this bill will reinforce and further the economic development successes of the tribe. I look forward to educating my colleagues about the importance of this bill to the Cheyenne River Sioux Tribe and I encourage swift Senate action on this bill.●

PATENT AND TRADEMARK OFFICE'S LEASE PROCUREMENT

● Mr. WARNER. Mr. President, I rise today to set the record straight about the Patent and Trademark Office's lease procurement for a new or remodeled facility. There is a continuing misinformation campaign being waged to delay the Patent and Trademark Office's lease procurement or put it back to square one.

Allegations are being made that, to the taxpayer's detriment, the new facility is vastly overpriced and that a new federal construction option has not been considered.

The fact is that the procurement has been conducted by the book and has undergone several, impartial reviews, all of which conclude that the project is on the right track, competitively sound and should continue.

Mr. President, we all know that funding is not available to support the federal construction of a new headquarters for PTO because of the limitations of the Balanced Budget Act. We also know that the new lease, authorized by the Senate Environment and Public Works Committee in Fall of 1995, will result in cost savings of $72 million over the life of the lease. That cost savings will accrue in spite of moving costs, an upgraded work environment, new furniture and other improvements designed to enable the PTO to more effectively do its job.

The PTO is fully fee funded and does not receive any taxpayer support. All lease and moving costs will be borne by PTO's customers in the normal course of business.

The Subcommittee on Transportation and Infrastructure intends to have a hearing on this matter in September. In the meantime, I am submitting a number of points regarding the procurement, in addition to a letter sent to me by Bruce A. Lehman, Assistant Secretary of Commerce and Commissioner of Patents and Trademarks.

I urge you to take time to hear the real story of the PTO project. The clear facts are that failure to take action to consolidate PTO space will result in wasteful use of funds and prevents PTO from modernizing services for its customers.

The material follows:

THE FACTS ON THE PATENT AND TRADEMARK OFFICE PROCUREMENT

No taxpayer funds are being spent on the project. PTO is fully user fee funded.

PTO's largest user groups support the project. The American Intellectual Property Law Association, the Intellectual Property Owner's Association and the Intellectual Property Section of the ABA have all expressed strong support in numerous Congressional letters for continuation of the ongoing procurement.

Federal construction is not a viable option. The Administration and PTO's Appropriations Committees agree that a competitive lease is the only viable option since neither user fees nor taxpayer funding are available to construct or purchase a facility for PTO.

Consolidated project will save the PTO at least $72 million. Whether the project proceeds or the PTO remains at its current leased, unconsolidated locations, the PTO will spend approximately $1.3 billion in lease costs over the next 20 years to house the agency. Delaying consolidation will prevent PTO from passing this $72 million in savings on to its fee-paying customers.

Senate Bill already caps build-out costs. The Senate Appropriations Bill (S. 2260), as passed, would cap interior office build-out at $36.69 per square foot, the Government-wide standard rate. Moreover, these costs are included in the new rent amount.

PTO's projected moving costs are reasonable. All moving costs were taken into account in computing the $72 million in savings. PTO's projected costs are comparable to those spent by other recently consolidated agencies.

PTO will not purchase $250 shower curtains, etc. Estimates for $250 shower curtains for the fitness facility, $750 cribs for the child care center, $309 ash cans for smoking rooms, and $1,000 coat racks for training facilities were intentionally ''worst case'' estimates used for the purpose of calculating the cost savings that would result from consolidation. Standardization, mass buys and competitive furniture purchases will generate lower actual costs. PTO has not yet made any requested appropriations of user fees for furniture purchases. Proceeding with the procurement and applying a sharp pencil to PTO's future appropriations requests for furniture can only enhance the $72 million in savings.

Any environmental costs will be totally funded by the developer. All three sites competing for PTO's lease already house Federal employees. The Government just constructed a federal courthouse on the Carlyle site, the Defense Department has occupied the Eisenhower site for over 20 years, and the PTO has occupied the Crystal City site for over 25 years. There is no evidence that developers cannot accomplish any environmental work that may be required to further develop these sites.

DOC's IG concluded that the project should proceed. The IG's key conclusion was that PTO will benefit from the project and will realize long-term cost savings. Both the IG and an independent consultant to the DOC Secretary (Jefferson Solutions) found that

enhanced building capability, which is the goal of planned interior upgrades, is not unreasonable in terms of cost and purpose. And S. 2260, as passed, would place the ceiling on build-out that the IG recommends.

Two of the PTO's three unions fully support the project. National Treasury Employees Union locals 243 (representing clerical and administrative staff) and 245 (representing trademark examining attorneys) have already signed a partnership agreement supporting PTO's plans for the project. The PTO is continuing talks with the third union.

U.S. DEPARTMENT OF COMMERCE,
PATENT AND TRADEMARK OFFICE,
Washington, DC, July 29, 1998.

Hon. JOHN W. WARNER,
U.S. Senate, Washington, DC.

DEAR SENATOR WARNER: In light of recent reports on the U.S. Patent and Trademark Office's (PTO) on-going procurement process to competitively acquire new, consolidated space for the PTO, I want to assure you that this procurement is based on sound principles.

These reports are focused on estimates of furniture costs mentioned in our Deva and Associates business case study. This study was undertaken to compare our present, unconsolidated space with a worst-case scenario of moving to a new, consolidated facility under the GSA prospectus.

Many of the dollar amounts cited in the Deva report are being touted as what the PTO is spending for furniture at a new facility. Nothing is farther from the truth. I personally assure you, we have never contemplated nor will we spend $250 for a shower curtain, $750 for a crib, or $1,000 for a coat rack. I agree that some of these furniture estimates are too high even for a worst-case scenario. However, it must be kept in mind that even with these extremely high estimates, this procurement project still shows savings of at least $72 million. No one is disputing this fact.

I look forward to working with you and our appropriators to ensure that any expenditures for furniture are prudent and responsible. Delaying or stopping this procurement will only increase space costs for our fee-paying customers.

Sincerely,

BRUCE A. LEHMAN,
Assistant Secretary of Commerce and Commissioner of Patents and Trademarks.●

AUNG SAN SUU KYI THE INDOMITABLE

● Mr. MOYNIHAN. Mr. President, for eight years Nobel Peace Prize winner Aung San Suu Kyi has battled the military junta in an indomitable, peaceful way which deserves the admiration of us all. For five of these years she was held under house arrest. This is no longer the case, though events of the last week show that her freedom continues to be limited, as is the freedom of all Burmese citizens.

Last Friday, Aung San Suu Kyi began a journey to meet with members of her National League for Democracy in Nyaungdon township, outside of the capital. She never made it. The thugs who run the military junta blocked her passage. She spent six days in her car surrounded by soldiers who prevented her from crossing a bridge about 30 miles outside of the capital.

These actions were rightly criticized by many of the foreign ministers attending the annual meeting of the Association of Southeast Asian Nations (ASEAN), including our own Secretary of State, Madeleine Albright. As Keith B. Richburg reported in the Washington Post yesterday, ''the foreign ministers of six nations and the European Union confronted a top Burmese official today with a blunt message: No harm must come to the Nobel Peace Prize winner.'' I think it is clear that we in the Senate share this sentiment. We hold the leaders of the military junta in Burma responsible for the safety of Aung San Suu Kyi. Period.

She has demonstrated uncommon restraint and valor in her often tense encounters with the junta. This last week has been no exception. She sat in her car for days, yet when she spoke, she did so firmly and without rancor. She called for dialogue between the NLD and the junta and consistently speaks of upholding the rule of law. She has recently called for the true parliament of Burma—the one elected in 1990—to be convened by August 21. Perhaps this will be an opportunity for the junta to step aside.

The junta has failed miserably. Burma is a country rich in resources which has been run into the ground by an irresponsible junta. Its elected leaders have been censored, jailed, and worse. The junta has no legitimacy and should step aside and let the rightful and elected government of Burma take control. The people of Burma made clear their preference. Eight years is long enough to wait.●

I–90 LAND EXCHANGE

● Mr. GORTON. Mr. President, on July 23, the Subcommittee on Forests and Public Land Management held a hearing on legislation I have introduced to complete an important land exchange in my state. The bill, S. 2136, would authorize and direct the Forest Service to conclude an exchange with Plum Creek Timber Company which has been under formal discussion for several years.

The exchange is in an area of Washington surrounding the Interstate 90 corridor through the central Cascades. This area is characterized by a ''checkerboard'' ownership pattern of intermingled ownership between Plum Creek and the Forest Service. These lands are among the most studied not only in my state but the Nation.

The problems of checkerboard ownership are well recognized and understood in the west and northwest. This exchange, trading 60,000 of Plum Creek land for 40,000 acres of Forest Service land, would help resolve many management issues for both owners. It would make management more efficient, especially on an ecosystem basis.

I introduced my bill to provide impetus to complete this exchange by year's end because of the need for a speedy resolution. If the exchange is not completed by the end of this year, Plum Creek will have no choice but to resume logging their land in 1999. The company has deferred harvests on 90 percent of the exchange lands for the past 2 years and they have firmly stated they cannot continue to do so.

There is broad public support for the exchange and for completing it in a timely fashion. Our governor, Gary Locke, and the Lands Commissioner, Jennifer Belcher, have endorsed the exchange—urging it's completion by the end of 1998. The State Legislature unanimously approved a resolution in support of the I–90 exchange. Major newspapers in Seattle and other cities have recognized the need to finish this exchange. Many environmental groups support a land exchange.

Mr. President, our subcommittee hearing pointed out the difficult problems we face in Washington when we try to resolve issues. There always seems to be a controversy, no matter how worthy the purpose. My legislation and the I–90 exchange are no different.

Representatives from the environmental community, Plum Creek and the Forest Service testified on July 23. While mainstream environmental groups heartily support an exchange, they would prefer to see changes in the lands package identified in a draft Environmental Impact Statement released earlier this spring. Environmental groups are concerned about legislation circumventing appeals and litigation.

The Forest Service wants to complete the exchange, but opposes legislation. I am disappointed that the Administration, having worked on this proposal for so long, would oppose a bill designed to enact a land exchange it has negotiated. Each party has spent over $1 million getting to this point. Must we spend more, only to run the risk of seeing the entire exchange fall apart as a result of the heavy weight of appeals and litigation?

The I–90 exchange has been proposed in various shapes and sizes for more than a decade. Since it was first considered, the Northern Spotted Owl has been listed under the Endangered Species Act and the President has put his Northwest Forest Plan in effect. Plum Creek has even completed a massive Habitat Conservation Plan on 170,000 acres of its lands—including those in this exchange. This Plan, now two years old, was negotiated with the U.S. Fish and Wildlife Service. With this background and the resulting studies, I am confident we can complete an exchange on these lands that represents a consensus.

Mr. President, I recognize and support the idea of getting it right. We have been at this exchange too long not to do just that. When I introduced S. 2136, I indicated it was simply a place holder. The final Environmental Impact Statement will be completed later this summer. It has been my intention to amend the legislation to incorporate necessary changes based on the final EIS.

After hearing the testimony of all parties, I have urged them to work together to identify a lands package that

can be incorporated in the final EIS. Further I am asking the Forest Service to move up the deadline for completing a final EIS to September 10 and forwarding it to the Subcommittee on Forests and Public Lands Management. Such a document—presented to Congress in a timely manner—will leave all options open this year. I continue to believe legislating this exchange is the right thing to do.

Mr. President, there are many who question why Congress should legislate this or any land exchange. This is common practice. Congress has not shied away from passing land trades in the past and we should not in this instance when a consensus may be eminent.

In an editorial on the exchange The Seattle Times stated, ''The perfect as enemy of the good is a common phrase these days, but it remains appropriate to this situation. A transfer of 100,000 acres with a net gain of 20,000 to the public has a long-term ring to it that future generations may see as prescient. Those are powerful reasons to walk toward this agreement with eyes open, but keep walking.''●

TRIBUTE TO THE PROCTOR FIRE DEPARTMENT/SUTHERLAND FALLS HOSE COMPANY ON THEIR 100TH BIRTHDAY

● Mr. JEFFORDS. Mr. President, August 15, 1998, will be a great day for Vermont as we celebrate the centennial of the Proctor Fire Department/Sutherland Falls Hose Company. On behalf of all Vermonters, I want to wish the department a very happy birthday.

For a century, the Proctor Fire Department has been a vital part of its community. The firefighters continually risk their lives to protect the welfare of their neighbors. One such person was Firefighter Maurice ''Sonny'' Wardwell, a twenty-three year veteran of the department. He gave his life on January 23, 1994, while at the scene of a mutual aid fire in Pittsford, Vermont. Mr. Wardwell is a true hero and his sacrifice serves as a reminder to us all of dedication and selflessness of this profession.

Mr. President, the 100th birthday of the Proctor Fire Department/Sutherland Falls Hose Company is a monumental occasion. The department is a vital part of the town and provides prompt and reliable service to people in the most distressing situations. This tribute recognizes the importance of the Proctor Fire Department/Sutherland Falls Hose Company and, more importantly, the courageous firefighters who commit their time and service to the community.●

IN MEMORY OF MR. CLYDE RAYMOND BARROW

● Ms. MOSELEY-BRAUN. Mr. President, it is with great sadness that I rise today to pay tribute to the passing of Clyde Raymond Barrow. He was a dear friend, a devoted family man, and a committed community member. His life enriched the lives of countless people. I would like to take a few moments to reflect on this special person.

Clyde Barrow was born on March 3, 1923 in Belize, British Honduras. He passed just a few weeks ago at the age of 75 on July 9, 1998 in Chicago. He is survived by his wife of 54 years, the Reverend Willie Taplin Barrow; his adopted children, Dr. Patricia Carey and John Kirby, Jr.; his two sisters, Avis Barrow McKay and Peggy Barrow Foster; ninety eight Godchildren; many nieces and nephews; as well as friends and relatives too numerous to count. The Barrows are also the parents of Keith Errol Barrow, who preceded his father in death in 1983.

To Reverend Barrow, and Clyde's surviving family and friends, I wish there was some way that I could lift this burden of loss from your shoulders. We must take comfort in the fact that Clyde lived his life with tremendous courage, dignity, and kindness. Clyde Barrow's life is an example of righteousness for us all to follow.

Although Clyde Barrow is no longer with us, he has left scores of memories and a legacy of kindness and compassion that will live on forever. He was the strong, silent partner of the little warrior, Reverend Barrow, supporting her in her many civil rights battles and her stewardship of Operation Push.

A welder by trade, Clyde also labored countless hours to build and strengthen his community by volunteering his considerable time and talents. Clyde's involvement with organizations such as the Doctors Hospital of Hyde Park and the Vernon Park Church of God's MAST (Men Achieving Success and Training) Homeless Ministry represent his well earned reputation as a good Samaritan. As one who cherished children, Clyde Barrow went out of his way to know the name of each child in his church and neighborhood. Without a doubt, Clyde Barrow was the embodiment of the neighbor we all want living next door to us: a rock and a conscious within the community.

In times such as these, it is comforting to remember the words of our Lord: ''Weeping may endure for a night, but joy comes with the dawn.'' Clyde Raymond Barrow was a fine man, dedicated to his family, his community, and his God. The Barrows are in my thoughts and prayers during this time of sorrow, and I trust that they are in the prayers of the Senate as well.●

RELIGIOUS PERSECUTION IN IRAN

● Mr. BROWNBACK. Mr. President, on December 10, 1948—nearly 50 years ago—the General Assembly of the United Nations adopted and proclaimed the Universal Declaration of Human Rights and called on member nations ''to cause it to be disseminated, displayed, read and expounded . . . '' Since that time, the Universal Declaration has become the bedrock document for human rights standards and aspirations for signatory governments.

One government, however, the government of Iran, is distinguished as an egregious violator of a central principle this document expounds—namely, that of religious freedom. Article 18 of the Universal Declaration explicitly states: ''Everyone has the right to freedom of thought, conscience and religion; this right includes freedom to change his religion or belief, and freedom, either alone or in community with others and in public or private, to manifest his religion or belief in teaching, practice, worship and observance.''

On Tuesday, July 21st, the Iranian government summarily executed an Iranian Baha'i for the single alleged act of converting a Muslim to the Baha'i faith. The Baha'is are Iran's largest religious minority with about 300,000 adherents and suffer continuous persecution for their faith.

The executed, Mr. Ruhollah Rowhani, a medical equipment salesman with four children, had been picked-up near the northern Iranian city of Mashad by the Iranian authorities in September 1997. He was held in solitary confinement during that extended period until final execution.

The facts are stark in their cruelty. His family was allowed to visit him briefly the day before his execution but, amazingly and cynically, they were not notified that his execution was set for the next day. They finally discovered the death only after they were given one hour to arrange for his burial. With brutal disregard, the Iranian government refused to divulge any information to this grieving family who were forced to conclude from the rope marks that their beloved relative had been executed by hanging.

It is safe to say that Mr. Rowhani was accorded no due process nor afforded a lawyer prior to his execution. He died alone at the end of a rope for the alleged sin of sharing his sincerely held faith. I will state this very clearly—Mr. Rowhani was the victim of the most extreme form of religious persecution. Mr. Rowhani died for his faith and this is an outrage which must be denounced.

Mr. President, this barbarous act flies in the face of the Universal Declaration to which Iran is party. Mr. Rowhani had a fundamental right to practice his religion. Iran denied him that right. Mr. Rowhani had a fundamental right to a public trial. Iran denied him that right. Mr. Rowhani had a fundamental right to counsel. Iran denied him that right. Mr. Rowhani had a fundamental right to NOT be hung at the end of a rope for holding minority religious beliefs.

My deepest concern now rests with the fifteen other Baha'is now being held by the government of Iran for essentially the same charges that resulted in Mr. Rowhani's execution. As I speak now, at least three Baha'i men in the city of Mashad presently sit on death row, facing imminent execution

because they dared to quietly celebrate their faith. I speak as much for them today as I do in protest to the brutal killing of their fellow-believer.

This hour, I call on the Government of Iran to ensure the safety of these individuals. Better yet, I call for the release of these individuals whose only crime was the sincere expression of their faith, which happens to be a minority religion. Most importantly, I call upon the government of Iran to provide freedom of religion to its people, including the famously peaceful yet brutalized Baha'is community.

I want to take this opportunity to commend the international community for its swift response to Mr. Rowhani's execution and urge other governments and organizations to vigilantly monitor the fate of the 15 jailed Baha'is, particularly the 3 jailed in Mashad presently facing the death penalty.

Religious persecution demands a tireless counter response; it demands a vigilant defense. If we hold the principle of religious freedom to be a precious and fundamental right, something worth protecting, then we must always defend those who are wrongfully and brutally crushed for their faith by hostile national governments.

We cannot bring Mr. Rowhani back or right the wrong that was done to him and his family, but we can advocate against this happening again. Iran must abide by global human rights principles. Accordingly, Iran must release the fifteen Bahai who have been incarcerated for their faith. Iran must preserve the lives of those facing execution for their faith. Iran must honor its commitment to the religious freedom principles of the Universal Declaration of Human Rights and set these prisoners free.●

NURSING SCHOOL ADMINISTERED PRIMARY CARE CLINICS

● Mr. INOUYE. Mr. President, I rise today to speak on an health issue of great importance now and in future years. As our population continues to increase, our elderly live longer, and healthcare technology advances, the need for access to care will undoubtedly also increase.

Because of these monumental increases in the need for healthcare access for many Americans, I wish to take a few minutes to discuss the need for support of nursing school administered primary care centers.

Nursing centers are university or nonprofit entity primary care centers developed (primarily) in collaboration with university schools of nursing and the communities they serve. These centers are staffed by faculty and staff who are public health nurses and nurse practitioners. Students supplement patient care while receiving preceptorships provided by colleges of nursing faculty and primary care physicians, often associated with academic institutions, who serve as collaborators with nurse practitioners.

Nurse practitioners, and public health nurses, in particular, are educated through programs which offer advanced academic and clinical experiences, with a strong emphasis on primary and preventive health care. In fact, schools of nursing that have established these primary health care centers blend service and education goals, resulting in considerable benefit to the community at large.

Nursing centers are rooted in health care models established in the early part of the 20th century. Lillian Wald in the Henry Street Settlement and Margaret Sanger, who opened the first birth control clinic, provided the earliest models of service.

Since the late 1970's, in conjunction with the development of educational programs for nurse practitioners, college of nursing faculties have established nursing centers. There are currently 250 centers nationwide, affiliated with universities and colleges of nursing in Arizona, Utah, Pennsylvania, South Carolina, Tennessee, Texas, Hawaii, Virginia, and New York. The Regional Nursing Centers Consortium, an association of eighteen nursing centers in New Jersey, Pennsylvania and Delaware, was established in 1996 to foster greater recognition of, and support for, nursing centers in their pursuit of providing quality care to underserved populations.

Nursing centers tend to be located in or near areas with a shortage of health professionals or areas that are medically underserved. The beneficiaries of their services have traditionally been the underserved and those least likely to engage in ongoing health care services for themselves or their family members. In the 1970's, I sponsored legislation that would give nurses the right to reimbursement for independent nursing services, under various federal healthcare programs. At the same time, one of the first academic nursing centers was delivering primary care services in Arizona.

As the Vice Chairman of the Committee on Indian Affairs, I am pleased to note that the University of South Carolina College of Nursing has established a Primary Care Tribal Practice Clinic, under contract with the Catawba Indian nation, which provides primary and preventive services to those populations. The University also has a Women's Health Clinic and Student Health Clinic, which are both managed by nurse practitioners.

Another prime example of services provided by nurse practitioners is the Utah Wendover Clinic. This clinic, in existence since 1994, provides interdisciplinary rural primary health services to more than 10,000 patients annually. The clinic now has telehealth capabilities that provide interactive links from the clinic to the university hospital, 120 miles away. This technology allows practitioners direct access to medical support for primary care, pediatrics, mental health, potential abuse, and emergency trauma treatment.

To date, nursing centers have demonstrated quality outcomes which, when compared to conventional primary health care, indicate that their comprehensive models of care have resulted in significantly fewer emergency room visits, fewer hospital inpatient days, and less use of specialists. The Lasalle Neighborhood Nursing Center, for example, reported for 1997 that fewer than 0.02 percent of their primary care clients reported hospitalization for asthma; fewer than 4 percent of expectant mothers who enrolled delivered low birth rate infants; 90 percent of infants and young children were immunized on time; 50 percent fewer emergency room visits; and the clinic achieved a 97 percent patient satisfaction rate.

What makes the concept of nurse managed practices exciting and promising for the 21st century is their ability to provide care in a ''spirit of serving'' to underserved people in desperate need of health care services. Interestingly, nurse practitioners have consistently provided Medicaid sponsored primary care in urban and rural communities for a number of years, and have consistently demonstrated their commitment to these underserved areas.

The 1997 Balanced Budget Act (P.L. 105–33) included a provision that for the first time ever allowed for direct Medicare reimbursement of all nurse practitioners and clinical nurse specialists, regardless of the setting in which services were performed. This provision built upon previous legislation that allowed direct reimbursement to individual nurse practitioners for services provided in rural health clinics throughout America. The law effectively paved the way for an array of clinical practice arrangements for these providers; however, per visit payments to nurse run centers, as opposed to individual practitioners, was not formally included in the law.

Federal law now also mandates independent reimbursement for nurse practitioners under the Civilian Health and Medical Programs of Uniformed Services (CHAMPUS), the Federal Employee Health Benefits Plan (FEHBP) and in Department of Defense Medical Treatment Facilities.

As the Ranking Member of the Defense Appropriations Subcommittee, my distinguished colleagues and I have listened to the testimonies of the three Service Chief Nurses each year, during the Defense Medical hearings. I am proud to report that the military services have taken the lead in ensuring the advancement of the profession of nursing. Military advanced practice nurses provide care to service members and their families at all of the treatment facilities. The Graduate School of Nursing at the Uniformed University of the Health Sciences (USUHS), which has a very successful nurse practitioner program, was recently recognized in the top 100 graduate schools in the United States. The Commanding General at Tripler Army Medical Center, a two star position, is a nurse. This

is a first ever accomplishment for nurses in the military. I hope to see more nurse officers in these leadership roles, even at the three star level.

At the beginning of this session of Congress, I proposed legislation to amend Title XIX of the Social Security Act to expressly provide for coverage of services by nursing school administered centers under state Medicaid programs, similiar to payments provided to rural health clinics. Today, as we debate a number of health care issues, I urge us to consider creative avenues for expanding health care access for all Americans, particularly the poor and underserved. Nursing centers, as new models of health care providers, offer quality services for lower payments.

In closing, I would like to reiterate that nurse practitioners provide cost effective, preventive care in underserved areas across America. Their educational programs emphasize the provision of care to patients with limited resources, financial and otherwise. A recent article in U.S. News and World Report showcased the successful Columbia Advanced Practice Nurse Associates (CAPNA), a nurse run primary care clinic in New York City. Dr. Mary Mundinger, the Dean of the Columbia School of Nursing and a Robert Wood Johnson Health Policy Fellow in 1984, was the catalyst for the center, which she envisions as a ''prototype of a new branch of primary care.''

Nurse practitioners have proven themselves to be well trained providers of high quality, cost effective care.

Nursing school administered centers offer viable alternatives to health care access for the poor and underserved, and allow Americans more choices in their selection of cost effective, quality care services. The issues surrounding quality, access and the provision of patient care services are, Mr. President, at the crux of our current debates over health care reform. We owe it to each and every American to provide the very best options for quality health care available.

Mr. President, I thank you for the opportunity to address my colleagues on this most important topic. I ask that an article on this subject be printed in the RECORD.

The article follows:

[From the U.S. News & World Report, July 27, 1998]

FOR NURSES, A BARRIER BROKEN—IT'S A TEST INSURERS ARE BACKING: CAN PRIMARY CARE WORK WITHOUT DOCTORS?

(By James Lardner)

Seems like everybody's been trying to take a bite out of doctors' paychecks lately—the federal government, employers, insurers, and now, of all people, nurses. In New York City, Medicare and eight private health plans have given their enrollees permission to get primary care from a group of nurse practitioners or NPs, who diagnose, treat, prescribe, refer, and bill very much as if they were M.D.'s.

About 250 New Yorkers have signed up with the 10-month-old practice, known as CAPNA (for Columbia Advanced Practice Nurse Associates), and though it's still a tiny operation—just four NPs—business is growing by six or seven new patients a week. Supporters think the idea of a nurse-run form of primary care has a lot of potential. Many doctors are dubious.

The New York State Medical Society's chief lobbyist, Anthony Santomauro, sees a threat to the well-being of physicians as well as of patients. ''Your action,'' Santomauro warned his colleagues recently, ''could decide whether nurse practitioners . . . continue to serve under your direction and supervision or . . . become independent practitioners in direct competition.'' To Robert Graham, executive vice president of the American Academy of Family Physicians, what the nurses are doing ''comes very close to practicing medicine, which of course, requires a medical degree and a license.''

The law aside, critics argue that primary care entails subtle diagnostic decisions that physicians are uniquely qualified to make. ''The four years in medical school and three years in residency training and many hours of continuing education that physicians receive are very different from the 500 to 700 hours of training that most nurse-practitioner programs call for,'' says Nancy Dickey, a Texas physician who recently became president of the American Medical Association. (There are roughly 140,000 nurses with advanced degrees in the United States; as a rule, NPs have master's degrees that entail two years of classroom and clinical training.)

While physicians stress the possibility of confusion about who is or isn't an M.D., they may be up against a bigger problem: a widespread longing for a slower-paced, more personal form of health care than many people feel they can get from physicians these days. ''If you spend 10 minutes with a doctor in New York City, you're doing well,'' says Doris Ward, a 77-year-old former nonprofit executive. Ward came to CAPNA's offices on East 60th Street seeking treatment for high cholesterol and anxious to find ''someone who would sit down and talk to me for a little while.'' Her NP, Marlene McHugh, devoted an hour to the initial appointment and recommended a dietary rather than a medical approach to her problem.

Thomas Becker, a 36-year-old marketing manager, was confused about whom he was seeing. He didn't know that Edwidge Thomas was not a doctor when he picked her from a list supplied by his health plan; in fact, he didn't realize his mistake until his first visit. But Thomas asked such insightful questions that ''it didn't really matter to me,'' Becker says. After three appointments, two for sports-related injuries and one for flu, he rates CAPNA ''absolutely excellent.''

Bedside manner. Mary O'Neil Mundinger, dean of the Columbia University School of Nursing and the driving force behind CAPNA, sees it as the prototype of a new branch of primary care. She spent 17 years as a bedside nurse before getting a doctorate in public health, and she dismisses the suggestion that nurses are likely to overlook symptoms or botch diagnoses (''We don't miss things,'' she says crisply). But physicians, she argues, overemphasize diagnosing and prescribing, and tend to consider their work over once they have recommended a program of treatment; nurses, she says, are better at getting patients to follow the program.

Two studies seem to bolster her case. Nurse practitioners have long provided primary care to those who might otherwise have gone unserved, such as residents of rural areas, and a 1986 study by the Office of Technology Assessment concluded that the care they provided was equivalent to that offered by physicians. When it came to communication and prevention, the OTA found NPs more adept.

In addition, a 1993 analysis of studies comparing care offered by physicians with that provided by NPs found that nurses spent about 25 minutes with a patient; doctors spent 17. The two groups were about equal in their rates of prescribing drugs, but the nurses provided more patient education and stressed exercise more often than the doctors.

While the debate may seem to pit nurses against doctors, the more important division exposed by CAPNA may be between two types of physician, primary-care providers and specialists. Critics of the CAPNA model fear that NPs, because they have less training than physicians, will rely too much on specialists. Many specialists respond that in the age of managed care, overreferral by nurses is far less of a danger than underreferral by doctors, who are torn between the interests of patients and, as Eric Rose, the chief of surgery at Columbia-Presbyterian Medical Center, puts it, ''the care of their bankbooks and the HMOs' bankbooks.'' (CAPNA has been referring surgery cases to Columbia-Presbyterian.)

CAPNA's acceptance by insurers as a legitimate primary-care alternative to a practice run by physicians is clearly a breakthrough for nurses, who were long defined as hospital workers who existed to do the bidding of physicians. As recently as the 1970s, nursing-school curricula included elaborate protocols of respect (surrendering one's chair, for example) that a nurse was supposed to follow when a physician entered a room.

The power of physicians is also under attack from market-oriented critics, who see them as attempting to carve out a monopoly at the consumer's expense. In the past, physicians' organizations have used their clout to beat back proposals to give quasi-medical powers to nonphysicians. But CAPNA was created with no change in the law; Mundinger reasoned that the kind of health care she hoped to offer affluent patients in midtown Manhattan was already the norm in much of rural and inner-city America. New York itself allowed NPs to write prescriptions—otherwise, health care in many areas of the state would have ground to a halt. ''As long as it was just poor folks, nobody was paying any attention,'' Mundinger says.

The groundwork was laid in 1993, when Columbia-Presbyterian sought the nursing school's help in expanding health care services in two poor, upper-Manhattan neighborhoods. Spotting an opportunity, Mundinger asked in return for something that earlier partnerships of nurse practitioners had lacked: hospital admitting privileges—the ability to get patients into Columbia-Presbyterian and supervise their care there. Two new primary-care practices were created, one with doctors and nurse practitioners working as equals, the other run entirely by NPs.

Mundinger's next brainstorm was to see if the concept would work in an affluent neighborhood. This time, in a move with widespread implications for health care, she went after managed-care plans for the right of reimbursement.

Equal treatment. For the HMOs—under constant pressure from employers to cut costs—a nurse-run practice had obvious appeal if it meant lower payments for the same services. But Mundinger rejected support that was conditioned on reduced reimbursement, insisting that would open the HMOs to the charge of chiseling and cast her practice as a cheap substitute for real medicine. After months of discussions, Oxford Health Plans agreed to go along. Seven more health plans followed suit, all giving the nurses the same fee-for-service rates as doctors.

Mundinger's admirers say she has not only created a significant new model of health

care but, in doing so, has called the medical profession's bluff. Say Uwe Reinhardt, a health economist who teaches at Princeton University, ''Doctors always say the are rugged individualists, for free enterprise and such, and now at the first sight of a nurse they run to the government and say, 'Please use your coercive powers to protect us!' ''

Even some supporters, however, fear that Mundinger's model, for all its noble objectives, will appeal to the basest motives of insurers and employers, leaving patients, in the end, with less-trained people who are in just as much of a hurry. There is some reason for doubting this: A study in the April Nurse Practitioner, for example, found NPs more consistent than gynecologists in adhering to medical standards in evaluating cervical dysplasia, a precursor to cervical cancer. And as Robert Brook, a Rand analyst who is conducting an internal assessment for CAPNA, puts it: ''It's not like we started out with a perfect system.●''

TRIBUTE TO LIEUTENANT COLONEL KEVIN ''SPANKY'' KIRSCH, USAF

Mr. WARNER. Mr. President, I rise today to pay tribute to Lieutenant Colonel Kevin ''Spanky'' Kirsch, United States Air Force, on the occasion of his retirement after over twenty years of exemplary service to our nation. Colonel Kirsch's strong commitment to excellence will leave a lasting impact on the vitality of our nation's military procurement and information technology capabilities. His expertise in these areas will be sorely missed by his colleagues both in the Pentagon and on Capitol Hill.

Before embarking on his Air Force career, Colonel Kirsch worked as an estimator/engineer for Penfield Electric Co. in upstate New York, where he designed and built electrical and mechanical systems for commercial construction. In 1978, Colonel Kirsch received his commission through the Officer Training School at Lackland AFB in San Antonio, TX. Eagerly traveling to Williams AFB in Arizona for flight training, Colonel Kirsch earned his pilot wings after successful training in T–37 and T–38 aircraft.

In 1980, Colonel Kirsch was assigned to Carswell AFB, in Fort Worth, TX, as a co-pilot in the B–52D aircraft. While serving in this capacity on nuclear alert for the next five years, he earned his Masters degree, completed Squadron Officer School and Marine Corps Command and Staff School by correspondence, and earned an engineering specialty code with the Civil Engineering Squadron.

An experienced bomber pilot serving with the 7th Bomb Wing, Colonel Kirsch, then a First Lieutenant, served as the Resource Manager for the Director of Operations—a position normally filled by an officer much more senior in rank. He was selected to the Standardization Evaluation (Stan-Eval) Division and became dual-qualified in the B–52H. Subsequently, he was selected ahead of his peers to be an aircraft commander in the B–52H.

Colonel Kirsch was selected in 1985 as one of the top 1% of the Air Force's captains to participate in the Air Staff Training (ASTRA) program at the Pentagon. His experience during that tour, working in Air Force contracting and legislative affairs, would serve him well in later assignments.

In 1986, Colonel Kirsch returned to flying in the FB–111 aircraft at Plattsburgh AFB, NY. He joined the 529th Bomb Squadron as an aircraft commander and was designated a flight commander shortly thereafter. He employed his computer skills to help automate the scheduling functions at the 380th Bomb Wing and was soon designated chief of bomber scheduling.

Following his tour with the 529th, Colonel Kirsch was assigned to Strategic Air Command (SAC) Headquarters at Offutt AFB, NE. As Chief of the Advanced Weapons Concepts Branch, he served as a liaison with the Department of Energy on nuclear weapons programs and worked on development of new strategic systems—including the B–2 bomber. Colonel Kirsch was one of four officers chosen to be part of the commander-in-chief's (CINC's) staff group to facilitate the transition of SAC to Strategic Command (STRATCOM). Originally picked as a technical advisor for weapon systems, he soon became the legislative liaison for STRATCOM. In this capacity, Colonel Kirsch organized congressional delegations to visit STRATCOM, and managed CINC STRATCOM's interaction with Capitol Hill.

In 1994, Col Kirsch traveled here, to Washington, to begin his final assighment on active duty. Initially serving as a military assistant to the Assistant Secretary of Defense for Legislative Affairs, Colonel Kirsch once again quickly distinguished himself and was designated the special assistant for acquisition and C3 policy. Representing the Secretary of Defense, the Under Secretary of Defense for Acquisition and Technology and the Assistant Secretary of Defense for C3I, Colonel Kirsch managed a myriad of critical initiatives including acquisition reform and information assurance. He also served as the principal architect for the organization's web page, computer network, and many of the custom applications used to automate the office's administrative functions.

Colonel Kirsch's numerous military awards include the Defense Superior Service Medal, the Defense Meritorious Service Medal with Oak Leaf Cluster, the Air Force Meritorious Service Medal, the Air Force Commendation Medal with Oak Leaf Cluster, and the Air Force Achievement Award.

Following his retirement, Colonel Kirsch and his wife Carol will continue to reside in Springfield, VA with their children Alicia and Benjamin.

Mr President, our nation, the Department of Defense, the United States Air Force, and Lieutenant Colonel Kirsch's family can truly be proud of this outstanding officer's many accomplishments. His honorable service will be genuinely missed in the Department of Defense and on Capitol Hill. I wish Lieutenant Colonel Spanky Kirsch the very best in all his future endeavors.

D.A.R.E. MICHIGAN OFFICER OF THE YEAR 1998

● Mr. ABRAHAM. Mr. President, I rise today to recognize Officer Kimberly Sivyer of the Redford Township Police Department. He has been named the D.A.R.E. Officer of the Year for 1998 in the state of Michigan.

Officer Sivyer started with the Redford Police Department in 1981. He has dedicated his time and service to D.A.R.E. since 1990. Over the course of these eight years he has touched many students' lives educating them about the dangers of drugs and violence. He has and continues to be an excellent role model for the youth of his community. His colleagues at the Redford Township Police Department and the members of his community recognize this and it is for these reasons that he is very deserving of this award.

I want to once again express my sincerest appreciation and congratulations to Officer Sivyer for being named D.A.R.E. Officer of the Year 1998. He should be very proud of this achievement.●

THE COUNTRY OF GEORGIA

● Mr. BROWNBACK. Mr. President, I would like to say a few words about Georgia and the recent events which have taken place in this impressive country. Several days ago, Georgia reaffirmed its commitment to full participatory democracy when the Minister of State requested the resignation of all cabinet ministers, and then resigned himself. His resignation was accepted, and President Eduard Shevardnadze has vowed to reconstitute a new government by the middle of August. This transition, so reminiscent of the ebb and flow of governments in great parliamentary democracies, has been accomplished without violence or bloodshed, without chaos or confusion, and with the support of the Georgian people. Truly Georgia is an inspiration to peoples everywhere who long for democracy and who struggle against the freedom-stifling legacy of the communist experiment.

Georgia is impressive in other ways as well. Its economy continues to grow in a positive direction, unlike the economies of some of its neighbors; Georgia is not perfect, and it is not pristine. But it is progressive. With a growth rate of nearly 8 percent in 1997 and projected growth of 11–13 percent in 1998, Georgia is on track to a significant economic turn-around.

This turn-around and the prosperity that will inevitably flow from it, still involve many hurdles. Georgians have bravely faced these challenges, and they face more still. Probably none is so painful as the ongoing conflict in Abkhazia, Georgia's most northwestern province bordering Russia. This brutal

brushfire war has now claimed lives unnecessarily on both sides, and it must be ended. Mr. President, the CIS peacekeepers are a major part of the problem and the reason the war continues.

As the Times of London noted on July 27th, Georgia accepted the CIS peacekeepers only under duress, because the UN blinked. These CIS peacekeepers, the Times points out, have not exactly distinguished themselves by their impartiality. They are ''entirely drawn from the Russian Army, and commanded from Russian, not CIS, headquarters. Of its four battalions, one fought the Georgians in the 1992–93 war, while another two are recruited from anti-Georgia nationalities.'' It is hard to imagine that this formula can create anything but conflict, and indeed, there have been constant complaints from Georgia that these so-called peacekeepers are merely part of a Russian strategy to destabilize Georgia, a strategy that includes several assassination attempts on President Shevardnadze.

From the beginning, the Abkhaz conflict has been widely acknowledged to be Russia's doing. The separatists who want to break off Abkhazia from Georgia are provoked, fueled and encouraged by the Russians. Georgia has offered Abkhazia full autonomy, an offer that has been answered by Russian guns.

As early as 1992 Russia provided the Abkhazians with weapons to conduct the war, and the Russian government today supports the Abkhaz leadership in its unwillingness to bring the conflict to a close through negotiation. One member of the Abkhaz leadership wrote in the Russian nationalist press in 1992 that ''Abkhazia is Russia.'' Since then, Russia has managed to scuttle all budding negotiations, even while serving as the putative ''mediator'' at the recent Geneva talks between the Georgians and Abkhazians, and it has unfailingly sided with the Abkhaz against Georgia at the infrequent bargaining tables and on the battlefield.

Let us be frank: These Russian peacekeepers do not want peace. Rather, they seek to extend the hostilities so that Georgia will find it difficult to consolidate its hold over this breakaway region. These so-called peacekeepers have helped to create thousands of dead on both sides; they have created massive flows of Georgian refugees by turning a blind eye toward some of the most blatant ethnic cleansing anywhere in the world; and they have allowed the devastation of what is arguably one of the richest and most beautiful parts of the Georgian state.

Abkhaz leaders, with Russia's help, have perpetrated one of the world's most egregious examples of ethnic cleansing. Tens of thousands of Georgians have been forced out of their homes in Abkhazia and turned into homeless, hungry refugees. Georgia's many requests in recent years to the United Nations to condemn this blatant genocide have fallen on deaf ears, and most Georgians now attribute the Abkhazians' continued use of ethnic cleansing to UN inaction. Georgia has once again asked the UN to intervene in Abkhazia, but its willingness to do so, especially with Russia holding a seat on the Security Council, is in doubt.

How is it possible that ethnic cleansing can high behind a transparent veil of ''peacekeeping''? Why has the UN shirked its duty to protect these vulnerable Georgians, when it seems willing, even eager, to condemn genocide elsewhere in the world? Where is the indignation and outrage from our statesmen? Where are the legions of human rights advocates that usually visit the corridors of our departments and ministries?

The Abkhazians (who constitute less than 20 percent of the population of the region they claim as their own) and their Russian supporters, should harbor no illusions about the ultimate outcome of this struggle: Abkhazia will remain part of Georgia. The Georgian government will never acquiesce in territorial claims on its historic territory, and the US government will never support such claims. Meanwhile, Abkhazians are poised to miss what could be one of the most exciting periods in the development of the South Caucasus. The opening of energy pipelines from the Caspian will create unprecedented opportunities for growth and development, and the forging of the Eurasian Transport Corridor, the New Silk Road, which originates in Georgia, foretells a future in which all Georgians, including Abkhazians, should prosper.

Those of my colleagues who have traveled to Georgia know of the immense beauty of the country, and the kindness and generosity of its people. They know of the Georgians' will in the face of numerous obstacles and barriers. And, increasingly, they understand why and where Georgia's interests intersect with America's interests.

Put simply, Georgia is a key strategic ally for America in a region in which America has few strategic anchors. America has a strong national interest in encouraging a close and multifaceted relationship with Georgia. Though small, poor and weak, Georgia has the potential to be small, yet rich and strong. It is in our best interest to promote this transition with American aid, American power and American prayers.●

EXPRESSING THE SENSE OF CONGRESS CONCERNING THE HUMAN RIGHTS AND HUMANITARIAN SITUATION FACING THE WOMEN AND GIRLS OF AFGHANISTAN

(The text of the concurrent resolution (S. Con. Res. 97), with its preamble, as agreed to by the Senate on July 29, 1998, is as follows:)

S. CON. RES. 97

Whereas the legacy of the war in Afghanistan has had a devastating impact on the civilian population, and a particularly negative impact on the rights and security of women and girls;

Whereas the current environment is one in which the rights of women and girls are routinely violated, leading the Department of State in its 1997 Country Report on Human Rights, released January 30, 1998, to conclude that women are beaten for violating increasingly restrictive Taliban dress codes, which require women to be covered from head to toe, women are strictly prohibited from working outside the home, women and girls are denied the right to an education, women are forbidden from appearing outside the home unless accompanied by a male family member, and beatings and death result from a failure to observe these restrictions;

Whereas the Secretary of State stated, in November 1997 at the Nasir Bagh Refugee Camp in Pakistan, that if a society is to move forward, women and girls must have access to schools and health care, be able to participate in the economy, and be protected from physical exploitation and abuse;

Whereas Afghanistan recognizes international human rights conventions such as the Convention on the Prevention and Punishment of the Crime of Genocide, the International Covenant on Civil and Political Rights, the Covenant on the Rights of the Child, the Convention on the Elimination of All Forms of Discrimination Against Women, and the International Covenant on Economic, Social, and Cultural Rights, which espouses respect for basic human rights of all individuals without regard to race, religion, ethnicity, or gender;

Whereas the use of rape as an instrument of war is considered a grave breach of the Geneva Convention and a crime against humanity;

Whereas people who commit grave breaches of the Geneva Convention are to be apprehended and subject to trial;

Whereas there is significant credible evidence that warring parties, factions, and powers in Afghanistan are responsible for numerous human rights violations, including the systematic rape of women and girls;

Whereas in recent years Afghan maternal mortality rates have increased dramatically, and the level of women's health care has declined significantly;

Whereas there has been a marked upswing in human rights violations against women and girls since the Taliban coalition seized Kabul in 1996, including Taliban edicts denying women and girls the right to an education, employment, access to adequate health care, and direct access to humanitarian aid; and

Whereas peace and security in Afghanistan are conducive to the full restoration of all human rights and fundamental freedom, the voluntary repatriation of refugees to their homeland in safety and dignity, the clearance of mine fields, and the reconstruction and rehabilitation of Afghanistan: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress—

(1) deplores the continued human rights violations by all parties, factions, and powers in Afghanistan;

(2) condemns targeted discrimination against women and girls and expresses deep concern regarding the prohibitions on employment and education;

(3) strongly condemns the use of rape or other forms of systematic gender discrimination by any party, faction, or power in Afghanistan as an instrument of war;

(4) calls on all parties, factions, and powers in Afghanistan to respect international norms and standards of human rights;

(5) calls on all Afghan parties to bring an end without delay to—

(A) discrimination on the basis of gender; and

(B) deprivation of human rights of women;

(6) calls on all Afghan parties in particular to take measures to ensure—

(A) the effective participation of women in civil, economic, political, and social life throughout the country;

(B) respect for the right of women to work;

(C) the right of women and girls to an education without discrimination, reopening schools to women and girls at all levels of education;

(D) respect for the right of women to physical security;

(E) those responsible for physical attacks on women are brought to justice;

(F) respect for freedom of movement of women and their effective access to health care; and

(G) equal access of women to health facilities;

(7) supports the work of nongovernmental organizations advocating respect for human rights in Afghanistan and an improvement in the status of women and their access to humanitarian and development assistance and programs;

(8) calls on the international community to provide, on a nondiscriminatory basis, adequate humanitarian assistance to the people of Afghanistan and Afghan refugees in neighboring countries pending their voluntary repatriation, and requests all parties in Afghanistan to lift the restrictions imposed on international aid and to cease any action which may prevent or impede the delivery of humanitarian assistance;

(9) welcomes the appointment of Ambassador Lakhdar Brahimi as special envoy of the United Nations Secretary General for Afghanistan, and encourages United Nations efforts to produce a durable peace in Afghanistan consistent with the goal of a broad-based national government respectful of human rights; and

(10) calls on all warring parties, factions, and powers to participate with Ambassador Brahimi in an intra-Afghan dialogue regarding the peace process.

SEC. 2. ADDITIONAL ACTION BY PRESIDENT.

It is the sense of Congress that the President and Secretary of State should—

(1) work with the United Nations High Commissioner for Refugees and the international community to—

(A) guarantee the safety of, and provide international development assistance for, Afghan women's groups in Pakistan and Afghanistan;

(B) increase support for refugee programs in Pakistan providing assistance to Afghan women and children with an emphasis on health, education, and income-generating programs; and

(C) explore options for the resettlement of those Afghan women, particularly war widows and their families, who are under threat or who fear for their safety or the safety of their families;

(2) establish an Afghanistan Women's Initiative, based on the successful model of the Bosnian Women's Initiative and the Rwandan Women's Initiative, that is targeted at Afghan women's groups, in order to—

(A) facilitate organization among Afghan women's groups in Pakistan and Afghanistan;

(B) provide humanitarian and development services to the women and the families most in need; and

(C) promote women's economic security;

(3) make a policy determination that—

(A) recognition of any government in Afghanistan by the United States should depend, among other things, on the human rights policies towards women adopted by that government;

(B) the United States should not recognize any government which systematically maltreats women; and

(C) any nonemergency economic or development assistance will be based on respect for human rights; and

(4) call for the creation of—

(A) an international commission to establish a record of the criminal culpability of any individual or party in Afghanistan employing rape or other crimes against humanity considered a grave breach of the Geneva Convention as an instrument of war; and

(B) an ad hoc international criminal tribunal by the United Nations for the purposes of indicting, prosecuting, and imprisoning any individual responsible for crimes against humanity in Afghanistan.

SEC. 3. REPORT.

It is the sense of Congress that the Secretary of State should submit a report to Congress not later than 6 months after the date of the adoption of this resolution regarding actions that have been taken to implement this resolution.

WORKFORCE INVESTMENT ACT OF 1998—CONFERENCE REPORT

Mr. JEFFORDS. I ask unanimous consent that the Senate now turn to the consideration of the conference report to accompany H.R. 1385 to consolidate, coordinate, and improve employment, training, literacy, and vocational rehabilitation programs in the United States, and for other purposes, and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The Legislative clerk read as follows:

The committee on conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 1385), have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of July 29, 1998.)

Mr. JEFFORDS. I ask unanimous consent that the conference report be adopted, the motion to reconsider be laid upon the table, and other statements relating to this conference report be printed in the RECORD.

Before you proceed, Mr. President, I believe the Senator from Ohio would like to make some comments, and I invite him to do so.

Mr. DEWINE. Mr. President, I thank the Chair. I thank the chairman of the committee, Senator JEFFORDS, for yielding to me and thank him also for the tremendous work he has done on this bill. He has been working on this for a number of years. This is the culmination of a great deal of work.

We are about to pass the conference report. Once the bill is sent on to the President and signed by the President, it will represent a major accomplishment of this Congress. This bill consolidates over 70 federally funded job training related programs—over 70 of them consolidated. This bill will make job training, federally funded job training, in this country much more accountable. It will also involve the business community much more in the development and design of job training.

The one thing Chairman JEFFORDS and I have learned as we have held hearings on this matter over the years is that if you want job training to work, it has to be run locally and it has to have great input from the local business community. This bill will make sure that we have that local input. We have to remember who the consumers are. When you are talking about job training, there are two consumers. One is the person who wants the job and wants to be trained for the job. But the other, equally as important, is the company or the individual who wants to hire that person, and so you have to involve them both in the design of job training.

That is what this bill does. This bill also dramatically reforms Job Corps. Job Corps is a Great Society-era job training program, residential, that is run by the Federal Government. It costs over $1 billion a year. It is targeted at our most at-risk young people in this country, people who desperately need our help, desperately need our assistance. What this bill does is make sure that $1 billion will be correctly spent. And again, we do that by measuring the results.

One of the things that Chairman JEFFORDS and I, I think, and the rest of the committee, were so shocked about when we held hearings several years ago on this—actually former Senator Kassebaum was chairman—was that Job Corps did not really measure success or failure of the young people. It didn't measure the success or failure of a particular job training program. They looked at it and saw whether or not a person had a job for 2 weeks. If they kept a job for 2 weeks after graduating from the program—and it didn't matter what the job was—the program was considered a success. The contractor who was in charge of getting that person a job got paid, and then no one ever looked back.

What we do with this bill is say we are going to measure success or failure after 6 months. We are going to measure success or failure after 12 months. And then we are going to be able to tell which programs work and which do not work in regard to Job Fair.

Another change we are making in Job Corps is to involve the local business community. Too often Job Corps has herded young people from 500, 600, 700 miles a way. They go to the Job Corps. They stay there for awhile, they complete their program, and then they go back home, and it is very difficult to involve the local business community when they know that person is not going to be there to work for them. And so we change those priorities in regard to Job Corps as well.

We also in this bill make a major step forward to link the regular job training programs of this country with

vocational rehabilitation. We do that by closing the gap. We do that by preserving the dedicated flow of money that will go for this targeted population, targeted population that is in need of our assistance, who wants to help themselves. We preserve that dedicated fund, those dedicated funds. But we give that recipient, that client, more resources. We empower that client to go to the vocational rehabilitation site or, if the services are not there, to make sure that the client has the legal right to go across the street or across the county, wherever that is, to get help and assistance from the regular system as well. It integrates the two.

In conclusion, let me say this bill is a bill for workers. It is a bill for people who want to be workers. It is a bill for young people. It is a bill that literally empowers the person who is seeking the job training. It gives them a lot more, many more rights. It gives them a lot more flexibility. It puts them into the ball game as far as choosing what is the job training that is best for them. So it makes a significant difference.

This bill also has a very significant component aimed directly at children. We set aside a significant sum of money for those young people between the ages of 14 and 21. We do it; we target it; we say it is important. There is nothing, I think, more important in this country than what we do with our young people and the assistance we try to provide for them. We have many young people in this country who we call at-risk youth. This bill will go a long way to give them direct assistance. However, even though we target it in this bill and say these funds are dedicated for these young people, we also at the same time give all the flexibility to the local community, States and local communities to allow them to design the specific program that will actually work for their young people in their local communities.

This is a revolutionary bill. It is a bill that dramatically changes the status quo. It is a bipartisan bill. It is a bill that Senator WELLSTONE worked on with me in the subcommittee. It is a bill on which Senator KENNEDY worked with Senator JEFFORDS. It is a bill that Secretary Alexis Herman has been very, very much involved in. She has been involved in it up until the last 10 minutes, as we have negotiated the final portions of this bill.

So, it is a bipartisan bill. It is a bill we can all be very proud of. It is a bill that will truly make a difference for our young people and for those who need to be trained in this country.

Again, I thank my chairman for the tremendous work that he has done; for his persistence. One of the qualities I think you have to have in the U.S. Senate is perseverance and persistence, as well as patience. He has demonstrated all three very well. The culmination is what we see tonight, which is a bill we are about to send to the President of the United States for his signature.

I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. Mr. President, first, I thank my colleague from Ohio for his very eloquent description of the legislation, which makes it entirely unnecessary for me to go further. I appreciate the kind comments he made.

As he pointed out, this is an example of bipartisanship as well. Senator WELLSTONE and Senator KENNEDY, on the other side of the aisle, participated always in a constructive way and allowed us to come up with an excellent piece of legislation.

On the House side, Congressman GOODLING, my good friend and colleague for many years, as chairman of the committee, and Congressman CLAY, whom I also worked with in the past and to the present, Congressman MCKEON of California, and Congressman KILDEE of Michigan—all participated in this conference report.

It could not have been done without the fantastic help of our staff. The committee personnel, CRS, and legislative counsel, and DOL, Department of Education, the White House—all participated in bringing to fruition a piece of legislation which has been struggling for 4 years to be able to get there.

Mr. KENNEDY. Mr. President, final passage of the Workforce Investment Act is a landmark achievement in which we can all take pride. For years, Congress has struggled to design an employment training system that would provide America's workers with the skills they need to succeed in the 21st century workplace. I believe this legislation will accomplish that enormous task. Few bills which we consider will have a greater impact on more Americans than the Workforce Investment Act we pass today.

An educated workforce has become the most valuable resource in the modern economy. Our nation's long term economic vitality depends on the creation of an effective, accessible, and accountable system of job training and career development which is open to all our citizens. Schools must assume more responsibility for preparing their students to meet the challenges of the 21st century workplace. Disadvantaged adults and out of school youth need the opportunity to develop job skills which will make them productive members of the community. Dislocated workers who have been displaced by the rapid pace of technological change deserve the chance to pursue new careers. Individuals with disabilities need the opportunity to fully develop their career potential. The way in which we respond to these challenges today will determine how prosperous a nation we are in the next century.

The importance of highly developed employment skills has never been greater. The gap in earnings between skilled and unskilled workers is steadily widening. For those who enter the workforce with good academic training and well-developed career skills, this new economy offers almost unlimited potential. However, for those who lack basic proficiency in language, math and science and who have no career skills, the new economy presents an increasingly hostile environment.

Over three million young men and women between the ages of 16 and 24 in this country did not complete high school and are not enrolled in school. Many more graduate from high school without the level of knowledge and skill that a high school diploma should represent. They will require more education and job training in order to obtain stable, well-paying employment. Without it, they are in danger of becoming a lost workforce generation.

Effective job training is also essential to the success of welfare reform. More than 40 percent of those in the JTPA program for disadvantaged adults have come from the welfare rolls. Under the welfare reform legislation, an additional 1.7 million people will be entering the job market. Most of these individuals have little or no work background and very limited employment skills. In many cases, they are also the sole support of young children. They are making urgent new demands on a job training system that is already burdened beyond its capacity.

In addition, the combination of rapidly changing technology and the shift of manufacturing jobs overseas is creating an alarming number of dislocated workers. These individuals have extensive work experience, but their skills are no longer in demand. We must give them the opportunity for retraining, and for the development of new skills to enable them to compete in the 21st century workplace.

The accelerating pace of technological change has made much of the existing job training system obsolete. Broad reforms are clearly needed to meet the demands of the modern workplace.

The Workforce Investment Act will provide employment training opportunities for millions of Americans. It responds to the challenge of the changing workplace by enabling men and women to acquire the skills required to enter the workforce and to upgrade their skills throughout their careers. It will provide them with access to the educational tools that will enable them not only to keep up, but to get ahead.

The legislation is the product of a true bipartisan collaboration. I want to publicly commend Senators JEFFORDS and DEWINE for the genuine spirit of bipartisanship which has made this effort possible. Senator WELLSTONE and I appreciate it. This spirit of collaboration was also shared by the House conferees. The resulting legislation will, I believe, truly expand career options, encourage greater program innovation, and facilitate cooperative efforts amongst business, labor, education and state and local government.

I also want to recognize the important role President Clinton has played in bringing about this dramatic reform

of our current job training system. He has consistently emphasized the need for greater individual choice in the selection of career paths and training providers. The philosophy behind his skill grant proposal is reflected in our legislation.

The Workforce Investment Act is designed to provide easy access to state of the art employment training programs which are geared to real job opportunities in the community through a single, customer-friendly system of One Stop Career Centers. Over 700 such Centers are already operating successfully across the country. This legislation will ensure that every individual in need of employment services will have access to such a facility. The cornerstones of this new system are individual choice and quality labor market information. In the past, men and women seeking new careers often did not know what job skills were most in demand and which training programs had the best performance record. All too often, they were forced to make one of the most important decisions of their lives based on anecdotes and late-night advertisements.

No training system can function effectively without accurate and timely information. The frequent unavailability of quality labor market information is one of the most serious flaws in the current system. This legislation places a strong emphasis on providing accurate and timely information about what area industries are growing, what skills those jobs require, and what earning potential they have. Extensive business community and organized labor participation are encouraged in developing a regional plan based on this information. Once a career choice is made, the individual must still select a training provider. At present, many applicants make that choice with a little or no reliable information. Under this bill, each training provider will have to publicly report graduation rates, job placement and retention rates, and average earnings of graduates.

Because of the extensive information which will be available to each applicant, real consumer choice in the selection of a career and of a training provider will be possible. The legislation establishes individual training accounts for financially eligible participants, which they can use to access career education and skill training programs. Men and women seeking training assistance will no longer be limited to a few predetermined options. As long as there are real job opportunities in the field selected and the training provider meets established performance standards, the individual will be free to choose which option best suits his or her needs.

An essential element of the new system we have designed is accountability. As I noted earlier, each training provider will have to monitor and report the job placement and retention achieved by its graduates and their average earnings. Only those training programs that meet an acceptable performance standard will remain eligible for receipt of public funds. The same principle of accountability is applied to those agencies administering state and local programs. They are being given wide latitude to innovate under this legislation. But they too will be held accountable if their programs fail to meet challenging performance targets.

The rapid pace of technological change in the workplace has produced an alarming number of workers who have become dislocated in mid-career. The dislocation has been compounded by the increasing number of labor intensive production employers relocating their businesses abroad. This trend has been particularly acute in the manufacturing sector. We have a special obligation to these dislocated workers who have long and dedicated work histories and now are unemployed through no fault of their own. The Workforce Investment Act makes a commitment to them by maintaining a special dislocated worker program, supported by a separate funding stream, which is geared to their retraining needs. The current dislocated worker program served approximately 540,000 dislocated workers nationwide in the most recent year. Of those who completed the program during that year, 71 percent were employed when they left the program, earning on average 93 percent of their previous wages. America's dislocated workers have earned the right to assistance in developing new skills which will allow them to be full participants in the 21st century economy.

There is no challenge facing America today which is tougher or more important than providing at-risk, often out-of-school, youth with meaningful education and employment opportunities. Far too many of our teenagers are being left behind without the skills needed to survive in the 21st century economy. I am particularly pleased with the commitment which the Workforce Investment Partnership Act makes to these young men and women. This legislation authorizes a new initiative focused on teenagers living in poverty in communities offering them few constructive employment opportunities. Each year, the Secretary of Labor will award grants from a $250 million fund to innovative programs designed to provide opportunities to youth living in these areas. The programs will emphasize mentoring, strong links between academic and worksite learning, and job placement and retention. It will encourage broad based community participation from local service agencies and area employers. These model programs will, we believe, identify the techniques which are most effective in reaching those youth at greatest risk.

Another important program for young people who face the highest barriers to employment is Job Corps. Most of the participants grow up in extreme poverty. Their educational opportunities are limited. Job Corps, at its best, moves them from deprivation to opportunity. But, for many of them, it is an extremely difficult transition. As a result, critics of the program are always able to point to failures. But for each story of failure, there are many stories of success. Job Corps is a program worth preserving and worth expanding too. Our legislation decisively rejects the view that Job Corps should be dismantled. Instead, it strengthens the program in several ways. It establishes closer ties between individual Job Corps Centers and the communities they serve. It ensures that training programs correspond with the area's labor market needs. It extends follow-up counseling for participants up to 12 months and established detailed performance standards to hold programs accountable.

The legislation also provides for the continuation of summer jobs as an essential element of the youth grant. For many youth, summer jobs are their first opportunity to work and their first critical step in learning the work ethic. The summer jobs program also provides many youth with quality learning experiences and follow up during the school year. Studies by the Department of Labor's Office of the Inspector General and research by Westat, Inc. have reported positive findings regarding the program, concluding that work sites are well-supervised and disciplined, that jobs provide useful work, that the education component teaches students new skills that they apply in school, and that students learn the value of work.

I believe that the summer jobs program needs to continue to be available on a significant scale with sufficient funding. This bill recognizes the critical importance of the summer youth program by requiring that it be a part of each local area's youth program and allowing local communities to determine the number of summer jobs to be created.

The Workforce Investment Act includes titles reauthorizing major vocation rehabilitation and adult literacy programs. Both programs will continue to be separately funded and independently administered. We have incorporated them in the Workforce Act because they must be integral components of any comprehensive strategy to prepare people to meet the demands of the 21st century workplace.

Vocational rehabilitation offers new hope to individuals with disabilities, allowing them to reach their full potential and actively participate in their communities. The Rehabilitation Title of the Act will ensure that all working-aged individuals with disabilities, even those with the most significant disabilities, have realistic opportunities to obtain the resources and support they need to reach their employment goals.

Adult literacy programs are essential for the 27% of the adult population who

have not earned a high school diploma or its equivalent. Learning to read and communicate effectively are the first steps to career advancement. This legislation will increase access to educational opportunities for those people most in need of assistance and enhance the quality of services provided.

The Workforce Investment Partnership Act will make it possible for millions of Americans to gain the skills needed to compete in a global economy. In doing so, we are also enabling them to realize their personal American dreams.

I would like to recognize the substantial contributions made by several individuals to this enormous legislative effort. On my staff, Jeffrey Teitz has worked on the development of the workforce and education titles of this bill for nearly eighteen months and done an outstanding job. Connie Garner has devoted a comparable effort to the vocational rehabilitation title. Jane Oates' assistance throughout the conference process has also been invaluable. I am proud of their work.

I also want to call the Senate's attention to the role of my longtime friend, William Spring of Boston. Bill is a leader on training and education issues in Massachusetts and his creative recommendations are incorporated throughout this legislation. There is one further person who deserves special mention. Steven Spinner worked for me during the 104th Congress until his tragic and untimely death. His invaluable efforts helped to lay the groundwork for our success in reforming the workforce system.

Mr. DODD. Mr. President, I am pleased to join with my colleagues in support of the Workforce Investment Act Conference Report. This is a truly bipartisan bill. As a conferee, I would like to commend Senators JEFFORDS, KENNEDY, DEWINE, and WELLSTONE, as well as the House conferees, for shepherding this bill through the conference.

Few issues that we vote on in Congress are as important to the future of this country as the lifelong education and training of our workforce. We live in an era of a global economy, emerging industries and company downsizing. It is imperative that our delivery of services meets the employment and educational needs of the 21st century.

The current maze of more than 160 programs which are administered by 15 separate federal agencies has failed. The Workforce Investment Act streamlines these programs by giving more authority to state and local representatives of government, business, labor, education, and youth activities. The bill establishes a true collaborative process between the state and local representatives to ensure that training and educational services will be held to high standards. This bill also gives more flexibility to individuals seeking training assistance. Individuals will no longer be limited to a predetermined set of services.

I am especially pleased that the cornerstone of the Workforce Investment Act is streamlined service delivery through one-stop career centers. My state of Connecticut is nearing completion of implementation of its one-stop system, called Conneticut Works. This network has reformed the delivery of job training services in the state. I have had the privilege of visiting many of these centers and can attest to their success.

While I applaud the new system of providing training assistance incorporated in ths bill, I am pleased that the bill retains some direct federal involvement in order to ensure that disadvantaged youth, veterans and displaced workers receive the training assistance and support they need.

For many years, the Connecticut economy was dependent on defense-oriented industries. The Workforce Investment Act ensures that employees who are adversely affected by base closures and military downsizing will have access to job training and supportive services in order to acquire the skills needed for employment in the technology-driven economy of the 21st century.

This legislation also provides for the coordination of adult education systems, allowing adult education to play a crucial role in a participant's professional training program. In the area of adult education and literacy, this legislation specifically targets those communities that demonstrate significant illiteracy rates to receive adult education programs as a first priority. I am pleased that this legislation also includes a provision that will direct funds designated to support English as a Second Language (ESL) programs to those ESL programs in communities with designated need. This means that ESL programs with waiting lists—those in communities with the greatest need for the valuable services these programs provide—will receive funds on a prioritized basis.

Mr. President, in order to better assist nonnative English speakers and fully assimilate them into our society, we must help them become more fluent in English. I can think of few more important factors in determining whether or not someone new to this society will successfully make this difficult transition than their ability to speak English.

A clear and effective grasp of the English language is still the best indicator of success for nonnative English speakers. The ability to speak English for anyone in today's marketplace represents an ''open door,'' Mr. President. This ''open door'' can lead to greater employment and advancement opportunities for those whose first language is not English.

Additionally, Mr. President, this legislation reauthorizes the Rehabilitation Act. This critically important legislation provides comprehensive vocational rehabilitation services designed to help individuals with disabilities become more employable and achieve greater independence and integration into society.

Under the Rehabilitation Act, states, with assistance provided by the federal government in the manner of formula-derived grants, provide a broad array of services to individuals with disabilities that includes assessment, counseling, vocational and other educational services, work related placement services, and rehabilitation technology services. More than 1.25 million Americans with disabilities were served by vocational rehabilitation programs in 1995 alone, Mr. President.

I am particularly pleased that a provision dealing with assistive technology was included in this legislation. This provision, Section 508, will require the federal government to provide assistive technology to Federal employees with disabilities. This provision will put into place for the first time regulations requiring the federal government to provide its employees with disabilities access to appropriate technology suited to their individual needs.

This legislation would allow the federal government to take the lead in providing critical access to information technology to all federal employees with disabilities in this country. It strengthens the federal requirement that electronic and information technology purchased by federal agencies be accessible to their employees with disabilities.

Electronic and information technology accessibility is essential for federal employees to maintain a meaningful employment experience, as well as to meet their full potential. We live in a world where information and technology are synonymous with professional advancement. Increasingly, essential job functions have come to involve the use of technology, and where it is inaccessible, job opportunities that others take for granted are foreclosed to people with disabilities.

Presently, there are approximately 145,000 individuals with disabilities in the federal workforce. Roughly 61 percent of these employees hold permanent positions in professional, administrative, or technical occupations. Nationally, there are 49 million Americans who have disabilities, nearly half of them have a severe disability. Yet most mass market information technology is designed without consideration for their needs.

Section 508, Mr. President, is the first step in an effort to ensure that all individuals with disabilities have access to the assistive technology providing them the ability to reach their full capability. Though Section 508 will presently only affect federal employees, it is my hope that one day all individuals with disabilities will have the same access to assistive technology now afforded federal employees because of this important legislation. The federal government must truly be an equal opportunity employer, and this equal opportunity must apply fully to individuals with special needs.

Finally, Mr. President, I would again like to commend Senators JEFFORDS, DEWINE, KENNEDY, and WELLSTONE, as well as Chairman GOODLING, Congressmen CLAY, KILDEE, and MARTINEZ for the important role they each played in making this conference agreement a reality. They all worked closely with myself and my staff to address numerous concerns and for that I would like to thank them.

Mr. WELLSTONE. Mr. President, I am extremely pleased we are about to pass this important conference report. I look forward to its enactment upon signature by the President, which I hope can occur very soon. It is my understanding that the House is prepared to act on the conference bill during the coming days.

I have spoken on numerous occasions regarding the subject. As the Ranking Democrat on the Senate Labor Subcommittee on Employment and Training, I have worked hard with my colleagues Senator DEWINE, Senator JEFFORDS and Senator KENNEDY to help bring us to where we are this evening. I thank them and the many Minnesotans who have worked directly with me and my staff during the months of hearings, preparations, debate and drafting.

The conference bill preserves important policy principles contained in the Senate bill. It will help coordinate, streamline and decentralize our federal job training system. At the same time, it will make that system more accountable to real performance measures. It gives private sector employers—the people who have jobs to offer and who need workers with the right skills—a greater role in directing policy at the state and local level, which is where most decision-making power resides in this bill. The bill retains crucial federal priorities, then allows state and local authorities to decide how best to address their needs.

And it will move the country to where Minnesota and a number of other states have already moved decisively: to a system of One-Stop service centers where people can get all the information they need in one location. It will replace currently overbureaucratized systems in many states and localities with systems driven more by the needs of those who utilize them. Adults seeking training will receive Individual Training Accounts to give them direct control over their own careers. High quality labor market information will be accessible through the One-Stops, and training providers will be required to report publicly on their performance. Men and women will have the ability to make their own choices based on the best information about which profession they should pursue, about the skills and training they'll need, and about the best place to get those skills and that training.

This week in Minneapolis, concluding today, the U.S. Department of Labor and Minnesota's Department of Economic Security hosted a national conference on One-Stop Workforce centers. It is with some pride that I note that my state has been a real leader in innovation with respect to One-Stops. Minnesota has also been a national leader when it comes to workforce system performance.

The conference bill ensures that states such as Minnesota, and the localities within them, can continue to innovate within the new system created. Good-performing service delivery areas will be allowed to continue to perform successfully. The same is true of current collaborative one-stop structures and local workforce boards which currently successfully undertake a range of activities, such as what the bill calls core services and training services. We have intentionally built flexibility into the bill.

Veterans will be served both in State-administered training programs and the national veterans workforce investment programs. Veterans also will have a strong role in the policy processes established in the bill. Community-based organizations are assured an appropriate role in setting policy. Labor organizations, too, retain a prominent role. Crucial provisions regarding the federal employment service are protected.

Mr. President, it has been a very busy week. I have given longer speeches on this topic in the past and may yet again. For now, I am extremely satisfied with our accomplishment in this bill. I hope we will soon be able to celebrate its enactment.

Mr. REED. Mr. President, I rise in support of the Conference Report on H.R. 1385, the Workforce Investment Act of 1998.

In a world where economic activity knows no national boundaries, it is crucial we ensure that we have the most knowledgeable and best trained workers in the world.

As a member of the Conference Committee on H.R. 1385, I am pleased that the Conference Agreement before us today will help us reach this goal by streamlining and reforming job training, adult education, and vocational rehabilitation programs, while enhancing federal support and investment in these critical areas.

The Conference Agreement will help states implement a more coherent, performance-driven system to ensure that Americans receive the training and education they need throughout their lives.

The Conference Agreement will streamline services by establishing a one-stop delivery system; enhance accountability by requiring states, local boards, and training providers to meet higher performance measures; provide more reliable information on local career opportunities and training programs and providers; empower individuals to use individual training accounts to choose their own training programs and providers; and increase flexibility to allow states and local areas to implement innovative job training programs.

I am also particularly pleased that this Conference Agreement includes provisions which will benefit my home state of Rhode Island, such as preserving the state's successful service delivery area structure.

In addition to job training reform, the Conference Agreement also improves the accessibility and quality of adult literacy and education programs. Indeed, more aggressive adult literacy programs are essential if we are to ensure that everyone in the workforce has an ability to read.

Lastly, the Conference Agreement reauthorizes the Rehabilitation Act of 1973. In doing so, it links vocational rehabilitation to the new workforce system, while maintaining a separate funding stream for vocational rehabilitation. This will provide improved training and employment services to individuals with disabilities.

I want to thank Chairman JEFFORDS, Senator KENNEDY, Senator DEWINE, and Senator WELLSTONE, and their staffs, for their efforts on this important legislation and for working with me to address issues affecting Rhode Island.

Mr. President, I urge my colleagues to support this legislation.

Mr. JEFFORDS. Mr. President, I now renew my unanimous consent request.

The PRESIDING OFFICER. Without objection, the conference report is agreed to.

PATRIOTIC AND NATIONAL OBSERVANCES, CEREMONIES, AND ORGANIZATIONS

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar 477, H.R. 1085.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 1085) to revise, codify and enact without substantive change certain general and permanent laws, related to patriotic and national observances, ceremonies, and organizations, as title 36, United States Code, ''Patriotic and National Observances, Ceremonies and Organizations.''

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

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

Mr. JEFFORDS. I ask unanimous consent the bill be read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed at the appropriate place in the RECORD.

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

The bill (H.R. 1085) was ordered to a third reading, was read the third time, and passed.

AUTHORIZING THE PRINTING OF COPIES OF THE PUBLICATION ENTITLED ''THE UNITED STATES CAPITOL'' AS A SENATE DOCUMENT

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Con. Res. 115, submitted earlier by Senator WARNER.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 115) to authorize the printing of copies of the publication entitled ''The United States Capitol'' as a Senate document.

The Senate proceeded to consider the concurrent resolution.

Mr. JEFFORDS. I ask unanimous consent the resolution be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the resolution appear at this point in the RECORD.

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

The concurrent resolution (S. Con. Res. 115) was considered and agreed to as follows:

S. CON. RES. 115

Resolved by the Senate (the House of Representatives concurring), That (a) a revised edition of the publication entitled ''The United States Capitol'' (referred to as ''the pamphlet'') shall be reprinted as a Senate document.

(b) There shall be printed 2,000,000 copies of the pamphlet in the English language at a cost not to exceed $100,000 for distribution as follows:

(1)(A) 206,000 copies of the publication for the use of the Senate with 2,000 copies distributed to each Member;

(B) 886,000 copies of the publication for the use of the House of Representatives, with 2,000 copies distributed to each Member; and

(C) 908,000 of the publication for distribution to the Capitol Guide Service; or

(2) if the total printing and production costs of copies in paragraph (1) exceed $100,000, such number of copies of the publication as does not exceed total printing and production costs of $100,000, with distribution to be allocated in the same proportion as in paragraph (1).

(c) In addition to the copies printed pursuant to subsection (b), there shall be printed at a total printing and production cost of not to exceed $70,000—

(1) 50,000 copies of the pamphlet in each of the following 5 languages: German, French, Russian, Chinese, and Japanese; and

(2) 100,000 copies of the pamphlet in Spanish;

to be distributed to the Capitol Guide Service.

AUTHORIZING THE PAYMENT OF THE EXPENSES OF REPRESENTATIVES OF THE SENATE ATTENDING THE FUNERAL OF A SENATOR

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 263, submitted earlier by Senator WARNER.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 263) to authorize the payment of the expenses of representatives of the Senate attending the funeral of a Senator.

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

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

Mr. JEFFORDS. I ask unanimous consent the resolution be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the resolution appear at this point in the RECORD.

The resolution (S. Res. 263) was agreed to, as follows:

S. RES. 263

Resolved, That, upon approval by the Committee on Rules and Administration, the Secretary of the Senate is authorized to pay, from the contingent fund of the Senate, the actual and necessary expenses incurred by the representatives of the Senate who attend the funeral of a Senator, including the funeral of a retired Senator. Expenses of the Senate representatives attending the funeral of a Senator shall be processed on vouchers submitted by the Secretary of the Senate and approved by the Chairman of the Committee on Rules and Administration.

CURT FLOOD ACT OF 1997

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar 231, S. 53.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

A bill (S. 53) to require the general application of the antitrust laws to major league baseball, and for other purposes.

The Senate proceeded to consider the bill which has been reported from the Committee on the Judiciary, 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 ''Curt Flood Act of 1997''.

SEC. 2. PURPOSE.

It is the purpose of this legislation to clarify that major league baseball players are covered under the antitrust laws (i.e., that major league players will have the same rights under the antitrust laws as do other professional athletes, e.g., football and basketball players), along with a provision that makes it clear that the passage of this Act does not change the application of the antitrust laws in any other context or with respect to any other person or entity.

SEC. 3. APPLICATION OF THE ANTITRUST LAWS TO PROFESSIONAL MAJOR LEAGUE BASEBALL.

The Clayton Act (15 U.S.C. 12 et seq.) is amended by adding at the end the following new section:

''SEC. 27. (a) The conduct, acts, practices, or agreements of persons in the business of organized professional major league baseball relating to or affecting employment to play baseball at the major league level are subject to the antitrust laws to the same extent such conduct, acts, practices, or agreements would be subject to the antitrust laws if engaged in by persons in any other professional sports business affecting interstate commerce: Provided, however, That nothing in this subsection shall be construed as providing the basis for any negative inference regarding the caselaw concerning the applicability of the antitrust laws to minor league baseball.

''(b) Nothing contained in subsection (a) of this section shall be deemed to change the application of the antitrust laws to the conduct, acts, practices, or agreements by, between, or among persons engaging in, conducting, or participating in the business of organized professional baseball, except the conduct, acts, practices, or agreements to which subsection (a) of this section shall apply. More specifically, but not by way of limitation, this section shall not be deemed to change the application of the antitrust laws to—

''(1) the organized professional baseball amateur draft, the reserve clause as applied to minor league players, the agreement between organized professional major league baseball teams and the teams of the National Association of Professional Baseball Leagues, commonly known as the 'Professional Baseball Agreement', the relationship between organized professional major league baseball and organized professional minor league baseball, or any other matter relating to professional organized baseball's minor leagues;

''(2) any conduct, acts, practices, or agreements of persons in the business of organized professional baseball relating to franchise expansion, location or relocation, franchise ownership issues, including ownership transfers, and the relationship between the Office of the Commissioner and franchise owners;

''(3) any conduct, acts, practices, or agreements protected by Public Law 87–331 (15 U.S.C. 1291 et seq.) (commonly known as the 'Sports Broadcasting Act of 1961'); or

''(4) the relationship between persons in the business of organized professional baseball and umpires or other individuals who are employed in the business of organized professional baseball by such persons.

''(c) As used in this section, 'persons' means any individual, partnership, corporation, or unincorporated association or any combination or association thereof.''.

AMENDMENT NO. 3479

Mr. JEFFORDS. Senator HATCH has a substitute amendment at the desk. I ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Vermont [Mr. JEFFORDS], for Mr. HATCH, proposes an amendment numbered 3479.

The amendment is as follows:

Strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Curt Flood Act of 1998''.

SEC. 2. PURPOSE.

It is the purpose of this legislation to state that major league baseball players are covered under the antitrust laws (i.e., that major league baseball players will have the same rights under the antitrust laws as do other professional athletes, e.g., football and basketball players), along with a provision that makes it clear that the passage of this Act does not change the application of the antitrust laws in any other context or with respect to any other person or entity.

SEC. 3. APPLICATION OF THE ANTITRUST LAWS TO PROFESSIONAL MAJOR LEAGUE BASEBALL.

The Clayton Act (15 U.S.C. §12 et seq.) is amended by adding at the end the following new section:

''SEC. 27(a) Subject to subsections (b) through (d) below, the conduct, acts, practices or agreements of persons in the business of organized professional major league baseball directly relating to or affecting employment of major league baseball players to play baseball at the major league level are subject to the antitrust laws to the same extent such conduct, acts, practices or agreements would be subject to the antitrust laws if engaged in by persons in any other professional sports business affecting interstate commerce.

''(b) No court shall rely on the enactment of this section as a basis for changing the application of the antitrust laws to any conduct, acts, practices or agreements other than those set forth in subsection (a). This section does not create, permit or imply a cause of action by which to challenge under the antitrust laws, or otherwise apply the antitrust laws to, any conduct, acts, practices or agreements that do not directly relate to or affect employment of major league baseball players to play baseball at the major league level, including but not limited to—

''(1) any conduct acts, practices or agreements of persons engaging in, conducting or participating in the business of organized professional baseball relating to or affecting employment to play baseball at the minor league level, any organized professional baseball amateur or first-year player draft, or any reserve clause as applied to minor league players.

''(2) the agreement between organized professional major league baseball teams and the teams of the National Association of Professional Baseball Leagues, commonly known as the 'Professional Baseball Agreement,' the relationship between organized profession major league baseball and organized professional minor league baseball, and organized professional minor league baseball, or any other matter relating to organized professional baseball's minor leagues;

''(3) any conduct, acts, practices or agreements of persons engaging in, conducting or participating in the business of organized professional baseball relating to or affecting franchise expansion, location or relocation, franchise ownership issues, including ownership transfers, the relationship between the Office of the Commissioner and franchise owners, the marketing or sales of the entertainment product of organized professional baseball and the licensing of intellectual property rights owned or held by organized professional baseball teams individually or collectively;

''(4) any conduct, acts, practices or agreements protected by Public Law 87–331 (15 U.S.C. §1291 et seq.) (commonly known as 'the Sports Broadcasting Act of 1961');

''(5) the relationship between persons in the business of organized professional baseball and umpires or other individuals who are employed in the business of organized professional baseball by such persons; or

''(6) any conduct, acts, practices or agreements of persons not in the business of organized professional major league baseball.

''(c) Only a major league baseball player has standing to sue under this section. For the purposes of this section, a major league baseball player is—

''(1) a person who is a party to a major league player's contract, or is playing baseball at the major league level; or

''(2) a person who is a party to a major league player's contract or playing baseball at the major league level at the time of the injury that is the subject of the complaint; or

''(3) a person who has been a party to a major league player's contract or who has played baseball at the major league level, and who claims he has been injured in his efforts to secure a subsequent major league player's contract by an alleged violation of the antitrust laws, provided however, that for the purposes of this paragraph, the alleged antitrust violation shall not include any conduct, acts, practices or agreements of persons in the business of organized professional baseball relating to or affecting employment to play baseball at the minor league level, including any organized professional baseball amateur or first-year player draft, or any reserve clause as applied to minor league players; or

''(4) a person who was a party to a major league player's contract or who was playing baseball at the major league level at the conclusion of the last full championship season immediately preceding the expiration of the last collective bargaining agreement between persons in the business of organized professional major league baseball and the exclusive collective bargaining representative of major league baseball players.

''(d)(1) As used in this section, 'person' means any entity, including an individual, partnership, corporation, trust or unincorporated association or any combination or association thereof. As used in this section, the National Association of Professional Baseball Leagues, its member leagues and the clubs of those leagues, are not 'in the business of organized professional major league baseball.'

''(2) In cases involving conduct, acts, practices or agreements that directly relate or affect both employment of major league baseball players to play baseball at the major league level and also relate to or affect any other aspect of organized professional baseball, including but not limited to employment to play baseball at the minor league level and the other areas set forth in subsection (b) above, only those components, portions or aspects of such conduct, acts, practices or agreements that directly relate to or affect employment of major league baseball players to play baseball at the major league level.

''(3) As used in subsection (a), interpretation of the term 'directly' shall not be governed by any interpretation of 29 U.S.C. §151 et seq. (as amended).

''(4) Nothing in this section shall be construed to affect the application to organized professional baseball of the nonstatutory labor exemption from the antitrust laws.

''(5) The scope of the conduct, acts, practices or agreements covered by subsection (b) shall not be strictly or narrowly construed.

Mr. HATCH. Mr. President, today I offer on behalf of myself and Senator LEAHY, the Ranking Member of the Judiciary Committee, an amendment in the nature of a substitute to S. 53, the Curt Flood Act of 1997. This bill, which was reported out of the Judiciary Committee on July 31, 1998, by a vote of 12–6, clarifies that the antitrust laws apply to labor relations at the major league level, but does not have any affect on any other persons or circumstances. Given our limited time, I will only make a few brief comments, and would ask unanimous consent that my full statement be entered into the RECORD.

In a baseball season that is likely to set records in a number of different categories, I am extremely pleased to be able to report that a truly historic milestone in the history of professional baseball has been reached. People said it would never happen, but today I can tell you that major league baseball players, along with both major and minor league club owners, have reached an agreement on a bill clarifying that the antitrust laws apply to major league professional baseball labor relations. This agreed upon language is reflected in the substitute we are offering today.

With this historic agreement, I am confident that Congress will, once and for all, make clear that professional baseball players have the same rights as other professional athletes, and will help assure baseball fans across the United States that our national pastime will not again be interrupted by strikes. With the home run battles and exciting pennant races, baseball is enjoying a resurgence. And, as fans are returning to the ballparks, they deserve to know that players will be on the field, not mired in labor disputes. I am pleased that Congress will, it now appears, be able to help guarantee that this is the case.

Due to an aberrant Supreme Court decision in 1922, labor relations in major league baseball have not been subject to antitrust laws, unlike any other industry in America. In every other professional sport, antitrust laws serve to stabilize relations between the team owners and players unions. That is one of the principal reasons why, in recent years, baseball has experienced more work stoppages, including the disastrous strike of 1994–95, than professional basketball, hockey and football combined.

In the 103d Congress, the House Judiciary Committee took the first important step by approving legislation which would have ensured that the antitrust laws apply to major league baseball labor relations, without impacting the minor leagues or team relocation issues. During the 104th Congress, the Senate Judiciary Committee approved and reported S. 627, The Major League Baseball Antitrust Reform Act, to apply federal antitrust laws to major league baseball labor relations. None of these bills were passed, however, as many Members of Congress were reluctant to take final action while there was an ongoing labor dispute.

With the settling of the labor dispute and with the signing of a long term agreement between the major league baseball team owners and the players union, the time was right this Congress finally to address this matter. In fact, in the new collective bargaining agreement, the owners pledged to work with the players to pass legislation that makes clear that major league baseball is subject to the federal antitrust laws with regard to owner-player relations.

At the beginning of this Congress, we introduced S. 53, a bill which was specifically supported by both the players and owners and which was reported out of the Judiciary Committee almost exactly one year ago. At the Committee markup, however, several Members indicated a concern that the bill might

inadvertently have a negative impact on the Minor Leagues. Although both Senator LEAHY and myself were firmly of the view that the bill as reported adequately protected the minor leagues against such a consequence, we pledged to work with the minor leagues' representatives, in conjunction with the major league owners and players, to make certain that their concerns were fully addressed.

Although this process took much longer, and much more work, than I had anticipated, I am pleased to report that it has been completed. I have in my hand a letter from the minor leagues, and a letter co-signed by Don Fehr and Bud Selig, indicating that the major league players, and major and minor league owners, all support a new, slightly amended version of S. 53. I ask unanimous consent that these letters be printed in the RECORD.

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

NATIONAL ASSOCIATION OF PROFESSIONAL BASEBALL LEAGUES, INC.,
Washington, DC, July 27, 1998.

Re baseball legislation.

Hon. ORRIN HATCH,
Chairman, Senate Judiciary Committee, U.S. Senate, Senate Dirksen Office Building, Washington, DC.

DEAR MR. CHAIRMAN: As you know, the National Association of Professional Baseball Leagues, Inc. (''NAPBL'') objected to S. 53 as it was reported out of the Judiciary Committee last year. Since that time, we have been consulted about proposals to amend the bill to assure the continued survival of minor league baseball. We understand that a draft of an amended bill has been put forth by the major leagues and the Players' Association (copy attached) that I believe addresses the concerns of the NAPBL which we support in its final form.

Respectfully yours,

Stanley M. Brand.

July 21, 1998.

Hon. ORRIN HATCH, *Chairman,*
Hon. PATRICK LEAHY,
Ranking Member, Senate Judiciary Committee, U.S. Senate,
Washington, DC.

DEAR SENATOR HATCH AND SENATOR LEAHY: As requested by the Committee, the parties represented below have met and agreed to the attached substitute language for S. 53. In particular, we believe the substitute language adequately addresses the concerns expressed by some members of the Judiciary Committee that S. 53, as reported, did not sufficiently protect the interests of the minor leagues. We understand that the minor leagues will advise you that they agree with our assessment by a separate letter.

We thank you for your leadership and patience. Although, obviously, you are under no obligation to use this language in your legislative activities regarding S. 53, we hope that you will look favorably upon it in light of the agreement of the parties and our joint commitment to work together to ensure its passage.

If you have any questions or comments, please do not hesitate to contact us.

Sincerely,

DONALD M. FEHR,
Executive Director, Major League Baseball Players Association.

ALLAN H. ''BUD'' SELIG,
Commissioner, Major League Baseball.

OFFICE OF THE COMMISSIONER,
MAJOR LEAGUE BASEBALL,
July 21, 1998.

DONALD M. FEHR, ESQUIRE,
Executive Director and General Counsel, Major League Baseball Players Association, New York, NY.

DEAR DON: As you know, in our efforts to address the concerns of the minor leagues with S. 53, as reported by the Senate Judiciary Committee, several changes in the bill were agreed to by the parties, i.e., the Major League Clubs, the Major League Baseball Players Association and the National Association of Professional Baseball Leagues (minor leagues). Among those changes was the addition of the word ''directly'' immediately before ''relating to'' in new subsection (a) of the bill.

This letter is to confirm our mutual understanding that the addition of that word was something sought by the Minor leagues and is intended to indicate that this legislation is not meant to allow claims by non major league players. By using ''directly'' we are not limiting the application of new subsection (a) to matters which would be considered mandatory subjects of bargaining in the collective bargaining context. Indeed, that is the reason we agreed to add paragraph (d)(3). There is no question that, under this Act, major league baseball players may pursue the same actions as could be brought by athletes in professional football and basketball with respect to their employment at the major league level.

I trust you concur with this intent and interpretation.

Very truly yours,

ALLAN H. SELIG,
Commissioner of Baseball.

Mr. HATCH. This new bill specifically precludes courts from relying on the bill to change the application of the antitrust laws in areas other than player-owner relations; clarifies who has standing under the new law; and adds several provisions which ensure that the bill will not harm the minor leagues.

Senator LEAHY and I have incorporate these changes into our substitute, which, given its support across the board, we hope and expect to be passed today without objection. I urge my colleagues to adopt this substitute.

This amendment, while providing major league players with the antitrust protections of their colleagues in the other professional sports, such as basketball and football, is absolutely neutral with respect to the state of the antitrust laws between all entities and in all circumstances other than in the area of employment as between major league owners and players. Whatever the law was the day before this bill passes in those other areas it will continue to be after the bill passes. Let me emphasize that the bill affects no pending or decided cases except to the extent a court would consider exempting major league clubs from the antitrust laws in their dealings with major league players.

But because of the complex relationship between the major leagues and their affiliated minor leagues, it was necessary to write the bill in a way to direct a court's attention to only those practices, or aspects of practices, that affect major league players. It is for that reason, that a bill that ought to be rather simple to write goes to such lengths to emphasize its neutrality. And, although much of the Report filed by the Committee with respect to S. 53 is still applicable to this substitute, there have been some changes.

Section 2 states the bill's purpose. As originally contained in S. 53, the purpose section used the word ''clarify'' instead of the word ''state'' as used in this substitute. That language had been taken verbatim from the collective bargaining agreement signed in 1997 between major league owners and major league players. When the minor leagues entered the discussions, they objected to the use of the word ''clarify'' on the grounds that using this term created an inference regarding the current applicability of the antitrust laws to professional baseball. The parties therefore agreed to insert in lieu thereof the word ''state.'' Both the parties and the Committee agree that Congress is taking no position on the current state of the law one way or the other. It is also for that reason that subsection (b) was inserted, as will be discussed.

Section 3 amends the Clayton Act to add a new section 27. As was the case with S.53, as reported, new subsection 27(a) states that the antitrust laws apply to actions relating to professional baseball players' employment to play baseball at the major league level and as in S.53 is intended to incorporate the entire jurisprudence of the antitrust laws, as it now exists and as it may develop.

In order to accommodate the concerns of the minor leagues however, new subsection (a) has been changed by adding the word ''directly'' immediately before the phrase ''relating to or affecting employment'' and the phrase ''major league players'' has been added before the phrase ''to play baseball.'' These two changes were also made at the behest of the minor leagues in order to ensure that minor league players, particularly those who had spent some time in the major leagues, did not use new subsection (a) as a bootstrap by which to attack conduct, acts, practices or agreements designed to apply to minor league employment. This is in keeping with the neutrality sought by the Committee with respect to parties and circumstances not between major league owners and major league players.

Additionally, the new draft adds a new paragraph (d)(3) that states that the term directly is not to be governed by interpretations of the labor laws. This paragraph was added to ensure that no court would use the word ''directly'' in too narrow a fashion and limit matters covered in subsection (a) to those that would otherwise be known as mandatory subjects of bargaining in the labor law context. The use of directly is related to the relationship between the major leagues and

the minor leagues, not the relationship between major league owners and players. Mr. President, I have a letter from the Commissioner of Baseball, Mr. Allan H. ''Bud'' Selig, to the Executive Director of the Major League Baseball Players Association, confirming this interpretation of the use of the word ''directly'' and I ask unanimous consent that it be inserted in the RECORD at this time.

As in S. 53, as reported, new subsection (b) is the subsection which implements the portion of the purpose section stating that the ''passage of the Act does not change the application of the antitrust laws in any other context or with respect to any other person or entity.'' In other words, with respect to areas set forth in subsection (b), whatever the law was before the enactment of this legislation, it is unchanged by the passage of the legislation. With the exception of the express statutory exemption in the area of television rights recognized in paragraph (d)(4), each of the areas set forth depend upon judicial interpretation of the law. But Congress at this time seeks only to address the specific question of the application of the antitrust laws in the context of the employment of major league players at the major league level.

Thus, as to any matter set forth in subsection (b), a plaintiff will not be able to allege an antitrust violation by virtue of the enactment of this Act. Nor can the courts use the enactment of this Act to glean congressional intent as to the validity or lack thereof of such actions.

New subsection ''c'' deals specifically with the issue of standing. Although normally standing under such an act would be governed by the standing provision of the antitrust laws, 15 U.S.C. Sec. 15, the minor leagues again expressed concern that without a more limited standing provision, minor league players or amateurs would be able to attack what are in reality minor league issues by bootstrapping under this Act through subsection (a). The subsection sets forth the zone of persons to be protected from alleged antitrust violations by major league owners under this Act.

New paragraph (d)(1) defines ''person'' for the purposes of the Act, but includes a provision expressly recognizing that minor league clubs and leagues are not in the business of major league baseball. This addition was requested by the minor leagues to ensure that they would not be named as party defendants in every action brought against the major leagues pursuant to subsection (a).

New paragraph (d)(2) was added to give the courts direction in cases involving matters that relate to both matters covered by subsection (a) and to those matters as to which the Act is neutral as set forth in subsection (b). In such a case, the acts, conducts or agreements may be challenged under this Act as they directly relates to the employment of major league players at the major league level, but to the extent the practice is challenged as to its effect on any issue set forth in subsection (b), it must be challenged under current law, which may or may not provide relief.

New paragraph (d)(5) merely reflects the Committee's intention that a court's determination of which fact situations fall within subsection (b) should follow ordinary rules of statutory construction, and should not be subject to any exceptions or departures from these rules.

As stated in the Committee Report, nothing in this bill is intended to affect the scope or applicability of the ''nonstatutory'' labor exemption from the antitrust laws. See, e.g., Brown v. Pro Football, 116 S.Ct. 2116 (1996).

Before yielding to my good friend from Vermont, I would like to thank him for his hard work on this bill. His bipartisan efforts have been vital to the process. I would also like to thank our original cosponsors, Senators THURMOND and MOYNIHAN. I urge the quick adoption of this bill, which will help restore stability to major league baseball labor relations.

Mr. LEAHY. Mr. President, this summer we are being treated to an exceptional season of baseball, from the record breaking pace of the New York Yankees and the resurgence of the Boston Red Sox, to a number of inspiring individual achievements, including the perfect game of David Wells and the home run displays of McGwire, Griffey and Sosa. Such are the exploits that childhood memories are made of—and which we all thought could be counted on, that is until the summer of 1994.

Now finally, after years of turmoil, major league baseball is just beginning to emerge from the slump it inflicted upon itself, by returning to that which makes the game great—the game and the players on the field. And, last weekend, Larry Doby and others at long last were inducted into the Baseball Hall of Fame. These are steps in the right direction.

Today, the Senate will give baseball another nudge in the right direction by passing S. 53, the ''Curt Flood Act of 1998.'' Murray Chass, a gifted reporter writing for The New York Times noted that on this issue we have finally ''moved into scoring position with a bill that would alter the antitrust exemption Major League Baseball has enjoyed since 1922.''

I am gratified that 76 years after an aberrant Supreme Court decision, we are finally making it clear that with respect to the antitrust laws, major league baseball teams are no different than teams in any other professional sport. For years, baseball was the only business or sport, of which I am aware, that claimed an exemption from antitrust laws, without any regulation in lieu of those laws. The Supreme Court refused to undue its mistake with respect to major league baseball made in the 1922 case of Federal Baseball. Finally, in the most well-known case on the issue, Flood v. Kuhn, the Court reaffirmed the Federal Baseball case on the basis of the legal principle of stare decisis while specifically finding that professional baseball is indeed an activity of interstate commerce, and thereby rejecting the legal basis for the Federal Baseball case.

Mr. President, as a result of that and subsequent decisions, and with the end of the major league reserve clause as the result of an arbitrator's ruling in 1976, there has been a growing debate as to the continued vitality, if any, of any antitrust exemption for baseball. It is for precisely this reason that this bill is limited in its scope to employment relations between major league owners and major league players. That is what is at the heart of turmoil in baseball and what is at the heart of the breach of trust with the fans that marked the cancellation of the 1994 World Series. At least we can take this small step toward ensuring the continuity of the game and restoring public confidence in it.

When David Cone testified at our hearing three years ago, he posed a most perceptive question. He asked: If baseball were coming to Congress to ask us to provide a statutory antitrust exemption, would such a bill be passed? The answer to that question is a resounding no. Nor should the owners, sitting at the negotiating table in a labor dispute, think that their anticompetitive behavior cannot be challenged. That is an advantage enjoyed by no other group of employers.

The certainty provided by this bill will level the playing field, making labor disruptions less likely in the future. The real beneficiaries will be the fans. They deserve it.

Mr. President, I just wanted to comment briefly on a couple of changes made in the substitute from the bill as reported by the Committee. First, the changes in the language in subsection (a) are not intended to limit in any way the rights of players at the major league level as they would be construed under the language of the bill as reported by the Judiciary Committee last July. The additional language was added to ensure that a minor league player, or someone who had played at the major league level and returned to the minor leagues, cannot use subsection (a), concerned with play at the major league level, to attack what is really a minor league employment issue only. Alternatively, neither can the major leagues use the wording of subsection (a) and that of subsection (d) to subvert the purpose of subsection (a) merely by linking a major league practice with a minor league practice. That linkage itself may be an antitrust violation and be actionable under this Act. It cannot be used as a subterfuge by which to subject players at the major league level to acts, practices or agreements that teams or owners in other sports could not subject athletes to.

Finally, the practices set forth in subsection (b) are not intended to be affected by this Act. While this is true, it should be remembered that although the pure entrepreneurial decisions in this area are unaffected by the Act, if those decisions are made in such a way as to implicate employment of major league players at the major league level, once again, those actions may be actionable under subsection (a). More importantly, we are making no findings as to how, under labor laws, those issues are to be treated.

In closing, Mr. President, I would like to thank all those involved in this undertaking: Chairman HATCH, of course, without whose unfailing efforts this result would not be possible; our fellow cosponsors, Senators THURMOND and MOYNIHAN, and other members of our Committee; and JOHN CONYERS, the Ranking Democrat on the House Judiciary Committee, for making this bill a priority. And I want to commend the interested parties for working to find a solution they can all support. Not only have they done a service to the fans, but they may find, on reflection, that they have done a service to themselves by working together for the good of the game.

Finally, Mr. President, I would be remiss if I did not comment on the man for whom this legislation is named, Curt Flood. He was a superb athlete and a courageous man who sacrificed his career for perhaps a more lasting baseball legacy. When others refused, he stood up and said no to a system that he thought un-American as it bound one man to another for his professional career without choice and without a voice in his future.

I am sad that he did not live long enough to see this day. In deference to his memory and in the interests of every fan of this great game, I hope that Congress will act quickly on this bill. I am delighted that we are moving forward today and that we are finally able to enjoy the game once again.

Mr. JEFFORDS. I ask unanimous consent the amendment be considered as read and agreed to, the bill be considered read a third time and passed as amended, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed at the appropriate place in the RECORD.

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

The amendment (No. 3479) was agreed to.

The bill (S. 53), as amended, was considered read a third time and passed.

INTERSTATE FOREST FIRE PROTECTION COMPACT

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 471, S. 1134.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1134) granting the consent and approval of Congress to an interstate forest fire protection compact.

The Senate proceeded to consider the bill.

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the bill be read three times and passed; that the motion to reconsider be laid upon the table; and that any statements relating to the bill be placed at the appropriate place in the RECORD.

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

The bill (S. 1134) was deemed read the third time and passed, as follows:

S. 1134

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

SECTION 1. CONSENT OF CONGRESS.

(a) IN GENERAL.—The consent and approval of Congress is given to an interstate forest fire protection compact, as set out in subsection (b).

(b) COMPACT.—The compact reads substantially as follows:

"THE NORTHWEST WILDLAND FIRE PROTECTION AGREEMENT

''THIS AGREEMENT is entered into by and between the State, Provincial, and Territorial wildland fire protection agencies signatory hereto, hereinafter referred to as ''Members''.

''FOR AND IN CONSIDERATION OF the following terms and conditions, the Members agree:

"Article I

''1.1 The purpose of this Agreement is to promote effective prevention, presuppression and control of forest fires in the Northwest wildland region of the United States and adjacent areas of Canada (by the Members) by providing mutual aid in prevention, presuppression and control of wildland fires, and by establishing procedures in operating plans that will facilitate such aid.

"Article II

''2.1 The agreement shall become effective for those Members ratifying it whenever any two or more Members, the States of Oregon, Washington, Alaska, Idaho, Montana, or the Yukon Territory, or the Province of British Columbia, or the Province of Alberta have ratified it.

''2.2 Any State, Province, or Territory not mentioned in this Article which is contiguous to any Member may become a party to this Agreement subject to unanimous approval of the Members.

"Article III

''3.1 The role of the Members is to determine from time to time such methods, practices, circumstances and conditions as may be found for enhancing the prevention, presuppression, and control of forest fires in the area comprising the Member's territory; to coordinate the plans and the work of the appropriate agencies of the Members; and to coordinate the rendering of aid by the Members to each other in fighting wildland fires.

''3.2 The Members may develop cooperative operating plans for the programs covered by this Agreement. Operating plans shall include definition of terms, fiscal procedures, personnel contacts, resources available, and standards applicable to the program. Other sections may be added as necessary.

"Article IV

''4.1 A majority of Members shall constitute a quorum for the transaction of its general business. Motions of Members present shall be carried by a simple majority except as stated in Article II. Each Member will have one vote on motions brought before them.

"Article V

''5.1 Whenever a Member requests aid from any other Member in controlling or preventing wildland fires, the Members agree, to the extent they possibly can, to render all possible aid.

"Article VI

''6.1 Whenever the forces of any Member are aiding another Member under this Agreement, the employees of such Member shall operate under the direction of the officers of the Member to which they are rendering aid and be considered agents of the Member they are rendering aid to and, therefore, have the same privileges and immunities as comparable employees of the Member to which the are rendering aid.

''6.2 No Member or its officers or employees rendering aid within another State, Territory, or Province, pursuant to this Agreement shall be liable on account of any act or omission on the part of such forces while so engaged, or on account of the maintenance or use of any equipment or supplies in connection therewith to the extent authorized by the laws of the Member receiving the assistance. The receiving Member, to the extent authorized by the laws of the State, Territory, or Province, agrees to indemnify and save-harmless the assisting Member from any such liability.

''6.3 Any Member rendering outside aid pursuant to this Agreement shall be reimbursed by the Member receiving such aid for any loss or damage to, or expense incurred in the operation of any equipment and for the cost of all materials, transportation, wages, salaries and maintenance of personnel and equipment incurred in connection with such request in accordance with the provisions of the previous section. Nothing contained herein shall prevent any assisting Member from assuming such loss, damage, expense or other cost or from loaning such equipment or from donating such services to the receiving Member without charge or cost.

''6.4 For purposes of the Agreement, personnel shall be considered employees of each sending Member for the payment of compensation to injured employees and death benefits to the representatives of deceased employees injured or killed while rendering aid to another Member pursuant to this Agreement.

''6.5 The Members shall formulate procedures for claims and reimbursement under the provisions of this Article.

"Article VII

''7.1 When appropriations for support of this agreement, or for the support of common services in executing this agreement, are needed, costs will be allocated equally among the Members.

''7.2 As necessary, Members shall keep accurate books of account, showing in full, its receipts and disbursements, and the books of account shall be open at any reasonable time to the inspection of representatives of the Members.

''7.3 The Members may accept any and all donations, gifts, and grants of money, equipment, supplies, materials and services from the Federal or any local government, or any agency thereof and from any person, firm or corporation, for any of its purposes and functions under this Agreement, and may receive and use the same subject to the terms, conditions, and regulations governing such donations, gifts, and grants.

"Article VIII

''8.1 Nothing in this Agreement shall be construed to limit or restrict the powers of

any Member to provide for the prevention, control, and extinguishment of wildland fires or to prohibit the enactment of enforcement of State, Territorial, or Provincial laws, rules or regulations intended to aid in such prevention, control and extinguishment of wildland fires in such State, Territory, or Province.

''8.2 Nothing in this Agreement shall be construed to affect any existing or future Cooperative Agreement between Members and/or their respective Federal agencies.

''Article IX

''9.1 The Members may request the United States Forest Service to act as the coordinating agency of the Northwest Wildland Fire Protection Agreement in cooperation with the appropriate agencies for each Member.

''9.2 The Members will hold an annual meeting to review the terms of this Agreement, any applicable Operating Plans, and make necessary modifications.

''9.3 Amendments to this Agreement can be made by simple majority vote of the Members and will take effect immediately upon passage.

''Article X

''10.1 This Agreement shall continue in force on each Member until such Member takes action to withdraw therefrom. Such action shall not be effective until 60 days after notice thereof has been sent to all other Members.

''Article XI

''11.1 Nothing is this Agreement shall obligate the funds of any Member beyond those approved by appropriate legislative action.''.

SEC. 2. OTHER STATES.

Without further submission of the compact, the consent of Congress is given to any State to become a party to it in accordance with its terms.

SEC. 3. RIGHTS RESERVED.

The right to alter, amend, or repeal this Act is expressly reserved.

MEASURE READ FOR THE FIRST TIME—S. 2393

Mr. JEFFORDS. Mr. President, I understand that earlier today, Senator MURKOWSKI introduced S. 2393. I now ask for its first reading.

The PRESIDING OFFICER. The clerk will read the bill for the first time.

The legislative clerk read as follows:

A bill (S. 2393) to protect the sovereign right of the State of Alaska and prevent the Secretary of Agriculture and the Secretary of the Interior from assuming management of Alaska's fish and game resources.

Mr. JEFFORDS. Mr. President, I ask for its second reading and object to my own request.

The PRESIDING OFFICER. Objection is heard. The bill will remain at the desk.

Mr. JEFFORDS. The bill will be read a second time on the next legislative day.

The PRESIDING OFFICER. The Senator is correct.

Mr. MURKOWSKI. Mr. President, this is legislation regarding the State of Alaska's sovereign right to manage its fish and game resources.

The legislation will extend a current moratorium on the federal government from assuming control of Alaska's fisheries for two years until December 1, 2000.

The language is similar to past moratoriums on this issue and is similar to language Congressman YOUNG added to the Interior Appropriations bill in the House, except that it is not conditioned upon action by the Alaska State Legislature.

To every one of my colleagues their respective state's right to manage fish and game is absolute—every other state manages its own fish and game.

In Alaska, this is not the case, and therefore, action must be taken to maintain the sovereign right of our state.

Mr. President, Title VIII of the Alaska National Interest Lands Conservation Act (ANILCA) requires the State of Alaska to provide a rural subsistence hunting and fishing preference on federal ''public lands'' or run the risk of losing its management authority over fish and game resources.

If the State fails to provide the required preference by state statute, the federal government can step in to manage federal lands.

The Alaska State Legislature passed such a subsistence preference law in 1978 which was upheld by referendum in 1982.

The law was slightly revised in 1986, and remained on the books until it was struck down by the Alaska Supreme Court in 1989 as unconstitutional because of the Alaska Constitution's common use of fish and game clause.

At that time, the Secretary of the Interior and the Secretary of Agriculture took over management of fish and game resources on federal public lands in Alaska.

In 1995 a decision by the Ninth Circuit Court of Appeals in Katie John v. United States extended the law far beyond its original scope to apply not just to ''federal lands,'' but to navigable waters owned by the State of Alaska. Hence State and private lands were impacted too.

The theory espoused by the Court was that the ''public lands'' includes navigable waters in which the United States has reserved water rights.

If implemented, the court's decision would mean all fisheries in Alaska would effectively be managed by the federal government.

Indeed in April of 1996, the Departments of the Interior and Agriculture published an ''advance notice of proposed rulemaking'' which identified about half of the state as subject to federal authority to regulate fishing activities.

These regulations were so broad they could have affected not only fishing activities, but virtually all activities on state and federal lands that may have an impact on subsistence uses.

There is no precedent in any other state in the union for this kind of overreaching into state management prerogatives.

For that reason Congress acted in 1996 to place a moratorium on the federal government from assuming control of Alaska fisheries.

That moratorium has twice been extended and is set to expire December 1, 1998.

The State's elected leaders have worked courageously to try and resolve this issue by placing an amendment to the state constitution that would allow them to come into compliance with the federal law and provide a subsistence priority.

Unfortunately, the State of Alaska's constitution is not easily amended and these efforts have fallen short of the necessary votes needed to be placed before the Alaska voters.

In fact, the legislature—the elected representatives of the people—in the most recent special session indicated that they were not supportive of amending the State Constitution and putting the issue to a vote of the people.

Therefore we once again are in a position where we have no other alternative than to extend the moratorium prohibiting a federal takeover of Alaska's fisheries.

The bill I am introducing today will accomplish this. It extends the current moratorium through December 1, 2000.

I believe this will provide the State's elected leaders the needed time to work through this dilemma as they cannot finally resolve the matter of amending the State Constitution until November 2000.

Mr. President, I do not take this moratorium lightly.

I, along with most Alaskans, believe that subsistence uses of fish and game should have a priority over other uses in the state.

We have provided for such uses in the past, I hunted and fished under those regulations and I respected and supported them and continue to do so now. I believe the State can again provide for such uses without significant interruption to the sport or commercial fisherman.

I also believe that Alaska's rural residents should play a greater role in the management and enforcement of fish and game laws in Alaska.

They understand and live with the resources in rural Alaska. They see and experience the fish and game resources day in and day out. And, they are most directly impacted by the decisions made about use of those resources.

They should bear their share of the responsibility for formulating fish and game laws as well enforcing fish and game laws.

It is my hope that the State will soon provide for Alaska's rural residents to have this greater role while at the same time resolving the subsistence dilemma once and for all.

But until that happens, I cannot stand by and watch the federal government move into the State and assume control of the Alaska fish and game resources.

I have lived under territorial status and it does not work. In 1959 Alaskan's

caught just 25.1 million salmon. Under State management we caught 218 million salmon in 1995.

Federal control would again be a disaster for the resources and those that depend on it.

UNANIMOUS CONSENT AGREEMENT—CONFERENCE REPORT TO ACCOMPANY H.R. 4059

Mr. JEFFORDS. Mr. President, I ask unanimous consent that immediately following the vote on the conference report to accompany H.R. 629, the Texas compact, previously ordered to occur when the Senate reconvenes following the August recess, the Senate turn to consideration of the conference report to accompany H.R. 4059, the military construction appropriations bill.

I further ask unanimous consent that the conference report be considered as having been read; further, the Senate immediately proceed to a vote on the adoption of the conference report without any intervening action or debate.

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

BIOMATERIALS ACCESS ASSURANCE ACT OF 1997

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 872, which is at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 872) to establish rules governing product liability actions against raw materials and bulk component suppliers to medical device manufacturers, and for other purposes.

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

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

Mr. MCCAIN. Mr. President, the effort to pass legislation dealing with biomaterials has been a long fight. I want to thank Senator LIEBERMAN, and Congressman GEKAS for their extraordinary leadership and hard work on the issue. It has been a great privilege and honor working with them over the past several years to gain passage of this vital legislation.

I want to stress to my colleagues the importance of passing the Biomaterial Access Assurance Act. Over seven million lives depend upon an ample and reliable supply of medical devices and implants, such as pace makers and brain shunts.

Unfortunately, the supply of these life-saving products is in serious danger. Those who provide the raw materials from which medical implants are fashioned have been dragged into costly litigation over claims of damage from the finished product. This is the case even though such suppliers are not involved in the design, manufacture or sale of the implant. Many suppliers are unwilling to expose themselves to this enormous and undue risk. This bill will extend appropriate protection to raw material suppliers, while assuring that medical implant manufacturers will remain liable for damages caused by their products. It would permit suppliers of biomaterials to be quickly dismissed from a lawsuit if they did not manufacture or sell the implant and if they met the contract specifications for the biomaterial.

Mr. President, as my colleagues are aware, the bill's provisions do not extend to suppliers of silicone gel and silicone envelopes used in silicone gel breast implants.

I want to be quite clear this ''carve-out'' as it's been called, is intended to have no effect on tort cases related to breast implants. The question of whether and to what degree silicone breast implants are hazardous is a determination that must be made by scientific experts. The question of whether and to what degree raw material suppliers are or are not liable is a determination that the courts must render.

Determining the safety or efficacy of a medical device is not the function of the Senate nor the United States Congress. This is not our role and nothing in this legislation should be construed otherwise. So, the exemption should not be interpreted as a judgement about silicone breast implants.

Our goal in this regard remains simply to ensure that this legislation draws no conclusion about and has no impact upon pending suits.

Finally, I would like to mention that this exemption should not be considered an invitation for additional carve-outs or exemptions for other raw material or component part suppliers.

I do not wish to see suppliers, who trusting in the protections of this act, return to the medical device manufacturing marketplace only to find themselves again targeted as deep pockets in tort actions, and thereby threaten the supply of life saving products. I appreciate the opportunity to make this very important point about a bill vital to public health.

This is an important piece of legislation and it will make a great difference to millions of Americans.

Mr. President, I would now like to enter into a colloquy with the distinguished Senator from Wisconsin regarding several aspects of this legislation.

Mr. FEINGOLD. Mr. President, I rise to express my concern regarding three provisions of the Biomaterials Access Assurance Act of 1998. Although I have broader concerns with the bill including federalism issues, consumer protection issues, and evidentiary issues, I would like clarification from one of the sponsors of the bill, Senator MCCAIN, on three specific points.

First, Section 7(a) the language reads that only ''after entry of a final judgment in an action by the claimant against a manufacturer'' can a claimant attempt to implead a biomaterials supplier. I am concerned that this could be interpreted to mean that the manufacturer must lose the underlying suit before the claimant may implead the supplier. Is this correct?

Mr. MCCAIN. No. Although I do not believe that the situation you pose could happen very often—specifically that a supplier could be liable when the manufacturer is not—the language should be interpreted to mean that the claimant could bring a motion to implead the supplier whether or not the manufacturer is found liable in the underlying case, as long as the judgment is final.

Mr. FEINGOLD. Second, I am concerned that there would not be a sufficient introduction of evidence demonstrating the liability of the supplier in the underlying suit against the manufacturer for the court to make an independent determination that the supplier was an actual and proximate cause of the harm for purposes of the impleader motion as required in Sections 7(1)(A) and 7(2)(A) of the bill.

Mr. MCCAIN. Under current FDA regulations and under current tort law, the manufacturer is responsible for the entire product they produce, including defects in the raw materials. Therefore, the claimant may enter evidence in the underlying action against the manufacturer regarding defect in the biomaterials used.

Mr. FEINGOLD. Finally, I am concerned that in a case where the manufacturer has gone bankrupt, the claimant will be unable to recover from the liable party. Does your bill address this issue?

Mr. MCCAIN. Yes it does. Section 7(a)(2)(B) provides that in a case where the claimant is unlikely to recover the full amount of its damages from the manufacturer, if the other requirements of Section 7 are satisfied, the claimant can bring an action against the supplier. This covers bankruptcy and other scenarios where the manufacturer cannot satisfy an adverse judgment.

Mr. FEINGOLD. Senator MCCAIN, I thank the Senator for addressing my concerns.

Mr. LIEBERMAN. Mr. President, I rise in strong support of the bill we are about to take up and vote upon, the Biomaterials Access Assurance Act. I am proud to have co-sponsored the Senate version of this bill with Senator MCCAIN. We have worked together on this bill for a number of years now, and it is quite gratifying to see it now about to move toward enactment.

Mr. President, the Biomaterials bill is the response to a crisis affecting more than 7 million Americans annually who rely on implantable life-saving or life-enhancing medical devices—things like pacemakers, heart valves, artificial blood vessels, hydrocephalic shunts, and hip and knee joints. They are at risk of losing access to the devices because many companies that supply the raw materials and component parts that go into the devices are

refusing to sell them to device manufacturers. Why? Because suppliers no longer want to risk having to pay enormous legal fees to defend against product liability suits when those legal fees far exceed any profit they make from supplying the raw materials for use in implantable devices.

Let me emphasize that I am speaking here about—and the bill addresses—the suppliers of raw materials and component parts—not about the companies that make the medical devices themselves. The materials these suppliers sell—things like resins and yarns—are basically generic materials that they sell for a variety of uses in many, many different products. Their sales to device manufacturers usually make up only a very small part of their markets—often less than one percent. As a result—and because of the small amount of the materials that go into the implants—many of these suppliers make very little money from supplying implant manufacturers. Just as importantly, these suppliers generally have nothing to do with the design, manufacture or sale of the product.

But despite the fact that they generally have nothing to do with making the product, because of the common practice of suing everyone involved in any way with a product when something goes wrong, these suppliers sometimes get brought into lawsuits claiming problems with the implants. One company, for example, was hauled into to 651 lawsuits involving 1,605 implant recipients based on a total of 5 cents worth of that company's product in each implant. In other words, in exchange for selling less than $100 of its product, this supplier received a bill for perhaps millions of dollars of legal fees it spent in its ultimately successful effort to defend against these lawsuits.

The results from such experiences should not surprise anyone. Even though not a single biomaterials supplier has ultimately been held liable so far—let me say that again: Not a single biomaterials supplier has ultimately been held liable so far—the message nevertheless is clear for any rational business. Why would any business stay in a market that yields them little profit, but exposes them to huge legal costs? An April 1997 study of this issue found that 75 percent of suppliers surveyed were not willing to sell their raw materials to implant manufacturers under current conditions. That study predicts that unless this trend is reversed, patients whose lives depend on implantable devices may no longer have access to them.

What is at stake here, let me be clear, is not protecting suppliers from liability and not even just making raw materials available to the manufacturers of medical devices. Those things in and of themselves might not be enough to bring me here. What is at stake is the health and lives of millions of Americans who depend on medical devices for their every day survival. What is at stake are the lives of children with hydrocephalus who rely on brain shunts to keep fluid from accumulating around their brains. What is at stake are the lives of adults whose hearts would stop beating without implanted automatic defibrillators. What is at stake are the lives of seniors who need pacemakers because their hearts no longer generate enough of an electrical pulse to get their heart to beat. Without implants, none of these individuals could survive.

We must do something soon to deal with this problem. We simply cannot allow the current situation to continue to put at risk the millions of Americans who owe their health to medical devices.

Senator MCCAIN, and I and the bill's sponsors in the House have crafted what we think is a reasonable response to this problem. Our bill would do two things. First, with an important exception I'll talk about in a minute, the bill would immunize suppliers of raw materials and component parts from product liability suits, unless the supplier falls into one of three categories: (1) the supplier also manufactured the implant alleged to have caused harm; (2) the supplier sold the implant alleged to have caused harm; or (3) the supplier furnished raw materials or component parts that failed to meet applicable contractual requirements or specifications.

Second, the bill would provide suppliers with a mechanism for making that immunity meaningful by obtaining early dismissal from lawsuits. By guaranteeing suppliers in advance that they will not face needless litigation costs, this bill should spur suppliers to remain in or come back to the biomaterials market, and so ensure that people who need implantable medical devices will still have access to them.

Now, it is important to emphasize that in granting suppliers immunity, we would not be depriving anyone injured by a defective implantable medical device of the right to compensation for their injuries. Injured parties still will have their full rights against anyone involved in the design, manufacture or sale of an implant, and they can sue implant manufacturers, or any other allegedly responsible party, and collect for their injuries from them if that party is at fault.

We also have added a new provision to this version of the bill, one that resulted from lengthy negotiations with representatives of the implant manufacturers, the American Trial Lawyers Association—ATLA—the White House and others. This provision responds to concerns that the previous version of the bill would have left injured implant recipients without a means of seeking compensation if the manufacturer or other responsible party is bankrupt or otherwise judgment-proof. As now drafted, the bill provides that in such cases, a plaintiff may bring the raw materials supplier back into a lawsuit after judgment if a court concludes that evidence exists to warrant holding the supplier liable.

Finally, let me add that the bill does not cover lawsuits involving silicone gel breast implants.

In short, Mr. President, the Biomaterials bill is—and I am not engaging in hyperbole when I say this—potentially a matter of life and death for the millions of Americans who rely on implantable medical devices to survive. This bill would make sure that implant manufacturers still have access to the raw materials they need for their products, while at the same time ensuring that those injured by implants are able to get compensation for injuries caused by defective implants. This is a good bill, and I urge my colleagues to support it.

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the bill be considered read a third time and passed; that the motion to reconsider be laid upon the table; and that any statements relating to the bill be placed at the appropriate place in the RECORD.

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

The bill (H.R. 872) was considered read the third time and passed.

IDENTITY THEFT AND ASSUMPTION DETERRENCE ACT OF 1998

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 460, S. 512.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 512) to amend chapter 47 of title 18, United States Code, relating to identity fraud, and for other purposes.

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

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary, with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Identity Theft and Assumption Deterrence Act of 1998''.

SEC. 2. IDENTITY THEFT.

(a) ESTABLISHMENT OF OFFENSE.—Section 1028(a) of title 18, United States Code, is amended—

(1) in paragraph (5), by striking ''or'' at the end;

(2) in paragraph (6), by adding ''or'' at the end;

(3) in the flush matter following paragraph (6), by striking ''or attempts to do so,''; and

(4) by inserting after paragraph (6) the following:

''(7) knowingly possesses, transfers, or uses, without lawful authority, a means of identification of another person with the intent to commit, or otherwise promote, carry on, or facilitate any unlawful activity that constitutes a violation of Federal law, or that constitutes a felony under any applicable State or local law;''.

(b) PENALTIES.—Section 1028(b) of title 18, United States Code, is amended—

(1) in paragraph (1)—

(A) in subparagraph (B), by striking ''or'' at the end

(B) in subparagraph (C), by adding ''or'' at the end; and

(C) by adding at the end the following:

''(D) an offense under paragraph (7) of such subsection that involves the transfer, possession, or use of 1 or more means of identification if, as a result of the offense, any individual committing the offense obtains anything of value aggregating $1,000 or more during any 1-year period;'';

(2) in paragraph (2)(A), by striking ''or transfer of an identification document or'' and inserting ''possession, transfer, or use of a means of identification, an identification document, or a'';

(3) by striking paragraphs (3) and (4) and inserting the following:

''(3) a fine under this title or imprisonment for not more than 20 years, or both, if the offense is committed—

''(A) to facilitate a drug trafficking crime (as defined in section 929(a)(2)); or

''(B) after a prior conviction under this section becomes final;

''(4) a fine under this title or imprisonment for not more than 25 years, or both, if the offense is committed—

''(A) to facilitate an act of international terrorism (as defined in section 2331(1)); or

''(B) in connection with a crime of violence (as defined in section 924(c)(3));'';

(4) by redesignating paragraph (5) as paragraph (6); and

(5) by inserting after paragraph (4) (as added by paragraph (3) of this subsection) the following:

''(5) in the case of any offense under subsection (a), forfeiture to the United States of any personal property used or intended to be used to commit the offense; and''.

(c) CIRCUMSTANCES.—Section 1028(c) of title 18, United States Code, is amended by striking paragraph (3) and inserting the following:

''(3) either—

''(A) the production, transfer, possession, or use prohibited by this section is in or affects interstate or foreign commerce; or

''(B) the means of identification, identification document, false identification document, or document-making implement is transported in the mail in the course of the production, transfer, possession, or use prohibited by this section.''.

(d) DEFINITIONS.—Section 1028 of title 18, United States Code, is amended by striking subsection (d) and inserting the following:

''(d) DEFINITIONS.—In this section:

''(1) DOCUMENT-MAKING IMPLEMENT.—The term 'document-making implement' means any implement, impression, electronic device, or computer hardware or software, that is specifically configured or primarily used for making an identification document, a false identification document, or another document-making implement.

''(2) IDENTIFICATION DOCUMENT.—The term 'identification document' means a document made or issued by or under the authority of the United States Government, a State, political subdivision of a State, a foreign government, political subdivision of a foreign government, an international governmental or an international quasi-governmental organization which, when completed with information concerning a particular individual, is of a type intended or commonly accepted for the purpose of identification of individuals.

''(3) MEANS OF IDENTIFICATION.—The term 'means of identification' means any name or number that may be used, alone or in conjunction with any other information, to identify a specific individual, including any—

''(A) name, social security number, date of birth, official State or government issued driver's license or identification number, alien registration number, government passport number, employer or taxpayer identification number;

''(B) unique biometric data, such as fingerprint, voice print, retina or iris image, or other unique physical representation;

''(C) unique electronic identification number, address, or routing code; or

''(D) telecommunication identifying information or access device (as defined in section 1029(e)).

''(4) PERSONAL IDENTIFICATION CARD.—The term 'personal identification card' means an identification document issued by a State or local government solely for the purpose of identification.

''(5) PRODUCE.—The term 'produce' includes alter, authenticate, or assemble.

''(6) STATE.—The term 'State' includes any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any other commonwealth, possession, or territory of the United States.''.

(e) ATTEMPT AND CONSPIRACY.—Section 1028 of title 18, United States Code, is amended by adding at the end the following:

''(f) ATTEMPT AND CONSPIRACY.—Any person who attempts or conspires to commit any offense under this section shall be subject to the same penalties as those prescribed for the offense, the commission of which was the object of the attempt or conspiracy.''.

(f) RULE OF CONSTRUCTION.—Section 1028 of title 18, United States Code, is amended by adding at the end the following:

''(g) RULE OF CONSTRUCTION.—For purpose of subsection (a)(7), a single identification document or false identification document that contains 1 or more means of identification shall be construed to be 1 means of identification.''.

(g) CONFORMING AMENDMENTS.—Chapter 47 of title 18, United States Code, is amended—

(1) in section 1028, by striking ''or attempts to do so,'';

*(2) in the heading for section 1028, by adding ''**and information**'' at the end; and*

(3) in the analysis for the chapter, in the item relating to section 1028, by adding ''and information'' at the end.

SEC. 3. RESTITUTION.

Section 3663A of title 18, United States Code, is amended—

(1) in subsection (c)(1)(A)—

(A) in clause (ii), by striking ''or'' at the end;

(B) in clause (iii), by striking ''and'' at the end and inserting ''or''; and

(C) by adding at the end the following:

''(iv) an offense described in section 1028 (relating to fraud and related activity in connection with means of identification or identification documents); and''; and

(2) by adding at the end the following:

''(e) FRAUD AND RELATED ACTIVITY IN CONNECTION WITH IDENTIFICATION DOCUMENTS AND INFORMATION.—Making restitution to a victim under this section for an offense described in section 1028 (relating to fraud and related activity in connection with means of identification or identification documents) may include payment for any costs, including attorney fees, incurred by the victim, including any costs incurred—

''(1) in clearing the credit history or credit rating of the victim; or

''(2) in connection with any civil or administrative proceeding to satisfy any debt, lien, or other obligation of the victim arising as a result of the actions of the defendant.''.

SEC. 4. AMENDMENT OF FEDERAL SENTENCING GUIDELINES FOR OFFENSES UNDER SECTION 1028.

(a) IN GENERAL.—Pursuant to its authority under section 994(p) of title 28, United States Code, the United States Sentencing Commission shall review and amend the Federal sentencing guidelines and the policy statements of the Commission, as appropriate, to provide an appropriate penalty for each offense under section 1028 of title 18, United States Code, as amended by this Act.

(b) FACTORS FOR CONSIDERATION.—In carrying out subsection (a), the United States Sentencing Commission shall consider, with respect to each offense described in subsection (a)—

(1) the extent to which the number of victims (as defined in section 3663A(a) of title 18, United States Code) involved in the offense, including harm to reputation, inconvenience, and other difficulties resulting from the offense, is an adequate measure for establishing penalties under the Federal sentencing guidelines;

(2) the number of means of identification, identification documents, or false identification documents (as those terms are defined in section 1028(d) of title 18, United States Code, as amended by this Act) involved in the offense, is an adequate measure for establishing penalties under the Federal sentencing guidelines;

(3) the extent to which the value of the loss to any individual caused by the offense is an adequate measure for establishing penalties under the Federal sentencing guidelines;

(4) the range of conduct covered by the offense;

(5) the extent to which sentencing enhancements within the Federal sentencing guidelines and the court's authority to sentence above the applicable guideline range are adequate to ensure punishment at or near the maximum penalty for the most egregious conduct covered by the offense;

(6) the extent to which Federal sentencing guidelines sentences for the offense have been constrained by statutory maximum penalties;

(7) the extent to which Federal sentencing guidelines for the offense adequately achieve the purposes of sentencing set forth in section 3553(a)(2) of title 18, United States Code; and

(8) any other factor that the United States Sentencing Commission considers to be appropriate.

SEC. 5. CENTRALIZED COMPLAINT AND CONSUMER EDUCATION SERVICE FOR VICTIMS OF IDENTITY THEFT.

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Federal Trade Commission shall establish procedures to—

(1) log and acknowledge the receipt of complaints by individuals who certify that they have a reasonable belief that 1 or more of their means of identification (as defined in section 1028 of title 18, United States Code, as amended by this Act) have been assumed, stolen, or otherwise unlawfully acquired in violation of section 1028 of title 18, United States Code, as amended by this Act;

(2) provide informational materials to individuals described in paragraph (1); and

(3) refer complaints described in paragraph (1) to appropriate entities, which may include referral to—

(A) the 3 major national consumer reporting agencies; and

(B) appropriate law enforcement agencies for potential law enforcement action.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

SEC. 6. TECHNICAL AMENDMENTS TO TITLE 18, UNITED STATES CODE.

(a) TECHNICAL CORRECTION RELATING TO CRIMINAL FORFEITURE PROCEDURES.—Section 982(b)(1) of title 18, United States Code, is amended to read as follows: ''(1) The forfeiture of property under this section, including any seizure and disposition of the property and any related judicial or administrative proceeding, shall be governed by the provisions of section 413 (other than subsection (d) of that section) of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (21 U.S.C. 853).''.

(b) ECONOMIC ESPIONAGE AND THEFT OF TRADE SECRETS AS PREDICATE OFFENSES FOR WIRE INTERCEPTION.—Section 2516(1)(a) of title 18, United States Code, is amended by inserting ''chapter 90 (relating to protection of trade secrets),'' after ''to espionage),''.

AMENDMENT NO. 3480

(Purpose: To provide a substitute)

Mr. JEFFORDS. Mr. President, Senator KYL has a substitute amendment at the desk, and I ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Vermont [Mr. JEFFORDS], for Mr. KYL, for himself, Mr. LEAHY, Mr. HATCH, Mrs. FEINSTEIN, Mr. DEWINE, Mr. D'AMATO, Mr. GRASSLEY, Mr. ABRAHAM, Mr. FAIRCLOTH, Mr. HARKIN, Mr. WARNER, Mr. MURKOWSKI and Mr. ROBB, proposes an amendment numbered 3480.

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

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

Mr. KYL. Mr. President, the purpose of this bill, ''The Identity Theft and Assumption Deterrence Act'', is to address one of the fastest growing crimes in America, identity theft. Losses related to identity theft have nearly doubled in the last two years. Today, 95% of financial crimes arrests involve identity theft. Trans Union, one of the country's three major credit bureaus, says calls to its fraud division have risen from 3,000 a month in 1992 to nearly 43,000 a month this year. This is more than a troubling trend. Indeed, with increasing frequency, criminals—sometimes part of an international criminal syndicate—are misappropriating law-abiding citizens' identifying information such as names, birth dates, and social security numbers. And while the results of the theft of identification information can be devastating for the victims, often costing a citizen thousands of dollars to clear his credit or good name, today the law recognizes neither the victim nor the crime.

The bill, as reported unanimously by the Judiciary Committee, does both. It recognizes the crime by making it unlawful to steal personal information and enhancing penalties against identity thiefs. It recognizes victims by giving them the ability to seek restitution for all costs involved in restoring lost credit and reputation. In addition, my bill provides real time relief to victims by directing the Federal Trade Commission to set up a centralized complaint center to provide information to consumers, refer cases to law enforcement, officially acknowledge complaints, and relay that acknowledgment to credit bureaus.

And while section 1028 of title 18 currently prohibits the production and possession of false identification documents, it does not make it illegal to steal or possess another person's personal information. By amending section 1028, this bill will help current law keep pace with criminals' exploitation of information technology.

The substitute I am offering today with Senators LEAHY, HATCH, FEINSTEIN along with Senators DEWINE, D'AMATO, GRASSLEY, ABRAHAM, FAIRCLOTH, HARKIN, WARNER, MURKOWSKI, and ROBB reflects two small but important improvements over the bill reported out of committee. Both changes were recommended by the Department of Justice. First, the substitute further refines the scope of the offense and applicable punishments by deleting the term ''possession'' from the offense and penalty sections of the reported bill. As explained by the Department, the term ''possession'' is overbroad as applied to identity theft offense added to the criminal code by this legislation. The second change simply adds standard forfeiture procedure to the existing criminal forfeiture penalty in the reported bill. Without a procedure attending the forfeiture penalty, the Department considers this penalty unenforceable.

There are numerous private entities and federal law enforcement agencies that supported and contributed to this bill through its redraftings to its present form that I would like to thank.

On the private side, thank yous go to the American Bankers Association, the Associated Credit Bureaus, Visa and Mastercard, the American Society of Industrial Services, and the United States Public Interest Research Group.

Public agencies which lent important support to this legislative effort are the: Federal Bureau of Investigation, Federal Trade Commission, and the U.S. Postal Inspectors. Special thanks goes to the Secret Service and the Department of Justice for the great deal of time and effort they have expended to help make this bill the well drafted piece of legislation it is today.

In conclusion, I also thank Senators LEAHY, HATCH and FEINSTEIN for lending their valuable support and input to this bill.

Mr. LEAHY. Mr. President, I am pleased that the Senate today is adopting the Kyl-Leahy substitute amendment to S. 512, the ''Identity Theft and Assumption Deterrence Act.''

Protecting the privacy of our personal information is a challenge, especially in this information age. Every time we obtain or use a credit card, place a toll-free phone call, surf the Internet, get a driver's license or are featured in Who's Who, we are leaving virtual pieces of ourselves in the form of personal information, which can be used without our consent or even our knowledge. Too frequently, criminals are getting hold of this information and using the personal information of innocent individuals to carry out other crimes. Indeed, U.S. News & World Report has called identity theft ''a crime of the 90's''.

The consequences for the victims of identity theft can be severe. They can have their credit ratings ruined and be unable to get credit cards, student loans, or mortgages. They can be hounded by creditors or collection agencies to repay debts they never incurred, but were obtained in their name, at their address, with their social security number or driver's license number. It can take months or even years, and agonizing effort, to clear their good names and correct their credit histories. I understand that, in some instances, victims of identity theft have even been arrested for crimes they never committed when the actual perpetrators provided law enforcement officials with assumed names.

The new legislation provides important remedies for victims of identity theft. Specifically, it makes clear that these victims are entitled to restitution, including payment for any costs and attorney's fees in clearing up their credit histories and having to engage in any civil or administrative proceedings to satisfy debts, liens or other obligations resulting from a defendant's theft of their identity. In addition, the bill directs the Federal Trade Commission to keep track of consumer complaints of identity theft and provide information to victims of this crime on how to deal with its aftermath.

This is an important bill on an issue that has caused harm to many Americans. It has come a long way from its original formulation, which would have made it an offense, subject to 15 years' imprisonment, to possess ''with intent to deceive'' identity information issued to another person. I was concerned that the scope of the proposed offense in the bill as introduced would have resulted in the federalization of innumerable state and local offenses, such as the status offenses of underage teenagers using fake ID cards to gain entrance to bars or to buy cigarettes, or even the use of a borrowed ID card without any illegal purpose. This problem, and others, were addressed in the Kyl-Leahy substitute that was reported out of the Committee and further refined in the substitute amendment the Senate considers today.

Since Committee consideration of this bill, we have continued to consult with the Department of Justice to improve the bill in several ways. Most significantly, the Kyl-Leahy substitute amendment appropriately limits the scope of the new offense governing the illegal transfer or use of another person's ''means of identification'' to exclude ''possession.'' This change ensures that the bill does not inadvertently subject innocuous conduct to the risk of serious federal criminal liability. For example, with this change, the bill would no longer raise the possibility of criminalizing the mere possession of another person's name in an address book or Rolodex, when coupled with some sort of bad intent.

At the same time, the substitute restores the nuanced penalty structure of section 1028, so that it continues to treat most other possessory offenses involving identification documents and document-making implements as misdemeanors. Thus, in the substitute, the use or transfer of 1 or more means of

identification that results in the perpetrator receiving anything of value aggregating $1,000 or more over a 1-year period, would carry a penalty of a fine or up to 15 years' imprisonment, or both. The use or transfer of another person's means of identification that does not satisfy those monetary and time period requirements, would carry a penalty of a fine and up to three years' imprisonment, or both.

Finally, again with the support of the Department of Justice, we specified the forfeiture procedure to be used in connection with offenses under section 1028. The bill as reported created a forfeiture penalty for these offenses; the addition of a procedure simply clarifies how that penalty is to be enforced.

I am glad that Senator KYL and I were able to join forces to craft legislation that both punishes the perpetrators of identity theft and helps the victims of this crime.

Mr. HATCH. Mr. President, it is with pleasure that I rise today in support of S. 512, the ''Identity Theft and Assumption Deterrence Act of 1998.'' This measure has bipartisan support, and I am pleased to be an original co-sponsor along with Senators LEAHY, FEINSTEIN, DEWINE, D'AMATO, GRASSLEY, ABRAHAM, FAIRCLOTH, HARKIN, WARNER, MURKOWSKI and ROBB.

Identity information theft is a crime that destroys the lives of thousands of innocent people each year. It occurs when an imposter, who has falsified or stolen personal information from another individual, uses the information to make financial transactions or conduct personal business in the name of another. This heinous crime often leaves victims with mountains of debt, ruins their credit history, and makes it difficult for the individuals to obtain employment. In short, it virtually takes over the lives of innocent citizens who find themselves trying to untangle an endless trail of obligations they did not make or actions they did not commit.

Many of you know individuals who have been victims of this crime. These are people whose lives have been destroyed because a con-artist gained access to and used their personal data, such as their address, date of birth, mother's maiden name, or social security number. This is information that you and I are asked to verify every day in our society. Once that information is obtained, these con-artists use it to open bank and credit card accounts and to obtain bank and mortgage loans. These fake business and personal commitments and obligations can ruin a lifetime of hard work.

Currently, the applicable federal statute, Title 18 United States Code Section 1028, only criminalizes the possession, transfer, or production of identity documents. In other words, you have to catch the culprit with the actual documents in order to bring a prosecution for fraud. Obviously, such criminals are not always going to keep these documents once they have acquired the information they need. Many times criminals simply misappropriate the information itself to facilitate their criminal activity.

As there is no specific statute criminalizing the theft of the information, when and if these criminals are prosecuted, law enforcement must pursue more indirect charges such as check fraud, credit card fraud, mail fraud, wire fraud, or money laundering. Unfortunately, these statutes do little to compensate the victim or address the horror suffered by the individual whose life has been invaded. Often these general criminal statutes treat only affected banks, credit bureaus, and other financial institutions as the victim, leaving the primary victim, the innocent person, without recourse to reclaim his or her life and identity.

S. 512 recognizes not only that it is a crime to steal personal information, and enhances penalties for such crimes, but it also recognizes the person, whose information has been stolen, as the real victim. Moreover, it gives the victim the ability to seek restitution and relief.

I believe this bill to be an important piece of legislation. It is supported by federal law enforcement agencies, credit bureaus, banking associations, and other private entities. I urge all of my colleagues to join us and support the passage of this bill.

Mrs. FEINSTEIN. Mr. President, I am proud to be an original cosponsor of the substitute version of S. 512, The Identity Theft and Assumption Deterrence Act of 1998, which the Senate is considering today.

On May 20, the Senate Judiciary Committee, Subcommittee on Technology, Terrorism, and Government Information, on which I serve as Ranking Member, heard from victims of identity theft from both Subcommittee Chairman KYL's and my home states. The victims told cautionary tales of lives suddenly, and without warning, turned upside down by the crime of identity theft.

Theirs are not isolated stories. The Secret Service last year made nearly 9,500 identity theft-related arrests, totaling three-quarters of a billion dollars in losses to individual victims and financial institutions. Such losses have nearly doubled in the last two years, and no end to the trend is in sight. In one out of every ten of these cases, identity theft is used to violate immigration laws, to illegally enter the country or to flee across international borders.

It used to be that identity theft required wading through dumpsters for discarded credit card receipts. Today, with a few keystrokes, a computer-savvy criminal can hack into databases and lift credit card numbers, social security numbers, and a myriad of personal information.

The Identity Theft and Assumption Deterrence Act does two critical things in the war on identity theft: it gives prosecutors the tools they need, and it recognizes that identity theft victimizes individuals.

Prosecutors tell us that they lack effective tools to prosecute identity theft and to make victims whole. S. 512 has been drafted in consultation with prosecutors to give them the tools they need. S. 512 does so in a number of important ways:

It updates pre-computer age laws to criminalize electronic identity theft;

It stiffens penalties and adds sentencing enhancements that prosecutors tell us they need to effectively prosecute crimes; and

It allows law enforcement agents to seize equipment used to facilitate identity theft crimes.

Earlier this month, the Senate Judiciary Committee passed the Victim's Rights Amendment to the Constitution, of which I was also proud to be an original cosponsor. Similarly, S. 512 for the first time recognizes that individuals, and not just credit card companies, are victims of identity theft, and it provides them with proper restitution. It protects victims rights, fully recognizing individuals as victims of identity theft, establishing remedies and procedures for such victims, and requiring restitution for the individual victim.

I am proud to be an original cosponsor of this legislation, and I urge my Senate colleagues to pass it.

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the amendment be agreed to.

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

The amendment (No. 3480) was agreed to.

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the committee amendment, as amended, be agreed to.

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

The committee amendment, as amended, was agreed to.

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the bill be considered read a third time and passed, as amended; that the motion to reconsider be laid upon the table; and that any statements relating to the bill appear at the appropriate place in the RECORD.

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

The bill (S. 512), as amended, was considered read the third time and passed.

FEDERAL ACTIVITIES INVENTORY REFORM ACT OF 1998

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 502, S. 314.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 314) to require that the Federal Government procure from the private sector the goods and services necessary for the operations and management of certain Government agencies, and for other purposes.

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

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Governmental Affairs, with an amendment to strike all after the enacting clause and insert in lieu there of the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Federal Activities Inventory Reform Act of 1998''.

SEC. 2. ANNUAL LISTS OF GOVERNMENT ACTIVITIES NOT INHERENTLY GOVERNMENTAL IN NATURE.

(a) LISTS REQUIRED.—Not later than the end of the third quarter of each fiscal year, the head of each executive agency shall submit to the Director of the Office of Management and Budget a list of activities performed by Federal Government sources for the executive agency that, in the judgment of the head of the executive agency, are not inherently governmental functions. The entry for an activity on the list shall include the following:

(1) The fiscal year for which the activity first appeared on a list prepared under this section.

(2) The number of full-time employees (or its equivalent) that are necessary for the performance of the activity by a Federal Government source.

(3) The name of a Federal Government employee responsible for the activity from whom additional information about the activity may be obtained.

(b) OMB REVIEW AND CONSULTATION.—The Director of the Office of Management and Budget shall review the executive agency's list for a fiscal year and consult with the head of the executive agency regarding the content of the final list for that fiscal year.

(c) PUBLIC AVAILABILITY OF LISTS.—

(1) PUBLICATION.—Upon the completion of the review and consultation regarding a list of an executive agency—

(A) the head of the executive agency shall promptly transmit a copy of the list to Congress and make the list available to the public; and

(B) the Director of the Office of Management and Budget shall promptly publish in the Federal Register a notice that the list is available to the public.

(2) CHANGES.—If the list changes after the publication of the notice as a result of the resolution of a challenge under section 3, the head of the executive agency shall promptly—

(A) make each such change available to the public and transmit a copy of the change to Congress; and

(B) publish in the Federal Register a notice that the change is available to the public.

(d) COMPETITION REQUIRED.—Within a reasonable time after the date on which a notice of the public availability of a list is published under subsection (c), the head of the executive agency concerned shall review the activities on the list. Each time that the head of the executive agency considers contracting with a private sector source for the performance of such an activity, the head of the executive agency shall use a competitive process to select the source (except as may otherwise be provided in a law other than this Act, an Executive order, regulations, or any Executive branch circular setting forth requirements or guidance that is issued by competent executive authority). The Director of the Office of Management and Budget shall issue guidance for the administration of this subsection.

(e) REALISTIC AND FAIR COST COMPARISONS.—For the purpose of determining whether to contract with a source in the private sector for the performance of an executive agency activity on the list on the basis of a comparison of the costs of procuring services from such a source with the costs of performing that activity by the executive agency, the head of the executive agency shall ensure that all costs (including the costs of quality assurance, technical monitoring of the performance of such function, liability insurance, employee retirement and disability benefits, and all other overhead costs) are considered and that the costs considered are realistic and fair.

SEC. 3. CHALLENGES TO THE LIST.

(a) CHALLENGE AUTHORIZED.—An interested party may submit to an executive agency a challenge of an omission of a particular activity from, or an inclusion of a particular activity on, a list for which a notice of public availability has been published under section 2.

(b) INTERESTED PARTY DEFINED.—For the purposes of this section, the term ''interested party'', with respect to an activity referred to in subsection (a), means the following:

(1) A private sector source that—

(A) is an actual or prospective offeror for any contract, or other form of agreement, to perform the activity; and

(B) has a direct economic interest in performing the activity that would be adversely affected by a determination not to procure the performance of the activity from a private sector source.

(2) A representative of any business or professional association that includes within its membership private sector sources referred to in paragraph (1).

(3) An officer or employee of an organization within an executive agency that is an actual or prospective offeror to perform the activity.

(4) The head of any labor organization referred to in section 7103(a)(4) of title 5, United States Code, that includes within its membership officers or employees of an organization referred to in paragraph (3).

(c) TIME FOR SUBMISSION.—A challenge to a list shall be submitted to the executive agency concerned within 30 days after the publication of the notice of the public availability of the list under section 2.

(d) INITIAL DECISION.—Within 28 days after an executive agency receives a challenge, an official designated by the head of the executive agency shall—

(1) decide the challenge; and

(2) transmit to the party submitting the challenge a written notification of the decision together with a discussion of the rationale for the decision and an explanation of the party's right to appeal under subsection (e).

(e) APPEAL.—

(1) AUTHORIZATION OF APPEAL.—An interested party may appeal an adverse decision of the official to the head of the executive agency within 10 days after receiving a notification of the decision under subsection (d).

(2) DECISION ON APPEAL.—Within 10 days after the head of an executive agency receives an appeal of a decision under paragraph (1), the head of the executive agency shall decide the appeal and transmit to the party submitting the appeal a written notification of the decision together with a discussion of the rationale for the decision.

SEC. 4. APPLICABILITY.

(a) EXECUTIVE AGENCIES COVERED.—Except as provided in subsection (b), this Act applies to the following executive agencies:

(1) EXECUTIVE DEPARTMENT.—An executive department named in section 101 of title 5, United States Code.

(2) MILITARY DEPARTMENT.—A military department named in section 102 of title 5, United States Code.

(3) INDEPENDENT ESTABLISHMENT.—An independent establishment, as defined in section 104 of title 5, United States Code.

(b) EXCEPTIONS.—This Act does not apply to or with respect to the following:

(1) GENERAL ACCOUNTING OFFICE.—The General Accounting Office.

(2) GOVERNMENT CORPORATION.—A Government corporation or a Government controlled corporation, as those terms are defined in section 103 of title 5, United States Code.

(3) NONAPPROPRIATED FUNDS INSTRUMENTALITY.—A part of a department or agency if all of the employees of that part of the department or agency are employees referred to in section 2105(c) of title 5, United States Code.

(4) CERTAIN DEPOT-LEVEL MAINTENANCE AND REPAIR.—Depot-level maintenance and repair of the Department of Defense (as defined in section 2460 of title 10, United States Code).

SEC. 5. DEFINITIONS.

In this Act:

(1) FEDERAL GOVERNMENT SOURCE.—The term ''Federal Government source'', with respect to performance of an activity, means any organization within an executive agency that uses Federal Government employees to perform the activity.

(2) INHERENTLY GOVERNMENTAL FUNCTION.—

(A) DEFINITION.—The term ''inherently governmental function'' means a function that is so intimately related to the public interest as to require performance by Federal Government employees.

(B) FUNCTIONS INCLUDED.—The term includes activities that require either the exercise of discretion in applying Federal Government authority or the making of value judgments in making decisions for the Federal Government, including judgments relating to monetary transactions and entitlements. An inherently governmental function involves, among other things, the interpretation and execution of the laws of the United States so as—

(i) to bind the United States to take or not to take some action by contract, policy, regulation, authorization, order, or otherwise;

(ii) to determine, protect, and advance United States economic, political, territorial, property, or other interests by military or diplomatic action, civil or criminal judicial proceedings, contract management, or otherwise;

(iii) to significantly affect the life, liberty, or property of private persons;

(iv) to commission, appoint, direct, or control officers or employees of the United States; or

(v) to exert ultimate control over the acquisition, use, or disposition of the property, real or personal, tangible or intangible, of the United States, including the collection, control, or disbursement of appropriated and other Federal funds.

(C) FUNCTIONS EXCLUDED.—The term does not normally include—

(i) gathering information for or providing advice, opinions, recommendations, or ideas to Federal Government officials; or

(ii) any function that is primarily ministerial and internal in nature (such as building security, mail operations, operation of cafeterias, housekeeping, facilities operations and maintenance, warehouse operations, motor vehicle fleet management operations, or other routine electrical or mechanical services).

SEC. 6. EFFECTIVE DATE.

This Act shall take effect on October 1, 1998.

Mr. THOMPSON. Mr. President, S. 314, originally sponsored by Senators THOMAS, among others, and Congressman DUNCAN in the House, was ordered reported by the Governmental Affairs Committee on July 15, 1998. The original S. 314 has had long and contentious past. The bill reported by our Committee represents months of drafting and redrafting to create language which truly represents a consensus.

I commend the original sponsors of this bill for their dedication to this issue and their willingness to accommodate the Governmental Affairs Committee's changes in order to develop legislation which could be supported by all sides. Interested industry groups

have expressed their support of this legislation. And the Administration and the Federal employee unions, although opposed to the original S. 314, all have indicated they will not object to this legislation.

S. 314 would require Federal agencies prepare a list of activities that are not inherently governmental functions that are being performed by Federal employees, submit that list to OMB for review, and make the list publicly available. It also would establish an ''appeals'' process within each agency to challenge what is on the list or what is not included on the list. S. 314 also would create a statutory definition—identical to current regulation—for what is an ''inherently governmental function'' that must be performed by the government and not the private sector.

S. 314 adheres to the seven principles the Administration outlined in its testimony to this Committee. It reflects recommendations made by the General Accounting Office in testimony to this and other committees. And it provides a statutory basis for longstanding administrative policy.

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the committee amendment be agreed to.

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

The committee amendment was agreed to.

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the bill be considered read a third time and passed, as amended; that the motion to reconsider be laid upon the table; that the title amendment be agreed to; and that any statements relating to the bill appear at the appropriate place in the RECORD.

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

The bill (S. 314) was considered read the third time and passed.

The title was amended so as to read:

''A bill to provide a process for identifying the functions of the Federal Government that are not inherently governmental functions, and for other purposes.''.

BORDER IMPROVEMENT AND IMMIGRATION ACT OF 1998

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of calendar No. 342, S. 1360.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1360) to amend the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 to clarify and improve the requirements for the development of an automated entry-exit control system, to enhance land border control and enforcement, and for other purposes.

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 the Judiciary, 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 ''Border Improvement and Immigration Act of 1998''.

SEC. 2. AMENDMENT OF THE ILLEGAL IMMIGRATION REFORM AND IMMIGRANT RESPONSIBILITY ACT OF 1996.

(a) IN GENERAL.—Section 110(a) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (8 U.S.C. 1221 note) is amended to read as follows:

''(a) SYSTEM.—

''(1) IN GENERAL.—Subject to paragraph (2), not later than 2 years after the date of enactment of this Act, the Attorney General shall develop an automated entry and exit control system that will—

''(A) collect a record of departure for every alien departing the United States and match the record of departure with the record of the alien's arrival in the United States; and

''(B) enable the Attorney General to identify, through on-line searching procedures, lawfully admitted nonimmigrants who remain in the United States beyond the period authorized by the Attorney General.

''(2) EXCEPTION.—The system under paragraph (1) shall not collect a record of arrival or departure—

''(A) at a land border or seaport of the United States for any alien; or

''(B) for any alien for whom the documentary requirements in section 212(a)(7)(B) of the Immigration and Nationality Act have been waived by the Attorney General and the Secretary of State under section 212(d)(4)(B) of the Immigration and Nationality Act.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the enactment of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (division C of Public Law 104–208; 110 Stat. 3009–546).

SEC. 3. REPORT ON AUTOMATED ENTRY-EXIT CONTROL SYSTEM.

(a) REQUIREMENT.—Not later than 2 years after the date of enactment of this Act, the Attorney General shall submit a report to the Committees on the Judiciary of the Senate and the House of Representatives on the feasibility of developing and implementing an automated entry-exit control system that would collect a record of departure for every alien departing the United States and match the record of departure with the record of the alien's arrival in the United States, including departures and arrivals at the land borders and seaports of the United States.

(b) CONTENTS OF REPORT.—Such report shall—

(1) assess the costs and feasibility of various means of operating such an automated entry-exit control system, including exploring—

(A) how, if the automated entry-exit control system were limited to certain aliens arriving at airports, departure records of those aliens could be collected when they depart through a land border or seaport; and

(B) the feasibility of the Attorney General, in consultation with the Secretary of State, negotiating reciprocal agreements with the governments of contiguous countries to collect such information on behalf of the United States and share it in an acceptable automated format;

(2) consider the various means of developing such a system, including the use of pilot projects if appropriate, and assess which means would be most appropriate in which geographical regions;

(3) evaluate how such a system could be implemented without increasing border traffic congestion and border crossing delays and, if any such system would increase border crossing delays, evaluate to what extent such congestion or delays would increase; and

(4) estimate the length of time that would be required for any such system to be developed and implemented.

SEC. 4. ANNUAL REPORTS ON ENTRY-EXIT CONTROL AND USE OF ENTRY-EXIT CONTROL DATA.

(a) ANNUAL REPORTS ON IMPLEMENTATION OF ENTRY-EXIT CONTROL AT AIRPORTS.—Not later than 30 days after the end of each fiscal year until the fiscal year in which Attorney General certifies to Congress that the entry-exit control system required by section 110(a) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, as amended by section 2 of this Act, has been developed, the Attorney General shall submit to the Committees on the Judiciary of the Senate and the House of Representatives a report that—

(1) provides an accurate assessment of the status of the development of the entry-exit control system;

(2) includes a specific schedule for the development of the entry-exit control system that the Attorney General anticipates will be met; and

(3) includes a detailed estimate of the funding, if any, needed for the development of the entry-exit control system.

(b) ANNUAL REPORTS ON VISA OVERSTAYS IDENTIFIED THROUGH THE ENTRY-EXIT CONTROL SYSTEM.—Not later than June 30 of each year, the Attorney General shall submit to the Committees on the Judiciary of the House of Representatives and the Senate a report that sets forth—

(1) the number of arrival records of aliens and the number of departure records of aliens that were collected during the preceding fiscal year under the entry-exit control system under section 110(a) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, as so amended, with a separate accounting of such numbers by country of nationality;

(2) the number of departure records of aliens that were successfully matched to records of such aliens' prior arrival in the United States, with a separate accounting of such numbers by country of nationality and by classification as immigrant or nonimmigrant; and

(3) the number of aliens who arrived as nonimmigrants, or as visitors under the visa waiver program under section 217 of the Immigration and Nationality Act, for whom no matching departure record has been obtained through the system, or through other means, as of the end of such aliens' authorized period of stay, with an accounting by country of nationality and approximate date of arrival in the United States.

(c) INCORPORATION INTO OTHER DATABASES.—Information regarding aliens who have remained in the United States beyond their authorized period of stay that is identified through the system referred to in subsection (a) shall be integrated into appropriate databases of the Immigration and Naturalization Service and the Department of State, including those used at ports-of-entry and at consular offices.

SEC. 5. LIMITATION ON CERTAIN BORDER CROSSING-RELATED VISA FEES.

(a) LIMITATION.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the Secretary of State may not charge a fee in excess of the following amounts for the processing of any application for the issuance of a visa under section 101(a)(15)(B) of the Immigration and Nationality Act if the appropriate consular officer has reason to believe that the visa will be used only for travel in the United States within 25 miles of the international border between the United States and Mexico and for a period of less than 72 hours:

(i) In the case of any alien 18 years of age or older, $45.

(ii) In the case of any alien under 18 years of age, zero.

(2) PERIOD OF VALIDITY OF VISAS FOR CERTAIN MINOR CHILDREN.—If a consular officer has reason to believe that a visa issued under section

101(a)(15)(B) of the Immigration and Nationality Act to a child under 18 years of age will be used only for travel in the United States within 25 miles of the international border between the United States and Mexico for a period of less than 72 hours, then the visa shall be issued to expire on the date on which the child attains the age of 18.

(b) DELAY IN BORDER CROSSING RESTRICTIONS.—Section 104(b)(2) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 is amended by striking ''3 years'' and inserting ''4 years''.

(c) PROCESSING IN MEXICAN BORDER CITIES.—The Secretary of State shall continue until at least October 1, 2000, to process applications for visas under section 101(a)(15)(B) of the Immigration and Nationality Act at the following cities in Mexico located near the international border with the United States: Nogales, Nuevo Laredo, Ciudad Acuna, Piedras Negras, Agua Prieta, and Reynosa.

SEC. 6. AUTHORIZATIONS OF APPROPRIATIONS FOR BORDER CONTROL AND ENFORCEMENT ACTIVITIES OF THE IMMIGRATION AND NATURALIZATION SERVICE.

(a) IN GENERAL.—

(1) INS.—In order to enhance enforcement and inspection resources on the land borders of the United States, enhance investigative resources for anticorruption efforts and efforts against drug smuggling and money-laundering organizations, process cargo, reduce commercial and passenger traffic waiting times, and open all primary lanes during peak hours at major land border ports of entry on the Southwest and Northern land borders of the United States, in addition to any other amounts appropriated, there are authorized to be appropriated for salaries, expenses, and equipment for the Immigration and Naturalization Service for purposes of carrying out this section—

(A) $113,604,000 for fiscal year 1999;

(B) $121,064,000 for fiscal year 2000; and

(C) such sums as may be necessary in each fiscal year thereafter.

(b) FISCAL YEAR 1999.—

(1) INS.—Of the amounts authorized to be appropriated under subsection (a)(2)(A) for fiscal year 1999 for the Immigration and Naturalization Service, $15,090,000 shall be available until expended for acquisition and other expenses associated with implementation and full deployment of narcotics enforcement and cargo processing technology along the land borders of the United States, including—

(A) $11,000,000 for 5 mobile truck x-rays with transmission and backscatter imaging to be distributed to border patrol checkpoints;

(B) $200,000 for 10 ultrasonic container inspection units to be distributed to border patrol checkpoints;

(C) $240,000 for 10 Portable Treasury Enforcement Communications System (TECS) terminals to be distributed to border patrol checkpoints;

(D) $1,000,000 for 20 remote watch surveillance camera systems to be distributed to border patrol checkpoints;

(E) $180,000 for 36 AM radio ''Welcome to the United States'' stations located at permanent border patrol checkpoints;

(F) $875,000 for 36 spotter camera systems located at permanent border patrol checkpoints; and

(G) $1,600,000 for 40 narcotics vapor and particle detectors to be distributed to border patrol checkpoints.

(c) FISCAL YEAR 2000 AND THEREAFTER.—

(1) INS.—Of the amounts authorized to be appropriated under this section for the Immigration and Naturalization Service for fiscal year 2000 and each fiscal year thereafter, $1,509,000 shall be for the maintenance and support of the equipment and training of personnel to maintain and support the equipment described in subsection (b)(1), based on an estimate of 10 percent of the cost of such equipment.

(d) NEW TECHNOLOGIES; USE OF FUNDS.—

(1) IN GENERAL.—The Attorney General may use the amounts authorized to be appropriated for equipment under this section for equipment other than the equipment specified in this section if such other equipment—

(A)(i) is technologically superior to the equipment specified; and

(ii) will achieve at least the same results at a cost that is the same or less than the equipment specified; or

(B) can be obtained at a lower cost than the equipment authorized.

(2) TRANSFER OF FUNDS.—Notwithstanding any other provision of this section, the Attorney General may reallocate an amount not to exceed 10 percent of the amount specified for equipment specified in this section.

(e) PEAK HOURS AND INVESTIGATIVE RESOURCE ENHANCEMENT.—

(1) INS.—Of the amounts authorized to be appropriated under this section for fiscal years 1999 and 2000, $98,514,000 in fiscal year 1999 and $119,555,000 for fiscal year 2000 shall be for—

(A) a net increase of 535 inspectors for the Southwest land border and 375 inspectors for the Northern land border, in order to open all primary lanes on the Southwest and Northern borders during peak hours and enhance investigative resources;

(B) a net increase of 100 inspectors and canine enforcement officers for border patrol checkpoints;

(C) 100 canine enforcement vehicles to be used by the Border Patrol for inspection and enforcement, and to reduce waiting times, at the land borders of the United States;

(D) a net increase of 40 intelligence analysts and additional resources to be distributed among border patrol sectors that have jurisdiction over major metropolitan drug or narcotics distribution and transportation centers for intensification of efforts against drug smuggling and money-laundering organizations;

(E) a net increase of 68 positions and additional resources to the Office of the Inspector General of the Department of Justice to enhance investigative resources for anticorruption efforts; and

(F) the costs incurred as a result of the increase in personnel hired pursuant to this section.

SEC. 7. SENSE OF THE SENATE CONCERNING AUTHORIZATION OF APPROPRIATIONS FOR BORDER CONTROL AND ENFORCEMENT ACTIVITIES OF THE UNITED STATES CUSTOMS SERVICE.

Given that the Customs Service is cross-designated to enforce immigration laws and given the important border control role played by the Customs Service, it is the sense of the Senate that authorization for appropriations should be granted to the Customs Service similar to those granted to the Immigration and Naturalization Service under section 6.

AMENDMENT NO. 3481

(Purpose: To provide a complete substitute)

Mr. JEFFORDS. Senator ABRAHAM has a substitute amendment at the desk, and I ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Vermont [Mr. JEFFORDS] for Mr. ABRAHAM, proposes an amendment numbered 3481.

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

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the amendment be agreed to.

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

The amendment (No. 3481) was agreed to.

Mr. ABRAHAM. Mr. President, I rise today to remark on final passage of an important piece of legislation, the Border Improvement and Immigration Act of 1998. I am very pleased that we have been able to work together to produce a bill that the Senate can pass by unanimous consent.

The substitute amendment makes a number of improvements on the committee-reported version. I have worked particularly closely with Senators GRAMM and KYL to include provisions that would provide authorization for significant additional resources for the inspections and drug enforcement operations of the United States Customs Service at the land borders. These resources would help ease traffic and trade back-ups and would detect and deter drug trafficking. It is my hope that they be deployed on a fair basis among the northern and the southern border ports.

Senator KYL and I have also worked closely with the State Department and with the Immigration and Naturalization Service to make sure that modifications were made in the implementation of border crossing improvements so that local communities, particularly in Arizona, would not be unduly harmed by laws and regulations that could not be implemented without keeping travelers from visiting, shopping, and doing business in the United States.

I spoke at length on this legislation in the Judiciary Committee, and that Committee produced a full report on the difficulties that would be faced if Section 110 of the Illegal Immigration and Immigrant Responsibility Act of 1996 were not modified. I do not want to repeat myself here, but would like to comment briefly on some of the key issues.

The legislation first addresses the so-called Section 110 problem. Section 110 of the 1996 Illegal Immigration Reform and Immigrant Responsibility Act requires the INS to develop, by September 30, 1998, an automated entry and exit control system to document the entry and departure of ''every alien'' arriving in and leaving the United States. The problem is that the term ''every alien'' could be interpreted to cover all aliens entering at land borders and seaports, which are points of entry where entry-exit control has not been in place. My legislation exempts land borders and seaports from coverage of the system, and instead requires the Attorney General to submit a detailed feasibility report to Congress on what full entry-exit control would involve, what it would cost, and what burdens it would impose on our States and our constituents. This is simply a sensible and responsible approach.

The other provisions in the bill include reporting requirements on data obtained from the entry-exit control system that would be in operation at

airports, provisions to fix some serious problems that are being experienced on the Southern border with the issuance of the new biometric ''laser visas''—which I know is of great concern to Senator KYL and others on the Southern border—and authorization for additional Customs and INS resources for border inspections and enforcement.

I will say a bit more about the Section 110 problem because that is the provision that is most important to me. Implementing Section 110 at the land borders is essentially impossible at the moment. No one—not INS, not the State Department, and not anyone in Congress—has come up with a feasible way of implementing such a system at the land borders.

At a hearing before the House Subcommittee on Immigration and Claims just last week, testimony was heard from a private sector technology company that developing feasible technology to implement Section 110 would require ''substantial'' time, ''ultimately long lead times'', and ''significant resources,'' none of which the company could specify with any precision given the absolutely monumental nature of the task. Commenting on the sheer size of the database that would be needed to contain the number of visitor entry and exit records that would in theory be collected and entered into the system by the INS, Ann Cohen, Vice President of the EDS Corporation, testified, ''to put some perspective on the magnitude of this number, the information in this system at the end of one year would be equal to the amount of data stored in the U.S. Library of Congress.''

In the Senate, we heard testimony at an earlier subcommittee hearing that if this system were implemented with just a 30-second inspection required for every border crosser, backups at the Ambassador Bridge in Detroit would immediately exceed 24 hours. That would be unbearable, and the border would effectively be closed. The impact would be immediate and would be staggering. The U.S. automobile industry alone conducts $300 million in trade with Canada everyday. I learned in Michigan that there are 800 employees of the Detroit Medical Center who commute from Canada every day and who would no longer be available to provide medical care to Michiganians. Tourism would be seriously harmed, families with members on each side of the land borders would be harmed, and our international relations with Canada and Mexico would likewise be seriously damaged.

To add to this, Congress did not have the chance to fully consider the question of entry-exit control at the land borders, as opposed to just at airports, because the final language of Section 110 appeared for the first time only in the Conference Report. Senator Simpson and Chairman SMITH acknowledged in letters to the Canadian Embassy following passage of the 1996 Act that they did not intend Section 110 to impose additional documentary burdens on Canadian border crossers.

The outpouring against this provision has been enormous. I would like to just mention a few. The approach this legislation takes is supported by the National Governors Association, the Republican Governors Association, Americans for Better Borders, the U.S. Chamber of Commerce, The Washington Post, The Los Angeles Times, the American Trucking Association, Ford, Chrysler, and GM, the Travel Industry Association of America, and many, many businesses, State and local governments and other organizations.

It is not enough to delay implementation of this requirement. The Governors and others have spoken loud and clear against delaying the effective date of this requirement on the grounds that the States, businesses, and families who would be affected by this would have no idea what would be imposed on them when. This is not a case of pressuring the INS or anyone else to come up with a plan that will work. The fact is that the only ones who will be pressured are my constituents—and many of my colleagues' constituents—and that is unacceptable.

Once we get the report from the Attorney General, we can consider all the options and make a collective decision of where and how we would like entry-exit control to be implemented. But it would simply be preposterous and irresponsible for us to keep a requirement in the law when we cannot say how it could possibly be met in any way and at what cost.

Finally, as the Judiciary Committee noted in its report on the legislation, Section 110 has ''nothing to do with stopping terrorists or drug traffickers.'' I appreciate very much my colleagues' understanding of this issue, and their support of a rational approach that comprehends the important distinctions between hindering beneficial trade, travel, and tourism and taking affirmative steps to conquer illegal drug trafficking or other activities at the land borders. I am also pleased that this legislation includes additional law enforcement resources so that these important law enforcement issues can be addressed in the right way. This truly is a border improvement bill in all senses.

I owe a particular gratitude to all of my colleagues who cosponsored the legislation, particularly those who worked with me from the outset, including Senators KENNEDY, D'AMATO, LEAHY, GRAMS, DORGAN, COLLINS, MURRAY, and SNOWE. I very much appreciate their efforts and support.

Mr. LEAHY. Mr. President. I am pleased that after many months of debate, the Senate has finally passed S. 1360 today. This bill, ''The Border Improvement and Immigration Act of 1998,'' will ensure that free trade and tourism continue to flourish along our nation's borders. It will preserve the status quo for our friendly neighbors to the north and will provide us with the necessary time to study and develop an appropriate way to monitor our nation's borders and sea ports.

I am proud to be an original co-sponsor of S. 1360 and have spoken repeatedly about the need for this remedy. Without this type of legislation, the Immigration and Naturalization Service might be obligated to begin implementing an enormously expensive automated entry-exit monitoring system at all of our nation's borders this fall without having the opportunity to study the situation and develop a workable system. The passage of this legislation means the Attorney General will now have one year to study and report to Congress on the feasibility of various means of tracking the entry and exit of immigrants crossing our country's land borders.

Over the past year, I have worked hard to ensure that this legislation does not negatively impact the thousands of people and the millions of dollars of trade which cross our borders each day. This bill preserves the integrity of our open border with Canada and ensures that no additional burden is placed upon Canadians who plan to shop or travel in the United States. Mexican nationals will also have additional time under this bill to acquire new border crossing cards and will be able to obtain border crossing cards for their children under age 15 at a reduced cost. Vermonters and others who cross our nation's land borders on a daily basis to work or visit with family or friends in Canada and Mexico should be able to continue to do so without additional border delays.

The Border Improvement Act also takes a more thoughtful approach to modifying U.S. immigration policies than that contained in section 110 of the 1996 Illegal Immigration Reform and Immigrant Responsibility Act (''IIRIRA''). By requiring an automated system for monitoring the entry and exit of ''all aliens'', section 110 would subject Canadians, and others who are not currently required to show documentation, to unprecedented border checks at U.S. points of entry. This sort of tracking system would be enormously costly to implement along the borders, especially since there is no current infrastructure in place to track the departure of individuals leaving the United States at our land borders or sea ports. Section 110, as currently worded, would also lead to excessive and costly traffic delays for those living and working near the borders. That is why I am so pleased that we were able to pass this legislation today to remedy this situation.

Instead of requiring the INS to implement such a costly and burdensome border tracking system with little forethought, S. 1360 mandates that the Attorney General conduct a study over the next year of the feasibility of various automated monitoring systems. This study will include an assessment of the potential costs and impact of any new automated monitoring system

on trade and travelers along the country's land borders and seaports. An entry-exit monitoring system at our nation's airports will still be implemented within the next two years.

The Border Improvement Act also authorizes additional funds to ensure that adequate staffing and the newest equipment is available for INS and Customs agents along both borders. S. 1360 authorizes nearly $120 million in fiscal year 1999 for INS enforcement and inspection equipment and personnel, and an additional $160 million for the U.S. Customs Service to acquire similar equipment and hire additional agents. The Customs Service is authorized to hire 535 inspectors and 60 special agents along the Southwest border and 375 inspectors along the Northern border. The INS is authorized to hire 535 and 375 inspectors for the Southwest and Northern border, respectively, under this bill. These additional resources will help these agencies in their investigations of drug and alien smuggling and should reduce traffic waiting times along the borders.

Overall, the Border Improvement and Immigration Act of 1998 is a sensible means of correcting the problematic language in section 110 of the IIRIRA while ensuring better tracking of aliens who overstay their visas.

Mr. MOYNIHAN. Mr. President, tonight the United States Senate has prevented a disaster on the Northern border of the United States by passing S. 1360, the Border Improvement and Immigration Act of 1997. I am proud to be a co-sponsor.

On September 28, 1996, the Senate passed the Omnibus Consolidated Appropriations Act, a 749-page bill with twenty-four separate titles. One small section of that bill, buried deep in the text, has been the subject of much consternation in northern New York. The provision, known as Section 110, requires the Immigration and Naturalization Service to develop a system to document the entry and departure of every alien entering and leaving the United States. Contrary to Congressional intent, the legislative language does not recognize the current practice of allowing most Canadian and American nationals to cross the border without registering any documents. Such an oversight is not uncommon in this type of omnibus bill that is hurried to passage in the final days of a legislative session.

If implemented, an automated entry-exit control system along the northern border would likely result in long delays at the border, hampering tourism and trade. This is not an inconsequential matter. The United States-Canadian trade relationship is the world's largest, totaling $272 billion in 1995. Compare this to $256 billion in trade with the entire European Union and $188 billion in trade with Japan during that same period.

The unnecessary border crossing delays which would surely result from the implementation of Section 110 would negatively affect our dynamic trading relationship with our Northern neighbor and would wreak havoc with the flow of traffic at the border. Each year, more than eight million trucks cross the eastern United States-Canada border carrying a variety of goods to market. Additionally, the Eastern Border Transportation Coalition has estimated that 57 million cars crossed that region in 1995. Sixty percent of these were day trips—people crossing the border to go to school or work, attend cultural events, shop, visit friends, and the like. The remaining forty percent of auto border crossings were by vacationers making significant contributions to both nations' economies. Might I note that visitors from the U.S. comprise the largest single group of vacationers in Canada and Canadians are the largest single non-U.S. group of vacationers in Florida.

It was not the intent of Congress to interfere with the vibrant trading relationship that we enjoy with our Canadian friends. On December 18, 1996, Representative LAMAR S. SMITH and then-Senator Alan K. Simpson sent a letter to Canadian Ambassador Raymond Chretien to assure him of this fact, writing that ''we did not intend to impose a new requirement for border crossing cards or I–94's on Canadians who are not presently required to possess such documents.'' Thankfully, tonight this ambiguity has been resolved by this body.

By passing this bill and exempting land border crossings from the automated entry-exit control system created under Section 110, we have prevented what could have been a catastrophe at the Canadian border.

Mrs. FEINSTEIN. Mr. President, S. 1360, the ''Border Improvement and Immigration Act of 1998'' sponsored by Senator ABRAHAM requires an entry-exit system at air ports by the year 2000 and requires a feasibility study of an entry-exit system for land and sea ports within a year. However, it does not address all the problems for which Section 110 of the 1996 Act was intended. I hope that during conference, we can improve the bill by mandating a workable deadline for creating an entry-exit system at all land and sea ports.

Section 110 of the 1996 Immigration Act requires an automated entry-exit system by October 1, 1998. It also requires the Attorney General to identify visa overstays, making the system an integrated part of data collection by the INS.

The purpose of Section 110 in current law is to fix the problem which exists now. INS says that in FY96, over 24 million non-immigrants came into the U.S. INS also says that they are ''unable to calculate overstay rates on nonimmigrants in general or for particular nationalities.'' INS also told my staff that they ''do not have an estimate'' of the average length of overstay for nonimmigrants or know the ''destinations of nonimmigrants''.

The purpose of Section 110 is to make sure INS has the ability, by building an integrated data system at all ports of entry—including air, sea and land ports of entry, in order to know who is coming into the country and who is leaving and more importantly, who is breaking the law by overstaying.

INS estimates that there are over 5 million illegal aliens in this country and 41% of the illegal alien population is due to visa overstays—that these aliens failed to depart. (source: 1996 Statistical Yearbook of INS).

In the 1997 report, the INS Inspector General concluded that currently, INS has no real ability to identify the characteristics of the visa overstays which could be used in developing an enforcement strategy that effectively targets visa overstays. It also found that capturing entry-exit information only at airports reveals information about 10% of the nonimmigrants in this country who come through airports. The other 90% come and leave through sea and land ports and therefore, are unknown if there is no entry-exist system at those ports.

INS' inability to identify visa overstays has greater significance when we add the fact that there are over 4- 5-million border crossing cards which have been issued since 1940's.

Having an integrated entry-exit system at the land borders is critical in keeping track of all nonimmigrants, those with visas and border crossing cards, providing valuable information for law enforcements, not only to deport visa overstays but in prosecuting those drug runners who provide a critical link into the heartland of America.

Time has come to fully implement the 1996 Immigration Act. I hope that during conference, we can find a workable deadline for INS to create an entry-exit system at both sea and land ports. Doing a feasibility study is helpful in planning the implementation but without tough mandates to install entry-exit systems—while drug runners go back and forth freely at the Southwest border without law enforcement's knowledge, and while potential terrorists slip in easily through the Canadian border—is not the intent of Section 110 when Congress passed the 1996 Immigration Act last year.

Thank you Mr. President and I ask unanimous consent that this statement be printed in the RECORD after the text of S. 1360.

Mr. JEFFORDS. I ask unanimous consent that the committee amendment, as amended, be agreed to.

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

The committee amendment, as amended, was agreed to.

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the bill be read a third time.

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

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

Mr. JEFFORDS. I ask unanimous consent that the Judiciary Committee be discharged from further consideration of H.R. 2920, the House companion bill.

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

Mr. JEFFORDS. I ask unanimous consent that the Senate proceed to its consideration, all after the enacting clause be stricken, and the text of S. 1360, as amended, be inserted in lieu thereof. I further ask that the bill be read a third time, and passed, the motion to reconsider be laid upon the table, and any statements relating to this measure appear at the appropriate place in the RECORD.

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

The bill (H.R. 2920), as amended, was considered read the third time and passed.

Mr. JEFFORDS. I finally ask unanimous consent that S. 1360 be placed back on the calendar.

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

STEVE SCHIFF AUDITORIUM

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 3731, which was received from the House.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 3731) to designate the auditorium located within the Sandia Technology Transfer Center in Albuquerque, New Mexico, as the ''Steve Schiff Auditorium.''

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

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

Mr. DOMENICI. Mr. President, it is a real honor today to support legislation, H.R. 3731, honoring Representative Steve Schiff. This legislation designates a special auditorium at the Sandia National Laboratories as the ''Steve Schiff Auditorium.'' Steve spoke in this Auditorium on several occasions, as part of his long service to the people of New Mexico.

Steve Schiff exemplified all that was good about public service: integrity of the highest order, deep and fundamental decency, and an acute and open mind. He went about his business quietly, but with wonderful efficiency. He was great at telling stories, usually about himself. He was a model for all politicians to admire.

Steve came to New Mexico from Chicago, where he was born and raised. He served the people of New Mexico in different capacities since 1972, when he graduated from the Law School at the University of New Mexico. Before election to Congress in 1988, he served as District Attorney for eight years.

One of Steve's favorite local programs was his Tree Give-Away Program. For eight years, Steve held a Saturday tree give-away day at the Indian Pueblo Cultural Center. He gave away more than 115,000 trees. Through those trees, he shared his own hope, faith, and love. Those trees now flourish throughout the Albuquerque area in New Mexico as lasting symbols of this man. In a similar way, his legislative achievements continue to serve the American people as another reminder of this great American.

Along with those trees and his legislation, the Steve Schiff Auditorium will serve as a lasting memorial. I'm happy and honored to have been a part of his life.

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the bill be considered read a third time, and passed, the motion to reconsider be laid upon the table, and that any Statements relating to the bill be placed at the appropriate place in the RECORD.

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

The bill (H.R. 3731) was considered read the third time and passed.

COMMERCIAL SPACE ACT OF 1998

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Senate now proceed to consideration of calendar No. 393, H.R. 1702.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 1702) to encourage the development of a commercial space industry in the United States, and for other purposes.

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

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Commerce, Science, and Transportation, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Commercial Space Act of 1997''.

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.
Sec. 2. Definitions.

TITLE I—PROMOTION OF COMMERCIAL SPACE OPPORTUNITIES

Sec. 101. Commercialization of space station.
Sec. 102. Commercial space launch amendments.
Sec. 103. Promotion of United States Global Positioning System standards.
Sec. 104. Acquisition of space science data.
Sec. 105. Administration of Commercial Space Centers.

TITLE II—REMOTE SENSING

Sec. 201. Land Remote Sensing Policy Act of 1992 amendments.
Sec. 202. Acquisition of earth science data.

TITLE III—FEDERAL ACQUISITION OF SPACE TRANSPORTATION SERVICES

Sec. 301. Requirement to procure commercial space transportation services.
Sec. 302. Acquisition of commercial space transportation services.
Sec. 303. Launch Services Purchase Act of 1990 amendments.
Sec. 304. Shuttle privatization.
Sec. 305. Use of excess intercontinental ballistic missiles.
Sec. 306. National launch capability.

SEC. 2. DEFINITIONS.

For purposes of this Act—

(1) the term ''Administrator'' means the Administrator of the National Aeronautics and Space Administration;

(2) the term ''commercial provider'' means any person providing space transportation services or other space-related activities, primary control of which is held by persons other than Federal, State, local, and foreign governments;

(3) the term ''payload'' means anything that a person undertakes to transport to, from, or within outer space, or in suborbital trajectory, by means of a space transportation vehicle, but does not include the space transportation vehicle itself except for its components which are specifically designed or adapted for that payload;

(4) the term ''space-related activities'' includes research and development, manufacturing, processing, service, and other associated and support activities;

(5) the term ''space transportation services'' means the preparation of a space transportation vehicle and its payloads for transportation to, from, or within outer space, or in suborbital trajectory, and the conduct of transporting a payload to, from, or within outer space, or in suborbital trajectory;

(6) the term ''space transportation vehicle'' means any vehicle constructed for the purpose of operating in, or transporting a payload to, from, or within, outer space, or in suborbital trajectory, and includes any component of such vehicle not specifically designed or adapted for a payload;

(7) the term ''State'' means each of the several States of the Union, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and any other commonwealth, territory, or possession of the United States; and

(8) the term ''United States commercial provider'' means a commercial provider, organized under the laws of the United States or of a State, which is—

(A) more than 50 percent owned by United States nationals; or

(B) a subsidiary of a foreign company and the Secretary of Transportation finds that—

(i) such subsidiary has in the past evidenced a substantial commitment to the United States market through—

(I) investments in the United States in long-term research, development, and manufacturing (including the manufacture of major components and subassemblies); and

(II) significant contributions to employment in the United States; and

(ii) the country or countries in which such foreign company is incorporated or organized, and, if appropriate, in which it principally conducts its business, affords reciprocal treatment to companies described in subparagraph (A) comparable to that afforded to such foreign company's subsidiary in the United States, as evidenced by—

(I) providing comparable opportunities for companies described in subparagraph (A) to participate in Government sponsored research and development similar to that authorized under this Act;

(II) providing no barriers, to companies described in subparagraph (A) with respect to local investment opportunities, that are not provided to foreign companies in the United States; and

(III) providing adequate and effective protection for the intellectual property rights of companies described in subparagraph (A).

TITLE I—PROMOTION OF COMMERCIAL SPACE OPPORTUNITIES

SEC. 101. COMMERCIALIZATION OF SPACE STATION.

(a) POLICY.—The Congress declares that a priority goal of constructing the International

Space Station is the economic development of Earth orbital space. The Congress further declares that free and competitive markets create the most efficient conditions for promoting economic development, and should therefore govern the economic development of Earth orbital space. The Congress further declares that the use of free market principles in operating, servicing, allocating the use of, and adding capabilities to the Space Station, and the resulting fullest possible engagement of commercial providers and participation of commercial users, will reduce Space Station operational costs for all partners and the Federal Government's share of the United States burden to fund operations.

(b) REPORTS.—(1) The Administrator shall deliver to the Committee on Science of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate, within 90 days after the date of the enactment of this Act, a study that identifies and examines—

(A) the opportunities for commercial providers to play a role in International Space Station activities, including operation, use, servicing, and augmentation;

(B) the potential cost savings to be derived from commercial providers playing a role in each of these activities;

(C) which of the opportunities described in subparagraph (A) the Administrator plans to make available to commercial providers in fiscal year 1999 and 2000;

(D) the specific policies and initiatives the Administrator is advancing to encourage and facilitate these commercial opportunities; and

(E) the revenues and cost reimbursements to the Federal Government from commercial users of the Space Station.

(2) The Administrator shall deliver to the Committee on Science of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate, within 180 days after the date of the enactment of this Act, an independently-conducted market study that examines and evaluates potential industry interest in providing commercial goods and services for the operation, servicing, and augmentation of the International Space Station, and in the commercial use of the International Space Station. This study shall also include updates to the cost savings and revenue estimates made in the study described in paragraph (1) based on the external market assessment.

(3) The Administrator shall deliver to the Congress, no later than the submission of the President's annual budget request for fiscal year 2000, a report detailing how many proposals (whether solicited or not) the National Aeronautics and Space Administration received during calendar year 1998 regarding commercial operation, servicing, utilization, or augmentation of the International Space Station, broken down by each of these four categories, and specifying how many agreements the National Aeronautics and Space Administration has entered into in response to these proposals, also broken down by these four categories.

(4) Each of the studies and reports required by paragraphs (1), (2), and (3) shall include consideration of the potential role of State governments as brokers in promoting commercial participation in the International Space Station program.

SEC. 102. COMMERCIAL SPACE LAUNCH AMENDMENTS.

(a) AMENDMENTS.—Chapter 701 of title 49, United States Code, is amended—

(1) in the table of sections—

(A) by amending the item relating to section 70104 to read as follows:

''70104. Restrictions on launches, operations, and reentries.'';

(B) by amending the item relating to section 70108 to read as follows:

''70108. Prohibition, suspension, and end of launches, operation of launch sites and reentry sites, and reentries.'';

(C) by amending the item relating to section 70109 to read as follows:

''70109. Preemption of scheduled launches or reentries.'';

and

(D) by adding at the end the following new items:

''70120. Regulations.

''70121. Report to Congress.''.

(2) in section 70101—

(A) by inserting ''microgravity research,'' after ''information services,'' in subsection (a)(3);

(B) by inserting '', reentry,'' after ''launching'' both places it appears in subsection (a)(4);

(C) by inserting '', reentry vehicles,'' after ''launch vehicles'' in subsection (a)(5);

(D) by inserting ''and reentry services'' after ''launch services'' in subsection (a)(6);

(E) by inserting '', reentries,'' after ''launches'' both places it appears in subsection (a)(7);

(F) by inserting '', reentry sites,'' after ''launch sites'' in subsection (a)(8);

(G) by inserting ''and reentry services'' after ''launch services'' in subsection (a)(8);

(H) by inserting ''reentry sites,'' after ''launch sites,'' in subsection (a)(9);

(I) by inserting ''and reentry site'' after ''launch site'' in subsection (a)(9);

(J) by inserting '', reentry vehicles,'' after ''launch vehicles'' in subsection (b)(2);

(K) by striking ''launch'' in subsection (b)(2)(A);

(L) by inserting ''and reentry'' after ''conduct of commercial launch'' in subsection (b)(3);

(M) by striking ''launch'' after ''and transfer commercial'' in subsection (b)(3); and

(N) by inserting ''and development of reentry sites,'' after ''launch-site support facilities,'' in subsection (b)(4);

(3) in section 70102—

(A) in paragraph (3)—

(i) by striking ''and any payload'' and inserting in lieu thereof ''or reentry vehicle and any payload from Earth'';

(ii) by striking the period at the end of subparagraph (C) and inserting in lieu thereof a comma; and

(iii) by adding after subparagraph (C) the following:

''including activities involved in the preparation of a launch vehicle or payload for launch, when those activities take place at a launch site in the United States.'';

(B) by inserting ''or reentry vehicle'' after ''means of a launch vehicle'' in paragraph (8);

(C) by redesignating paragraphs (10), (11), and (12) as paragraphs (14), (15), and (16), respectively;

(D) by inserting after paragraph (10) the following new paragraphs:

''(10) 'reenter' and 'reentry' mean to return or attempt to return a reentry vehicle and its payload, if any, from Earth orbit or from outer space to Earth.

''(11) 'reentry services' means—

''(A) activities involved in the preparation of a reentry vehicle and its payload, if any, for reentry; and

''(B) the conduct of a reentry.

''(12) 'reentry site' means the location on Earth to which a reentry vehicle is intended to return (as defined in a license the Secretary issues or transfers under this chapter).

''(13) 'reentry vehicle' means a vehicle designed to return from Earth orbit or outer space to Earth, or a reusable launch vehicle designed to return from Earth orbit or outer space to Earth, substantially intact.''; and

(E) by inserting ''or reentry services'' after ''launch services'' each place it appears in paragraph (15), as so redesignated by subparagraph (C) of this paragraph;

(4) in section 70103(b)—

(A) by inserting ''AND REENTRIES'' after ''LAUNCHES'' in the subsection heading;

(B) by inserting ''and reentries'' after ''commercial space launches'' in paragraph (1); and

(C) by inserting ''and reentry'' after ''space launch'' in paragraph (2);

(5) in section 70104—

(A) by amending the section designation and heading to read as follows:

''§ 70104. Restrictions on launches, operations, and reentries'';

(B) by inserting ''or reentry site, or to reenter a reentry vehicle,'' after ''operate a launch site'' each place it appears in subsection (a);

(C) by inserting ''or reentry'' after ''launch or operation'' in subsection (a)(3) and (4);

(D) in subsection (b)—

(i) by striking ''launch license'' and inserting in lieu thereof ''license'';

(ii) by inserting ''or reenter'' after ''may launch''; and

(iii) by inserting ''or reentering'' after ''related to launching''; and

(E) in subsection (c)—

(i) by amending the subsection heading to read as follows: ''PREVENTING LAUNCHES AND REENTRIES.—'';

(ii) by inserting ''or reentry'' after ''prevent the launch''; and

(iii) by inserting ''or reentry'' after ''decides the launch'';

(6) in section 70105—

(A) by inserting ''(1)'' before ''A person may apply'' in subsection (a);

(B) by striking ''receiving an application'' both places it appears in subsection (a) and inserting in lieu thereof ''accepting an application in accordance with criteria established pursuant to subsection (b)(2)(D)'';

(C) by adding at the end of subsection (a) the following: ''The Secretary shall transmit to the Committee on Science of the House of Representatives and the Committee on Commerce, Science, and Transportation of the Senate a written notice not later than 30 days after any occurrence when a license is not issued within the deadline established by this subsection.

''(2) In carrying out paragraph (1), the Secretary may establish procedures for safety approvals of launch vehicles, reentry vehicles, safety systems, processes, services, or personnel that may be used in conducting licensed commercial space launch or reentry activities.'';

(D) by inserting ''or a reentry site, or the reentry of a reentry vehicle,'' after ''operation of a launch site'' in subsection (b)(1);

(E) by striking ''or operation'' and inserting in lieu thereof '', operation, or reentry'' in subsection (b)(2)(A);

(F) by striking ''and'' at the end of subsection (b)(2)(B);

(G) by striking the period at the end of subsection (b)(2)(C) and inserting in lieu thereof ''; and'';

(H) by adding at the end of subsection (b)(2) the following new subparagraph:

''(D) regulations establishing criteria for accepting or rejecting an application for a license under this chapter within 60 days after receipt of such application.''; and

(I) by inserting '', including the requirement to obtain a license,'' after ''waive a requirement'' in subsection (b)(3);

(7) in section 70106(a)—

(A) by inserting ''or reentry site'' after ''observer at a launch site'';

(B) by inserting ''or reentry vehicle'' after ''assemble a launch vehicle''; and

(C) by inserting ''or reentry vehicle'' after ''with a launch vehicle'';

(8) in section 70108—

(A) by amending the section designation and heading to read as follows:

''§ 70108. Prohibition, suspension, and end of launches, operation of launch sites and reentry sites, and reentries'';

and

(B) in subsection (a)—

(i) by inserting ''or reentry site, or reentry of a reentry vehicle,'' after ''operation of a launch site''; and

(ii) by inserting ''or reentry'' after ''launch or operation'';

(9) in section 70109—

(A) by amending the section designation and heading to read as follows:

''§ 70109. Preemption of scheduled launches or reentries'';

(B) in subsection (a)—

(i) by inserting ''or reentry'' after ''ensure that a launch'';

(ii) by inserting '', reentry site,'' after ''United States Government launch site'';

(iii) by inserting ''or reentry date commitment'' after ''launch date commitment'';

(iv) by inserting ''or reentry'' after ''obtained for a launch'';

(v) by inserting '', reentry site,'' after ''access to a launch site'';

(vi) by inserting '', or services related to a reentry,'' after ''amount for launch services''; and

(vii) by inserting ''or reentry'' after ''the scheduled launch''; and

(C) in subsection (c), by inserting ''or reentry'' after ''prompt launching'';

(10) in section 70110—

(A) by inserting ''or reentry'' after ''prevent the launch'' in subsection (a)(2); and

(B) by inserting ''or reentry site, or reentry of a reentry vehicle,'' after ''operation of a launch site'' in subsection (a)(3)(B);

(11) in section 70111—

(A) by inserting ''or reentry'' after ''launch'' in subsection (a)(1)(A);

(B) by inserting ''and reentry services'' after ''launch services'' in subsection (a)(1)(B);

(C) by inserting ''or reentry services'' after ''or launch services'' in subsection (a)(2);

(D) by striking ''source.'' in subsection (a)(2) and inserting ''source, whether such source is located on or off a Federal range.'';

(E) by inserting ''or reentry'' after ''commercial launch'' both places it appears in subsection (b)(1);

(F) by inserting ''or reentry services'' after ''launch services'' in subsection (b)(2)(C);

(G) by inserting after subsection (b)(2) the following new paragraph:

''(3) The Secretary shall ensure the establishment of uniform guidelines for, and consistent implementation of, this section by all Federal agencies.'';

(H) by striking ''or its payload for launch'' in subsection (d) and inserting in lieu thereof ''or reentry vehicle, or the payload of either, for launch or reentry''; and

(I) by inserting '', reentry vehicle,'' after ''manufacturer of the launch vehicle'' in subsection (d);

(12) in section 70112—

(A) in subsection (a)(1), by inserting ''launch or reentry'' after ''(1) When a'';

(B) by inserting ''or reentry'' after ''one launch'' in subsection (a)(3);

(C) by inserting ''or reentry services'' after ''launch services'' in subsection (a)(4);

(D) in subsection (b)(1), by inserting ''launch or reentry'' after ''(1) A'';

(E) by inserting ''or reentry services'' after ''launch services'' each place it appears in subsection (b);

(F) by inserting ''applicable'' after ''carried out under the'' in paragraphs (1) and (2) of subsection (b);

(G) by striking '', Space, and Technology'' in subsection (d)(1);

(H) by inserting ''OR REENTRIES'' after ''LAUNCHES'' in the heading for subsection (e);

(I) by inserting ''or reentry site or a reentry'' after ''launch site'' in subsection (e); and

(J) in subsection (f), by inserting ''launch or reentry'' after ''carried out under a'';

(13) in section 70113—by inserting ''or reentry'' after ''one launch'' each place it appears in paragraphs (1) and (2) of subsection (d);

(14) in section 70115(b)(1)(D)(i)—

(A) by inserting ''reentry site,'' after ''launch site,''; and

(B) by inserting ''or reentry vehicle'' after ''launch vehicle'' both places it appears;

(15) in section 70117—

(A) by inserting ''or reentry site, or to reenter a reentry vehicle'' after ''operate a launch site'' in subsection (a);

(B) by inserting ''or reentry'' after ''approval of a space launch'' in subsection (d);

(C) by amending subsection (f) to read as follows:

''(f) LAUNCH NOT AN EXPORT; REENTRY NOT AN IMPORT.—A launch vehicle, reentry vehicle, or payload that is launched or reentered is not, because of the launch or reentry, an export or import, respectively, for purposes of a law controlling exports or imports, except that payloads launched pursuant to foreign trade zone procedures as provided for under the Foreign Trade Zones Act (19 U.S.C. 81a–81u) shall be considered exports with regard to customs entry.''; and

(D) in subsection (g)—

(i) by striking ''operation of a launch vehicle or launch site,'' in paragraph (1) and inserting in lieu thereof ''reentry, operation of a launch vehicle or reentry vehicle, or operation of a launch site or reentry site,''; and

(ii) by inserting ''reentry,'' after ''launch,'' in paragraph (2); and

(16) by adding at the end the following new sections:

''§ 70120. Regulations

''(a) IN GENERAL.—The Secretary of Transportation, within 9 months after the date of the enactment of this section, shall issue regulations to carry out this chapter that include—

''(1) guidelines for industry and State governments to obtain sufficient insurance coverage for potential damages to third parties;

''(2) procedures for requesting and obtaining licenses to launch a commercial launch vehicle;

''(3) procedures for requesting and obtaining operator licenses for launch;

''(4) procedures for requesting and obtaining launch site operator licenses; and

''(5) procedures for the application of government indemnification.

''(b) REENTRY.—The Secretary of Transportation, within 6 months after the date of the enactment of this section, shall issue a notice of proposed rulemaking to carry out this chapter that includes—

''(1) procedures for requesting and obtaining licenses to reenter a reentry vehicle;

''(2) procedures for requesting and obtaining operator licenses for reentry; and

''(3) procedures for requesting and obtaining reentry site operator licenses.

''§ 70121. Report to Congress

''The Secretary of Transportation shall submit to Congress an annual report to accompany the President's budget request that—

''(1) describes all activities undertaken under this chapter, including a description of the process for the application for and approval of licenses under this chapter and recommendations for legislation that may further commercial launches and reentries; and

''(2) reviews the performance of the regulatory activities and the effectiveness of the Office of Commercial Space Transportation.''.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 70119 of title 49, United States Code, is amended to read as follows:

''§ 70119. Authorization of appropriations

''There are authorized to be appropriated to the Secretary of Transportation for the activities of the Office of the Associate Administrator for Commercial Space Transportation—

''(1) $6,182,000 for the fiscal year ending September 30, 1998;

''(2) $6,275,000 for the fiscal year ending September 30, 1999; and

''(3) $6,600,000 for the fiscal year ending September 30, 2000.''.

(c) EFFECTIVE DATE.—The amendments made by subsection (a)(6)(B) shall take effect upon the effective date of final regulations issued pursuant to section 70105(b)(2)(D) of title 49, United States Code, as added by subsection (a)(6)(H).

SEC. 103. PROMOTION OF UNITED STATES GLOBAL POSITIONING SYSTEM STANDARDS.

(a) FINDING.—The Congress finds that the Global Positioning System, including satellites, signal equipment, ground stations, data links, and associated command and control facilities, has become an essential element in civil, scientific, and military space development because of the emergence of a United States commercial industry which provides Global Positioning System equipment and related services.

(b) INTERNATIONAL COOPERATION.—In order to support and sustain the Global Positioning System in a manner that will most effectively contribute to the national security, public safety, scientific, and economic interests of the United States, the Congress encourages the President to—

(1) ensure the operation of the Global Positioning System on a continuous worldwide basis free of direct user fees;

(2) enter into international agreements that promote cooperation with foreign governments and international organizations to—

(A) establish the Global Positioning System and its augmentations as an acceptable international standard; and

(B) eliminate any foreign barriers to applications of the Global Positioning System worldwide; and

(3) provide clear direction and adequate resources to United States representatives so that on an international basis they can—

(A) achieve and sustain efficient management of the electromagnetic spectrum used by the Global Positioning System; and

(B) protect that spectrum from disruption and interference.

SEC. 104. ACQUISITION OF SPACE SCIENCE DATA.

(a) ACQUISITION FROM COMMERCIAL PROVIDERS.—In order to satisfy the scientific and educational requirements of the National Aeronautics and Space Administration, and where practicable of other Federal agencies and scientific researchers, the Administrator shall to the maximum extent possible acquire, where cost effective, space science data from a commercial provider.

(b) TREATMENT OF SPACE SCIENCE DATA AS COMMERCIAL ITEM UNDER ACQUISITION LAWS.—Acquisitions of space science data by the Administrator shall be carried out in accordance with applicable acquisition laws and regulations (including chapters 137 and 140 of title 10, United States Code), except that space science data shall be considered to be a commercial item for purposes of such laws and regulations. Nothing in this subsection shall be construed to preclude the United States from acquiring sufficient rights in data to meet the needs of the scientific and educational community or the needs of other government activities.

(c) DEFINITION.—For purposes of this section, the term ''space science data'' includes scientific data concerning the elemental and mineralogical resources of the moon, asteroids, planets and their moons, and comets, microgravity acceleration, and solar storm monitoring.

(d) SAFETY STANDARDS.—Nothing in this section shall be construed to prohibit the Federal Government from requiring compliance with applicable safety standards.

(e) LIMITATION.—This section does not authorize the National Aeronautics and Space Administration to provide financial assistance for the development of commercial systems for the collection of space science data.

SEC. 105. ADMINISTRATION OF COMMERCIAL SPACE CENTERS.

The Administrator shall administer the Commercial Space Center program in a coordinated manner from National Aeronautics and Space

Administration headquarters in Washington, D.C.

TITLE II—REMOTE SENSING

SEC. 201. LAND REMOTE SENSING POLICY ACT OF 1992 AMENDMENTS.

(a) FINDINGS.—The Congress finds that—

(1) a robust domestic United States industry in high resolution Earth remote sensing is in the economic, employment, technological, scientific, and national security interests of the United States;

(2) to secure its national interests the United States must nurture a commercial remote sensing industry that leads the world;

(3) the Federal Government must provide policy and regulations that promote a stable business environment for that industry to succeed and fulfill the national interest;

(4) it is the responsibility of the Federal Government to create domestic and international conditions favorable to the health and growth of the United States commercial remote sensing industry;

(5) it is a fundamental goal of United States policy to support and enhance United States industrial competitiveness in the field of remote sensing, while at the same time protecting the national security concerns and international obligations of the United States; and

(6) it is fundamental that the states be able to deploy and utilize this technology in their land management responsibilities. To date, very few states have the ability to do so without engaging the academic institutions within their boundaries. In order to develop a market for the commercial sector, the states must have the capacity to fully utilize the technology.

(b) AMENDMENTS.—The Land Remote Sensing Policy Act of 1992 is amended—

(1) in section 2 (15 U.S.C. 5601)—

(A) by amending paragraph (5) to read as follows:

''(5) Commercialization of land remote sensing is a near-term goal, and should remain a long-term goal, of United States policy.'';

(B) by striking paragraph (6) and redesignating paragraphs (7) through (16) as paragraphs (6) through (15), respectively;

(C) in paragraph (11), as so redesignated by subparagraph (B) of this paragraph, by striking ''determining the design'' and all that follows through ''international consortium'' and inserting in lieu thereof ''ensuring the continuity of Landsat quality data''; and

(D) by adding at the end the following new paragraphs:

''(16) The United States should encourage remote sensing systems to promote access to land remote sensing data by scientific researchers and educators.

''(17) It is in the best interest of the United States to encourage remote sensing systems whether privately-funded or publicly-funded, to promote widespread affordable access to unenhanced land remote sensing data by scientific researchers and educators and to allow such users appropriate rights for redistribution for scientific and educational noncommercial purposes.'';

(2) in section 101 (15 U.S.C. 5611)—

(A) in subsection (c)—

(i) by inserting ''and'' at the end of paragraph (6);

(ii) by striking paragraph (7); and

(iii) by redesignating paragraph (8) as paragraph (7); and

(B) in subsection (e)(1)—

(i) by inserting ''and'' at the end of subparagraph (A);

(ii) by striking '', and'' at the end of subparagraph (B) and inserting in lieu thereof a period; and

(iii) by striking subparagraph (C);

(3) in section 201 (15 U.S.C. 5621)—

(A) by inserting ''(1)'' after ''NATIONAL SECURITY.—'' in subsection (b);

(B) in subsection (b)(1), as so redesignated by subparagraph (A) of this paragraph—

(i) by striking ''No license shall be granted by the Secretary unless the Secretary determines in writing that the applicant will comply'' and inserting in lieu thereof ''The Secretary shall grant a license if the Secretary determines that the activities proposed in the application are consistent'';

(ii) by inserting '', and that the applicant has provided assurances adequate to indicate, in combination with other information available to the Secretary that is relevant to activities proposed in the application, that the applicant will comply with all terms of the license'' after ''concerns of the United States''; and

(iii) by inserting ''and policies'' after ''international obligations'';

(C) by adding at the end of subsection (b) the following new paragraph:

''(2) The Secretary, within 6 months after the date of the enactment of the Commercial Space Act of 1997, shall publish in the Federal Register a complete and specific list of all information required to comprise a complete application for a license under this title. An application shall be considered complete when the applicant has provided all information required by the list most recently published in the Federal Register before the date the application was first submitted. Unless the Secretary has, within 30 days after receipt of an application, notified the applicant of information necessary to complete an application, the Secretary may not deny the application on the basis of the absence of any such information.''; and

(D) in subsection (c), by amending the second sentence thereof to read as follows: ''If the Secretary has not granted the license within such 120-day period, the Secretary shall inform the applicant, within such period, of any pending issues and actions required to be carried out by the applicant or the Secretary in order to result in the granting of a license.'';

(4) in section 202 (15 U.S.C. 5622)—

(A) by striking ''section 506'' in subsection (b)(1) and inserting in lieu thereof ''section 507'';

(B) in subsection (b)(2), by striking ''as soon as such data are available and on reasonable terms and conditions'' and inserting in lieu thereof ''on reasonable terms and conditions, including the provision of such data in a timely manner subject to United States national security and foreign policy interests'';

(C) in subsection (b)(6), by striking ''any agreement'' and all that follows through ''nations or entities'' and inserting in lieu thereof ''any significant or substantial agreement''; and

(D) by inserting after paragraph (6) of subsection (b) the following:

''The Secretary may not seek to enjoin a company from entering into a foreign agreement the Secretary receives notification of under paragraph (6) unless the Secretary has, within 30 days after receipt of such notification, transmitted to the licensee a statement that such agreement is inconsistent with the national security, foreign policy, or international obligations of the United States, including an explanation of such inconsistency.'';

(5) in section 203(a)(2) (15 U.S.C. 5623(a)(2)), by striking ''under this title and'' and inserting in lieu thereof ''under this title or'';

(6) in section 204 (15 U.S.C. 5624), by striking ''may'' and inserting in lieu thereof ''shall'';

(7) in section 205(c) (15 U.S.C. 5625(c)), by striking ''if such remote sensing space system is licensed by the Secretary before commencing operation'' and inserting in lieu thereof ''if such private remote sensing space system will be licensed by the Secretary before commencing its commercial operation'';

(8) by adding at the end of title II the following new section:

''SEC. 206. NOTIFICATION.

''(a) LIMITATIONS ON LICENSEE.—Not later than 30 days after a determination by the Secretary to require a licensee to limit collection or distribution of data from a system licensed under this title, the Secretary shall provide written notification to Congress of such determination, including the reasons therefor, the limitations imposed on the licensee, and the period during which such limitations apply.

''(b) TERMINATION, MODIFICATION, OR SUSPENSION.—Not later than 30 days after an action by the Secretary to seek an order of injunction or other judicial determination pursuant to section 202(b) or section 203(a)(2), the Secretary shall provide written notification to Congress of such action and the reasons therefor.'';

(9) in section 301 (15 U.S.C. 5631)—

(A) by inserting '', that are not being commercially developed'' after ''and its environment'' in subsection (a)(2)(B); and

(B) by adding at the end the following new subsection:

''(d) DUPLICATION OF COMMERCIAL SECTOR ACTIVITIES.—The Federal Government shall not undertake activities under this section which duplicate activities available from the United States commercial sector, unless such activities would result in significant cost savings to the Federal Government, or are necessary for reasons of national security or international obligations or policies.'';

(10) in section 302 (15 U.S.C. 5632)—

(A) by striking ''(a) GENERAL RULE.—'';

(B) by striking '', including unenhanced data gathered under the technology demonstration program carried out pursuant to section 303,''; and

(C) by striking subsection (b);

(11) by repealing section 303 (15 U.S.C. 5633);

(12) in section 401(b)(3) (15 U.S.C. 5641(b)(3)), by striking '', including any such enhancements developed under the technology demonstration program under section 303,'';

(13) in section 501(a) (15 U.S.C. 5651(a)), by striking ''section 506'' and inserting in lieu thereof ''section 507'';

(14) in section 502(c)(7) (15 U.S.C. 5652(c)(7)), by striking ''section 506'' and inserting in lieu thereof ''section 507''; and

(15) in section 507 (15 U.S.C. 5657)—

(A) by amending subsection (a) to read as follows:

''(a) RESPONSIBILITY OF THE SECRETARY OF DEFENSE.—The Secretary shall consult with the Secretary of Defense on all matters under title II affecting national security. The Secretary of Defense shall be responsible for determining those conditions, consistent with this Act, necessary to meet national security concerns of the United States, and for notifying the Secretary promptly of such conditions. The Secretary of Defense shall convey to the Secretary the determinations for a license issued under title II, consistent with this Act, that the Secretary of Defense determines necessary to meet the national security concerns of the United States.'';

(B) by striking subsection (b)(1) and (2) and inserting in lieu thereof the following:

''(b) RESPONSIBILITY OF THE SECRETARY OF STATE.—(1) The Secretary shall consult with the Secretary of State on all matters under title II affecting international obligations and policies of the United States. The Secretary of State shall be responsible for determining those conditions, consistent with this Act, necessary to meet international obligations and policies of the United States and for notifying the Secretary promptly of such conditions. The Secretary of State shall convey to the Secretary the determinations for a license issued under title II, consistent with this Act, that the Secretary of State determines necessary to meet the international obligations and policies of the United States.

''(2) Appropriate United States Government agencies are authorized and encouraged to provide to developing nations, as a component of international aid, resources for purchasing remote sensing data, training, and analysis from commercial providers. National Aeronautics and Space Administration, United States Geological Survey, and National Oceanic and Atmospheric

Administration should develop and implement a program to aid the transfer of remote sensing technology and Mission to Planet Earth (OES) science at the state level''; and

(C) in subsection (d), by striking ''Secretary may require'' and inserting in lieu thereof ''Secretary shall, where appropriate, require''.

SEC. 202. ACQUISITION OF EARTH SCIENCE DATA.

(a) ACQUISITION.—For purposes of meeting Government goals for Mission to Planet Earth, and in order to satisfy the scientific and educational requirements of the National Aeronautics and Space Administration, and where appropriate of other Federal agencies and scientific researchers, the Administrator shall to the maximum extent possible acquire, where cost-effective, space-based and airborne Earth remote sensing data, services, distribution, and applications from a commercial provider.

(b) TREATMENT AS COMMERCIAL ITEM UNDER ACQUISITION LAWS.—Acquisitions by the Administrator of the data, services, distribution, and applications referred to in subsection (a) shall be carried out in accordance with applicable acquisition laws and regulations (including chapters 137 and 140 of title 10, United States Code), except that such data, services, distribution, and applications shall be considered to be a commercial item for purposes of such laws and regulations. Nothing in this subsection shall be construed to preclude the United States from acquiring sufficient rights in data to meet the needs of the scientific and educational community or the needs of other government activities.

(c) SAFETY STANDARDS.—Nothing in this section shall be construed to prohibit the Federal Government from requiring compliance with applicable safety standards.

(d) ADMINISTRATION AND EXECUTION.—This section shall be carried out as part of the Commercial Remote Sensing Program at the Stennis Space Center.

TITLE III—FEDERAL ACQUISITION OF SPACE TRANSPORTATION SERVICES

SEC. 301. REQUIREMENT TO PROCURE COMMERCIAL SPACE TRANSPORTATION SERVICES.

(a) IN GENERAL.—Except as otherwise provided in this section, the Federal Government shall acquire space transportation services from United States commercial providers whenever such services are required in the course of its activities. To the maximum extent practicable, the Federal Government shall plan missions to accommodate the space transportation services capabilities of United States commercial providers.

(b) EXCEPTIONS.—The Federal Government shall not be required to acquire space transportation services under subsection (a) if, on a case-by-case basis, the Administrator or, in the case of a national security issue, the Secretary of the Air Force, determines that—

(1) a payload requires the unique capabilities of the Space Shuttle;

(2) cost effective space transportation services that meet specific mission requirements would not be reasonably available from United States commercial providers when required;

(3) the use of space transportation services from United States commercial providers poses an unacceptable risk of loss of a unique scientific opportunity;

(4) the use of space transportation services from United States commercial providers is inconsistent with national security objectives;

(5) the use of space transportation services from United States commercial providers is inconsistent with foreign policy purposes, or launch of the payload by a foreign entity serves foreign policy purposes;

(6) it is more cost effective to transport a payload in conjunction with a test or demonstration of a space transportation vehicle owned by the Federal Government; or

(7) a payload can make use of the available cargo space on a Space Shuttle mission as a secondary payload, and such payload is consistent with the requirements of research, development, demonstration, scientific, commercial, and educational programs authorized by the Administrator.

(c) DELAYED EFFECT.—Subsection (a) shall not apply to space transportation services and space transportation vehicles acquired or owned by the Federal Government before the date of the enactment of this Act, or with respect to which a contract for such acquisition or ownership has been entered into before such date.

(d) HISTORICAL PURPOSES.—This section shall not be construed to prohibit the Federal Government from acquiring, owning, or maintaining space transportation vehicles solely for historical display purposes.

SEC. 302. ACQUISITION OF COMMERCIAL SPACE TRANSPORTATION SERVICES.

(a) TREATMENT OF COMMERCIAL SPACE TRANSPORTATION SERVICES AS COMMERCIAL ITEM UNDER ACQUISITION LAWS.—Acquisitions of space transportation services by the Federal Government shall be carried out in accordance with applicable acquisition laws and regulations (including chapters 137 and 140 of title 10, United States Code), except that space transportation services shall be considered to be a commercial item for purposes of such laws and regulations.

(b) SAFETY STANDARDS.—Nothing in this section shall be construed to prohibit the Federal Government from requiring compliance with applicable safety standards.

SEC. 303. LAUNCH SERVICES PURCHASE ACT OF 1990 AMENDMENTS.

The Launch Services Purchase Act of 1990 (42 U.S.C. 2465b et seq.) is amended—

(1) by striking section 202;

(2) in section 203—

(A) by striking paragraphs (1) and (2); and

(B) by redesignating paragraphs (3) and (4) as paragraphs (1) and (2), respectively;

(3) by striking sections 204 and 205; and

(4) in section 206—

(A) by striking ''(a) COMMERCIAL PAYLOADS ON THE SPACE SHUTTLE.—''; and

(B) by striking subsection (b).

SEC. 304. SHUTTLE PRIVATIZATION.

(a) POLICY AND PREPARATION.—The Administrator shall prepare for an orderly transition from the Federal operation, or Federal management of contracted operation, of space transportation systems to the Federal purchase of commercial space transportation services for all nonemergency launch requirements, including human, cargo, and mixed payloads. In those preparations, the Administrator shall take into account the need for short-term economies, as well as the goal of restoring the National Aeronautics and Space Administration's research focus and its mandate to promote the fullest possible commercial use of space. As part of those preparations, the Administrator shall plan for the potential privatization of the Space Shuttle program. Such plan shall keep safety and cost effectiveness as high priorities. Nothing in this section shall prohibit the National Aeronautics and Space Administration from studying, designing, developing, or funding upgrades or modifications essential to the safe and economical operation of the Space Shuttle fleet.

(b) FEASIBILITY STUDY.—The Administrator shall conduct a study of the feasibility of implementing the recommendation of the Independent Shuttle Management Review Team that the National Aeronautics and Space Administration transition toward the privatization of the Space Shuttle. The study shall identify, discuss, and, where possible, present options for resolving, the major policy and legal issues that must be addressed before the Space Shuttle is privatized, including—

(1) whether the Federal Government or the Space Shuttle contractor should own the Space Shuttle orbiters and ground facilities;

(2) whether the Federal Government should indemnify the contractor for any third party liability arising from Space Shuttle operations, and, if so, under what terms and conditions;

(3) whether payloads other than National Aeronautics and Space Administration payloads should be allowed to be launched on the Space Shuttle, how missions will be prioritized, and who will decide which mission flies and when;

(4) whether commercial payloads should be allowed to be launched on the Space Shuttle and whether any classes of payloads should be made ineligible for launch consideration;

(5) whether National Aeronautics and Space Administration and other Federal Government payloads should have priority over non-Federal payloads in the Space Shuttle launch assignments, and what policies should be developed to prioritize among payloads generally;

(6) whether the public interest requires that certain Space Shuttle functions continue to be performed by the Federal Government; and

(7) how much cost savings, if any, will be generated by privatization of the Space Shuttle.

(c) REPORT TO CONGRESS.—Within 60 days after the date of the enactment of this Act, the National Aeronautics and Space Administration shall complete the study required under subsection (b) and shall submit a report on the study to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science of the House of Representatives.

SEC. 305. USE OF EXCESS INTERCONTINENTAL BALLISTIC MISSILES.

(a) IN GENERAL.—The Federal Government shall not—

(1) convert any missile described in subsection (c) to a space transportation vehicle configuration or otherwise use any such missile to place a payload in space; or

(2) transfer ownership of any such missile to another person, except as provided in subsection (b).

(b) AUTHORIZED FEDERAL USES.—

(1) A missile described in subsection (c) may be converted for use as a space transportation vehicle by the Federal Government if except as provided in paragraph (2), at least 30 days before such conversion the agency seeking to use the missile as a space transportation vehicle transmits to the Committee on National Security and the Committee on Science of the House of Representatives, and to the Committee on Armed Services and the Committee on Commerce, Science, and Transportation of the Senate, shall ensure in writing that the use of such missile—

(A) would result in cost savings to the Federal Government when compared to the cost of acquiring space transportation services from United States commercial providers;

(B) meets all mission requirements of the agency, including performance, schedule, and risk requirements;

(C) is consistent with international obligations of the United States; and

(D) is approved by the Secretary of Defense or his designee.

(2) The requirement under paragraph (1) that the assurance described in that paragraph must be transmitted at least 30 days before conversion of the missile shall not apply if the Secretary of Defense determines that compliance with that requirement would be inconsistent with meeting immediate national security requirements.

(c) MISSILES REFERRED TO.— The missiles referred to in this section are missiles owned by the United States that—

(1) were formerly used by the Department of Defense for national defense purposes as intercontinental ballistic missiles; and

(2) have been declared excess to United States national defense needs and are in compliance with international obligations of the United States.

SEC. 306. NATIONAL LAUNCH CAPABILITY.

(a) FINDINGS.—Congress finds that—

(1) a robust satellite and launch industry in the United States serves the interest of the United States by—

(A) contributing to the economy of the United States;

(B) strengthening employment, technological, and scientific interests of the United States; and

(C) serving the foreign policy and national security interests of the United States.

(b) DEFINITIONS.—In this section:

(1) SECRETARY.—The term ''Secretary'' means the Secretary of Defense.

(2) TOTAL POTENTIAL NATIONAL MISSION MODEL.—The term ''total potential national mission model'' means a model that—

(A) is determined by the Secretary, in consultation with the Administrator, to assess the total potential space missions to be conducted by the United States during a specified period of time; and

(B) includes all United States launches (including launches conducted on or off a Federal range).

(c) REPORT.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary shall, in consultation with the Administrator and appropriate representatives of the satellite and launch industry and the governments of States and political subdivisions thereof—

(A) prepare a report that meets the requirements of this subsection; and

(B) submit that report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science of the House of Representatives.

(2) REQUIREMENTS FOR REPORT.—The report prepared under this section shall—

(A) identify the total potential national mission model for the period beginning on the date of the report and ending on December 31, 2007;

(B) identify the resources that are necessary to carry out the total potential national mission model described in subparagraph (A), including providing for—

(i) launch property and services of the Department of Defense; and

(ii) the ability to support a launch within 6 hours after the appropriate official of the Federal Government receives notification by telephone at Government facilities located at—

(I) Cape Canaveral in Florida; or

(II) Vandenberg Air Force Base in California;

(C) identify each deficiency in the resources referred to in subparagraph (B);

(D) with respect to the deficiencies identified under subparagraph (C), including estimates of the level of funding necessary to address those deficiencies for the period described in subparagraph (A);

(E) identify opportunities for investment by non-Federal entities (including States and political subdivisions thereof and private sector entities) to assist the Federal Government in providing launch capabilities for the commercial space industry in the United States;

(F) identify 1 or more methods by which, if sufficient resources referred to in subparagraph (D) are not available to the Department of Defense, the control of the launch property and launch services of the Department of Defense may be transferred from the Department of Defense to—

(i) 1 or more other Federal agencies;

(ii) 1 or more States (or subdivisions thereof);

(iii) 1 or more private sector entities; or

(iv) any combination of the entities described in clauses (i) through (iii); and

(G) identify the technical, structural, and legal impediments associated with making launch sites in the United States cost-competitive on an international level.

AMENDMENT NO. 3482

(Purpose: To modify the provisions relating to national launch capability)

Mr. JEFFORDS. Mr. President, Senator FRIST has an amendment at the desk, and I ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Vermont, [Mr. JEFFORDS], for Mr. FRIST, proposes an amendment numbered 3482.

Mr. JEFFORDS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 46, between lines 1 and 2, strike the item relating to section 306 and insert the following:

Sec. 306. National launch capability study.

On page 87, beginning in line 21, strike ''Government, if except as provided in paragraph (2), at least 30 days before such conversion'' and inserting ''Government if, except as provided in paragraph (2) and at least 30 days before such conversion,''.

On page 88, beginning, in line 3, strike ''shall ensure in writing'' and insert ''a certification''.

On page 89, line 7, strike ''CAPABILITY'' and insert ''CAPABILITY STUDY.''.

On page 91, strike lines 9 through 16 and insert the following:

(ii) the ability to support commercial launch-on-demand on short notification at national launch sites or test ranges;

On page 91, line 18, insert ''and'' after the semicolon.

On page 91, line 23, strike ''(A);'' and insert ''(A).''.

On page 91, between lines 23 and 24, insert the following:

(3) QUINQUENNIAL UPDATES.—The Secretary shall update the report required by paragraph (1) quinquennially beginning with 2012.

(d) RECOMMENDATIONS.—Based on the reports under subsection (c), the Secretary, after consultation with the Secretary of Transportation, the Secretary of Commerce, and representatives from interested private sector entities, States, and local governments, shall—

Reset the matter appearing on page 91, beginning with line 24 through line 22 on page 92, 2 ems closer to the left margin.

On page 91, line 24, strike ''(E)'' and insert ''(1)''.

On page 92, line 5, strike ''(F)'' and insert ''(2)''.

On page 92, beginning in line 6, strike ''subparagraph (D),'' and insert ''subsection (c)(2)(D),''.

On page 92, line 12, strike ''(i)'' and insert ''(A)''.

On page 92, line 13, strike, ''(ii)'' and insert ''(B)''.

On page 92, line 15, strike ''(iii)'' and insert ''(C)''.

On page 92, line 17, strike ''(iv)'' and insert ''(D)''.

On page 92, line 18, strike ''clauses (i) through (iii);'' and insert ''subparagraphs (A) through (C);''.

On page 92, line 19, strike ''(G)'' and insert ''(3)''.

On page 92, beginning in line 21, strike ''launch sites in the United States cost-competitive on an international level.'' and insert ''national ranges in the United States viable and competitive.''.

Mr. MACK. Mr. President, the federal government should be encouraging private industry's involvement and investment in space, not competing with it and in some cases, stifling it. I am afraid that if we do not act on and pass this amendment, we will continue to encourage American companies to move their operations overseas. Companies need consistent government policy that encourages the development of new technology through private investment. We should enable private companies to locate and conduct their business here at home.

This growing sector of the economy provides jobs to many highly-skilled and technically-trained workers. To put it into perspective, industry revenues have exceeded $7.5 billion. Commercial space businesses have grown faster than the economy and have been relatively recession proof.

Senator GRAHAM and I have proposed a number of balanced changes to current law. Among them, our amendment requires a study by NASA to identify commercial opportunities and interest in servicing the International Space Station. Second, we authorize the Office of Commercial Space Transportation to license commercial providers to re-enter Earth's atmosphere and return payloads to Earth. Currently, only the Federal Government is permitted to do so.

Third, we encourage the President to enter into regional agreements with foreign governments to secure the U.S. Global Positioning System as the world's standard. Finally, we require the federal government to procure commercial space transportation services.

Space is a frontier for research and exploration. The Federal Government's investments in space technology have provided the private sector with impressive capabilities that can benefit both our citizens and the economy. It is now the private sector's challenge to make commercial space activities earn a profit. The role of the Federal Government should be to provide stable and supportive policies for these activities.

Mr. President, we are moving into the 21st century. However, the laws regulating this industry are decades old. It is critical that we update them. The Senate Commerce Committee reported this bill favorably on June 2, 1998, and the House passed a similar version on November 4, 1997. I hope it will receive broad, bipartisan support.

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the amendment be agreed to, the committee substitute be agreed to, as amended, the bill be considered read a third time and passed, as amended, the motions to reconsider be laid upon the table, and that any statements relating to the bill appear at the appropriate place in the RECORD.

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

The amendment (No. 3482) was agreed to.

The committee amendment, as amended, was agreed to.

The bill (H.R. 1702), as amended, was considered read the third time and passed.

Mr. GRAHAM. Mr. President, thank you for the opportunity to address the Senate on the passage of the ''Commercial Space Act,'' introduced by Senator MACK and myself in November 1997.

I am pleased this bill has passed today because it is critical in allowing United States launch companies to compete effectively in the growing commercial space race.

Having already passed the House by a large margin, the Commercial Space Act needed to be considered by the Senate. I was pleased to work with my colleagues to ensure the future of our nation's high-tech economic frontier: commercial space.

I speak to you today as a Senator concerned about both our national security and our nation's economic position. The United States cannot afford to descend into another ''launch gap.'' Our recent discussions over why U.S. satellites are being launched from China demands that the U.S. Senate act quickly to make the commercial launch environment in this country as progressive and productive as possible.

When the space race began with the launch of Sputnik in October 1957, American citizens listened in indignation and fear as the first man-made satellite—a Soviet satellite—beeped its way around the earth. In the two decades that followed, an aggressive U.S. space program, both civil and military, brought our country back to its rightful lead in technology by putting a man on the moon and securing many other achievements in space.

But there is no denying that today, the United States preeminence in commercial space is threatened. If you were to step back in time 30 years to the nation's premier launch facility, Cape Canaveral, you would have seen a forest of launch vehicles ready on the pads. Visit our launch facilities today and you will see under-utilized launch facilities while at the same time U.S. commercial companies struggle to develop new space vehicles under constraints of outdated laws and policies.

A recent aerospace survey predicts over 2,000 satellites will be launched into earth orbit over the next decade. The good news is that the U.S. government and American companies may launch up to 65 percent of those payloads if the Commercial Space Act is implemented. The bad news is that many commercial satellite companies are already looking to foreign countries for launch services due to the restrictive environment in which they must operate in the United States and the lack of available launch vehicles.

In other words, Mr. President, while our space industry is rapidly preparing for the 21st Century, federal policy in dealing with this important source of economic activity is stuck on the launch pad.

The single most important provision of the Commercial Space Act is an amendment to the Commercial Space Launch Act of 1984 that gives the federal government the authority to license commercial space re-entry activities. In short: what goes up, must come down.

Can you imagine the Wright Brothers flight at Kitty Hawk ever being made if the government told them, ''Sure you can fly it, just don't land.'' The way the law presently exists, commercial companies can launch but cannot land any vehicle returning from space. Only the U.S. government is allowed this privilege.

This provision must be changed to allow the development of future generations of spacecraft, such as the Reusable Launch Vehicle. This is the business of space: providing services, repeat services, to entrepreneurs. We must regulate in an efficient and expeditious manner to support this growing market.

That brings me to my next point: this bill, to borrow from Neil Armstrong, will take a giant leap in clarifying complex and sometimes divergent commercial space licensing requirements in federal agencies. By streamlining the regulations and licensing, we will allow commercial companies to raise capital, develop business plans, and create job opportunities that might otherwise go overseas.

Mr. President, U.S. commercial space industry faces a number of competitors from abroad. The most serious are the Russian Proton, the Chinese Long March, and the European Space Agency Ariane rockets launched from French Guiana in South America. But this is not a comprehensive list. There are numerous competitors who would be more than happy to see the U.S. commercial launch industry locked in a web of regulations and limitations.

I am proud to report that one thing our bill does not do is spend any new taxpayer dollars. As a policy bill, we are seeking to level the playing field without creating any new government programs. Our bill does require studies, but those studies will be accomplished using the existing resources of agencies involved and data that has already been collected.

For instance, our legislation would require the Department of Defense to conduct an inventory of its range assets and determine what, if any, deficiencies exist. Much of this information is already available through existing Defense Department reports. Armed with this information, we can convert our nation's launch ranges back to the busiest space facilities in the world.

But this legislation does more than just refrain from new spending. It actually saves money by allowing the conversion of excess ballistic missiles into space transportation vehicles. Due to the START treaty, these missiles can no longer be used for their original intended purpose. Furthermore, they are extremely expensive to store or destroy.

By using these missiles as launch vehicles, the government will be able to launch small scientific and educational payloads that cannot afford the larger and more expensive rocket systems. This is a legal and efficient way to dispose of an expensive asset. Our Russian counterparts have been firing their missiles as opposed to spending money to destroy them. We will implement one more practical step by firing them with a payload.

In closing, let me remind you of remarks that President John F. Kennedy made in the midst of the hotly contested space race. During one of his visits to Cape Canaveral, President Kennedy declared, ''We choose to go the moon in this decade and do the other things, not because they are easy, but because they are hard.''

As we consider this bill, we should all ponder that quote. It is not easy for the federal government to change the way it has done business for many years. It is hard; it is a challenge, for forward-thinking people both in and out of the government. But it is what we must do to protect our investment in the nation's economic future and our national pride. It is vital that we ensure our nation's position in the commercial space race of the 21st century.

I thank the distinguished Chairman and Ranking Member of the Senate Commerce Committee Senator MCCAIN and Senator HOLLINGS, and the Chairman of the Science, Technology, and Space Subcommittee Senator FRIST for supporting this legislation and guiding it through the Senate process.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the Senate immediately proceed to executive session to consider the following nominations on the Executive Calendar: 605, 616, 617, 618, 652, 709, 711, 716, 719, 720, 721, 722, 739, 740, 741, 742, 743, 744 through 778, 779, 780, and 781, and all the nominations on the Secretary's desk in the Air Force, Army, Coast Guard, and Marine Corps and Navy.

I further ask unanimous consent that the nominations be confirmed, the motion to reconsider be laid upon the table, any statements relating to the nominations appear at the appropriate place in the RECORD, the President be immediately notified of the Senate's action, and that the Senate then return to legislative session.

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

The nominations considered and confirmed en bloc are as follows:

DEPARTMENT OF LABOR

Raymond L. Bramucci, of New Jersey, to be an Assistant Secretary of Labor.

UNITED STATES INTERNATIONAL TRADE COMMISSION

Thelma J. Askey, of Tennessee, to be a Member of the United States International Trade Commission for the remainder of the term expiring December 16, 2000.

Jennifer Anne Hillman, of Indiana, to be a Member of the United States International Trade Commission for the term expiring December 16, 2006.

Stephen Koplan, of Virginia, to be a Member of the United States International Trade

Commission for the term expiring June 16, 2005.

EXECUTIVE OFFICE OF THE PRESIDENT

Deidre A. Lee, of Oklahoma, to be Administrator for Federal Procurement Policy.

Rosina M. Bierbaum, of Virginia, to be an Associate Director of the Office of Science and Technology Policy.

COAST GUARD

The following named officer for appointment as Chief of Staff, United States Coast Guard, and to the grade indicated under title 14, U.S.C., section 50a:

To be vice admiral

Rear Adm. Timothy W. Josiah, 7249

CENTRAL INTELLIGENCE AGENCY

L. Britt Snider, of Virginia, to be Inspector General, Central Intelligence Agency.

FEDERAL ELECTION COMMISSION

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)

Darryl R. Wold, of California, to be a Member of the Federal Election Commission for a term expiring April 30, 2001.

David M. Mason, of Virginia, to be a Member of the Federal Election Commission for a term expiring April 30, 2003.

Karl J. Sandstrom, of Washington, to be a Member of the Federal Election Commission for a term expiring April 30, 2001.

UNITED STATES INFORMATION AGENCY

Jonathan H. Spalter, of the District of Columbia, to be an Associate Director of the United States Information Agency.

UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

Hugh Q. Parmer, of Texas, to be an Assistant Administrator of the Agency for International Development.

DEPARTMENT OF DEFENSE

Carolyn H. Becraft, of Virginia, to be an Assistant Secretary of the Navy.

Ruby Butler DeMesme, of Virginia, to be an Assistant Secretary of the Air Force.

Patrick T. Henry, of Virginia, to be an Assistant Secretary of the Army.

IN THE AIR FORCE

The following Air National Guard of the United States officer for appointment in the Reserve of the Air Force to the grade indicated under title 10 U.S.C., section 12203:

To be brigadier general

Col. George W. Keefe, 3692

The following Air National Guard of the United States officer for appointment in the Reserve of the Air Force to the grade indicated under title 10 U.S.C., section 12203:

To be major general

Brig. Gen. Richard C. Cosgrave, 5678

The following named officer for appointment in the United States Air Force 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. Roger G. DeKok, 6795

The following named officer for appointment in the United States Air Force to the grade indicated while assigned to a position of importance and responsibility under title 10 U.S.C., section 601:

To be lieutenant general

Lt. Gen. John W. Handy, 5379

The following named officer for appointment in the United States Air Force 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. Nicholas B. Kehoe, III, 3315

The following named officer for appointment in the United States Air Force 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. Maxwell C. Bailey, 0835

The following named officer for appointment in the United States Air Force 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. Phillip J. Ford, 8359

The following named officer for appointment in the United States Air Force 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 C. Marcotte, 7848

The following named officer for appointment in the United States Air Force as Chief, National Guard Bureau, and for appointment to the grade indicated under title 10, U.S.C., section 10502:

To be lieutenant general

Maj. Gen. Russell C. Davis, 2021

IN THE ARMY

The following named officer for appointment in the Reserve of the Army to the grade indicated under title 10, U.S.C., section 12203:

To be brigadier general

Col. Richard S. Colt, 4147

The following named officers for appointment in the United States Army to the grade indicated under title 10, U.S.C., section 624:

To be brigadier general

Keith B. Alexander, 9763
Dorian T. Anderson, 0294
Eldon A. Bargewell, 6135
David W. Barno, 9794
William H. Brandenburg, 9945
John M. Brown, III, 0258
Peter W. Chiarelli, 6598
Claude V. Christianson, 1982
Edward L. Dyer, 5307
William F. Engel, 8868
Barbara G. Fast, 1763
Stephen J. Ferrell, 9691
Thomas R. Goedkoop, 5449
Dennis E. Hardy, 6357
Steven R. Hawkins, 7697
John W. Holly, 6285
David H. Huntoon, Jr., 1919
Peter T. Madsen, 8165
Jesus A. Mangual, 6552
Thomas G. Miller, 3543
Robert W. Mixon, Jr., 6735
Virgil L. Packett, II, 9367
Donald D. Parker, 6333
Elbert N. Perkins, 0786
Joseph F. Peterson, 2747
David H. Petraeus, 1960
Marilyn A. Quagliotti, 8480
Maynard S. Rhoades, 6348
Velma L. Richardson, 6426
Michael D. Rochelle, 4381
Joe G. Taylor, Jr., 0884
Nathaniel R. Thompson, III, 5240
Alan W. Thrasher, 6690
James D. Thurman, 8182
Thomas R. Turner, II, 7116
John M. Urias, 6022
Michael A. Vane, 9890
Lloyd T. Waterman, 2903

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. Robert F. Foley, 9574

The following Army National Guard of the United States officer for appointment in the Reserve of the Army to the grade indicated under title 10, U.S.C., section 12203:

To be brigadier general

Col. Dale R. Barber, 8409

The following named officer for appointment in the United States Army to the grade indicated under title 10, U.S.C., section 624:

To be brigadier general

Col. Robert T. Dail, 5056

The following named officer for appointment in the Reserve of the Army to the grade indicated under title 10, U.S.C., section 12203:

To be brigadier general

Col. Robert A. Cocroft, 7353

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. Leon J. LaPorte, 0933

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. James M. Link, 6041

The following Army National Guard of the United States officers for appointment in the Reserve of the Army to the grade indicated under title 10, U.S.C., section 12203:

To be major general

Brig. Gen. Edmund C. Zysk, 6065

To be brigadier general

Col. William J. Davies, 1673
Col. James P. Combs, 0758

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. John N. Abrams, 5774

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. David H. Ohle, 2815

The following Army National Guard of the United States officers for appointment in the Reserve of the Army to the grade indicated under title 10, U.S.C., section 12203:

To be major general

Brig. Gen. Paul J. Glazar, 2517
Brig. Gen. John R. Groves, Jr., 2716
Brig. Gen. David T. Hartley, 1609
Brig. Gen. Lloyd E. Krase, 3636
Brig. Gen. Bennett C. Landreneau, 0645
Brig. Gen. Benny M. Paulino, 5606
Brig. Gen. Jean A. Romney, 1872
Brig. Gen. Allen E. Tackett, 5032

To be brigadier general

Col. Richard W. Averitt, 7139
Col. Daniel P. Coffey, 4196
Col. Howard A. Dillon, Jr., 1659
Col. Barry A. Griffin, 8148
Col. Larry D. Haub, 3445
Col. Robert J. Hayes, 7789
Col. Lawrence F. Lafrenz, 4984

Col. Victor C. Langford, III, 4215
Col. Thomas P. Mancino, 3133
Col. Dennis C. Merrill, 5790
Col. Walter A. Paulson, 4766
Col. Robley S. Rigdon, 7740
Col. Kenneth B. Robinson, 8162
Col. Roy M. Umbarger, 9266
Col. Jimmy R. Watson, 5571
Col. Paul H. Wieck, 5055

The following Army National Guard of the United States officer for appointment in the Reserve of the Army to the grade indicated under title 10, U.S.C., section 12203:

To be major general

Brig. Gen. Emilio Diaz-Colon, 2517

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. Edward G. Anderson, III, 2536

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. Thomas A. Schwartz, 0711

The following named officer for appointment in the United States Army to the grade indicated under title 10, U.S.C., section 624(c):

To be brigadier general, Judge Advocate General's Corps

Col. Thomas J. Romig, 9070

The following Army National Guard of the United States officer for appointment in the Reserve of the Army to the grade indicated under title 10, U.S.C., section 12203:

To be brigadier general

Col. Bruce W. Pieratt, 4901

IN THE NAVY

The following named officer for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

To be rear admiral

Rear Adm. (1h) Peter A. C. Long, 9560

The following named officer for appointment as Chief of Chaplains and for appointment to the grade indicated under title 10, U.S.C., section 5142:

To be rear admiral

Rear Adm. (1h) Anderson B. Holderby, Jr., 9991

The following named officers for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

To be rear admiral (lower half)

Capt. Michael E. Finley, 8251
Capt. Gwilym H. Jenkins, Jr., 0193
Capt. James A. Johnson

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. James F. Amerault, 0491

The following named officer for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 624:

To be rear admiral

Rear Adm. (1h) Michael L. Cowan, 2470

The following named officer for appointment in the United States Navy to the grade indicated under title 10, U.S.C., section 601:

To be vice admiral

Rear Adm. Joseph S. Mobley, 1731

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. Edward Moore, Jr., 0064

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., 9037,

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. Herbert A. Browne, Jr., II. 4815,

CORPORATION FOR PUBLIC BROADCASTING

Diane D. Blair, of Arkansas, to be a Member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring January 31, 2004.

DEPARTMENT OF TRANSPORTATION

Kelley S. Coyner, of Virginia, to be Administrator of the Research and Special Programs Administration, Department of Transportation.

CORPORATION FOR PUBLIC BROADCASTING

Ritajean Hartung Butterworth, of Washington, to be a Member of the Board of Directors of the Corporation for Public Broadcasting for a term expiring January 31, 2004.

NOMINATIONS PLACED ON THE SECRETARY'S DESK

IN THE AIR FORCE, ARMY, COAST GUARD, MARINE CORPS, NAVY

Air Force nominations beginning Albert K. Aimar, and ending Jerry L. Wilper, which nominations were received by the Senate and appeared in the Congressional Record of June 15, 1998.

Air Force nominations beginning Hedy C. Pinkerton, and ending Philip M. Shue, which nominations were received by the Senate and appeared in the Congressional Record of July 7, 1998.

Air Force nominations beginning John J. Abbatiello, and ending Michael P. Zumwalt, which nominations were received by the Senate and appeared in the Congressional Record of July 7, 1998.

Army nominations beginning Johan K. Ahan, and ending Clorinda K. Zawacki, which nominations were received by the Senate and appeared in the Congressional Record of May 22, 1998.

Army nomination of Angela D. Meggs, which was received by the Senate and appeared in the Congressional Record of June 15, 1998.

Army nominations beginning Kevin C. Abbott, and ending Mark G. Ziemba, which nominations were received by the Senate and appeared in the Congressional Record of July 7, 1998.

Army nominations beginning *Celethia M. Abner, and ending *Shanda M. Zugner, which nominations were received by the Senate and appeared in the Congressional Record of July 7, 1998.

Army nominations beginning Robert D. Branson, and ending William B. Walton, which nominations were received by the Senate and appeared in the Congressional Record of July 17, 1998.

Army nominations beginning Mark A. Acker, and ending X4578, which nominations were received by the Senate and appeared in the Congressional Record of July 17, 1998.

Coast Guard nomination of Christopher A. Buckridge, which was received by the Senate and appeared in the Congressional Record of June 17, 1998.

Marine Corps nomination of Michael J. Colburn, which was received by the Senate and appeared in the Congressional Record of June 15, 1998.

Marine Corps nominations beginning Reginald H. Baker, and ending James J. Witkowski, which nominations were received by the Senate and appeared in the Congressional Record of June 15, 1998.

Navy nominations beginning Mark T. Ackerman, and ending Mary J. Zurey, which nominations were received by the Senate and appeared in the Congressional Record of May 22, 1998.

Navy nominations beginning David Abernathy, and ending Michael B. Witham, which nominations were received by the Senate and appeared in the Congressional Record of June 15, 1998.

Navy nominations beginning Sanders W. Anderson, and ending Paul R. Zambito, which nominations were received by the Senate and appeared in the Congressional Record of June 15, 1998.

Navy nominations beginning John S. Andrews, and ending William M. Steele, which nominations were received by the Senate and appeared in the Congressional Record of June 15, 1998.

Navy nominations beginning Paul S. Webb, and ending Wesley P. Ritchie, which nominations were received by the Senate and appeared in the Congressional Record of July 7, 1998.

Navy nominations beginning Kevin J. Bedford, which was received by the Senate and appeared in the Congressional Record of July 7, 1998.

Navy nominations beginning Douglas J. McAneny, and ending Richard A. Mohler, which nominations were received by the Senate and appeared in the Congressional Record of July 17, 1998.

NOMINATION OF RAYMOND BRAMUCCI AS ASSISTANT SECRETARY OF LABOR

Mr. LAUTENBERG. Mr. President, I rise in support of the nomination of Ray Bramucci for the position of Assistant Secretary of Employment and Training in the Department of Labor.

Mr. President, I have known Ray for many years. He is a man of enormous integrity, deep commitment to public service, and is ready and anxious to take up his responsibilities at the Department of Labor. Ray has a passion for making things better, and believes strongly in lifelong education and job training for our youth, especially our disadvantaged youth. He will give this job his full measure. I urge the Senate to move rapidly to confirm him.

A leading figure in New Jersey politics and public affairs, Ray's expertise in labor-management relations, job training initiatives, employment services, and policy development provides a solid foundation for overseeing the administration of agency programs as Assistant Secretary. From 1990 to 1994, Mr. Bramucci served as Commissioner of the New Jersey Department of Labor. In this position, he was a key cabinet member and principal advisor to the Governor on matters of both statewide and national impact, particularly in regard to economic development, education and training, and labor relations.

Mr. Bramucci also served as Chief Executive Officer of the New Jersey Department of Labor, an agency charged with workforce training and preparation, protecting workers from exploitation, and providing income security through benefit programs for injured, ill, and unemployed workers. While in office, he successfully created and implemented a number of ground breaking initiatives, including the Workforce Development Partnership, a program which has helped to train and upgrade worker skills since July 1992 and is training over 15,000 workers today. He helped to establish the nation's first state-funded program to provide extended unemployment benefits to workers who had exhausted their regular claims, as well as the New Jersey State Employment and Training Commission and the Employment Security Council, two national leaders in reforming and revitalizing the worker security system.

To the position of Assistant Secretary, he would also bring the skills he acquired in his 22 years of service as part of the International Ladies' Garment Workers' Union. During this time, he rose from shop floor worker to eventually become the senior executive and key negotiator for the Union, in which he played a central role in negotiating hundreds of individual and industry-wide contracts.

From 1979 to 1990, he was Director of New Jersey Operations for our former colleague, Bill Bradley. Ray was the eyes and ears for Senator Bradley in New Jersey, and a key adviser to him on political and policy matters. It was during this period that I got to know Ray well, and then when he served as Labor Commissioner. In recognition of his many accomplishments, he has been named to the Executive Board of CDS International, Inc., the Commission Board of the New Jersey Black Achievers Program of Business and Education, and President of the New Jersey Caucus Education Corporation.

Mr. President, the Assistant Secretary for Employment and Training is charged with directing Department programs and ensuring that programs funded through the agency are free from unlawful discrimination, fraud, and abuse. Ray Bramucci has the experience and commitment to assume these responsibilities with sensitivity and skill. He will make an exceptional Assistant Secretary. I thank my colleagues for confirming Ray Bramucci so he can get on with the job.

NOMINATION OF PATRICK T. HENRY TO BE ASSISTANT SECRETARY OF THE ARMY FOR MANPOWER AND RESERVE AFFAIRS

Mr. LEVIN. Mr. President, I am delighted to support the nomination of Patrick T. Henry to be the Assistant Secretary of the Army for Manpower and Reserve Affairs.

P.T. Henry has served on the staff of the Armed Services Committee for the last five years. Before that, he had a distinguished career on active duty in the Marine Corps and in the Office of the Secretary of Defense, as well as serving as the Chief of Staff of the American Red Cross here in Washington.

Mr. President, I can't think of a better person to serve in this important position. P.T. Henry has played a key role in virtually every Defense manpower and personnel issue in the last two decades. Whether the issue is quality of life issues, military pay and benefits questions, recruiting and retention, or military health care, the United States Senate and the men and women of our armed forces have benefitted tremendously from the advice and counsel of P.T. Henry.

I know that every member of the Armed Services Committee agrees with me that P.T.'s expertise in the area of Defense manpower and personnel issues is exceeded only by his commitment to the welfare of the men and women of the armed forces and their families. I am disappointed that P.T. will be leaving the Armed Services Committee staff, but I am delighted and proud that he will be moving to such an important position in the Defense Department. The Senate's and the Armed Services Committee's loss is certainly the Army's gain.

Mr. Chairman, I want to thank P.T. Henry for his service to the Senate and the nation. I know that he will do an outstanding job as the Assistant Secretary of the Army for Manpower and Reserve Affairs, and that he will continue to be an effective advocate for the men and women of the Army.

NOMINATION OF BRIGADIER GENERAL ALLEN E. TACKETT

Mr. BYRD. Mr. President, I am pleased that the President has nominated Brigadier General Allen E. Tackett for the rank of Major General. Brigadier General Tackett, a resident of Miami, West Virginia, graduated from East Bank High School and earned a Bachelor of Arts degree from the University of Charleston, Charleston, West Virginia. He began his military career over 35 years ago as a Private in the Special Forces. Advancing from a Private to a Major General is an accomplishment which exemplifies his dedication to the National Guard, our country, and our State of West Virginia.

Brigadier General Tackett is a military graduate of the Special Warfare Center, Jumpmaster Course; Infantry Officer Basic and Advanced Courses; Command and General Staff College; and the Special Warfare Center, Techniques of Special Operations.

Brigadier General Tackett's major decorations include the Meritorious Service Medal, Army Commendation Medal, Army Achievement Medal, National Defense Medal, Humanitarian Medal, and the Armed Forces Reserve Medal. He was awarded, through rigorous training and proven efficiency, the coveted Special Forces Tab and Master Parachutist Badge.

Three years ago, Brigadier General Tackett assumed his current prestigious command as Adjutant General, West Virginia National Guard, with leadership responsibility for six thousand men and women serving in the West Virginia National Guard.

Mr. President, I am pleased to cast my vote for the confirmation of Brigadier General Allen E. Tackett as Major General, and I urge my colleagues to support this nomination.