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House of Representatives

The House met at 11 a.m.

The Reverend Dr. Ronald F. Christian, Chaplain, Lutheran Social Services, Washington, D.C., offered the following prayer:

God of all grace and mercy, we pause at the beginning of this workday to remember and give thanks.

With reverence and affection, we remember before You again this day 2 persons who in the course of performing daily duties, sacrificed their very lives as a part of their call to serve us all.

With gratitude and appreciation we remember all people who must summon the courage this day to face new challenges that are ahead in life's uncharted waters.

With a deep sense of our place in this moment of history, we remember all those who have formed and shaped us in such a way that we are able to recognize the importance of this hour and this day for our work and in our relationships.

Almighty God, we give You our thanks and our gratitude for the opportunity to serve You and in so doing help our neighbor. Dispose, we pray, this day and our deeds in Your peace. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from California (Mr. MATSUI) come forward and lead the House in the Pledge of Allegiance.

Mr. MATSUI led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 158. Concurrent resolution designating the Document Door of the United States Capitol as the ''Memorial Door''.

The message also announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 1555. An act to authorize appropriations for fiscal year 2000 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 1555) ''An Act to authorize appropriations for fiscal year 2000 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes,'' requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints from the Select Committee on Intelligence: Mr. SHELBY, Mr. CHAFEE, Mr. LUGAR, Mr. DEWINE, Mr. KYL, Mr. INHOFE, Mr. HATCH, Mr. ROBERTS, Mr. ALLARD, Mr. KERREY, Mr. BRYAN, Mr. GRAHAM, Mr. KERRY, Mr. BAUCUS, Mr. ROBB, Mr. LAUTENBERG, and Mr. LEVIN; and from the Committee on Armed Services: Mr. WARNER, to be the conferees on the part of the Senate.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The 1-minute requests will be at the end of legislative business today.

FINANCIAL FREEDOM ACT OF 1999

The SPEAKER. The unfinished business is the further consideration of the bill (H.R. 2488) to amend the Internal Revenue Code of 1986 to reduce individual income tax rates, to provide marriage penalty relief, to reduce taxes on savings and investments, to provide estate and gift tax relief, to provide incentives for education savings and health care, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. When proceedings were postponed on legislative day of Wednesday, July 21, 1999, pursuant to section 2 of the House Resolution 256, 1 hour of general debate remained on the bill.

The gentleman from Texas (Mr. ARCHER) and the gentleman from New York (Mr. RANGEL) each have 30 minutes remaining.

The Chair recognizes the gentleman from Texas, (Mr. ARCHER).

Mr. ARCHER. Mr. Speaker, I yield 3 minutes to the gentlewoman from Washington (Ms. DUNN), a very highly regarded and respected member of the Committee on Ways and Means.

Ms. DUNN. Mr. Speaker, I rise today to express my enthusiastic support for the Financial Freedom Act of 1999. This bill provides essential tax relief for every American who wants to secure a better future for himself or herself and for their children. No other provision, Mr. Speaker, is as historic in this bill as the elimination of the death tax.

The freedom to obtain prosperity and to accumulate wealth is uniquely American; and when unfettered, it is a wonderful thing to behold. Yet, the current tax treatment of a person's life

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savings is so onerous and so burdensome that children are often forced to turn over half of their inheritance to the Federal Government. It is as wrong as it is tragic, and it dishonors the hard work of those who have passed on.

Today, Mr. Speaker, less than half of all family-owned businesses survive the death of the founder, and only about 5 percent survive to the third generation. Under current law, it is cheaper for an individual to sell his or her business prior to death and pay the capital gains than pass it on to their children. This is indeed terrible public policy.

As a result, Congress has tried over the years to provide targeted death tax relief to certain people. First, we adopted a unified credit to protect small estates from taxation. With the rising tide of small business growth and the proliferation of retirement annuities, however, many middle class families are being pushed above this exemption.

Secondly, Congress, in 1997, adopted a family-owned business exemption in addition to provide additional relief to families and to small family farms. It was a good idea at the time, but this exemption has proven to be a real boondoggle. It is a boondoggle for attorneys who must be hired by families trying to navigate their way through the 14-point eligibility test.

I recently asked an estate planner who advises 200 family-owned businesses how many of his clients qualify for this new relief. His answer was 10 out of 200. On average, only about 3 percent of family-owned farms can qualify under this provision. As much as we try, it is just impossible to duplicate in law the complex relationships that exist in families in the real world.

It is time to be bold.

The Financial Freedom Act offers the only true relief that will work to complete the elimination of the death tax. The death tax is not a tax on wealth, it is a tax on the accumulation of wealth. That is why it is supported by the Black Chamber of Commerce, who feel that they have 3 generations to put together a legacy to create their power base in this society, and the death tax is their enemy. It is supported by the Hispanic Chamber of Commerce and the National Indian Business Council. These groups understand the truly devastating impact that the death tax has on the pursuit of wealth and power in our society.

Mr. Speaker, I urge my colleagues to support the Financial Freedom Act. It encourages savings, investment risk, and the creation of wealth. It is also time, Mr. Speaker, I believe, to honor our most fundamental values, not tax them.

Mr. RANGEL. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. MATSUI), a senior member of the Committee on Ways and Means.

Mr. MATSUI. Mr. Speaker, I thank the gentleman from New York, the ranking member of the Committee on Ways and Means, for yielding me this time.

Mr. Speaker, in January of 1995, after 1 year of taking over the House of Representatives, the Republicans took probably the most irresponsible act I have seen in my 21 years in Congress when they shut down the Federal Government for a period of about 2 weeks. We had the threat of perhaps Social Security checks being withheld, veterans' benefits being withheld.

I have to say that as I stand here on the floor of the House today, the tax bill that they have before us and the vote that they will take in a few hours is the second most irresponsible act that they have had in the last 5½ years since they have taken control of this institution.

If this bill ever became law, and God forbid if it did, we would be cutting veterans' benefits by some 25 percent over the next 10 years, we would be cutting education benefits by 25 percent over the next 10 years, we would be cutting Social Security and Medicare, and the Republicans whom we will be hearing from during the course of this debate, they have a lockbox that preserves the Medicare surplus and the Social Security surplus.

That will only maintain the status quo. You will still have a cash flow problem in the year 2013, 14 years from now. And by the year 2035, just a generation from now, the whole Social Security system, in fact, will go bankrupt. That will be the consequence of this legislation.

The legislation also does one other thing, and we have not been able to get really a distribution table to find out exactly where the benefits will go, but we do know some things. Over the next 10 years, people making $300,000 and above, families making $300,000 and above will get about 50 percent of this tax cut. So we are going to take away from veterans, we are going to take away from education, and we are going to take away from Social Security recipients to give to the most wealthy Americans in this country.

So the fact of the matter is that this bill again is second in the most irresponsible act that I have seen in my 21 years here, next to the closure of the Federal Government in 1995.

Mr. ARCHER. Mr. Speaker, I yield 3 minutes to the gentleman from Iowa (Mr. NUSSLE), another respected member of the Committee on Ways and Means.

Mr. NUSSLE. Mr. Speaker, come on. I would say to my colleague from California, I mean people out there listening to this, it cannot be as bad or as good as anybody is saying.

Cutting education benefits. Last night we heard from colleagues saying, this is really small. It has no impact on my district at all. In fact, somebody came to the floor and said, my constituents only get $1 a month. And now we have colleagues coming to the floor saying this is the most irresponsible, devastating legislation to ever meet the Congress of the United States. Education benefits will be cut; veterans thrown out on the street. My goodness, how can it be that good and that bad all in one bill?

Well, let me suggest to my colleague that it is not that good or that bad, but it does come down to a fundamental principle that all of us have to come to grips with.

Number one, whose money is this? Whose money are we talking about? It is not yours, and it is not mine. It is not the Democrats'. It is not the Republicans'. It is not the Committee on Ways and Means. It is not the House of Representatives. This is not the government's money. These people who work so hard in your district, in my district, to send that money to Washington, it is their money, number one.

Number two, we are not giving the money back. We are saying, keep it. We are saying, we believe you are good people in a great Nation who make better decisions about your daily lives than the government can for you. And yes, we need some of those resources to operate the Federal Government, but when we take enough, when we take too much, we are going to allow you to keep it in the future, because we believe you spend that money more wisely.

Number three, I would ask the people who are listening to this debate, and I ask the Speaker and my colleagues to just speak common sense, what would you do if you had a little bit of extra money. This is what we are proposing. This is what the bill does. Throwing veterans out in the street, cutting education. Come on. We heard Medicare; we heard all of that for so many years. Nobody out there believes that. Nobody out there believes that. This is a great country. We do not do that to people.

What we do is we say some of the money ought to go back to people and just stay there, let them spend it, and the rest of it ought to go to debt relief. We have an opportunity to pay down the national debt, the first time since 1969 that any serious attempt at all will be made to pay down the national debt. Is it enough? No, I would like to pay down more.

Is this enough tax relief? No. I would love for people to be able to keep a little bit more. But this is a responsible balance. One-third tax relief; two-thirds debt relief. I would ask the people that are listening, does that not make sense, to keep a little bit and pay down the debt.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Maryland (Mr. HOYER).

Mr. HOYER. Mr. Speaker, I thank the distinguished gentleman from New York for yielding me this time.

I came here in 1981. We had a $749 billion tax cut on the floor, and the rhetoric I heard was the same. The people need to keep their money.

□ 1115

We do not need all the money. We need to downsize government. And so we passed a $749 billion tax cut and we

quadrupled the debt on our children and on our grandchildren, because we did not pay our bills.

Ronald Reagan and George Bush asked for more spending in those 12 years than the Congress appropriated.

My friend says that we want to have people keep the money. That would be very nice. But guess what? The trigger which does not affect the middle class, the trigger that does not affect the middle class is that trigger which says the capital gains tax, the estate tax, and the other taxes that go to our most wealthy citizens will not be affected if the debt goes up, because they are locked in. It is only the little guys who will be adversely affected if the debt goes up.

Situation normal.

The same old same old or, as Ronald Reagan said in that famous debate, here we go again; on the road to more and more debt, not saving Social Security, not making sure that Medicare is there for those in the future.

I would say to my colleagues that debt that they talk about paying down is all Social Security. Why? Because the trillion dollars that they use for the debt relief is the on-budget operating surplus. No money for defense, no money to stabilize and keep secure our economy.

Here we go again. We did it in 1981 and quadrupled our deficit. Let us not do it again to our children and grandchildren.

Mr. ARCHER. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania (Mr. ENGLISH), another respected member of the Committee on Ways and Means.

Mr. ENGLISH. Mr. Speaker, I thank the chairman, the gentleman from Texas (Mr. ARCHER), for the opportunity to speak and I congratulate him on his extraordinary tax bill that we bring to the floor today.

The Financial Freedom Act of 1999 legislation is a huge step toward restoring the American dream for millions of American families, the rhetoric on the other side notwithstanding. What they do not get is that in a market economy, robust economic growth is the most important catalyst for social justice. A growing economy means greater opportunity for all and greater access for the American dream.

The Financial Freedom Act will stimulate economic growth by rewarding savings and investment and reducing the tax burden on the American economy. It does this by reducing all, all, individual income tax rates, cutting the capital gains tax, allowing small business a larger write-off on investments to create jobs and repealing the AMT, the most anti-growth feature in the current Tax Code.

Mr. Speaker, it would also benefit communities and industries that have been passed by in the current prosperity. It contains tax relief for family farms and tax relief for our beleaguered domestic steel industry. It also calls for the creation of new American renewal communities in some of our most distressed localities where investment in old neighborhoods and new firms would be greenlined under this bill and low-income residents would be given new incentives to save through family development accounts for the thrifty.

Finally, the Financial Freedom Act of 1999, instead of cutting education funding, makes college more affordable by extending tax breaks on student loans, permitting private universities to offer tax-deferred prepaid tuition plans and exempting the earnings of all college tuition plans from taxation. In doing so, it makes the dream of higher education more accessible for millions of students in the struggling middle class.

Mr. Speaker, now that the House Republicans have set aside an unprecedented $1.9 trillion for Social Security and Medicare, programs that they looted like Visigoths when they were in the majority. We embark today on an effort to return some $790 billion to the American taxpayer, growing the economy, and creating individual opportunity in the process.

This legislation is much needed and well-deserved tax relief for the American people. I urge all of my colleagues to set aside the empty partisan rhetoric and to vote in favor of this important legislation. Strike a blow for a growing economy. Strike a blow for the middle class. Vote for this legislation.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts (Mr. NEAL), a distinguished member of the Committee on Ways and Means.

(Mr. NEAL of Massachusetts asked and was given permission to revise and extend his remarks.)

Mr. NEAL of Massachusetts. Mr. Speaker, Members on both sides of the aisle have said that the tax bill reported by the Committee on Ways and Means is a bill that makes budget priorities clear. These Members are right. This is a debate about Social Security and Medicare and paying down the Federal budget debt.

Our priority on the Democratic side is clear. It is saving Social Security first, fixing Medicare, and making sure the Federal deficits from the last era do not return under an unreasonable tax bill offered by the Republican Party.

As we all know, the 1981 tax bill was the leading cause of deficits we incurred during the past 15 years, but the Republican slogan today is clear. Extremism in the pursuit of a tax cut is no vice.

This priority is a reckless tax bill based upon uncertain economic projections and based on unlikely assumptions about Draconian cuts in the future of government spending: programs like law enforcement, farm aid, education, veterans programs, to name just a few. They almost could not even get this tax bill to the floor because the moderates in their own party are suspicious of where this legislation will take us.

On the Democratic side, we are not saying we are against tax cuts. We are simply saying, fix Social Security and Medicare first. Leave enough of a reserve to pay down the Federal debt and then talk about a modest tax cut initiative aimed at working class Americans, not the wealthiest among us who are not even clamoring for a tax cut at this time.

Social Security is the Nation's premier program. It is the greatest achievement legislatively of this century. It has been crucial to the way elderly Americans have lived during the last 60-plus years and we have a chance now to protect it. Reject this bill. It is irresponsible and reckless.

Mr. ARCHER. Mr. Speaker, I yield 2 minutes to the gentleman from Kentucky (Mr. LEWIS), another respected member of the Committee on Ways and Means.

Mr. LEWIS of Kentucky. Mr. Speaker, today I think the question in this debate boils down to one thing: Who do we trust?

I arrived here in 1994, at the end of the 40-year period of Democrat rule of this House of Representatives. They were running 200-plus billion dollar deficits and created a $5 trillion debt. Government was growing at an exponential rate. They were ready and willing to place upon this country a government program that would have taken us over the line, a government program called socialized medicine. There was not enough money for them to spend. They just kept taking it out of Social Security and Medicare, wherever they could get the money to create larger government all the time.

To hear them talk about debt reduction is amusing. Talk about revisionist history. We listened to it last night.

When I came here, I signed a contract, the Contract with America, that would balance the budget, that would cut taxes, that would reform welfare, that would reduce the size of government and allow people to keep more of their money. They fought it every inch of the way.

Yes, there was a government shutdown. Know why? Because the President would not sign the Balanced Budget Act that he is so wonderfully willing to take credit for today.

The question is, who do we trust?

They did not get the title ''tax-and-spend'' liberals for nothing. I think it is a very appropriate title and it still sticks with them today.

The question is who do we trust? It is like if we believe them, it would be like asking Jessie James to guard the bank vault for a little while. I do not think we want to do that. I do not think we want to go back to 40 years of tax-and-spend liberals.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Baltimore, Maryland (Mr. CARDIN), a member of the committee.

Mr. CARDIN. Mr. Speaker, I was listening to my friend. I believe in the

Contract with America there was the provision that it is wrong for us to enact laws that apply to the private sector and do not apply to us. One of those laws is truth in advertising. If we are going to comply with that law, this bill should not be called the Financial Freedom Act of 1999. It should be called the Financial Irresponsibility Act of 1999.

Let us talk about debt reduction. My Republican friends say they are using two out of every three dollars for debt reduction, assuming there is $3 trillion in surplus in the next 10 years. There is only $1 trillion in surplus. The other $1.9 trillion is in Social Security and we all agree that needs to be lockboxed. However, the Republican bill spends it. We do not have it.

Then they spend the $1 trillion before we even receive it. There is not a dime for deficit reduction in their proposals.

Truth in advertising. They jeopardize our economy. Then they talk about the thousands of dollars on a per capita basis that my constituent is going to receive. Why do they not tell everybody that that is a 10-year cumulative number? Their tax year of 10 percent does not become real this year; only 1 percent during the next 3 years. We have to wait for 9 years for half of that to come into effect. Truth in advertising. Tell the people what they are doing.

The height of irresponsibility is what happens in the out-years. They advertise this to be $1 trillion with interest during the first 10 years, but it balloons to another $3 trillion in the next 10 years, just as the baby boomers are reaching age for Medicare and Social Security. They cannot do this bill and Social Security and Medicare. It cannot be done. They spend the Social Security money. They spend the surplus money twice. That is irresponsible.

Then the Speaker tells us there is a provision in this bill to deal with the earnings limit, giving our seniors hope they can earn more. That is not in this bill. Truth in advertising. I know we have a speech and debate clause that protects us for our truthfulness on the floor, but let us be honest with our constituents. We have a chance to do it in the motion to recommit. It speaks to the priorities that we should be talking about. Fifty percent for deficit reduction; 25 percent for tax relief; and 25 percent for the other priorities, Social Security, Medicare, and veterans benefits.

Support the motion to recommit.

Mr. ARCHER. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. SMITH).

(Mr. SMITH of Michigan asked and was given permission to revise and extend his remarks.)

Mr. SMITH of Michigan. Mr. Speaker, I am a farmer from Michigan. There is a lot of hogwash and rhetoric being shoveled on this tax debate. So I challenge, Mr. Speaker, the American people to try to separate the hay from the chaff.

I came into Congress in 1993. It was a Democratic majority at that time and what they and the President did first off was increase taxes by $280 billion over the 5 years of the budget. They used the, $280 billion tax increase to grow government.

Let me report what this tax bill we're discussing today does over 5 years. It reduces taxes $156 billion and reduces the public debate $800 billion.

What happened in 1993 was a slowdown of the economy. Four and a half years ago, the Republicans took the majority. The first thing we did in this Congress was have a rescission bill that reduced expenditures. We have held the line on expenditures. The Democrats have been complaining that Republicans are too frugal, they are not spending enough money. I look at the bill of the gentleman from New York (Mr. RANGEL) that he is going to offer as a substitute, and as it turns out it is a tax increase.

It is consistent with what the President has suggested. The President has schemed in his budget that we have a tax increase of $100 billion and that we expand the spending of government by that $100 billion. If the papers are correct, the Democrat leader over in the Senate is suggesting that we use one-third of the surplus to have a tax cut; we use two-thirds to expand this government. That is the danger. Who believes if we do not get this money out of town and back in the pockets of the workers that earned it, Washington politicians are not going to spend it. Unlike the growing of crops on the farm, the growing of government is not good. I am very interested and concerned with paying down the debt. Republicans have been in the majority for 4½ years. In that time we have cut spending, stopped spending the Social Security Trust Fund money and balanced the budget. For most every year that the Democrats were in the majority prior to 1995, they spent the Social Security Trust Fund surplus on other government programs and increased the debt of this country to $5 trillion.

In the first 5 years of this tax proposal we pay down the public debt by $900 billion; $900 billion. Also we are doing more. With the tax cut we now require that Washington reduce the debt. Now we have a trigger.

I would say to the gentleman from Texas (Mr. ARCHER), I hope the conferees will proceed with dedication to make sure that this tax bill assures that we continue our effort to pay down the debt.

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Mr. RANGEL. Mr. Speaker, I yield 2½ minutes to the gentleman from Georgia (Mr. LEWIS), a member of the Committee on Ways and Means.

Mr. LEWIS of Georgia. Mr. Speaker, the Republican tax bill is a ''do-nothing'' bill. It does nothing to protect Social Security, nothing to strengthen Medicare, nothing to reduce our national debt, and next to nothing to help working Americans.

Mr. Darrell Stinchcomb is a fifth grade teacher in the Atlanta public school system. Darrell loves to teach and works hard to educate the next generation. In return, he earns $32,000 a year. Unfortunately, this Republican tax bill does almost nothing to help working Americans like Darrell. Under the Republican plan, Darrell would get a tax cut of just $20 a month, $240 a year. Yet a person earning $200,000 a year or more would get a tax break of over $9,000. $240 for working people like Darrell, $9,000 for the richest people in America. That is not right. That is not fair. That is not just. It is a shame and a disgrace.

Most working Americans will receive little or nothing under the Republican tax bill. It does nothing, not one thing, to protect Social Security and Medicare. Nothing, but nothing, to reduce the national debt. A thousand for the rich, pocket change for working Americans. That is the Republican tax bill.

Mr. Speaker, when I was growing up in rural Alabama, I was responsible for raising the chickens. The first lesson I learned was never, ever to count your chickens before they hatch. This Republican tax bill spends billions of dollars before we have it in the bank. It is a mistake. It is irresponsible. It is not the right thing to do.

We finally have an opportunity to protect the future of Social Security and Medicare, not just for ourselves and our parents but for future generations. The Republican tax bill is a step in the wrong direction. It is a step backward. I urge my colleagues to defeat this irresponsible bill.

Mr. ARCHER. Mr. Speaker, I yield 1½ minutes to the gentleman from Louisiana (Mr. MCCRERY), another respected member of the Committee on Ways and Means.

Mr. MCCRERY. Mr. Speaker, I rise today primarily to thank the Chairman of the Committee on Ways and Means, the gentleman from Texas (Mr. ARCHER), to thank him for having the wisdom and the courage to put together a tax bill that addresses not just the high-profile popular calls for tax relief that grab the headlines and provide us politicians with applause lines, but a tax bill that provides tax relief to the business community in the United States in a way that will result in greater availability of capital in this country for investment, more jobs being created here, and more jobs being saved here.

This is not only a responsible tax cut, it is a needed tax cut if we want American companies to be competitive in the world marketplace in the next century.

Look, remember 2 years ago, when we Republicans cut taxes? We were called irresponsible then by the same people in the opposition party that are today calling us irresponsible for offering this tax cut. Remember their words? ''You cannot cut taxes and balance the budget.'' How many times did I hear that? Well, obviously they were

wrong then. We did cut taxes and balance the budget. And they are wrong today.

Mr. Speaker, I thank the gentleman from Texas for putting together an excellent tax cut and for helping American companies and American workers.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. MCNULTY), a member of the committee.

Mr. MCNULTY. Mr. Speaker, I thank my leader for yielding me this time.

My father and my grandfather, two great public servants, taught me that Harry Truman was one of the finest presidents in the history of our country, and I think that that was because he was possessed of such wonderful common sense. As a matter of fact, he became known for saying ''Let's look at the record.'' And, Mr. Speaker, I think that is what we ought to do today.

In 1981, Ronald Reagan came to office and promised the Nation a balanced budget in 3 years. He never delivered on that promise. Not in 3 years, not in 4 years, not in 8 years, not in 12 years of the Reagan and Bush administrations. As a matter of fact, the opposite occurred.

Because of the huge tax cut which was implemented at the beginning of his term, we had larger and larger deficits throughout those years, $200, $300, $400 billion. And, yes, we quadrupled the national debt. All of the debt, Mr. Speaker, of the United States of America from George Washington to Jimmy Carter amounted to less than $1 trillion. And in the 12 years of the Reagan and Bush administrations that went to over $4 trillion. That is the record.

In 1993, Bill Clinton came to office and he promised to reduce the budget deficits. He did a lot more than that, Mr. Speaker. He eliminated them. And now we are having this wonderful debate about what to do with the extra money. That is the record.

We have a decision to make, Mr. Speaker. We can go with the policy of the 1980s, which gave us ever-increasing deficits which quadrupled the national debt, or we can do what I am going to do. I am going to stick with the winners, with Clinton and Gore and Gephardt and that man sitting right there, the gentleman from New York (Mr. RANGEL), and I am going to support his program of saving Social Security, saving Medicare, and reducing the national debt.

Mr. Speaker, I urge my colleagues to reject this bill and to support the Rangel substitute.

Mr. ARCHER. Mr. Speaker, I yield 2 minutes to the gentleman from Connecticut (Mr. SHAYS).

Mr. SHAYS. Mr. Speaker, I thank the distinguished Chairman of the Committee on Ways and Means for yielding me this time.

I have spent 12 years of my life in this place working with others to try to get our country's financial house in order and balance the Federal budget. And as hard as we worked, we really did not see much improvement until Republicans gained the majority in this House. When we gained the majority, we saw deficits projected of $100 billion, $200 billion dollars, going out for years and years and years.

Because of our efforts, we have reversed that. And now we have a budget surplus, projected over the next 10 years, of $3 trillion. Two trillion of those dollars we are setting aside for Social Security and Medicare, and we are going to pay down debt. One trillion is the true surplus outside the trust funds. And that is what we are debating.

I am absolutely convinced my colleagues on the other side want to spend it. And I believe if we leave it on the table, it will be spent. Absolutely convinced of it. And then 10 years from now we will have a higher level of government spending and we will need to deal with incredible expenditures that will come in the future, and our baseline will be very, very high.

Instead, we want to cut taxes. Not all of the $1 trillion. It may be, by the time we are done, $500 to $800 billion. They are tax cuts that help generate economic activity, and they are tax cuts that help families, and they are tax cuts that help education and allow us to deduct for health care. If we leave it on the table, it will be spent; and our spending base will be that much higher. If we return it in tax cuts and phase them in over time, I am absolutely convinced our economy will grow. But if, in the future, we find it does not, we do not have to implement the entire phase-in.

This is very responsible, and I say this particularly to Republicans: this is the most important thing we can do to finish what we started.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. BENTSEN).

(Mr. BENTSEN asked and was given permission to revise and extend his remarks.)

Mr. BENTSEN. Mr. Speaker, I rise in strong opposition to the Republican leadership's tax bill. This is the wrong policy at the wrong time that will only add to the national debt at the expense of Social Security and Medicare. We are debating a trillion dollar tax cut that is going to grow to $3 trillion in 20 years on assumptions that may well not pan out.

Nearly 20 years ago, then Senate Majority Leader Howard Baker of Tennessee called the Reagan tax cut a river boat gamble. I predict that like that gamble in 1981, this bill, too, if enacted, will result in increasing the national debt many times over.

It is a shame that after spending years of crawling out of the supply-side hole the Republicans put us in back in 1981, they now want to dig a new ditch, and even deeper.

What will this gamble cost in real terms? $3 trillion over 20 years. What will happen if the non-Social Security surpluses do not materialize? We will drive the Nation deeper into debt and jeopardize the future of Social Security, Medicare, and the American economy through rising inflation, higher interest rates, and a weak dollar.

This is the wrong idea, it is a bad idea, and we ought to defeat this plan.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. LEVIN).

(Mr. LEVIN asked and was given permission to revise and extend his remarks.)

Mr. LEVIN. First, Mr. Speaker, the trigger. It is not a trigger; it is a shot in the dark at the last minute. Let me tell my colleagues why. It is not tied to the debt but to interest on the debt, gross interest, that can go up as trust funds increase.

There also can be a perverse result. If there is a recession, there would be no tax cut. And then when we come out of a recession, a tax cut.

It applies only to the income tax, not to the other tax reductions. So what it applies to is the least regressive. One-third goes to 1 percent, another one-third goes to the 9 percent highest income earners in this country, and only one-third goes to 90 percent of taxpayers. It is already terrible enough in terms of its regressivity.

One last thing. According to the CBO, the debt subject to the limit does not decline until 2006, and that assumes no tax cut. So if we look at this trigger, it may result in no income tax reduction across the board through the first 10 years. It just does not make any sense.

Secondly, I want to show my colleagues this chart, the explosion in the second 10 years of a $3 trillion revenue loss. That is the same period when Social Security surpluses begin to fall, when Medicare runs out of money in 2015, when non-Social Security budget surpluses begin to fall.

This is reckless, reckless, reckless. It sells out our ability to act on Social Security and Medicare for the long run. Vote a resounding ''no'' on this bill and support the motion to recommit as well as the Rangel substitute bill.

Mr. ARCHER. Mr. Speaker, I yield such time as he may consume to the gentleman from Indiana (Mr. MCINTOSH) for the purpose of a colloquy.

Mr. MCINTOSH. Mr. Speaker, let me add before we begin the colloquy, that I, too, want to thank the gentleman from Texas (Mr. ARCHER) and the Committee on Ways and Means for bringing this bill to the floor. It has been said, and I agree, this is the most important piece of legislation that this Congress will pass. The gentleman has reached the soft underbelly of the tax-and-spend crowd by taking the revenues off the table and returning it to the American people, and I thank the gentleman for doing that.

As the chairman knows, along with many others in our conference, the gentleman from Mississippi (Mr. PICKERING) and I have been very interested

in making sure that the tax bill before us includes as much relief as possible for those American taxpayers who are paying entirely too much in taxes solely because they are married.

Mr. PICKERING. Mr. Speaker, will the gentleman yield?

Mr. MCINTOSH. I yield to the gentleman from Mississippi.

Mr. PICKERING. Mr. Speaker, I, too, would hope that when the gentleman from Texas goes to conference on this bill, that he will make an effort to see the amount of money used to provide relief to these married taxpayers is significantly greater than the amount set forth in the House bill.

I also want to join my colleague, Mr. Speaker, in thanking the gentleman for his leadership on a great package of tax relief and thank him for his assurances on this issue as well.

Mr. ARCHER. Mr. Speaker, will the gentleman yield?

Mr. MCINTOSH. I yield to the gentleman from Texas.

Mr. ARCHER. Well, I would say to both of the gentlemen, Mr. Speaker, that they have exemplified great leadership on giving couples marriage penalty relief, and they can be assured that in the conference, with the concurrence of the Senate, the amount of money designated for marriage penalty relief will be above the level in the House bill.

I think I also must add that a lot of credit goes to many, many other Members who have joined with these two gentlemen on this issue, particularly two members of the Committee on Ways and Means, the gentleman from Illinois (Mr. WELLER) and the gentleman from California (Mr. HERGER).

□ 1145

I think all of the country can be thankful for all of my colleagues.

Separately, Mr. Speaker, I am including in the RECORD at this point an exchange of letters with the Committee on Education and the Workforce, and an explanation of my amendment to H.R. 2488 making the reductions in the across-the-board tax rate reductions contingent on the annual change in the government's interest expenses on the total U.S. debt.

COMMITTEE ON WAYS AND MEANS,
Washington, DC, July 21, 1999.

Hon. WILLIAM F. GOODLING,
Chairman, Committee on Education and the Workforce, Washington, DC.

DEAR CHAIRMAN GOODLING: I write to confirm our mutual understanding with respect to further consideration of H.R. 2488, the ''Financial Freedom Act of 1999.'' H.R. 2488 was ordered favorably reported by the Committee on Ways and Means on July 14, 1999. Title XII of H.R. 2488, as reported, contains nearly 40 pension provisions in the tax code designed to improve retirement security.

As you know, on July 14, 1999, the Committee on Education and the Workforce ordered favorably reported H.R. 1102, the ''Comprehensive Retirement Security and Pension Reform Act.'' The bill, as introduced, was referred to the Committee on Ways and Means, and in addition, to the Committee on Education and the Workforce, and the Committee on Government Reform. Titles I-V of the bill, as reported, contain many of the tax provisions included in H.R. 2488, and Title VI contains comparison amendments to the Employee Retirement Income Security Act (ERISA) approved by your Committee.

In order to expedite consideration of H.R. 2488, you agreed to refrain from asking the Rules Committee to make in order an amendment to H.R. 2488 to include the provisions of Title VI of H.R. 1102, as reported. This was based on the understanding that I would continue to work with you to include agreed upon pension provisions within the jurisdiction of the Education Committee in the final conference report on H.R. 2488, and that I would not object to your request for conferees with respect to matters within the jurisdiction of your Committee when a House-Senate conference is convened on this legislation.

Finally, I will include in the RECORD a copy of our exchange of letters on this matter during floor consideration. Thank you for your assistance and cooperation in this matter. With best personal regards,

Sincerely,

BILL ARCHER,
Chairman.

COMMITTEE ON EDUCATION AND THE WORKFORCE,
Washington, DC, July 22, 1999.

Hon. BILL ARCHER,
Chairman, Committee on Ways and Means, Washington, DC.

DEAR CHAIRMAN ARCHER: Thank you for your letter and for working with me regarding H.R. 2488, the Financial Freedom Act. As you have correctly noted, Title XII of H.R. 2488, as reported, contains numerous pension provisions designed to improve retirement security. As you also know, on July 14, 1999, the Committee on Education and the Workforce ordered favorably reported H.R. 1102, the ''Comprehensive Retirement Security and Pension Reform Act.'' The bill, as introduced, was referred to the Committee on Ways and Means, and in addition, to the Committee on Education and the Workforce, and the Committee on Government Reform. Titles I-V of the bill, as reported by the Committee on Education and the Workforce, contain many of the tax provisions included in H.R. 2488, and Title VI contains amendments to the Employee Retirement Income Security Act (ERISA).

As you know, I intended to have Rules Committee make in order the provisions in H.R. 1102, regarding ERISA; however, in order to expedite consideration of H.R. 2488 and with the understanding as outlined in your letter, I did not make such a request. I appreciate your work with me to include those pension provisions within the jurisdiction of the Committee on Education and the Workforce in the final conference agreement on H.R. 2488. I appreciate your support in my request to the Speaker for the appointment of conferees from my Committee with respect to matters within the jurisdiction of my Committee when a conference with the Senate is convened on this legislation.

Thank you for agreeing to include this exchange of letters in the Congressional Record during the House debate on H.R. 2488. Again, I thank you for working with me in developing this legislation and I look forward to working with you on these issues in the future.

Sincerely,

BILL GOODLING,
Chairman.

EXPLANATION OF ARCHER AMENDMENT TO H.R. 2488

Reductions in Across-the-Board tax Rate Reductions Contingent on Annual Change in Government's Interest Expenses on the Total U.S. Debt:

—The 1 percentage point tax reduction scheduled to take effect in 2001 remains in place permanently.

—Each year thereafter, the additional tax reduction scheduled for a specific year is contingent on a reduction in the government's total interest expenses for the preceding year. Total interest expenses include interest payments on all debt subject to the statutory limit. This means both debt held by the public and trust fund debt.

—Specifically, in order for a tax reduction to take effect on January 1 of a specific year, the government's interest expenses must not increase in the preceding year. The annual change in the interest expense is measured on July 31 of the preceding year.

—If the interest expense increases, then the next scheduled phase of tax reduction which would otherwise go into effect does not take effect until the interest expense requirement is met in a succeeding year. Preceding rate reductions remain in place.

—The provision terminates when the rate reduction reaches 10%.

Mr. Speaker, I reserve the balance of my time.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. FROST).

Mr. FROST. Mr. Speaker, Republican leaders spent yesterday twisting the arms of their moderate and fiscally responsible Members to get them to vote for a tax bill that they have derided all week for its fiscal irresponsibility.

The papers today report that the House leadership may well have forced them to risk Social Security, Medicare, and our economy on fiscally irresponsible, budget-busting tax breaks for the wealthiest that will cost us more than $3 trillion over the next 20 years.

To do so, Republican leaders seemed to have taken the principle of budgetary smoke and mirrors to a height unseen since David Stockman invented the ''magic asterisk'' nearly 20 years ago. And in so doing, Republican leaders are not just risking Social Security, Medicare, and our economy, they are mounting an assault on the common sense of the American people.

Mr. Speaker, in the dead of night yesterday and this morning, Republicans may have succeeded in fooling themselves, but the American people are smarter than that.

Americans know perfectly well that if this risky Republican package of more than $3 trillion in tax breaks for the wealthiest becomes law, Republicans will be making it fiscally impossible to save Social Security and Medicare. Republicans will be making it fiscally impossible to pay down the debt and keep interest rates low and our economy growing and creating jobs. Republicans will be making it fiscally impossible to help America's senior citizens afford the high cost of prescription drugs.

As one of our moderate Republican colleagues said of this tax bill a few days ago, ''The numbers just don't add up, and the projections don't have credibility.''

Well, we all know and the American people know that they are no more credible today.

Why would Republican leaders force through a package that takes such risks with our future? What does it say about the priorities of the Republican party?

Quite clearly, Mr. Speaker, it says the Republican leaders are willing to risk Social Security, Medicare, and our Nation's economy in order to provide red meat for their right wing extremists.

Vote down this bill.

The SPEAKER pro tempore (Mr. THORNBERRY). The gentleman from Texas (Mr. ARCHER) has 11½ minutes remaining. The gentleman from New York (Mr. RANGEL) has 12 minutes remaining.

Mr. ARCHER. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. HORN).

(Mr. HORN asked and was given permission to revise and extend his remarks.)

Mr. HORN. Mr. Speaker, I want to praise the gentleman from Texas (Mr. ARCHER) for what he has done in this bill.

Americans deserve to keep more of their hard-earned money for which they work. I recall the woman who heard the President claim ''more jobs'' and she said, ''I can believe that, I have three of them.''

Well, we are trying to straighten that out. We have dealth with the marriage tax, and 42 million Americans—are affected by that—including 6 million senior citizens.

I am concerned not only about the families and the marriage penalty tax. I am concerned about our grandchildren and, in my case, little Yoni. I want him to grow up where there is not very much national debt, and that is exactly what the gentleman from Texas (Chairman ARCHER) has provided.

There is a $3.6 trillion national debt held by the public. Under this bill, the Financial Freedom Act of 1999, we are getting that down to $1.6 trillion. If my colleagues do not think that is progress, then they have a strange idea of progress. We are doing something for every single American that is affected and needs a job and works hard and does not find much to pay the bills.

Vote for this legislation.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from South Carolina (Mr. SPRATT).

(Mr. SPRATT asked and was given permission to revise and extend his remarks.)

Mr. SPRATT. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, the ink is barely dry on the projections of the surplus, and already we have a bill on the floor committing it all to tax cuts.

I think a big share of the surplus should go to tax cuts. But if this bill becomes law, it will shut out everything else. It will leave nothing to make Social Security and Medicare solvent, use none of the surplus to pay down our mountainous debt, reserve nothing for plus-ups in education or boost in medical research. Even defense gets shorted.

Most of those backing this tax bill say that they are for an increase in defense spending, but they should read the resolution. The budget resolution underlying this bill makes room for our tax cuts of $778 billion. It freezes defense from 2004 through 2009.

So before we rush to judgment, bet the farm on these projections, we ought to ask just how solid are these surpluses.

In less than a year, OMB and CBO have upped their 15-year estimates of the surplus by $2 trillion. Just yesterday, CBO issued a report warning, and these are their words, ''decision-makers to view these projections with considerable caution.''

What they have done is what they have always done. They have assumed that current law will be carried out, that we will stick to the caps for the next 3 years, tight caps that were set several years ago in the PBA of 1997, even though my colleagues know and I know that we really circumvented them last year and we are not going to stay under them this year.

If we make the simple assumption that we will simply track inflation with discretionary spending for the next 5 years, we take $590 billion out of this $996 billion surplus.

If we then assume that emergency spending has to be factored into the estimates, and CBO and OMB do not do that because it is unpredictable, we knock another $90 billion off the surplus. And if we then adjust that for debt service, debt service they will have to pay because their debt deal is not paid down, the surplus is somewhere between $150 billion and $300 billion, not $996 billion.

We have another choice, a substitute that would cut taxes by $250 billion. It is the right choice, a fiscally responsible choice. I urge its adoption in lieu of this bill.

Mr. ARCHER. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. EHLERS).

Mr. EHLERS. Mr. Speaker, I thank the chairman for yielding me the time.

In the latter half of this century, the profligate spending habits of the Congress and the Federal Government drove the total Federal debt from less than $250 billion to an astounding $5.5 trillion.

But now, because recent Congresses have been able to impose some fiscal discipline on the Federal budget during this period of strong economic growth, we enjoy the good fortune of operating under a surplus.

Simply stated, having a surplus means that we are extracting from the taxpayers more money than is required to fund the operation of the Federal Government. That means we must refund part of this surplus back to the taxpayers through a tax cut.

But prudence also dictates that we use part of this surplus to pay down the debt that was irresponsibly run up by previous Congresses.

I am grateful that the chairman has agreed to insert my debt reduction amendment into this bill. With my amendment in place, we will accomplish both of our goals, tax refunds and debt reduction.

The language of my amendment sets this Congress on a course to reduce the amount of publicly held debt from $3.6 trillion in fiscal year 1999 to $1.6 trillion in fiscal year 2009, a reduction of over 55 percent in 10 years.

As a result, the annual interest costs of this publicly held debt will drop from $230 billion this year to about $100 billion in 2009. That is a huge savings.

Putting it in simpler terms, reducing the debt and interest this much will put $700 dollars more per year back in the pockets of each American taxpayer.

While it took over half a century to run up this debt, we are committed to cutting it by more than half in the next decade.

Surely, my colleagues on the other side of the aisle, some of them whom were here when their party presided over the accumulation of this debt, cannot protest with too much credibility that this rate of payoff is insufficient.

I urge the Congress to vote for debt reduction and smaller interest payments. Vote for this bill.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from California (Mr. BECERRA) a member of the Committee on Ways and Means.

Mr. BECERRA. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, first things first. First things first. Social Security, Medicare, the first chance in a long time to consider prescription drug coverage in Medicare, reducing the debt so our children in the future will not be paying $250 billion yearly just on interest on the size of the debt. Talk to any family in America. They will will explain that. They know it. They have a mortgage. They know how much they pay in interest every year to own that home.

Why are we telling our children we are going to let them continue to pay for more than $250 billion per year not to retire the debt, the principal, but just to pay the interest on what we owe as a Federal Government?

First things first. And then we can focus on providing middle-class America, working-class Americans, with a tax cut. And they deserve it, and they will get it. But first things first.

What we are talking about today is nothing but numbers, guesses. I could flip a coin right now and ask my colleagues if it is heads or tails and they would have just as much luck knowing what it would be as what we would know about the future about the Federal budget. It is all projections.

Six years ago, when I came into Congress, the outgoing President George

Bush and his administration left us with projections saying that we would have $300 billion deficits for as far as the eye could see into the future.

Now we are projecting a trillion-dollar surplus over the next 10 years. Let me bring it down even closer. A year ago, we were told we would have an $80 billion deficit. Five months ago we were told it would be a $7 billion deficit. Today we are being told it is going to be a $14 billion surplus.

How can numbers change so rapidly? It is because they are all projections. It is flipping a coin. In fact, it is more like going to Vegas. I could go to a crap table and probably do better with the odds there than with knowing what will happen in 10 years with the Federal Government.

We are playing with people's money, and we should be prepared to give it back. But people will also want to be able to retire knowing that Social Security will be there for them, not just us but our kids. People want to know that for the first time we have a chance to tell the elderly it will not be a choice between food and medicine because we can get them predescription drug coverage that will do so. And we want to be able to tell our kids, I have three small children, I am going to be able to retire some of this Federal debt so they do not have to pay that interest and they can use it to go to college.

Let us be serious. Do not pass this bill. We can do a tax cut but not like this.

Mr. ARCHER. Mr. Speaker, I yield 1½ minutes to the gentleman from Florida (Mr. FOLEY) another member of the Committee on Ways and Means.

Mr. FOLEY. Mr. Speaker, I rise in strong support of this bill.

I heard a lot of people taking credit today for the miracles of a balanced budget. We will go ahead and give them credit for raising taxes in 1993. They said that is what led to a balanced budget. We will take credit for cutting spending, which we believe led to a balanced budget.

But, my colleagues, we are here to talk about the future of the United States of America. For 40 years, this place was run on a bankrupt notion of spend and spend and spend. If I have to hear one more time on the House floor about the Ronald Reagan bill, I have just got to tell my colleagues, the Congress was controlled by the Democratic party in those years. No bill sponsored by the President can pass without a majority party lifting the bill to the floor.

So, if memory serves me right, that bill was passed by a democratically controlled Congress. So let us, at least, talk about fairness, about the rules of engagement, and about what this means to the average family.

I urge my colleagues to go home over the weekend and talk about the marriage penalty elimination in this bill. I urge them to talk about the estate tax relief for family farmers in many districts around America. I urge them to talk about the tax credit for health care and deductibility, prescription coverage that was offered by the gentleman from California (Mr. THOMAS). I urge them to look at some of the notions of this bill and deny that they have practical application for every working family in America.

Now, there are disagreements on debt. There are disagreements on the long-term application. There are disagreements on income. But, my colleagues, Congress meets every day, every year. We can solve those in the future, but let us not kill a good bill on the American public's table today.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentlewoman from Missouri (Ms. MCCARTHY).

(Ms. MCCARTHY of Missouri asked and was given permission to revise and extend her remarks.)

Ms. MCCARTHY of Missouri. Mr. Speaker, I thank the gentleman from New York for yielding me the time and for his leadership.

Mr. Speaker, I rise in opposition to H.R. 2488, the Financial Freedom Act of 1999.

In my 12 years of working on tax policy as chairman of the House Ways and Means Committee in Missouri, I thought I had seen just about every kind of shenanigan tried. This fiscally irresponsible measure tops them all.

□ 1200

How do you keep a straight face and look the American people in the eye when you say you are going to use an anticipated $1 trillion surplus to reform Social Security and Medicare, then, without blinking, tell the taxpayers of this great Nation that you are going to give them nearly a trillion dollars in tax cuts, plus reduce the deficit, and you will accomplish all of these wondrous feats without cutting programs or jeopardizing our economy. I do not think the public will be fooled by a measure which defies logic.

I urge my colleagues to vote for the Democratic substitute, to support the motion to recommit, and to cast a vote to reduce the debt, save Social Security and Medicare and our economy.

Mr. ARCHER. Mr. Speaker, I yield myself such time as I may consume, simply to respond.

Many, many times the speakers on the Democrat side of the aisle have used the term ''a $1 trillion tax cut.'' They know that is not true. They think if they say it long enough and hard enough, people will believe it. They know it is not true. The tax cut is $792 billion. It is not $1 trillion, but let them keep saying it, because it exposes the misinformation that is being presented to this Congress.

Mr. Speaker, I yield 1½ minutes to the gentleman from Colorado (Mr. MCINNIS) another respected member of the Committee on Ways and Means.

Mr. MCINNIS. Mr. Speaker, why do you not call this game what you really mean it, finders keepers? That is what you think it is all about. Look at the credibility of the Democrats back here in Washington, D.C., not the working man and the working women that happen to be Democrats out in the country. You got your own special enclave right here in Washington, D.C. That is, you think you found that money.

Well, Democrats, let me tell you something: You did not find it. It is those working men and those working women, outside the Beltway, who have provided this surplus. By gosh, they are entitled to have some of it back.

Now, you would like the American people to believe you are credible when it comes to Federal waste and Federal spending. How many of you Democrats voted for a balanced budget? How many of you Democrats ever stood up here and cut some spending out of the wasteful programs? Yeah, not many raised their hand. Two out of the whole group raised their hands over there. That is the true story. They think it is finders keepers.

We have a budget here that will save Social Security, save Medicare, reduce the Federal debt, increase military spending and increase education and guess what? That is five. One dollar out of six, one dollar out of six goes back to that working man and that working woman.

It is time you Democrats in Washington, D.C. cared about the Democrats outside the Beltway and gave up your enclave of finders keepers.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. TURNER).

Mr. TURNER. Mr. Speaker, the Republicans have really shown their hand in their late-night amendment to their blockbuster tax bill. They put a provision in that says that part of the tax cut will not take effect unless the debt goes down. The truth of the matter is the Republicans are not interested in reducing the national debt. Their amendment simply says if the national debt starts going up, we will not have that big blockbuster tax bill. We have a $5.6 trillion national debt. It is time to start paying it down.

The Democratic substitute, the Blue Dog motion to recommit, will allow for paying down that national debt. The Republicans want to continue along the path of big budget deficits. We need to pay off that national debt. The party of fiscal responsibility in this debate is the Democratic Party. We want to pay off that national debt, and it is time that we realized that only by being fiscally conservative will we ever have a chance to do it.

Mr. ARCHER. Mr. Speaker, I yield 1 minute to the gentleman from Louisiana (Mr. VITTER).

Mr. VITTER. I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in strong support of this historic tax cut bill. These words are my first on the floor since being sworn in on June 8, and that is appropriate because this legislation in so many ways is what I came to Congress to do.

I do not just mean cutting taxes. I mean celebrating marriage and family by attacking the marriage penalty; honoring small family business by phasing out the death tax which is the death of so many small family businesses; encouraging economic growth through cuts in the capital gains tax. I mean being fiscally responsible by locking up Social Security tax revenues 100 percent and by demanding a reduction in the national debt before we trigger some of the tax cuts. But most of all, I mean increasing freedom by sending money and power back to the individual and the family.

The President wants targeted tax cuts. That means even in the case of a tax cut, Washington decides how and where and when and why money is spent. What is most significant about this bill is that individuals and family decide and freedom is increased.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

There have been some concerns with people getting emotional because our side said that it is nearly a $1 trillion tax cut. I do not want my colleagues to get upset. It is not a $1 trillion tax cut. It is a Christmas tree. It is decorated with every cut that you can think of for Republican supporters. Ninety percent of the tax cut goes to the wealthiest Americans.

But it is not as irresponsible as some people are saying. Why? Because you know the bill is not going anywhere. What you want is a veto from President Clinton. He becomes the scrooge, he becomes the person that has snatched away this beautiful Christmas present that you have outlined.

The only thing the President and the Democrats want are to protect Social Security, to protect Medicare, to make certain that prescription drugs are protected and to bring down the Federal debt. And when you do those things, which we try to do in the substitute, which we try to do in the motion to recommit, that is the biggest tax cut of all. Bringing down interest on car purchases, on electric appliances, on the mortgage. That is what America wants.

But when you tell me and get excited about it, that if you do not give the nearly $1 trillion to the taxpayers, then the politicians in Washington, I assume you mean the Congress, are going to spend it. Well, who is in charge of the spending committees? Who is in charge of the Congress? I know you have a question answering that yourself, but most people believe it is the Republican Party. So if you are saying, ''For God's sake, let's get rid of the Clinton surplus before the Republican Congress just spends it,'' then say it, but I know you are not saying that. The reason you are not saying it is because your bill is, what we call in Harlem, a trip to nowhere. And what you intend to do is to have little pamphlets with all of the tax cuts on it to pass out at the polls and say what a mean person the President was because he vetoed it.

If you want a tax cut, the only way to have one is to realize that there are Democrats in this House. I know it is rough keeping up with how many of us because we keep a-coming. But still what you should do is to recognize that and get together with the Democrats on the committee and get together with the President of the United States. Do not do what the President told you to do, but for God's sake do not try to do what the right wing of your party wants you to do. Learn how to do something which is very difficult for some of the Members on the other side even to say: Learn how to compromise. Learn how to be bipartisan. Learn how to work together. That is what the American people want. They do not want a fight. They do not want a food fight. And they do not want you to get this bill decorated and send it over to the White House so that we have got to have another fight when there is a veto.

Let us start now to see what we can do to work together. And, yes, it is nearly $1 trillion. And if you are going to challenge that, I challenge you, bring a bill to the floor. God knows what else you have in the Committee on Rules. Bring something out so people can see really what you are doing. It changes from day to day. The last rumor was it was close to $1 trillion. I know you lost $72 billion on the way to the House floor, but we do not know where you are today.

Mr. Speaker, I reserve the balance of my time.

Mr. ARCHER. Mr. Speaker, I yield 30 seconds to the gentleman from New York (Mr. FOSSELLA).

(Mr. FOSSELLA asked and was given permission to revise and extend his remarks.)

Mr. FOSSELLA. Mr. Speaker, I thank the gentleman for yielding me this time. I compliment the gentleman from Texas, because I believe this will be a lasting legacy of his, to argue for more freedom and more liberty for the American people.

You are going to hear a lot of debate about how Washington wants to spend your money. But the reality is we are talking about a tax refund to the American people who work hard every single day.

The debate is simple. Do we want more freedom and more liberty and more economic growth? Do we want to give a tax cut to every American who pays taxes? Or do you want to keep the money here in Washington to squander more and more of your money?

The debate is simple. I urge a strong ''yes'' vote on this bill.

Mr. ARCHER. Mr. Speaker, I yield 30 seconds to the gentleman from Wisconsin (Mr. RYAN).

(Mr. RYAN of Wisconsin asked and was given permission to revise and extend his remarks.)

Mr. RYAN of Wisconsin. Mr. Speaker, I am a newer Member of Congress here and I have been just coming into Washington for about 7 months, but I have heard it all now. We see here before us so many different Members of Congress coming up with so many different excuses, reasons and ways to keep the American people further separated from their own money. This is what it is coming down to, two philosophies.

This is a beautiful celebration of democracy that we see here today. On one side we have Americans overpaying their taxes, so much so that we believe you should get some of your money back. Take a look at your paycheck and look how much is coming out every year. We think you should have your money back. The other Members of Congress on the other side of the aisle want to keep all of your money in Washington.

Mr. RANGEL. Mr. Speaker, I yield the balance of my time to the majority leader of the Democratic Party, the gentleman from Missouri (Mr. GEPHARDT), who is trying desperately to bring about a bipartisan solution to this problem.

(Mr. GEPHARDT asked and was given permission to revise and extend his remarks.)

Mr. GEPHARDT. Mr. Speaker and Members of the House, I urge Members to vote for the Democratic substitute, or for the Democratic motion to recommit which is very similar, and against this tax bill that is on the floor.

I make basically three arguments for doing that.

First, I think the Republican bill is risky. I think it is risky with regard to the most important accomplishment that we have had over these last 7 or 8 years, and that is the wonderful economy that we have painstakingly built from where we were in the early part of the 1990s.

Let me just read you some facts. Let us remember where we were in 1992. The deficit was $290 billion. We now have the largest surplus in our lifetime. Since 1992, 17.7 million new jobs were created under the economic program of this administration that we have been operating under. In 1992, the unemployment of the country was 7½ percent. Now it is 4½ percent, with the lowest inflation that we have had since 1981.

Now, we are risking if we pass this huge tax cut, and we are for tax cuts, we think the American people deserve tax cuts out of this surplus. The question is, how much? And what we are saying is, this tax cut the Republicans have brought to us today is way too large and risky and irresponsible.

But do not take my word for it. Look at what over 50 economists, six Nobel laureates said yesterday, part of their statement:

''In contrast, a massive tax cut that encourages consumption would not be good economic policy.'' They said, ''Given the uncertainty of longtime budget projections, committing to a large tax cut would create significant risk to our economy and our budget.''

Why would we want to do that? Why in God's name would we risk this tremendous achievement and risk keeping it going?

Secondly, this large of a tax cut keeps us from saving two of our most important programs and achievements, Medicare and Social Security. The Democratic tax cut is conditioned—is conditioned—on a solvency statement by the trustees of Social Security and Medicare. The Republican tax cut is not.

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The Republican tax cut does not allow us to even take care of Medicare and does not allow the money for solvency in Social Security.

Why would we want to risk that?

Thirdly, what do the tax cuts do?

Our tax cut is targeted. We are worried about long-term care; we are worried about many of the problems in the economy with research and development. It is targeted to the things we really need.

Their tax cut is all over the lot, and most of it goes to the top 10 percent of earners in the country. It is not focused on the middle class. And worst of all, last night at midnight they made a change in their tax cut; and they now condition it, at least the part that goes to the middle class, on what happens with the deficit.

What about capital gains? What about the estate tax? What about the corporate alternative minimum tax? That is not conditioned. Oh, we would not want to hurt the people at the top. The only conditioning, the only trigger, is on the people in the middle and the people at the bottom that might get some benefit from the tax cut.

This is a disaster in terms of the middle class of this country. This is risky. It does not take care of Medicare and Social Security, and the only people our colleagues have really ensured will get a huge tax cut are the wealthiest of the wealthy. This is not the right thing for our country.

Mr. Speaker, I urge Members to vote for the Democratic substitute, vote for the motion to recommit, vote against this risky, irresponsible, unfair tax cut. Let us not repeat the mistakes of the past.

Mr. ARCHER. Mr. Speaker, to close on this segment of the debate I yield the balance of our time to the gentleman from Ohio (Mr. KASICH), the chairman of the Committee on the Budget.

Mr. KASICH. Mr. Speaker, I want to thank my great friend, the gentleman from Texas (Mr. ARCHER), for his outstanding work, and I think that today we should not miss our purpose. We should not miss the purpose of the Republican Party and the conservative philosophy that calls for a limited government, that calls for a free market, free enterprise system that can only survive and prosper in a period of limited government, and I think we ought to recognize that it is our mission in this city to ship power, money and influence from this city back to the people today, Mr. Speaker, who sit in the gallery and who watch on television and who are pulling the wagon all across America.

As my colleagues know, this is part of an overall plan. As all my colleagues know, we are trying to bring about more choice in education with scholarship programs for the disadvantaged, but our ultimate goal is to provide power to States to provide for school choice so that mothers and fathers are in charge and that power rests in families in America.

In Medicare we want to provide a more personalized health care system for our seniors that offers more choice and more power and more free market that breaks down a government bureaucracy that runs health care from the top down and is disrupting the ability of people to get quality care at an affordable price.

We want to create individual retirement accounts, the gentleman from Texas (Mr. ARCHER), myself, so many of us, where we want people to have the power to be able to plan for their retirement, not to pass that power on to a bureaucrat in a faraway city who does not understand our needs as we get older. We want to have the power back; we want the confidence or we have the confidence ourselves to know to plan for the future.

And the tax cut. Do not miss the tax cut and what the message is. Oh, yes, it is about economics, about keeping this recovery going. We know how vital it is in addressing so many of our long-term entitlement needs. It provides more jobs. It gives us the incentives to grow, to keep our economy strong, the strongest in the world. But it is also about personal power because what we all know intuitively is the more money we have in our pockets the more power we have, the more we can do for our families, the more we can do for our communities, the more we can do to help those around us; and if we have more of this and government has less, then we can begin to run America from the bottom up.

As my colleagues know, if Americans can have more choice in education and security in health care where they have more choice and more confidence, individual retirement accounts, and Social Security and more money in their pocket, then people have more power; and what we battle with America today is cynicism, a sense that we are up against the big institutions, that we are isolated from one another and that no matter what we do or what we say or who we vote for makes some difference in the outcome, and we worry about our children.

So it is the purpose of our party and the conservative movement to restore power to people and with that power and freedom comes responsibility, and with that responsibility we can hook our hearts together again, we can unite America, we can renew America, we can restore the vigor that America represents. This tax cut is about individual power.

If my colleagues want to run America from the top down, vote no. I respect people who feel that way. I think they are dead wrong. If my colleagues want to run America from our families and communities to the top and restore the spirit and the beauty and the vigor of this country, support this bill and march with the Republicans to build a stronger America in the next century.

Mr. DAVIS of Florida. Mr. Speaker, I rise in strong opposition to H.R. 2488, the Financial Freedom Act of 1999 and in support of the Democratic alternative which will provide targeted tax relief but will ensure at the same time that we pay down our national debt and address the solvency of Social Security and Medicare first.

The Republican tax package ignores the fiscal discipline which as brought the federal budget from record deficits into balance and projected surpluses in the coming years. By abandoning PAYGO rules and relying completely on projected surpluses as offsets, this package threatens to undo all of the gains we have made over the past six years. If in fact these surplus projections are not accurate, we will be faced with either massive cuts to keep the budget balanced or deficits reminiscent of the 1980's.

Rather than passing this tax package, I believe we should be focusing first on the solvency of Social Security and Medicare. During this time of economic growth and positive budget forecasts, Congress should take strong steps to shore up these two vital programs. We have a narrow window of opportunity to prepare these programs for the demographic changes coming with the retirement of the baby boomers. If we squander this opportunity, future generations with look back on this Congress as one more concerned with short-term political pandering than long-term responsibilities.

Furthermore, H.R. 2488 would consume virtually all of the projected on-budget surpluses and devote virtually none to debt retirement. Currently, the publicly held debt is roughly $3.7 trillion and our interest payments alone on that debt consume 11% of the overall federal budget. This debt and corresponding debt service crowd out private investment and put pressure on all of our national budget priorities. Since coming to Congress, I have strongly advocated devoting the lion's share of these surpluses to debt retirement. As Former Secretary of the Treasury Robert Rubin has pointed out, debt reduction creates a cyclical benefit of lower interest rates, greater economic growth, higher budget surpluses, and further debt reduction.

In my view, retiring a significant portion of the federal debt is the most fiscally responsible course of action and will lead to tangible benefits for all Americans. Consider, for example, what would happen if, as Federal Reserve Chairman Alan Greenspan has testified is likely, long-term interest rates were to drop another two points as a result of debt reduction. For citizens in my district of Hillsborough County, Florida with a $115,000 home, monthly mortgage payments would be reduced by $155. That is real savings and real money in the pockets of Americans.

The Democratic alternative offered today will dedicate the vast majority of the surplus to

debt retirement and still leave room for targeted tax cuts. This modest package of tax cuts includes marriage penalty relief, long-term care tax credits, accelerated deductibility of health insurance for the self-employed, and the restoration of an itemized deduction for state and local retail sales taxes, important for states such as Florida which have no state income tax. This alternative represents a balanced approach, making certain that we fix Social Security and Medicare first, dedicating most of the surplus to debt reduction thereby ensuring continued fiscal discipline and economic growth, and providing targeted tax relief for millions of Americans.

Mr. Chairman, the decisions we make tonight will affect the next decade of public policy discussions. The choices are clear and stand in stark contrast to one another. We can, as the Republican leadership would like to do, enact massive tax cuts which explode in cost just as the baby boomers retire, dissipate all of the projected on-budget surplus, and run the risk that if the projections are wrong, as has been the case repeatedly in the past, Congress will be forced to slash federal spending or run budget deficits. Or, we can adopt a prudent approach which emphasizes our responsibility to future generations by addressing the solvency of Social Security and Medicare, paying down the publicly held debt and controlling the size of the tax cut until these projected surpluses become a reality. I urge all of my colleagues to vote against H.R. 2488 and adopt the Democratic alternative.

Mr. CASTLE. Mr. Speaker, I strongly support tax relief for all Americans. I support and believe we will enact broad-based tax relief legislation this year. I have been actively involved in negotiations on the current tax relief legislation before the House, H.R. 2488, the Financial Freedom Act. During these negotiations, I have stressed three concerns. First, is the size of the proposed tax cut. Is it too large in relation to the total projected surplus? Second, is the need to reduce the federal debt. Does this legislation allow us to pay down the federal debt? Third, is fairness. Does the bill provide tax relief fairly to all taxpayers?

First, the size of the tax bill is a serious issue. The bill would commit $792 billion of the projected $996 ten-year surplus to tax reduction. I am concerned that it is unwise to commit 80% of the projected ten-year budget surplus to one purpose. It leaves very little margin for error. The surplus will be $996 billion if the economy remains strong and if there are no other changes in tax or spending policy. If there are changes, interest payments on the debt will be larger and the surplus will be smaller. If we commit $972 billion to tax reductions, virtually all of the rest of the $996 surplus will be needed to pay higher interest costs on the debt. That leaves no room for unplanned, but very likely expenses like natural disasters and other emergencies. Over the past ten years, emergencies have averaged at least $8 billion per year. That pattern indicates likely future emergencies will reduce the projected surplus by at least $80 billion. This year, we have already spent $15 billion in emergency funds for Kosovo and domestic emergencies require additional emergency aid later this year. We need to factor these likely needs into our calculations. While Medicare is currently fundamentally sound, there are growing problems in the area of home health care, HMO's and rural and teaching hospitals. Correcting those problems may require additional funds. Finally, important programs like education, veterans and the environment must be adequately funded. We cannot assume that these programs will be unrealistically reduced when estimating the surplus.

The cost of the current House tax bill also grows rapidly in the second ten years. Some estimates are that it could be almost $3 trillion after 2009. That will occur just as the baby boom generation begins to retire and the Social Security surplus begins to decline. It is clearly unwise to risk the on-budget surplus at the same time Social Security and Medicare will be experiencing increased pressure to meet the needs of millions of new retirees.

My second concern is the need for debt reduction. The federal debt is $5.6 trillion and requires 15 percent of the annual federal budget to service. If we do not take the opportunity to pay down this debt during strong economic times, then when will we? Tax relief is important, but it should be balanced with the need to begin to pay down at least some of the $5.6 trillion federal debt. Committing 80 percent of the projected surplus to tax reductions, simply does not allow enough of the surplus for debt reduction. I was pleased to be involved in the negotiations that produced the amendment to condition the phase in of the 10 percent across the board tax reduction on reducing interest payments on the debt. If we are not reducing the debt, up to $375 billion of the tax reduction would be postponed. This is a positive addition to the bill, but it does not affect billions in tax relief to businesses which would go forward regardless of whether we are meeting our debt payment goals. I believe that more of the projected surplus should be reserved to pay down the debt. My constituents tell me that should be our top priority because they know everyone benefits from lower interest rates on their own debt, including credit card and mortgage rates. In fact, a one percent drop in interest rates saves Americans $200–$250 billion in mortgage costs. That is real middle class financial relief.

My final concern is whether this is the most fair tax bill we could produce. The bill does contain broad-based tax relief and that is to be applauded, but I believe the bill drafted in the Senate is superior because it provides more tax relief for lower and middle income families, encourages saving and provides more relief from the marriage penalty. I believe the reduction in the 15 percent bracket benefits taxpayers of all incomes, particularly those of more moderate incomes, more fairly than the 10 percent across the board cut in the House bill.

We can and should provide tax relief to all taxpayers, but in trying to balance tax relief with debt reduction, potential emergencies, other government programs, and the need to protect against a sudden drop in the economy, it is not necessary to include all the provisions in the House bill at this time. For example, Congress with my support, recently enacted significant capital gains and estate tax relief in 1997. I think those provisions in the current bill could be scaled back as we try to provide more of the surplus for debt reduction and other needs.

I proposed a broad-based tax relief alternative that would provide $514 billion in tax relief over ten years and reserve $482 billion of the projected surplus for debt reduction or other needs. My alternative included broad-based relief more targeted to middle and low income earners by reducing the 15 percent tax bracket to 14 percent. In addition, my plan reduced the marriage penalty, provided tax credits for child and dependent care. It provided more responsible estate tax relief, health care, pension, and small business tax relief. While the House was not permitted to vote on my alternative, I think this plan is more reflective of what can actually be enacted into law this year.

I believe the tax alternatives proposed by House Democrats and the Administration are not adequate. We can provide more than $250 billion in tax relief to working Americans without jeopardizing other priorities. Clearly the President and Congressional Democrats will have to improve their proposals to achieve a true compromise.

While I could not support the legislation before the House today, I look forward to working with all Members of Congress and the Administration to ultimately produce legislation to give every American significant tax relief.

Mr. CROWLEY. Mr. Speaker, I rise to oppose the Trillion Dollar Tax Break and Deficit Act and to strongly support the Rangel substitute.

A massive tax cut—nearly $900 billion—is totally irresponsible. It stands in the way of strengthening Medicare and Social Security, and threatens the progress we have made in eliminating the deficit and reducing the national debt. The Democratic substitute will leave plenty of room to shore-up social security and Medicare without bursting the budget. Additionally, tax cuts will be targeted more towards middle class families—the people who work hard to support themselves and their children—not the upper one percent of this country.

How does this bill help our crumbling schools? How does this help replace the 10 schools in Community School District 24 which are heated by coal burning boilers? It is worth mentioning that Community School District 24 is the most overcrowded school district in the City of New York, operating at 119% capacity. This is projected to increase to 168% over the next ten years. How are education savings accounts going to help these public schools? As for arbitrage, it will only provide relief for those construction projects schools have already begun. It does nothing to address the needs to build new schools and modernize existing schools.

The schools in my district need substantive school construction assistance NOW. The Rangel plan will provide $25 billion in interest free school construction bonds to state and local government for public school construction and modernization projects. This will help alleviate the high tax burdens faced by middle class communities trying to finance construction on their schools. Additionally, it will provide a tax incentive to those who invest in the bonds, by giving them tax credits on the interest. And, most importantly, these bonds will be available to our school immediately!

In closing, I ask you to envision one classroom in my district: One classroom, with fifty kindergarten students and two teachers and no plans to change in the future. I urge you to oppose the bill and vote for the Rangel substitute.

Mr. STARK. Mr. Speaker, I rise in opposition to H.R. 2488, the Financial Freedom Act which has been brought to us for consideration by the Republican leadership. After the

hard choices made in the 1993 tax bill to restore our nation's economic health after the debacle of ''Reagonomics'', we are in better shape than in the last 15 years. Now Republicans want to pass a $3 trillion tax cut premised on budget cuts that will never materialize.

This whole exercise is a hoax. The Republicans have created the illusion of paying back their wealthy supporters and corporate special interests in a bill that will never become law.

Contrary to its title, this bill with its reckless spending of close to a trillion in the next decade and more than $2.8 trillion by the following decade, will rob our nation and future generations of any chance of financial freedom. By spending more than we have in real surpluses, we will restrict our ability to bolster our Social Security trust funds to accommodate changes in demographics and also to protect and improve Medicare.

There is no financial freedom for the majority of seniors without Social Security. There is no financial freedom for seniors and their children saddled by prescription drug and long-term care expenses. Yet passing massive, unfunded tax cuts threatens the ability to bolster both Medicare and Social Security.

There is no financial freedom for most families under this bill that allocates close to half of the total tax benefits to the richest one percent whose incomes exceed $301,000. The richest one percent would get an average tax cut of $54,000 a year. The bottom 60% of taxpayers—those with incomes less than $38,200—would get an average cut of $174 a year. The bill buys the rich quite a bit more financial freedom than the rest of us.

This bill targets the benefits to the rich in the way they structure the 10% tax cut, and by the size of the capital gains cut and the virtual elimination of the estate taxes. Only the wealthiest 2% of estates even pay estate tax now because current law exemptions; there is no such thing as a ''death tax'' for most American taxpayers. This bill lets everybody out the door—Warren Buffet, Bill Gates, Malcolm Forbes—not just the small businessman and farmers in search of a relief to pass on a small business to their children.

The average benefit of the capital gains cut for the top 1% of taxpayers is $8,319 while 80% of the taxpayers—those with incomes under $62,800—would get a cut of $17 or less from the capital gains reduction. Seventeen dollars a year doesn't buy much financial freedom for working family by any objective measure.

There are also over $100 billion in corporate tax breaks including some for arms merchants, oil, gas and timber investors, and folks who can enjoy three martini lunches.

Even the guise of providing relief for long-term care expense is just a tool to expand the market for insurance industry. The tax credit in the Republican package can only be used to buy insurance, not to pay long-term care expenses themselves.

This bill just reinforces skepticism by voters that they won't get any tax relief because it will go to rich individuals and corporate freeloaders.

I urge a no vote on H.R. 2488:

The tax breaks are tilted toward the rich.

This tax cut is too big for this country to bear before the surplus even materializes.

A yes vote tonight is a reckless vote that gambles away funds needed to preserve Medicare and Social Security.

A yes vote guarantees an increase in public debt.

Mr. HOYER. Mr. Speaker, I rise now not only to oppose this fiscally irresponsible Republican tax plan, but to inject a little historical perspective into this debate.

One of the first votes I cast as a member of this House was on President Reagan's ''Economic Recovery Tax Act of 1981.'' The heart of President Reagan's supply-side tax plan was a $749 billion tax cut over five years. Among other things, President Reagan's plan slashed individual income taxes across-the-board and allowed faster write-offs for capital investments.

Those of us who were around here back in 1981 remember how President Reagan strode into office with this bold pledge: He said that a massive tax cut would fuel economic growth, thereby generating greater Federal revenues and resulting in a balanced Federal budget by 1984.

Well, that's not exactly what happened, is it?

The Laffer curve—named after supply-side economist Arthur Laffer, who had President Reagan's ear on tax policy—purported to show how tax cuts could lead to a balanced budget. But that turned out to be a cruel hoax on the American people.

In 1980, President Carter's last year in office, the Federal budget deficit was $73.8 billion. Large, yes. But not insurmountable. Only five years later—after the massive tax cut of 1981—the Federal budget deficit had exploded to $212.3 billion.

By 1990, the Federal deficit had ballooned to $220 billion. And in 1992, President Bush's last year in office, the deficit had skyrocketed to $290 billion.

Consider another important measure of national economic health—the national debt. In 1980, the public debt of the United States was $909 billion. In the following 12 years of Republican administrations, the debt exploded to over 4 trillion dollars! And this happened even though Congress appropriated less money in these 12 years than Presidents Reagan and Bush voodoo economics, Mr. Speaker, voodoo economics. That's what former President Bush—not STENY HOYER—called President Reagan's supply-side tax cut plan on the campaign trail in 1980. And President Bush was not alone when he offered that piercing two-word analysis.

Former Senator Howard Baker called the supply-side tax cut scheme a ''riverboat gamble.'' and President Reagan's own budget director, David Stockman, later confessed that he knew the administration could not cut taxes, provide a ''safety net'' for domestic programs and balance the budget because ''it defied arithmetic, wasn't true.''

Only our fiscal discipline, our fiscal responsibility since 1993 has allowed us to erase these record budget deficits. And last year, we realized our first surplus—$70 billion—in 30 years.

The record deficits of the 1980s caused our economy to plunge into crisis. And we responded. We passed a budget agreement in 1993—which I might add did not get one Republican vote—that cut the deficit by $496 billion over five years.

The 1993 budget agreement was designed to bring down an unemployment rate then running at 7.5 percent; bring down the 30-year interest rate then hovering at 8.2 percent; and bring down that $290 billion deficit. And it worked.

In 1997, in more bipartisan fashion, we passed a balanced budget agreement that called for continued fiscal prudence in both discretionary and mandatory programs.

And what do we have to show for our hard work—our fiscal discipline—over these last six years?

Well, we now project a budget surplus of $100 billion in 1999.

The national debt is $1.7 trillion lower than was projected in 1993.

Interest rates are around 6 percent.

The unemployment rate remains near 4.3 percent.

We have the fastest real-wage growth in 25 years.

Inflation—2.5 percent—is at its lowest rate in 32 years.

Business investment has grown at 12.8 percent per year, the fastest growth since the Kennedy administration.

And we have the highest rate of private home ownership—66 percent—in history.

What an incredible achievement. What an incredible record.

And, now, we're going to throw it all away? With this irresponsible tax plan that threatens to explode the deficit, explode the national debt, drive up interest rates, and drive our healthy economy right off an economic cliff?

That's not just ''egregious recklessness,'' as the Washington Post called it yesterday. That's voodoo economics. That's a riverboat gamble that we should not ask the American people to take.

This Republican tax bill is so irresponsible that it even has many Republicans running for cover. It's no secret why.

First, this tax plan threatens long-term growth, by producing record deficits again, and driving up interest rates. This, in turn, would lead to lower economic growth.

While this tax plan purports to cut taxes by almost $800 billion, economists predict that it actually could cost us $3 trillion.

Second, this tax plan threatens our ability to reduce the national debt—which is critical to our continued economic vibrancy. Simply put, reducing the debt leads to lower interest rates and greater investment and economic growth.

And let's not lose sight of this fact—paying down the debt is tantamount to a tax cut because each percentage point decline in interest rates means $200 to $250 billion less in mortgage costs paid by Americans over the next 10 years.

Third, this irresponsible plan—which would eat the entire projected Federal budget surplus and then some—would eliminate our ability to strengthen Medicare and Social Security.

Currently, Medicare is projected to be insolvent by 2015. I submit that if we fail to take this rare opportunity to ensure the long-term solvency of Medicare and Social Security, we deserve the harsh judgment of history.

Finally, it should come as no surprise that in this Republican tax plan, the wealthiest 1 percent of taxpayers would receive one-third of the benefits.

Now, you tell me, how does that look to a young couple making, say, $40,000 a year? You might as well just tell them: ''Sorry, you are not one of the chosen few. Wealthy Americans are getting a tax cut. But you, you're just getting higher interest rates making it more expensive to buy a car, buy a house, or send your kids to college.''

Fairness, of course, is not the watchword when it comes to this tax plan. While the wealthy get a break, this plan would force cuts of $583 billion in domestic spending programs on crime and education over the next 10 years. In addition, it would slash defense spending by $198 billion over the same period.

This from the party that claims President Clinton has ''hollowed out'' the military. That's not just disingenuous, it's not acceptable.

Mr. Speaker, we have created the best economic times in a lifetime in the last six years.

There are two paths we can take. One path calls on us to continue with the fiscal discipline that we imposed on the budgetary process in 1993 and that has produced the economic boom we are enjoying today.

The other is a risky and speculative path—voodoo economics, if you will—that we know all too well. It is littered with gigantic deficits, and an exploding debt that threatens to disrupt our strong economy.

I urge my colleagues to choose the right path and vote for fiscal discipline and a strong economy, and against this irresponsible tax plan. Our economic security—indeed the security of future generations of Americans—depends on our choice.

Let it not be said that we took the politically seductive course and shrank from our duty and responsibility to our country, future generations, and to our economy.

Ms. SANCHEZ. Mr. Speaker, here we go again.

Social Security is the primary retirement system for the majority of retired Americans. It provides benefits to 33 million Americans of all ages and keeps 12 million recipients out of poverty.

The G.O.P. Social Security approach is really an unreliable response that supports the Wealthy Special Interests. Why does the G.O.P. want to undercut a sound economy with a tax scheme designed to benefit the few?

We must protect Social Security. This means less debt, lower interest costs, rising living standards, more money made available for seniors' priorities, and more security for Social Security.

Republican tax cuts mean higher deficits, higher interest rates, and lower economic growth.

The Republican tax scheme would make it impossible to continue to pay down and eventually eliminate the national debt by 2015, as proposed by the President.

My colleagues across the aisle would have us believe that they have efforts to shore up social security and pay down on the national debt. This is not so!

Republicans want to engage tax cuts that bust the budget and threaten our long term economic growth. Their tax cut does not cut it!

I urge my Republican colleagues to devote half of the budget surplus to debt reduction and to support a common sense budget plan that reflects the values most Americans consider important.

Mr. KOLBE. Mr. Speaker, I strongly support the tax relief bill we have before us today. It is another down payment on our promise to bring tax relief to the American people. After we make sure we have repaid Social Security and Medicare, we must give the surplus back to those who are giving it to us. It's wrong, just plain wrong, to make the average family pay $5,307 more than the government needs over the next ten years.

In my view, denying tax cuts for our people who work hard to earn a living for themselves and their families is unthinkable when government has a surplus. One letter I received from a group of organizations opposed to tax cuts said that they want past spending cuts restored and even increased for inflation. Further, they want to insure that future surpluses are used to fund more federal spending programs. I couldn't disagree more. The surplus belongs to the people who pay the taxes, and we should give it back to them.

The tax relief provided in this bill is considerable.

It has an across-the-board tax cut of 10 percent that will help all taxpayers.

It reduces, even if it doesn't totally eliminate, the marriage penalty.

It helps parents save to educate their children.

It offers incentives to save for retirement and increases pension portability.

It finally ends the death tax.

It offers tax relief for medical expenses.

Mr. Speaker, I have worked for years with my colleagues to end the death tax. I am especially pleased to see this phase out included in this bill. Southern Arizona has many family ranches and small businesses that are forced into liquidation by estate taxes. That's not fair. Increasing the exemption from these taxes is right.

The Marriage Penalty is an onerous tax on families. More than 21 million Americans pay more in taxes simply because they are married. We should encourage marriage—not tax it. While this bill doesn't take care of the bracket problem, it does eliminate the penalty in the standard deduction. The standard deduction for a married couple becomes exactly double the deductible for an individual. This means savings of $243 per couple each year.

We all know how the cost of educating our children continues to skyrocket. This bill raises the ceiling on Education Savings Accounts from $500 to $2000/year. It permits these accounts to be used to pay for elementary and secondary education in addition to higher education.

The bill ends the 60 month limitation on the student loan interest deduction. And there are changes to revenue bond rules to help school construction.

I have spent much of my time in Congress working on a reliable retirement income for senior citizens. This bill increases contribution limits to 401(k) and other retirement plans; it increases portability of pensions for our new workplace reality in which a person no longer works for the same company during his/her entire work life. In short, it makes it easier to save for retirement.

Medical expenses have become a huge item in our personal budgets. This bill offers relief in this area, too. It provides a 100% deduction for health insurance premiums for individuals who purchase health insurance. Long-term care insurance is extremely expensive. This bill helps by providing a 100% deduction for these premiums also. It expands the exemption for those who care for an elderly family member at home. And it expands Medical Savings Accounts.

For those who are concerned that we need protection against the loss of revenue should we face a future economic downturn, I believe our trigger is an excellent protection. In any year when the total interest paid out on the public and private debt does not decrease from the previous year, then the incremental across-the-board tax cut doesn't kick in. This would protect us in a situation of rising interest rates or declining revenues and make sure we keep a balanced budget.

The revenue for these tax cuts is not coming from the surplus in the Social Security Account. We have locked that away. Instead, this surplus is ''on budget'' and will not affect our efforts to reform Social Security.

We need fundamental reform of the tax system. I think most in this body would agree with other taxpayers about this. The tax relief offered in this bill does simplify the tax code, but I recognize that it does not achieve the more complete reforms we all would like to see. The fact is we have not reached a national consensus as to how this reform should be accomplished, and I don't want to tempt fate by waiting for tax relief until we have this consensus. The temptation to spend more would be irresistible in this town.

Mr. Speaker, I urge my colleagues to support the Financial Freedom Act of 1999. Let's return the surplus to the American Taxpayers.

Mr. DINGELL. Mr. Speaker, as we debate this tax cut legislation there are a number of aspects of it requiring the attention of the public. The first causes the ghosts of Ponzi, Sam Insull and Phineas Barnum to hover over this chamber in smiling admiration.

Is this a tax cut or is it not? The answer is no one knows for sure. The bill is tied to receipts and deficits, so in some years there may be a tax cut, in some years there may not. Indeed, if the national debt does not go down, there will be no tax cut.

Now it is hard to speculate how this works, or whether there will be a tax cut, when, how, or how much, because all the negotiations were done by the Republicans alone in closed meetings, and the printed version has not been available to analyze or discuss in proper legislative fashion. According to the sketchy reports I have been able to receive, it will possibly work something like this: After an initial 1 percent across the board tax cut, all further cuts will be conditioned on whether the total national debt (including that related to Social Security and most trust funds) goes down. Now I cannot tell anyone exactly what that means, but I believe I can be excused, because the Republicans have not said, and apparently they cannot either.

So here we have a remarkable Republican tax cut, a here you see it, now you don't tax cut—maybe you get it, maybe you don't.

Now, if this massive punitive tax cut really goes into effect, lets look at some of its most deficient aspects:

The Republican tax bill would blow a three trillion dollar hole in the budget and threaten the vitality of Medicare and Social Security.

The Republican tax scheme does nothing to extend the life of the Social Security and Medicare Trust Funds. It eats the entire surplus, leaving absolutely nothing to ensure the long-term solvency of Medicare or Social Security. It soaks up all of the money. It leaves nothing to protect or reform Medicare or Social Security. It also ensures that there will be no money left over to fund a Medicare prescription drug benefit.

The Republican plan also spends all of the non-Social Security surpluses and leaves

nothing for debt reduction. Rather than paying down a large portion of the national debt, the Republicans would be adding to it. When one includes the $141 billion of additional interest payments that are required to finance the tax cut, on-budget deficits are likely to appear.

The bill will force education, veterans programs, federal health research, environmental programs, farm programs, our national defense and other vital programs to be slashed. The Republican tax bill will require an average 27 percent cut in all domestic spending programs by 2009. To cite just one example, if the Majority sticks to their budget caps, $1.4 billion would be cut from veterans' health programs—which are already universally recognized as woefully under funded. In point of fact, our veterans programs are an outright disgrace and the Republican bill exacerbates the problem.

The Republican scheme will also explode the deficit and threaten our growth over the long-term. Last year, for the first time in thirty years, the federal budget was in surplus. The Republican bill will reverse that course because it will cost as much as $3 trillion in the out-years. Although it is cleverly and carefully masked, the Republican bill explodes the deficit in the out years and will produce higher deficits, higher interest rates and cripple economic expansion. Rather than paying down the debt as proposed by the President, the Republican tax scheme adds to the debt.

Finally, the plan put forth by the Republican leadership would only benefit the wealthiest Americans. According to Citizens for Tax Justice, the wealthiest one percent of taxpayers would receive 45 percent of the benefits. Sixty-five percent of the total tax cut will benefit the top ten percent of taxpayers, those with incomes over $115,000. In aggregate, 90 percent of taxpayers will receive less than a third of the benefits included in this package. That is simply unfair, and Americans know it.

Congress must use the surplus for Medicare and Social Security first. Then we can consider responsible tax proposals that sustain our growth and do not threaten our economic prosperity. The Democratic alternative is the responsible approach and I urge its adoption.

In short, my Republican colleagues have crafted either one of the slyest now you see it, now you don't scams in the history of government or they have crafted one of the most irresponsible tax cuts ever designed to cripple government and to endanger essential programs like Medicare and Social Security.

Moreover, they did it in a sneaky partisan way, totally disregarding traditional open legislative practices. No wonder the tax program here is so bad.

It must be defeated and I urge a no vote.

Ms. ROYBAL-ALLARD. Mr. Speaker, I rise in the strongest possible opposition to the Republican tax cut plan.

This is a bad bill for a number of reasons:

First, the $792 billion plus tax cut is fiscally irresponsible.

To pay for this tax bill, Republicans would force drastic cuts in vital programs affecting health care, education, law enforcement, science and technology, the environment, agriculture and countless other programs.

Moreover, when you deduct the promised increases for defense spending and set aside money to preserve Medicare and Social Security, no room is left for a tax cut of even half this size.

Second, because many of the tax cuts included in this bill are phased in over time, the total future cost of this bill will be astronomical.

While the projected cost of these cuts is $792 billion over the first ten years, the cost skyrockets to possibly more than $3 trillion in the second ten years, according to the Treasury Department.

Finally, this huge tax cut does little to benefit middle and low income working families—those who need it the most.

In fact, according to Citizens for Tax Justice, a taxpayer watchdog group, close to half of the tax benefits in this bill would go to the richest one percent of American taxpayers—people making over $300,000.

While I support cutting taxes, we must make sure that these tax cuts benefit hard-working low- and middle-income families.

The Democratic alternative recognizes that all American families need to share in our booming economy—not just the ultra-rich.

Towards this goal, the Democrats' bill includes marriage penalty tax relief for all married couples who need it—the Republican bill does not.

For example, low-income families experience a marriage tax penalty in relation to the Earned Income Tax Credit.

The EITC is a highly effective program which benefits millions of working families by providing them with a small credit to help make ends meet.

However, when individuals receiving the EITC marry, their benefit is often significantly reduced or taken away.

The Democratic alternative revises the Earned Income Tax Credit to relieve this marriage tax penalty.

This simple act of fairness is missing from the Republican bill.

In short, the Republican proposal is fiscally irresponsible, will result in devastating cuts to critically needed programs, and ignores low-income and middle-income families as it dispenses its benefits to the wealthy.

I urge my colleagues to support the modest, even-handed Democratic tax relief package, which recognizes our long-term commitment to Medicare, Social Security and the many priorities we need to address this year and next.

I urge my colleagues to oppose this irresponsible Republican bill.

Ms. SANCHEZ. Mr. Speaker, I rise because today the House will vote on a tax bill that has the opportunity to address one of the most pressing difficulties facing our schools: overcrowded and run-down facilities.

Our schools are simply worn out and out of room. Conditions are so poor that we would have to spend $112 billion to make the basic repairs needed. One out of every four schools is holding more students than it was designed for. Enrollment is skyrocketing—48 million K–12 students will be attending our public schools by 2008.

The House can do something about it. The Democratic version of H.R. 2488 includes language expanding the opportunities for communities to raise school bonds to renovate existing school facilities and build new ones.

School construction bonds are good for our communities. Local areas want to improve school facilities, but they need help. And new school and classroom construction means local jobs—lower unemployment, and working men and women taking home new paychecks.

School construction bonds are good for taxpayers. Whether to invest in these bonds will be a decision that neighborhoods, towns and school districts make—not the federal government or the IRS.

School construction bonds are good for schoolchildren. Right now our children attend schools with leaking roofs, inadequate wiring and chipping paint, crammed into storage closets, libraries and gyms for lack of classroom space. By neglecting to provide an environment appropriate for learning and teaching, we are sending our youth a message that their academic success is unimportant to us. This tragically shortchanges our students.

The 106th Congress has the opportunity to pass meaningful school construction legislation. I urge my colleagues to vote for the Democratic alternative and help our communities earn the opportunity to expand and rebuild America's schools.

Mr. HOLT. Mr. Speaker, I rise today in reluctant opposition to H.R. 2488, the Financial Freedom Act of 1999. I had hoped to be able to vote today for responsible tax cut legislation that could return some money to the people who elected us. Unfortunately, legislation of that type is not on the floor.

I support targeted tax cuts.

I have joined together with Republicans on some of the very proposals contained in this package. I agree that we need to substantially modify the estate tax that penalizes small business people and family farms. I agree that the tax code should not penalize marriage. I support tax credits for long-term health care and to help ease property taxes on citizens by helping communities with the costs of modernizing their schools. I support the research and development tax credit. And I support modernizing and simplifying the entire tax code.

But the bill that the Ways and Means Committee has brought forward is a massive bill based on a breathtakingly irresponsible roll of the dice. It is a political document that promises massive tax cuts—nearly $792 billion in tax cuts—with money that we do not now have, and may never have if projected budget surpluses do not materialize.

A large proportion of the predicted budget surpluses is based on the assumption that Congress, the President and our constituents will agree to deep cuts—cuts of almost 20 percent—in investments in education, health care, environmental cleanup, research, law enforcement and every other item of discretionary federal spending.

Some cuts need to be made in government spending. But it is not realistic to assume that Congress will pass these deep reductions when it has already shown reluctance to pass cuts of even a fraction of this size during this year's appropriations process. And the bill assumes that our nation will never face emergencies like natural disasters, unexpected military operations or downturns in the economy.

According to the Congressional Budget Office, this bill assumes $180 billion in cuts below the baseline in discretionary spending over the next ten years. Those projected cuts and that spending of the projected budget surplus for large tax cuts jeopardizes our ability to protect Social Security and Medicare for future generations.

Mr. Speaker, politicians make promises. But this bill sprinkles promises like fairy dust, with no thought to how those promises will be kept, or the consequences for our economy if they are not.

No parent in my central New Jersey district bets their children's financial future on rosy

scenarios and sunny, castle in the sky projections. They sit around the kitchen table and budget their bills, and their income and their anticipated expenses. And they make tough choices. The very least they can expect from us is the same type of honesty and responsibility when we make decisions that effect their families.

Some here will try to make this a partisan issue. But the fact is that some Democrats would love to pass targeted tax cuts. And some Republicans, from the moderates who opposed this bill last night, to watchdog groups like the Concorde Coalition, have clearly stated how irresponsible they believe this bill is. Fifty economists, including six Nobel Prize Winners, have called this approach irresponsible. Even the Wall Street Journal—hardly a group of wild-eyed liberals—has been vocal in their criticism.

It does not help that a large portion of this $792 billion bill is dedicated to special interest tax provisions. These expensive provisions don't go to families. They don't go to workers. And they don't go to seniors. They benefit mining interests—oil and gas producers—and large multinational corporations. These tax changes may or may not be good ones. We haven't had the chance to review them because they were inserted at the last minute. What we do know is that they are extremely expensive. And I don't think that any of my constituents think that giving away $300 billion in tax breaks to corporations without review is the way we ought to be making public policy.

Mr. Speaker, people in New Jersey pay a lot in taxes. I want very badly to provide a responsible tax cut to these hardworking citizens. And I had hoped to be able to do that today. Frankly, the easy vote for me today would be to cast a yes vote on this package, and hope that someone—somewhere—at sometime further along in the legislative package says ''Wait a minute. This doesn't add up.''

But I cannot.

My constituents elected me to make judgments based on evidence, not ideology. And the evidence of this bill is that it has very real potential to throw our economy back in the financial ditch that Republicans and Democrats have labored for so long, and so hard, to climb out of.

We can come together to pass a responsible bill. There are men and women on both sides of the aisle that want to see responsible tax relief. This legislation is not that. I urge my colleagues to vote no on H.R. 2488.

Mrs. CAPPS. Mr. Speaker, I rise today in support of common-sense tax relief for American families and small businesses. I also rise in support of saving Medicare and Social Security, two programs critical to today's seniors and future generations.

Unfortunately, the bill before the House today, H.R. 2488, is fiscally irresponsible. It would threaten our ability to ensure the long term solvency of Medicare and Social Security. It would also restrict our ability to pay down national debt and to make needed investments in national defense, education and environmental protection.

By using the entire projected surplus for permanent tax cuts, this bill would leave no money for modernizing Medicare or reforming Social Security. This is simply unconscionable. Medicare is desperately in need of modernization—specifically, the lack of prescription drug coverage is a gaping hole in this critical safety net for seniors that must be fixed. and while Social Security is fiscally sound for the near future, the coming retirement of the baby boom generation will strain the system beyond its limit. We owe it to future generations to act now to reform these programs while there is still plenty of time to do so.

H.R. 2488 would also keep us from paying down the $3.7 trillion national debt. Indeed, the Treasury Department estimates this bill would add over $150 billion in interest payments on that debt over the next 10 years. And the cost of the bill explodes over the second 10 years—to $3 trillion—precisely at the time that our Social Security and Medicare rolls will be increasing with newly retired baby-boomers.

The tax cut bill that I will be supporting today contains several important reforms that I have long supported, while allowing us to preserve Medicare and Social Security. This bill would fix the marriage penalty and ensure middle class families can take full advantage of the various per-child, education and child care tax credits. It would also increase the per-child tax credit by $250 for families with children under age five.

The bill I support would help families by providing $25 billion in school construction bonds to modernize our overcrowded public schools and make employer-provided assistance tax free for undergraduate and graduate education. This measure would institute a $1,000 long term care credit and make health insurance fully deductible for the self-employed beginning next year. And it would make permanent the R&D tax credit, so critical to ensuring future economic growth on the Central Coast, as well as credits to help move people from welfare to work.

The bill would also provide some relief from estate taxes for all taxpayers. But I believe it should go further. The clear need for relief in this area is for small businesses and family farms like those on the Central Coast of California who are imperiled by the death of the head of the family. We must increase the exemption for businesses like these above the current $1.3 million. The high value of Central Coast land, for example, can make even a modest sized farm or ranch impossible to pass down without being subject to high estate taxes that can force the sale of the property. By increasing this exemption, we would keep family farms and businesses in the family and off the auction block.

Finally, Mr. Speaker, I would like to express my profound disappointment in the partisan handling of this tax bill. I believe there is general agreement among the vast majority of Members that we can and should provide tax relief this year. But the House leadership has pursued a partisan course designed to make political points and not to pass meaningful legislation.

The leadership knows H.R. 2488 will not become law. By seriously sitting down and negotiating a common sense tax bill we could easily pass legislation this summer and give families and businesses the tax relief they deserve. I hope that we can put the partisanship aside and work together on formulating real tax reform this year. Our constituents deserve nothing less.

Ms. STABENOW. Mr. Speaker, I rise today to oppose the irresponsible Republican tax break proposal geared towards the wealthiest Americans, and support the Rangel Substitute. We have a truly historic opportunity in front of us. Today we can vote to build on the fiscal responsibility that has helped balance the federal budget by passing the Rangel Substitute, which will strengthen Social Security and Medicare while paying down the national debt and also provide a pro-family, pro-growth tax cut. Instead, the Republican majority will sacrifice this unique moment in order to give a tax windfall to the wealthiest Americans.

Quite simply, the Republican proposal is unfair to the vast majority of taxpayers in my home state of Michigan as well as across the nation. According to the Joint Committee on Taxation, one out of every three families will receive NO tax relief at all under this bill. In addition, Citizens for Tax Justice estimate that families making between $38,000 and $63,000 will receive an average tax cut of $17, while families with annual incomes of $300,000 or more will get an average cut of $8,300.

Of course, the decision to push this inequitable plan has opportunity costs. While giving tax breaks to the rich, the Republican legislation does nothing to extend the solvency of the Social Security and Medicare Trust Funds by even one day, and will not allow for Medicare reforms, such as a comprehensive prescription drug benefit and restoring cuts to critical services such as home health care, hospital reimbursements, and nursing homes.

Mr. Speaker, if we do not strengthen Social Security and Medicare and pay down the national debt during good economic times, we never will. We must not squander this chance to put our fiscal house in order, but a vote for the Republican plan will do just that. The Rangel Substitute will accomplish the above goals while also extending tax relief to those that need it most—middle class families, small businesses, and family farmers. I urge my colleagues to vote for the Rangel Substitute and oppose the Republican measure.

Mr. EVANS. Mr. Speaker, again, Congress is faced with a tax proposal that fails to address the needs of working Americans.

Instead, my Republican colleagues have crafted legislation that reflects only the concerns of corporate ''Fat Cats'' and wealthy special interests.

Mr. Speaker, tax breaks for the richest 10% of Americans does little to reaffirm working men and women's faith in their Government.

After years of belt-tightening and fiscal discipline, we have been given a rare opportunity to lessen the burden on families struggling to make ends meet while preserving Social Security and Medicare. Yet today, we are debating an irresponsible, politically motivated, tax cut that does little for average citizens.

Under the guise of returning government dollars to the pockets of Taxpayers, this proposal is a death knell for programs that reflect the values and priorities of working Americans—Education, the environment, proper care for our seniors and veterans.

Today, I will vote for the Democratic substitute that pays down the national debt, shores up our Social Security and Medicare programs and provides tax breaks for working families. Our bill will sustain the growing economy and protect programs that help the majority of Americans, not just a wealthy few.

Mr. HAYES. Mr. Speaker, last November the voters of our Nation returned to Congress a conservative majority to accomplish four things: Preserve Social Security and Medicare,

provide every American child with the opportunity to receive a world-class education, strengthen our national defenses, and finally, return any tax overcharges where they belong—to the United States taxpayer.

Today we have the opportunity to complete the fourth component of an agenda that reflects the priorities of America. Chairman ARCHER, the members of his committee and his staff are to be commended, as in the leadership of the majority party. Thanks to them, we have a chance to provide broad based tax relief for working Americans. The first real break they have had in almost 20 years. After all it's their money not the government's.

In the last fiscal year, the federal government collected $1.8 trillion, almost $80 billion more than it needs to operate. Recent budget projections indicate that the federal government will take in more than $3 trillion in surplus revenues over the next ten years—$3 trillion, Mr. Speaker. I've got news for every member that opposes significant tax relief—the American people are paying too much money to the government. That money does not belong to politicians, it belongs to the people. And they know how best to spend it.

There are those who say we must keep this money to preserve Social Security. Mr. Speaker, their remarks are not correct. The majority-crafted Social Security Lock Box legislation, which this body passed a month ago, protects all of the Social Security Trust Fund from bureaucratic political spending. The truth of the matter is that those who want to keep the money here in Washington want to spend it on more government. They should be ashamed. Government is too big already. We have a significant portion of the population in this country struggling to make ends meet, and many Washington politicians don't trust them to spend their own money.

Mr. Speaker, there are millions of Americans working 12 to 14 hours a day, every day, to secure a brighter future for their families. They are saving for that first home, for their children's college education and for their retirement. Let's take this historic opportunity to help them realize their dreams. Support this legislation and give the American people more of their money and the tax relief they deserve.

Mrs. MINK of Hawaii. Mr. Speaker, I rise in opposition to H.R. 2488, a misguided, imprudent tax bill. The Financial Freedom Act is an irresponsible piece of legislation which reduces taxes for the rich, and jeopardizes vital programs which sustain the most vulnerable Americans. This tax cut will not help the American people. Instead, it will threaten Social Security, Medicare, and the quality of our children's education, while benefiting the most wealthy portion of society.

Republicans want to spend $792 billion on an enormous tax break for the rich. Their plan is based on an uncertain assessment of America's financial future. They want to bet our future, our children's future, and our senior's security on the soundness of shaky predictions of potential surpluses. I cannot support such an extensive reduction in federal revenue when it endangers the strength of essential public programs for the benefit of the few.

The Financial Freedom Act bill is designed to benefit only the rich. Republicans even modified the provisions late in the evening before this debate so that any tax break for the average middle-class family is conditional. The sponsors of this bill take a projected surplus, and instead of prudently paying down our national debt, reinstating drastically-cut funding for Veterans, education, or Social Security, they give it to the most affluent individuals in our society. They choose to provide benefits to America's wealthiest ten percent, instead of acting in the best interest of all citizens. This is unfair, dangerous fiscal policy.

Mr. Speaker, my vote will be cast in favor of the solid, well-balanced Democratic substitute plan offered by Mr. RANGEL. This bill provides sound tax cuts to the average American citizen. Mr. RANGEL's bill eliminates the marriage tax penalty by increasing the standard deduction for married couples. It accelerates the estate tax exclusion so that the estates of small business owners can safely pass to the next generation. It provides an increase in the child tax credit for children under five. It designates interest free funds to states and localities for school construction. It gives long-term care provider tax credits and accelerates the deductibility of health insurance purchased by those who are self-employed. All of these tax deductions help average, working American families. We can accomplish all of this benefit to American families, without jeopardizing the future of Social Security, without threatening Medicare's solvency, without selling out our children's education, and without deserting our nation's Veterans.

Mr. LIPINSKI. Mr. Speaker, I rise today in opposition to the fiscally irresponsible tax cut bill we have before us today. More importantly, I strongly support this motion to recommit that instructs the Ways and Means Committee to reduce the size of the tax cut to one-quarter of the on-budget surplus and creates an account to lock up half of the on-budget surplus for debt reduction.

As a fiscal conservative who wants to lower interest rates and reduce the debt for future generations, I welcomed the renewed emphasis given to deficit and debt reduction when the Republicans took over Congress. Unfortunately, the majority party has lost track of the fiscal conservative roots and now wishes to spend almost of the projected surplus on tax cuts. I emphasize the word ''projected'' because the surplus has yet to materialize, and I think it is fiscally imprudent to spend money we do not yet have. As some of my like-minded Democratic colleagues have pointed out, budget projections for the next ten years have improved by nearly $2 trillion in the last twelve months, and the rosy projections could turn gloomy just as quickly.

While my voting record shows that I generally support tax cuts, I believe this is not the proper time, place, or source of money for a tax cut of such magnitude. The Congressional Budget Office's projected $996 billion surplus in the next 10 years assumes that all of the surplus will be saved for debt reduction, thereby reducing the interest payments we have to make on our $5.6 trillion debt. However, if we spend any part of that surplus, additional payments for debt service would automatically be triggered. Therefore, the $792 billion tax cut we have before us today will actually have a price tag in the area of $940 billion. This leaves almost no money to lower the debt or to pay for vital programs that Americans hold dear.

By only spending 25 percent of the surplus on tax cuts, we can still save a majority of the surplus for debt reduction, with some money going to domestic and defense programs, and some money in emergency reserve for Social Security and Medicare. However, I believe that any use of the surplus—whether it be for tax cuts, domestic programs, or Social Security—should be put off until we actually have a surplus. We would take great risks and send a bad message to future generations if we spend even one cent of an un-yet-realized surplus.

So, Mr. Speaker, let's not be fiscally imprudent and rashly give to much of the surplus away in tax cuts. We should do what is right for the future of this country and vote for the motion to recommit.

Mr. SANDLIN. Mr. Speaker, I rise in support of the Motion to Recommit.

The republican tax bill is the definition of fiscal recklessness. It seeks to enact a tax cut that is based only on projected surpluses under ten and fifteen year estimates. Budget projections for the next ten years have improved by nearly $2 trillion in the last twelve months—they could go the other way just as quickly. If budget projections turn out to be wrong, the budget will return to deficits financed by borrowing from the Social Security surplus. Even the Congressional Budget Office—the source of budget projections upon which the Republicans' tax cuts are based—says these projections could vary as much as $100 billion a year. That's an extremely wide margin of error, wide enough to cause deep concerns among fiscal conservatives like me.

Furthermore, even though Republicans are spending money they can't guarantee will exist, their tax plan still leaves no resources to meet important needs in education, agriculture, or defense, as well as funding for our veterans and other priorities. It is based on the assumption that discretionary spending will be cut by $595 billion below 1999 levels adjusted for inflation over the next ten years. This will require a cut in all discretionary programs of ten percent below current levels. Any increased spending in any area will require even deeper cuts in all other spending. The exploding costs of the tax bill will place an even greater squeeze on discretionary spending in later years.

If these massive tax cuts are passed, education will suffer greatly. The Republican tax bill includes a change to the tax-exempt bond arbitrage rules that largely fails to meet the stated objective of modernizing schools, especially in rural areas. Under H.R. 2488, school districts would have four years to spend school construction bond proceeds rather than the two years currently permitted. According to Republicans, this would enable school districts to invest bond proceeds for a longer period and recognize greater arbitrage profits. The Republicans contend that their plan is universal, covering cities, suburbs, and farms.

The truth is, many suburban and city school districts will receive no benefits from the Republican proposal. Schools with urgent needs, forced to teach children in trailers and dilapidated buildings, would not benefit from H.R. 2488. Their backlog of unmet needs means that they do not have the luxury of waiting four years before completing school construction. The Republican proposal also largely excludes some of our most needy school—those in rural areas. The provisions in the Republican tax bill may benefit a few large, wealthy school districts with the financial capacity to issue large bonds four years in advance of need, but it will not help rural districts.

The bottom line is simple: this bill will only serve to hurt the American people by jeopardizing the stability of our economy and the prosperity of future generations for the instant gratification of tax cuts that are not only irresponsible, but dangerous. In reality the best tax cut we can give to all Americans is keeping interest rates low by paying down our debt. Reducing our national debt will provide a tax cut for millions of Americans because it will restrain interest rates, thereby saving them money on variable mortgages, new mortgages, auto loans, credit card payments, etc. Each percentage point increase in interest rates would mean an extra $200–$250 billion in mortgage costs to Americans. Paying down the national debt will protect future generations from an increasing tax burden to pay interest on the debt run up by current generations. More than 25% of individual income taxes go to paying interest on our national debt. Every dollar of lower debt saves MORE than one dollar in taxes for future generations.

I urge you to act responsibly and conservatively—support the motion to recommit and secure a prosperous future by paying down the debt and saying no to fiscally reckless tax cuts.

Mrs. McCARTHY of New York. Mr. Speaker, the Tax Bill presented on the House Floor today is extreme. It ignores the overwhelming need for Congress to address debt reduction and protect the long term health of Social Security and Medicare. Furthermore, this irresponsible tax proposal jeopardizes important priorities of mine, such as health care for our nation's veterans.

I believe the overwhelming majority of this Congress wants to support a balanced and responsible tax cut. I know that my constituents on Long Island need tax relief. But the bill before us simply goes too far. The bill before us has been drafted to score political points. In order to demonstrate their support for a huge tax cut, the House leadership has sacrificed responsible economic policy.

Several Members of the majority party have expressed their opposition to this irresponsible tax break because the huge cuts have been based on unproven estimates about the so-called budget surplus 15 years from now. The average American citizen certainly understands that using such projections is dangerous and irresponsible.

Rather than trying to score political points, I believe we should be debating a tax cut that will meet the priorities of the majority of this Congress. Let's enact a more reasonable tax cut that will allow us to protect Social Security and Medicare, as well as improve healthcare for our veterans.

Mr. Speaker, I will support tax cuts to help Long Island's families, businesses, seniors and veterans. However, the tax cuts contained in H.R. 2488 are dangerous and irresponsible and could jeopardize the economic security of my constituents. Therefore, I urge members to oppose H.R. 2488 and support more responsible and reasonable tax policy.

Mr. VENTO. Mr. Speaker, I rise in opposition to this latest attempt to mortgage our children's future to enrich the richest one percent of our nation. Rather than financial freedom, this bill represents fiscal risk, irresponsibility, and unfairness. According to the independent research group, Citizens for Tax Justice, this tax scheme will give taxpayers earning more that $301,000 per year an annual bonus from Uncle Sam of $54,000. Taxpayers earning up to $38,000 will also benefit they receive an average annual tax cut of $101. That is truly generous of my Republican colleagues. With the passage of this bill, a small elite will get more in tax benefits than many working families in my family earn in an entire year. This plan gives a new meaning to Robin Hood—steal from the poor to give to the rich.

In their rush to reward those they consider truly needy, the Republican Majority refuses to set aside even one dollar of the on-budget surplus to extend the solvency of the Medicare Trust fund or the Social Security Trust Fund. $4,500 a month in new tax breaks for taxpayers earning more than $301,000 but not a penny for resolving the Medicare and Social Security programs. Mr. Chairman, it is time for a reality check.

Frankly, this fiscal tax expenditure scheme, which is based on speculative projections, risks undercutting the solid economic growth of the U.S. and the global economy. This scheme threatens to blow a hole in the budget, stacking up dollar after dollar in deficit red ink with no chance to pay down the U.S. $5.6 trillion debt, while starving the defense and domestic programs to commitments significantly less than in 1999. Ironically, we cannot even meet the needs today and this tax scheme assumes $100 billion less over the next ten years. This action and projection assumes no emergency spending, no military needs, no natural disasters, no new investment in families and places the U.S. economy in a straight jacket. At its best, this measure is irresponsible, unneeded, unfair, unworkable and represents bad judgment and politics at its worst.

I believe that it is possible for Congress to approve a targeted tax cut that will benefit working families. Such a tax cut could include fairness in the marriage penalty and incentives to help families to help themselves. Such a tax cut should be based on real economic projections and not be viewed through the rose colored glasses that the Republicans have used. Above all else, these tax cuts will not be achieved at the expense of Social Security and Medicare.

In considering tax reform, Congress should not ignore the hidden tax imposed on American taxpayers—the tax on their time. Today, the tax code is too complex and takes far too much time for the average taxpayer to file a tax return. According to the Internal Revenue Service (IRS), it took the average taxpayer nearly 16 hours to prepare and file a typical tax return (Form 1040 and Schedules A and B). That is two days work spent on federal taxes.

In 1996, to focus Congressional and public attention on tax reform and simplification and to cut the time that it takes to file taxes, I introduced H. Con. Res. 241, the ''10 for 60'' Resolution. My proposal directed Congress and the Administration to cut the time it takes to prepare taxes in half. As a first step, my proposal called for 10 changes that would cut by 60 minutes the time it would take to do taxes in the next year. This proposal was intended to focus Congressional attention on the real problems with our tax system.

This year, our colleague from Massachusetts, RICHARD NEAL, has reintroduced the Individual Tax Simplification Act of 1999, H.R. 1420. This legislation, which I have cosponsored focuses on simplification for individual tax forms in a revenue neutral manner. H.R. 1420 would eliminate about 200 lines from tax forms, schedules and worksheets. This legislation should be viewed as the first down payment on real tax simplification and should be included in any tax legislation adopted this year.

Mr. Speaker, I recognize that the current tax system is not perfect. Continued improvements can and must take place. Any tax reform package must be judged on specific criteria including the impact on budget, tax form simplification, equity for all taxpayers and sound public policy. As Congress considers tax reform, I will continue to advocate for those principles and support responsible legislation like the Democratic substitute amendment.

The fundamental problem with the GOP tax measure is the risk to the economy, it doesn't add up and the recent changes just underline that mathematical error, subtract nearly a trillion dollars the entire on budget projected surplus the next ten years, than add back in the spending bills that the Republican majority vigorously advocate, such as the Pentagon appropriation, and you end up with a new added deficit—new debt as far as the eye can see and if its debt the next ten years the results explode on the next 20 years beyond reason. The prudent course of fiscal policy would be to meet our commitments to Social Security and Medicare, reasonably fund programs that we agree upon like investments in people, and pass a tax cut the Democrat tax measure that adds up not reliving the thrilling high deficit days and actions of the Reagan Era when the total debt quadrupled—vote for Rangel and vote against this political math foisted upon us by H.R. 2488.

Ms. BALDWIN. Mr. Speaker, I rise today in strong opposition to the $792 billion tax cut being considered in the House today. This legislation spends the entire projected budget surplus, leaving nothing to reduce the national debt or extend the solvency of Social Security and Medicare.

For the first time in forty years, the federal government will achieve a budget surplus without relying on the surplus from the earmarked Social Security taxes. This achievement results from difficult budget decisions that have been made over the past decade. Today we are experiencing greater productivity, low inflation, low unemployment and broad based growth in real wages because we have focused on reducing deficits, paying down our debt, lowering interest rates and investing in our people. This legislation seeks to undermine the fiscal discipline that has created our current economy.

Today's tax-cut legislation uses projected budget surpluses which may not materialize and could force further cuts in domestic discretionary spending. It is appalling that in this era of economic prosperity, instead of a congressional debate about needed long term investments to strengthen our domestic security, we are focusing on financing a tax give-away through budget cuts in programs that educate children, feed the hungry, provide health care and child care, and keep our drinking water safe.

As a nation, we cannot continue to tolerate the fact that in America, 43 million people have no health insurance. Sharing our nation's strength and good fortune through investments that work is far wiser and will pay for greater dividends than spiraling tax breaks for the most affluent Americans.

Mr. CALVERT. Mr. Speaker, I rise today in support of the Financial Freedom Act of 1999. This is a common-sense piece of legislation which would provide broad based tax relief to individuals and families.

For forty years, the Democrats had control of Congress and practiced their policy of, tax, tax, spend, spend. Now that Republicans have been in the majority for more than 4 years, we have balanced the budget, agreed to set aside all Social Security surplus funds for social Security and Medicare, and still have an excess of funds.

Not surprisingly, the Democrats would prefer to keep these funds in Washington and create new and unneeded programs.

The Democrats are acting as if they found a wallet full of money with no ID. They want to take the money and run with it. But this wallet does have an ID. It belongs to the American taxpayer. It is our moral obligation to return their money.

Mr. Speaker we have these excess of funds because our economy is booming. And, the economy is booming because of the hard-work of the American people. Mr. Speaker, what has Congress contributed to the GDP? Nothing!

We have no right to keep this money in Washington. We should return this money to the people who have worked long and hard for it.

The Financial Freedom Act is a solid piece of legislation and I urge my colleagues to support it.

Mr. COYNE. Mr. Speaker, I rise in opposition to H.R. 2488. I believe that this legislation will lead us back to another era of budget deficits.

This bill is irresponsible because it relies upon uncertain projections. It is irresponsible because it relies upon unrealistic assumptions. It is irresponsible because it would cut taxes dramatically before Congress has taken the necessary steps to address the long-term solvency of Social Security and Medicare—not to mention the other challenges facing this country, challenges like providing education for our children, prescription drug benefits for our seniors, and affordable health insurance for all Americans. And it is irresponsible because it targets its tax relief to the wealthiest households in the country—the ones who have benefited most from the economic growth of the last 20 years—rather than to the hard-working families who have borne the burden of modernizing and streamlining our economy over the last two decades.

This bill would be paid for with a trillion-dollar surplus that doesn't yet exist. At this point, it is just a budget projection. Anyone who has watched the federal government struggle to gets its deficits under control over the last 18 years knows that budget projections are notoriously inaccurate, and that slight changes in some of the assumptions can change the results significantly. The trillion dollar surplus we are expecting might never materialize if the economy suffers some kind of setback.

Furthermore, an 800 billion dollar tax cut might even be the cause of such a setback. A tax cut now, when unemployment and inflation are both at record lows, could overheat the economy, bring back inflation, and trigger economic stagnation or even recession. Alternatively, it is conceivable that a huge tax cut could conceivably end the current period of economic growth simply by destroying public confidence in the federal government's willingness to exercise fiscal restraint.

In addition, the trillion dollar surplus is based on the assumption that discretionary spending will stay below the existing budget caps until 2002 and then rise only with inflation. There is no trillion dollar surplus if discretionary spending is raised above the levels set by the current caps. But many of our colleagues, both Republicans and Democrats, have indicated that they believe that the current discretionary spending caps are unacceptably low and should be raised enough to allow adequate levels of spending on federal activities like law enforcement, medical research, and education. I share their concerns, and I firmly believe that discretionary spending should be increased to address such pressing domestic needs.

Moreover, in considering the tax bill before us today, it is important to remember that even if the economic assumptions are correct and Congress chooses to limit discretionary spending sharply in order to pay for these tax cuts, the projected on-budget surpluses are only expected to last for 15 years. After 2015, Social Security, Medicare, and Medicaid costs are expected to produce massive budget deficits as the Baby Boom generation retires—defects in the hundreds of billions of dollars each year. We cannot responsibly make large tax cuts today without first preparing for the massive financial challenge that awaits us in a few years.

Such fiscal irresponsibility reflects a dramatic about-face from the progress we have made on the budget in recent years. I strongly believe that we must pursue fiscal policies that are conservative and cautious. That means that tax cuts should wait until after we've fixed Social Security and Medicare—and until the federal government has actually produced the surpluses necessary to pay for them.

In addition, I believe that tax cuts should be balanced against other pressing national needs—like lifting children out of poverty, making prescription drugs affordable for our seniors, providing high-quality education to our children, and guaranteeing affordable health insurance to all Americans.

And if we are going to cut taxes, I believe that we should cut the taxes of the working- and middle-class households who need and deserve tax relief the most, instead of cutting taxes disproportionately for the wealthy, as H.R. 2488 does.

That is why I support the Democratic alternative tax cut proposal—which provides significant but not profligate tax relief, conditions that tax relief upon action to make Social Security and Medicare solvent, and targets its tax relief to hard-working, middle-class American families who are struggling to make ends meet rather than those fortunate few who already have it pretty good.

Like the bill introduced by Chairman Archer, the Democratic alternative raises the standard deduction for married couples filing jointly to eliminate the marriage penalty for many middle-class families—but it also reduces the marriage penalty on many working-class couples by fixing the Earned Income Tax Credit.

The Democratic alternative also increases the size of the existing Family Credit by $250 for each child less than 5 years old, and it uses tax credits to leverage private investment in poor communities, in improving the environment, and in school construction and modernization. The Democratic bill provides tax relief to small and family-owned businesses by increasing the existing section 179 expending provision, and by accelerating the expansion of the estate tax exclusion. And the Democratic tax cut simplifies multi-employer pension programs that cover millions of working Americans.

The Republican tax plan, by contrast, disproportionately benefits the wealthiest Americans. It would phase out the estate tax, which currently only affects the richest 2 percent. It would lower taxes on capital gains income, most of which goes to the most affluent Americans. And even the centerpiece of the Republican tax cut, the 10 percent across the board rate reduction, would disproportionately benefit the rich.

The most important difference between the Democratic Republication bills, however, is the fact that the tax cuts in the Democratic alternative are contingent upon action on Social Security and Medicare. The majority of the tax cuts in the bill would not take effect until after the solvency of the Social Security and Medicare Programs is ensured. The tax cuts that would be enacted immediately—the sections of the bill making certain existing tax provisions permanent—would be offset with the revenue-raising provisions identified in Chairman ARCHER's bill.

I believe that the more modest size and the contingency provisions of the Democratic alternative tax cut bill make it a much more responsible tax relief bill than H.R. 2488.

Finally, Mr. Speaker, the Democratic tax cut alternative targets tax relief to the working- and middle-class families who are struggling to make ends meet. Those are the people who deserve tax relief the most. The Democratic bill, unlike the Republican bill, would eliminate the marriage penalty for low-income families. The Democratic alternative, unlike the Republican bill, would provide targeted assistance to working families for education, health care, long-term care, and child care. And the Democratic bill would provide estate tax relief to family farms and small businesses without, like the Republican bill, exempting the super-rich from all estate taxes. In short, while the Democratic tax cut alternative would not cut taxes as much as the Republican bill, it would cut taxes for many working families more than would the Republican bill.

Consequently, on the grounds of fiscal restraint, responsibility, and fairness, I urge my colleagues to join me in rejecting this unwise legislation and supporting the Democratic alternative.

Mr. BALLENGER. Mr. Speaker, today, I want to go on record in favor of ''The Financial Freedom Act of 1999,'' a tax relief package which is a consequence of our strong economy and the successful 1997 Balanced Budget Agreement. You will recall that this historic budget deal put us on the glide path to a balanced federal budget which we now expect to attain in the current fiscal year—much sooner than we promised the American people. This fact presents us with an opportunity—and an obligation to our constituents—to do the right thing with our nation's fiscal affairs.

I applaud the House leadership and the Ways and Means Committee, ably chaired by our colleague from Texas, Representative BILL ARCHER, for their commitment to bringing to the floor for a vote ''The Financial Freedom Act.'' Equally important, I embrace the commitment

we have made to spend two out of every three dollars of the expected federal budget surplus for retirement security—let me stress this important fact, Congressional Republicans have promised to protect Social Security and Medicare for our nation's seniors before we give tax cuts. We're keeping that promise by locking away surplus funds from retirement security programs. We have pledged to return surplus dollars generated from excessive federal income taxes—this is the message of ''The Financial Freedom Act of 1999.''

In addition to the relief for American taxpayers and their families in general, I want to take a minute to endorse the important changes in the tax code contained in ''The Financial Freedom Act'' to enhance retirement savings. For two years, I have advocated a sensible change to our tax laws related to employee stock ownership plans, or ESOPs. Specifically, the Ways and Means Committee included in the base bill a provision that would permit an employee participating in an ESOP to reinvest cash dividends paid on his or her stock for more company stock and permit the corporate payor of the dividends to take a tax deduction equal in value to the dividends.

Current law permits the corporate payor of dividends on ESOP stock to take a deduction if the employee receives the dividends in cash, or if the employer uses the dividends to pay debt incurred to acquire the stock for the ESOP. So, oddly, current law does not permit the employee to voluntarily reinvest the dividends in more company stock. While there is a convoluted way to almost accomplish the same result (i.e., a tax deduction for reinvested ESOP dividends), it involves getting an IRS letter ruling, is limited in its applicability and causes administrative headaches in trying to coordinate the reinvested dividends with 401(k) elective deferrals.

The confusion and needless regulatory burden of current law motivated me to introduce the very provision included in the Committee's bill in May 1997, in H.R. 1592, and to reintroduce this provision again this year as Section 2 of my bill, The ESOP Promotion Act of 1999 (H.R. 2124).

This provision is estimated to provide a new $200 million plus incentive for the expansion of stock ownership by employees.

Let the record show that Chairman ARCHER's mark recommended the change in law, and that this action by the Chairman was the very first time, may I repeat, the very first time in the near 25 year history of ESOPs that the House Ways and Means Committee Chairman's mark contained a positive expansion of ESOP law. May I compliment the Chair and my majority colleagues because for most of the 25 years of ESOP legislative history, the Committee was controlled by the other party and it seemed that every time we turned around someone was trying to take away from ESOPs and employee ownership. It seems that up until 1995 all we ESOP and employee ownership advocates ever did was fight anti-ESOP ideas that were originating in the Committee. I am proud to see under the leadership of Chairman ARCHER that view of ESOPs and employee ownership change, as evidenced by the expansion of the deduction of dividends paid on ESOP stock that is included in this bill.

And that motivates me to note that when the Clinton Administration put forth its tax recommendations for fiscal year 2000, once again we had a proposal to limit ESOPs, to take away a tax incentive for employee ownership. The Administration basically proposed to repeal the 1997 incentive for Subchapter S corporations to have ESOPs, and proposed a retroactive, unfathomable system of taxation for S corporations with ESOPs. As a Member who since 1990 has introduced legislation to allow S corporations to sponsor ESOPs, I am pleased that the Committee rejected this anti-ESOP Administration proposal. The S corporation ESOP reform finally became law in 1996 and was perfected in 1997.

So, you can understand my concern when I saw earlier this year the Administration basically trying to unravel a piece of legislation in which I have had such a long-standing interest.

I do take note that the pending tax legislation in the other body, which perfected the S corporation ESOP law in 1997, has a provision to ensure that the 1997 law is not used by film-flam operators to create tax-favored S corporation ESOPs that are not really spreading equity ownership among employees of a bona fide business operation. Having a great interest in this area, I would hope that the Committee, and those who go to conference with the other body on the ''Financial Freedom Act,'' would take a serious look that the anti-abuse provision in the other body's bill. Based on my knowledge of that anti-abuse proposal, it would resolve any unintended consequences of our 1996 and 1997 laws to ensure employees of S corporations can participate in ownership through an ESOP.

Again, I am pleased to see in the bill before us today the positive leadership taken by Chairman ARCHER and the majority of the Committee for ESOPs and employee ownership.

Mr. PHELPS. Mr. Speaker, I rise today in opposition to the massive and risky tax cut measure before us today. I urge my colleagues to support Representative TANNER's motion to recommit the bill to Committee, where it can be improved. Should that motion fail, we must reject this irresponsible bill.

The Leadership's bill eagerly spends a surplus that may never materialize. It commits almost the entire non-Social Security surplus to tax cuts, ignoring other critical needs like reducing our $5.6 trillion national debt. It jeopardizes funding for education, veterans' benefits, agriculture and other basic programs which will have to endure huge cuts over the next ten years if these tax provisions are enacted. It spends hundreds of billions of dollars that I had hoped we would use instead to reform and strengthen Medicare and provide a prescription drug benefit, making it extremely unlikely that Medicare solvency can be ensured without slashing benefits or increasing costs for our senior citizens.

The bill also directs two-thirds of its tax cut benefits to the wealthiest 10% of Americans, and close to half of the cuts would benefit the richest 1% of taxpayers with incomes exceeding $300,000. And although the price tag attached to this bill is staggering enough, it pales in comparison to the costs that will result once all of its provisions are in full effect a decade from now. From 2010 to 2019, this tax package would cost the Treasury $2.8 trillion—several times the initial cost of the bill, and a burden that cannot possibly be borne while maintaining adequate funding for domestic programs and continuing to pay down our debt.

Like many of my colleagues, I support certain provisions in the Leaderships bill, including in particular the phase-out of the estate tax and the elimination of the marriage penalty. In fact, I am a co-sponsor of stand-alone bills that would accomplish both of these goals. But I simply cannot ignore this reckless and dangerous use of a budget surplus that should be divided among several, equally important needs, rather than snatched up before it even exists and lavished on the wealthiest Americans at the expense of programs that benefit our working families and elderly.

Due to some of these same concerns, I will also vote against the Democratic substitute. Although this alternative is a more responsible and targeted approach, it still makes the dangerous assumption that a large surplus is guaranteed for the next ten years and beyond. If this does not prove to be the case, we will all suffer when our debt continues to spiral out of control, funding is no longer available for some of the most basic federal programs, and the solvency of Social Security and Medicare becomes a goal that is no longer in reach.

The ''yea'' vote I cast today will be for Representative TANNER'S motion to recommit this bill to the Ways and Means Committee. The motion mirrors the fundamental principles of the Blue Dog budget that I, along with a majority of Democrats and 26 Republicans, supported earlier in the year. This motion changes none of the specific provisions in the majority's bill. Instead, it simply requires the Committee to reduce the overall tax cut to one-quarter of the on-budget surplus and to create a Debt Reduction Account to ensure that half of the on-budget surplus is preserved for reducing our debt. Altering the bill in this way would ensure that when there is a surplus, there will also be a generous tax cut. But it will also allow us to be secure in the knowledge that our debt will continue to be reduced and that our children and grandchildren will not have to shoulder the burden of our recklessness.

I consider myself extremely fortunate to have entered Congress at a time when the tough choices made by my colleagues and predecessors who balanced the budget in 1997 are beginning to yield tangible results. I now consider it my duty to maintain the fiscal responsibility that led us to this point and ensure that we do not recreate massive deficits like the ones we've just escaped from. We all want to reward hard-working American families by returning some of their tax dollars, but I cannot in good conscience do this at the expense of our future fiscal health. Therefore, Mr. Speaker, I will support the motion to recommit because I believe Americans deserve a responsible tax cut when we are sure we have the money to pay for it. But I will vote against H.R. 2488 because I also believe Americans deserve a balanced federal budget, a solvent Medicare and Social Security system, and the knowledge that the programs and services they depend on today will still be there tomorrow.

Mr. STARK. Mr. Speaker, I opposed the Republican tax bill in Committee and I oppose it today because it will force, in the near future, massive, destructive cuts in Medicare, and it prevents us from improving Medicare with a modest prescription drug benefit.

By reducing the tax cut by about 40%, we can extend the life of the Medicare Trust Fund well into the retirement of the Baby Boom generation, from 2015 to 2027. We can also make

Medicare a modern health care program by covering pharmaceuticals which reduce the need for hospitalizations and which provide quality, preventive care.

If we don't use these resources to extend the life of Medicare, but instead pass this tax cut, we are voting for future massive cuts in benefits to seniors and the disabled, or for massive, crippling cuts to hospitals, nursing homes, and home health agencies—or for a massive future tax increase at a time when the economy may not be able to handle such an increase.

The choice seems obvious: save resources for Medicare today, or face impossible choices in the future.

When we know with absolute certainty that Medicare will need major new resources in the near future, do we want to give away revenues in a tax cut, largely to the rich, that could prevent this future crisis?

Workers per Medicare Beneficiary will fall from 1998's 3.9 to 2.3 workers per beneficiary in 2030. We must make it easier now for those fewer workers of the year 2030 to pay taxes to support retirees and the disabled. That means dedicating revenues now (by retiring debt).

Other options for extending the life of the Hospital Trust Fund are unacceptable. The Medicare Hospital Trust Fund runs out of money in 2015. ''To bring the HI program into actuarial balance, over just the next 25 years under the Trustees' intermediate assumptions, would require either that outlays be further reduced by 11% or that income [payroll taxes] be increased by 12 percent.''

By voting not to save 15% of the surplus to HI, thus extending the Trust Fund to 2027, Members are in effect voting for additional major hospital cuts or future tax increases.

Republican Members of Ways and Means have sponsored or cosponsored many Medicare spending bills that will cost tens of billions over the next 10 years. If they don't support saving some money for Medicare, supporting these Medicare bills isn't real—it is hypocrisy. Mr. FOLEY is on 9 bills including a major hospital outpatient payment relief bill. Mr. HAYWORTH has 4, Mr. WATKINS has gone to bat for the chiropractors and would spend billions more. Mr. MCINNIS would spend billions more. Mr. RAMSTAD is supporting 6 bills that would spend billions, Mr. ENGLISH 11, Mr. CAMP 6, and Mr. NUSSLE, leader of the rural caucus, has 7 spending bills that would cost billions. You all are basically saying you don't really want to do any of those spending bills or those bills to undo the BBA, you just want tax cuts.

Can't shift more costs to seniors and disabled. Medicare is already one of the lowest retiree benefit plans in the industrialized world and worth less than the value of the average private insurance/employer plan. (That's why we need to add a prescription drug benefit.) Costs are already being shifted to seniors because of that Balanced Budget Act. We can't shift more.

Mr. CRANE. Mr. Speaker, I rise in strong support of H.R. 2488, the Financial Freedom Act of 1999. I would like to commend our Ways and Means Committee Chairman BILL ARCHER for this fine product of his hard labors.

Thanks to the fiscal discipline of the Republican majority in Congress, we have a budget surplus for the first time in a generation. That surplus money belongs to the American taxpayers, and we are returning it to them in the form of tax relief.

While some of my Democrat colleagues are suggesting this is not the time for tax cuts, I would tell them that I disagree. More money is going to the government, as a share of the total economy, than at any point since World War II. Americans are spending more on their federal, state and local taxes than they spend even on food, shelter and clothing combined. Taxpayers need a break and that's what this Republican tax cut bill will give them.

According to the Congressional Budget Office, we expect to see $996 billion—nearly one trillion dollars—in budget surpluses after we set aside Social Security and Medicare surpluses. While some are suggesting that we put more aside for debt reduction or ''other needs'', I know from my long experience in Washington that if you leave money lying around this town, someone will find a way to spend it. I believe we should return it to the American taxpayers.

The Financial Freedom Act provides tax relief for all Americans. It starts off with a 10 percent across-the-board individual tax rate cut. In addition, the bill provides marriage penalty relief, pension reform as well as incentives for savings and to make health care and long-term care more affordable. The bill also includes ideas that I have worked for years to advance—reductions in the capital gains tax and the abolition of the estate, or what I call the ''death'', tax. H.R. 2488 will also make tax time less complicated as it eventually abolishes the alternative minimum tax on individuals and businesses.

I am particularly grateful that some items that I had been working on were included in this bill. For example, the bill will lower the capital gains tax on qualified settlement funds used to pay the beneficiaries of class action law suits, such as the one established for those suffering from asbestos-related illnesses. H.R. 2488 also allows life insurance companies to file a consolidated tax return with an affiliated group of non-life insurance companies. This will go a long way to the financial modernization goals this body has supported. I have also been able to include a provision to encourage more foreign investment in U.S. mutual funds by removing the U.S. tax code as a penalty to investors from overseas.

While there are some provisions I hoped to have included in this bill, I look forward to the continuation of the process so that I may have an opportunity to address those other issues.

I urge my colleagues to support this bill so that we can get about the work of providing much-needed tax relief to the American people.

The SPEAKER pro tempore (Mr. THORNBERRY). All time for general debate has expired.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. RANGEL

Mr. RANGEL. Mr. Speaker, I offer an amendment in the nature of a substitute.

The SPEAKER pro tempore. The Clerk will designate the amendment in the nature of a substitute.

The text of the amendment in the nature of a substitute is as follows:

Part B amendment in the nature of a substitute offered by Mr. RANGEL:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; ETC.

(a) SHORT TITLE.—This Act may be cited as the ''Tax Reduction Act of 1999''.

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, 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 Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—

Sec. 1. Short title; etc.
Sec. 2. Tax reductions contingent on social security and medicare solvency certifications.

TITLE I—TAX RELIEF FOR FAMILIES

Sec. 101. Marriage penalty relief.
Sec. 102. Nonrefundable personal credits fully allowed against regular tax liability and minimum tax liability.
Sec. 103. Increase in child tax credit.
Sec. 104. Deduction of State and local general sales taxes in lieu of State and local income taxes.

TITLE II—INCENTIVES FOR EDUCATION

Sec. 201. Expansion of incentives for public schools.
Sec. 202. Extension of exclusion for employer-provided educational assistance; exclusion to apply to assistance for graduate education.

TITLE III—INCENTIVES FOR HEALTH CARE AND LONG-TERM CARE

Sec. 301. Long-term care tax credit.
Sec. 302. Deduction for 100 percent of health insurance costs of self-employed individuals.

TITLE IV—PERMANENT EXTENSION OF CERTAIN EXPIRING PROVISIONS

Sec. 401. Research credit.
Sec. 402. Work opportunity and welfare-to-work credits.
Sec. 403. Subpart F exemption for active financing income.
Sec. 404. Expensing of environmental remediation costs.

TITLE V—COMMUNITY DEVELOPMENT INITIATIVES

Sec. 501. Increase in State ceiling on low-income housing credit.
Sec. 502. New markets tax credit.
Sec. 503. Credit to holders of Better America Bonds.

TITLE VI—SMALL BUSINESS INCENTIVES

Sec. 601. Acceleration of $1,000,000 estate tax exclusion.
Sec. 602. Increase in expense treatment for small businesses.

TITLE VII—PENSION PROVISIONS

Sec. 701. Treatment of multiemployer plans under section 415.
Sec. 702. Actuarial reduction only for benefits beginning before age 62 in case of benefits under multiemployer plans.

TITLE VIII—REVENUE OFFSETS

Sec. 801. Returns relating to cancellations of indebtedness by organizations lending money.
Sec. 802. Extension of Internal Revenue Service user fees.
Sec. 803. Limitations on welfare benefit funds of 10 or more employer plans.
Sec. 804. Increase in elective withholding rate for nonperiodic distributions from deferred compensation plans.
Sec. 805. Controlled entities ineligible for REIT status.

Sec. 806. Treatment of gain from constructive ownership transactions.
Sec. 807. Transfer of excess defined benefit plan assets for retiree health benefits.
Sec. 808. Modification of installment method and repeal of installment method for accrual method taxpayers.
Sec. 809. Limitation on use of nonaccrual experience method of accounting.
Sec. 810. Exclusion of like-kind exchange property from nonrecognition treatment on the sale of a principal residence.
Sec. 811. Disallowance of noneconomic tax attributes.

TITLE IX—NATIONAL COMMISSION ON TAX REFORM AND SIMPLIFICATION

Sec. 901. Establishment.
Sec. 902. Functions.
Sec. 903. Administration.
Sec. 904. General.

SEC. 2. TAX REDUCTIONS CONTINGENT ON SOCIAL SECURITY AND MEDICARE SOLVENCY CERTIFICATIONS.

(a) IN GENERAL.—Notwithstanding any other provision of this Act, no provision of this Act (or amendment made thereby) shall take effect until there is—

(1) a social security certification,

(2) a Medicare certification, and

(3) a balanced budget certification.

(b) EXTENSION OF EXPIRING PROVISIONS AND REVENUE OFFSETS NOT AFFECTED.—

(1) IN GENERAL.—Except as provided in paragraph (2), sections 102, 202, title IV, and title VIII shall take effect without regard to the provisions of subsection (a).

(2) ONLY 2-YEAR EXTENSION OF CERTAIN PROVISIONS IF NO SOLVENCY AND BUDGET DETERMINATIONS.—

(A) IN GENERAL.—If, as of January 1, 2002, all of the certifications under subsection (a) have not been made—

(i) section 26 of the Internal Revenue Code of 1986 shall be applied to taxable years beginning during the suspension period without regard to the amendment made by section 102,

(ii) section 127 of such Code shall not apply with respect to courses beginning during the suspension period,

(iii) sections 41 and 198 of such Code shall not apply to amounts paid or incurred during the suspension period,

(iv) sections 51 and 51A of such Code shall not apply to individuals who begin work for the employer during the suspension period, and

(v) sections 953(e) and 954(h) of such Code shall not apply to taxable years beginning during the suspension period.

(B) SUSPENSION PERIOD.—For purposes of subparagraph (A), the suspension period is the period beginning on January 1, 2002, and ending on the earliest date that all of the certifications under subsection (a) have been made.

(c) DEFINITIONS.—For purposes of this subsection—

(1) SOCIAL SECURITY SOLVENCY CERTIFICATION.—The term ''social security solvency certification'' means a certification by the Board of Trustees of the Social Security Trust Funds that the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are in actuarial balance for the 75-year period utilized in the most recent annual report of such Board of Trustees pursuant to section 201(c)(2) of the Social Security Act (42 U.S.C. 401(c)(2)).

(2) MEDICARE SOLVENCY CERTIFICATION.—For purposes of this subsection, the term ''Medicare solvency certification'' means a certification by the Board of Trustees of the Federal Hospital Insurance Trust Fund that such Trust Fund is in actuarial balance until the year 2027.

(3) BALANCED BUDGET CERTIFICATION.—There is a balanced budget certification if the Director of the Office of Management and Budget certifies that the tax reductions made by this Act will not create an on-budget deficit for any fiscal year in the period 2000 through 2009 after taking into account non-Social-Security deficit amounts necessary for the certifications under paragraphs (1) and (2).

TITLE I—TAX RELIEF FOR FAMILIES

SEC. 101. MARRIAGE PENALTY RELIEF.

(a) STANDARD DEDUCTION.—

(1) IN GENERAL.—Paragraph (2) of section 63(c) (relating to standard deduction) is amended—

(A) by striking ''$5,000'' in subparagraph (A) and inserting ''twice the dollar amount in effect under subparagraph (C) for the taxable year'',

(B) by adding ''or'' at the end of subparagraph (B),

(C) by striking ''in the case of'' and all that follows in subparagraph (C) and inserting ''in any other case.'', and

(D) by striking subparagraph (D).

(2) TECHNICAL AMENDMENTS.—

(A) Subparagraph (B) of section 1(f)(6) is amended by striking ''(other than with'' and all that follows through ''shall be applied'' and inserting ''(other than with respect to sections 63(c)(4) and 151(d)(4)(A)) shall be applied''.

(B) Paragraph (4) of section 63(c) is amended by adding at the end the following flush sentence:

''The preceding sentence shall not apply to the amount referred to in paragraph (2)(A).''.

(b) EARNED INCOME CREDIT.—Subsection (a) of section 32 (relating to credit for earned income) is amended by adding at the end the following new paragraph:

''(3) REDUCTION OF MARRIAGE PENALTY.—

''(A) IN GENERAL.—In the case of a joint return, the phaseout amount under this section shall be such amount (determined without regard to this paragraph) increased by $2,500 ($2,000 in the case of taxable years beginning during 2000).

''(B) INFLATION ADJUSTMENT.—In the case of any taxable year beginning in a calendar year after 2001, the $2,500 amount contained in subparagraph (A) shall be increased by an amount equal to the product of—

''(i) such dollar amount, and

''(ii) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 2000' for 'calendar year 1992' in subparagraph (B) thereof.

If any increase determined under the preceding sentence is not a multiple of $50, such increase shall be rounded to the next lowest multiple of $50.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1999.

(d) PHASEIN OF INCREASE IN BASIC STANDARD DEDUCTION.—In the case of taxable years beginning during 2000—

(1) there shall be taken into account under subparagraph (A) section 63(c)(2) of the Internal Revenue Code of 1986 only one-half of the increase which would (but for this subsection) apply, and

(2) the basic standard deduction for a married individual filing a separate return shall be one-half of the amount applicable under such subparagraph.

SEC. 102. NONREFUNDABLE PERSONAL CREDITS FULLY ALLOWED AGAINST REGULAR TAX LIABILITY AND MINIMUM TAX LIABILITY.

(a) IN GENERAL.—Subsection (a) of section 26 (relating to limitation based on amount of tax) is amended to read as follows:

''(a) LIMITATION BASED ON AMOUNT OF TAX.—The aggregate amount of credits allowed by this subpart for the taxable year shall not exceed the sum of—

''(1) the taxpayer's regular tax liability for the taxable year, and

''(2) the tax imposed for the taxable year by section 55(a).''.

(b) CHILD CREDIT.—Subsection (d) of section 24 is amended by striking paragraph (2) and by redesignating paragraph (3) as paragraph (2).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1998.

SEC. 103. INCREASE IN CHILD TAX CREDIT.

(a) IN GENERAL.—Subsection (a) of section 24 (relating to child tax credit), as amended by section 301, is amended by adding at the end the following new sentence:

''In the case of a qualifying child who has not attained age 5 as of the close of the calendar year in which the taxable year of the taxpayer begins, paragraph (1) shall be applied by substituting '$750' for '$500'.''

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2000.

SEC. 104. DEDUCTION OF STATE AND LOCAL GENERAL SALES TAXES IN LIEU OF STATE AND LOCAL INCOME TAXES.

(a) IN GENERAL.—Subsection (b) of section 164 is amended by adding at the end thereof the following new paragraph:

''(5) GENERAL SALES TAXES.—For purposes of subsection (a)—

''(A) ELECTION TO DEDUCT STATE AND LOCAL SALES TAXES IN LIEU OF STATE AND LOCAL INCOME TAXES.—

''(i) IN GENERAL.—At the election of the taxpayer for the taxable year, subsection (a) shall be applied—

''(I) without regard to the reference to State and local income taxes,

''(II) as if State and local general sales taxes were referred to in a paragraph thereof, and

''(III) without regard to the last sentence.

''(B) DEFINITION OF GENERAL SALES TAX.—The term 'general sales tax' means a tax imposed at one rate in respect of the sale at retail of a broad range of classes of items.

''(C) SPECIAL RULES FOR FOOD, ETC.—In the case of items of food, clothing, medical supplies, and motor vehicles—

''(i) the fact that the tax does not apply in respect of some or all of such items shall not be taken into account in determining whether the tax applies in respect of a broad range of classes of items, and

''(ii) the fact that the rate of tax applicable in respect of some or all of such items is lower than the general rate of tax shall not be taken into account in determining whether the tax is imposed at one rate.

''(D) ITEMS TAXED AT DIFFERENT RATES.—Except in the case of a lower rate of tax applicable in respect of an item described in subparagraph (C), no deduction shall be allowed under this paragraph for any general sales tax imposed in respect of an item at a rate other than the general rate of tax.

''(E) COMPENSATING USE TAXES.—A compensating use tax in respect of an item shall be treated as a general sales tax. For purposes of the preceding sentence, the term 'compensating use tax' means, in respect of any item, a tax which—

''(i) is imposed on the use, storage, or consumption of such item, and

''(ii) is complementary to a general sales tax, but only if a deduction is allowable

under this paragraph in respect of items sold at retail in the taxing jurisdiction which are similar to such item.

''(F) SPECIAL RULE FOR MOTOR VEHICLES.—In the case of motor vehicles, if the rate of tax exceeds the general rate, such excess shall be disregarded and the general rate shall be treated as the rate of tax.

''(G) SEPARATELY STATED GENERAL SALES TAXES.—If the amount of any general sales tax is separately stated, then, to the extent that the amount so stated is paid by the consumer (otherwise than in connection with the consumer's trade or business) to his seller, such amount shall be treated as a tax imposed on, and paid by, such consumer.

''(H) AMOUNT OF DEDUCTION TO BE DETERMINED UNDER TABLES.—

''(i) IN GENERAL.—The amount of the deduction allowed by this paragraph shall be determined under tables prescribed by the Secretary.

''(ii) REQUIREMENTS FOR TABLES.—The tables prescribed under clause (i) shall reflect the provisions of this paragraph and shall be based on the average consumption by taxpayers on a State-by-State basis, as determined by the Secretary, taking into account filing status, number of dependents, adjusted gross income, and rates of State and local general sales taxation.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1999.

TITLE II—INCENTIVES FOR EDUCATION

SEC. 201. EXPANSION OF INCENTIVES FOR PUBLIC SCHOOLS.

(a) IN GENERAL.—Chapter 1 is amended by adding at the end the following new subchapter:

''Subchapter X—Public School Modernization Provisions

''Part I. Credit to holders of qualified public school modernization bonds.

''Part II. Qualified school construction bonds.

''Part III. Incentives for education zones.

''PART I—CREDIT TO HOLDERS OF QUALIFIED PUBLIC SCHOOL MODERNIZATION BONDS

''Sec. 1400F. Credit to holders of qualified public school modernization bonds.

''SEC. 1400F. CREDIT TO HOLDERS OF QUALIFIED PUBLIC SCHOOL MODERNIZATION BONDS.

''(a) ALLOWANCE OF CREDIT.—In the case of a taxpayer who holds a qualified public school modernization bond on a credit allowance date of such bond which occurs during the taxable year, there shall be allowed as a credit against the tax imposed by this chapter for such taxable year an amount equal to the sum of the credits determined under subsection (b) with respect to credit allowance dates during such year on which the taxpayer holds such bond.

''(b) AMOUNT OF CREDIT.—

''(1) IN GENERAL.—The amount of the credit determined under this subsection with respect to any credit allowance date for a qualified public school modernization bond is 25 percent of the annual credit determined with respect to such bond.

''(2) ANNUAL CREDIT.—The annual credit determined with respect to any qualified public school modernization bond is the product of—

''(A) the applicable credit rate, multiplied by

''(B) the outstanding face amount of the bond.

''(3) APPLICABLE CREDIT RATE.—For purposes of paragraph (1), the applicable credit rate with respect to an issue is the rate equal to an average market yield (as of the day before the date of issuance of the issue) on outstanding long-term corporate debt obligations (determined under regulations prescribed by the Secretary).

''(4) SPECIAL RULE FOR ISSUANCE AND REDEMPTION.—In the case of a bond which is issued during the 3-month period ending on a credit allowance date, the amount of the credit determined under this subsection with respect to such credit allowance date shall be a ratable portion of the credit otherwise determined based on the portion of the 3-month period during which the bond is outstanding. A similar rule shall apply when the bond is redeemed.

''(c) LIMITATION BASED ON AMOUNT OF TAX.—

''(1) IN GENERAL.—The credit allowed under subsection (a) for any taxable year shall not exceed the excess of—

''(A) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

''(B) the sum of the credits allowable under part IV of subchapter A (other than subpart C thereof, relating to refundable credits).

''(2) CARRYOVER OF UNUSED CREDIT.—If the credit allowable under subsection (a) exceeds the limitation imposed by paragraph (1) for such taxable year, such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such taxable year.

''(d) QUALIFIED PUBLIC SCHOOL MODERNIZATION BOND; CREDIT ALLOWANCE DATE.—For purposes of this section—

''(1) QUALIFIED PUBLIC SCHOOL MODERNIZATION BOND.—The term 'qualified public school modernization bond' means—

''(A) a qualified zone academy bond, and

''(B) a qualified school construction bond.

''(2) CREDIT ALLOWANCE DATE.—The term 'credit allowance date' means—

''(A) March 15,

''(B) June 15,

''(C) September 15, and

''(D) December 15.

Such term includes the last day on which the bond is outstanding.

''(e) OTHER DEFINITIONS.—For purposes of this subchapter—

''(1) LOCAL EDUCATIONAL AGENCY.—The term 'local educational agency' has the meaning given to such term by section 14101 of the Elementary and Secondary Education Act of 1965. Such term includes the local educational agency that serves the District of Columbia but does not include any other State agency.

''(2) BOND.—The term 'bond' includes any obligation.

''(3) STATE.—The term 'State' includes the District of Columbia and any possession of the United States.

''(4) PUBLIC SCHOOL FACILITY.—The term 'public school facility' shall not include—

''(A) any stadium or other facility primarily used for athletic contests or exhibitions or other events for which admission is charged to the general public, or

''(B) any facility which is not owned by a State or local government or any agency or instrumentality of a State or local government.

''(f) CREDIT INCLUDED IN GROSS INCOME.—Gross income includes the amount of the credit allowed to the taxpayer under this section (determined without regard to subsection (c)) and the amount so included shall be treated as interest income.

''(g) BONDS HELD BY REGULATED INVESTMENT COMPANIES.—If any qualified public school modernization bond is held by a regulated investment company, the credit determined under subsection (a) shall be allowed to shareholders of such company under procedures prescribed by the Secretary.

''(h) CREDITS MAY BE STRIPPED.—Under regulations prescribed by the Secretary—

''(1) IN GENERAL.—There may be a separation (including at issuance) of the ownership of a qualified public school modernization bond and the entitlement to the credit under this section with respect to such bond. In case of any such separation, the credit under this section shall be allowed to the person who on the credit allowance date holds the instrument evidencing the entitlement to the credit and not to the holder of the bond.

''(2) CERTAIN RULES TO APPLY.—In the case of a separation described in paragraph (1), the rules of section 1286 shall apply to the qualified public school modernization bond as if it were a stripped bond and to the credit under this section as if it were a stripped coupon.

''(i) TREATMENT FOR ESTIMATED TAX PURPOSES.—Solely for purposes of sections 6654 and 6655, the credit allowed by this section to a taxpayer by reason of holding a qualified public school modernization bonds on a credit allowance date shall be treated as if it were a payment of estimated tax made by the taxpayer on such date.

''(j) CREDIT MAY BE TRANSFERRED.—Nothing in any law or rule of law shall be construed to limit the transferability of the credit allowed by this section through sale and repurchase agreements.

''(k) REPORTING.—Issuers of qualified public school modernization bonds shall submit reports similar to the reports required under section 149(e).

''(l) TERMINATION.—This section shall not apply to any bond issued after September 30, 2004.

''PART II—QUALIFIED SCHOOL CONSTRUCTION BONDS

''Sec. 1400G. Qualified school construction bonds.

''SEC. 1400G. QUALIFIED SCHOOL CONSTRUCTION BONDS.

''(a) QUALIFIED SCHOOL CONSTRUCTION BOND.—For purposes of this subchapter, the term 'qualified school construction bond' means any bond issued as part of an issue if—

''(1) 95 percent or more of the proceeds of such issue are to be used for the construction, rehabilitation, or repair of a public school facility or for the acquisition of land on which such a facility is to be constructed with part of the proceeds of such issue,

''(2) the bond is issued by a State or local government within the jurisdiction of which such school is located,

''(3) the issuer designates such bond for purposes of this section, and

''(4) the term of each bond which is part of such issue does not exceed 15 years.

''(b) LIMITATION ON AMOUNT OF BONDS DESIGNATED.—The maximum aggregate face amount of bonds issued during any calendar year which may be designated under subsection (a) by any issuer shall not exceed the sum of—

''(1) the limitation amount allocated under subsection (d) for such calendar year to such issuer, and

''(2) if such issuer is a large local educational agency (as defined in subsection (e)(4)) or is issuing on behalf of such an agency, the limitation amount allocated under subsection (e) for such calendar year to such agency.

''(c) NATIONAL LIMITATION ON AMOUNT OF BONDS DESIGNATED.—There is a national qualified school construction bond limitation for each calendar year. Such limitation is—

''(1) $11,000,000,000 for 2000,

''(2) $11,000,000,000 for 2001, and

''(3) except as provided in subsection (f), zero after 2001.

''(d) HALF OF LIMITATION ALLOCATED AMONG STATES.—

''(1) IN GENERAL.—One-half of the limitation applicable under subsection (c) for any calendar year shall be allocated among the States under paragraph (2) by the Secretary.

The limitation amount allocated to a State under the preceding sentence shall be allocated by the State to issuers within such State and such allocations may be made only if there is an approved State application.

''(2) ALLOCATION FORMULA.—The amount to be allocated under paragraph (1) for any calendar year shall be allocated among the States in proportion to the respective amounts each such State received for Basic Grants under subpart 2 of part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6331 et seq.) for the most recent fiscal year ending before such calendar year. For purposes of the preceding sentence, Basic Grants attributable to large local educational agencies (as defined in subsection (e)) shall be disregarded.

''(3) MINIMUM ALLOCATIONS TO STATES.—

''(A) IN GENERAL.—The Secretary shall adjust the allocations under this subsection for any calendar year for each State to the extent necessary to ensure that the sum of—

''(i) the amount allocated to such State under this subsection for such year, and

''(ii) the aggregate amounts allocated under subsection (e) to large local educational agencies in such State for such year,

is not less than an amount equal to such State's minimum percentage of the amount to be allocated under paragraph (1) for the calendar year.

''(B) MINIMUM PERCENTAGE.—A State's minimum percentage for any calendar year is the minimum percentage described in section 1124(d) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6334(d)) for such State for the most recent fiscal year ending before such calendar year.

''(4) ALLOCATIONS TO CERTAIN POSSESSIONS.—The amount to be allocated under paragraph (1) to any possession of the United States other than Puerto Rico shall be the amount which would have been allocated if all allocations under paragraph (1) were made on the basis of respective populations of individuals below the poverty line (as defined by the Office of Management and Budget). In making other allocations, the amount to be allocated under paragraph (1) shall be reduced by the aggregate amount allocated under this paragraph to possessions of the United States.

''(5) ALLOCATIONS FOR INDIAN SCHOOLS.—In addition to the amounts otherwise allocated under this subsection, $200,000,000 for calendar year 2000, and $200,000,000 for calendar year 2001, shall be allocated by the Secretary of the Interior for purposes of the construction, rehabilitation, and repair of schools funded by the Bureau of Indian Affairs. In the case of amounts allocated under the preceding sentence, Indian tribal governments (as defined in section 7871) shall be treated as qualified issuers for purposes of this subchapter.

''(6) APPROVED STATE APPLICATION.—For purposes of paragraph (1), the term 'approved State application' means an application which is approved by the Secretary of Education and which includes—

''(A) the results of a recent publicly-available survey (undertaken by the State with the involvement of local education officials, members of the public, and experts in school construction and management) of such State's needs for public school facilities, including descriptions of—

''(i) health and safety problems at such facilities,

''(ii) the capacity of public schools in the State to house projected enrollments, and

''(iii) the extent to which the public schools in the State offer the physical infrastructure needed to provide a high-quality education to all students, and

''(B) a description of how the State will allocate to local educational agencies, or otherwise use, its allocation under this subsection to address the needs identified under subparagraph (A), including a description of how it will—

''(i) give highest priority to localities with the greatest needs, as demonstrated by inadequate school facilities coupled with a low level of resources to meet those needs,

''(ii) use its allocation under this subsection to assist localities that lack the fiscal capacity to issue bonds on their own, and

''(iii) ensure that its allocation under this subsection is used only to supplement, and not supplant, the amount of school construction, rehabilitation, and repair in the State that would have occurred in the absence of such allocation.

Any allocation under paragraph (1) by a State shall be binding if such State reasonably determined that the allocation was in accordance with the plan approved under this paragraph.

''(e) HALF OF LIMITATION ALLOCATED AMONG LARGEST SCHOOL DISTRICTS.—

''(1) IN GENERAL.—One-half of the limitation applicable under subsection (c) for any calendar year shall be allocated under paragraph (2) by the Secretary among local educational agencies which are large local educational agencies for such year. No qualified school construction bond may be issued by reason of an allocation to a large local educational agency under the preceding sentence unless such agency has an approved local application.

''(2) ALLOCATION FORMULA.—The amount to be allocated under paragraph (1) for any calendar year shall be allocated among large local educational agencies in proportion to the respective amounts each such agency received for Basic Grants under subpart 2 of part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6331 et seq.) for the most recent fiscal year ending before such calendar year.

''(3) ALLOCATION OF UNUSED LIMITATION TO STATE.—The amount allocated under this subsection to a large local educational agency for any calendar year may be reallocated by such agency to the State in which such agency is located for such calendar year. Any amount reallocated to a State under the preceding sentence may be allocated as provided in subsection (d)(1).

''(4) LARGE LOCAL EDUCATIONAL AGENCY.—For purposes of this section, the term 'large local educational agency' means, with respect to a calendar year, any local educational agency if such agency is—

''(A) among the 100 local educational agencies with the largest numbers of children aged 5 through 17 from families living below the poverty level, as determined by the Secretary using the most recent data available from the Department of Commerce that are satisfactory to the Secretary, or

''(B) 1 of not more than 25 local educational agencies (other than those described in subparagraph (A)) that the Secretary of Education determines (based on the most recent data available satisfactory to the Secretary) are in particular need of assistance, based on a low level of resources for school construction, a high level of enrollment growth, or such other factors as the Secretary deems appropriate.

''(5) APPROVED LOCAL APPLICATION.—For purposes of paragraph (1), the term 'approved local application' means an application which is approved by the Secretary of Education and which includes—

''(A) the results of a recent publicly-available survey (undertaken by the local educational agency or the State with the involvement of school officials, members of the public, and experts in school construction and management) of such agency's needs for public school facilities, including descriptions of—

''(i) the overall condition of the local educational agency's school facilities, including health and safety problems,

''(ii) the capacity of the agency's schools to house projected enrollments, and

''(iii) the extent to which the agency's schools offer the physical infrastructure needed to provide a high-quality education to all students,

''(B) a description of how the local educational agency will use its allocation under this subsection to address the needs identified under subparagraph (A), and

''(C) a description of how the local educational agency will ensure that its allocation under this subsection is used only to supplement, and not supplant, the amount of school construction, rehabilitation, or repair in the locality that would have occurred in the absence of such allocation.

A rule similar to the rule of the last sentence of subsection (d)(6) shall apply for purposes of this paragraph.

''(f) CARRYOVER OF UNUSED LIMITATION.—If for any calendar year—

''(1) the amount allocated under subsection (d) to any State, exceeds

''(2) the amount of bonds issued during such year which are designated under subsection (a) pursuant to such allocation,

the limitation amount under such subsection for such State for the following calendar year shall be increased by the amount of such excess. A similar rule shall apply to the amounts allocated under subsection (d)(5) or (e).

''(g) SPECIAL RULES RELATING TO ARBITRAGE.—

''(1) IN GENERAL.—A bond shall not be treated as failing to meet the requirement of subsection (a)(1) solely by reason of the fact that the proceeds of the issue of which such bond is a part are invested for a temporary period (but not more than 36 months) until such proceeds are needed for the purpose for which such issue was issued.

''(2) BINDING COMMITMENT REQUIREMENT.—Paragraph (1) shall apply to an issue only if, as of the date of issuance, there is a reasonable expectation that—

''(A) at least 10 percent of the proceeds of the issue will be spent within the 6-month period beginning on such date for the purpose for which such issue was issued, and

''(B) the remaining proceeds of the issue will be spent with due diligence for such purpose.

''(3) EARNINGS ON PROCEEDS.—Any earnings on proceeds during the temporary period shall be treated as proceeds of the issue for purposes of applying subsection (a)(1) and paragraph (1) of this subsection.

''PART III—INCENTIVES FOR EDUCATION ZONES

''Sec. 1400H. Qualified zone academy bonds.

''Sec. 1400I. Corporate contributions to specialized training centers.

''SEC. 1400H. QUALIFIED ZONE ACADEMY BONDS.

''(a) QUALIFIED ZONE ACADEMY BOND.—For purposes of this subchapter—

''(1) IN GENERAL.—The term 'qualified zone academy bond' means any bond issued as part of an issue if—

''(A) 95 percent or more of the proceeds of such issue are to be used for a qualified purpose with respect to a qualified zone academy established by a local educational agency,

''(B) the bond is issued by a State or local government within the jurisdiction of which such academy is located,

''(C) the issuer—

''(i) designates such bond for purposes of this section,

''(ii) certifies that it has written assurances that the private business contribution

requirement of paragraph (2) will be met with respect to such academy, and

''(iii) certifies that it has the written approval of the local educational agency for such bond issuance, and

''(D) the term of each bond which is part of such issue does not exceed 15 years.

Rules similar to the rules of section 1400G(g) shall apply for purposes of paragraph (1).

''(2) PRIVATE BUSINESS CONTRIBUTION REQUIREMENT.—

''(A) IN GENERAL.—For purposes of paragraph (1), the private business contribution requirement of this paragraph is met with respect to any issue if the local educational agency that established the qualified zone academy has written commitments from private entities to make qualified contributions having a present value (as of the date of issuance of the issue) of not less than 10 percent of the proceeds of the issue.

''(B) QUALIFIED CONTRIBUTIONS.—For purposes of subparagraph (A), the term 'qualified contribution' means any contribution (of a type and quality acceptable to the local educational agency) of—

''(i) equipment for use in the qualified zone academy (including state-of-the-art technology and vocational equipment),

''(ii) technical assistance in developing curriculum or in training teachers in order to promote appropriate market driven technology in the classroom,

''(iii) services of employees as volunteer mentors,

''(iv) internships, field trips, or other educational opportunities outside the academy for students, or

''(v) any other property or service specified by the local educational agency.

''(3) QUALIFIED ZONE ACADEMY.—The term 'qualified zone academy' means any public school (or academic program within a public school) which is established by and operated under the supervision of a local educational agency to provide education or training below the postsecondary level if—

''(A) such public school or program (as the case may be) is designed in cooperation with business to enhance the academic curriculum, increase graduation and employment rates, and better prepare students for the rigors of college and the increasingly complex workforce,

''(B) students in such public school or program (as the case may be) will be subject to the same academic standards and assessments as other students educated by the local educational agency,

''(C) the comprehensive education plan of such public school or program is approved by the local educational agency, and

''(D)(i) such public school is located in an empowerment zone or enterprise community (including any such zone or community designated after the date of the enactment of this section), or

''(ii) there is a reasonable expectation (as of the date of issuance of the bonds) that at least 35 percent of the students attending such school or participating in such program (as the case may be) will be eligible for free or reduced-cost lunches under the school lunch program established under the National School Lunch Act.

''(4) QUALIFIED PURPOSE.—The term 'qualified purpose' means, with respect to any qualified zone academy—

''(A) constructing, rehabilitating, or repairing the public school facility in which the academy is established,

''(B) acquiring the land on which such facility is to be constructed with part of the proceeds of such issue,

''(C) providing equipment for use at such academy,

''(D) developing course materials for education to be provided at such academy, and

''(E) training teachers and other school personnel in such academy.

''(b) LIMITATIONS ON AMOUNT OF BONDS DESIGNATED.—

''(1) IN GENERAL.—There is a national zone academy bond limitation for each calendar year. Such limitation is—

''(A) $400,000,000 for 1998,

''(B) $400,000,000 for 1999,

''(C) $1,000,000,000 for 2000,

''(D) $1,400,000,000 for 2001, and

''(E) except as provided in paragraph (3), zero after 2001.

''(2) ALLOCATION OF LIMITATION.—

''(A) ALLOCATION AMONG STATES.—

''(i) 1998 AND 1999 LIMITATIONS.—The national zone academy bond limitations for calendar years 1998 and 1999 shall be allocated by the Secretary among the States on the basis of their respective populations of individuals below the poverty line (as defined by the Office of Management and Budget).

''(ii) LIMITATION AFTER 1999.—The national zone academy bond limitation for any calendar year after 1999 shall be allocated by the Secretary among the States in the manner prescribed by section 1400G(d); except that in making the allocation under this clause, the Secretary shall take into account—

''(I) Basic Grants attributable to large local educational agencies (as defined in section 1400G(e)).

''(II) the national zone academy bond limitation.

''(B) ALLOCATION TO LOCAL EDUCATIONAL AGENCIES.—The limitation amount allocated to a State under subparagraph (A) shall be allocated by the State education agency to qualified zone academies within such State.

''(C) DESIGNATION SUBJECT TO LIMITATION AMOUNT.—The maximum aggregate face amount of bonds issued during any calendar year which may be designated under subsection (a) with respect to any qualified zone academy shall not exceed the limitation amount allocated to such academy under subparagraph (B) for such calendar year.

''(3) CARRYOVER OF UNUSED LIMITATION.—If for any calendar year—

''(A) the limitation amount under this subsection for any State, exceeds

''(B) the amount of bonds issued during such year which are designated under subsection (a) (or the corresponding provisions of prior law) with respect to qualified zone academies within such State,

the limitation amount under this subsection for such State for the following calendar year shall be increased by the amount of such excess.

''SEC. 1400I. CORPORATE CONTRIBUTIONS TO SPECIALIZED TRAINING CENTERS.

''(a) GENERAL RULE.—For purposes of section 38, in the case of a corporation, the specialized training center credit determined under this section is an amount equal to 50 percent of the amount of the designated qualified contributions made by the taxpayer during the taxable year to a specialized training center.

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

''(1) SPECIALIZED TRAINING CENTER.—The term 'specialized training center' means any qualified zone academy (as defined in section 1400H(a)(3))—

''(A) which is located in an empowerment zone or enterprise community, or

''(B) which is located in proximity to such a zone or community and a significant number of the students attending such academy have their principal place of abode in such zone or community.

''(2) DESIGNATED QUALIFIED CONTRIBUTIONS.—The term 'designated qualified contribution' means any contribution—

''(A) which is made pursuant to an agreement under which the taxpayer participates in the design of the academic program of the specialized training center, and

''(B) which is designated under subsection (c).

''(c) DESIGNATION OF CONTRIBUTIONS.—

''(1) LIMITATION ON AMOUNT DESIGNATED.—The maximum amount of contributions made which may be designated under this subsection with respect to all specialized training centers located an empowerment zone or enterprise community shall not exceed—

''(A) $8,000,000 in the case of an empowerment zone, and

''(B) $2,000,000 in the case of an enterprise community.

''(2) DESIGNATIONS.—Designations under this subsection shall be made (in consultation with the local educational agency) by the local government agency responsible for implementing the strategic plan described in section 1391(f)(2) for the empowerment zone or enterprise community.

''(d) VALUE OF CONTRIBUTIONS.—The amount of any designated qualified contribution which may be taken into account under this section shall be—

''(1) the amount of such contribution which would be allowed as a deduction under section 170 without regard to section 280C(d), or

''(2) in the case of a contribution of services performed on the premises of a specialized training center by an employee of the taxpayer, the amount of wages (as defined in section 3306(b) but without regard to any dollar limitation contained in such section) paid by the taxpayer for such services.''

(b) REPORTING.—Subsection (d) of section 6049 (relating to returns regarding payments of interest) is amended by adding at the end the following new paragraph:

''(8) REPORTING OF CREDIT ON QUALIFIED PUBLIC SCHOOL MODERNIZATION BONDS.—

''(A) IN GENERAL.—For purposes of subsection (a), the term 'interest' includes amounts includible in gross income under section 1400F(f) and such amounts shall be treated as paid on the credit allowance date (as defined in section 1400F(d)(2)).

''(B) REPORTING TO CORPORATIONS, ETC.—Except as otherwise provided in regulations, in the case of any interest described in subparagraph (A) of this paragraph, subsection (b)(4) of this section shall be applied without regard to subparagraphs (A), (H), (I), (J), (K), and (L)(i).

''(C) REGULATORY AUTHORITY.—The Secretary may prescribe such regulations as are necessary or appropriate to carry out the purposes of this paragraph, including regulations which require more frequent or more detailed reporting.''

(c) CONFORMING AMENDMENTS RELATED TO CREDIT FOR CORPORATE CONTRIBUTIONS TO SPECIALIZED TRAINING CENTERS.—

(1) DENIAL OF DOUBLE BENEFIT.—Section 280C is amended by adding at the end the following new subsection:

''(d) CREDIT FOR CORPORATE CONTRIBUTIONS TO SPECIALIZED TRAINING CENTERS.—No deduction shall be allowed for that portion of the designated qualified contributions (as defined in section 1400I(b)) made during the taxable year which is equal to the credit determined for the taxable year under section 1400I(a). Paragraph (3) of subsection (b) shall apply for purposes of this subsection.''

(2) CREDIT TO BE PART OF GENERAL BUSINESS CREDIT.—

(A) Section 38(b) is amended—

(i) by striking ''plus'' at the end of paragraph (11),

(ii) by striking the period at the end of paragraph (12) and inserting '', plus'', and

(iii) by adding at the end the following new paragraph:

''(13) in the case of a corporation, the specialized training center credit determined under section 1400I(a).''

(B) Subsection (d) of section 39 (relating to carryback and carryforward of unused credits) is amended by adding at the end the following new paragraph:

''(9) NO CARRYBACK OF SECTION 1400I CREDIT BEFORE JANUARY 1, 2000.—No portion of the unused business credit for any taxable year which is attributable to the credit determined under section 1400I may be carried back to a taxable year beginning before January 1, 2000.''.

(d) OTHER CONFORMING AMENDMENTS.—

(1) Subchapter U of chapter 1 is amended by striking part IV, by redesignating part V as part IV, and by redesignating section 1397F as section 1397E.

(2) The table of subchapters for chapter 1 is amended by adding at the end the following new item:

''Subchapter X. Public school modernization provisions.''

(3) The table of parts of subchapter U of chapter 1 is amended by striking the last 2 items and inserting the following item:

''Part IV. Regulations.''

(e) APPLICATION OF CERTAIN LABOR STANDARDS ON CONSTRUCTION PROJECTS FINANCED UNDER PUBLIC SCHOOL MODERNIZATION PROGRAM.—Section 439 of the General Education Provisions Act (relating to labor standards) is amended—

(1) by inserting ''(a)'' before ''All laborers and mechanics'', and

(2) by adding at the end the following:

''(b)(1) For purposes of this section, the term 'applicable program' also includes the qualified zone academy bond provisions enacted by section 226 of the Taxpayer Relief Act of 1997 and the program established by section 2 of the Public School Modernization Act of 1999.

''(2) A State or local government participating in a program described in paragraph (1) shall—

''(A) in the awarding of contracts, give priority to contractors with substantial numbers of employees residing in the local education area to be served by the school being constructed; and

''(B) include in the construction contract for such school a requirement that the contractor give priority in hiring new workers to individuals residing in such local education area.

''(3) In the case of a program described in paragraph (1), nothing in this subsection or subsection (a) shall be construed to deny any tax credit allowed under such program. If amounts are required to be withheld from contractors to pay wages to which workers are entitled, such amounts shall be treated as expended for construction purposes in determining whether the requirements of such program are met.''.

(f) EMPLOYMENT AND TRAINING ACTIVITIES RELATING TO CONSTRUCTION OR RECONSTRUCTION OF PUBLIC SCHOOL FACILITIES.—

(1) IN GENERAL.—Section 134 of the Workforce Investment Act of 1998 (29 U.S.C. 2864) is amended by adding at the end the following:

''(f) LOCAL EMPLOYMENT AND TRAINING ACTIVITIES RELATING TO CONSTRUCTION OR RECONSTRUCTION OF PUBLIC SCHOOL FACILITIES.—

''(1) IN GENERAL.—In order to provide training services related to construction or reconstruction of public school facilities receiving funding assistance under an applicable program, each State shall establish a specialized program of training meeting the following requirements:

''(A) The specialized program provides training for jobs in the construction industry.

''(B) The program is designed to provide trained workers for projects for the construction or reconstruction of public school facilities receiving funding assistance under an applicable program.

''(C) The program is designed to ensure that skilled workers (residing in the area to be served by the school facilities) will be available for the construction or reconstruction work.

''(2) COORDINATION.—The specialized program established under paragraph (1) shall be integrated with other activities under this Act, with the activities carried out under the National Apprenticeship Act of 1937 by the State Apprenticeship Council or through the Bureau of Apprenticeship and Training in the Department of Labor, as appropriate, and with activities carried out under the Carl D. Perkins Vocational and Technical Education Act of 1998. Nothing in this subsection shall be construed to require services duplicative of those referred to in the preceding sentence.

''(3) APPLICABLE PROGRAM.—In this subsection, the term 'applicable program' has the meaning given the term in section 439(b) of the General Education Provisions Act (relating to labor standards).''.

(2) STATE PLAN.—Section 112(b)(17)(A) of the Workforce Investment Act of 1998 (29 U.S.C. 2822(b)(17)(A)) is amended—

(A) in clause (iii), by striking ''and'' at the end;

(B) by redesignating clause (iv) as clause (v); and

(C) by inserting after clause (iii) the following:

''(iv) how the State will establish and carry out a specialized program of training under section 134(f); and''.

(g) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the amendments made by this section shall apply to obligations issued after December 31, 1999.

(2) CREDIT FOR CORPORATE CONTRIBUTIONS TO SPECIALIZED TRAINING CENTERS.—Section 1400I of the Internal Revenue Code of 1986 (as added by this section) shall apply to taxable years beginning after December 31, 1999.

(3) REPEAL OF RESTRICTION ON ZONE ACADEMY BOND HOLDERS.—In the case of bonds to which section 1397E of the Internal Revenue Code of 1986 (as in effect before the date of the enactment of this Act) applies, the limitation of such section to eligible taxpayers (as defined in subsection (d)(6) of such section) shall not apply after the date of the enactment of this Act.

(4) APPLICATION OF LABOR STANDARDS; TRAINING PROGRAM.—The amendments made by subsections (e) and (f) shall take effect on the date of the enactment of this Act.

SEC. 202. EXTENSION OF EXCLUSION FOR EMPLOYER-PROVIDED EDUCATIONAL ASSISTANCE; EXCLUSION TO APPLY TO ASSISTANCE FOR GRADUATE EDUCATION.

(a) PERMANENT EXTENSION.—Subsection (d) of section 127 is hereby repealed.

(b) EXCLUSION TO APPLY TO GRADUATE STUDENTS.—The last sentence of section 127(c)(1) is amended by striking ''hobbies'' and all that follows and inserting ''hobbies.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to courses beginning after May 31, 2000.

TITLE III—INCENTIVES FOR HEALTH CARE AND LONG-TERM CARE

SEC. 301. LONG-TERM CARE TAX CREDIT.

(a) ALLOWANCE OF CREDIT.—

(1) IN GENERAL.—Section 24(a) (relating to allowance of child tax credit) is amended to read as follows:

''(a) ALLOWANCE OF CREDIT.—There shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of—

''(1) $500 multiplied by the number of qualifying children of the taxpayer, plus

''(2) $1,000 multiplied by the number of applicable individuals with respect to whom the taxpayer is an eligible caregiver for the taxable year.''

(2) ADDITIONAL CREDIT FOR TAXPAYER WITH 3 OR MORE SEPARATE CREDIT AMOUNTS.—So much of section 24(d) as precedes paragraph (1)(A) thereof is amended to read as follows:

''(d) ADDITIONAL CREDIT FOR TAXPAYERS WITH 3 OR MORE SEPARATE CREDIT AMOUNTS.—

''(1) IN GENERAL.—If the sum of the number of qualifying children of the taxpayer and the number of applicable individuals with respect to which the taxpayer is an eligible caregiver is 3 or more for any taxable year, the aggregate credits allowed under subpart C shall be increased by the lesser of—''.

(3) CONFORMING AMENDMENTS.—

(A) The heading for section 32(n) is amended by striking ''CHILD'' and inserting ''FAMILY CARE''.

(B) The heading for section 24 is amended to read as follows:

''SEC. 24. FAMILY CARE CREDIT.''

(C) The table of sections for subpart A of part IV of subchapter A of chapter 1 is amended by striking the item relating to section 24 and inserting the following new item:

''Sec. 24. Family care credit.''.

(b) DEFINITIONS.—Section 24(c) (defining qualifying child) is amended to read as follows:

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

''(1) QUALIFYING CHILD.—

''(A) IN GENERAL.—The term 'qualifying child' means any individual if—

''(i) the taxpayer is allowed a deduction under section 151 with respect to such individual for the taxable year,

''(ii) such individual has not attained the age of 17 as of the close of the calendar year in which the taxable year of the taxpayer begins, and

''(iii) such individual bears a relationship to the taxpayer described in section 32(c)(3)(B).

''(B) EXCEPTION FOR CERTAIN NONCITIZENS.—The term 'qualifying child' shall not include any individual who would not be a dependent if the first sentence of section 152(b)(3) were applied without regard to all that follows 'resident of the United States'.

''(2) APPLICABLE INDIVIDUAL.—

''(A) IN GENERAL.—The term 'applicable individual' means, with respect to any taxable year, any individual who has been certified, before the due date for filing the return of tax for the taxable year (without extensions), by a physician (as defined in section 1861(r)(1) of the Social Security Act) as being an individual with long-term care needs described in subparagraph (B) for a period—

''(i) which is at least 180 consecutive days, and

''(ii) a portion of which occurs within the taxable year.

Such term shall not include any individual otherwise meeting the requirements of the preceding sentence unless within the 39½ month period ending on such due date (or such other period as the Secretary prescribes) a physician (as so defined) has certified that such individual meets such requirements.

''(B) INDIVIDUALS WITH LONG-TERM CARE NEEDS.—An individual is described in this subparagraph if the individual meets any of the following requirements:

''(i) The individual is at least 6 years of age and—

''(I) is unable to perform (without substantial assistance from another individual) at least 3 activities of daily living (as defined in section 7702B(c)(2)(B)) due to a loss of functional capacity, or

''(II) requires substantial supervision to protect such individual from threats to health and safety due to severe cognitive impairment and is unable to perform at least 1 activity of daily living (as so defined) or to the extent provided in regulations prescribed by the Secretary (in consultation with the Secretary of Health and Human Services), is unable to engage in age appropriate activities.

''(ii) The individual is at least 2 but not 6 years of age and is unable due to a loss of functional capacity to perform (without substantial assistance from another individual) at least 2 of the following activities: eating, transferring, or mobility.

''(iii) The individual is under 2 years of age and requires specific durable medical equipment by reason of a severe health condition or requires a skilled practitioner trained to address the individual's condition to be available if the individual's parents or guardians are absent.

''(3) ELIGIBLE CAREGIVER.—

''(A) IN GENERAL.—A taxpayer shall be treated as an eligible caregiver for any taxable year with respect to the following individuals:

''(i) The taxpayer.

''(ii) The taxpayer's spouse.

''(iii) An individual with respect to whom the taxpayer is allowed a deduction under section 151 for the taxable year.

''(iv) An individual who would be described in clause (iii) for the taxable year if section 151(c)(1)(A) were applied by substituting for the exemption amount an amount equal to the sum of the exemption amount the standard deduction under section 63(c)(2)(C), and any additional standard deduction under section 63(c)(3) which would be applicable to the individual if clause (iii) applied.

''(v) An individual who would be described in clause (iii) for the taxable year if—

''(I) the requirements of clause (iv) are met with respect to the individual, and

''(II) the requirements of subparagraph (B) are met with respect to the individual in lieu of the support test of section 152(a).

''(B) RESIDENCY TEST.—The requirements of this subparagraph are met if an individual has as his principal place of abode the home of the taxpayer and—

''(i) in the case of an individual who is an ancestor or descendant of the taxpayer or the taxpayer's spouse, is a member of the taxpayer's household for over half the taxable year, or

''(ii) in the case of any other individual, is a member of the taxpayer's household for the entire taxable year.

''(C) SPECIAL RULES WHERE MORE THAN 1 ELIGIBLE CAREGIVER.—

''(i) IN GENERAL.—If more than 1 individual is an eligible caregiver with respect to the same applicable individual for taxable years ending with or within the same calendar year, a taxpayer shall be treated as the eligible caregiver if each such individual (other than the taxpayer) files a written declaration (in such form and manner as the Secretary may prescribe) that such individual will not claim such applicable individual for the credit under this section.

''(ii) NO AGREEMENT.—If each individual required under clause (i) to file a written declaration under clause (i) does not do so, the individual with the highest modified adjusted gross income (as defined in section 32(c)(5)) shall be treated as the eligible caregiver.

''(iii) MARRIED INDIVIDUALS FILING SEPARATELY.—In the case of married individuals filing separately, the determination under this subparagraph as to whether the husband or wife is the eligible caregiver shall be made under the rules of clause (ii) (whether or not one of them has filed a written declaration under clause (i)).''.

(c) IDENTIFICATION REQUIREMENTS.—

(1) IN GENERAL.—Section 24(e) is amended by adding at the end the following new sentence: ''No credit shall be allowed under this section to a taxpayer with respect to any applicable individual unless the taxpayer includes the name and taxpayer identification number of such individual, and the identification number of the physician certifying such individual, on the return of tax for the taxable year.''.

(2) ASSESSMENT.—Section 6213(g)(2)(I) is amended—

(A) by inserting ''or physician identification'' after ''correct TIN'', and

(B) by striking ''child'' and inserting ''family care''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1999.

SEC. 302. DEDUCTION FOR 100 PERCENT OF HEALTH INSURANCE COSTS OF SELF-EMPLOYED INDIVIDUALS.

(a) IN GENERAL.—Paragraph (1) of section 162(l) is amended to read as follows:

''(1) ALLOWANCE OF DEDUCTION.—In the case of an individual who is an employee within the meaning of section 401(c)(1), there shall be allowed as a deduction under this section an amount equal to 100 percent of the amount paid during the taxable year for insurance which constitutes medical care for the taxpayer, his spouse, and dependents.''

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 1999.

TITLE IV—PERMANENT EXTENSION OF CERTAIN EXPIRING PROVISIONS

SEC. 401. RESEARCH CREDIT.

(a) PERMANENT EXTENSION.—

(1) IN GENERAL.—Section 41 is amended by striking subsection (h).

(2) CONFORMING AMENDMENT.—Paragraph (1) of section 45C(b) is amended by striking subparagraph (D).

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to amounts paid or incurred after June 30, 1999.

(b) INCREASE IN PERCENTAGES UNDER ALTERNATIVE INCREMENTAL CREDIT.—

(1) IN GENERAL.—Subparagraph (A) of section 41(c)(4) is amended—

(A) by striking ''1.65 percent'' and inserting ''2.65 percent'',

(B) by striking ''2.2 percent'' and inserting ''3.2 percent'', and

(C) by striking ''2.75 percent'' and inserting ''3.75 percent''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to taxable years beginning after June 30, 1999.

SEC. 402. WORK OPPORTUNITY AND WELFARE-TO-WORK CREDITS.

(a) WORK OPPORTUNITY CREDIT.—Subsection (c) of section 51 is amended by striking paragraph (4).

(b) WELFARE-TO-WORK CREDIT.—Section 51A is amended by striking subsection (f).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to individuals who begin work for the employer after June 30, 1999.

SEC. 403. SUBPART F EXEMPTION FOR ACTIVE FINANCING INCOME.

(a) EXEMPT INSURANCE INCOME.—Section 953(e) is amended by striking paragraph (10) and by redesignating paragraph (11) as paragraph (10).

(b) FOREIGN PERSONAL HOLDING COMPANY INCOME.—Section 954(h) is amended by striking paragraph (9).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1999.

SEC. 404. EXPENSING OF ENVIRONMENTAL REMEDIATION COSTS.

Section 198 is amended by striking subsection (h).

TITLE V—COMMUNITY DEVELOPMENT INITIATIVES

SEC. 501. INCREASE IN STATE CEILING ON LOW-INCOME HOUSING CREDIT.

(a) IN GENERAL.—Clause (i) of section 42(h)(3)(C) is amended by striking ''$1.25'' and inserting ''$1.75''.

(b) ADJUSTMENT OF STATE CEILING FOR INCREASES IN COST-OF-LIVING.—Paragraph (3) of section 42(h) (relating to housing credit dollar amount for agencies) is amended by adding at the end the following new subparagraph:

''(H) COST-OF-LIVING ADJUSTMENT.—

''(i) IN GENERAL.—In the case of a calendar year after 2000, the dollar amount contained in subparagraph (C)(i) shall be increased by an amount equal to—

''(I) such dollar amount, multiplied by

''(II) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year by substituting 'calendar year 1999' for 'calendar year 1992' in subparagraph (B) thereof.

''(ii) ROUNDING.—If any increase under clause (i) is not a multiple of 5 cents, such increase shall be rounded to the next lowest multiple of 5 cents.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to calendar years after 1999.

SEC. 502. NEW MARKETS TAX CREDIT.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 (relating to business-related credits) is amended by adding at the end the following new section:

''SEC. 45D. NEW MARKETS TAX CREDIT.

''(a) ALLOWANCE OF CREDIT.—

''(1) IN GENERAL.—For purposes of section 38, in the case of a taxpayer who holds a qualified equity investment on a credit allowance date of such investment which occurs during the taxable year, the new markets tax credit determined under this section for such taxable year is an amount equal to 6 percent of the amount paid to the qualified community development entity for such investment at its original issue.

''(2) CREDIT ALLOWANCE DATE.—The term 'credit allowance date' means, with respect to any qualified equity investment—

''(A) the date on which such investment is initially made, and

''(B) each of the 4 anniversary dates of such date thereafter.

''(b) QUALIFIED EQUITY INVESTMENT.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified equity investment' means any equity investment in a qualified community development entity if—

''(A) such investment is acquired by the taxpayer at its original issue (directly or through an underwriter) solely in exchange for cash,

''(B) substantially all of such cash is used by the qualified community development entity to make qualified low-income community investments, and

''(C) such investment is designated for purposes of this section by the qualified community development entity.

Such term shall not include any equity investment issued by a qualified community development entity more than 5 years after the date that such entity receives an allocation under subsection (f). Any allocation not used within such 5-year period may be reallocated by the Secretary under subsection (f).

''(2) LIMITATION.—The maximum amount of equity investments issued by a qualified

community development entity which may be designated under paragraph (1)(C) by such entity shall not exceed the portion of the limitation amount allocated under subsection (f) to such entity.

''(3) SAFE HARBOR FOR DETERMINING USE OF CASH.—The requirement of paragraph (1)(B) shall be treated as met if at least 85 percent of the aggregate gross assets of the qualified community development entity are invested in qualified low-income community investments.

''(4) TREATMENT OF SUBSEQUENT PURCHASERS.—The term 'qualified equity investment' includes any equity investment which would (but for paragraph (1)(A)) be a qualified equity investment in the hands of the taxpayer if such investment was a qualified equity investment in the hands of a prior holder.

''(5) REDEMPTIONS.—A rule similar to the rule of section 1202(c)(3) shall apply for purposes of this subsection.

''(6) EQUITY INVESTMENT.—The term 'equity investment' means—

''(A) any stock in a qualified community development entity which is a corporation, and

''(B) any capital interest in a qualified community development entity which is a partnership.

''(c) QUALIFIED COMMUNITY DEVELOPMENT ENTITY.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified community development entity' means any domestic corporation or partnership if—

''(A) the primary mission of the entity is serving, or providing investment capital for, low-income communities or low-income persons,

''(B) the entity maintains accountability to residents of low-income communities through representation on governing or advisory boards or otherwise, and

''(C) the entity is certified by the Secretary for purposes of this section as being a qualified community development entity.

''(2) SPECIAL RULES FOR CERTAIN ORGANIZATIONS.—The requirements of paragraph (1) shall be treated as met by—

''(A) any specialized small business investment company (as defined in section 1044(c)(3)), and

''(B) any community development financial institution (as defined in section 103 of the Community Development Banking and Financial Institutions Act of 1994 (12 U.S.C. 4702)).

''(d) QUALIFIED LOW-INCOME COMMUNITY INVESTMENTS.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified low-income community investment' means—

''(A) any equity investment in, or loan to, any qualified active low-income community business,

''(B) the purchase from another community development entity of any loan made by such entity which is a qualified low-income community investment if the amount received by such other entity from such purchase is used by such other entity to make qualified low-income community investments,

''(C) financial counseling and other services specified in regulations prescribed by the Secretary to businesses located in, and residents of, low-income communities, and

''(D) any equity investment in, or loan to, any qualified community development entity if substantially all of the investment or loan is used by such entity to make qualified low-income community investments described in subparagraphs (A), (B), and (C).

''(2) QUALIFIED ACTIVE LOW-INCOME COMMUNITY BUSINESS.—

''(A) IN GENERAL.—For purposes of paragraph (1), the term 'qualified active low-income community business' means, with respect to any taxable year, any corporation or partnership if for such year—

''(i) at least 50 percent of the total gross income of such entity is derived from the active conduct of a qualified business within any low-income community,

''(ii) a substantial portion of the use of the tangible property of such entity (whether owned or leased) is within any low-income community,

''(iii) a substantial portion of the services performed for such entity by its employees are performed in any low-income community,

''(iv) less than 5 percent of the average of the aggregate unadjusted bases of the property of such entity is attributable to collectibles (as defined in section 408(m)(2)) other than collectibles that are held primarily for sale to customers in the ordinary course of such business, and

''(v) less than 5 percent of the average of the aggregate unadjusted bases of the property of such entity is attributable to nonqualified financial property (as defined in section 1397B(e)).

''(B) PROPRIETORSHIP.—Such term shall include any business carried on by an individual as a proprietor if such business would meet the requirements of subparagraph (A) were it incorporated.

''(C) PORTIONS OF BUSINESS MAY BE QUALIFIED ACTIVE LOW-INCOME COMMUNITY BUSINESS.—The term 'qualified active low-income community business' includes any trades or businesses which would qualify as a qualified active low-income community business if such trades or businesses were separately incorporated.

''(3) QUALIFIED BUSINESS.—For purposes of this subsection, the term 'qualified business' has the meaning given to such term by section 1397B(d); except that—

''(A) in lieu of applying paragraph (2)(B) thereof, the rental to others of real property located in any low-income community shall be treated as a qualified business if there are substantial improvements located on such property,

''(B) paragraph (3) thereof shall not apply, and

''(C) such term shall not include any business if a significant portion of the equity interests in such business are held by any person who holds a significant portion of the equity investments in the community development entity.

''(e) LOW-INCOME COMMUNITY.—For purposes of this section—

''(1) IN GENERAL.—The term 'low-income community' means any population census tract if—

''(A) the poverty rate for such tract is at least 20 percent, or

''(B)(i) in the case of a tract not located within a metropolitan area, the median family income for such tract does not exceed 80 percent of statewide median family income, or

''(ii) in the case of a tract located within a metropolitan area, the median family income for such tract does not exceed 80 percent of the greater of statewide median family income or the metropolitan area median family income.

''(2) AREAS NOT WITHIN CENSUS TRACTS.—In the case of an area which is not tracted for population census tracts, the equivalent county divisions (as defined by the Bureau of the Census for purposes of defining poverty areas) shall be used for purposes of determining poverty rates and median family income.

''(f) NATIONAL LIMITATION ON AMOUNT OF INVESTMENTS DESIGNATED.—

''(1) IN GENERAL.—There is a new markets tax credit limitation of $1,200,000,000 for each of calendar years 2000 through 2004.

''(2) ALLOCATION OF LIMITATION.—The limitation under paragraph (1) shall be allocated by the Secretary among qualified community development entities selected by the Secretary. In making allocations under the preceding sentence, the Secretary shall give priority to entities with records of having successfully provided capital or technical assistance to disadvantaged businesses or communities.

''(3) CARRYOVER OF UNUSED LIMITATION.—If the new markets tax credit limitation for any calendar year exceeds the aggregate amount allocated under paragraph (2) for such year, such limitation for the succeeding calendar year shall be increased by the amount of such excess.

''(g) RECAPTURE OF CREDIT IN CERTAIN CASES.—

''(1) IN GENERAL.—If, at any time during the 5-year period beginning on the date of the original issue of a qualified equity investment in a qualified community development entity, there is a recapture event with respect to such investment, then the tax imposed by this chapter for the taxable year in which such event occurs shall be increased by the credit recapture amount.

''(2) CREDIT RECAPTURE AMOUNT.—For purposes of paragraph (1), the credit recapture amount is an amount equal to the sum of—

''(A) the aggregate decrease in the credits allowed to the taxpayer under section 38 for all prior taxable years which would have resulted if no credit had been determined under this section with respect to such investment, plus

''(B) interest at the overpayment rate established under section 6611 on the amount determined under subparagraph (A) for each prior taxable year for the period beginning on the due date for filing the return for the prior taxable year involved.

No deduction shall be allowed under this chapter for interest described in subparagraph (B).

''(3) RECAPTURE EVENT.—For purposes of paragraph (1), there is a recapture event with respect to an equity investment in a qualified community development entity if—

''(A) such entity ceases to be a qualified community development entity,

''(B) the proceeds of the investment cease to be used as required of subsection (b)(1)(B), or

''(C) such investment is redeemed by such entity.

''(4) SPECIAL RULES.—

''(A) TAX BENEFIT RULE.—The tax for the taxable year shall be increased under paragraph (1) only with respect to credits allowed by reason of this section which were used to reduce tax liability. In the case of credits not so used to reduce tax liability, the carryforwards and carrybacks under section 39 shall be appropriately adjusted.

''(B) NO CREDITS AGAINST TAX.—Any increase in tax under this subsection shall not be treated as a tax imposed by this chapter for purposes of determining the amount of any credit under this chapter or for purposes of section 55.

''(h) BASIS REDUCTION.—The basis of any qualified equity investment shall be reduced by the amount of any credit determined under this section with respect to such investment.

''(i) REGULATIONS.—The Secretary shall prescribe such regulations as may be appropriate to carry out this section, including regulations—

''(1) which limit the credit for investments which are directly or indirectly subsidized by other Federal benefits (including the credit under section 42 and the exclusion from gross income under section 103),

''(2) which prevent the abuse of the provisions of this section through the use of related parties,

''(3) which impose appropriate reporting requirements

''(4) which apply the provisions of this section to newly formed entities.''

(b) CREDIT MADE PART OF GENERAL BUSINESS CREDIT.—

(1) IN GENERAL.—Subsection (b) of section 38 is amended by striking ''plus'' at the end of paragraph (12), by striking the period at the end of paragraph (13) and inserting '', plus'', and by adding at the end the following new paragraph:

''(14) the new markets tax credit determined under section 45D(a).''

(2) LIMITATION ON CARRYBACK.—Subsection (d) of section 39 is amended by adding at the end the following new paragraph:

''(10) NO CARRYBACK OF NEW MARKETS TAX CREDIT BEFORE JANUARY 1, 2000.—No portion of the unused business credit for any taxable year which is attributable to the credit under section 45D may be carried back to a taxable year ending before January 1, 2000.''

(c) DEDUCTION FOR UNUSED CREDIT.—Subsection (c) of section 196 is amended by striking ''and'' at the end of paragraph (7), by striking the period at the end of paragraph (8) and inserting '', and'', and by adding at the end the following new paragraph:

''(9) the new markets tax credit determined under section 45D(a).''

(d) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

''Sec. 45D. New markets tax credit.''

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to investments made after December 31, 1999.

SEC. 503. CREDIT TO HOLDERS OF BETTER AMERICA BONDS.

(a) IN GENERAL.—Subpart B of part IV of subchapter A of chapter 1 is amended by adding at the end the following new section:

''SEC. 30B. CREDIT TO HOLDERS OF BETTER AMERICA BONDS.

''(a) ALLOWANCE OF CREDIT.—In the case of a taxpayer who holds a Better America Bond on a credit allowance date of such bond which occurs during the taxable year, there shall be allowed as a credit against the tax imposed by this chapter for such taxable year an amount equal to the sum of the credits determined under subsection (b) with respect to credit allowance dates during such year on which the taxpayer holds such bond.

''(b) AMOUNT OF CREDIT.—

''(1) IN GENERAL.—The amount of the credit determined under this subsection with respect to any credit allowance date for a Better America Bond is 25 percent of the annual credit determined with respect to such bond.

''(2) ANNUAL CREDIT.—The annual credit determined with respect to any Better America Bond is the product of—

''(A) the applicable credit rate, multiplied by

''(B) the outstanding face amount of the bond.

''(3) APPLICABLE CREDIT RATE.—For purposes of paragraph (1), the applicable credit rate with respect to an issue is the rate equal to an average market yield (as of the day before the date of issuance of the issue) on outstanding long-term corporate debt obligations (determined under regulations prescribed by the Secretary).

''(4) SPECIAL RULE FOR ISSUANCE AND REDEMPTION.—In the case of a bond which is issued during the 3-month period ending on a credit allowance date, the amount of the credit determined under this subsection with respect to such credit allowance date shall be a ratable portion of the credit otherwise determined based on the portion of the 3-month period during which the bond is outstanding. A similar rule shall apply when the bond is redeemed.

''(c) BETTER AMERICA BOND.—For purposes of this section—

''(1) IN GENERAL.—The term 'Better America Bond' means any bond issued as part of an issue if—

''(A) 95 percent or more of the proceeds of such issue are to be used for any qualified purpose,

''(B) the bond is issued by a State or local government within the jurisdiction of which the qualified purpose of the issue is to be carried out,

''(C) the issuer designates such bond for purposes of this section,

''(D) the term of each bond which is part of such issue does not exceed 15 years,

''(E) the requirements of section 147(f) are met with respect to such issue, and

''(F) except in the case of the proceeds of such issue which are to be used for the qualified purpose described in paragraph (2)(A)(iv), the payment of the principal of such issue is secured by taxes of general applicability imposed by a general purpose governmental unit.

''(2) QUALIFIED PURPOSE.—

''(A) IN GENERAL.—The term 'qualified purpose' means any of the following:

''(i) The acquisition of land for use as open space, wetlands, public parks, or greenways, and the provision of visitor facilities (such as campgrounds and hiking or biking trails) for land so used, but only if—

''(I) such land and facilities are to be owned by the issuer or a qualified owner, and

''(II) the initial owner of such land and facilities records pursuant to State law a qualified restrictive covenant with respect to such land and facilities.

''(ii) The remediation of land acquired under clause (i) (or other publicly owned land) to enhance water quality by—

''(I) restoring hydrology or planting trees or other vegetation,

''(II) undertaking reasonable measures to control erosion,

''(III) restoring wetlands, or

''(IV) remediating conditions caused by the prior disposal of toxic or other waste.

''(iii) The acquisition by the issuer or any qualified owner of any restriction on privately owned open land which prevents commercial development and any substantial change in the use or character of the land if such restriction would, if contributed by the owner of the open land to a qualified organization (as defined in section 170(h)(3)), be a qualified conservation contribution (as defined in section 170(h)).

''(iv) The environmental assessment and remediation of real property owned by any State or local government if—

''(I) such property was acquired by such government as a result of being abandoned by the prior owner, and

''(II) such property is located in an area at or on which there has been a release (or threat of release) or disposal of any hazardous substance (as defined in section 198).

''(B) REMEDIATION OF NATIONAL PRIORITIES LISTED SITES NOT QUALIFIED PURPOSE.—Subparagraph (A)(ii) shall not apply to remediation of any site which is on, or proposed for, the national priorities list under section 105(a)(8)(B) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980.

''(C) QUALIFIED OWNER.—For purposes of this paragraph, the term 'qualified owner' means any organization described in section 501(c)(3) whose exempt purpose includes environmental protection.

''(D) QUALIFIED RESTRICTIVE COVENANT.—For purposes of subparagraph (A)(i)(II), the term 'qualified restrictive covenant' means, with respect to land or facilities, any covenant which prohibits the person who owns such land or facilities at the end of the term of the bond from selling or otherwise permitting a use of such land or facilities which is not described in subparagraph (A) unless—

''(i) a reasonable period is allowed for a qualified owner to purchase such land or facilities,

''(ii) the purchase price is not greater than the price originally paid in conjunction with the expenditure of bond proceeds, and

''(iii) the purchaser records pursuant to State law a covenant with respect to the purchased land and facilities which protects in perpetuity the use of such land and facilities for a use described in subparagraph (A).

''(3) PUBLIC AVAILABILITY REQUIREMENT, ETC.—

''(A) IN GENERAL.—The term 'Better America Bond' shall not include any bond which is part of an issue if—

''(i) any portion of the proceeds of the issue are to be used for any private business use (as defined in section 141(b)(6)), or

''(ii) the payment of the principal of, or the interest on, any portion of such proceeds is (under the terms of such issue or any underlying arrangement) directly or indirectly secured or to be derived as described in subparagraph (A) or (B) of section 141(b)(2).

''(B) EXCEPTION.—Subparagraph (A) shall not apply to proceeds used for a qualified purpose described in paragraph (2)(A)(iv).

''(d) LIMITATION ON AMOUNT OF BONDS DESIGNATED.—

''(1) IN GENERAL.—The maximum aggregate face amount of bonds issued during any calendar year which may be designated under subsection (c)(1) by any issuer shall not exceed the limitation amount allocated under paragraph (3) for such calendar year to such issuer.

''(2) NATIONAL LIMITATION ON AMOUNT OF BONDS DESIGNATED.—There is a national Better America Bond limitation for each calendar year. Such limitation is—

''(A) $1,900,000,000 for each of calendar years 2000, 2001, 2002, 2003, and 2004, and

''(B) except as provided in paragraph (4), zero after 2004.

''(3) ALLOCATION OF LIMITATION AMONG STATES AND LOCAL GOVERNMENTS.—

''(A) IN GENERAL.—The national Better America Bond limitation for any calendar year shall be allocated by the EPA Administrator to States and local governments having approved applications. As part of the competitive application process, the Environmental Protection Agency should, when possible, allocate such limitation on a per capita basis.

''(B) APPROVED APPLICATION.—For purposes of subparagraph (A), the term 'approved application' means an application which is approved by the EPA Administrator and includes such information as the EPA Administrator shall specify.

''(4) CARRYOVER OF UNUSED LIMITATION.—If for any calendar year—

''(A) the amount allocated under paragraph (4) to any State or local government, exceeds

''(B) the amount of bonds issued during such year which are designated under subsection (c)(1) pursuant to such allocation,

the limitation amount under paragraph (3) for such State or local government for the following calendar year shall be increased by the amount of such excess.

''(e) LIMITATION BASED ON AMOUNT OF TAX.—

''(1) IN GENERAL.—The credit allowed under subsection (a) for any taxable year shall not exceed the excess of—

''(A) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

''(B) the sum of the credits allowable under part IV of subchapter A (other than subpart C thereof, relating to refundable credits).

''(2) CARRYOVER OF UNUSED CREDIT.—If the credit allowable under subsection (a) exceeds the limitation imposed by paragraph (1) for such taxable year, such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such taxable year.

''(f) OTHER DEFINITIONS.—For purposes of this section—

''(1) CREDIT ALLOWANCE DATE.—The term 'credit allowance date' means—

''(A) March 15,

''(B) June 15,

''(C) September 15, and

''(D) December 15.''.

Such term includes the last day on which the bond is outstanding.

''(2) BOND.—The term 'bond' includes any obligation.

''(3) STATE.—The term 'State' includes the District of Columbia, any possession of the United States, and any Indian tribal government (within the meaning of section 7871).

''(4) LOCAL GOVERNMENT.—The term 'local government' means—

''(A) any county, city, town, township, parish, village, or other general purpose political subdivision of a State, and

''(B) any combination of political subdivisions described in subparagraph (A) recognized by the EPA Administrator.

''(5) EPA ADMINISTRATOR.—The term 'EPA Administrator' means the Administrator of the Environmental Protection Agency.

''(g) CREDIT INCLUDED IN GROSS INCOME.—Gross income includes the amount of the credit allowed to the taxpayer under this section (determined without regard to subsection (e)) and the amount so included shall be treated as interest income.

''(h) SPECIAL RULES RELATING TO ARBITRAGE.—

''(1) IN GENERAL.—A bond shall not be treated as failing to meet the requirements of subsection (c)(1) solely by reason of the fact that the proceeds of the issue of which such bond is a part are invested for a temporary period (but not more than 36 months) until such proceeds are needed for the purpose for which such issue was issued.

''(2) REASONABLE EXPECTATION AND BINDING COMMITMENT REQUIREMENTS.—Paragraph (1) shall apply to an issue only if, as of the date of issuance—

''(A) the issuer reasonably expects that—

''(i) at least 95 percent of the proceeds of the issue will be spent for a qualified purpose within the 3-year period beginning on such date, and

''(ii) property financed with such proceeds will be used for qualified purposes for at least 15 years after being so financed,

''(B) there is a binding commitment with a third party to spend at least 10 percent of the proceeds of the issue for qualified purposes within the 6-month period beginning on such date, and

''(C) the issuer reasonably expects that the remaining proceeds of the issue will be spent with due diligence for qualified purposes.

''(3) EARNINGS ON PROCEEDS.—Any earnings on proceeds during the temporary period shall be treated as proceeds of the issue for purposes of applying subsection (c)(1) and paragraph (1) of this subsection.

''(i) DENIAL OF DEDUCTION FOR ENVIRONMENTAL REMEDIATION EXPENDITURES.—Expenditures financed by any Better America Bond shall not be allowed as a deduction under section 198.

''(j) OTHER SPECIAL RULES.—

''(1) BONDS HELD BY REGULATED INVESTMENT COMPANIES.—If any Better America Bond is held by a regulated investment company, the credit determined under subsection (a) shall be allowed to shareholders of such company under procedures prescribed by the Secretary.

''(2) CREDITS MAY BE STRIPPED.—Under regulations prescribed by the Secretary—

''(A) IN GENERAL.—There may be a separation (including at issuance) of the ownership of a Better America Bond and the entitlement to the credit under this section with respect to such bond. In case of any such separation, the credit under this section shall be allowed to the person who on the credit allowance date holds the instrument evidencing the entitlement to the credit and not to the holder of the bond.

''(B) CERTAIN RULES TO APPLY.—In the case of a separation described in subparagraph (A), the rules of section 1286 shall apply to the Better America Bond as if it were a stripped bond and to the credit under this section as if it were a stripped coupon.

''(3) TREATMENT FOR ESTIMATED TAX PURPOSES.—Solely for purposes of sections 6654 and 6655, the credit allowed by this section to a taxpayer by reason of holding a Better America Bond on a credit allowance date shall be treated as if it were a payment of estimated tax made by the taxpayer on such date.

''(4) CREDIT MAY BE TRANSFERRED.—Nothing in any law or rule of law shall be construed to limit the transferability of the credit allowed by this section through sale and repurchase agreements.

''(5) REPORTING.—Issuers of Better America Bonds shall submit reports similar to the reports required under section 149(e).

''(k) RECAPTURE OF PORTION OF CREDIT WHERE CESSATION OF QUALIFIED USE.—

''(1) IN GENERAL.—If any bond which when issued purported to be a Better America Bond ceases to meet the requirements of subsection (c), the issuer shall pay to the United States (at the time required by the Secretary) an amount equal to the aggregate of the credits allowable under this section (determined without regard to subsection (e)) for taxable years ending during the calendar year in which such cessation occurs and the 2 preceding calendar years.

''(2) FAILURE TO PAY.—If the issuer fails to timely pay the amount required by paragraph (1) with respect to any issue, the tax imposed by this chapter on each holder of any bond which is part of such issue shall be increased (for the taxable year of the holder in which such cessation occurs) by the aggregate decrease in the credits allowed under this section to such holder for taxable years beginning in such 3 calendar years which would have resulted solely from denying any credit under this section with respect to such issue for such taxable years.

''(3) SPECIAL RULES.—

''(A) TAX BENEFIT RULE.—The tax for the taxable year shall be increased under paragraph (2) only with respect to credits allowed by reason of this section which were used to reduce tax liability. In the case of credits not so used to reduce tax liability, the carryforwards and carrybacks under section 39 shall be appropriately adjusted.

''(B) NO CREDITS AGAINST TAX.—Any increase in tax under paragraph (2) shall not be treated as a tax imposed by this chapter for purposes of determining—

''(i) the amount of any credit allowable under this part, or

''(ii) the amount of the tax imposed by section 55.

''(l) TERMINATION.—This section shall not apply to any bond issued after December 31, 2004.''

(b) REPORTING.—Subsection (d) of section 6049 (relating to returns regarding payments of interest) is amended by adding at the end the following new paragraph:

''(8) REPORTING OF CREDIT ON BETTER AMERICA BONDS.—

''(A) IN GENERAL.—For purposes of subsection (a), the term 'interest' includes amounts includible in gross income under section 30B(g) and such amounts shall be treated as paid on the credit allowance date (as defined in section 30B(f)(1)).

''(B) REPORTING TO CORPORATIONS, ETC.—Except as otherwise provided in regulations, in the case of any interest described in subparagraph (A) of this paragraph, subsection (b)(4) of this section shall be applied without regard to subparagraphs (A), (H), (I), (J), (K), and (L)(i).

''(C) REGULATORY AUTHORITY.—The Secretary may prescribe such regulations as are necessary or appropriate to carry out the purposes of this paragraph, including regulations which require more frequent or more detailed reporting.''

(c) CONFORMING AMENDMENT.—The table of sections for subpart B of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

''Sec. 30B. Credit to holders of Better America Bonds.''

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to obligations issued after December 31, 1999.

(e) GUIDELINES FOR APPLICATIONS.—Not later than January 1, 2000, guidelines specifying the criteria to be used in approving applications under section 30B(d)(3) of the Internal Revenue Code of 1986 (as added by this Act) shall be developed and published by the Administrator of the Environmental Protection Agency in the Federal Register.

TITLE VI—SMALL BUSINESS INCENTIVES

SEC. 601. ACCELERATION OF $1,000,000 ESTATE TAX EXCLUSION.

(a) ESTATE TAX CREDIT.—

(1) Subsection (a) of section 2010 (relating to unified credit against estate tax) is amended by striking ''the applicable credit amount'' and inserting ''$345,800''.

(2) Paragraph (2) of section 2001(c) is amended by striking ''$10,000,000'' and all that follows and inserting ''$10,000,000. The amount of the increase under the preceding sentence shall not exceed $705,000.''

(3)(A) Subparagraph (A) of section 2057(a)(3) is amended by striking '' the applicable exclusion amount under section 2010 shall be $625,000'' and inserting ''the credit under section 2010 shall be $202,050''.

(B) Subparagraph (B) of section 2057(a)(3) is amended to read as follows:

''(B) INCREASE IN UNIFIED CREDIT IF DEDUCTION IS LESS THAN $675,000.—If the deduction allowed by this section is less than $675,000, the amount of the credit under section 2010 shall be equal to the lesser of $345,800 or the tentative tax which would be determined under the rate schedule set forth in section 2001(c) if the amount with respect to which such tentative tax is computed were equal to the sum of—

''(i) the excess of $675,000 over the amount of the deduction allowed, and

''(ii) $625,000.''

(4) Subparagraph (A) of section 2102(c)(3) is amended by striking ''the applicable credit amount in effect under section 2010(c) for the calendar year which includes the date of death'' and inserting ''$345,800''.

(5) Paragraph (1) of section 6018(a) is amended by striking ''the applicable exclusion amount in effect under section 2010(c) for the calendar year which includes the date of death'' and inserting ''$1,000,000''.

(6)(A) Subparagraph (A) of section 6601(j)(2) is amended to read as follows:

''(A) $345,800, or''.

(B) Paragraph (3) of section 6601(j) is amended—

(i) by striking ''$1,000,000'' each place it occurs and inserting ''$345,800'', and

(ii) by striking ''$10,000'' each place it appears and inserting ''$1,000''.

(b) UNIFIED GIFT TAX CREDIT.—Paragraph (1) of section 2505(a) is amended to read as follows:

''(1) $345,800, reduced by''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to the estates of decedents dying, and gifts made, after December 31, 1999.

SEC. 602. INCREASE IN EXPENSE TREATMENT FOR SMALL BUSINESSES.

(a) IN GENERAL.—Paragraph (1) of section 179(b) (relating to dollar limitation) is amended to read as follows:

''(1) DOLLAR LIMITATION.—The aggregate cost which may be taken into account under subsection (a) for any taxable year shall not exceed $30,000.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2000.

TITLE VII—PENSION PROVISIONS

SEC. 701. TREATMENT OF MULTIEMPLOYER PLANS UNDER SECTION 415.

(a) COMPENSATION LIMIT.—Paragraph (11) of section 415(b) (relating to limitation for defined benefit plans) is amended to read as follows:

''(11) SPECIAL LIMITATION RULE FOR GOVERNMENTAL AND MULTIEMPLOYER PLANS.—In the case of a governmental plan (as defined in section 414(d)) or a multiemployer plan (as defined in section 414(f)), subparagraph (B) of paragraph (1) shall not apply.''.

(b) EXEMPTION FOR SURVIVOR AND DISABILITY BENEFITS.—Subparagraph (I) of section 415(b)(2) (relating to limitation for defined benefit plans) is amended—

(1) by inserting ''or a multiemployer plan (as defined in section 414(f))'' after ''section 414(d))'' in clause (i),

(2) by inserting ''or multiemployer plan'' after ''governmental plan'' in clause (ii), and

(3) by inserting ''AND MULTIEMPLOYER'' after ''GOVERNMENTAL'' in the heading.

(c) COMBINING AND AGGREGATION OF PLANS.—

(1) COMBINING OF PLANS.—Subsection (f) of section 415 (relating to combining of plans) is amended by adding at the end the following:

''(3) EXCEPTION FOR MULTIEMPLOYER PLANS.—Notwithstanding paragraph (1) and subsection (g), a multiemployer plan (as defined in section 414(f)) shall not be combined or aggregated with any other plan maintained by an employer for purposes of applying the limitations established in this section, except that such plan shall be combined or aggregated with another plan which is not such a multiemployer plan solely for purposes of determining whether such other plan meets the requirements of subsection (b)(1)(A).''.

(2) CONFORMING AMENDMENT FOR AGGREGATION OF PLANS.—Subsection (g) of section 415 (relating to aggregation of plans) is amended by striking ''The Secretary'' and inserting ''Except as provided in subsection (f)(3), the Secretary''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to years beginning after December 31, 1999.

SEC. 702. ACTUARIAL REDUCTION ONLY FOR BENEFITS BEGINNING BEFORE AGE 62 IN CASE OF BENEFITS UNDER MULTIEMPLOYER PLANS.

(A) IN GENERAL.—Subparagraph (F) of section 415(b)(2) is amended to read as follows:

''(F) MULTIEMPLOYER PLANS AND PLANS MAINTAINED BY GOVERNMENTS AND TAX EXEMPT ORGANIZATIONS.—

''(i) IN GENERAL.—In the case of a governmental plan (within the meaning of section 414(d)), a plan maintained by an organization (other than a governmental unit) exempt from tax under this subtitle, a multiemployer plan (as defined in section 414(f)), or a qualified merchant marine plan—

''(I) subparagraph (C) shall be applied by substituting 'age 62' for 'social security retirement age' each place it appears, and as if the last sentence thereof read as follows: 'The reduction under this subparagraph shall not reduce the limitation of paragraph (1)(A) below (i) $75,000 if the benefit begins at or after age 55, or (ii) if the benefit begins before age 55, the equivalent of the $75,000 limitation for age 55.', and

''(II) subparagraph (D) shall be applied by substituting 'age 65' for 'social security retirement age' each place it appears.

''(ii) SPECIAL RULE FOR MULTIEMPLOYER PLANS.—In the case of a multiemployer plan (as so defined), the $75,000 amount referred to in clause (i)(I) shall in no event be less than the amount equal to 80 percent of the dollar limit under paragraph (1)(A).

''(iii) DEFINITIONS.—For purposes of this subparagraph—

''(I) QUALIFIED MERCHANT MARINE PLAN.—The term 'qualified merchant marine plan' means a plan in existence on January 1, 1986, the participants in which are merchant marine officers holding licenses issued by the Secretary of Transportation under title 46, United States Code.

''(II) EXEMPT ORGANIZATION PLAN COVERING 50 PERCENT OF ITS EMPLOYEES.—A plan shall be treated as a plan maintained by an organization (other than a governmental unit) exempt from tax under this subtitle if at least 50 percent of the employees benefiting under the plan are employees of an organization (other than a governmental unit) exempt from tax under this subtitle. If less than 50 percent of the employees benefiting under a plan are employees of an organization (other than a governmental unit) exempt from tax under this subtitle, the plan shall be treated as a plan maintained by an organization (other than a governmental unit) exempt from tax under this subtitle only with respect to employees of such an organization.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to years beginning after December 31, 1999.

TITLE VIII—REVENUE OFFSETS

SEC. 801. RETURNS RELATING TO CANCELLATIONS OF INDEBTEDNESS BY ORGANIZATIONS LENDING MONEY.

(a) IN GENERAL.—Paragraph (2) of section 6050P(c) (relating to definitions and special rules) is amended by striking ''and'' at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting '', and'', and by inserting after subparagraph (C) the following new subparagraph:

''(D) any organization a significant trade or business of which is the lending of money.''

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to discharges of indebtedness after December 31, 1999.

SEC. 802. EXTENSION OF INTERNAL REVENUE SERVICE USER FEES.

(a) IN GENERAL.—Chapter 77 (relating to miscellaneous provisions) is amended by adding at the end the following new section:

''SEC. 7527. INTERNAL REVENUE SERVICE USER FEES.

''(a) GENERAL RULE.—The Secretary shall establish a program requiring the payment of user fees for—

''(1) requests to the Internal Revenue Service for ruling letters, opinion letters, and determination letters, and

''(2) other similar requests.

''(b) PROGRAM CRITERIA.—

''(1) IN GENERAL.—The fees charged under the program required by subsection (a)—

''(A) shall vary according to categories (or subcategories) established by the Secretary,

''(B) shall be determined after taking into account the average time for (and difficulty of) complying with requests in each category (and subcategory), and

''(C) shall be payable in advance.

''(2) EXEMPTIONS, ETC.—The Secretary shall provide for such exemptions (and reduced fees) under such program as the Secretary determines to be appropriate.

''(3) AVERAGE FEE REQUIREMENT.—The average fee charged under the program required by subsection (a) shall not be less than the amount determined under the following table:

''Category	**Average Fee**
Employee plan ruling and opinion ..	$250
Exempt organization ruling	$350
Employee plan determination	$300
Exempt organization determination.	$275
Chief counsel ruling	$200.

''(c) TERMINATION.—No fee shall be imposed under this section with respect to requests made after September 30, 2009.''

(b) CONFORMING AMENDMENTS.—

(1) The table of sections for chapter 77 is amended by adding at the end the following new item:

''Sec. 7527. Internal Revenue Service user fees.''

(2) Section 10511 of the Revenue Act of 1987 is repealed.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to requests made after the date of the enactment of this Act.

SEC. 803. LIMITATIONS ON WELFARE BENEFIT FUNDS OF 10 OR MORE EMPLOYER PLANS.

(a) BENEFITS TO WHICH EXCEPTION APPLIES.—Section 419A(f)(6)(A) (relating to exception for 10 or more employer plans) is amended to read as follows:

''(A) IN GENERAL.—This subpart shall not apply to a welfare benefit fund which is part of a 10 or more employer plan if the only benefits provided through the fund are 1 or more of the following:

''(i) Medical benefits.

''(ii) Disability benefits.

''(iii) Group term life insurance benefits which do not provide for any cash surrender value or other money that can be paid, assigned, borrowed, or pledged for collateral for a loan.

The preceding sentence shall not apply to any plan which maintains experience-rating arrangements with respect to individual employers.''

(b) LIMITATION ON USE OF AMOUNTS FOR OTHER PURPOSES.—Section 4976(b) (defining disqualified benefit) is amended by adding at the end the following new paragraph:

''(5) SPECIAL RULE FOR 10 OR MORE EMPLOYER PLANS EXEMPTED FROM PREFUNDING LIMITS.—For purposes of paragraph (1)(C), if—

''(A) subpart D of part I of subchapter D of chapter 1 does not apply by reason of section 419A(f)(6) to contributions to provide 1 or more welfare benefits through a welfare benefit fund under a 10 or more employer plan, and

''(B) any portion of the welfare benefit fund attributable to such contributions is used for a purpose other than that for which the contributions were made,

then such portion shall be treated as reverting to the benefit of the employers maintaining the fund.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions paid or accrued after June 9, 1999, in taxable years ending after such date.

SEC. 804. INCREASE IN ELECTIVE WITHHOLDING RATE FOR NONPERIODIC DISTRIBUTIONS FROM DEFERRED COMPENSATION PLANS.

(a) IN GENERAL.—Section 3405(b)(1) (relating to withholding) is amended by striking '10 percent' and inserting '15 percent'.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to distributions after December 31, 1999.

SEC. 805. CONTROLLED ENTITIES INELIGIBLE FOR REIT STATUS.

(a) IN GENERAL.—Subsection (a) of section 856 (relating to definition of real estate investment trust) is amended by striking ''and'' at the end of paragraph (6), by redesignating paragraph (7) as paragraph (8), and by inserting after paragraph (6) the following new paragraph:

''(7) which is not a controlled entity (as defined in subsection (l)); and''.

(b) CONTROLLED ENTITY.—Section 856 is amended by adding at the end the following new subsection:

''(l) CONTROLLED ENTITY.—

''(1) IN GENERAL.—For purposes of subsection (a)(7), an entity is a controlled entity if, at any time during the taxable year, one person (other than a qualified entity)—

''(A) in the case of a corporation, owns stock—

''(i) possessing at least 50 percent of the total voting power of the stock of such corporation, or

''(ii) having a value equal to at least 50 percent of the total value of the stock of such corporation, or

''(B) in the case of a trust, owns beneficial interests in the trust which would meet the requirements of subparagraph (A) if such interests were stock.

''(2) QUALIFIED ENTITY.—For purposes of paragraph (1), the term 'qualified entity' means—

''(A) any real estate investment trust, and

''(B) any partnership in which one real estate investment trust owns at least 50 percent of the capital and profits interests in the partnership.

''(3) ATTRIBUTION RULES.—For purposes of this paragraphs (1) and (2)—

''(A) IN GENERAL.—Rules similar to the rules of subsections (d)(5) and (h)(3) shall apply.

''(B) STAPLED ENTITIES.—A group of entities which are stapled entities (as defined in section 269B(c)(2)) shall be treated as 1 person.

''(4) EXCEPTION FOR CERTAIN NEW REITS.—

''(A) IN GENERAL.—The term 'controlled entity' shall not include an incubator REIT.

''(B) INCUBATOR REIT.—A corporation shall be treated as an incubator REIT for any taxable year during the eligibility period if it meets all the following requirements for such year:

''(i) The corporation elects to be treated as an incubator REIT.

''(ii) The corporation has only voting common stock outstanding.

''(iii) Not more than 50 percent of the corporation's real estate assets consist of mortgages.

''(iv) From not later than the beginning of the last half of the second taxable year, at least 10 percent of the corporation's capital is provided by lenders or equity investors who are unrelated to the corporation's largest shareholder.

''(v) The directors of the corporation adopt a resolution setting forth an intent to engage in a going public transaction.

No election may be made with respect to any REIT if an election under this subsection was in effect for any predecessor of such REIT.

''(C) ELIGIBILITY PERIOD.—The eligibility period (for which an incubator REIT election can be made) begins with the REIT's second taxable year and ends at the close of the REIT's third taxable year, but, subject to the following rules, it may be extended for an additional 2 taxable years if the REIT so elects:

''(i) A REIT cannot elect to extend the eligibility period unless it agrees that, if it does not engage in a going public transaction by the end of the extended eligibility period, it shall pay Federal income taxes for the 2 years of the extended eligibility period as if it had not made an incubator REIT election and had ceased to qualify as a REIT for those 2 taxable years.

''(ii) In the event the corporation ceases to be treated as a REIT by operation of clause (i), the corporation shall file any appropriate amended returns reflecting the change in status within 3 months of the close of the extended eligibility period. Interest would be payable but, unless there was a finding under subparagraph (D), no substantial underpayment penalties shall be imposed. The corporation shall, at the same time, also notify its shareholders and any other persons whose tax position is, or may reasonably be expected to be, affected by the change in status so they also may file any appropriate amended returns to conform their tax treatment consistent with the corporation's loss of REIT status. The Secretary shall provide appropriate regulations setting forth transferee liability and other provisions to ensure collection of tax and the proper administration of this provision.

''(iii) Clause (i) and (ii) shall not apply if the corporation allows its incubator REIT status to lapse at the end of the initial 2-year eligibility period without engaging in a going public transaction, provided the corporation satisfies the requirements of the closely-held test commencing with its fourth taxable year. In such a case, the corporation's directors may still be liable for the penalties described in subparagraph (D) during the eligibility period.

''(D) SPECIAL PENALTIES.—If the Secretary determines that an incubator REIT election was filed for a principal purpose other than as part of a reasonable plan to undertake a going public transaction, an excise tax of $20,000 would be imposed on each of the corporation's directors for each taxable year for which an election was in effect.

''(E) GOING PUBLIC TRANSACTION.—For purposes of this paragraph, a going public transaction means—

''(i) a public offering of shares of the stock of the incubator REIT;

''(ii) a transaction, or series of transactions, that results in the stock of the incubator REIT being regularly traded on an established securities market and that results in at least 50 percent of such stock being held by shareholders who are unrelated to persons who held such stock before it began to be so regularly traded; or

''(iii) any transaction resulting in ownership of the REIT by 200 or more persons (excluding the largest single shareholder) who in the aggregate own at least 50 percent of the stock of the REIT.

For the purposes of this subparagraph, the rules of paragraph (3) shall apply in determining the ownership of stock.

''(F) DEFINITIONS.—The term 'established securities market' shall have the meaning set forth in the regulations under section 897.''

(c) CONFORMING AMENDMENT.—Paragraph (2) of section 856(h) is amended by striking ''and (6)'' each place it appears and inserting '', (6), and (7)''.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years ending after July 12, 1999.

(2) EXCEPTION FOR EXISTING CONTROLLED ENTITIES.—The amendments made by this section shall not apply to any entity which is a controlled entity (as defined in section 856(l) of the Internal Revenue Code of 1986, as added by this section) as of July 12, 1999, which is a real estate investment trust for the taxable year which includes such date, and which has significant business assets or activities as of such date.

SEC. 806. TREATMENT OF GAIN FROM CONSTRUCTIVE OWNERSHIP TRANSACTIONS.

(a) IN GENERAL.—Part IV of subchapter P of chapter 1 (relating to special rules for determining capital gains and losses) is amended by inserting after section 1259 the following new section:

''SEC. 1260. GAINS FROM CONSTRUCTIVE OWNERSHIP TRANSACTIONS.

''(a) IN GENERAL.—If the taxpayer has gain from a constructive ownership transaction with respect to any financial asset and such gain would (without regard to this section) be treated as a long-term capital gain—

''(1) such gain shall be treated as ordinary income to the extent that such gain exceeds the net underlying long-term capital gain, and

''(2) to the extent such gain is treated as a long-term capital gain after the application of paragraph (1), the determination of the capital gain rate (or rates) applicable to such gain under section 1(h) shall be determined on the basis of the respective rate (or rates) that would have been applicable to the net underlying long-term capital gain.

''(b) INTEREST CHARGE ON DEFERRAL OF GAIN RECOGNITION.—

''(1) IN GENERAL.—If any gain is treated as ordinary income for any taxable year by reason of subsection (a)(1), the tax imposed by this chapter for such taxable year shall be increased by the amount of interest determined under paragraph (2) with respect to each prior taxable year during any portion of which the constructive ownership transaction was open. Any amount payable under this paragraph shall be taken into account in computing the amount of any deduction allowable to the taxpayer for interest paid or accrued during such taxable year.

''(2) AMOUNT OF INTEREST.—The amount of interest determined under this paragraph with respect to a prior taxable year is the amount of interest which would have been imposed under section 6601 on the underpayment of tax for such year which would have resulted if the gain (which is treated as ordinary income by reason of subsection (a)(1)) had been included in gross income in the taxable years in which it accrued (determined by treating the income as accruing at a constant rate equal to the applicable Federal rate as in effect on the day the transaction closed). The period during which such interest shall accrue shall end on the due date (without extensions) for the return of tax imposed by this chapter for the taxable year in which such transaction closed.

''(3) APPLICABLE FEDERAL RATE.—For purposes of paragraph (2), the applicable Federal rate is the applicable Federal rate determined under 1274(d) (compounded semiannually) which would apply to a debt instrument with a term equal to the period the transaction was open.

''(4) NO CREDITS AGAINST INCREASE IN TAX.—Any increase in tax under paragraph (1) shall not be treated as tax imposed by this chapter for purposes of determining—

''(A) the amount of any credit allowable under this chapter, or

''(B) the amount of the tax imposed by section 55.

''(c) FINANCIAL ASSET.—For purposes of this section—

''(1) IN GENERAL.—The term 'financial asset' means—

''(A) any equity interest in any pass-thru entity, and

''(B) to the extent provided in regulations—

''(i) any debt instrument, and

''(ii) any stock in a corporation which is not a pass-thru entity.

''(2) PASS-THRU ENTITY.—For purposes of paragraph (1), the term 'pass-thru entity' means—

''(A) a regulated investment company,

''(B) a real estate investment trust,

''(C) an S corporation,

''(D) a partnership,

''(E) a trust,

''(F) a common trust fund,

''(G) a passive foreign investment company (as defined in section 1297),

''(H) a foreign personal holding company, and

''(I) a foreign investment company (as defined in section 1246(b)).

''(d) CONSTRUCTIVE OWNERSHIP TRANSACTION.—For purposes of this section—

''(1) IN GENERAL.—The taxpayer shall be treated as having entered into a constructive ownership transaction with respect to any financial asset if the taxpayer—

''(A) holds a long position under a notional principal contract with respect to the financial asset,

''(B) enters into a forward or futures contract to acquire the financial asset,

''(C) is the holder of a call option, and is the grantor of a put option, with respect to the financial asset and such options have substantially equal strike prices and substantially contemporaneous maturity dates, or

''(D) to the extent provided in regulations prescribed by the Secretary, enters into 1 or more other transactions (or acquires 1 or more positions) that have substantially the same effect as a transaction described in any of the preceding subparagraphs.

''(2) EXCEPTION FOR POSITIONS WHICH ARE MARKED TO MARKET.—This section shall not apply to any constructive ownership transaction if all of the positions which are part of such transaction are marked to market under any provision of this title or the regulations thereunder.

''(3) LONG POSITION UNDER NOTIONAL PRINCIPAL CONTRACT.—A person shall be treated as holding a long position under a notional principal contract with respect to any financial asset if such person—

''(A) has the right to be paid (or receive credit for) all or substantially all of the investment yield (including appreciation) on such financial asset for a specified period, and

''(B) is obligated to reimburse (or provide credit for) all or substantially all of any decline in the value of such financial asset.

''(4) FORWARD CONTRACT.—The term 'forward contract' means any contract to acquire in the future (or provide or receive credit for the future value of) any financial asset.

''(e) NET UNDERLYING LONG-TERM CAPITAL GAIN.—For purposes of this section, in the case of any constructive ownership transaction with respect to any financial asset, the term 'net underlying long-term capital gain' means the aggregate net capital gain that the taxpayer would have had if—

''(1) the financial asset had been acquired for fair market value on the date such transaction was opened and sold for fair market value on the date such transaction was closed, and

''(2) only gains and losses that would have resulted from the deemed ownership under paragraph (1) were taken into account.

The amount of the net underlying long-term capital gain with respect to any financial asset shall be treated as zero unless the amount thereof is established by clear and convincing evidence.

''(f) SPECIAL RULE WHERE TAXPAYER TAKES DELIVERY.—Except as provided in regulations prescribed by the Secretary, if a constructive ownership transaction is closed by reason of taking delivery, this section shall be applied as if the taxpayer had sold all the contracts, options, or other positions which are part of such transaction for fair market value on the closing date. The amount of gain recognized under the preceding sentence shall not exceed the amount of gain treated as ordinary income under subsection (a). Proper adjustments shall be made in the amount of any gain or loss subsequently realized for gain recognized and treated as ordinary income under this subsection.

''(g) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section, including regulations—

''(1) to permit taxpayers to mark to market constructive ownership transactions in lieu of applying this section, and

''(2) to exclude certain forward contracts which do not convey substantially all of the economic return with respect to a financial asset.''

(b) CLERICAL AMENDMENT.—The table of sections for part IV of subchapter P of chapter 1 is amended by adding at the end the following new item:

''Sec. 1260. Gains from constructive ownership transactions.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to transactions entered into after July 11, 1999.

SEC. 807. TRANSFER OF EXCESS DEFINED BENEFIT PLAN ASSETS FOR RETIREE HEALTH BENEFITS.

(a) EXTENSION.—Paragraph (5) of section 420(b) (relating to expiration) is amended by striking ''in any taxable year beginning after December 31, 2000'' and inserting ''made after September 30, 2009''.

(b) APPLICATION OF MINIMUM COST REQUIREMENTS.—

(1) IN GENERAL.—Paragraph (3) of section 420(c) is amended to read as follows:

''(3) MINIMUM COST REQUIREMENTS.—

''(A) IN GENERAL.—The requirements of this paragraph are met if each group health plan or arrangement under which applicable health benefits are provided provides that the applicable employer cost for each taxable year during the cost maintenance period shall not be less than the higher of the applicable employer costs for each of the 2 taxable years immediately preceding the taxable year of the qualified transfer.

''(B) APPLICABLE EMPLOYER COST.—For purposes of this paragraph, the term 'applicable employer cost' means, with respect to any taxable year, the amount determined by dividing—

''(i) the qualified current retiree health liabilities of the employer for such taxable year determined—

''(I) without regard to any reduction under subsection (e)(1)(B), and

''(II) in the case of a taxable year in which there was no qualified transfer, in the same manner as if there had been such a transfer at the end of the taxable year, by

''(ii) the number of individuals to whom coverage for applicable health benefits was provided during such taxable year.

''(C) ELECTION TO COMPUTE COST SEPARATELY.—An employer may elect to have this paragraph applied separately with respect to individuals eligible for benefits under title XVIII of the Social Security Act at any time during the taxable year and with respect to individuals not so eligible.

''(D) COST MAINTENANCE PERIOD.—For purposes of this paragraph, the term 'cost maintenance period' means the period of 5 taxable years beginning with the taxable year in which the qualified transfer occurs. If a taxable year is in 2 or more overlapping cost maintenance periods, this paragraph shall be applied by taking into account the highest applicable employer cost required to be provided under subparagraph (A) for such taxable year.''

(2) CONFORMING AMENDMENTS.—

(A) Clause (iii) of section 420(b)(1)(C) is amended by striking ''benefits'' and inserting ''cost''.

(B) Subparagraph (D) of section 420(e)(1) is amended by striking ''and shall not be subject to the minimum benefit requirements of subsection (c)(3)'' and inserting ''or in calculating applicable employer cost under subsection (c)(3)(B)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to qualified transfers occurring after the date of the enactment of this Act.

SEC. 808. MODIFICATION OF INSTALLMENT METHOD AND REPEAL OF INSTALLMENT METHOD FOR ACCRUAL METHOD TAXPAYERS.

(a) REPEAL OF INSTALLMENT METHOD FOR ACCRUAL BASIS TAXPAYERS.—

(1) IN GENERAL.—Subsection (a) of section 453 (relating to installment method) is amended to read as follows:

''(a) USE OF INSTALLMENT METHOD.—

''(1) IN GENERAL.—Except as otherwise provided in this section, income from an installment sale shall be taken into account for purposes of this title under the installment method.

''(2) ACCRUAL METHOD TAXPAYER.—The installment method shall not apply to income from an installment sale if such income would be reported under an accrual method of accounting without regard to this section. The preceding sentence shall not apply to a disposition described in subparagraph (A) or (B) of subsection (l)(2).''

(2) CONFORMING AMENDMENTS.—Sections 453(d)(1), 453(i)(1), and 453(k) are each amended by striking ''(a)'' each place it appears and inserting ''(a)(1)''.

(b) MODIFICATION OF PLEDGE RULES.—Paragraph (4) of section 453A(d) (relating to pledges, etc., of installment obligations) is amended by adding at the end the following: ''A payment shall be treated as directly secured by an interest in an installment obligation to the extent an arrangement allows the taxpayer to satisfy all or a portion of the indebtedness with the installment obligation.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to sales or other dispositions occurring on or after the date of the enactment of this Act.

SEC. 809. LIMITATION ON USE OF NONACCRUAL EXPERIENCE METHOD OF ACCOUNTING.

(a) IN GENERAL.—Section 448(d)(5) (relating to special rule for services) is amended—

(1) by inserting ''in fields described in paragraph (2)(A)'' after ''services by such person'', and

(2) by inserting ''CERTAIN PERSONAL'' before ''SERVICES'' in the heading.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

(2) CHANGE IN METHOD OF ACCOUNTING.—In the case of any taxpayer required by the

amendments made by this section to change its method of accounting for its first taxable year ending after the date of the enactment of this Act—

(A) such change shall be treated as initiated by the taxpayer,

(B) such change shall be treated as made with the consent of the Secretary of the Treasury, and

(C) the net amount of the adjustments required to be taken into account by the taxpayer under section 481 of the Internal Revenue Code of 1986 shall be taken into account over a period (not greater than 4 taxable years) beginning with such first taxable year.

SEC. 810. EXCLUSION OF LIKE-KIND EXCHANGE PROPERTY FROM NONRECOGNITION TREATMENT ON THE SALE OF A PRINCIPAL RESIDENCE.

(a) IN GENERAL.—Subsection (d) of section 121 (relating to the exclusion of gain from the sale of a principal residence) is amended by adding at the end the following new paragraph:

''(9) LIKE-KIND EXCHANGES.—Subsection (a) shall not apply to any sale or exchange of a residence if such residence was acquired by the taxpayer during the 5-year period ending on the date of such sale or exchange in an exchange in which any amount of gain was not recognized under section 1031.''

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to any sale or exchange of a principal residence after the date of the enactment of this Act.

SEC. 811. DISALLOWANCE OF NONECONOMIC TAX ATTRIBUTES.

(a) IN GENERAL.—Section 7701 is amended by redesignating subsection (m) as subsection (n) and by inserting after subsection (l) the following new subsection:

''(m) DISALLOWANCE OF NONECONOMIC TAX ATTRIBUTES.—

''(1) IN GENERAL.—In determining liability for any tax under subtitle A, noneconomic tax attributes shall not be allowed.

''(2) NONECONOMIC TAX ATTRIBUTE.—For purposes of this subsection, a noneconomic tax attribute is any deduction, loss, or credit claimed to result from any transaction unless—

''(A) the transaction changes in a meaningful way (apart from Federal income tax consequences) the taxpayer's economic position, and

''(B)(i) the present value of the reasonably expected potential income from the transaction (and the taxpayer's risk of loss from the transaction) are substantial in relationship to the present value of the tax benefits claimed, or

''(ii) in the case of a transaction which is in substance the borrowing of money or the acquisition of financial capital, the deductions claimed with respect to the transaction for any period are not significantly in excess of the economic return for such period realized by the person lending the money or providing the financial capital.

''(3) PRESUMPTION OF NONECONOMIC TAX ATTRIBUTES.—For purposes of paragraph (2), the following factors shall give rise to a presumption that a transaction fails to meet the requirements of paragraph (2):

''(A) The fact that the payments, liabilities, or assets that purport to create a loss (or other benefit) for tax purposes are not reflected to any meaningful extent on the taxpayer's books and records for financial reporting purposes.

''(B) The fact that the transaction results in an allocation of income or gain to a tax-indifferent party which is substantially in excess of such party's economic income or gain from the transaction.

''(4) TREATMENT OF BUILT-IN LOSS.—The determination of whether a transaction results in the realization of a built-in loss shall be made under subtitle A as if this subsection had not been enacted. For purposes of the preceding sentence, the term 'built-in loss' means any loss or deduction to the extent that such loss or deduction had economically been incurred before such transaction is entered into and to the extent that the loss or deduction was economically borne by the taxpayer.

''(5) DEFINITION AND SPECIAL RULES.—For purposes of this subsection—

''(A) TAX-INDIFFERENT PARTY.—The term 'tax-indifferent party' means any person or entity exempt from tax under subtitle A. A person shall be treated as a tax-indifferent party with respect to a transaction if, by reason of such person's method of accounting, the items taken into account with respect to the transaction have no substantial impact on such person's liability under subtitle A.

''(B) SERIES OF RELATED TRANSACTION.—A transaction which is part of a series of related transactions shall be treated as meeting the requirements of paragraph (2) only if—

''(i) such transaction meets such requirements without regard to the other transactions, and

''(ii) such transactions, if treated as 1 transaction, would meet such requirements.

A similar rule shall apply to a multiple step transaction with each step being treated as a separate related transaction.

''(C) NORMAL BUSINESS TRANSACTIONS.—In the case of a transaction which is an integral part of a taxpayer's trade or business and which is entered into in the normal course of such trade or business, the determination of the potential income from such transaction shall be made by taking into account its relationship to the overall trade or business of the taxpayer.

''(D) TREATMENT OF FEES.—In determining whether there is risk of loss from a transaction (and the amount thereof), potential loss of fees and other transaction expenses shall be disregarded.

''(E) TREATMENT OF ECONOMIC RETURN ENHANCEMENTS.—The following shall be treated as economic returns and not tax benefits:

''(i) The credit under section 29 (relating to credit for producing fuel from a nonconventional source).

''(ii) The credit under section 42 (relating to low-income housing credit).

''(iii) The credit under section 45 (relating to electricity produced from certain renewable resources).

''(iv) The credit under section 1397E (relating to credit to holders of qualified zone academy bonds) or any similar program hereafter enacted.

''(v) Any other tax benefit specified in regulations.

''(F) EXCEPTIONS FOR NONBUSINESS TRANSACTIONS.—

''(i) INDIVIDUALS.—In the case of an individual, this subsection shall only apply to transactions entered into in connection with a trade or business or activity engaged in for profit.

''(ii) CHARITABLE TRANSFERS.—This subsection shall not apply in determining the amount allowable as a deduction under section 170, 545(b)(2), 556(b)(2), or 642(c).

''(6) ECONOMIC SUBSTANCE DOCTRINE, ETC., NOT AFFECTED.—The provisions of this subsection shall not be construed as altering or supplanting any rule of law referred to in section 6662(i)(2)(B) and the requirements of this subsection shall be construed as being in addition to any such rule of law.''

(b) INCREASE IN SUBSTANTIAL UNDERPAYMENT PENALTY WITH RESPECT TO DISALLOWED NONECONOMIC TAX ATTRIBUTES.—Section 6662 (relating to imposition of accuracy-related penalty) is amended by adding at the end the following new subsection:

''(i) INCREASE IN PENALTY IN CASE OF DISALLOWED NONECONOMIC TAX ATTRIBUTES.—

''(1) IN GENERAL.—In the case of the portion of the underpayment to which this subsection applies—

''(A) subsection (a) shall be applied with respect to such portion by substituting '40 percent' for '20 percent', and

''(B) subsection (d)(2)(B) and section 6664(c) shall not apply.

''(2) UNDERPAYMENTS TO WHICH SUBSECTION APPLIES.—This subsection shall apply to an underpayment to which this section applies by reason of paragraph (1) or (2) of subsection (b) to the extent that such underpayment is attributable to—

''(A) the disallowance of any noneconomic tax attribute (determined under section 7701(m)), or

''(B) the disallowance of any other benefit—

''(i) because of a lack of economic substance or business purpose for the transaction giving rise to the claimed benefit,

''(ii) because the form of the transaction did not reflect its substance, or

''(iii) because of any other similar rule of law.

''(3) INCREASE IN PENALTY NOT TO APPLY IF COMPLIANCE WITH DISCLOSURE REQUIREMENTS.—Paragraph (1)(A) shall not apply if the taxpayer—

''(A) discloses to the Secretary within 30 days after the closing of the transaction appropriate documents describing the transaction, and

''(B) files with the taxpayer's return of tax imposed by subtitle A—

''(i) a statement verifying that such disclosure has been made,

''(ii) a detailed description of the facts, assumptions of facts, and factual conclusions with respect to the business or economic purposes or objectives of the transaction that are relied upon to support the manner in which it is reported on the return,

''(iii) a description of the due diligence performed to ascertain the accuracy of such facts, assumptions, and factual conclusions,

''(iv)(I) a statement (signed by the senior financial officer of the corporation under penalty of perjury) that the facts, assumptions, or factual conclusions relied upon in reporting the transaction are true and correct as of the date the return is filed, to the best of such officer's knowledge and belief, and

''(II) if the actual facts varied materially from the facts, assumptions, or factual conclusions relied upon, a statement describing such variances,

''(v) copies of any written material provided in connection with the offer of the transaction to the taxpayer by a third party,

''(vi) a full description of any express or implied agreement or arrangement with any advisor, or with any offeror, that the fee payable to such person would be contingent or subject to possible reimbursement, and

''(vii) a full description of any express or implied warranty from any person with respect to the anticipated tax results from the transaction.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to transactions after the date of the enactment of this Act.

TITLE IX—NATIONAL COMMISSION ON TAX REFORM AND SIMPLIFICATION

SEC. 901. ESTABLISHMENT.

(a) IN GENERAL.—There is established the National Commission on Tax Reform and Simplification. The Commission shall be composed of 15 members appointed or designated by the President and selected as follows:

(1) 5 members selected by the President from among officers or employees of the Executive Branch, private citizens of the United States, or both. Not more than 3 of the members selected by the President shall be members of the same political party;

(2) 5 members selected by the Majority Leader of the Senate from among members of the Senate, private citizens of the United States, or both. Not more than 3 of the members selected by the Majority Leader shall be members of the same political party;

(3) 5 members selected by the Speaker of the House of Representatives from among members of the House, private citizens of the United States, or both. Not more than 3 of the members selected by the Speaker shall be members of the same political party.

(b) CHAIRMAN.—The President shall designate a Chairman from among the members of the Commission.

SEC. 902. FUNCTIONS.

(a) IN GENERAL.—The Commission shall review the Internal Revenue Code of 1986, identify provisions of such Code which are unnecessarily complex and may be simplified, and make appropriate recommendations to the Secretary of the Treasury, the President, and to Congress.

(b) REPORT.—The Commission shall make its report to the President not later than 1 year after the date of the enactment of this Act.

SEC. 903. ADMINISTRATION.

(a) INFORMATION FROM EXECUTIVE AGENCIES.—The heads of Executive agencies shall, to the extent permitted by law, provide the Commission such information as it may require for the purpose of carrying out its functions.

(b) PAY.—Members of the Commission shall serve without any additional compensation for their work on the Commission. However, members appointed from among private citizens of the United States may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law for persons serving intermittently in the government service (5 U.S.C. 5701–5707), to the extent funds are available therefor.

(c) STAFF.—The Commission shall have a staff headed by an Executive Director. Any expenses of the Commission shall be paid from such funds as may be available to the Secretary of the Treasury.

SEC. 904. GENERAL.

(a) AUTHORITY OF SECRETARY OF TREASURY.—Notwithstanding any Executive Order, the responsibilities of the President under the Federal Advisory Committee Act, as amended, except that of reporting annually to the Congress, which are applicable to the Commission, shall be performed by the Secretary of the Treasury in accordance with the guidelines and procedures established by the Administrator of General Services.

(b) TERMINATION.—The Commission shall terminate 30 days after submitting its report.

The Speaker pro tempore. Pursuant to House Resolution 256, the gentleman from New York (Mr. RANGEL) and a Member opposed each will control 30 minutes.

The Chair recognizes the gentleman from New York (Mr. RANGEL).

Mr. RANGEL. Mr. Speaker, I yield myself as much time as I may consume.

Mr. Speaker, as I have said, the major thing that should be before us at a time like this when we have unexpected revenues is to fix the roof while the sun is shining, and the repairs that have to be made is in our Social Security system and our Medicare system and to provide some relief for our aged who are dependent on prescription drugs. We really believe that we should do more in reducing the Federal debt, and at the same time the President has suggested that we do have a $250 billion tax cut. We have tried to include many things that would help and have it targeted to be of assistance to the American people rather than just to target it for close to a trillion dollars to the wealthiest Americans.

Mr. Speaker, we also support having even more details to a tax cut in the motion to recommit which could be done later once we make that commitment. But no matter what we do, no effect comes into being until it is certified that we did what we were supposed to do, and that is to make certain that the Social Security system and Medicare is solvent and we reduce the Federal debt. I reserve the balance of my time.

The SPEAKER pro tempore. Does the gentleman from Texas (Mr. ARCHER) wish to control the time in opposition?

Mr. ARCHER. I do, Mr. Speaker.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Texas (Mr. ARCHER).

Mr. ARCHER. Mr. Speaker, I yield such time as we may consume to the gentlewoman from New Jersey (Mrs. ROUKEMA).

Mrs. ROUKEMA. Mr. Speaker, I had hoped to be here a little earlier for the general debate, and I do appreciate this time for colloquy, but in a sense it is a good time in view of what ranking member RANGEL has just, and one of the reasons I was delayed, the reason I was delayed was that I was at a Committee on Banking and Financial Services hearing with the Federal Reserve Board Chairman Greenspan giving his Humphry Hawkins report, and in the course my questioning I asked him specifically about the provision on the trigger that is related to the debt reduction, and I just want the chairman to know and this body to know that the Federal Reserve Board chairman agrees. The trigger is a very good idea.

So I want people to understand that, but I am concerned about the inferences here, whether it is with respect to what we Republicans agreed to yesterday on that trigger and forestalling the across-the-board tax cut or whether it is the general discussion here. But it seems to be a compelling need to play politics with this as though we are spending the Social Security Trust Fund, and that is the nature of the colloquy that I want to have.

Mr. Speaker, it is certainly my understanding that the Social Security Trust Fund and the lockbox that we have put in place under H.R. 2488, this bill, does not either with the trigger mechanism or any other provision of this bill in any way violate the fact that those moneys are being set aside for both Social Security and Medicare, and that it no way inhibits or prohibits in any way the fact that we are going to pursue in other legislation ways to protect Social Security and secure the Medicare provisions.

Is that correct? That is certainly my understanding.

Mr. ARCHER. Mr. Speaker, will the gentlewoman yield?

Mrs. ROUKEMA. I yield to the gentleman from Texas.

Mr. ARCHER. Mr. Speaker, the gentlewoman is correct. Nothing in this tax bill before us today would in any way have an adverse effect on our efforts to strengthen Medicare or save Social Security. The debt reduction provision will be helpful in our efforts to pursue the course that we have set through the Safe Deposit Act and through other efforts which have resulted in a huge surplus projected for the government for the years ahead. We submitted for the RECORD an explanation of the debt reduction provision, and I refer the gentlewoman to that for a detailed explanation.

Mrs. ROUKEMA. And that includes, Mr. Speaker, the provision that we have with the, as the gentleman said, the debt reduction and the triggering mechanism.

Mr. ARCHER. The gentlewoman is absolutely correct.

Mrs. ROUKEMA. I do thank the gentleman. That is certainly what our understanding was when we negotiated this agreement, and I think it is a fiscally sound one and a realistic one, and I am certainly glad that we now have the Federal Reserve Board Chairman's approval of the triggering mechanism.

Mr. ARCHER. Mr. Speaker, I reserve the balance of my time.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentlewoman from Connecticut (Ms. DELAURO).

Ms. DELAURO. Mr. Speaker, I thank the gentleman and rise in support of the Democratic substitute and in opposition to the Republican proposal which is an irresponsible tax giveaway. It jeopardizes Medicare and Social Security and in fact the health of our economy at the expense of the middle class. It reflects the upside-down values of this Republican-led Congress and does not reflect the values of American families.

When it comes to the budget, our money is where our values are. I support targeted tax cuts for middle class families, tax cuts for education, a per-child tax cut, small business tax cuts, those that make sense and that we can afford, but not a Republican tax giveaway where 65 percent of the benefit goes to the wealthiest 10 percent of Americans.

This trillion dollar Republican tax giveaway is paid for by cutting programs that assist veterans, children and seniors. It is shameful, and America is better than this.

Let us not betray our values, values that say in America every child will have the opportunity to succeed in school and in life, values that say we will meet the needs of our veterans who put their lives on the line to protect our freedoms, values that say we

will take care of our parents and grandparents in their old age.

Vote for the Democratic substitute and for the values of this country.

Mr. ARCHER. Mr. Speaker, I yield 1 minute to the gentleman from Kentucky (Mr. FLETCHER).

□ 1230

Mr. FLETCHER. Mr. Speaker, I thank the gentleman for yielding me this time.

I certainly appreciate his long-standing efforts to secure the financial security of families, and I believe this bill does just that.

Mr. Speaker, the President wanted to save only 62 percent for Social Security. We put 100 percent in it, locked it up for Social Security and Medicare so that we can make sure we provide for that. We also increased our spending on military, education, and still able to return money to the American people in overpayment because of the on-budget surplus.

I saw this cartoon in my local newspaper the other day and I think it really expresses the difference in attitude. It shows here a thief in the night holding up an innocent young couple saying, ''I know how to spend your money better than you do,'' and that is exactly the way the minority side feels. They know how to spend money better than American families do.

Mr. RANGEL. Mr. Speaker, will the gentleman yield?

Mr. FLETCHER. You take the money; you are not going to take my time.

Mr. RANGEL. Mr. Speaker, I would ask that the gentleman put the cartoon over here so we can see it too. We cannot see it.

Mr. FLETCHER. Mr. Speaker, I reclaim my time. We will be glad to show the gentleman.

I am surprised. I also have a list of the folks who voted to increase how much money they take home, over $4,000 a year. Last night those same people stood up here and said no, we do not want the American, average American, to take just a little over $5,000 home over 10 years. We want to keep it. We will take ours, but we do not want you to have yours. So I think it shows the hypocrisy there.

I stand to support this bill and what the chairman has done. I encourage my colleagues to vote for the bill and not for the substitute.

Mr. RANGEL. Mr. Speaker, I yield 2 minutes to the gentleman from Tennessee (Mr. TANNER), a member of the Committee on Ways and Means.

Mr. TANNER. Mr. Speaker, I came here this morning hoping that I could have voted for a tax bill that was reasonable. All of the rhetoric we have heard this morning, basically dealing with the surplus, is about a projection. It is not about a fact. In fact, 6 months ago, part of the money we are talking about spending today was not even here. It was created by rewriting the projection of what is going to happen.

This is fact. This has happened. These are the deficits that we ran during the 1980s and 1990s, resulting in this national debt that we, the American people and our kids and grandkids owe. That is not a projection, this is not a guess, it is not a hope, it is not a wing and a prayer, it is a fact.

In a few minutes we are going to have a motion to recommit. All of us, the President, the Republicans, the Democrats have agreed to take the Social Security money surplus off the table. The motion to commit in a few minutes is going to focus only on this trillion dollar surplus, on-budget surplus, having nothing to do with Social Security surpluses, that we have in front of us that we have been spending over and over again this morning.

I want my colleagues to listen to it, because what it says is, let us not only put 100 percent of the Social Security money aside for future generations, but let us take half of this money we are talking about spending today and put it to our children, to their future financial obligations. Everybody in here knows, if they are honest with themselves, that simply by taking the Social Security surplus and paying that on the publicly-held debt, we do not lessen the financial obligation of the next generation by one red cent. It is $5.6 trillion then; it is $5.6 trillion now, and it is $5.6 trillion tomorrow.

By simply doing that, we do not do anything. The motion to recommit is the only way to pay down the debt.

Mr. ARCHER. Mr. Speaker, I yield 3 minutes to the gentleman from Florida (Mr. SHAW), a respected Member of the Committee on Ways and Means and the Chairman of the Subcommittee on Social Security.

Mr. SHAW. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, during the debate on the tax cut bill, a common refrain was echoed last night, and we are seeing it again today, and that is saying that we will be cutting taxes somehow and it will hurt Social Security and Medicare.

Mr. Speaker, I say to my colleagues, it is simply not true. Do not believe this scare tactic. The House, including 95 percent of the Democrats, have already overwhelmingly approved H.R. 1259, which is the Social Security lockbox. This bill locks away $1.9 trillion in Social Security surpluses over the next decade. Those surpluses are to be used and can only be used solely to pay down the debt or to save Social Security and Medicare.

Fortunately, as established by the Social Security guarantee plan, the gentleman from Texas (Mr. ARCHER) and I have crafted the Social Security surpluses, and we have proved that the Social Security surpluses are more than enough to save Social Security, leaving hundreds of billions of dollars to save Medicare and to pay down the debt.

I cannot help but be struck by the irony that those claiming Social Security surpluses are not enough to save Social Security do not even have their own plan to save Social Security. Where is the plan? Where is the plan to save Social Security for all time? There is the Archer-Shaw plan. Where is the Democrat plan? How much does it cost? Tax cut opponents have no answers to this, and I find the silence in this hall today deafening. Where is the plan? Is it any surprise that we are now trying to scare our seniors?

Well, I am going to say, this time, it is not going to work. In fact, this bill that we have before us today augments efforts to save Social Security and Medicare through needed pension reforms, savings and investment incentives, and health care tax relief, enhanced savings and stronger employer pensions, which will ensure the retirement security so that it will remain stable to support the baby boomers as they approach retirement.

Plus, we have now added a provision which says, if we do not pay down the debt, then we do not cut the taxes for that year. I think Mr. Greenspan, just this morning, made reference to that in his testimony in a very positive manner. How much stronger of a commitment to paying down debt can we get.

The tax cut is financed 100 percent with non-Social Security surpluses. Let me repeat that, 100 percent of non-Social Security surpluses, which represents the overpayment of taxes by the American family. We should refund them and get on with the hard work of saving Social Security and Medicare.

Fortunately, for that purpose, we can use the Social Security surpluses already saved in the lockbox which are more than enough to save Social Security and Medicare. We can pay down the debt, cut taxes and save Social Security and Medicare, and this tax bill proves it.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Tennessee (Mr. CLEMENT).

(Mr. CLEMENT asked and was given permission to revise and extend his remarks.)

Mr. CLEMENT. Mr. Speaker, I rise today in strong support of the Democratic substitute. I want to congratulate the gentleman from New York (Mr. RANGEL) for being such a strong leader in bringing about tax fairness in this Democratic package.

This particular issue I am talking about is one that the Republicans could have made part of their package. They refused. Democrats said they wanted this to be a part of their package, and this has to do with the fundamental fairness not only for Tennessee, but for 7 other of our States.

In 1986, the State and local sales tax deduction was eliminated from the Tax Code and created a fundamental inequity between States that have an income tax and those that do not. Taxpayers living in States that have an income tax can deduct their State taxes, but those living in 7 States without an income tax do not have a deduction. So they end up paying more in taxes to the Federal Government.

In 1997, the average Tennessean paid $927 in State taxes. We can deduct that in the future if we will vote for the Democratic substitute, and we need to do that to bring about tax fairness.

Mr. Chairman, I rise in strong support of the Democratic substitute and, in particular, of restoring the sales tax deduction to the federal income tax code.

The problems with the Republican tax proposal are almost too numerous to mention. They want to spend $792 billion over the next ten years, almost the entire projected on-budget surplus, on a tax cut whose main beneficaries will be those at the top of the income scale. According to the Treasury Department, 65 percent of the tax relief would go the wealthiest 10 percent of taxpayers. In addition to not providing tax relief to those who most need it, the Republican plan puts the future of Social Security and Medicare in jeopardy. They leave none of the projected surpluses available for Medicare reform, meaning that Social Security and Medicare will have to compete for the Social Security Trust Fund. In fact, these tax cuts would explode just about the time the baby boomers are going to need these essential programs. And perhaps the most serious consequences of this ill-conceived and irresponsible tax scheme is that rather than paying off the national debt, the Republicans would return us to an era of deficits by spending all of an estimated surplus that may very well never materialize because it is based on drastic and unrealistic cuts in discretionary programs.

The Democratic substitute is a moderate approach that provides tax relief to those who most need it while also allowing us to adequately fund important discretionary programs such as Head Start, the National Institutes of Health, and veteran's health care, ensure the long-term solvency of both Social Security and Medicare, and pay off the national debt. This amendment contains many important provisions that will provide relief to middle-class families, such as elimination of the marriage penalty, relief from the estate tax, an increase in the family child tax credit, funds for public school construction and modernization, and a tax credit for long-term care providers. It also permanently extends the research credit, the welfare-to-work credit, and the brownsfields tax incentive.

Perhaps the most important provision of this amendment for the citizens of Tennessee is the restoration of the sales tax deduction from the federal income tax. In 1986, the state and local sales tax deduction was eliminated from the federal tax code in an effort to expand the tax base. While well-intentioned, the elimination of the sales tax deduction created a fundamental inequity between states that have adopted an income tax and those that have not. That's because, under the current tax code, taxpayers living in states that have an income tax can deduct their state taxes from their federal tax bill. However, those living in states without an income tax, such as Texas, Florida, Washington, Tennessee, South Dakota, Nevada, and Wyoming, don't have an equivalent deduction. As a result, they end up paying significantly more in taxes to the federal government than a taxpayer with an identical profile in a different state.

In 1997, the citizens of Tennessee paid an average of $927 in state and local sales taxes, but could not deduct one dollar of it from their federal income tax returns. So, basically, Tennesseans are being forced to pay taxes on their taxes. My colleagues, this is just not right. In fact, Tennessee Lieutenant Governor John Wilder is exploring options for filing a class action lawsuit against the federal government asserting that the citizens of Tennessee are being discriminated against simply because they live in a state that has chosen not to enact a state income tax.

Mr. Chairman, I submit to you that the federal government should treat all taxpayers equally, regardless of the system of taxation their state employs.

This provision of the Democratic substitute would allow taxpayers to deduct either their state income tax or state and local sales taxes from their federal income tax returns. Those living in states that have an income tax would still be able to take an income tax deduction as they are today. However, residents of states that do not have an income tax would be provided with the opportunity to take a similar deduction.

I also believe we should remove the incentive toward a state income tax from the federal tax code. Regardless of your views on income taxes, sales taxes or some alternate tax structures, I'm sure my colleagues on both sides of the aisle would agree that states should have the right to decide for themselves how they want to collect their revenues without interference from the federal government.

In closing, I would like to thank the distinguished ranking member of the Ways and Means Committee, Mr. RANGEL, for his support of this important provisions, which my friend, Congressman BRIAN BAIRD, and I have been working so hard to enact. We have an opportunity to restore fairness and equity to the tax code in this Congress without making the tax code more complex and without abandoning our fiscal discipline.

We say we want a fair tax structure. We say we want tax reform. We say we want to give our citizens power over their own lives. We say we want to allow states to make their own decisions. Let's take this chance to do something and not just say something about tax equity.

I urge my colleagues to support the substitute amendment and reinstate the sales tax deduction.

Mr. ARCHER. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia (Mr. COLLINS), another Member of the Committee on Ways and Means.

Mr. COLLINS. Mr. Speaker, I thank the Chairman for yielding me this time.

Mr. Speaker, several months ago, Congress passed the most important legislation we will pass in the 106th Congress: the budget resolution. It is a blueprint of our agenda. The policies we will implement to strengthen national defense, return local control and excellence to education, and protect Social Security. The Financial Freedom Act contains the revenue provisions of that blueprint.

The chairman of the Federal Reserve, Alan Greenspan, has been mentioned several times during this debate. Earlier this year, he did appear before the Committee on Ways and Means. He suggested that the best thing that we can do is let the surpluses grow. That is exactly what we are doing. The budget resolution sets aside 100 percent of the payroll taxes and all of the surplus accruing in the Social Security Trust Fund to ensure long-term solvency, and the lockbox legislation ensures that growth.

The second thing Chairman Greenspan recommended in order to maintain strong economic growth in this country was to further reduce the capital gains tax rate. He also said we should reduce marginal income tax rates. Doing so reverses actions taken by the President and the previous majority in Congress in 1993 when they increased the number of income tax brackets from 3 to 5. The Financial Freedom Act accepts Chairman Greenspan's advice by reducing marginal rates so that we will increase savings and investment and create more jobs.

The Chairman offered a third piece of advice, which is also in the budget resolution: no new Federal spending. That is not to say that we should not reprioritize or even create a new program, if needed. But no overall increases in spending. The budget resolution follows that advice.

Chairman Greenspan's advice is good common sense that will continue economic growth and preserve the low interest rates that we enjoy today which have benefited every family and every working person across this country.

Mr. Speaker, as a part of the overall blueprint, this tax bill is good common sense tax policy, and I strongly urge its passage.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentlewoman from California (Ms. WOOLSEY).

(Ms. WOOLSEY asked and was given permission to revise and extend her remarks.)

Ms. WOOLSEY. Mr. Speaker, the Republican Party's risky tax plan is a threat to our economy, and it is a failure from the start. These are the same folks who told the country in 1993 that the Democratic budget would destroy the economy, so they did not vote for it. Not one of them. They did not vote for a budget that has resulted in the best economy in decades.

Now, they have a tax plan to undo the good works that we did in 1993; a plan that lavishes cuts on the most wealthy 1 percent of the Nation, but does not pay down our national debt and does not secure our Social Security nor Medicare.

This bad bill gives the top 10 percent of taxpayers two-thirds of the tax benefit. This is outrageous. So again, we must ask, who is taking care of our children? Who is taking care of our retirees? Who is taking care of our veterans? Because we know who is taking care of millionaires and billionaires.

Mr. Speaker, vote for the Democratic tax bill substitute; vote for American values.

Mr. ARCHER. Mr. Speaker, I yield 4 minutes to the gentleman from California (Mr. THOMAS), another respected member of the Committee on Ways and Means.

Mr. THOMAS. Mr. Speaker, this truly is a sad day for America. The once great Democratic Party is reduced to: ''We can't.'' However, there is hope, because the new Republican majority is showing how ''we can.''

The Democratic leader had a quote which said, ''A massive tax cut that encourages consumption would not be good economic policy.'' Well, we happen to agree with that quote. As a matter of fact, the Republican tax program is the most massive incentive for saving and investment in the history of the country.

Our tax plan targets savings and investments for individuals, for small business, for international corporations, for farmers, for families. It is the sum and substance of the Republican philosophy: You do for yourself what you can do. Only then should government step in.

The Democratic leader said that ''the Democrats' tax plan was conditioned on saving Social Security and Medicare.'' You heard the chairman of the Subcommittee, Mr. SHAW, on Social Security and the chairman of the full committee, Mr. ARCHER, have a plan certified by the trustees of the Social Security system that our Social Security plan saves Social Security for all time. All we have to do is pass it.

The President has talked about a Medicare program. The Congressional Budget Office has now analyzed the meager information that has been given by the administration to the Congressional Budget Office. We know at least this, surprise: The President understated his prescription drug program by $50 billion.

□ 1245

The President overstated his savings to the Medicare system by about $16 billion. Remember, it was the Republican majority, after every opportunity was available to the Democrats since 1965, but it was only after the Republicans became the majority that we added the preventive and wellness care package that was absolutely essential to Medicare, increased mammography tests, prostate cancer detection and treatment, diabetes detection and treatment, osteoporosis exams, critical in senior women. Those were only added after Republicans became the majority.

Republicans have a provision for deductibility of prescription drugs in this tax package, tied to the requirement that we improve and preserve Medicare, conditioned on real behavior, exactly the same thing for the across-the-board tax cut tied to the performance of the economy in improving our debt. We reward performance.

The Democrat leader concluded his speech by saying, ''Do not repeat the mistakes of the past.'' Well, the Democrats were the majority in this House for 40 years. I can assure the Democrat leader we are not going to repeat the mistakes of the past. We are not going to do what they used to do with various tax bills. There is no smoke and those are no mirrors in our bill. Today, sadly the party of that minority leader says we can't. Today, the Republicans say, we can. We can save Social Security. We can improve and preserve Medicare. We can give some of the taxpayers' hard-earned money back, but most importantly, we can build the economy. Today's Republicans say we can for today's Americans and most importantly for tomorrow's as well.

This is an exciting day for America, an exciting day for the House of Representatives. We can.

Mr. RANGEL Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, when the Republicans talk about sensitivity and caring, they are certainly far more effective when they bring those cartoons to the floor.

Mr. Speaker, I yield 2 minutes to the gentleman from Texas (Mr. DOGGETT), a member of the Committee on Ways and Means.

Mr. DOGGETT. Mr. Speaker, indeed it is amazing today that Republicans who tell us we ''cannot'' when it comes to affording prescriptions for seniors, we ''cannot'' when it comes to holding managed health care insurers accountable; but they now tell us we ''can'' have what is really the ''Financial Freedom from Reality Act,'' a near trillion dollar tax cut where they choose party loyalty over fiscal sanity. Instead of tax fairness for the middle class, they propose to jeopardize our long-term prosperity, Medicare and Social Security.

This is a House that has done so very well at doing so very little this year. Of course the Republican leadership had to engage in desperation tactics on this bill. They are desperate for anything that would mask their many failures and continued refusal to schedule meaningful action on the major issues that truly concern American families.

There is no $3 trillion surplus. $2 trillion is committed to assure the solvency of Social Security for the coming decades. The other $1 trillion is based on false assumptions that are as unreliable as a 10-year weather forecast.

Further, they forget the advice of Federal Reserve Chairman Alan Greenspan, who when asked about their 10 percent across-the-board tax rate cut said he rejected it; he flatly rejected it in favor of building up the surplus to pay down the debt.

There is one other matter, and that is the matter of tax fairness, because I think most Americans are willing to pay their fair share, but they resent the high rollers cheating and gaming the system while honest taxpayers have to make up the difference. We must help law enforcement close loopholes, eliminate sham transactions, and stop tax shelter hustlers.

These tax shelter hustlers even commanded the attention of Forbes Magazine, known as ''the capitalist tool,'' because they do a disservice to this country and the practice of accounting. Republicans say closing tax loopholes for their corporate shelter buddies is a tax increase. We say it is an opportunity to provide more tax relief to middle-class Americans. We say these tax-and-borrow Republicans are trying to borrow more money to give more tax breaks to those special interests, who are cheating and gaming the system.

We have the courage to take on the special interests. They have demonstrated once again they are here to serve the special interests.

Mr. ARCHER. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. PORTMAN), another respected member of the Committee on Ways and Means. The committee is a lot bigger than it used to be, Mr. Speaker.

Mr. PORTMAN. Mr. Speaker, since the previous speaker brought up Alan Greenspan, let me just say what Alan Greenspan said before our committee in testimony in January of this year. He said, and I quote, ''If we have to get rid of the surpluses, I would far prefer reducing taxes than increasing spending, and indeed, I do not think it is a close call,'' end quote.

Mr. Speaker, I want to commend the gentleman from Texas (Chairman ARCHER) for putting together what I think is a balanced, thoughtful approach to give at least some of the money back to the hard-working taxpayers that created the $3 trillion surplus in the Federal Government's treasuries that is projected to happen over the next 10 years.

We have heard a lot today about across-the-board tax relief that is going to help every single family in America. We have heard about eliminating the marriage penalty; but let me mention a couple of other great provisions in the Archer bill, such as reforming unfair tax rules like the interest allocation rules that are driving U.S. companies and jobs out of this country.

Let me mention something else that is very important, which is the most comprehensive pension reforms in over a generation. That is in the Archer bill. It is going to give millions of Americans the ability to prepare for their own retirement, save more for their own retirement.

At a time when 60 million Americans, Mr. Speaker, do not have a pension in this country, we expand 401(k) opportunities; we expand the traditional defined benefit plans; we make pensions more portable so workers can take their pensions from job to job. We allow a catch-up provision to let people save even more, people who are over 50, primarily focused on working moms so they can save more again for their own retirement.

We have heard a lot today from the other side. It is getting kind of tiresome, about tax cuts for the rich. Seventy-seven percent of pension participants make less than 50,000 bucks a year. When we strengthen our pension system, we are helping the Americans who need it the most.

Though it has been a bipartisan effort from day one, unbelievably these pension reform provisions are not in the Democrat substitute that we are talking about right now. I do not know what to say about that, except I can say that Republicans are committed to strengthening pensions, and I hope we can pass this legislation to do it. It is just another example of why the Archer bill is not an irresponsible but it is a responsible, balanced approach to tax relief.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentlewoman from Michigan (Ms. RIVERS).

Ms. RIVERS. Mr. Speaker, I will not be voting for any of the proposals that we are going to be considering today. Why? Because they all spend money we do not yet have. If one follows the headlines of the last few weeks, they will find the surplus repeatedly being referred to as ephemeral, shaky, a castle in the sky, a mirage, an illusion. Why?

Well, according to the Washington Post in their article, The Surplus Illusion, the reason is to make the numbers come out even when they passed the Balanced Budget Act in 1997, Congress agreed to cut in the future, without ever specifying how, a large category of Federal spending that would have to be cut by 22 percent in real terms, 20 percent in real terms.

As I read this and thought about it, it seemed familiar to me somehow. So I went back through my books, and I found what I was looking for. I found a quote that said, ''there was not a hint, not one scintilla, about what this fabulous giving actually meant, that tens of millions of Social Security recipients, students, farmers, government pensioners and other beneficiaries of Federal largesse watching that night received no warning that their benefits would have to be deeply and suddenly slashed in order to keep the budget equation whole.''

1981 all over again. Do not repeat the past mistakes.

Mr. ARCHER. Mr. Speaker, I yield 1 minute to the gentlewoman from Florida (Mrs. FOWLER), a member of the Republican leadership.

(Mrs. FOWLER asked and was given permission to revise and extend her remarks.)

Mrs. FOWLER. Mr. Speaker, this debate today comes down to a very simple question: Whose money is it? Some here are arguing details, but in reality it all comes down to whether one thinks this is the government's money or the American people's money. To me, that is an easy answer, and my constituents tell me every time that I talk to them it is the American people's money.

When Republicans took the reigns of Congress in 1995, we made a solemn promise to the American people to return our government to a government of the people, by the people, and for the people. The only way to accomplish this is to return to the American people control over their lives and over their money.

That is why we committed to not only locking away 100 percent of what Americans pay into Social Security and Medicare for only Social Security and Medicare, but also returning money to hard-working Americans and at the same time we will pay off $2 trillion in public debt, more than twice what we offer in tax relief.

This bill returns dollars and decisions home. I urge support of the bill.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Washington (Mr. BAIRD).

Mr. BAIRD. Mr. Speaker, I was watching TV last night as the debate occurred, and I did that because I wanted to ask myself how would the American people decide if they were watching this debate? And I can say, if someone lives in certain States, the decision should be absolutely clear. If someone lives in Washington, lives in Tennessee, Florida, Texas, Nevada, South Dakota, or Wyoming, the choice is clear: they will vote for the Democratic substitute.

The reason is this: the Republican tax bill sells taxpayers in those States out. It sells them out so they can give tax breaks to other people but it forces those in Washington, in Tennessee, in Florida, in South Dakota, and Wyoming, it forces them to pay higher taxes because the Republicans refuse to let them deduct their sales tax, which should be their right, which the Republicans took away in 1986.

If people care about tax fairness, which the Democrats do, and we talked to the Republicans, we went before the Committee on Ways and Means and we asked them, restore tax fairness for these States; let people deduct either their sales tax or their income tax. And the Republican Party refused. The Democrats put it in their substitute. The Democratic bill respects the rights of those people, and it is the right bill to support.

Mr. ARCHER. Mr. Speaker, may I inquire as to how much time is remaining on each side?

The SPEAKER pro tempore (Mr. THORNBERRY). The gentleman from Texas (Mr. ARCHER) has 14 minutes remaining. The gentleman from New York (Mr. RANGEL) has 19 minutes remaining.

Mr. ARCHER. Mr. Speaker, I yield 4 minutes to the gentleman from Texas (Mr. DELAY), the respected whip of the House of Representatives, and my neighbor in Texas.

Mr. DELAY. Mr. Speaker, this is a proud day for me, particularly to watch one of my heroes, the gentleman from Texas (Mr. ARCHER), who is Chairman of the Committee on Ways and Means, to bring such a great bill to this floor, that shines on his ability and his strong, strong advocacy that the American family should keep more of the hard-earned money that they make.

It is just really a pleasure to be on the floor with the chairman and we greatly appreciate him bringing this bill.

Mr. Speaker, I rise today in strong opposition to this substitute tax amendment. The average American family needs tax relief, not a tax increase. Overall, this substitute raises taxes. They are so unaccustomed to cutting taxes that the do-nothing Democrats cannot even write a tax bill that cuts only taxes, they have to raise taxes.

The Joint Committee on Taxation has determined that this do-nothing Democrat amendment would actually increase taxes by $4 million. Amazing. This tax burden means that working Americans are forced to spend more time at work and less time with their families just to pay the government tab.

Typically, the average American family today pays more in taxes per year than it spends on food, clothing and shelter combined, combined. That is flatly outrageous; and we want to change it, because the Republicans think that the government should do more with less. Republicans think that American families need relief from overtaxation, but typically our opponents kick and scream and charge that it is irresponsible to return money to those who earned it in the first place. They want to spend the American families' money.

I think we should look back at the past a little bit to recall how responsible the Democrats were when they were in the majority.

Today, Republicans are proposing tax cuts, but when the Democrats were in the majority, we had nothing but tax increases. Today, Republicans have forced a balanced budget; but when the Democrats were in the majority, we had nothing but deficits as far as the eye could see.

□ 1300

Today, Republicans are locking up every dime of Social Security taxes in a lockbox. But when the Democrats were in the majority, every cent of those Social Security taxes were spent every year on new big-government programs.

Simply put: The claim that the Democrats can be fiscally responsible just does not correspond to the reality of history, and the American people know it.

Today, the do-nothing Democrats are offering a plan that has some very narrow and some very targeted tax cuts, but even these are contingent on special reforms on Social Security and Medicare, reforms which they have not even presented a plan for. Their alleged tax cuts will never happen because they tie them to legislation that they know does not and will not exist.

The Democrats are big-government addicts. They just cannot break the old habit of tax and spend. Overall, their tax plan raises taxes, raises taxes, while the Republican plan gives money back to every, every, American family.

The time has come to say enough is enough, America. Americans deserve tax relief, and we are going to start giving it to them today.

Mr. Speaker, even when they try to come up with a tax cut bill, the Democrats end up raising taxes. I urge all of my colleagues to vote against this substitute.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

I was just waiting for somebody to point out that there are revenue raisers in our bill. I did not think it would be the distinguished majority whip. He says that we raise $4 million. Oh no, $4 billion is the figure that he is looking for.

And how did we do it? We did it by closing the Republican loophole for those corporate tax shelters that we are talking about. And we will do it again and again and again. We are not in business to protect those people who abuse the system.

Oh, I know, one day, someday, the Republicans want to pull the Code up by the roots. Well, the Republicans have been in the majority for 5 years, and instead of pulling up the Code by the roots, they fertilize it by these tax shelters.

Mr. Speaker, I yield 1 minute to the gentleman from New Jersey (Mr. PASCRELL).

Mr. PASCRELL. Mr. Speaker, I thank my colleague for yielding me this time.

After 6.5 years of putting our fiscal house in order, the Republican leadership has put forth a tax package that returns us to the days of irresponsible tax schemes and ballooning deficits. This leadership tax bill fails our seniors, fails our students, our military, our veterans, and our hard-working middle-income families.

Sixty-five percent of the tax relief, so-called, goes to the top 10 percent of the taxpayers, and over half goes to the top 5 percent. The Congressional Budget Office, whose numbers are always touted by the other side, says their plan even spends more than non-Social Security surpluses, $24 billion more.

The Republican lockbox for Social Security has Jesse James as the security guard. In contrast, the Rangel substitute strengthens Social Security and Medicare, contains $250 billion in tax cuts aimed at those who need the help, including child tax credits, marriage tax relief, long-term care for the elderly and school construction funding.

It is an interesting fact of life that when this tax cut they talk about really balloons is when the baby boomers are going to be eligible for Social Security. Who is going to pay for this tax cut?

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Maine (Mr. ALLEN).

Mr. ALLEN. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, this Republican tax cut plan is a bonanza for the rich and privileged. The GOP rationalizes this giveaway by saying that government spending is inherently evil. What they are really saying is the middle class in this country are on their own. They have a lot of explaining to do to the American people if these tax cuts ever take effect.

The majority whip here said Democrats support big-government programs. Well, one of those big-government programs is Head Start, and their plan will cut 400,000 kids out of the Head Start program in the next 10 years. One of those programs is the Veterans Administration health care for our veterans, and they will cut 1.5 million veterans out of health care that they are getting now. One of those plans is Medicare. One of them is Social Security. And this plan does absolutely nothing to preserve and protect Social Security and Medicare.

They will have to explain to the American people why, with the best chance in a generation, they do nothing to pay down the national debt. Mr. Speaker, this reckless tax break must be defeated and the Democratic substitute passed.

Mr. ARCHER. Mr. Speaker, may I again inquire how much time is remaining?

The SPEAKER pro tempore (Mr. THORNBERRY). The gentleman from Texas (Mr. ARCHER) has 10 minutes remaining, and the gentleman from New York (Mr. RANGEL) has 16 minutes remaining.

Mr. ARCHER. Mr. Speaker, I reserve the balance of my time.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts (Mr. MARKEY).

Mr. MARKEY. Mr. Speaker, we know where the money for this tax cut is coming from. More than two-thirds of this tax cut has been transferred from programs that were put on a starvation diet by the 1997 Balanced Budget Act, which included hospital cuts, cuts to home health care and visiting nurses, and cuts in Medicare benefits.

The Republican moderates who are going to vote for this bill know it is a bad bill. They know it is bad for the country. But they are going to vote for it anyway, with their eyes wide shut. Today, we are learning what the real definition of a Republican moderate is. It is an extremist who feels guilty about it.

This bill is a backloaded, budget-busting, billionaire bonanza. Yes, we have a surplus, but if we vote for this tax cut, we will be plunging the United States Congress into a deep moral deficit.

We owe this money to people on Medicare, we owe it to people on Social Security, we owe it to people on home health care, we do not owe this money to the wealthiest 1 percent in our country.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Rhode Island (Mr. WEYGAND).

Mr. WEYGAND. Mr. Speaker, I thank the gentleman for yielding me this time, and I rise in support of the Democratic substitute we have crafted together.

Mr. Speaker, here on the Democratic side and on the other side we will hear a lot of rhetoric about the complexity, the smoke and mirrors, and it will go back and forth. But true to what the bill is all about, the underlying bill, 1 percent of the people in my district are going to receive a $30,000 tax cut, and those people in my district who make less than $37,000 a year are going to get less than $500 a year.

Let us talk about real people. Paul and Jane Smith are 70 and 66 years old. They both retired 4 years ago but are back working, working part-time to pay for prescription drugs after open-heart surgery. These are real people who will not benefit from the Republican tax cut. These are real people that pay $8,300 a year in prescription drug coverage that they do not have in Medicare or in their health care. The Democratic substitute would go to reforming Medicare to give them some benefit.

The choice is clear: Do we on this floor today vote for the rich and famous or for the real Americans throughout this country who need a tax break? Vote for the Democratic alternative.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from North Carolina (Mr. PRICE).

Mr. PRICE of North Carolina. Mr. Speaker, ''Katy bar the door. Spend every cent before you put a penny in your pocket.''

This Republican tax bill is the height of fiscal irresponsibility and economic folly. I am proud to support the carefully crafted Democratic substitute, balanced among the goals of debt reduction, Social Security and Medicare solvency, and meeting our pressing defense and domestic obligations. It contains a prudent, affordable tax relief package targeted to the hard-pressed families and communities that need it most, and it gives us the flexibility to ride out the storm if these sunny projections do not pan out. It will let us sustain our economic health and keep our fiscal House in order.

Now, why would anyone want to oppose an $800 billion tax cut? Well, let me give my colleagues a few reasons, and I will go until my time runs out and put the rest in the RECORD.

Reason number one. It bets the store on the accuracy of 10-year surplus projections. It seems the party of ''rosy scenarios'' has learned nothing.

Two. It contains not one dime for extending the solvency of Medicare.

Three. It foregoes hundreds of billions of dollars in debt reduction and interest savings.

Four. It almost certainly will lead to higher inflation and higher interest rates, thus canceling out the supposed benefits of lower taxes.

Five. It leaves no room in the budget for the investment we must make in military pay and readiness, in health care for our veterans, in

building highways and transit, in health and other critical research, and in improving public education. We are already struggling to meet these obligations and the Republican bill would leave us unable to even adjust present expenditures for inflation.

Six. According to the Treasury Department, it concentrates two-thirds of its benefits on the wealthiest ten percent of our population. Citizens for Tax Justice estimates that the tax windfall to the wealthiest one percent would equal the benefits to the lower 90 percent.

Seven. It locks in a tax cut that gives us limited flexibility if these projections are wrong. It could force us to divert the Social Security surplus. It would almost surely spell fiscal ruin in the second ten years when its cost would balloon to almost $3 trillion.

Eight is actually multiple choice. Choice A is for those who believe the trigger, which cancels the across the board cut if the projections are wrong, is on the level. This will create year-to-year uncertainty in the tax code. Taxpayers won't know even what the tax rate is until the final budget figures are published by the Treasury. Choice B is for those who think the trigger is a fig leaf for Republican moderates to hide behind in order to fold their principles once again to the conservative wing of their party. Passing such an artifice, such a sham as a part of a tax bill is beneath this House.

Mr. Speaker, I urge my colleagues to vote for the Rangel substitute.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from California (Mr. DOOLEY).

(Mr. DOOLEY of California asked and was given permission to revise and extend his remarks.)

Mr. DOOLEY of California. Mr. Speaker, I rise in support of the Democratic substitute as well as the Democratic motion to recommit, and I support these alternatives to the risky Republican proposal because they embrace the philosophy and values that are important to American families.

First and foremost, they are fiscally responsible. For the last 30 years we have a history of running annual deficits. I am very proud that this year we have turned the corner and we are actually running a surplus. And I am also very proud that over the next 10 years, we can project to run a $1 trillion surplus. But the American families, as well as those of us in Congress, should know well that it is not responsible, after 30 years of running a deficit, with 1 year of a surplus under our belt, and without having any money put in the bank, that we would embark upon a risky path of a $1 trillion tax cut.

It is a risky proposition that we would take this path before we have even begun to pay down any of the national debt that we have developed over the last 30 years. It is a risky proposal to go down this path before we have protected Medicare and Social Security.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. MEEKS).

Mr. MEEKS of New York. Mr. Speaker, I thank the gentleman for yielding me this time, and I rise today in support of the Democratic substitute sponsored by the gentleman from New York (Mr. RANGEL), and I commend him for the fine work he has done in crafting this substitute, for once again it highlights the difference between Democrats and Republicans. Democrats ''big tent''; Republicans ''small tent.''

The Republicans' small tent fails to extend Social Security solvency and strengthen Medicare. The Republican tax cut, the small tent Republican tax cut, will require $23 billion in borrowing from the Social Security Trust Fund over the next 10 years. The Republican small tent would give 65 percent of the total tax cuts to the rich.

The Democratic big tent thinks about those middle income Americans. The Democratic big tent thinks about the marriage penalty. The Democratic big tent thinks about the earned-income tax credit. The Democratic big tent thinks about how we can make our poor have a chance in this society so that they too can succeed.

One thing we do know for sure; that in the Republican small tent this bill is so bad that if the moderates in the Republicans' small tent were left on their own, they too would vote for this bill.

Vote in support of the gentleman from New York (Mr. RANGEL) and the Democratic substitute.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentlewoman from Oregon (Ms. HOOLEY).

Ms. HOOLEY of Oregon. Mr. Speaker, as an active and ardent proponent of meaningful and fair tax relief, I rise in support of the framework provided by the substitute amendment. This substitute bill best reflects the amount of tax relief that Congress can responsibly provide at this time without negatively impacting the economy. It is the only proposal allowing consideration that provides the majority of people the most tax relief.

I am personally disappointed that my calls for greater death tax relief for family farmers and small business owners have not been adequately addressed, and I will continue to advocate for those. But I want a measure that gives real relief to all people; that will not bankrupt Social Security and Medicare; that pays down the debt and still fits within the confines of a solid budget projection.

Fiscal discipline and common sense both tell us that we must provide targeted tax relief that helps families and fuels the economy engine, our economic engine of our Nation. I call again on the leadership to work with all Members to move forward to a tax cut bill that the majority of Congress can support. Please support the Rangel amendment.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentlewoman from Florida (Ms. BROWN).

□ 1315

Ms. BROWN of Florida. Mr. Speaker, the Republicans practice what I call reverse Robin Hood, robbing from the poor and working people to give a tax break to the rich. I think this is illustrated in this Forbes Magazine headline.

But today I want to talk about an issue that is very important to the people of my great State of Florida. Since the elimination of the sales tax deduction in 1986, the hard-working taxpayers in my State have been treated unfairly by the Tax Code. Because our State does not have an income tax, our residents are unable to deduct the same amount as taxpayers with identical income and financial profiles of other States and, therefore, pay a disproportionate share of Federal taxes.

The language in this bill would simply allow taxpayers to deduct either their State income tax or sales tax using standard tables to determine their average sales tax deduction.

The Rangel substitute is the only opportunity the residents of the State of Florida have to achieve tax fairness. I urge my colleagues to support the Rangel amendment.

Mr. ARCHER. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, throughout this entire debate, one thing is very, very clear. The Democrats again are fighting ferociously to keep the money of the workers of this country in Washington.

It is nothing new. They will use every, every argument that has no connection to this tax reduction. If they say it long enough, maybe they can make it stick. But there is a genuine difference between us that is very clear. The Democrats believe they know best how to spend money by spending it with Government. We believe the people know best how to spend their own money.

What this debate is really all about is downsizing the power of Washington and upsizing the power of people. This could not have been made more clear when the President spoke in Buffalo the day after his State of the Union address, and he said to the people, assembled there I believe in a hockey arena, We could give you back part of this surplus. That would be an option. But if we did, how would we know that you spend it right?

There is the difference, Mr. Speaker.

Mr. RANGEL. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. STENHOLM) someone who made a great contribution to our substitute and to the motion to recommit.

(Mr. STENHOLM asked and was given permission to revise and extend his remarks.)

Mr. STENHOLM. Mr. Speaker, I agree that this is a defining debate and a debate about priorities.

The question is are we going to stop the generational mugging of our children and grandchildren? Are we going to give them a stronger or a weaker America?

Our priorities today we believe, in support of the recommittal that the gentleman from Tennessee (Mr. TANNER) will give in a moment, should be

pay down the national debt really, using non-Social Security surpluses to do it, deal with Social Security and Medicare.

Contrary to what the gentleman from Florida (Mr. SHAW) said a moment ago, there are Democrats who have proposed a Social Security fix. And contrary to what the gentleman from Florida (Mr. SHAW) and the gentleman from Texas (Mr. ARCHER) do in theirs, we do not use the same $1 trillion in proposed or projected surpluses to do it.

And let me correct, $792 billion in the tax cut. But the gentleman from Texas (Mr. ARCHER) conveniently forgets the $140 billion we are going to have to pay in interest on that debt.

The Republican bill does not reduce the burden on future generations, and that is what I am most concerned about. Simply using the Social Security surplus to reduce debt held by the public does not reduce the total national debt, it just shifts the debt from one part of the ledger to another.

In fact, under the bill as proposed today, the debt in this country will go from $5.6 trillion to over $5.8 trillion over the next 5 years under the plan in which we are debating. And no one can contradict me on that because that is in their bill. The bill leaves no room to address other needs.

I completely accept the gentleman from Texas (Mr. ARCHER) the chairman of the committee. He is very sincere. And I mean no disrespect. He is perfectly willing to cut 27 percent from agriculture over the next 5 years. He is perfectly willing to spend less on defense than the President has proposed. He is perfectly willing to spend less on rural hospitals and allow rural hospitals all over to close. He is perfectly willing to do that, and I understand that. And there are a few others, but I do not think a majority are.

I voted for the tax cuts in 1921. We based that decision on projections on the promise we would cut spending. The result was $3 trillion more in debt. We cannot afford to take another risky river boat gamble on projections. We cannot afford to take 10- and 15-year projections and spend that money like it is real money I do not believe.

The motion to recommit will provide an opportunity to go back and have a bipartisan budget approach. Let me remind our colleagues today, the motion to recommit is based on the Blue Dog budget that was supported by a majority of Democrats and 29 Republicans. Members on both sides of the aisle that said that they agree with the approach of paying down our national debt, dealing with Social Security and Medicare, and then dealing with tax cuts.

Voting for the recommittal would allow us to go back and work to put together a fiscally responsible bipartisan budget that is based on these principles. I hope my colleagues who once voted for this will again seriously consider, because that is the way we can responsibly deal with our children and grandchildren.

This tax bill, if we vote for the majority approach, will explode the national dealt in the second 10 years. At precisely the time we have to come up with a Social Security fix, this bill will increase the national debt by $4½ trillion. It is irresponsible. It needs to be defeated. Vote for the motion to recommit.

Mr. ARCHER. Mr. Speaker, I yield 4 minutes to the gentleman from Illinois (Mr. HASTERT) the Speaker of the House of Representatives.

Mr. HASTERT. Mr. Speaker, I thank the chairman for yielding me the time.

Mr. Speaker, I rise in support of the Financial Freedom Act and in opposition to the Rangel substitute.

This substitute clears up any confusion on where our friends, the Democrats, stand on tax relief.

According to the Congressional Budget Office, the Democrat substitute actually increases taxes by $4 billion. We have the largest surplus in history. The Democrat substitute raises taxes by $4 billion.

Now, we have to give our friends on the other side of the aisle credit. They remain committed to larger Government and bigger spending. What we have here is a basic difference in philosophy, a philosophical difference.

We can do what the Democrats want. They want to spend more of the surplus, including a portion of the Social Security surplus, on more Washington bureaucratic programs. They believe that more Washington spending is responsible.

The President has said that giving this money back to American people is risky because he does not know how the American people will spend their own money. I think the President is wrong. It is not risky to give the American people back the very money that they have earned.

We have a better plan. First we lock away the Social Security surplus so it could be spent only on retirement security. Over 10 years, we put $2 away for retirement security for every $1 of tax relief. But over 5 years, the first 5 years, we put away $800 billion in debt relief and $156 billion in tax relief, almost a six-to-one ratio in debt relief.

Second, we allow Government to grow slowly. In fact, the Government will increase its spending by more than $300 billion in the next 10 years under this plan.

This means we can keep funding programs that are important to the American people while we work to cut wasteful Washington spending.

Finally, we give some surplus back to the American people by targeting unfair tax parts of our Tax Code.

We think it is unfair to tax marriage, so we reduce the marriage penalty. And where did the marriage penalty come from? It came from tax writers on this side of the aisle over the last 30 years. It is time to change that.

We believe it is unfair to tax people when they die, so we phase out the death tax so that family farms and small family businesses can move from generation to generation.

We believe it is unfair to tax people who want to save for their children's education, so we include education savings accounts in this bill.

My colleagues, we believe it is unfair to tax people at the highest rate since the great world war of World War II. We include a 10-percent across-the-board tax cut that phases in over 10 years.

Our tax relief proposal is responsible and it is balanced, and it will keep the budget balanced. It will keep the economy growing, and it will return power back to the American people.

Today the House has a simple choice. We can give some of the surplus back to the people, as we advocate, or we can return to the tax-and-spend policies of our friends on the Democratic side of the aisle.

I urge my colleagues to make the right choice. Vote against the Democrat substitute. Vote for responsible tax relief. And vote to give some of the money back to the American people that go to work every day and punch a time clock and commute to work and earn that money.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the reason the Republicans think that they know what is in the Rangel substitute is because we gave it to the Committee on Rules and we did not change it in the middle of the night. So they have had an opportunity to read it and they read parts of it as they will.

Oh, no, we are talking about a $250-billion tax cut. But we are talking about it being contingent on the certification that we repair Medicare and Social Security.

Now, if what the majority is saying that they do not intend to do anything with Medicare and do not intend to do anything for Social Security, the one thing that we did, not that we trust them that much, is to assure that the provisions for research and development and job opportunities be continued and we knew we had to pay for those. And where did we find the money to pay for them?

We went to Forbes Magazine. We went to the General Office of Accounting and found out who was violating the corporate laws and we got the corporate shelters people that have been hustling off of this IRS code that they are trying to pull up by the roots and we raised the $4 billion by closing those loopholes.

I tell my colleagues this: Even if they did nothing, we would still go back to trying honest, equitable tax code and not give away money to people who do not deserve it.

Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin (Mr. OBEY).

Mr. OBEY. Mr. Speaker, there are four problems with the bill before us.

First of all, it does nothing really to strengthen Social Security. It does nothing to strengthen Medicare. Two-

thirds of the benefits go to the richest 10 percent of people in this society, and they are paid for by surpluses that are predicted but will not materialize because they assume that, in the end, this Congress will cut education and health care and veterans and environment by over 20 percent in real terms and that this Congress will not restore badly needed funds to Medicare and to home health care.

If that is not a public lie, it is at least a huge public fib.

I was here in 1981. I saw this Congress whoop through the budget then, making the same kind of promises it is making today about surpluses as far as the eye can see.

Instead of that, what that package did was dig us into the biggest deficit hole in history. It has taken us 18 years to dig out those deficits. And now what does this bill do? It gives us a chance to do it all over again.

You have institutional amnesia. Vote against the bill and for the Rangel substitute.

□ 1330

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Louisiana (Mr. JOHN).

Mr. JOHN. Mr. Speaker, since last night and all during the day today, we have heard a lot of rhetoric and a lot of numbers being tossed around; who could one-up the other.

But what the real question here is, what the real question that we are embarking on today is about our debt and our obligations. Those are two words that you and I in our business, in our household we deal with every day. The interest that we pay on our debt is 17 percent of our budget. $5.9 trillion.

The best gift that I could give financially to my two twin sons Hayes and Harrison is to pay down that debt. We pay $280 billion in interest on that debt. That is our debt. Our obligation is Social Security and Medicare. Those programs have been good, they are going to be here. This is our opportunity to do it.

The Blue Dog budget that we have talked about so often does those two things and provides 25 percent of the surplus for targeted tax cuts. That is the common sense way to go about handling the surplus. That is the way we should proceed tonight.

Vote for the motion to recommit.

Mr. RANGEL. Mr. Speaker, I yield 1 minute to the gentleman from Illinois (Mr. DAVIS).

(Mr. DAVIS of Illinois asked and was given permission to revise and extend his remarks.)

Mr. DAVIS of Illinois. Mr. Speaker, I rise in support of the Rangel substitute and in opposition to the Republican Robin Hood in reverse, take from the poor give to the rich, Marie Antoinette-inspired bill.

Mr. Speaker, the Republican plan is an instrument of destruction. Not only does it cut taxes for the wealthy but it cuts the heart out of poor people who need LIHEAP, senior citizens who need Medicare to help pay for their prescription drugs, babies who need milk, mothers and children who need food, communities that need policemen to cut crime.

These cuts are not good for America and will cause our people and our communities to bleed. I have been told, Mr. Speaker, in the community where I live, when you cut, cut, cut, somebody is going to bleed, and the blood of the American people will be on the hands of those who held the knife.

I will not cut the heart out of the people. Vote for the Rangel substitute.

Mr. RANGEL. Mr. Speaker, I yield myself the balance of my time.

The Republicans have been very creative and political in putting together their document. But before they even put it together, Chairman Greenspan said, the best thing that you can do for this great democracy, this great republic, this great economy, is to reduce the debt.

Now, you have come up with this cockamamie do not cut back the taxes unless the interest rates are dropping. Mr. Greenspan says do not help him.

For God's sake get rid of this. You know it is going to be vetoed. Let us try to create a climate today where Republicans and Democrats can work together, where we can go to the President and negotiate something within a quarter of a trillion dollar tax cut, where we can reduce the Federal debt.

But the most important thing is that you and I can go home and let the American people know that we fulfilled our commitment to the generation that is coming with Social Security and with Medicare.

Now, we know you do not like these programs, but we know that the American people want you to support it. So forget your pride, forget the fact that these are Democratic proposals, and let us try to work together as a United States Congress and not like Republicans and not like Democrats.

Mr. ARCHER. Mr. Speaker, to close the debate on our side, I yield the balance of my time to the gentleman from Texas (Mr. ARMEY).

Mr. ARMEY. Mr. Speaker, the great privilege that we have as a generation of Americans is that we have the opportunity to be the bridge between two great generations of Americans. We begin by honoring our mothers and our fathers, that generation of Americans that saved the world for freedom and democracy, and we provide a bridge from there heroism to our own children, those bright, young, creative engines of prosperity that are turning prosperity into our lives as a result of that freedom they have.

I want to take a moment and thank my colleagues from my party in this body. I want to thank the Speaker for his leadership. I want to thank the gentleman from Texas (Mr. ARCHER) for his stewardship.

Despite the fact that we have understood all through this year and it has been made clear on the front page of the Washington Post that the Democrats have had a strategy, ''We will do nothing for either of these two generations, we forgo any input into policy, we want these issues for politics,'' we have soldiered on.

We have worked hard, we have had great debates between ourselves on these issues, and I am proud of the debates we have had. In none of these debates did we have people say, ''What's in it for me?'' The question is, how can we best serve our children's future as we honor our mother and our father?

In doing that we have listened to our children. It has been our children, that great generation of workers and entrepreneurs, that have said, ''Take care of retirement security and Medicare security.''

We have had our hands reached out across the aisle. We have reached down the avenue to the White House. We have said, ''Let's pull together a plan, a long-term plan for Social Security and Medicare stability.'' We have been met with silence. When the President has tried to reach back, he has been met with chagrin from the Democrats in the House who said, ''No, no, this is our political issue. We cannot be trifling with policy.'' So again we go alone.

Our first step has been to honor these children by locking away, over the next 10 years, $2 trillion of their payroll taxes for retirement security and Medicare. That will pay down debt, and we will continue to work and hope that the do-nothing Democrats will reform their ways, get over their politics, get over themselves and come to work for this great generation of young people who are saying, ''Honor our grandma and grandpa, fix these systems, make it sound, do your duty.''

Can we not get beyond our politics? No, they would rather argue and quarrel.

Now, the gentleman from New York (Mr. RANGEL) says, ''Oh, you Republicans, you're sneakier than me.'' Well, that is a generous thing to say. But I have to tell you, Mr. Speaker, I will not read the record of this debate as it comes from the Democrats in this debate because I have a longstanding personal tradition of not reading fiction.

It is enough to quarrel. We should have differences of opinion. But this is the people's body and here we ought to put politics aside and deal with policy.

They say we are irresponsible. They say we are reckless. That is not what the distinguished Senator from Nebraska, Senator KERREY, war hero, has said. He said just yesterday, ''Cutting $800 billion when you have got $3 trillion coming in is hardly an outrageous, irresponsible move.'' Cutting $800 billion over the next 10 years when, over the next 10 years, there will be $23 trillion, Mr. and Mrs. America, of your hard-earned earnings to come to this great Nation is hardly an irresponsible or outrageous move. No, indeed, it is a respectful move. It is your money. You

earned it. You should not pay more than we need. And we should not need more than we do. And we should give it back and let you keep it.

That is what they are fighting here. They are saying, ''Don't take that money and leave it in the hands that earns it. Give it to us.'' The President said, this President that raised taxes just a few years ago, ''We could cut your taxes and hope that you spend it wisely, but we don't want to take that chance.''

Well, if you think you know better how to spend for me and my family, let me ask you, when was the last time you got your wife the right Christmas present? No, we will do better for ourselves, thank you. Leave our money in our pockets.

''We need big government programs,'' they say, more big government programs. Where is the service? They cannot even tell you what they are doing, they themselves.

The President raised taxes and just a few weeks ago, the gentleman from Missouri (Mr. GEPHARDT), the minority leader, said, ''I'd be proud to raise taxes.'' Just a few days ago, he said, ''I think we ought to have a $200 billion tax reduction,'' and we thought they were going to offer one, but last night, not me, not the Speaker, not the chairman of the Committee on Ways and Means but the Congressional Budget Office evaluated their tax package, that they ask us to vote on right now.

The gentleman from New York may say, ''I disagree that your package represents exactly what you say it represents,'' but he has always conceded it represents a tax cut, albeit he argues for only the rich, but he has never quarreled with the fact that we are offering here a reduction in the taxes of the hardworking men and women of America.

Do not ask us to set that aside. Do not ask us to vote instead for that real tax reduction with which you disagree, the fiction of your substitute, which is judged by the Congressional Budget Office to be, no, not a tax reduction but a tax increase of $4 billion.

When the gentleman from Missouri (Mr. GEPHARDT) said, on one hand, ''I'd be proud to raise taxes'' and, on the other hand, ''I'm ready to lower taxes,'' I wondered whom was in fact the minority leader. Now, I know. The real minority leader is the one that brings to this floor to be voted on before the American people, on this day, as a substitute to our tax reduction, a $4 billion tax increase to add to the $23 trillion the government is already going to take from your children and my children.

Let us vote that tax increase down and vote for our tax decrease. Let our children have a better job, more take-home pay, a happier, more well-educated family. And when our children die, let them give to our grandchildren all the fruits of their labor, none of which should be stolen from our grandchildren in the form of a death tax.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I rise to strongly support this amendment.

The Trillion Dollar Tax Break and Deficit Act of 1999 is irresponsible legislation that reeks of political posturing. The bill relies on projections of future surpluses that America may never see. This bill would exacerbate the ills of our economy and would only extend the rich-poor gap that already plagues our country. This substitute would remedy many of the problems found in the original bill. This amendment recognizes that we should target those who need the most help, not those who are the most wealthy.

Among the many reasons that I enthusiastically support this amendment is the fact that it incorporates many important community development initiatives such as an increase in the low-income housing tax credit program and the new markets tax credit proposed by the President to revitalize depressed areas. The City of Houston and I have worked too hard to provide quality low-income housing to the 18th District. To undermine that with a haphazard tax bill is unacceptable. For the sake of our citizens, we must vote in favor of this amendment.

This amendment also accelerates the $1 million estate tax exclusion and 100 percent deductibility for the health insurance costs of the self-employed, as well as an increase in the costs which small businesses can expense rather than capitalize.

It is important that we recognize the needs of small businesses. Almost four million Texans work in businesses with less than 500 employees, generating a total payroll of about $100 billion a year. This sector of business is growing. From 1992 to 1996, small businesses have added 162,201 new jobs. In 1998, Texas businesses with less than 100 employees employed 42.4 percent of the Texas, non-farm workforce (up from 40.6 percent in 1996). Small and medium businesses account for more than 67 percent of the Texas workforce. These viable businesses need our support, and this substitute can provide it.

Also important is the fact that this amendment strongly supports the family. The substitute includes modifications to the minimum tax to ensure that middle income families receive the full benefit of the per-child family credit, the education credit, dependent care credit, and other nonrefundable credits. The amendment also provides tax relief for families with children under age 5 for purposes of assisting these families in meeting costs of child care, health care, and other expenses. The relief would arrive in the form of a $250 increase in the per-child family credit. In addition, the substitute would provide tax relief to families residing in States that use retail sales taxes rather than income taxes to fund their State government.

The family unit is sacred, and we want to do everything within our power to ensure the stability and financial viability of the family. This amendment is an improvement over the original bill because the original bill relies upon an across the board ten percent cut to help American families. Such thinking is naive. Low-income families would only see a tax cut of about $100. In comparison, the highest one percent of taxpayers would see a tax cut of $20,000. This situation is unacceptable, and we must vote for this amendment to remedy the problems existing in the original bill.

Finally, it pleases me to see that the amendment recognizes the need for school modernization. This substitute includes a school construction and modernization initiative that would provide $25 billion in free-or-interest-cost funds for public school construction and modernization costs. Many of our public schools are in desperate need of repair and renovation. Our children are our future, and they deserve only the best facilities.

Finally, I appreciate this amendment because it treats the taxpayers in my home State of Texas fairly. Since the elimination of the tax deduction in 1986, taxpayers in Texas, a State that does not have an income tax, were forced to deduct less than taxpayers with identical profiles in States that do have an income tax. The amendment contains a provision that will remedy this inequity—the original bill fails to include such a provision. The substitute is based on H.R. 1433, a bill that I co-sponsored, that represented a bipartisan effort that would provide taxpayers with the option of deduction of either state and local income taxes or state and local sales taxes.

Because of the many important and necessary improvements that this amendment provides, I urge my colleagues to vote for this substitute.

Mr. BARCIA. Mr. Speaker, I share many of my colleagues concerns about the heavy tax burden imposed on the hardworking men and women in this country. So, it is with great regret that I rise in opposition to the bill before us today. While it contains the essence of many tax reductions that I personally support and which are long over due, I am deeply concerned about ensuring the solvency of the Social Security and Medicare programs. I am very pleased, however, to support the alternative measure, which will also provide necessary tax relief, but will protect the future of Social Security and Medicare.

Each weekend when I am home in my district, I hear from my constitutents that we must shore up the Social Security and Medicare programs. Since 1965 the Medicare program has provided universal health insurance coverage to our nation's seniors. The program's future is in jeopardy and while I also support tax relief, I strongly believe that we must address the solvency of this program, as well as Social Security, for future generations.

It is estimated that by 2034, the Social Security Trust Fund will be depleted. It is essential that we utilize the budget surplus to help secure the future of the program. By exercising appropriate fiscal discipline, Social Security revenues will not be needed to fund discretionary programs and we will be able to preserve and protect Social Security without reducing benefits or shortening retirement.

The marriage penalty tax is one of the single biggest items of interest to the hard-working men and women of our nation. Under the current federal income tax system, married couples pay more income tax than they would if they were single. Instead of eliminating that penalty for all, the bill before us today only reduces by a marginal amount the penalty for less than half of the taxpayers who are affecting by it. I cannot go home in good conscience and tell my constituents that we ''voted to eliminate the marriage penalty tax'' when this bill does not, in fact, achieve that goal.

I firmly believe that we should reduce and eliminate capital gains taxes. I believe that it is immoral to force the break up of family farms and small businesses through the imposition of the estate tax. I also believe that we

should not leave's debt to be paid for by tommorrow's generations. They will have enough problems of their own without being saddled with ours.

The Democratic alternative which I am supporting today provides a more generous relief in the marriage penalty tax. It provides an increase in the family tax credit for young children. It provides tax credits for individuals with long term care needs. It accelerates the 100% deductibility of health insurance premiums paid by self-employed individuals, including farmers and small businessmen. It accelerates the increase in estate tax exclusions, and increases the expensing options for small businesses. It does all of this while providing for the solvency of Social Security and Medicare.

Mr. Speaker, while the tax reduction package may not go as far as many of us would like to go, it is responsible. It is paid for. And, it is based upon reasonable economic projections.

I urge the adoption of the substitute and the rejection of the Committee's bill.

Mr. UDALL of New Mexico. Mr. Speaker, as I travel around my Congressional District, the people of Northern New Mexico make it very clear what they expect from Congress.

Whether I am in Santa Fe or Farmington, Espanola or Clovis, my constituents tell me that they want Congress to protect Social Security and Medicare, to strengthen education, to expand access to health care, and to fight for our veterans.

That is why, Mr. Speaker, I rise today against the irresponsible tax proposal offered by the majority, and in support of the Democratic substitute. The trillion dollar risky Republican tax plan benefits the wealthy while jeopardizing everything my constituents have asked us to fight for.

Mr. Speaker, the majority's proposal is based on risky economic assumptions, that we just don't know to be true. If the current budget projections are wrong, this proposal will send us back to the days of exploding deficits, high inflation rates, and uncertainty over the future of Social Security and Medicare.

My party has offered a proposal to save Social Security and Medicare, and offer targeted tax cuts to those families that need it the most. Mr. Speaker, Northern New Mexico families want this Congress to pass a budget that protects Social Security, Medicare, education and health care.

Northern New Mexico families want and deserve tax relief—but it should be done in an honest and responsible manner. The Democratic substitute does that, Mr. Speaker, through targeted tax credits and giving support to local communities in the areas of education, health care, and economic development.

I urge my colleagues to vote with me to protect the interests of hard working American families and support the Democratic substitute.

Ms. ESHOO. Mr. Speaker, I rise in favor of the Democratic substitute and in opposition to H.R. 2488, the fiscally irresponsible Republican tax bill of 1999. I support the Democratic substitute because it does three things.

First, I believe that the ultimate tax cut are low interest rates for the American people. We will achieve this by paying down our national debt. Second, it secures Social Security and Medicare and third it provides targeted tax cuts that invest in our people and our economy.

One of the tax cuts is making the Research & Development tax credit permanent. This tax credit has been critical to our nation's stunning economic growth, but it is not permanent and recently expired once again. Because of its start-stop nature, companies are unable to rely on the full benefits that the R&D tax credit provides.

Imagine if the home mortgage deduction was temporary. Homeowners would live in uncertainty, and the housing industry would be in chaos.

It's time to make the R&D tax credit permanent. The Democratic substitute makes it permanent; the Republican plan does not.

The Republican plan is irresponsible. It will promote huge budget deficits, more national debt and weaken the American economy. It will set up a generational mugging.

I urge members to vote for the Democratic substitute. We can't go back—we must go forward.

The SPEAKER pro tempore (Mr. THORNBERRY). All time for general debate has expired.

Pursuant to House Resolution 256, the previous question is ordered on the bill, as amended, and on the further amendment by the gentleman from New York (Mr. RANGEL).

The question is on the amendment in the nature of a substitute offered by the gentleman from New York (Mr. RANGEL).

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. RANGEL. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 173, noes 258, not voting 3, as follows:

[Roll No. 331]

AYES—173

Abercrombie
Ackerman
Allen
Andrews
Baird
Baldacci
Baldwin
Barcia
Becerra
Bentsen
Berkley
Berman
Bishop
Blagojevich
Blumenauer
Bonior
Boswell
Boucher
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Coyne
Crowley
Cummings
Danner
Davis (FL)
Davis (IL)
DeGette
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Forbes
Ford
Frank (MA)
Frost
Ganske
Gejdenson
Gephardt
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hall (TX)
Hastings (FL)
Hill (IN)
Hilliard
Hinchey
Hinojosa
Hoeffel
Holt
Hooley
Hoyer
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (OH)
Kaptur
Kildee
Kilpatrick
Kleczka
Kucinich
LaFalce
Lampson
Lantos
Larson
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Martinez
Matsui
McCarthy (MO)
McCarthy (NY)
McGovern
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Minge
Mink
Moakley
Mollohan
Moore
Moran (VA)
Nadler
Napolitano
Neal
Oberstar
Obey
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Pomeroy
Price (NC)
Rangel
Reyes
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Serrano
Sherman
Slaughter
Smith (WA)
Spratt
Stabenow
Stark
Strickland
Stupak
Tanner
Tauscher
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velazquez
Vento
Waters
Watt (NC)
Waxman
Weiner
Wexler
Weygand
Wise
Woolsey
Wu
Wynn

NOES—258

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Barton
Bass
Bateman
Bereuter
Berry
Biggert
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Borski
Boyd
Brady (TX)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Coble
Coburn
Collins
Combest
Cook
Cooksey
Costello
Cox
Cramer
Crane
Cubin
Cunningham
Davis (VA)
Deal
DeFazio
Delahunt
DeLay
DeMint
Diaz-Balart
Dickey
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Everett
Ewing
Fletcher
Foley
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Gallegly
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Green (WI)
Greenwood
Gutknecht
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (MT)
Hilleary
Hobson
Hoekstra
Holden
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Istook
Jenkins
John
Johnson (CT)
Johnson, Sam
Jones (NC)
Kanjorski
Kasich
Kelly
Kind (WI)
King (NY)
Kingston
Klink
Knollenberg
Kolbe
Kuykendall
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lee
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
Mascara
McCollum
McCrery
McHugh
McInnis
McIntosh
McIntyre
McKeon
Metcalf
Mica
Miller (FL)
Miller, Gary
Miller, George
Moran (KS)
Morella
Murtha
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Olver
Ose
Oxley
Packard
Paul
Pease
Peterson (MN)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Regula
Reynolds
Riley
Rivers
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sanford
Saxton
Scarborough
Schaffer
Scott
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Spence
Stearns
Stenholm
Stump
Sununu
Sweeney
Talent
Tancredo

Tauzin	Traficant	Weldon (FL)
Taylor (MS)	Upton	Weldon (PA)
Taylor (NC)	Visclosky	Weller
Terry	Vitter	Whitfield
Thomas	Walden	Wicker
Thornberry	Walsh	Wilson
Thune	Wamp	Wolf
Tiahrt	Watkins	Young (AK)
Toomey	Watts (OK)	Young (FL)

NOT VOTING—3

Kennedy	McDermott	Peterson (PA)

□ 1405

Messrs. SHADEGG, SHOWS, MASCARA, RAHALL, CHABOT, CRAMER, PHELPS and OLVER changed their vote from ''aye'' to ''no.''

Ms. DEGETTE, Mrs. MEEK of Florida and Mr. BALDACCI changed their vote from ''no'' to ''aye.''

So the amendment in the nature of a substitute was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

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

MOTION TO RECOMMIT OFFERED BY MR. TANNER

Mr. TANNER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. TANNER. In its present form, I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. TANNER moves that the bill, H.R. 2488, be recommitted to the Committee on Ways and Means with instructions to promptly report the same back to the House with an amendment—

(1) which provides a net 10-year tax reduction of not more than 25 percent of the currently projected non-Social Security surpluses, and

(2) which provides that the effectiveness of each tax reduction contained therein is contingent on a certification by the Director of the Office of Management and Budget that—

(a) 100 percent of the Social Security Trust Fund surpluses and 50 percent of the non-Social Security surpluses are dedicated to reducing the amount of the publicly-held national debt,

(b) there are protections (comparable to those applicable to the Social Security Trust Fund surpluses) that assure that 100 percent of the Social Security Trust Fund surpluses and 50 percent of non-Social Security surpluses are used to reduce the amount of publicly-held national debt, and

(c) 100 percent of the Social Security Trust Fund surpluses and 50 percent of the non-Social Security surpluses shall not be available for any purposes other than reducing publicly-held national debt.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Tennessee (Mr. TANNER) is recognized for 5 minutes in support of his motion.

Mr. TANNER. Mr. Speaker, earlier today in the debate there was some conversation about what Chairman Greenspan would or would not do. Just a few minutes ago, I am told, he testified in response to a question about this tax cut bill that quote, ''I remain where I was the time I appeared before you and the time before that. The reduction that occurs in the Federal debt as a consequence of reducing the debt is an extraordinarily effective tool for a good economy; it moved interest rates lower, the cost of capital is lower, it led to expansion of economic growth. Therefore, as I said before, we must let the surplus run. If I was asked what our first priority should be, it would be to let the surplus run and reduce the Federal debt.''

Mr. Speaker, during the debate today, we have really come a long way. The President, the Republicans, the Democrats, the Congress, the Senate, even, we have come a long way; but this debate today is about what to do with the $792 billion that is involved in this tax cut. It is us versus our children and grandchildren.

And why do I say us? It is because we, particularly those of us over 40, have benefited from the consumption on borrowed money over the last 25 or 30 years, but it is our children and grandchildren that have the most to lose today.

I did not sleep particularly well last night, and in my fitfulness I envisioned that I was part of the majority and voted for this Republican bill. I was proud of this vote, and I went home to back-slapping at the civic clubs and standing ovations at the political rallies. People told me how proud they were of me, and I really felt great about myself.

But then this theme changed and I found myself at a grade school back home, a young fellow with a cowlick came up and said, Mr. Congressman, you are an important guy, you take good care of us and our country. My classmates and I appreciate Congress and the President agreeing not to spend the Social Security Trust Fund anymore. We hope you can live up to that. Mr. Congressman, I know we don't have a lobbyist, we don't have a PAC, we can't even vote.

All we have, Mr. Congressman, is you and your fellow Members to look out for us. We know you grown-ups work hard and need a tax cut and we want you to have one. But sir, could I ask you, would you just split the surplus with us? Would you just give us half? We know our future is tied to the amount of debt America owes and the interest we know we will have to pay during our adult years on that debt. Would you just split this $792 billion surplus with us?

I said, No, kid. I need 80 to 90 percent of it. You are right, I am important. I have the power to take it for myself. I can take the money and run. Look, kid, life is not fair, and the sooner you learn that, the better.

And then, Mr. Speaker, I woke up. I was not quite so proud of my vote. I was not even proud about anything I had done. He did not have a lobbyist, he did not have a PAC, he could not vote. All he and his friends have is us, Congress people.

Well, little buddy, you might not have a lobbyist or PAC, or you cannot vote, but you are just as important part of the American family as any adult in this country. So when we say, let us give it back to the people, little buddy, you are one of the people and one of the most important, because you are our big future. Split with you, you ask? I am proud to split it with you. It is the least I can do. That is why we offer this motion to recommit.

Give them half of this $792 billion. Pay it on the debt. That little boy and our kids' future may well depend on it.

□ 1415

The SPEAKER pro tempore (Mr. THORNBERRY). Does the gentleman from Oklahoma (Mr. WATTS) seek to claim the time in opposition to the motion?

Mr. WATTS of Oklahoma. Yes, Mr. Speaker.

The SPEAKER pro tempore. The gentleman from Oklahoma (Mr. WATTS) is recognized for 5 minutes.

Mr. WATTS of Oklahoma. Mr. Speaker, I would say to my friend, the gentleman from Tennessee (Mr. TANNER), rather than giving half of that $790 billion, Republicans, we propose to put $800 billion in debt relief over the next 5 years.

Mr. Speaker, when the gentleman from Illinois (Mr. HASTERT) became Speaker of the House, he said that we would give the American people tax relief; we would send education dollars back home; said we would take every dollar of Social Security and set it aside for Social Security retirement, and he said we would strengthen our national defense.

I have been baffled over the last 12 hours, as I have listened to the debate that I have heard here on the floor, because one would not think that the Republicans, that we do any of that stuff. One would think that it was just horrible all the things that I have heard over the last 12 hours in this debate.

Mr. Speaker, once and for all, let me share with the American people what our tax relief and our tax fairness package does. We are going to give the American people over the next 10 years, we are going to give them about $792 billion in tax relief and in tax fairness, and in this tax relief package and in this tax fairness package, we are going to eliminate the marriage tax penalty. We do not think it is fair that people have to pay more money if they are a married couple than they do if they are two individuals. We don't think that is fair.

We are going to eliminate death taxes. We believe it is unfair that people have to face the undertaker and the IRS in the same week. That is unfair.

Mr. Speaker, we have heard over the last 12 hours that eliminating the death tax, it is helping the rich.

Well, Mr. Speaker, let us say that I am a millionaire and I am worth a million dollars. If I die and I choose to leave my family farm or my small business to my kids and my grandkids, it is not benefiting me. I am dead. I get

nothing out of that. It is for my kids and for my grandkids.

We do that. We take care of that.

Mr. Speaker, we say we want to cut taxes 10 percent across the board over the next 10 years. Mr. Speaker, we said for every two dollars that we set aside for Social Security retirement, we are going to put one dollar in for tax relief. I think that is fair.

This is about people. We have been talking about numbers and we have heard all kind of numbers over the last 12 hours. Mr. Speaker, this is not about numbers. It is about people, the folks back home, my half a million or so constituents. They get up every morning wondering how are we going to find money to buy school clothes for the kids? How are we going to find money to buy new tires for the car? The washer and dryer went out last week. How are we going to find money to pay for the new washer and dryer that we need.

This is about people. It is about families. It is about working moms working from paycheck to paycheck to make ends meet. It is about working families working from paycheck to paycheck to make ends meet; giving them more of their money to free up their time, not having to work but so they can spend it with their kids and with their grandkids. That is what this is about, securing the future for our families, for our children, for our farmers.

That is what it is about, helping them to pursue the hopes, the dreams and the ambitions, the goodness. That is what it is about.

We have heard a lot of babble over the last 12 hours. I have listened to some of the debate, and from time to time I would hear things that I would feel like saying, give me a physical break. $800 billion we are paying down on the national debt. We are securing the Social Security trust fund.

The President said here about a year ago, 8 months ago, he said let us take 62 percent of the surplus and set it aside for Social Security.

We created the lockbox. We said when that FICA fellow, and everyone will see it on their paycheck, when that FICA fellow takes money out of the paycheck, we are going to force him to do with it what he says he is going to do with it. Save it in the lockbox for retirement.

Mr. Speaker, we have a great opportunity, a great opportunity, in the next few minutes, to do a lot for our families, for working moms, working dads, for small businesspeople, for farmers. I beg my colleagues not to blow it.

I oppose this motion to recommit. I urge a no vote, and vote yes on final passage.

Mr. NEAL of Massachusetts. Mr. Speaker, I strongly support the motion to recommit offered by the Blue Dog Democrats. It makes common sense to save half the budget surplus for deficit reduction, and it is hard for me to believe that this would be controversial.

I understand a sense of Congress resolution in favor of debt reduction has now been added to Chairman ARCHER's bill. That clarifies the issue. You can either vote for the motion to recommit to actually accomplish debt reduction, or you can vote to say you are for debt reduction without taking any action to do it.

Mark my words, the Republican tax bill will plunge us back into deficit spending before its is fully implemented. According to the Congressional Budget Office, if you assume that appropriations bills will increase by the rate of inflation, and there is no emergency spending for 10 years, then its $996 billion surplus shrinks to $247 billion. The difference, if the Republican tax bill passes, will be deficit spending.

And its $3 trillion cost of the Republican tax bill when fully implemented during the second ten years will plunge us off a deficit cliff just as surely as lemmings heading to the sea.

This motion to recommit is the last opportunity to turn away from the cliff. I hop my colleagues will use their common sense, and vote for this motion to recommit.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. TANNER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 211, noes 220, not voting 3, as follows:

[Roll No. 332]

AYES—211

Abercrombie
Ackerman
Allen
Andrews
Baird
Baldacci
Baldwin
Barcia
Barrett (WI)
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Forbes
Ford
Frank (MA)
Frost
Ganske
Gejdenson
Gephardt
Gonzalez
Goode
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hall (TX)
Hastings (FL)
Hill (IN)
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Hooley
Hoyer
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Larson
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Luther
Maloney (CT)
Maloney (NY)
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Phelps
Pickett
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Scott
Serrano
Sherman
Shows
Sisisky
Skelton
Slaughter
Smith (WA)
Snyder
Spratt
Stabenow
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Velazquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Weiner
Wexler
Weygand
Wise
Woolsey
Wu
Wynn

NOES—220

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Biggert
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cox
Crane
Cubin
Cunningham
Davis (VA)
Deal
DeLay
DeMint
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ewing
Fletcher
Foley
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Gallegly
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goodlatte
Goodling
Goss
Graham
Granger
Green (WI)
Greenwood
Gutknecht
Hansen
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (MT)
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones (NC)
Kasich
Kelly
King (NY)
Kingston
Knollenberg
Kolbe
Kuykendall
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCollum
McCrery
McHugh
McInnis
McIntosh
McKeon
Metcalf
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Ose
Oxley
Packard
Paul
Pease
Petri
Pickering
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Regula
Reynolds
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sanford
Saxton
Scarborough
Schaffer
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Stearns
Stump
Sununu
Sweeney
Talent
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Toomey
Upton
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller

Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOT VOTING—3

Kennedy
McDermott
Peterson (PA)

□ 1438

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. THORNBERRY). The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. CARDIN. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 223, noes 208, not voting 3, as follows:

[Roll No. 333]

AYES—223

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bereuter
Biggert
Bilbray
Bilirakis
Bishop
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Chabot
Chambliss
Chenoweth
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Cox
Crane
Cubin
Cunningham
Danner
Davis (VA)
Deal
DeLay
DeMint
Diaz-Balart
Dickey
Doolittle
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Hoekstra
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Hulshof
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Johnson, Sam
Jones (NC)
Kasich
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King (NY)
Kingston
Knollenberg
Kolbe
Kuykendall
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Manzullo
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Miller, Gary
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NOES—208

Abercrombie
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Johnson, E. B.
Jones (OH)
Kanjorski
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Meek (FL)
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Menendez
Millender-McDonald
Miller, George
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Mollohan
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Moran (VA)
Morella
Murtha
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Pelosi
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Price (NC)
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Schakowsky
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Udall (NM)
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Vento
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Watt (NC)
Waxman
Weiner
Wexler
Weygand
Wise
Woolsey
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Wynn

NOT VOTING—3

Kennedy
McDermott
Peterson (PA)

□ 1455

So the bill was passed.

The result of the vote was announced as above recorded

The title of the bill was amended so as to read:

''A bill to provide for reconciliation pursuant to sections 105 and 211 of the concurrent resolution on the budget for fiscal year 2000.''.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 2561, DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2000

Mr. SESSIONS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 257 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 257

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 2561) making appropriations for the Department of Defense for the fiscal year ending September 30, 2000, and for other purposes. All points of order against consideration of the bill are waived. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations. After general debate the bill shall be considered for amendment under the five-minute rule. Points of order against provisions in the bill for failure to comply with clause 2 of rule XXI are waived. During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 8 of rule XVIII. Amendments so printed shall be considered as read. The chairman of the Committee of the Whole may: (1) postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment; and (2) reduce to five minutes the minimum time for electronic voting on any postponed question that follows another electronic vote without intervening business, provided that the minimum time for electronic voting on the first in any series of questions shall be 15 minutes. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER. Without objection, the gentlewoman from North Carolina (Mrs. MYRICK) is recognized for one hour.

There was no objection.

□ 1500

Mrs. MYRICK. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Texas (Mr. FROST) pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Yesterday the Committee on Rules met and granted an open rule for H.R. 2561, the Fiscal Year 2000 Department of Defense Appropriations Act.

The rule provides for 1 hour of general debate equally divided between the chairman and ranking minority member of the Committee on Appropriations. The rule waives all points of

order against consideration of the bill. It waives points of order against provisions in the bill for failure to comply with clause 2 of rule XXI, prohibiting unauthorized or legislative provisions in a general appropriations bill. The rule allows the Chairman of the Committee of the Whole to accord priority in recognition to Members who have preprinted their amendments in the CONGRESSIONAL RECORD. The rule allows the Chairman of the Committee of the Whole to postpone votes during consideration of the bill, and to reduce voting time to 5 minutes on a postponed question if the vote follows a 15-minute vote. Finally, the rule provides for one motion to recommit, with or without instructions.

Mr. Speaker, H.Res. 257 is an open rule for a strong, bipartisan bill. It is a bill that will allow us to rest a little easier at night, knowing that our national defense is stronger and that we are taking good care of our troops. I have always admired the patriotism and dedication of our military personnel, especially given the poor quality of military life for our enlisted men and women. But today we are doing something to improve military pay, housing and benefits. We are helping to take some of our enlisted men off food stamps by giving them a 4.8 percent pay raise. And we have added $258 million for a variety of health care efforts. We are boosting the basic allowance for housing, increasing retention pay for pilots and prompting the GAO to study how we can do better.

But along with personnel, we have got to take care of our military readiness. We live in a dangerous world, and Congress is working to protect our friends and family back home from our enemies abroad. We are providing for a national missile defense system so that we can stop a warhead from places like China or North Korea if that day ever comes. We are boosting the military's budget for weapons and ammunition, something they sorely need, and we are providing $37 billion for research and development so our forces will have top-of-the-line equipment to do their jobs.

I urge my colleagues to support this rule and to support the underlying bill. Now more than ever we must improve our national security.

Mr. Speaker, I reserve the balance of my time.

Mr. FROST. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the Department of Defense Appropriations bill for fiscal year 2000 and in support of the men and women in uniform who serve this country. This is a good bill, Mr. Speaker. In the challenging world in which we live, this bill begins to bring military spending to levels that can ensure that our Armed Forces can meet and exceed the missions they are assigned.

But, that being said, I am concerned that the Committee on Appropriations has chosen to delete funding for the procurement of the first six F–22 fighter aircraft. I fear, Mr. Speaker, that this pause in the program effectively kills the development of a fighter aircraft that is the key to the long-term defense of our Nation and our allies.

The Air Force and the President are also extremely concerned about the action taken by the Committee on Appropriations. In a statement of administration policy delivered to the Committee on Rules yesterday afternoon, the administration made clear its opposition to the reduction in funding for the F–22. I would like to quote from the statement of administration policy: ''The F–22 is optimized to perform a crucial role, achieving air superiority early in any future conflict, even against adversaries equipped with the advanced weapons that will be developed in the first part of the next century. No other aircraft, including the F–15 or the proposed Joint Strike Fighter, will be able to fulfill that role.''

Mr. Speaker, this weapons program is a critical component in our military arsenal. It will serve as an effective deterrent and will ensure our dominance in the skies. I encourage the Committee on Appropriations to reconsider its position and hope that when the bill comes back from conference that the F–22 will be part of the total package of national defense funding for the first fiscal year in the new century.

Mr. Speaker, I would like to commend the committee for its dedication to ensuring that the issues relating to quality of life, benefits, and training for the soldiers, sailors, airmen and marines we depend upon for our national security are squarely addressed. Certainly this bill does not go far enough, especially when we are facing critical shortfalls in filling the ranks and retaining our skilled personnel. But under the budgetary constraints that currently exist, the committee has taken at least the beginning steps to address these enormous problems.

This bill provides a 4.8 percent pay raise for all military personnel and contains increases in funds for the Aviation Continuation Pay bonus and supports the request for the Career Enlisted Flyer Incentive Pay program, all in an effort to address the major retention problems our Armed Forces are facing, especially in the Air Force.

Given the monumental demands that have been placed on our military in the past decade, addressing quality of life issues should be of paramount importance. Our military is being stretched too thin, operations are spread around the globe, and the expectations of future threats will certainly not diminish. The Congress must meet our part of the bargain. We must increase incentives for military men and women to continue to serve their country by ensuring that they are paid at levels that are greater than subsistence living and that their benefits are competitive to the civilian sector.

In addition, Mr. Speaker, we must provide the best equipment to get the job done. While we can be assured that today our equipment and technology and the training to go with it are superior to any other fighting force in the world, we must look forward to be sure that we continue to enjoy that advantage. This bill, in many respects, sets us on that path. Again, I am deeply concerned about the zero funding for the acquisition of the first six of the F–22 Raptor fighter aircraft, but I do support the inclusion of $351 million for the acquisition of 15 F–16C fighter aircraft as well as $296 million for modifications and upgrades for F–16s currently in service. The bill also provides $344 million for upgrades for the bomber fleet which includes the B–52, the B–1 and the B–2 which all proved their mettle during the recent air campaign over Kosovo and Serbia.

The committee has provided $856 million for the acquisition of 11 V–22 Osprey tilt-rotor aircraft, the vehicle which will carry the assault troops of the Marine Corps into battle if and when we are forced to send them there. The bill provides $2.2 billion for ammunition for all four services and, most importantly, provides $93.7 billion to operate and maintain the four branches of the armed services. This money will help replenish aircraft spare parts stores depleted from the prolonged operations in Iraq and Yugoslavia. It will address shortfalls in rotational training centers and depot maintenance. Operations and maintenance is the lifeblood of the machinery of the military and is an account that we cannot afford to ignore.

But, Mr. Speaker, as the needs of our military continue to grow, as our obligations around the world continue to expand, we must find a way to fund the programs and weapons systems that will be required to meet these responsibilities. If this year's budget dilemma is any guide to what we will be facing in the next few years, I cannot understand how my Republican colleagues can in good conscience endorse a tax cut plan that will, in essence, eviscerate the military. That plan guarantees that there will be no money in the new century to adequately fund our military. I cannot support a fiscal policy that will expand military spending through deficit financing, and quite frankly there is no need to do so. The Republican majority is endangering our national security just when we have begun to restore the infrastructure, both human and machine, of our military.

Mr. Speaker, I support this legislation and I support this rule which will allow the House to consider this important bill. But I cannot support the policy of the Republican majority that endangers the national security of this great Nation.

Mr. Speaker, I reserve the balance of my time.

Mrs. MYRICK. Mr. Speaker, I yield 3 minutes to the gentleman from North Carolina (Mr. HAYES).

(Mr. HAYES asked and was given permission to revise and extend his remarks.)

Mr. HAYES. Mr. Speaker, I am proud to rise in support of the Defense appropriations bill. I commend the gentleman from Florida (Mr. YOUNG), the gentleman from California (Mr. LEWIS), members of the Committee on Appropriations and the staffs for their effort in crafting this bill. I support the rule. I encourage all of the Members to support this fine rule. The committee has put forth legislation that reflects the great support this Congress has for 1.5 million men and women in uniform who selflessly defend our freedom.

Mr. Speaker, I am proud of our military personnel and their families, and I am honored to serve them here in Washington. Fort Bragg and Pope Air Force Base are in my district, and I am humbled every time I meet with any of the 45,000 dedicated Americans whose mission it is to maintain a strategic crisis response force, manned and trained to deploy rapidly anywhere in the world, prepared to fight upon arrival and win. This kind of dedication is unique, and I am pleased to support the rule and the legislation that will extend these American patriots an across-the-board 4.8 percent pay increase in basic pay.

I must note, however, that I do take exception with the committee's decision to cancel production funding for the F–22 Raptor. As member of the Committee on Armed Services, I find it alarming that we would hastily turn our backs on a program which represents 15 years of research, development, rigorous testing and a $16 billion investment. For a bill that in all other areas represents the appropriate commitment to our military needs, this elimination in funding is a little shortsighted and I hope we will change that.

Mr. Speaker, I look forward to returning to my district to tell the young men and women of Fort Bragg and Pope Air Force Base that their Congress has done the right thing and has served them well, as they have done for us time and time again.

Mr. FROST. Mr. Speaker, I yield 4 minutes to the gentleman from Washington (Mr. DICKS).

(Mr. DICKS asked and was given permission to revise and extend his remarks.)

Mr. DICKS. Mr. Speaker, I want to rise today to remind my colleagues in the House of some of the past decisions that we have made and how effectively they were used in Kosovo. The House on four separate occasions over the last 4 years voted to continue funding for the B–2 bomber, amongst a lot of criticism by the GAO and the press that the B–2 would not work, could not fly in the rain, all kinds of criticism. But when the President called on it to be used in Kosovo, I was proud to see these young men fly these planes 31 hours over and back with several aerial refuelings, using JDAMs, a weapon that cost less than $20,000 per weapon, and do more destruction and really carry the air war at a time when many of our other aircraft could not be used because they require laser guidance. I think this is a testament of the commitment of this Congress, where year after year after year we added money to give the B–2 a conventional capability to improve its capabilities and then to see it work. I think it is a testament to the fact that there are people serving in the Congress who have many years of experience on the Defense Appropriations Subcommittee, on the Armed Services Committee, and they review these programs very carefully. In this case I was very proud when I went out with the President, with the gentleman from Missouri (Mr. SKELTON) and two of the pilots came up to me and said, ''Congressman, if your committee hadn't added the money, $40 million for GATSCAM which gave the B–2 a conventional capability one year earlier than was expected, we would have not been able to use it in this war.'' JDAMs would have taken more time for training and getting it on the planes and we would not have been able to use it in this war.

Mr. MURTHA. Mr. Speaker, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from Pennsylvania.

Mr. MURTHA. Mr. Speaker, the gentleman can take full credit for that. If it had not been for his effort, that would not have happened.

Mr. DICKS. I appreciate the comment by the gentleman from Pennsylvania, our former chairman and ranking member. It was my amendment, but I had bipartisan support. This has never been something that has just been my deal. It has been our commitment. The gentleman from Florida (Mr. YOUNG), now the gentleman from California (Mr. LEWIS), all of us worked on this. But what we showed is that there are some important things that we in the Congress can do to improve the security of this country. I was pleased, because I think in the early days had we not had the B–2 when we only had TALCMs and Tomahawks, if none of our planes could have worked, then we would have looked very foolish. There were some people who were critical of this war. It might have undermined even further the support in this country.

I just wanted to make that report here today. The B–2 did very, very well. I appreciate all the people in the House who supported it, and those who were critical, I am glad we were able to show and prove in reality that it could stand the test. It did. It was because of the pilots, because of the people who do the low observability work, the mechanics. The turnaround time was like 16 hours per plane. Some people said it would take hundreds of hours. All of that proved wrong because we had great people at Whiteman doing a fantastic job, and it is a testament to the good work of the men and women in the military service.

□ 1515

Mrs. MYRICK. Mr. Speaker, I yield 6 minutes to the gentleman from California (Mr. CUNNINGHAM).

(Mr. CUNNINGHAM asked and was given permission to revise and extend his remarks.)

Mr. CUNNINGHAM. Mr. Speaker, for many of us defense has been our life, supporting both in combat and in the United States Congress. It is something that we believe in, we are entrenched, and I believe, as Ronald Reagan, that peace does come through strength.

We met with the Prime Minister of Israel just days ago, and he stressed that a strong United States means a strong Israel, that a weakened United States military means that Israel is at great risk. But I would extend that beyond, to all of our allies.

One of the lessons learned is that in Kosovo we can little afford in the future with NATO to fly 86 percent of the sorties and drop 90 percent of the ordnance. We cannot do that and maintain our services.

We have made a very difficult decision supported by the members on the conference itself, and I would say, first of all, I have got a very good friend in the gentleman from Texas (Mr. SAM JOHNSON). He is an Air Force hero. He still bears the scars from his torture, and he wants the same things that we do for national security in this, and the gentleman from Texas and I may disagree on how we get there, but I want to tell my colleagues there is nobody that I have more respect for. But let me give my colleagues my side of the story on the F–22.

First of all, if I was an Air Force pilot, I would say to my friends, I would look forward to flying the F–22. Why? It is because there is a threat out there that the Russians have today that are developing in the SU–35 and SU–37. This is a fighter like we have never seen before. It is deadly, and the F–22 is scheduled for the year 2010 or 2005 for IOIC, which brings it into the fleet.

But let me tell my colleagues that there is a threat today, a threat today that our men and women are going to have to face. This is not a fiction; this is not a vapor. I have flown these assets. I have flown aircraft against these assets myself. This is not secondhand. If our F–15 drivers and our F–16 drivers and F–14 and F–18 face this threat, and I cannot tell my colleagues what this asset is because it is top secret, but if I was Speaker, I would demand that every single Member of Congress go through this briefing up on the fourth floor, and I will tell my colleagues why: because in the intercept against this asset; that is, beak to beak when one is coming head on with the enemy, our pilots die 95 percent of the time. That is today, not tomorrow. In the actual engagement itself, these assets kill me three times before I can bring a weapon to bear. That is today, not down the line. Thank God that this

asset was not exported to Kosovo because, do my colleagues know the standoff weapons that we had? Our aircraft were going to die; our pilots would have died.

But where is that asset today? Russia is transporting this asset to China, to Iran, Iraq and North Korea, and take a look at where we are likely to get involved in the near future into a conflict today. I want our kids to be able to go up and fight.

I am alive today because I had better training than the enemy, and I had better equipment. I think the F–22 in the future will be a great airplane. But it is only 5 percent tested. The cost of the F–22 is not all the fault of the Air Force. When we cut 750 aircraft to 339, our cost per airplane goes up because we pile all of that research and development. But that cost is nearing $200 million for each fighter.

How many can we buy? I do not care how great the airplane is, and we have needs right now that the gentleman from Pennsylvania (Mr. MURTHA) and the gentleman from California (Mr. LEWIS) and the gentleman from Florida (Mr. YOUNG) have identified that our kids to fight in a war tomorrow need the A9X.

When the British were in the Falklands War, they did not aim nine in Lima in the procurement to get it a year later. They needed it now. We need the A9X now to be able to fight this asset. We need a helmet-mounted site, not partially funded. We need it now. The radar that we will see through the enemy jammer so we can have some idea where he is before he kills us, we need it now, and we are taking the $1.8 million and spreading that down to those systems that are going to keep our kids alive today.

I want General Ryan, who is a good friend of mine, Chief of the Air Force, to stand up and say: Mr. President, this is an emergency, and my colleague says Republicans want a cut. Well, we are there today because the President has gutted defense time and time again, time and time with Kosovo, with Bosnia, with all of the other places we have gone, have taken out of that already low budget.

But the total money available for those systems is not there.

Mr. FROST. Mr. Speaker, I yield 1 minute to the gentleman from Washington (Mr. DICKS).

Mr. DICKS. Mr. Speaker, I just want to ask the gentleman this question: in the 10-year budget that we have been just discussing as we talked about this tax bill, the Clinton administration has $198 billion more in it for defense than does the Republican budget which starts capping in about 2004 and goes right through the last 10 years.

Now I just want the gentleman to know we are always honest with each other. As my colleagues know, the President has increased this budget by 112 billion. The gentleman and I would like to see it be increased more. But we got to be honest here. The budget that my colleagues have got cut is $198 billion below the President.

So those guys got a little work to do on their side.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. DICKS. I yield to the gentleman from California.

Mr. CUNNINGHAM. First of all, does my colleague believe that this President on any budget that he has had in the outyears, always later, always later, when he is not even going to be here, he will beef it up? We need the $60 billion now, and the President continually cuts it.

Mr. DICKS. Reclaiming my time just to say this.

In the last 3 years the President's number for defense has been higher than the Republican number.

Mr. CUNNINGHAM. We added $36 billion; that is negative. We have added $36 billion, and the gentleman knows that.

Mrs. MYRICK. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. FRELINGHUYSEN).

(Mr. FRELINGHUYSEN asked and was given permission to revise and extend his remarks.)

Mr. FRELINGHUYSEN. I thank the gentlewoman for yielding this time to me. I rise in support of the defense appropriations bill for Fiscal Year 2000 and the rule.

Mr. Speaker, the defense appropriation bill provides a total of $266 billion for the Department of Defense while at the same time meeting the goals contained in the 1997 balanced budget agreement. With this bill we will help reverse 15 straight years of decreased defense budgets in real terms.

As a new member of this subcommittee, I am particularly pleased with the growing investment that we make in our national security with this bill. Specifically, this bill provides $15.5 billion more than was appropriated in 1999. This money is desperately needed to keep our troops combat ready and our research and development efforts on track to ensure that our soldiers are equipped with the best technology available.

I would especially like to commend my colleagues, the gentleman from California (Mr. LEWIS) and the gentleman from Pennsylvania (Mr. MURTHA) for their hard work and guidance throughout this entire year. This committee's leadership made the tough choices so that crucial funding is provided to protect our Nation and keep our troops safe and successful in the field.

Mr. Speaker, Congress has no greater duty than to ensure that our brave young men and women who put their lives on the line for our country have the resources they need to do their job safely and successfully. In addition, Mr. Speaker, I thank the capable and knowledgeable staff of the committee who assisted all of us in putting this legislation together.

I support this rule of this bill, Mr. Speaker.

Mr. Speaker, I rise to support the Defense Appropriations bill for FY 2000 and ask unanimous consent to revise and extend my remarks.

Mr. Speaker, the Defense Appropriations bill, H.R. 2561, provides a total of $266 billion for the Department of Defense while at the same time meeting the goals continued in the 1997 balanced Budget Agreement. As a member of this Subcommittee, I am particularly pleased with the growing investment that we make in our Nation's security. Specifically, this bill provides $15.5 billion dollars more than was appropriated in 1999. This money is desperately needed to keep our troops combat ready and our research and development efforts on track to ensure that our soldiers are equipped with the best technology available.

I would especially like to commend my colleagues, Chairman LEWIS and Ranking member MURTHA, for their hard work and assistance throughout this year. This Committee's leadership made the tough choices so that crucial funding is provided to protect our nation and keep our troops safe and successful in the field. Mr. Chairman, Congress has no greater duty than to ensure that our brave, young men and women, who put their lives on the line for our country, have the resources they need to do their job safely and successfully.

In addition, let me thank the capable and knowledgeable staff of the Defense Committee who assisted all of us in putting this legislation together.

While the decisions made in this bill were not easy, I believe that they were the right decisions. With this legislation, we will help reverse 15 straight years of decreasing defense budgets in real terms. Despite the end of the Cold War, we still find American troops deployed all across the globe, from Eastern Europe to Asia to Africa. Mr. Chairman, I am proud of the job our troops have done and I am especially proud that this bill provides funding for the needed 4.8 percent pay raise for our troops.

H.R. 2561 also puts a great emphasis on the readiness and modernization of our military. With rogue nations like Iraq and North Korea developing advanced military technology, now is not the time to shortchange our nation's military readiness. Unfortunately, that is exactly what has been happening over the last several years. For evidence of this worrisome situation, we need only consider the effect that the Kosovo mission has had on our current obligations in the Persian Gulf and elsewhere. The Committee addressed this situation by adding over $2.3 billion for readiness shortfalls identified by the armed services. This funding will help secure the spare parts needed to keep our military fully operational as they move into the next century.

Finally, let me say a word about the importance of research and development. As we enter the next century, technology, especially the digitalization of weapons systems, will play a critical role in the success of our troops in the field. This bill provides $37 billion for these activities in order to keep our technological advantage on the battlefield. Much of this important research is done by our civilian workforce, which by any account, is quickly aging. This investment will help to ensure that our technology continues to be on the cutting edge and it will ensure that new qualified researchers can be added to workforce in this important arena.

Mr. Speaker, H.R. 2561 is a well balanced bill which funds the future readiness and modernization requirements of the DOD, while taking steps to ensure that the quality of life of our service members is maintained and enhanced. I urge all of my colleagues to support this bill.

Mr. FROST. Mr. Speaker, I urge adoption of the rule, and I yield back the balance of my time.

Mrs. MYRICK. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I also urge adoption of this rule and support for the bill.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. LEWIS of California. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on the bill (H.R. 2561) making appropriations for the Department of Defense for the fiscal year ending September 30, 2000, and for other purposes, and that I be permitted to include tabular and extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

LIMITING DEBATE ON BARR OF GEORGIA AMENDMENT NO. 4 TO H.R. 2561, DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2000

Mr. LEWIS of California. Mr. Speaker, I ask unanimous consent that during consideration of the bill (H.R. 2561) in the Committee of the Whole that, one, all debate time on amendment No. 4 offered by the gentleman from Georgia (Mr. BARR) and the amendments thereto be limited to 60 minutes, equally divided between the gentleman from Georgia (Mr. BARR) and myself; and two, the gentleman from Georgia (Mr. BARR) be allowed to withdraw the amendment prior to action thereupon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2000

The SPEAKER pro tempore. Pursuant to House Resolution 257 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2561.

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IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2561) making appropriations for the Department of Defense for the fiscal year ending September 30, 2000, and for other purposes, with Mr. CAMP in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from California (Mr. LEWIS) and the gentleman from Pennsylvania (Mr. MURTHA) each will control 30 minutes.

The Chair recognizes the gentleman from California (Mr. LEWIS).

Mr. LEWIS of California. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise first to ask the membership for their support for this very important bill. It involves the national defense of our country. In doing so, Mr. Chairman, I would like to express my personal appreciation to my colleagues on both sides of the aisle who have been not just cooperative, but who have been truly professional in the best possible sense in presenting their viewpoints regarding a number of items that are very important and will consider as we go forward with the debate.

Most particularly I would like to express my appreciation to my colleague, the gentleman from Florida (Mr. YOUNG) who is the chairman of the full committee. He essentially was my trainer as I assumed this job, for he chaired the committee before I did. He has always reflected the best of professionalism in the work of the Committee on Appropriations, and I want him to know that I intend in the future to emulate him every step of the way if I have the chance to be here as long as he will be here.

I want to express our appreciation for his fine leadership.

To my colleague on the other side of the aisle, the gentleman from Pennsylvania (Mr. MURTHA) who has been my partner in this process every step of the way, he can move a bill in the most expeditious fashion of any Member I know of in the House. Because of that I welcome him to this discussion today.

Mr. Chairman, I have the pleasure today of brining to the floor the fiscal year 2000 Defense appropriations bill. This important legislation will, for the first time in 15 years, provide a real increase in spending for our Nation's Armed Forces.

Congress has made it clear that as we enter the new millennium, we must do everything possible to ensure that we remain the strongest country on Earth. With this bill, we are setting a course that will make America so strong that other countries of the world will realize there are better pathways to economic opportunity than war.

I must say at the outset that the new chairman of this subcommittee is deeply indebted to the former chairman, BILL YOUNG—who now leads the full committee. I am deeply grateful for his leadership and his strong support of this bill.

I would also like to express my deep respect and gratitude to my ranking member and trusted friend, JACK MURTHA. JACK has been more than a colleague—he has been a partner in putting together a bill addressing some of the most urgent needs of our military. JACK, I salute you and I thank you.

Mr. Chairman, this legislation provides $267.9 billion in new discretionary spending authority for FY 2000. It meets all budget authority and outlay limits set in the subcommittee's 302(b) allocation.

This bill provides $17.4 billion more than appropriated in FY 1999 and is $4.6 billion above the administration's FY 2000 budget request.

Let me take a few minutes to outline some of the highlights of this bill:

This legislation provides $72 billion to meet the most critical personnel needs of our military. One of our top priorities has been to improve the training, benefits, and quality of life to ensure that the armed services retain their most valuable asset—the men and women who serve their country in uniform.

There are presently 2.25 million men and women serving in our Armed Forces, Reserves, and National Guard. These personnel, as well our colleagues, will be pleased to know that this bill funds a 4.8-percent pay raise for our troops.

This pay increase will help alleviate the struggle some of our military families face to make ends meet. We are convinced we must do more to attract highly qualified individuals and reward them for making a career out of service to their fellow Americans. With all of the services falling short on recruiting goals. and commanders warning they need even more troops, it is imperative that the Congress and the Pentagon make this one of our top budget priorities for years to come.

We added $592 million in this bill over the administration's budget request to enhance recruiting, retention, and quality of life initiatives for all services, and bonuses for Air Force pilots who sustained America's status as a superpower during the recent Kosovo engagement.

With this bill, Congress is making a commitment to our men and women in uniform saying in essence, ''We intend to support you as you go forward with a great career and promising future serving our country in the armed services.''

The bill provides $93.7 billion for operations and maintenance needs, including $1.8 billion for contingency operations in Asia and Bosnia. My colleagues should also know that this bill contains on funding for peacekeeping efforts in Kosovo.

The bill also includes $37.2 billion for R&D including $3.9 billion for our Nation's ballistic missile defense.

Defense health is funded at $11 billion. Some $484 million is provided for Defense medical research including $175 million for breast cancer research and $75 million for prostate research.

Finally, this package includes $53 billion for procurement. While this bill reaffirms our commitment to a strong national defense, it also reestablishes the important oversight role of the Congress in ensuring that tax dollars are spent both efficiently and effectively.

To that end, the bill recommends cuts of more than $3.7 billion in over 280 line items. The most notable item—and one that has received a great deal of attention as of late—is the bipartisan decision to reduce spending on

the F–22 program by $1.8 billion in the next fiscal year.

This funding, requested by the Air Force, would procure the first six F–22 aircraft. With the broad, bipartisan support of the Speaker, Minority Leader GEPHARDT, Chairman YOUNG, and Ranking Member OBEY, the full committee endorsed the proposal to declare a ''pause'' in the procurement of these aircraft.

While many in the Air Force may question the decision, some of the most prodefense Members of the House are sending an important message. The Air Force has such tremendous needs in so many other areas—air tankers, airlift transports, aerial reconnaissance—that we believe it is imperative for the Air Force to reassess its priorities.

It is important to note that the funding that would have gone for procurement of six F–22's—some $1.8 billion—is being redirected to a wide range of other priorities, including the purchase of eight F–15 fighters, five F–16 fighters, and eight KC–130J Air tanker planes. Additional funds will be used for technological improvements to help our current fighter fleet maintain its air superiority.

Mr. Chairman, in closing, let me say this: It is my view that we have had too many years of reductions in national defense spending. It's time we realize that if America is going to lead for peace and freedom in the world into the next century, we've got to do some with budgets that are strong and reflect our national priorities. This legislation is a positive step in that direction and I strongly encourage its passage today.

To say the least, a great deal of time and energy went into producing this legislation. It literally would not have been possible without the work of some of the finest professional staff on the Hill. I particularly want to thank the following people: Doug Gregory, Tina Jonas, Alicia Jones, Paul Juola, David Kilian, Jenny Mummert, Steven Nixon, David Norquist, Betsy Phillips, Trish Ryan, Greg Walters, and Sherry Young of the subcommittee staff, Also Gregory Dahlberg of the minority staff, and Arlene Willis, Jim Specht, Julie Hooks, Grady Bourn, and David LesStrang on my office staff.

I want to especially note the dedication and tireless effort of both Kevin Roper and Letitia White, who have literally committed the last several months of their lives to this effort.

DEPARTMENT OF DEFENSE APPROPRIATIONS BILL, 2000 (H.R. 2561)
(Amounts in thousands)

	FY 1999 Enacted	FY 2000 Request	Bill	Bill vs. Enacted	Bill vs. Request
TITLE I					
MILITARY PERSONNEL					
Military Personnel, Army	20,841,687	22,006,632	21,475,732	+634,045	-530,900
Pay increase provided in P.L. 106-31	.....	.....	559,533	+559,533	+559,533
Military Personnel, Navy	16,570,754	17,207,481	16,737,072	+166,318	-470,409
Pay increase provided in P.L. 106-31	.....	.....	436,773	+436,773	+436,773
Military Personnel, Marine Corps 2/	6,263,387	6,544,682	6,353,622	+90,235	-191,060
Pay increase provided in P.L. 106-31	.....	.....	177,980	+177,980	+177,980
Military Personnel, Air Force	17,211,987	17,899,685	17,565,811	+353,824	-333,874
Pay increase provided in P.L. 106-31	.....	.....	471,892	+471,892	+471,892
Reserve Personnel, Army	2,167,052	2,270,964	2,235,055	+68,003	-35,909
Pay increase provided in P.L. 106-31	.....	.....	40,574	+40,574	+40,574
Reserve Personnel, Navy	1,426,663	1,446,339	1,425,210	-1,453	-21,129
Pay increase provided in P.L. 106-31	.....	.....	29,833	+29,833	+29,833
Reserve Personnel, Marine Corps	406,616	409,189	403,822	-2,794	-5,367
Pay increase provided in P.L. 106-31	.....	.....	7,820	+7,820	+7,820
Reserve Personnel, Air Force	852,324	881,170	872,978	+20,654	-8,192
Pay increase provided in P.L. 106-31	.....	.....	13,143	+13,143	+13,143
National Guard Personnel, Army	3,489,987	3,570,639	3,486,427	-3,560	-84,212
Pay increase provided in P.L. 106-31	.....	.....	70,416	+70,416	+70,416
National Guard Personnel, Air Force	1,377,109	1,486,512	1,456,248	+79,139	-30,264
Pay increase provided in P.L. 106-31	.....	.....	30,462	+30,462	+30,462
Total, title I, Military Personnel 4/	70,607,566	73,723,293	72,011,977	+1,404,411	-1,711,316
Pay increase provided in P.L. 106-31	.....	.....	1,838,426	+1,838,426	+1,838,426
Total funding available	70,607,566	73,723,293	73,850,403	+3,242,837	+127,110
TITLE II					
OPERATION AND MAINTENANCE					
Operation and Maintenance, Army	17,185,623	18,610,994	19,629,019	+2,443,396	+1,018,025
(By transfer - National Defense Stockpile)	(50,000)	(50,000)	(50,000)	.....	.....
(By transfer - Pentagon Renovation Transfer Fund)	(-96,000)	.....	.....	(+96,000)	.....
Operation and Maintenance, Navy	21,872,399	22,188,715	23,029,584	+1,157,185	+840,869
(By transfer - National Defense Stockpile)	(50,000)	(50,000)	(50,000)	.....	.....
(By transfer - Pentagon Renovation Transfer Fund)	(-32,087)	.....	.....	(+32,087)	.....
Operation and Maintenance, Marine Corps	2,578,718	2,558,929	2,822,004	+243,286	+263,075
(By transfer - Pentagon Renovation Transfer Fund)	(-9,513)	.....	.....	(+9,513)	.....
Operation and Maintenance, Air Force	19,021,045	20,313,203	21,641,099	+2,620,054	+1,327,896
(By transfer - National Defense Stockpile)	(50,000)	(50,000)	(50,000)	.....	.....
(By transfer - Pentagon Renovation Transfer Fund)	(-52,200)	.....	.....	(+52,200)	.....
Operation and Maintenance, Defense-Wide	10,914,076	11,419,233	11,401,733	+487,657	-17,500
(By transfer - Pentagon Renovation Transfer Fund)	(-90,020)	.....	.....	(+90,020)	.....
Operation and Maintenance, Army Reserve	1,202,622	1,369,213	1,513,076	+310,454	+143,863
Operation and Maintenance, Navy Reserve	957,239	917,647	969,478	+12,239	+51,831
Operation and Maintenance, Marine Corps Reserve	117,893	123,266	143,911	+26,018	+20,645
Operation and Maintenance, Air Force Reserve	1,747,696	1,728,437	1,788,091	+40,395	+59,654
Operation and Maintenance, Army National Guard	2,678,015	2,903,549	3,103,642	+425,627	+200,093
Operation and Maintenance, Air National Guard	3,106,933	3,099,618	3,239,438	+132,505	+139,820
Overseas Contingency Operations Transfer Fund	439,400	2,387,600	1,812,600	+1,373,200	-575,000
United States Court of Appeals for the Armed Forces	7,324	7,621	7,621	+297	.....
Environmental Restoration, Army	370,640	378,170	378,170	+7,530	.....
Environmental Restoration, Navy	274,600	284,000	284,000	+9,400	.....
Environmental Restoration, Air Force	372,100	376,800	376,800	+4,700	.....
Environmental Restoration, Defense-Wide	26,091	25,370	25,370	-721	.....
Environmental Restoration, Formerly Used Defense Sites	225,000	199,214	209,214	-15,786	+10,000
Overseas Humanitarian, Disaster, and Civic Aid	50,000	55,800	55,800	+5,800	.....
Former Soviet Union Threat Reduction	440,400	475,500	456,100	+15,700	-19,400
Pentagon Renovation Transfer Fund (by transfer)	(279,820)	.....	.....	(-279,820)	.....
Quality of Life Enhancements, Defense 3/	455,000	1,845,370	800,000	+345,000	-1,045,370
Total, title II, Operation and maintenance	84,042,814	91,268,249	93,686,750	+9,643,936	+2,418,501
(By transfer)	(150,000)	(150,000)	(150,000)	.....	.....
TITLE III					
PROCUREMENT					
Aircraft Procurement, Army	1,388,268	1,229,888	1,590,488	+202,220	+360,600
Missile Procurement, Army	1,226,335	1,358,104	1,272,798	+46,463	-85,306
Procurement of Weapons and Tracked Combat Vehicles, Army	1,548,340	1,416,765	1,556,665	+8,325	+139,900
Procurement of Ammunition, Army	1,065,955	1,140,816	1,228,770	+162,815	+87,954
Other Procurement, Army	3,339,486	3,423,870	3,604,751	+265,265	+180,881
Aircraft Procurement, Navy	7,541,709	8,228,655	9,168,405	+1,626,696	+939,750
Weapons Procurement, Navy	1,211,419	1,357,400	1,334,800	+123,381	-22,600
Procurement of Ammunition, Navy and Marine Corps	484,203	484,900	537,600	+53,397	+52,700
Shipbuilding and Conversion, Navy	6,035,752	6,678,454	6,656,554	+620,802	-21,900
Other Procurement, Navy	4,072,662	4,100,091	4,252,191	+179,529	+152,100
Procurement, Marine Corps	874,216	1,137,220	1,333,120	+458,904	+195,900
Aircraft Procurement, Air Force	8,095,507	9,302,086	8,298,313	+202,806	-1,003,773
Missile Procurement, Air Force	2,069,827	2,359,608	2,329,510	+259,683	-30,098
Procurement of Ammunition, Air Force	379,425	419,537	481,837	+102,412	+62,300
Other Procurement, Air Force	6,960,483	7,085,177	6,964,227	+3,744	-120,950
Procurement, Defense-Wide	1,944,833	2,128,967	2,286,368	+341,535	+157,401

DEPARTMENT OF DEFENSE APPROPRIATIONS BILL, 2000 (H.R. 2561)—Continued
(Amounts in thousands)

	FY 1999 Enacted	FY 2000 Request	Bill	Bill vs. Enacted	Bill vs. Request
National Guard and Reserve Equipment	352,000		130,000	-222,000	+130,000
Defense Production Act Purchases			5,000	+5,000	+5,000
Total, title III, Procurement	48,590,420	51,851,538	53,031,397	+4,440,977	+1,179,859
TITLE IV					
RESEARCH, DEVELOPMENT, TEST AND EVALUATION					
Research, Development, Test and Evaluation, Army	5,031,788	4,426,194	5,148,093	+116,305	+721,899
Research, Development, Test and Evaluation, Navy	8,636,649	7,984,016	9,080,580	+443,931	+1,096,264
Research, Development, Test and Evaluation, Air Force	13,758,811	13,077,829	13,709,233	-49,578	+631,404
Research, Development, Test and Evaluation, Defense-Wide	9,036,551	8,609,289	8,930,149	-106,402	+320,860
Developmental Test and Evaluation, Defense	258,606	253,457	271,957	+13,351	+18,500
Operational Test and Evaluation, Defense	34,245	24,434	29,434	-4,811	+5,000
Total, title IV, Research, Development, Test and Evaluation	36,756,650	34,375,219	37,169,446	+412,796	+2,794,227
TITLE V					
REVOLVING AND MANAGEMENT FUNDS					
Defense Working Capital Funds	94,500	90,344	90,344	-4,156	
Transfer stockpile balances to working capital fund		67,000			-67,000
National Defense Sealift Fund:					
Ready Reserve Force	311,266	257,000	257,000	-54,266	
Acquisition	397,100	97,700	472,700	+75,600	+375,000
(Transfer out)	(-28,800)			(+28,800)	
Total	708,366	354,700	729,700	+21,334	+375,000
Total, title V, Revolving and Management Funds	802,866	512,044	820,044	+17,178	+308,000
TITLE VI					
OTHER DEPARTMENT OF DEFENSE PROGRAMS					
Defense Health Program:					
Operation and maintenance	9,727,985	10,477,687	10,471,447	+743,462	-6,240
Procurement	402,387	356,970	356,970	-45,417	
Research and development	19,500		250,000	+230,500	+250,000
Total, Defense Health Program	10,149,872	10,834,657	11,078,417	+928,545	+243,760
Chemical Agents & Munitions Destruction, Army: 1/					
Operation and maintenance	491,700	593,500	492,000	+300	-101,500
Procurement	115,670	241,500	116,000	+330	-125,500
Research, development, test, and evaluation	172,780	334,000	173,000	+220	-161,000
Total, Chemical Agents	780,150	1,169,000	781,000	+850	-388,000
Drug Interdiction and Counter-Drug Activities, Defense	735,582	788,100	883,700	+148,118	+95,600
Office of the Inspector General	132,064	140,844	140,844	+8,780	
Total, title VI, Other Department of Defense Programs	11,797,668	12,932,601	12,883,961	+1,086,293	-48,640
TITLE VII					
RELATED AGENCIES					
Central Intelligence Agency Retirement and Disability System Fund	201,500	209,100	209,100	+7,600	
Intelligence Community Management Account	129,123	149,415	144,415	+15,292	-5,000
Transfer to Dept of Justice	(27,000)	(27,000)	(27,000)		
Payment to Kaho'olawe Island Conveyance, Remediation, and Environmental Restoration Fund	25,000	15,000	15,000	-10,000	
National Security Education Trust Fund	3,000	8,000	8,000	+5,000	
Total, title VII, Related agencies	358,623	381,515	376,515	+17,892	-5,000
TITLE VIII					
GENERAL PROVISIONS					
Additional transfer authority (sec. 8005)	(1,650,000)	(2,000,000)	(2,000,000)	(+350,000)	
Indian Financing Act incentives (sec. 8024)	8,000		8,000		+8,000
FFRDC's/consultants (sec. 8034)	-62,000			+62,000	
Disposal & lease of DOD real property (sec. 8040)	25,000	32,200	32,200	+7,200	
Overseas Military Fac Investment Recovery (sec. 8044)	38,000	4,300	4,300	-33,700	
Rescissions (sec. 8058)	-415,909		-612,987	-197,078	-612,987
Lapsed rescission	67,000			-67,000	
Fisher Houses	1,000			-1,000	
Division B - omnibus general provision (sec. 104)	2,000			-2,000	
Travel Cards (H. 8123))	5,000	5,000	5,000		
Defense reform initiative (DRI) Title II savings	-70,000			+70,000	
FY 1999 Procurement inflation Savings	-400,600			+400,600	
FY 1999 Economic Adjustment (rescission) (H. 8091)			-452,100	-452,100	-452,100
National Defense stockpile transaction fund asset sale credit	-100,000			+100,000	
Ship Transfers (FY99 with FY2000 carryover)	-636,850	-170,000	-170,000	+466,850	

DEPARTMENT OF DEFENSE APPROPRIATIONS BILL, 2000 (H.R. 2561)—Continued
(Amounts in thousands)

	FY 1999 Enacted	FY 2000 Request	Bill	Bill vs. Enacted	Bill vs. Request
Procurement Reductions	-142,100			+142,100	
Foreign Currency Fluctuations (H. 8101)	-193,600		-171,000	+22,600	-171,000
Fuel Repricing	-502,000			+502,000	
Division B - omnibus general provision (sec. 105)	-67,000			+67,000	
Ellsworth AFB claims sup general provision	8,000			-8,000	
A-76 Studies (H. 8109)			-100,000	-100,000	-100,000
WMD consequence management (H. 8113)			50,000	+50,000	+50,000
Information Assurance (H. 8114)			150,000	+150,000	+150,000
Women in Service for America Memorial (H. 8099)			5,000	+5,000	+5,000
Guard Disaster Response (H. 8112)			20,000	+20,000	+20,000
Recovery of DoD admin expenses from FMS (H. 8127)			-87,000	-87,000	-87,000
Spectrum auction (H. 8128)					
Total, title VIII	-2,436,059	-128,500	-1,318,587	+1,117,472	-1,190,087
Grand total (before emergency funding)	250,520,548	264,915,959	268,661,503	+18,140,955	+3,745,544
Pay increase provided in Supplemental			1,838,426	+1,838,426	+1,838,426
Total funding available	250,520,548	264,915,959	270,499,929	+19,979,381	+5,583,970
DOD-WIDE SAVINGS		-1,650,000			+1,650,000
EMERGENCY FUNDING					
Emergency funding (P.L. 105-277):					
Title I - Readiness	5,893,053			-5,893,053	
Title II - Antiterrorism	528,927			-528,927	
Title III - Y2K conversion	1,100,000			-1,100,000	
Supplemental (H.R. 1141)	8,573,969			-8,573,969	
Total, Emergency funding	16,095,949			-16,095,949	
Adjusted total (including emergency funding)	266,616,497	263,265,959	270,499,929	+3,883,432	+7,233,970

1/ Included in Budget under Procurement title.

2/ FY 2000 budget request was increased by $3,000,000 for a mistake in the budget appendix.

3/ FY 2000 budget amendment added $1,845,370,000.

4/ The total recommended for Title I was reduced by $1,838,426,000, the amount provided in the FY 1999 Supplemental for advance funding of pay and retirement reform initiatives.

CONGRESSIONAL BUDGET RECAP					
Scorekeeping adjustments:					
Adjustment for unapprop'd balance transfer (Stockpile)	150,000	150,000	150,000		
Stockpile collections (unappropriated)	-150,000	-150,000	-150,000		
Emergency funding	-7,521,980			+7,521,980	
Emergency funding	-8,573,969			+8,573,969	
Spectrum auction			-2,600,000	-2,600,000	-2,600,000
Total adjustments	-16,095,949		-2,600,000	+13,495,949	-2,600,000
Adjusted total (incl scorekeeping adjustments)	250,520,548	263,265,959	267,899,929	+17,379,381	+4,633,970
RECAP BY FUNCTION					
Mandatory	201,500	209,100	209,100	+7,600	
General purpose discretionary	250,319,048	263,056,859	267,690,829	+17,371,781	+4,633,970
RECAPITULATION					
Title I - Military Personnel	70,607,566	73,723,293	72,011,977	+1,404,411	-1,711,316
Title II - Operation and Maintenance	84,042,814	91,268,249	93,686,750	+9,643,936	+2,418,501
(By transfer)	(150,000)	(150,000)	(150,000)		
Title III - Procurement	48,590,420	51,851,538	53,031,397	+4,440,977	+1,179,859
Title IV - Research, Development, Test and Evaluation	36,756,850	34,375,219	37,169,446	+412,796	+2,794,227
Title V - Revolving and Management Funds	802,866	512,044	820,044	+17,178	+308,000
Title VI - Other Department of Defense Programs	11,797,868	12,932,601	12,883,961	+1,086,293	-48,640
Title VII - Related agencies	358,623	381,515	376,515	+17,892	-5,000
Title VIII - General provisions	-2,436,059	-128,500	-1,318,587	+1,117,472	-1,190,087
DoD-wide savings		-1,650,000			+1,650,000
Total, Department of Defense	250,520,548	263,265,959	268,661,503	+18,140,955	+5,395,544
Scorekeeping adjustments			-2,600,000	-2,600,000	-2,600,000
Total funds provided in this Act	250,520,548	263,265,959	266,061,503	+15,540,955	+2,795,544
Funds provided in Supplemental Acts	16,095,949		1,838,426	-14,257,523	+1,838,426
Total funds available for DoD	266,616,497	263,265,959	267,899,929	+1,283,432	+4,633,970

These figures include $16,095,949,000 in FY 1999 emergency defense funding included in P.L. 105-277, Omnibus Consolidated and Emergency Appropriations for FY 1999, and P.L. 106-31, Emergency Supplemental Appropriations for FY 1999; and $1,838,426,000 in FY 2000 emergency defense funding also included in P.L. 106-31.

Mr. Chairman, I reserve the balance of my time.

Mr. MURTHA. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin (Mr. OBEY).

Mr. OBEY. Mr. Chairman, I thank the gentleman for the time.

Mr. Chairman, the administration has two principal objections to this bill. The first is that they oppose the committee decision to cut out funds for the production of the F–22, and I flatly disagree with them on that. I think the committee has made the right choice.

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Secondly, the administration opposes a number of decisions that inflate the cost of this bill. This bill, in fact, comes in about $16 billion over last year, and on that I largely agree with the administration.

I will be voting against this bill because Congress, primarily the authorizing committee, has refused to act on another round of base closings, which could save us about $20 billion by the year 2005. We have seen use of budget gimmickry to artificially inflate the size of this bill, and for those reasons, I do not feel comfortable at this time in supporting this bill.

But I do want to say that I think the committee deserves the support of the House and its congratulations for making the correct decision on the F–22. The F–22, no doubt about it, is a beauty of an airplane. It is like a Jaguar or a Cadillac. It would be a great plane to have if we had all of the money in the world, but the problem is that its costs are taking off faster than the airplane is expected to if it is ever constructed.

Secondly, the General Accounting Office says that we certainly do not need it yet for a good number of years.

And thirdly, it is a $40 billion cancer which is eating a hole in the ability of the Air Force to meet a number of other high priority items. It gets in the way of high priority items such as additional jammers to protect our planes; it gets in the way of our ability to buy more tankers; it gets in the way of our ability to increase or transport capacity. So for those and a lot of other reasons.

I simply want to congratulate the gentleman from California and the gentleman from Pennsylvania. I think they have made the right choices for the right reasons, and I think this is a pro-defense action taken by the committee, and I would hope that the Congress would stick with that decision through the process.

Mr. MURTHA. Mr. Chairman, I yield myself 1 minute.

In the tradition of the gentleman from Florida (Mr. YOUNG), our chairman, and when I was in charge here, I want to compliment the gentleman from California (Mr. LEWIS) for how fast he learned this job.

Mr. Chairman, I yield back the balance of my time.

Mr. LEWIS of California. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida (Mr. YOUNG), the chairman of the full committee.

Mr. YOUNG of Florida. Mr. Chairman, I rise in support of this bill, I thank the gentleman for yielding the time, and I will be brief. This is a good bill.

This committee has worked extremely hard to do the right thing for America and for those who serve in our Armed Forces who keep America strong. This bill is a commitment on the part of the gentleman from California (Mr. LEWIS), the chairman of this subcommittee, who has done an outstanding job in bringing together all of the thousands and thousands of issues that he is faced with as he proceeds with the development of this appropriations bill. He has done a remarkable job, and I applaud him and compliment him for having done so.

Also, to the gentleman from Pennsylvania (Mr. MURTHA), there is no Republican and there is no Democrat on this Appropriations Committee who relates more to national defense. The gentleman is the epitome of that. His commitment is to the security of our Nation and to the well-being of those who serve in uniform.

Just one more point without getting into the details of the bill. All of us on this committee have a commitment to do the very best we can to avoid getting into any wars or battles or combat by having a strong force. We are also committed to the proposition that if our Americans in uniform must go to war, must go to battle, that they will go, having had the very best training that can possibly be available to them, to have the very best weapons possible available to them to accomplish their mission and to give themselves protection at the same time. And that if we do, indeed, have to go to battle again, that we go with such a strong force, that we accomplish our mission while keeping our casualties at an extremely, extremely low rate.

Mr. Chairman, the gentleman from California (Mr. LEWIS) and the gentleman from Pennsylvania (Mr. MURTHA) deserve just tremendous commendations, as do their staff. Having chaired this committee for the last 4 years, I can tell my colleagues that the staff have been so diligent, have put in so many hours and worked so hard, and they deserve a tremendous compliment as well.

Ms. JACKSON-LEE of Texas. Mr. Chairman, I rise today to address H.R. 2561, the Defense Appropriations for FY 2000. This bill provides $266.1 billion for Defense Appropriations, which represents a significant increase in defense spending. In general this bill addresses many of the concerns which face the Department of Defense, including military pay and benefits, readiness, and modernization shortfalls.

It is clear from my interaction with the men and women in service to the nation's defense that they continually serve our nation with unwavering dedication. Whether it is in service to the refugees displaced from Kosovo, on guard at the border between North and South Korea, or in the skies over Iraq; our servicemen and servicewomen represent our nation and our values. Mr. Chairman, they are truly this nation's best ambassadors.

Our nation owes our service members praise and thanks for the outstanding mission that they recently performed in the Balkans. I hope that this body will recognize General Wesley Clark for the extraordinary effort performed by him and the men and women he commanded during the operation.

Mr. Chairman, I am pleased that this bill addresses some of the concerns of our service members. The bill appropriates funds for a 4.8% pay increase for military personnel. The increase is 0.5% more than the Employment Cost Index—an index used by the private sector to calculate wage increases—and will reduce the current pay gap between the military and the private sector to 13%. The bill also contains a series of increases of special pay and bonuses, including increases of: $300 million in aviation continuation pay; $225 million for the basic allowance for housing; $39 million for enlistment bonuses; and $28 million for selective reenlistment bonuses, including increasing monthly pay for diving duty, raising maximum bonuses for officers involved with nuclear programs, and increasing foreign language proficiency pay. All these measures are designed to attract the best candidates for our armed services and to bolster efforts to entice already qualified service members to remain in their respective services.

This appropriation also includes funding for the Defense Health Program. The bill appropriates $11.1 billion to these initiatives, including $357 million for procurement and $250 million for research. The total also includes $175 million in funding for breast cancer-related research and treatment, and $75 million for basic and clinical prostate cancer research. It also allocates $19 million for research into gulf war illnesses, equal to the president's request.

In addition, Mr. Chairman, this appropriation bill also addresses readiness and modernization issues. This bill provides $3.9 billion for ballistic missile defense, but does not mandate the establishment of a national missile defense system. It also includes funding for upgrades to existing B–2 Stealth bombers, almost $1.0 billion for upgrades and new purchases of existing Air Force fighter aircraft; funding for a new submarine; and additional appropriations for ammunition and other munitions depleted during our recent conflict with Yugoslavia.

Mr. Chairman, though I am pleased to see the upgrades and new purchases of fighter aircraft, I was disappointed by the decision of the committee not to fund procurement of the F–22 fighter plane. The F–22 is the Air Force's planned next generation, premier fighter, intended to replace the F–15, and designed to have both air-to-air and air-to-ground fighter capabilities. The aircraft has been the centerpiece of the Air Force's modernization program for the past decade.

Richard Cohen, Secretary of Defense, has indicated that the cancellation of the F–22 will mean that the United States cannot guarantee air superiority in future conflicts. The F–15 and other fighters in the American arsenal will not provide the same dominance now enjoyed by the United States and any proposed upgrade will cost the same as the F–22 program. The F–22 is critical to the Air Forces mission to

maintain air superiority in the 21st century, as there are at least five foreign fighters already starting to eclipse the F–15. If nothing else can be learned from NATO's recent victory in the Balkans, it is that air superiority works.

I will support H.R. 2561 and I ask my colleagues to consider full funding for the F–22 program.

Mr. GEPHARDT. Mr. Chairman, I rise today in support of the FY 2000 Defense Appropriations bill. This legislation goes a long way in ensuring our country's military air superiority well into the future.

An important element of this bill is the $440 million directed for the purchase of eight F–15E strike fighters. As many of us know, the F–15 was the dominant aircraft in the Persian Gulf and Kosovo conflicts, and remains the most lethal and effective fighter in the world. It has maintained a perfect air combat record of 100 victories and zero losses since its introduction into the fleet. And with the upgrades funded by this legislation, this record can be extended well into the future. I am proud to note that the F–15's record of victory is due in large part to the men and women who build this aircraft for the Boeing Company in my hometown of St. Louis.

The F–22, the Air Force's next-generation fighter aircraft that has been in development since the 1980s, has encountered problems in its cost and development schedule. Given these circumstances, it is essential that the Air Force preserve a high quality and robust strike fighter for the foreseeable future. Continued production of the F–15E aircraft is the only way to accomplish this goal.

I commend the members of the Appropriations Committee for their responsible actions to ensure that we retain and enhance the capabilities required to protect America's security into the next century. I urge my colleagues to support this decision, and vote for this bill.

Mr. HOYER. Mr. Chairman, I rise in support of this bill and applaud the work of both the chairman, Mr. LEWIS and the ranking member, Mr. MURTHA. I believe the priorities which they have established in this bill are good for both our nation and for our nation's defense.

Mr. Chairman, we are preparing to enter the 15th consecutive year of real decline in defense spending. I am one of those who believes that we cannot continue to put the military at risk.

The funding constraints imposed by the balanced budget agreement make our choices more difficult. However, we still must ensure that other priorities do not drive us away from one of the primary responsibilities this Congress has, and that is ensuring our nation's defense.

The difficult choices Chairman LEWIS and ranking member MURTHA had to make in developing the bill before us demonstrate the bipartisan spirit and dedication to the commitment all of us must follow when it comes to providing for the security of our nation.

We all realize that the United States holds a unique position in the world. People all over the globe look to us for security and stability. It may not be fair, but it is reality.

While our military forces are shrinking, operations around the world are increasing. The increased pace of peacekeeping, humanitarian relief, and other operations is forcing our Armed Forces to do more wiht less. However, doing more with less is not always conducive with ensuring the long term readiness of our armed services.

Our forces which have served admirably in support of our operations in Kosovo and in Bosnia, as well as our continued enforcement of the no-fly zone over Iraq, are just some of the recent examples of our global leadership and responsibility. I continue to support our deployment of troops in these regions and believe the work they are accomplishing makes America a better place and the world a safer one.

I say to both the chairman and the ranking member that their priorities are right for our nation, we need to stand up for those priorities and pursue them.

I support this bill to appropriate $266 billion for critical defense needs in fiscal year 2000 and want to commend the committee for what is in the bill before us:

A 4.8% military pay raise. Mr. Chairman, I support this well deserved raise and look forward to my colleagues supporting pay parity for our federal employees. As you know, the House included a provision, which I sponsored, in the recently passed emergency supplemental, that calls for pay parity between military and civilian employees.

The reform of military retirement and special pay and bonuses that will give our military personnel greater incentives to stay until retirement.

$576 million for continued development of the joint strike fighter.

$2.7 billion for 36 F–18E/F aircraft for the Navy.

$856 million for 11 V–22 Osprey aircraft for the Marines.

$272 million for upgrades to the EA–6 prowler.

$207 million for 19 black hawk helicopters for the Army, National Guard and $130 million for desperately needed unfunded equipment for the National Guard.

In addition, I am especially proud of the committee's funding of important medical research including: $175 million for breast cancer research; and $75 million for prostate cancer research.

I applaud the committee for funding these DOD priorities and for addressing the needs of our men and women in the armed services.

Mr. LARSON. Mr. Chairman, I rise today to speak about this year's Defense Appropriations bill. I would like to commend Chairman LEWIS and Ranking Member Murtha on the hard work they have done to craft this legislation.

For the most part, this is a good piece of legislation. It addresses the serious need to deal with pay parity for our servicemen and women with a 4.8 percent pay increase for military personnel. The bill fully funds critical submarine programs and also includes funding to study the conversion of our ballistic missile submarines to conventional weapons platforms. It funds the army's crucial requirements for advanced helicopter procurements and research and development. Finally, it contains funding to test and certify new ejection seat technology for the Air Force. Technology has advanced significantly in this area and we can now filed a new pilot ejection system which can protect the lives of our pilots at greater speeds and heights, as well as smaller pilots than current models. the Committee has recognized these important issues and as unfailingly addressed them.

However, there is one particular part of the bill about which I have grave concerns for the continued nation. It provides no funding at all for the Air Force's F–22 advanced tactical fighter program. The F–22 modernization program is critical to the Air Force's mission to maintain air superiority in the 21st century.

Since this cut was announced, I have met personally with Air Force Secretary Whitten Peters and Spoken with Air Force Chief of Staff General Michael Ryan. As a member of the Armed Services Committee I have sat through numerous classified threat briefings which demonstrate the critical need for this airplane, including several over the last two weeks specifically about the F–22.

Yesterday morning I flew to Langley Air Force Base in Virginia to meet specifically with members of the First Fighter Wing's 94th Squadron under the command of General Ralph Eberhart. I spent the morning talking with several F–15 fighter pilots and crew chiefs. I think what they said needs to be part of this debate. So, I'd like to break for a minute from the political rhetoric that has clouded this issue and talk to you about what our airmen and women in the trenches have to say.

Simply put, after an extended and victorious air campaign in the former Yugoslavia, members of this body are about to send a clear message to our pilots that we are unwilling to spend money to save lives. I guarantee that if, god forbid, we had lost an F–15 in that conflict, we would not be standing here having this debate today.

The Air Force has ruled the skies and provided air superiority for all branches of the service for over 50 years. We cannot take this for granted and be lulled to sleep by our past success. The F–15 is clearly a great airplane. But the fact is that at least 5 foreign fighters are already starting to eclipse its technological envelope. Even more dangerous is the capability of advanced surface-to-air missiles like the Russian SA10, for sale openly on the international market.

I have continually heard the argument that the answer is to upgrade the F–15 fleet with more technology. I asked the pilots if this was true. They told me that you can't bolt enough technology onto the craft for it to out-class emerging fighters and SAMs. the crew chiefs were clear that most aircraft would not be able to structurally take a major upgrade. Did you know that spare parts to maintain the F–15 are so hard to get now that most squadrons ground one fully functional aircraft just to strip for spare parts? It will cost about 440 million per plane to upgrade the F–15 fleet, and there is no way to retrofit stealth technology. Spending money to upgrade the F–15 will get you an airplane with 1/3 the capabilities of the F–22 for 90 percent of the price.

Survivability is the key to a successful aircraft. The ability of the F–22 to cruise faster than the speed of sound without wasting fuel and using afterburners and its stealth capabilities are the key to survivability in the next century. The best we can hope for in upgrading the F–15 is near parity in the air. No one wants to enter a situation without an advantage where another person can kill you, and I cannot have it on my conscious to know that this Congress is asking exactly that of America's pilots.

Some have argued that we will maintain air superiority because we will still be flying at a five to one numerical advantage against potential enemy threats. This is a reversal to the

Russian policy during the Cold War to build low-tech weapons in mass quantities on the premises that numbers would prevail. America took the initiative to provide our soldiers with the best technological equipment available, and it is under the legacy and success of that policy that we have the luxury to hold this debate today. I would not want my son or daughter to be the acceptable loss in this new post-cold war strategy.

Finally, I would like to point out that, as a member of the Armed Services Committee, we dealt specifically with the cost issues associated with this program and fully funded the Air Forces F–22 request in H.R. 1401, the Defense Authorization bill for fiscal year 2000, which passed the House overwhelmingly on June 10, 1999. This policy was echoed in both defense authorization and appropriation bills recently acted upon in the other body. We recognized the Air Force's and Department of Defense's efforts to bring the cost of this program under control, and required the Secretary of the Air Force to report directly to Congress on their continuing efforts to meet the mandated spending caps designated for this program. I do not see significant reason barely a month later, to warrant the drastic shift in national defense policy this legislation would promote.

Again, I thank my colleagues for their commitment and dedication shown in drafting this important legislation, and hope that they will remain open to continue the important debate on this issue and work with us as the bill moves forward in Conference Committee.

Mr. WELDON of Pennsylvania. Mr. Chairman, as my colleagues no doubt recognize, one of the major challenges that the Department of Defense faces in the next century is providing adequate sealift capability in time of national emergency. This will become even more important as we complete the shift from a Cold war strategy which had large numbers of heavy forces forward deployed to a security posture that relies on mobile forces based in the United States.

Concerned about this looming shortage of sealift for overseas requirements, the Department has been proceeding with the construction of a fleet of advanced cargo vessels. However, even with this new construction, there will continue to be a deficiency of sealift capacity. To meet this deficiency, the Congress—under the leadership of then Senator Bill Cohen—created the National Defense Features program. The committees of jurisdiction have already authorized funds to commence the program. Once the commercial viability of a project has been demonstrated, I am sure the Appropriations Committee will be prepared to begin appropriating the necessary funds to cover the cost of adding defense features to eligible vessels.

Under the program, new vessels would be constructed in U.S. shipyards and would operate under the American flag in regular commercial service, subject to call up in an emergency. Under one proposal that has the strong backing of Congress, ten refrigerated commercial car carriers would be built with special military features, such as strengthened, hoistable decks. During normal commercial service, the vessels would carry vehicles to the United States and refrigerated products on the return trip to Japan. In times of national emergency, the ships could carry military supplies throughout the Pacific in support of any necessary operations there. Other commercial ventures also have been conceived that would similarly promote our national security interests.

I am concerned, however, that the Government of Japan has apparently been unwilling to formally endorse the proposed refrigerated car carrier proposal. Naturally, for any such initiative to succeed, there must be a sound commercial underpinning. This seems already to have been established. At this point in time, from the perspective of our two governments, the question thus would appear to be fundamentally this: would the project advance our mutual security interests? The short answer is yes. Moreover, it would appear that the proposal can be implemented without any apparent economic cost to the Government of Japan.

I hope that the Prime Minister of Japan will personally endorse increased U.S.-flag participation in the car carrying trade under the national defense features program. I also hope the Administration will take whatever steps may be necessary to work with the Government of Japan to get agreement on the project. We need to get on to the task of building new ships, hoisting the American flag, and putting them out to sea with experienced American merchant mariners on board to promote our mutual security interests.

Mr. ROEMER. Mr. Chairman, I wish to thank the distinguished chairmen (Mr. YOUNG of Florida and Mr. LEWIS of California), and the ranking member of the Defense appropriations subcommittee (Mr. MURTHA) for their support of the Hummer and Sea Snake programs, both critical to meet the needs of the soldier and for the hard-working constituents of Indiana's Third Congressional District. I also wish to thank the distinguished members of the Defense subcommittee, including PETE VISCLOSKY, JIM MORAN, and DAVE HOBSON for their support and hard work in support of U.S. troop readiness and national security concerns.

First, I would like to acknowledge their support for the High Mobility Multipurpose Wheeled Vehicle, also known as Hummer. Although the U.S. Army and Marine Corps budget requests for Hummer have been severely underfunded in recent years, I am pleased that both branches have adequately funded their requirements in the Fiscal 2000 budget. This bill fully funds the Pentagon's request for the Army, Marine Corps, and Air Force Hummer procurement requests.

In recent years, the Hummer has enjoyed strong congressional interest and support. The extensive efforts of this committee on behalf of the Hummer have been of tremendous benefit to my constituents and have resulted in considerable savings for the Armed Services. More important, the Hummer has met, and in many cases exceeded, the needs of our brave troops in the field.

As its track record clearly indicates, Hummers perform multiple missions and readiness requirements for the services including weapons platforms and tow carriers. The Hummer also serves as a platform for newly developed systems crucial to our readiness preparations. Just two years ago in Bosnia, an Up-Armored version of the Hummer that struck a 14-pound anti-tank landmine provided enough protection to miraculously allow its three occupants to walk away without injury.

Second, I wish to express my gratitude for the committee's support for the Sea Snake missile target program. At the present time, a missile target manufacturer in my district is competing for the Navy's next Supersonic Sea-Skimming Target (SSST) missile procurement contract. All I have ever sought for my constituents is that the Navy consider the Sea Snake proposal fairly and in an open competition. I would not ask the Navy nor the Congress to do anything more than that.

While this bill includes strong report language directing the Navy to expedite the ongoing target missile competition, we should continue to closely assess the reliability of a Russian source for the Navy's SSST program, as proposed by one of the competitors. Additionally, I remained concerned that future procurement of the Russian-made MA–31 will almost surely terminate the Navy's most reliable existing supplier of targets made in the United States.

Earlier this year, the Navy notified the manufacturer that they have eliminated procurement funding for the remaining U.S.-made target systems. This action alone has already resulted in the layoff of more than 50 of my constituents. Therefore, I urge the Congress to recognize the impact of this funding shortfall and work to address the future and integrity of the Navy's missile target procurement strategy.

Mr. BASS. Mr. Chairman, I rise to speak on the FY00 Defense Appropriations Act and to express my support for the Air Force's F–22.

I wish to commend the distinguished gentleman from California, Mr. LEWIS, for producing a bill that addresses the serious and evolving challenges facing our military. Under his guidance, the subcommittee has worked very hard to promote our national security within a constrained budget, and I believe the bill before us goes a long way toward addressing many of our most urgent military requirements.

I am, however, troubled by the subcommittee's recommendation to cut $1.8 billion from the F–22 program. I certainly appreciate the subcommittee's concerns about the program and am fully aware of the substantial challenges it faced as it sought to reconcile military requirements with available resources. Nevertheless, I believe that the F–22 remains critical to maintaining the air superiority that has proven invaluable to the United States to date and will continue to be a fundamental requirement in the future if our interests are to be protected. Indeed, the F–22 program is the Air Force's number one priority.

Mr. Chairman, although I support the bill before us on the whole, I look forward to working with the subcommittee chairman and other members of the committee to ensure that the F–22 is fully funded in the final bill.

Mr. PACKARD. Mr. Chairman, during this time of tight budget constraints, I want to acknowledge the efforts of my Republican colleagues who have insisted that we devote more resources toward our nation's defense. The FY 2000 Defense Appropriations bill offers relief for our men and women in uniform who protect and serve our nation in the armed services.

Current events prove that the United States continues to serve security interests around the globe. With this in mind, we must address the deterioration of our military readiness. The funds provided by the FY 2000 Defense Appropriations bill are an important first step.

This legislation will allow Congress to correct many shortcomings, including increased

health programs, an increase in military pay and additional defense weapons for our country. We need to continue to provide our soldiers with the resources they need to protect freedom and themselves.

We must stop neglecting the needs of our military. It has always been one of the central purposes of the Appropriations Committee to provide the necessary resources to ensure that our military is second to none and I commend Chairman LEWIS and the Appropriations Subcommittee on Defense for their hard work and dedication to our nation's soldiers.

Mr. VENTO. Mr. Chairman, as this Congress faces tight funding levels on all federal programs, once again, the Republication leadership has decided to substantially increase spending for the Pentagon. The DOD bill provides $288 billion, $8 billion more than the President requested, almost $10 billion more than the spending caps set by the 1997 balanced budget law and $17.4 billion more than appropriated for 1999. This bill blatantly steam rolls over the much touted budget rules and discipline the GOP has advertised. Thus, making a mockery of the vows to keep within budget limits simply by employing changing dates and previous ''emergency appropriations actions''.

While this measure provides for a much needed military pay raise for our soldiers and sailors, a smart reduction in production of the unnecessary F–22 fighter, a much needed $19 million for further research into gulf war illness and $56 million in international humanitarian assistance, in total H.R. 2561 will seriously drain resources away from important people programs. Furthermore, with $1.2 billion in research going forward, the F–22 is hardly down and out and will surely be back at its $200–300M a copy price. I need not remind my colleagues that just a few months ago, this House voted to appropriate nearly $11 billion in emergency spending for the Kosovo campaign. The final product of the House/Senate conference totaled $14.5 billion, roughly $8 billion more than the President's request. While I supported the U.S./NATO campaign, I did not support this emergency supplemental because the GOP insisted upon loading it down with wasteful and unnecessary military pork projects that were totally unrelated to the air campaign against the Serb aggression in Kosovo. Moreover, the Republican leadership chose to avoid the budget by funding FY 2000 projects in that emergency measure, to avoid the budget rules.

H.R. 2561 provides no funds for the current Kosovo peace keeping. This clearly assumes that more funds are needed in a supplemental or emergency spending request at a later date in year 2000. This is a fraudulent policy by spending on the hardware and then turning needed programs and funding into a crisis, apparently trying to justify emergency spending.

The battle over the F–22 is in focus today. There is no threat which necessitates a next generation fighter. The F–22 program was initiated in 1981 to meet the evolving threat posed by the next generation of Soviet aircraft. The war in Kosovo demonstrated the superiority—both qualitative and quantitative—of the current fleet of F–15's and F–16's to maintain U.S. dominance in the skies. Not only were current fighters undefeated in their encounters with the limited ability Serbian fighters, but the Yugoslav Air Force was reluctant even to deploy their aircraft to challenge U.S. fighters. This scenario is a repeat of Iraq reluctance to challenge U.S. air dominance in the gulf war and later confrontations in the no-fly zones. Furthermore, the price tag of nearly $200–$300 million per plane has ballooned out of control However, while trying to eliminate the F–22, this measure diverts the funds to purchase more F–15's and F–16's, additional C–17 Air Force bombers and unrequested funding for eight KC–130J's. As a result, no new maintenance and savings are achieved. All this bill does is add more new hardware and weapon systems as substitute for fiscal discipline, and the prospect of buying F–22 at even a higher price tomorrow.

Even though veterans suffer from inadequate health care, low income families lack public housing, our nations schools are crumbling, classrooms are overcrowded and seniors do not have necessary prescription drug coverage, the Republican-led majority continues to display an inability to address these important issues by again channeling limited resources under the budget caps to Pentagon spending. Our military superiority was demonstrated successfully in the Kosovo conflict. Our national defense technology and capabilities far outmatch any direct threat to our military forces. Our priorities ought to be investment in readiness, maintenance, and smart military service, not weapons systems alone. Limited and careful policy would not expend another $4 billion on a unproven and highly questionable missile defense system. This system passed one experiment, but has failed repeatedly to live up to its promise after three decades and at least $100 billion in tax payer spending. Reason would suggest that this is not prudent policy, but fears and the pressure of special interests has kept this policy moving forward no matter the cost and practicality.

Congress must reassess our national priorities and focus upon our pressing needs. I urge my colleagues to vote ''no'' on this measure.

Ms. DUNN. Mr. Chairman, I support the passage of the Fiscal Year 2000 Defense Appropriations Bill. This legislation effectively addresses the growing quality of life, readiness, and modernization shortfalls facing today's military. It attempts to manage the competing pressures and risks associated with an expansive U.S. national security strategy and diminishing defense resources.

I am particularly pleased that the House Appropriations Committee found merit in two worthwhile programs managed by innovative companies located in Washington State's 8th Congressional District. This bill allots $8 million to Asymetrix Learning Systems, Inc. for the development of an online education program for the Washington State Army National Guard. Additionally, it allocates $4 million to Adroit Systems, Inc. to develop Pulse Detonation Engine technology, which will allow the Navy to improve missile capabilities while reducing future procurement costs.

Despite the positive steps this bill takes to improve our national security, I would like to take the opportunity to express my concern regarding the $1.8 billion reduction for the procurement of the F–22 fighter. The F–22 Raptor is the Air Force's next-generation air-superiority fighter, the aircraft that will take the lead in seizing control of contested airspace in wartime so that other aircraft can do their jobs. It is the only air-superiority fighter that the Air Force has in advanced development, and the first such aircraft developed since the 1970s.

Recent trends in warfare suggest that whoever owns the sky and space above it will own the future. According to the Lexington Institute, the F–22 gives the only opportunity the Air Force has to ensure America's military continues to control the sky during the early decades of the 21st century. No other tactical combat aircraft in service today has a similar capacity to successfully operate amid the emerging foreign-made air-to-air missile threat. And because it is survivable, no other American aircraft will be able to effectively engage in battle as close to the enemy as the F–22 Raptor.

An April 27 statement by seven former defense secretaries emphasizes that continued development and production of the F–22 is essential to preserving U.S. command of the air. Additionally, even in a period of diminished threats, other nations will gradually overtake and surpass the fighting effectiveness of current U.S. fighters. Therefore, the agility, firepower, and situational awareness embodied in the F–22 must be funded.

The decision to fund this project will have a long term strategic effect on America's defense capabilities. We must retain our ability to establish air dominance by supporting the continued procurement of the F–22 Raptor. The funding of this next-generation fighter is essential to the air superiority of the United States of America and the entire free world.

Mr. HOBSON. Mr. Chairman, I rise in support of H.R. 2561, the Department Defense Appropriations Act for Fiscal Year 2000. This bill carefully balances scarce resources by maintaining readiness, providing a much deserved pay raise for our troops and ensuring that our military continues its technological dominance over potential enemies. I urge support for this bill.

Mr. Chairman, this Administration has been dramatically and consistently underfunding our military, while at the same time, asking it to do more with less. Our troops have been committed to more operations in the last ten years than at any time since World War II. This has created a situation whereby we have excessive wear and tear on equipment and facilities. In addition, our soldiers, sailors and airmen are having to spend extraordinary time away from their homes and their families. While our troops have performed admirably, the time has come where they can no longer do more with less.

The defense budget presented by the President fell far short of the needs that our military had requested. For instance, in my bill, Military Construction, there was not one request for a new unit of family housing in the Continental United States (CONUS) made by either the Army or the Navy. With a housing backlog that stretches for over ten years, and a real property maintenance backlog of almost a billion dollars, the needs of the services are real.

In fact, in hearings before the Defense Appropriations Subcommittee, the services provided us with an unfunded priority list of over $11 billion for this year alone, and over $150 billion during the next five years. While remaining within the budget caps, this Defense Appropriations bill begins to address this shortfall by providing an extra $2.8 billion above what the Administration felt would have been adequate. Highlights of the bill include: $300 million above the budget request for pilot bonuses; $854 million above the budget request for Quality of Life enhancements; $103

million above the budget request for recruiting; $2.8 billion above the budget request for Research, Development, Test and Evaluation; and 4.8 percent pay raise (above the budget request)

Mr. Chairman, this bill is a step in the right direction. While it does not fix all of the problems that our military is facing today, it does take necessary steps to ensure that funds will be directed first to those items that are broken, and give our troops the tools they need to protect our country and our future.

I urge my colleagues to support this bill.

Mr. BARR of Georgia. Mr. Chairman, a French proverb says ''[w]ar is much too serious to leave to the generals.'' Mr. Speaker, I rise today to say exactly the opposite. War is far too important to be left to politicians.

Today, the House stands on the verge of sending the Senate a bill that may very well terminate the F–22 program. On one side, we have a carefully planned, smoothly executed plan by politicians to scrap the fighter. On the other side, we have every general in the Pentagon telling us our national security will suffer a fatal blow if we choose to give up air dominance in the next century.

In a letter to Congress last week, Secretary of Defense William Cohen told us that ''Canceling the F–22 program means we cannot guarantee air superiority in future conflicts.'' Six former Secretaries of Defense have echoed Secretary Cohen's words, calling the F–22 a ''essential'' program that must be fully funded.

Make no mistake about it, Mr. Speaker. If we cancel the F–22, we are making a decision to stake the lives of American soldiers on inferior equipment because some in Congress think they know more about air warfare than the United States Air Force.

Ironically, canceling the F–22 won't even accomplish its stated goal of saving money. Secretary Cohen has told us the alternative to the F–22—an upgraded F–15 (already over 25 years old)—will cost the same as the F–22, but will not provide air dominance. The Secretary has also told us—correctly—that not only will the Joint Strike Fighter or JSF be unable to fill the air superiority role, it will also be unable to handle its strike role without F–22 support. This is the legislative equivalent of rejecting a Cadillac in order to buy a Yugo for twice the price. The JSF is not, was never contemplated to be, and cannot be made into, the F–22. It is not an air-superiority fighter. It is a subsonic tactical fighter that goes into a conflict after the F–22 establishes air dominance. the JSF cannot itself establish air dominance.

In September of 1939, Neville Chamberlain told the British people to go home and rest easy because he had purchased ''peace for our time.'' the following September, an unprepared Great Britain began a fight for its life with Nazi Germany. We must not make a long-term mistake for a short-term gain, by canceling the F–22. We must not allow our easy victory in Kosovo to lead us to mistakenly assume we will always have air superiority.

Again, the facts are clear. First—this decision may very well end the F–22 program, by raising future costs so high we will not be able to restart it later. Second—without the F–22, American forces will to a certainty, be outgunned by the next generation of missiles and aircraft already nearing production by three nations (Russia, France, and Sweden), each of which is ready to use them or sell them to the highest bidders. Third—by giving up air superiority, we are encouraging our enemies to attack us and ensuring that young Americans will pay on the battlefields of the future; only a few short years away.

In short, we will have rejected the wisdom of George Washington, who told Congress ''[t]o be prepared for war is one of the most effectual means of preserving peace.'' The ancient Chinese military strategist Sun Tzu said the same thing two thousand years ago when he wrote that ''[v]ictorious warriors win first, and then go to war, while defeated warriors go to war first and then seek to win.'' Mr. Speaker, if Congress kills the F–22 program we will pay dearly later for ignoring this sage advice now.

Mr. NETHERCUTT. Mr. Chairman, as a member of the Defense Subcommittee, I am proud to support the outstanding package that we put together under the leadership of Chairman LEWIS and Mr. MURTHA. H.R. 2561 improves on the President's request by adding $2.8 billion for critical defense initiatives. Equally important, when supplemental funds are included, this bill provides the first consecutive year increase in defense spending since 1985. Despite these slight increases, we were forced to make many tough choices in this bill. Persistent underfunding of defense needs and an extraordinarily high operations tempo generated an unfunded request list from the services chiefs totalling some $7 billion.

In this legislation we have the advantage of hindsight on Operation Allied Force, which exposed a number of urgent needs that are not addressed in the President's request. I am particularly pleased at what we were able to do for two platforms which I regard as enablers for the conduct of all military operations: tankers and jammers.

H.R. 2561 provides $208 million for KC–135 reengining, allowing the Air National Guard to convert 8 aircraft with modern engines. The Kosovo operation showed clearly that we rely on KC–135 aerial refueling tankers for all air missions and both active and guard crews were hard pressed to support the campaign. These forty year old aircraft are the backbone of our global capabilities and new engines dramatically increase their capability, allowing a 25 percent increase in fuel offload capability, a 35 percent reduction in time to climb, a 23 percent reduction in take off distance, while also meeting current noise and pollution standards. Yet, the Air Force has refused to commit seriously to reengining these aircraft which are the legs of the entire service. In previous years, the Defense Subcommittee has wisely added funds for one or two kits a year, but more than 130 aircraft remain to be reengined. Unfathomably, in a period of dramatically increased global deployments, the Air Force has delayed conversions until 2002. This legislation meets the need and puts the Air Force on an economical path to actually integrate modern engines onto an aging airframe for which there is no proposed alternative.

The bill also addresses the tactical aircraft jammer crisis. To pay the growing bills on the F–22, the Air Force sacrificed its entire fleet of EF–111A tactical jamming aircraft, leaving the entire DOD with a single platform, the EA–6B Prowler, to perform this essential mission. These aircraft were heavily utilized over Kosovo, performing 717 wartime sorties. But to meet the need, the Prowlers were stretched thin. Coverage of Korea was eliminated, safety standards were waived, spare parts were stripped from everywhere else in the world and squadrons on the East and West coasts were put on alert interfering with training. Two squadrons returning from 6 month carrier deployments were turned around and again deployed to Aviano, instead of seeing their families. In all, 12 of 19 squadrons were at-sea or deployed.

The Kosovo operation showed that we simply do not have enough Prowlers to support our national strategy. The operation also revealed other deficiencies that must be corrected. EA–6Bs are not night-vision capable, which requires air crews to fly with external lights, illuminating them to adversaries. They have no data link capability and thus have difficulty discerning the location of friendly and enemy aircraft. And while DOD acknowledges that within 10 years we will face a severe inventory problem, there is no plan to address this issue. Our bill provides $227 million to fund a package of improvements to the fleet. We have included night vision equipment, simulators, a data link capability and funding for a follow-on replacement aircraft. As with the KC–135, this is a national capability that is readily recognized but unsupported by DOD because of limited modernization funds. The lessons of Kosovo demonstrate the importance of both platforms and I strongly support the Committee's actions on these two aircraft.

The Committee has managed to address many such modernization shortfalls in this bill while also providing for quality of life initiatives. The bill fully funds the 4.8 percent pay raise and supports pay table and retirement reform. We have increased the Basic Allowance for Housing by $225 million. Our continued concern about pilot retention was reflected in a $300 million increase for aviation continuation pay. Retention is about more than pay however, and the report directs DOD to undertake a comprehensive quality of life study to provide a foundation for addressing other issues that have negative effects on unit morale and readiness.

I believe this is an outstanding bill which addresses a wide range of critical, yet unfunded near-term priorities within the Department of Defense. It is essential that we act on the immediate lessons of Kosovo and by directing funding to such areas as tankers and jammers we have improved the overall capabilities of our forces. I urge Members to support this bill.

Mr. STARK. Mr. Chairman, I rise today in opposition to the proposed $266 billion for the Defense Appropriations for FY 2000. This bill appropriates $2.8 billion more than the administration's request. This includes hundreds of millions of dollars needed to build new F–15s and F–16s—both Cold War fossils—and $3.9 billion for a national missile defense system.

What is the threat that we need such elaborate and expensive items to add to the U.S. defense? What is the threat that we are willing to forsake health care for our children, smaller classrooms for our children and prescription drug coverage for our seniors?

Times are changing. The $3.9 billion that is to be spent on missile defense is an example of money invested in a non-existent threat. The proposed National Missile Defense (NMD) program would have been much more useful fifteen years ago, during the Cold War. Biological and chemical warfare is the foreseen

threat these days, and an NMD program will soon be obsolete. Defense spending should be decreasing, yet it is costing more and more each year to defend ourselves from an invisible enemy.

The Pentagon is the largest source of bureaucratic waste, fraud and abuse in the federal government. Military contractors and their champions in Congress fuel wasteful military spending by promoting weapons as jobs programs and stuffing pork projects into districts and states. When in reality, the jobs gained in the U.S. pales in comparison to those sent overseas to complete the majority of weapons development. Congress should hold military projects to the same ''pork accountability standard'' as other government projects.

The worst part of it all is that in order to fund these ridiculous increases, programs designed for community and regional development programs will suffer the most. Massive cuts in domestic programs will equal a massive loss in jobs for teachers, construction workers, civil service workers, and others. This money could also be directed to improve the quality of childcare for working families, improving Medicare, and increased funding for medical research.

Remember to keep in mind the $13 billion wasted in Kosovo—a situation that could have been settled through peace talks and negotiations. Now, NATO wants our support to rebuild the bridges, roads, and towns that were destroyed.

I strongly urge my colleagues to join me in opposing this wasteful and misdirected use of $266 billion. Please oppose H.R. 2561, the Defense Appropriations for Fiscal Year 2000.

Mr. LEWIS of California. Mr. Chairman, I very much appreciate my colleague's comments, and with that, for general debate purposes, I yield back the balance of my time.

The CHAIRMAN. All time for general debate having expired, pursuant to the rule, the bill shall be considered for amendment under the 5-minute rule. During consideration of the bill for amendment, the Chair may accord priority in recognition to a Member offering an amendment that he has printed in the designated place in the CONGRESSIONAL RECORD. Those amendments will be considered read.

The Chairman of the Committee of the Whole may postpone a request for a recorded vote on any amendment and may reduce to a minimum of 5 minutes the time for voting on any postponed question that immediately follows another vote, provided that the time for voting on the first question shall be a minimum of 15 minutes.

The Clerk will read.

The Clerk read as follows:

H.R. 2561

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 2000, for military functions administered by the Department of Defense, and for other purposes, namely:

TITLE I

MILITARY PERSONNEL

MILITARY PERSONNEL, ARMY

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Army on active duty (except members of reserve components provided for elsewhere), cadets, and aviation cadets; and for payments pursuant to section 156 of Public Law 97–377, as amended (42 U.S.C. 402 note), to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and to the Department of Defense Military Retirement Fund; $21,475,732,000.

MILITARY PERSONNEL, NAVY

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Navy on active duty (except members of the Reserve provided for elsewhere), midshipmen, and aviation cadets; and for payments pursuant to section 156 of Public Law 97–377, as amended (42 U.S.C. 402 note), to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and to the Department of Defense Military Retirement Fund; $16,737,072,000.

MILITARY PERSONNEL, MARINE CORPS

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Marine Corps on active duty (except members of the Reserve provided for elsewhere); and for payments pursuant to section 156 of Public Law 97–377, as amended (42 U.S.C. 402 note), to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and to the Department of Defense Military Retirement Fund; $6,353,622,000.

MILITARY PERSONNEL, AIR FORCE

For pay, allowances, individual clothing, subsistence, interest on deposits, gratuities, permanent change of station travel (including all expenses thereof for organizational movements), and expenses of temporary duty travel between permanent duty stations, for members of the Air Force on active duty (except members of reserve components provided for elsewhere), cadets, and aviation cadets; and for payments pursuant to section 156 of Public Law 97–377, as amended (42 U.S.C. 402 note), to section 229(b) of the Social Security Act (42 U.S.C. 429(b)), and to the Department of Defense Military Retirement Fund; $17,565,811,000.

RESERVE PERSONNEL, ARMY

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Army Reserve on active duty under sections 10211, 10302, and 3038 of title 10, United States Code, or while serving on active duty under section 12301(d) of title 10, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty or other duty, and for members of the Reserve Officers' Training Corps, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund; $2,235,055,000.

RESERVE PERSONNEL, NAVY

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Navy Reserve on active duty under section 10211 of title 10, United States Code, or while serving on active duty under section 12301(d) of title 10, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty, and for members of the Reserve Officers' Training Corps, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund; $1,425,210,000.

RESERVE PERSONNEL, MARINE CORPS

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Marine Corps Reserve on active duty under section 10211 of title 10, United States Code, or while serving on active duty under section 12301(d) of title 10, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty, and for members of the Marine Corps platoon leaders class, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund; $403,822,000.

RESERVE PERSONNEL, AIR FORCE

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Air Force Reserve on active duty under sections 10211, 10305, and 8038 of title 10, United States Code, or while serving on active duty under section 12301(d) of title 10, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing reserve training, or while performing drills or equivalent duty or other duty, and for members of the Air Reserve Officers' Training Corps, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund; $872,978,000.

NATIONAL GUARD PERSONNEL, ARMY

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Army National Guard while on duty under section 10211, 10302, or 12402 of title 10 or section 708 of title 32, United States Code, or while serving on duty under section 12301(d) of title 10 or section 502(f) of title 32, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing training, or while performing drills or equivalent duty or other duty, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund; $3,486,427,000.

NATIONAL GUARD PERSONNEL, AIR FORCE

For pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for personnel of the Air National Guard on duty under section 10211, 10305, or 12402 of title 10 or section 708 of title 32, United States Code, or while serving on duty under section 12301(d) of title 10 or section 502(f) of title 32, United States Code, in connection with performing duty specified in section 12310(a) of title 10, United States Code, or while undergoing training, or while performing drills or equivalent duty or other duty, and expenses authorized by section 16131 of title 10, United States Code; and for payments to the Department of Defense Military Retirement Fund; $1,456,248,000.

TITLE II

OPERATION AND MAINTENANCE

OPERATION AND MAINTENANCE, ARMY

(INCLUDING TRANSFER OF FUNDS)

For expenses, not otherwise provided for, necessary for the operation and maintenance

of the Army, as authorized by law; and not to exceed $10,624,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Army, and payments may be made on his certificate of necessity for confidential military purposes; $19,629,019,000 and, in addition, $50,000,000 shall be derived by transfer from the National Defense Stockpile Transaction Fund: *Provided,* That of the funds made available under this heading, $6,000,000, to remain available until expended, shall be transferred to ''National Park Service—Construction'' within 30 days of enactment of this Act, only for necessary infrastructure repair improvements at Fort Baker, under the management of the Golden Gate Recreation Area: *Provided further,* That of the funds appropriated in this paragraph, not less than $355,000,000 shall be made available only for conventional ammunition care and maintenance:

Provided further, That of the funds appropriated under this heading, $4,000,000 shall not be available until thirty days after the Secretary of the Army provides to the congressional defense committees the results of an assessment, solicited by means of a competitive bid, on the prospects of recovering costs associated with the environmental restoration of the Department of the Army's government-owned, contractor-operated facilities.

OPERATION AND MAINTENANCE, NAVY

(INCLUDING TRANSFER OF FUNDS)

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Navy and the Marine Corps, as authorized by law; and not to exceed $5,155,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Navy, and payments may be made on his certificate of necessity for confidential military purposes; $23,029,584,000 and, in addition, $50,000,000 shall be derived by transfer from the National Defense Stockpile Transaction Fund.

OPERATION AND MAINTENANCE, MARINE CORPS

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Marine Corps, as authorized by law; $2,822,004,000.

OPERATION AND MAINTENANCE, AIR FORCE

(INCLUDING TRANSFER OF FUNDS)

For expenses, not otherwise provided for, necessary for the operation and maintenance of the Air Force, as authorized by law; and not to exceed $7,882,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Air Force, and payments may be made on his certificate of necessity for confidential military purposes; $21,641,099,000 and, in addition, $50,000,000 shall be derived by transfer from the National Defense Stockpile Transaction Fund.

OPERATION AND MAINTENANCE, DEFENSE-WIDE

(INCLUDING TRANSFER OF FUNDS)

For expenses, not otherwise provided for, necessary for the operation and maintenance of activities and agencies of the Department of Defense (other than the military departments), as authorized by law; $11,401,733,000, of which not to exceed $2,000,000 is for providing the Computer/Electronic Accommodations program to federal agencies which otherwise do not receive funding for such purposes; of which not to exceed $25,000,000 may be available for the CINC initiative fund account; and of which not to exceed $32,300,000 can be used for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of Defense, and payments may be made on his certificate of necessity for confidential military purposes: *Provided,* That of the amount appropriated under the heading ''Operation and Maintenance, Defense-Wide'' in division B, title I, of Public Law 105–277, the amount of $177,000,000 not covered as of July 12, 1999, by an official budget request under the fifth proviso of that section is available, subject to such an official budget request for that entire amount, only for the following accounts in the specified amounts:

''Other Procurement, Air Force'', $47,000,000;

''Procurement, Defense-Wide'', $100,000,000; and

''Research, Development, Test and Evaluation, Air Force'', $30,000,000:

Provided further, That none of the amount of $177,000,000 described in the preceding proviso may be made available for obligation unless the entire amount is released to the Department of Defense and made available for obligation for the programs, and in the amounts, specified in the preceding proviso: *Provided further,* That of the amounts provided under this heading, $40,000,000 to remain available until expended, is available only for expenses relating to certain classified activities, and may be transferred as necessary by the Secretary of Defense to operation and maintenance, procurement, and research, development, test and evaluation appropriations accounts, to be merged with and to be available for the same time period as the appropriations to which transferred: *Provided further,* That the transfer authority provided under this heading is in addition to any other transfer authority provided in this Act: *Provided further,* That of the funds made available under this heading, $10,000,000 shall be available only for retrofitting security containers that are under the control of, or that are accessible by, defense contractors.

OPERATION AND MAINTENANCE, ARMY RESERVE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Army Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications; $1,513,076,000.

OPERATION AND MAINTENANCE, NAVY RESERVE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Navy Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications; $969,478,000.

OPERATION AND MAINTENANCE, MARINE CORPS RESERVE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Marine Corps Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications; $143,911,000.

OPERATION AND MAINTENANCE, AIR FORCE RESERVE

For expenses, not otherwise provided for, necessary for the operation and maintenance, including training, organization, and administration, of the Air Force Reserve; repair of facilities and equipment; hire of passenger motor vehicles; travel and transportation; care of the dead; recruiting; procurement of services, supplies, and equipment; and communications; $1,788,091,000.

OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD

For expenses of training, organizing, and administering the Army National Guard, including medical and hospital treatment and related expenses in non-Federal hospitals; maintenance, operation, and repairs to structures and facilities; hire of passenger motor vehicles; personnel services in the National Guard Bureau; travel expenses (other than mileage), as authorized by law for Army personnel on active duty, for Army National Guard division, regimental, and battalion commanders while inspecting units in compliance with National Guard Bureau regulations when specifically authorized by the Chief, National Guard Bureau; supplying and equipping the Army National Guard as authorized by law; and expenses of repair, modification, maintenance, and issue of supplies and equipment (including aircraft); $3,103,642,000.

OPERATION AND MAINTENANCE, AIR NATIONAL GUARD

For operation and maintenance of the Air National Guard, including medical and hospital treatment and related expenses in non-Federal hospitals; maintenance, operation, repair, and other necessary expenses of facilities for the training and administration of the Air National Guard, including repair of facilities, maintenance, operation, and modification of aircraft; transportation of things, hire of passenger motor vehicles; supplies, materials, and equipment, as authorized by law for the Air National Guard; and expenses incident to the maintenance and use of supplies, materials, and equipment, including such as may be furnished from stocks under the control of agencies of the Department of Defense; travel expenses (other than mileage) on the same basis as authorized by law for Air National Guard personnel on active Federal duty, for Air National Guard commanders while inspecting units in compliance with National Guard Bureau regulations when specifically authorized by the Chief, National Guard Bureau; $3,239,438,000.

OVERSEAS CONTINGENCY OPERATIONS TRANSFER FUND

(INCLUDING TRANSFER OF FUNDS)

For expenses directly relating to Overseas Contingency Operations by United States military forces; $1,812,600,000, to remain available until expended: *Provided,* That the Secretary of Defense may transfer these funds only to operation and maintenance accounts within this title, the Defense Health Program appropriation, and to 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 upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation: *Provided further,* That the transfer authority provided in this paragraph is in addition to any other transfer authority contained elsewhere in this Act.

UNITED STATES COURT OF APPEALS FOR THE ARMED FORCES

For salaries and expenses necessary for the United States Court of Appeals for the Armed Forces; $7,621,000, of which not to exceed $2,500 can be used for official representation purposes.

ENVIRONMENTAL RESTORATION, ARMY

(INCLUDING TRANSFER OF FUNDS)

For the Department of the Army, $378,170,000, to remain available until transferred: *Provided,* That the Secretary of the

Army shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, removal of unsafe buildings and debris of the Department of the Army, or for similar purposes, transfer the funds made available by this appropriation to other appropriations made available to the Department of the Army, to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred: *Provided further,* That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation: *Provided further,* That the transfer authority provided in this paragraph is in addition to any other transfer authority provided elsewhere in this Act.

ENVIRONMENTAL RESTORATION, NAVY

(INCLUDING TRANSFER OF FUNDS)

For the Department of the Navy, $284,000,000, to remain available until transferred: *Provided,* That the Secretary of the Navy shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, removal of unsafe buildings and debris of the Department of the Navy, or for similar purposes, transfer the funds made available by this appropriation to other appropriations made available to the Department of the Navy, to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred: *Provided further,* That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation: *Provided further,* That the transfer authority provided in this paragraph is in addition to any other transfer authority provided elsewhere in this Act.

ENVIRONMENTAL RESTORATION, AIR FORCE

(INCLUDING TRANSFER OF FUNDS)

For the Department of the Air Force, $376,800,000, to remain available until transferred: *Provided,* That the Secretary of the Air Force shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, removal of unsafe buildings and debris of the Department of the Air Force, or for similar purposes, transfer the funds made available by this appropriation to other appropriations made available to the Department of the Air Force, to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred: *Provided further,* That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation: *Provided further,* That the transfer authority provided in this paragraph is in addition to any other transfer authority provided elsewhere in this Act.

ENVIRONMENTAL RESTORATION, DEFENSE-WIDE

(INCLUDING TRANSFER OF FUNDS)

For the Department of Defense, $25,370,000, to remain available until transferred: *Provided,* That the Secretary of Defense shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, removal of unsafe buildings and debris of the Department of Defense, or for similar purposes, transfer the funds made available by this appropriation to other appropriations made available to the Department of Defense, to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred: *Provided further,* That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation: *Provided further,* That the transfer authority provided in this paragraph is in addition to any other transfer authority provided elsewhere in this Act.

ENVIRONMENTAL RESTORATION, FORMERLY USED DEFENSE SITES

(INCLUDING TRANSFER OF FUNDS)

For the Department of the Army, $209,214,000, to remain available until transferred: *Provided,* That the Secretary of the Army shall, upon determining that such funds are required for environmental restoration, reduction and recycling of hazardous waste, removal of unsafe buildings and debris at sites formerly used by the Department of Defense, transfer the funds made available by this appropriation to other appropriations made available to the Department of the Army, to be merged with and to be available for the same purposes and for the same time period as the appropriations to which transferred: *Provided further,* That upon a determination that all or part of the funds transferred from this appropriation are not necessary for the purposes provided herein, such amounts may be transferred back to this appropriation: *Provided further,* That the transfer authority provided in this paragraph is in addition to any other transfer authority provided elsewhere in this Act.

OVERSEAS HUMANITARIAN, DISASTER, AND CIVIC AID

For expenses relating to the Overseas Humanitarian, Disaster, and Civic Aid programs of the Department of Defense (consisting of the programs provided under sections 401, 402, 404, 2547, and 2551 of title 10, United States Code); $55,800,000, to remain available until September 30, 2001.

FORMER SOVIET UNION THREAT REDUCTION

For assistance to the republics of the former Soviet Union, including assistance provided by contract or by grants, for facilitating the elimination and the safe and secure transportation and storage of nuclear, chemical, and other weapons; for establishing programs to prevent the proliferation of weapons, weapons components, and weapon-related technology and expertise; for programs relating to the training and support of defense and military personnel for demilitarization and protection of weapons, weapons components, and weapons technology and expertise; $456,100,000, to remain available until September 30, 2002.

QUALITY OF LIFE ENHANCEMENTS, DEFENSE

For expenses, not otherwise provided for, resulting from unfunded shortfalls in the repair and maintenance of real property of the Department of Defense (including military housing and barracks); $800,000,000, for the maintenance of real property of the Department of Defense (including minor construction and major maintenance and repair), which shall remain available for obligation until September 30, 2001, as follows:

Army, $182,600,000;
Navy, $285,200,000;
Marine Corps, $62,100,000;
Air Force, $259,600,000; and
Defense-Wide, $10,500,000:

Provided, That notwithstanding any other provision of law, of the funds appropriated under this heading for Defense-Wide activities, the entire amount shall only be available for grants by the Secretary of Defense to local educational authorities which maintain primary and secondary educational facilities located within Department of Defense installations, and which are used primarily by Department of Defense military and civilian dependents, for facility repairs and improvements to such educational facilities: *Provided further,* That such grants to local educational authorities may be made for repairs and improvements to such educational facilities as required to meet classroom size requirements: *Provided further,* That the cumulative amount of any grant or grants to any single local educational authority provided pursuant to the provisions under this heading shall not exceed $1,500,000.

TITLE III

PROCUREMENT

AIRCRAFT PROCUREMENT, ARMY

For construction, procurement, production, modification, and modernization of aircraft, equipment, including ordnance, ground handling equipment, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; $1,590,488,000, to remain available for obligation until September 30, 2002.

MISSILE PROCUREMENT, ARMY

For construction, procurement, production, modification, and modernization of missiles, equipment, including ordnance, ground handling equipment, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; $1,272,798,000, to remain available for obligation until September 30, 2002.

PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES, ARMY

For construction, procurement, production, and modification of weapons and tracked combat vehicles, equipment, including ordnance, spare parts, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; $1,556,665,000, to remain available for obligation until September 30, 2002.

PROCUREMENT OF AMMUNITION, ARMY

For construction, procurement, production, and modification of ammunition, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including ammunition facilities authorized by section 2854 of title 10, United States Code, and the land necessary therefor, for the foregoing purposes, and

such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; $1,228,770,000, to remain available for obligation until September 30, 2002.

OTHER PROCUREMENT, ARMY

For construction, procurement, production, and modification of vehicles, including tactical, support, and non-tracked combat vehicles; the purchase of not to exceed 36 passenger motor vehicles for replacement only; and the purchase of 3 vehicles required for physical security of personnel, notwithstanding price limitations applicable to passenger vehicles but not to exceed $200,000 per vehicle; communications and electronic equipment; other support equipment; spare parts, ordnance, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; $3,604,751,000, to remain available for obligation until September 30, 2002.

AIRCRAFT PROCUREMENT, NAVY

For construction, procurement, production, modification, and modernization of aircraft, equipment, including ordnance, spare parts, and accessories therefor; specialized equipment; expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; $9,168,405,000, to remain available for obligation until September 30, 2002.

WEAPONS PROCUREMENT, NAVY

For construction, procurement, production, modification, and modernization of missiles, torpedoes, other weapons, and related support equipment including spare parts, and accessories therefor; expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; $1,334,800,000, to remain available for obligation until September 30, 2002.

PROCUREMENT OF AMMUNITION, NAVY AND MARINE CORPS

For construction, procurement, production, and modification of ammunition, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including ammunition facilities authorized by section 2854 of title 10, United States Code, and the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; $537,600,000, to remain available for obligation until September 30, 2002.

SHIPBUILDING AND CONVERSION, NAVY

For expenses necessary for the construction, acquisition, or conversion of vessels as authorized by law, including armor and armament thereof, plant equipment, appliances, and machine tools and installation thereof in public and private plants; reserve plant and Government and contractor-owned equipment layaway; procurement of critical, long leadtime components and designs for vessels to be constructed or converted in the future; and expansion of public and private plants, including land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title, as follows:

NSSN (AP), $748,497,000;

CVN–77 (AP), $751,540,000;

CVN Refuelings (AP), $323,665,000;

DDG–51 destroyer program, $2,681,653,000;

LPD–17 amphibious transport dock ship, $1,508,338,000;

ADC(X), $439,966,000;

LCAC landing craft air cushion program, $31,776,000; and

For craft, outfitting, post delivery, conversions, and first destination transportation, $171,119,000;

In all: $6,656,554,000, to remain available for obligation until September 30, 2004: *Provided*, That additional obligations may be incurred after September 30, 2004, for engineering services, tests, evaluations, and other such budgeted work that must be performed in the final stage of ship construction: *Provided further*, That none of the funds provided under this heading for the construction or conversion of any naval vessel to be constructed in shipyards in the United States shall be expended in foreign facilities for the construction of major components of such vessel: *Provided further*, That none of the funds provided under this heading shall be used for the construction of any naval vessel in foreign shipyards.

OTHER PROCUREMENT, NAVY

For procurement, production, and modernization of support equipment and materials not otherwise provided for, Navy ordnance (except ordnance for new aircraft, new ships, and ships authorized for conversion); the purchase of not to exceed 25 passenger motor vehicles for replacement only; lease of passenger motor vehicles; expansion of public and private plants, including the land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; $4,252,191,000, to remain available for obligation until September 30, 2002.

PROCUREMENT, MARINE CORPS

For expenses necessary for the procurement, manufacture, and modification of missiles, armament, military equipment, spare parts, and accessories therefor; plant equipment, appliances, and machine tools, and installation thereof in public and private plants; reserve plant and Government and contractor-owned equipment layaway; vehicles for the Marine Corps, including the purchase of not to exceed 43 passenger motor vehicles for replacement only; and expansion of public and private plants, including land necessary therefor, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; $1,333,120,000, to remain available for obligation until September 30, 2002.

AIRCRAFT PROCUREMENT, AIR FORCE

For construction, procurement, and modification of aircraft and equipment, including armor and armament, specialized ground handling equipment, and training devices, spare parts, and accessories therefor; specialized equipment; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes including rents and transportation of things; $8,298,313,000, to remain available for obligation until September 30, 2002.

MISSILE PROCUREMENT, AIR FORCE

For construction, procurement, and modification of missiles, spacecraft, rockets, and related equipment, including spare parts and accessories therefor, ground handling equipment, and training devices; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes including rents and transportation of things; $2,329,510,000, to remain available for obligation until September 30, 2002.

PROCUREMENT OF AMMUNITION, AIR FORCE

For construction, procurement, production, and modification of ammunition, and accessories therefor; specialized equipment and training devices; expansion of public and private plants, including ammunition facilities authorized by section 2854 of title 10, United States Code, and the land necessary therefor, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; and procurement and installation of equipment, appliances, and machine tools in public and private plants; reserve plant and Government and contractor-owned equipment layaway; and other expenses necessary for the foregoing purposes; $481,837,000, to remain available for obligation until September 30, 2002.

OTHER PROCUREMENT, AIR FORCE

For procurement and modification of equipment (including ground guidance and electronic control equipment, and ground electronic and communication equipment), and supplies, materials, and spare parts therefor, not otherwise provided for; the purchase of not to exceed 53 passenger motor vehicles for replacement only; lease of passenger motor vehicles; and expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land, for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon, prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; $6,964,227,000, to remain available for obligation until September 30, 2002.

PROCUREMENT, DEFENSE-WIDE

(INCLUDING TRANSFER OF FUNDS)

For expenses of activities and agencies of the Department of Defense (other than the military departments) necessary for procurement, production, and modification of equipment, supplies, materials, and spare parts

therefor, not otherwise provided for; the purchase of not to exceed 103 passenger motor vehicles for replacement only; the purchase of 7 vehicles required for physical security of personnel, notwithstanding price limitations applicable to passenger vehicles but not to exceed $250,000 per vehicle; expansion of public and private plants, equipment, and installation thereof in such plants, erection of structures, and acquisition of land for the foregoing purposes, and such lands and interests therein, may be acquired, and construction prosecuted thereon prior to approval of title; reserve plant and Government and contractor-owned equipment layaway; $2,286,368,000, to remain available for obligation until September 30, 2002: *Provided,* That of the funds available under this heading, not less than $39,491,000, including $6,000,000 derived by transfer from ''Research, Development, Test and Evaluation, Defense-Wide'', shall be available only to support Electronic Commerce Resource Centers: *Provided further,* That none of the funds in this or any other Act shall be used to compensate administrative support contractors for the Joint Electronic Commerce Program Office.

NATIONAL GUARD AND RESERVE EQUIPMENT

For procurement of aircraft, missiles, tracked combat vehicles, ammunition, other weapons, and other procurement for the reserve components of the Armed Forces; $130,000,000, to remain available for obligation until September 30, 2002: *Provided,* That the Chiefs of the Reserve and National Guard components shall, not later than 30 days after the enactment of this Act, individually submit to the congressional defense committees the modernization priority assessment for their respective Reserve or National Guard component.

DEFENSE PRODUCTION ACT PURCHASES

For activities by the Department of Defense pursuant to sections 108, 301, 302, and 303 of the Defense Production Act of 1950 (50 U.S.C. App. 2078, 2091, 2092, 2093); $5,000,000 only for microwave power tubes and to remain available until expended.

TITLE IV

RESEARCH, DEVELOPMENT, TEST AND EVALUATION

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, ARMY

For expenses necessary for basic and applied scientific research, development, test and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment; $5,148,093,000, to remain available for obligation until September 30, 2001.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY

For expenses necessary for basic and applied scientific research, development, test and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment; $9,080,580,000, to remain available for obligation until September 30, 2001: *Provided,* That funds appropriated in this paragraph which are available for the V–22 may be used to meet unique requirements of the Special Operation Forces: *Provided further,* That of the funds available under this heading, no more than $5,000,000 shall be available only to initiate a cost improvement program for the Intercooled Recuperated Gas Turbine Engine program: *Provided further,* That the funds identified in the immediately preceding proviso shall be made available only if the Secretary of the Navy certifies to the congressional defense committees that binding commitments to finance the remaining cost of the ICR cost improvement program have been secured from non-federal sources: *Provided further,* That should the Secretary of the Navy fail to make the certification required in the immediately preceding proviso by July 31, 2000, the Secretary shall make the funds subject to such certification available for DD–21 ship propulsion risk reduction: *Provided further,* That the Department of Defense shall not pay more than one-third of the cost of the Intercooled Recuperated Gas Turbine Engine cost improvement program.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, AIR FORCE

For expenses necessary for basic and applied scientific research, development, test and evaluation, including maintenance, rehabilitation, lease, and operation of facilities and equipment; $13,709,233,000, to remain available for obligation until September 30, 2001.

RESEARCH, DEVELOPMENT, TEST AND EVALUATION, DEFENSE-WIDE

For expenses of activities and agencies of the Department of Defense (other than the military departments), necessary for basic and applied scientific research, development, test and evaluation; advanced research projects as may be designated and determined by the Secretary of Defense, pursuant to law; maintenance, rehabilitation, lease, and operation of facilities and equipment; $8,930,149,000, to remain available for obligation until September 30, 2001: *Provided,* That not less than $419,768,000 of the funds made available under this heading shall be made available only for the Navy Theater Wide Missile Defense program: *Provided further,* That of the amount appropriated in section 102 of division B, title I, of Public Law 105–277 (112 Stat. 2681–558), the amount of $230,000,000 not covered as of July 12, 1999, by an official budget request under the third proviso of that section is available, subject to such an official budget request for that entire amount, only for the following programs in the specified amounts:

''International Cooperative Programs'' (ARROW anti-tactical ballistic missile), $45,000,000;

''Navy Theater Wide Missile Defense System'', $35,000,000;

''PATRIOT PAC–3 Theater Missile Defense Acquisition—EMD'', $75,000,000; and

''National Missile Defense Dem/Val'', $75,000,000:

Provided further, That none of the amount of $230,000,000 described in the preceding proviso may be made available for obligation unless the entire amount is released to the Department of Defense and made available for obligation for the programs, and in the amounts, specified in the preceding proviso.

DEVELOPMENTAL TEST AND EVALUATION, DEFENSE

For expenses, not otherwise provided for, of independent activities of the Director, Test and Evaluation in the direction and supervision of developmental test and evaluation, including performance and joint developmental testing and evaluation; and administrative expenses in connection therewith; $271,957,000, to remain available for obligation until September 30, 2001.

OPERATIONAL TEST AND EVALUATION, DEFENSE

For expenses, not otherwise provided for, necessary for the independent activities of the Director, Operational Test and Evaluation in the direction and supervision of operational test and evaluation, including initial operational test and evaluation which is conducted prior to, and in support of, production decisions; joint operational testing and evaluation; and administrative expenses in connection therewith; $29,434,000, to remain available for obligation until September 30, 2001.

Mr. LEWIS of California (during the reading). Mr. Chairman, I ask unanimous consent that the bill, through page 38, line 5, be considered as having been read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. Are there amendments to that portion of the bill?

AMENDMENT NO. 4 OFFERED BY MR. BARR OF GEORGIA

Mr. BARR of Georgia. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 4 offered by Mr. BARR of Georgia:

H.R. 2561

In the paragraph in title IV under the heading ''Research Development, Test, and Evaluation, Air Force'', insert after the dollar amount the following: ''(increased by $1) (reduced by $1)''.

The CHAIRMAN. Pursuant to the order of the House of today, the gentleman from Georgia (Mr. BARR) and the gentleman from California (Mr. LEWIS) each will be recognized for 30 minutes.

Mr. BARR of Georgia. Mr. Chairman, I ask unanimous consent that I be allowed to yield 15 minutes to the gentleman from Connecticut (Mr. LARSON) and further, that the said gentleman from Connecticut be allowed to control 15 minutes of time.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. BARR of Georgia. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, at this time I would like to engage in a colloquy with the gentleman from California (Mr. LEWIS), the chairman of the subcommittee.

Mr. Chairman, I want to discuss with the chairman of the subcommittee the importance of the F–22 program and the actions of his subcommittee in this year's defense appropriations bill.

Mr. Chairman, it is my understanding the committee has acknowledged that the F–22 was developed to guarantee air superiority over any potential adversary for the foreseeable future. In addition, the committee has also stated that, as currently configured, there is little doubt that the F–22, if it meets its performance specifications, would far outclass any single fighter known to be under development.

Mr. LEWIS of California. Mr. Chairman, if the gentleman will yield, the gentleman is correct.

Mr. BARR of Georgia. However, the committee has decided in this legislation that a production pause should take place on the production of the first 6 planes because of certain concerns outlined in the committee report.

Mr. LEWIS of California. Mr. Chairman, the gentleman is again correct.

Mr. BARR of Georgia. Mr. Chairman, the gentleman from California and I and others have had numerous conversations concerning the importance of this program of air superiority of the United States. It is my understanding the chairman of the subcommittee, as well as members of the upcoming conference committee, will closely look at the F–22 program in light of the fact the other body, that is the Senate, included full funding for this project in its appropriations bill.

Mr. LEWIS of California. Mr. Chairman, I would like to say to the gentleman that because of his hard work and the work of his colleagues, it is not our intention to go any further at this time than a pause relative to the F–22 program, and we do intend to look very closely at the program as we go forward to conference with the Senate.

I would emphasize to the gentleman from Georgia that the $1.2 billion in research and development for the F–22 remains in the bill, and it is our intention to see that that R&D will go forward.

Mr. BARR of Georgia. Mr. Chairman, I would like to take a moment to discuss with the chairman of the Subcommittee on Defense of the Committee on Appropriations the C–130J program. The United States Transportation Command states a need for 150 C–130J tactical airlift aircraft to modernize our forces and replace aging C–130Js currently being deployed by our active and reserve force and our Guard units.

However, the administration budget failed to request any C–130Js until fiscal year 2002, and active duty units are not scheduled to receive any until fiscal year 2006. However, over the last several months, I have worked with my colleagues of the Georgia Delegation and other Members of the House to point out the need to begin to authorize and appropriate these planes in this year's budget.

Mr. LEWIS of California. Mr. Chairman, for the benefit of the Members of the House, I would like my colleagues to know that the gentleman from Georgia (Mr. BARR) and I have worked very, very closely on this question. The gentleman took the time to bring professional people along with him to my office.

We spent considerable time discussing the program that involves the C–130J, particularly the facility that operates in Marietta, Georgia. That exchange caused our subcommittee to look very closely at that recommendation, a recommendation that had not come originally from the Air Force itself. It is with his leadership that the C–130J is a part of this package, and I very much appreciate the Member's contribution in that regard.

Mr. BARR of Georgia. Mr. Chairman, I thank the distinguished chairman of the subcommittee.

Mr. Chairman, I reserve the balance of my time.

Mr. LARSON. Mr. Chairman, I yield myself such time as I may consume.

I rise in support of the amendment. I am here to address what is a very serious issue of national security raised by cutting the F–22 and the virtual elimination of the number one priority of the United States Air Force.

Let me first acknowledge and thank the leadership of the Committee on Armed Services and the fine job that the gentleman from South Carolina (Mr. SPENCE) and the gentleman from Missouri (Mr. SKELTON) have done. I commend them for their mark on the F–22. I am proud to be a member of this committee.

The issue of cost associated with this program is one the committee addressed and requires the Secretary of the Air Force to report their continuing efforts to meet mandated spending caps. I am heartened as well by the actions of the Senate Committee on National Security, the Senate Appropriations Committee, the Defense Department, and the Clinton administration, all who support the F–22 for the strategic importance, air superiority, and dominance it supplies our troops who most recently demonstrated their brave actions and won the war for us in Kosovo.

Let me also acknowledge the great respect that I have for the gentleman from Pennsylvania (Mr. MURTHA) and the gentleman from California (Mr. LEWIS), the gentleman from Washington (Mr. DICKS), the gentleman from California (Mr. CUNNINGHAM, the gentleman from Florida (Mr. YOUNG), our chairman of the full committee, and the gentleman from Wisconsin (Mr. OBEY), and other members of the Subcommittee on Defense who have felt this program was too costly to continue because of budgetary constraints and cost overruns.

I rise this afternoon without malice and ask these fine appropriators who are headed to conference to hear the concerns not only of legislators, but from the guys in the front lines, the men and women who put their lives on the line, the ones who we ask to fly in harm's way. Their first concern is the Nation they protect and the comrades they fly with. They know little of politics, of budget caps, and conference committees. They only know they have a job to perform.

They are given orders, and they execute, and in Kosovo, that was over 30,000 sorties without a single life lost. They are the heroes. They are this Nation's Jedi warriors. And in gratitude to their service, we are preparing today to cut the only program that guarantees their air dominance. While trying to persuade them that retrofitting the F–15 is the answer for the future.

I visited several of these pilots at Langley Air Force base. I told them how proud I and all of the Members of Congress were of their effort. They asked them why we are cutting the F–22 and stressed their dismay at how counterproductive it is to try to bolt on technology to the F–15. To quote Major Jay Tim, we would get only one-third the capability of the F–22 at 90 percent of the cost it will take to retrofit the F–15.

Another young warrior said, rather painfully, how many of us coming home in coffins will it take for Congress to understand how important tactical superiority and advanced avionics are to the pilots who carry out these missions.

□ 1545

Their classified presentations were even more vivid, and it seems incomprehensible to them and frankly, to me, that knowing our enemy's capability we will place our troops in harm's way of enemy-constructed death zones of the 21st Century with 20th Century technology.

We talked all year long about morale and retention. Our pilots are the best trained fighters in the world, and they would fly anything into battle for their country, now to come home only to find cuts in their top priority in Congress, turning congressional commitment into a hollow promise for them.

For them, this is not some frill. This is not some back bench item. This is their very future.

Our great leader, the gentleman from Missouri (Mr. GEPHARDT), has eloquently referred to issues that impact everyday people as kitchen table issues. Across kitchen tables of our Air Force pilots, spouses wonder why, with our surplus, why given their outstanding valor, we place their husbands and wives at risk.

Across the kitchen tables in my own hometown, for the people who work at Pratt & Whitney Aircraft, who wonder why, with the largest defense budget in recent memory, why they will be laid off after competing for and winning an engine contract that the Air Force assured them would be built, why is the House cutting what the Air Force assured would be their top priority.

In so many ways, Mr. Chairman, this is a great defense budget, and it has done much for our troops and it has done much more the defense of this Nation.

Members are going to bring home much to their districts, but for me over the break I will be sitting down across kitchen tables, on shop floors, in living rooms, trying to explain to people I grew up with, my neighbors, that their fate lies in the hands of a conference committee. It is my sincere hope that this end story will be one we can be proud of, but I cannot, in good conscience, vote for this bill.

Mr. Chairman, I rise to address a very serious issue of national security raised by the cutting of the F–22 and virtual elimination of the number one priority of the U.S. Air Force.

Let me first acknowledge and thank the leadership of the Armed Services Committee and the fine job that Mr. SPENCE and Mr. SKELTON have done and I commend them for the mark on the F–22. The issue of cost associated with the program is one the committee

addressed and requires the Secretary of the Air Force to report on their continuing efforts to meet the mandated spending caps.

I'm heartened as well by the actions of the Senate Armed Services Committee, the Senate Appropriation Committee, the Defense Department, and the Clinton Administration, all who support the F–22 for the strategic importance, air superiority, and dominance it provides our troops. Most recently demonstrated by those brave Air Force warriors who won the war in Kosovo.

Let me also acknowledge the great respect I have for JACK MURTHA, JERRY LEWIS, NORM DICKS, DUKE CUNNINGHAM and others on Appropriations, Subcommittee on Defense who have felt the program is too costly to continue given our budgetary constraints and cost overruns in the project. I rise without malice, and ask these fine appropriators who are headed to conference hear the concerns not only of legislators, but from the guys in the front lines, the men and women who put their lives on the line, the ones we ask to fly in harm's way.

Their first concern is the nation they protect, and the comrades they fly with. They know little of politics, budget caps, and conference committees. They only know they have a job to perform, they are given orders, and they execute. In Kosovo that was over 30,000 sorties, without a single life lost. They are the heroes, they are the nation's Jedi warriors. In gratitude for their service, we are preparing today to cut the only program that guarantees them air dominance, while trying to persuade them that retrofitting F–15 is the answer for the future.

I visited several of these pilots at Langley Air Force Base, I told them how proud I was of their effort. They asked me why we are cutting the F–22 and stressed their dismay at how counter productive it is to try to bolt on technology to the F–15. To quote Major Jake Timm, ''We would get only ⅓ the capability of the F–22 at 90% of the cost—it will cost $41 billion to retrofit the F–15 and $40 billion to go forward with the F–22.'' Or as another young warrior said, ''How many of us coming home in coffins will it take for Congress to understand how important tactical superiority and advanced avionics are to the pilots who carry out these missions.'' Their classified presentations were even more vivid, and it seems incomprehensible to them and frankly to me, that knowing our enemies capability, we would place troops in harms way of enemy constructed death zones of the 21st Century with 20th Century technology. We have talked all year long about morale and retention, our pilots are the best trained fighters in the world and would fly anything into battle for their country, now to come home only to find cuts in their top priority fighter, turning Congressional commitment into a hollow promise. For them, this is not some frill or back bench item. This is their future. Our great leader Dick Gephardt has eloquently referred to issues that impact every day people as kitchen table issues, across the kitchen tables of our Air Force pilots' spouses wonder why with our surplus, why given their outstanding valor, would we place their husbands and wives at risk. And across the kitchen tables in my home town, people who work at Pratt & Whitney wonder why with the largest defense budget in recent memory. Why they will be laid off, why the engine they competed for and won, will not be built. Why the House is cutting what the Air Force assured them was their top priority.

In so many ways the defense bill has done much for our troops and for the defense of the nation and Members will bring home much to their Districts. But for me over the break, I'll be sitting down across kitchen tables, on shop floors, and living rooms trying to explain to the people I grew up with, that their fate lies in the hands of a conference committee. It is my sincere hope that the end story is one we can be proud of. But I cannot in good conscience vote for this bill.

Mr. SAXTON. Mr. Chairman, I reserve the balance of my time.

Mr. BARR of Georgia. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Texas (Mr. SAM JOHNSON).

Mr. SAM JOHNSON of Texas. Mr. Chairman, I am appalled at this discussion.

I think so much of the gentleman from Pennsylvania (Mr. MURTHA) and the gentleman from California (Mr. LEWIS). I know they are patriots of the first degree. We are all interested in the best for this Nation. For 50 years, every American soldier has gone to war confident that the United States had air superiority. Cancelling the F–22, and that is what this is, means we cannot guarantee air supremacy in future conflict, supremacy over the battlefield, and any new aircraft needs it. Without the F–22, I do not think the joint strike fighter will be able to carry out its primary mission, and the Air Force backs that, and they say that it will cost just as much to retrofit that airplane as to buy an aircraft that is already there.

Our Nation's joint forces must be free from attack, free to maneuver, and free to attack on the battlefield whenever. That is what this airplane does. It has already been delayed 9 years. We need it now, as the gentleman from California (Mr. CUNNINGHAM) pointed out earlier, and we should have had it now. There is no alternative to the F–22. The joint strike fighter was not designed for air superiority and redesigning it will dramatically increase the cost.

We have already done away with some of our electronic warfare defense in the Air Force. We will have to regenerate that.

They are planning to do away with the F–117 because the F–22 is a stealth fighter. They are going to have to keep that around. That is going to cost more. An upgraded F–15 does not provide the same dominance that the F–22 program would provide. The Secretary of Defense vehemently disagrees with the decision to defund the F–22, and he stated he cannot accept a defense bill that kills this cornerstone program.

The cancellation of the F–22 will adversely affect over 151,000 jobs in the coming years. Billions of dollars in contracts will be canceled. It affects 42 States.

I flew the F–15 when I was active in the Air Force. That has been over 25 years ago. Can my colleagues believe that we are trying to retrofit an F–15 that will be in service for over 33 years by the time the F–22 achieves initial operational capability? And if a 33-year-old aircraft had been used in Korea, we would have been fighting migs with Sopwith Camel bi-planes. If the 33-year-old aircraft had been used just in the Gulf War, we would have been fighting third-generation Soviet fighters with Vietnam era F–4s.

Do we think our active fighters would have fled from that threat? I do not think so.

The American people will not tolerate parity or an aerial war of attrition. Parity is not acceptable. Our Air Force must have the capability to dominate the sky. Let us build this airplane. It is a stroke for freedom.

Mr. LARSON. Mr. Chairman, I yield 2 minutes to the gentlewoman from California (Ms. SANCHEZ).

Ms. SANCHEZ. Mr. Chairman, I want to thank the gentleman from Connecticut (Mr. LARSON) for yielding me this time.

Mr. Chairman, I rise in support of continued funding for the U.S. Air Force's F–22 advanced tactical program. The House passed H.R. 1401, the fiscal year 2000 defense authorization bill, on June 10 and fully supported the F–22 program. In fact, the program was fully funded by both the defense authorization and appropriation bills acted on by the Senate.

I believe the F–22 program is critical to our country's defense. If the decision to cut funding is enacted, we lose the cornerstone of our Nation's global air strategy for the next century. Budget cuts are tough today. We must choose how we spend our resources and act prudently. It is an opportunity cost. We cannot have everything. We must choose wisely to spend our resources, but we should not do that unilaterally.

What happened to the people who deal in committee and try to understand these programs? That decision-making process has been taken away from us.

What do we lose when we give up the F–22 program? Well, let me say the proposed cuts jeopardize our next century's warfighting capability. It places our forces at higher risk. The F–22 is the first stealthy fighter attack aircraft that permits our pilots to destroy enemy aircraft and ground-based air defenses at greater stand-off ranges than the current F–15 fighter. An upgraded F–15 does not have that technology. We must have the F–22 for the next century.

There are at least five foreign fighters already starting to eclipse the F–15 and many of these planes are on the international market. Let us work together. Let us look back at this.

The F–22's attributes of stealth, supercruise and integrated avionics are essential for enabling air dominance to counter advanced SAMs, emerging threat aircraft, and advanced air-to-air missiles.

Mr. LEWIS of California. Mr. Chairman, I yield what time he may consume to the gentleman from New Jersey (Mr. SAXTON).

(Mr. SAXTON asked and was given permission to revise and extend his remarks.)

Mr. SAXTON. Mr. Chairman, I rise in strong support of the F–22 program.

Mr. SAXTON. Mr. Chairman, I rise to express my concern about the potential decision to eliminate funding for production of the F–22 Raptor.

Our Department of Defense has consistently expressed a need for the development of the F–22 for many years. Indeed, Secretary Cohen has called the F–22 program ''the cornerstone of our nation's global air power in the 21st century.''

I agree that the F–22 program has faced unusual development challenges due to its many advances in aviation technology. I also recognize the need for the Armed Services Committee and this Congress to engage in continuing and intensive oversight of the program.

Yet it is premature to close the production line and effectively end the F–22 program at this time. Congress should allow the Air Force sufficient time and aircraft for the intensive flight-testing and evaluation needed to assess the F–22's value. Only then can the Congress make an informed decision on the future of such an important component of our national security plans.

Mr. LEWIS of California. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. CUNNINGHAM).

Mr. CUNNINGHAM. Mr. Chairman, first of all, the authors of this amendment I want to congratulate in the most professional way, and I think it is a good debate. Saying the F–15 does not have the same capability as the F–22, no one disputes that. That is like saying that when I was flying the F–4 phantom it was as good as the F–14 that we were building, but I would not want to put so much money in the F–14 that it kept me from surviving in the combat that I was flying in today.

The question is, I would not want to fly the F–22. I think it is going to combat the SU–35 and the SU–37 out, but I have talked to the F–15 drivers. I have also flown the F–15 and the F–16 and the Phantom and some of these assets. Our F–15 drivers are saying, ''Go Duke.''

My colleagues say that these bolt-on equipment that they are spending, the Air Force is already investing in the A9X and the helmet site and the radar that will keep up with the jammer, but they are doing it at this level because the funding is not there.

What I would recommend is that General Ryan goes to the President and says, Mr. President, is this really an emergency? I talked to the gentleman from Missouri (Mr. SKELTON) about it. We have all of these unfunded requirements. Now, these unfunded requirements mean life and death.

I have a program here that is costing $200 million an airplane; and what I need is the emergency supplemental, maybe for Kosovo, to add money; but at the same time, if there is an airplane that costs $200 million here and only 5 percent of it has been tested and the cost traditionally has gone to here, can any of my colleagues justify paying $250 million or $300 million for one airplane? I cannot.

I need Lockheed to come down on the price, and I need the extra funding to fund these things so that the kids that are flying today, I agree, I hated politicians when I was flying. I thought they only got us killed, and I am dead serious. They do not care about politicians. They want to survive, and that is what I am trying to do, is make sure that these F–14, F–15, F–18 drivers that are going to have to fly in this 10-year span until the F–22 comes on the line in full procurement, that they live; that they have a chance against those assets.

I have told the people, I have a plant that may close down in my own district if the F–22 does not close. If it comes between jobs in my district and the security of this country, I will choose security 100 percent of the time, and the lives of these kids.

This is not political for us. It is something that we believe desperately in. Yes, this is high stakes poker, and I think that costs in expensive aircraft and equipment, we need to hold industry's toe to the line so that our kids will be safe and we need the additional funds that we do not have in the defense budget.

Mr. LARSON. Mr. Chairman, I yield 1½ minutes to the gentleman from Mississippi (Mr. SHOWS).

Mr. SHOWS. Mr. Chairman, our Nation's top guns are being put into jeopardy. Like great balls of fire, the F–22, men and women who fly them, have responded courageously, faithfully, and successfully in an instant's notice around our globe. They have protected U.S. interests and U.S. citizens, and they have done so with precision and accuracy that no other plane or pilot has ever been capable of doing.

Without the F–22 air power, our air power is greatly diminished. Any arguments against funding the F–22 just do not hold water. An F–15 upgraded would still lack F–22 capabilities and cost essentially the same, and the joint strike fighter was not designed for the missions carried out by the F–22 and costs dramatically more to redesign.

All of these combat-ready aircraft complement each other and are needed. Some want to question the costs and they want to question the cost of the F–22 program that senior Air Force officials say is the best managed program in the Department of Defense today. Some want to close the books on a program for 15 years of effort and $16 billion in investment has already been spent on the F–22. What a waste it would be to shut down the F–22 program.

□ 1600

Some want to stop the F–22 program even though a firm fixed price on the first eight aircraft has been established. Contractors cannot change the price tag, so this means no risk to the taxpayers.

This program means, and this is close to my heart, $60 million over the life of the program in my district. We have lost 3,000 jobs in my district because of NAFTA. Now we stand a chance of losing more jobs. I think any way one breaks it down, it is a good important program. The F–22 should be funded.

Mr. BARR of Georgia. Mr. Chairman, I am proud to yield 2 minutes to the distinguished gentleman from Georgia (Mr. ISAKSON).

(Mr. ISAKSON asked and was given permission to revise and extend his remarks.)

Mr. ISAKSON. Mr. Chairman, I thank the gentleman from Georgia (Mr. BARR) for the opportunity to share in this 2 minutes.

Mr. Chairman, I want to acknowledge at the outset of my remarks how much I have appreciated the gentleman from Florida (Mr. YOUNG), the gentleman from Pennsylvania (Mr. MURTHA), and the gentleman from California (Mr. LEWIS) in the past 10 days. They have allowed me the opportunity to express my opinion, and they have done so sincerely and not just as a token and a pat on the head.

I want to take the remarks of the gentleman from California (Mr. CUNNINGHAM), and I want to share it precisely with him for a second. He said he may lose a plant in his district. But if he, rather, had the choice between jobs in his district and the United States security, he would always choose security.

Although this plant is not in my district, it is in the district of the gentleman from Georgia (Mr. BARR), many of its employees are. The gentleman from Georgia and I share this thing close. So it is natural for me as a Congressman of the Sixth District to argue for jobs in my district. But I am here to argue for the security of America.

I just give my colleagues a couple of points. In the 21st Century, tactical theater attacks like we have had in Iraq, like we have had in the Balkans, will be the prototype. Our ability to knock out radar early, surface-to-air-missiles early, anti-aircraft early is what allows the rest of the United States military to act precisely without the loss of American lives or ground troops.

The 15, the 14, the 15X will not have stealthy capability equal to the 22. They will not have capacity equal to the F–22. America will be sacrificing if it turns its back and pauses, if I give my colleagues the word ''pause,'' or kills, which could be in fact the correct word, the F–22, then we are placing the security of our country at a higher risk than it would be if we fully funded the F–22.

So while I thank the chairman, the subcommittee chairman, and the ranking member for the courtesy they have shown me, and I mean that, I hope that, during the weeks ahead as we go to conference, they, too, will think of the security of the United States of America because we must always put it

above even a job in our own district. I rise for precisely that reason today.

Mr. LARSON. Mr. Chairman, I yield 2 minutes to the gentlewoman from Connecticut (Ms. DELAURO).

Ms. DELAURO. Mr. Chairman, I rise in support of the Defense Appropriations bill overall, which includes a number of very vital items, including a 4.8 percent pay raise for military personnel, additional funds to enhance troop recruitment and retention, 36 Black Hawks which are the premier helicopter in the sky today.

The bill also includes over $180 million for breast cancer, ovarian cancer, research, and prostate cancer. Items that are so critically important to the future of this Nation.

But let me express my concern today, as my colleagues have, about the $1.8 billion cut for six F–22s, which are vital to long-term U.S. national security. The Secretary of Defense, Bill Cohen, seven former Secretaries of Defense have stated that, if we cancel the F–22, we cannot guarantee air superiority in future conflicts.

The F–22 was the world's first stealth air superiority fighter. Replacing the F–15 is critical to maintaining our defense superiority in the next century. Its stealth technology, speed, and ability to counter advanced surface-to-air and air-to-air missiles is unsurpassed.

The F–22 engine is easier to fix than any other fighter's engine. The engine allows the aircraft to fly farther and faster on less fuel.

Our first priority must always be the long-term safety and the security of American families. With the F–22, our Air Force will be able to protect America from the threats to our national security in the next century.

I urge my colleagues to address this critical issue in the conference in the weeks ahead.

Mr. LEWIS of California. Mr. Chairman, I yield such time as he may consume to the gentleman from Arkansas (Mr. DICKEY).

Mr. DICKEY. Mr. Chairman, I support the bill.

Mr. Chairman, I am pleased today to stand in support of the Fiscal Year 2000 Defense Appropriations bill. The subcommittee and the full committee worked long and hard to build the best mix between current readiness needs and future capability requirements, no small task in the face of recent force reductions and increased operational tempo. For that effort I would like to congratulate Chairman LEWIS, for his leadership; Mr. MURTHA, for his bipartisan efforts; and Mr. YOUNG, who as chairman of the full committee and former chairman of this subcommittee, provided helpful guidance.

I do not need to add to the long list of anecdotes, Mr. Chairman, about our serious readiness shortfall. We have no need to remind Members of the aircraft that sit idle awaiting replacement parts, of the combat ships that head out understaffed, or even of the serious recruiting shortfalls that foretell of future readiness problems. These examples are all a matter of public record, even if they are not currently a matter of public awareness.

So the subcommittee comes to the floor today with what we think is the best solution available to solve these problems. The bill reported by the full committee provides a total of $266.1 billion for the next fiscal year, which meets both the budget caps and the funding levels set in the 302(b) allocation. This represents a $15.5 billion increase over the previous fiscal year, and a $2.8 billion increase over the President's budget request.

Highlights include a pay increase of nearly five percent for our soldiers, sailors, airmen, and marines, $225 million for basic housing allowances so that military families can share part of the American Dream, $163.6 million to make up for training shortfalls, and $50 million for domestic defense against weapons of mass destruction. The subcommittee has also recommended the procurement of important readiness items to combat immediate threats to global security, and the continuation of vital R&D, an area that the President continues to under fund.

Now much has been made of our decision to reallocate the procurement dollars requested for the F–22 raptor to other, more pressing, readiness needs. For years we have told the Pentagon that they could not support all of their needs with the money they requested. For years we told them that procurement, research and development, and readiness will suffer. Despite the minimalist requests, we continued to add billions to the budget, all the while under constant fire for ''porking up the defense budget.''

This year, we have continued to increase the defense bill by $2.8 billion over the President's request. These increases include pay raises to get military families off of welfare, new EA–6B radar jamming aircraft so that missiles cannot track our pilots, and $500 million to clear the backlog of base maintenance requests. At the same time, we asked Department of Defense to get serious about their fiscal management and force modernization plans. I am particularly interested in learning why the Department will request six planes that are only five percent flight tested, and no new KC–130's to replace units that could fall out of the sky tomorrow.

With an eye on recent conflicts, we must consider the course for American Military Might in the twenty-first century, and whether that course will steer us toward the vigilante peace that we so desperately desire. I believe that a healthy debate will lead us to determine whether the F–22 is a viable part of our military future, or whether we should focus our efforts elsewhere. Paramount to any decision will be our ability to respond to current and future conflicts and decisive and overwhelming force.

At the turn of the century, on the edge of a new millennium, we face a complex world and a muddied global security picture. The cold war is over, but we find ourselves increasingly engaged in regional conflicts with global implications. I urge Members to support his bill as a responsible preparation to continue our efforts to expand democracy, and as an opportunity to address current readiness and force modernization problems.

Mr. LEWIS of California. Mr. Chairman, it is my pleasure to yield 2 minutes to the gentleman from Missouri (Mr. SKELTON).

Mr. SKELTON. Mr. Chairman, I thank the gentleman from California for yielding and giving me this moment to speak.

Let me first compliment and congratulate this committee and this subcommittee on this defense bill.

I started out this year in a comparable committee, the Committee on Armed Services, saying that this should be the year of the troops. To everyone's credit on the Committee on Armed Services and on the Subcommittee on Defense and the full Committee on Appropriations, they have helped make that come true.

The young men and young women of our military will not only receive pension reform, but they will receive pay increases long overdue. On the subject of this particular issue which is before us, there is the old saying: The more emotion, the less reason. Let us look in the past and take a chapter from the past and particularly B–2, which by the way, as the gentleman from Washington (Mr. DICKS) pointed out so clearly, what a wonderful job it did in the recent Kosovo conflict. I am so proud of what they did, the young men and women assigned in the Whiteman Air Force base and the B–2 509th Wing.

The B–2 debate was over several years. It was arduous, hair pulling, and difficult. But at the end of the day, there was a decision made by the committees and backed up by this Congress on what we needed. This is not a matter of F–15Es versus the F–22, because we are comparing apples to oranges. The F–22 is the air-to-air fighting. The F–15E is an air-to-ground system. So let us not look at it that way. Of course, would I like to have F–15Es? We would like to have more, of course.

But what I think we should do is, with as much reason as we can, look at the dollars that are available, look at the need that is necessary for our national interests, and make that decision along the lines that we did for the B–2. America will come out well.

Mr. LARSON. Mr. Chairman, I yield such time as he may consume to the gentleman from Connecticut (Mr. GEJDENSON), the dean of our delegation.

Mr. GEJDENSON. Mr. Chairman, I join with my colleagues. We are at an interesting part of this process. As the review of this system has gone, there is obviously both national security issues here and parochial issues, and all of us are suspect to some of that.

But when we look at the legislative process here, the Executive Branch thought it made sense to continue with this plane. Three of the other committees with jurisdiction, both the authorizing committee at the House and the two committees in the Senate thought it made sense to go forward with this plane. Miraculously, the money disappeared from the House Committee on Appropriations to other worthy causes.

That is what we always have to juggle here. There are lots of worthy causes we face. The kinds of arguments against the system are the kinds of arguments we always hear on new systems: Well, it is not quite as good as it is going to be, it really does not give us

that additional benefit. The experts have said it does give us that additional benefit.

Frankly, as we read today in the paper, the same arguments were made as new generations of planes were brought forward in the past. The F–14, the F–15, the F–16, the F–18, in each case, there was a chorus that said these planes did not give us the additional capabilities that we needed.

The one lesson it seems to me that is clear that we should have learned in the last several conflicts is air power is one of the critical ingredients, that strikes of missiles from planes and other systems, that those systems that can deliver our force, without putting our own servicemen and women in harm's way, are of a critical nature.

It seems to me that this process has kind of jumped the rails that, through the executive, the two Senate committees, and the authorizing committee in the House, this system was deemed to be worthy. When we got to the appropriation process, it suddenly lost all that merit.

I think we have to go back and take a harder look at it. I think there is nothing wrong with trying to get a better price out of defense contractors. All of us have them in our districts. They do an important part for our country. Their prime goal is to make sure we have good systems. But we have to make sure those systems come to the taxpayers at reasonable cost.

I hope this process will force us to reexamine all the costs across the board, but to make sure that we do not abandon this system that, in the general recognition, has been a system that would advance our capabilities and give our servicemen and women a far better system than they have today.

Mr. Chairman, I rise to express grave concerns about the cut of $1.8 billion in F–22 production funding in this bill—a move that many believe signals the end of the program.

Mr. Chairman, one of the things that makes the American armed forces so powerful is our unquestioned supremacy in the skies. Our military chiefs base their doctrine on our ability to achieve this.

The F–22 is the Air Force's number one priority, because it will ensure air dominance far out into the future.

Let me quote Richard Hallion, the Air Force Historian, who has an op-ed in the Washington Post today:

> . . . After Korea we took air supremacy for granted, and Vietnam showed the sorry results. Over North Vietnam, American airmen barely had air superiority . . .

He also notes:

> Many of the same arguments made against the F–22 were made in the 1970s against the F–14, F–15, F–16 and F–18: They were too advanced, too complex, too costly, etc. The wisdom of producing them has since been proven repeatedly over the Middle East and the Balkans.

But what of the future, Mr. Chairman? Surface-to-air missile systems, radars, and tactical fighters are still being developed in other nations around the world. In twenty years, who knows where they might have proliferated? The answer—we can't know.

Sure, today our dominance is unquestioned. But if we decide not to prepare for the future, we jeopardize our future.

It's the Air Force's job to seize the skies, Mr. Chairman. It's also the Air Force's job to make sure we can keep seizing them—tomorrow, in a year, in ten or twenty years.

We have to recall the wisdom we had in the 1970s when we went with the F–15. We need to ensure that the air dominance we rely on will still be there for us in the unforeseeable crises that loom two decades away.

Mr. BARR of Georgia. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Nevada (Mr. GIBBONS).

(Mr. GIBBONS asked and was given permission to revise and extend his remarks.)

Mr. GIBBONS. Mr. Chairman, I rise to tell my colleagues that this bill does a lot for our troops around America. But I just cannot support the elimination of the F–22.

Readiness, my colleagues, is the key issue, and it is based upon modernization of our forces. The issue is whether or not we are going to give our young men and women who are fighting on the front line the technology to win that fight.

I remember one time when I was a young boy, someone came to me when I was first learning about defense; and he said, ''Son, you never want to bring a knife to a gun fight. You lose every time.'' This saying came to mind when I looked at this issue about the F–22 because it is an issue about technology.

In that debate over this technology, we have heard about U.S. successes in the Persian Gulf and even in Kosovo that provided a rationale to ''pause'' production of the F–22. Upon further and closer examination, that argument just does not fly, and let me tell my colleagues why. Because the Serbian as well as the Iraqi Air Forces never truly engaged our pilots in a fight or sustained aerial combat. In any future combat, it would be foolish of us to presuppose the bad guys would be afraid to challenge our forces.

Mr. Chairman, we have heard arguments that the U.S. successes in the Persian Gulf War and the Kosovo Conflict provide the rationale to ''pause'' the production of the F–22. However, upon closer inspection, this argument does not fly, most notably because neither the Iraqis nor the Serbian Air Forces actually engaged our fighters in sustained aerial combat.

There is no doubt in anyone's mind that our forces performed brilliantly, however it would be tactically inept to pre-suppose that future ''bad guys'' will be afraid to send fighters up to challenge our air forces, as the Iraqis and Serbians were.

Further, we should not penalize the U.S. Air Force for being ''without peer'' in the world by not funding the technology to keep them there in the future. It is incumbent upon Congress to ensure that when the next adversary we face decides to fight, and not run away, our pilots are equipped with the aircraft and the technology that will allow continued dominance in the air.

I would like to read an excerpt from a statement written by seven former Secretaries of Defense, men who were chosen to lead our nation's armed forces, and whose commitment to national security is without question.

These men, William Perry, Caspar Weinberger, Frank Carlucci, Donald Rumsfeld, Richard Cheney, Harold Brown and James Schlesinger, all comprehend the importance of preserving American command of the air and state:

> It is not enough to say that something better may be available in the future. Something better is always available in the future. Serious threats to American air superiority may arise sooner, and the nation's security cannot tolerate a loss of command of the air. Congress and the Administration must focus on this fundamental reality, and fully fund the nation's only truly stealthy air superiority fighter.

That fighter is the F–22 Raptor.

Secretary of Defense Cohen stated last week that, ''The proposed cut jeopardizes our future warfighting capability and will place our forces at higher risk.'' He went on to say that he could not accept a defense bill that kills this cornerstone program. A pretty powerful statement from the man who has been chosen to lead our armed forces today and into the millennium.

Let me also point out Mr. Chairman, that this is not simply an Air Force program. This fighter provides the basis for all joint warfighting in the future. Why? No U.S. soldier has been killed by hostile air power in over forty years. In order to assure that we provide our Army, Navy, Marine and Air Force ground personnel this same level of protection, we must provide for the future of air dominance today.

We must be far-sighted in our modernization efforts and cutting of $1.8 billion from the F–22 account is myopic, at best.

I'll close by saying that it's interesting to note that the $1.8 billion spent on the F–22 Raptor this year is equivalent to roughly 10 hours' worth of Federal spending. In my mind, a bargain to bring air dominance to our nation's armed forces in the future.

Mr. Chairman, I urge all my colleagues to support the funding level for the F–22 Raptor that was passed in the House Defense Authorization Bill and the other Chamber's Defense Authorization and Appropriations Bills. The time is now.

Mr. LEWIS of California. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois (Mr. PORTER) from the Committee on Appropriations for purposes of a colloquy.

Mr. PORTER. Mr. Chairman, I thank the gentleman from California (Mr. LEWIS), the distinguished chairman of the subcommittee for this opportunity to raise my concerns with section 8128 of the bill.

This provision would accelerate the auction for certain frequency spectrum, and I want to be sure that, in doing so, Congress sends the signal that it is not releasing the FCC from its existing obligations to perform a proper allocation and licensing process. If not, important public safety uses like police and fire services operating in adjacent bands would be exposed to serious harm. Further, by ensuring that the FCC completes a responsible evaluation of the public interest in allocating spectrum for this auction, the

FCC can help to secure a more successful auction for the American taxpayer.

Mr. Chairman, I yield to the gentleman from California (Mr. LEWIS).

Mr. LEWIS of California. Mr. Chairman, I thank the gentleman from Illinois for yielding to me. It is correct to say the FCC does have an obligation under law to make a public interest determination, prior to auctioning this spectrum, concerning which telecommunications services should be eligible to operate on it. The FCC must structure its service and auction rules so as to implement the public interest determination.

It is important to ensure that the FCC may not, for example, permit any use of this spectrum that might result in harmful interference to public safety systems, especially those used by States and localities in their important crime and fire prevention pursuits which operate on adjacent bands to what would be auctioned here.

Mr. PORTER. Mr. Chairman, I commend the distinguished gentleman from California, the chairman of the Subcommittee on Defense, for bringing this bill to the floor, and I seek his commitment to ensure that the resolution of our shared concerns are clarified in conference.

Mr. LEWIS of California. Mr. Chairman, I am very pleased to work with the gentleman as we go towards conference. I am delighted to have his cooperation in this matter.

Mr. BARR of Georgia. Mr. Chairman, I yield 1 minute to the distinguished gentlewoman from Connecticut (Mrs. JOHNSON).

(Mrs. JOHNSON of Connecticut asked and was given permission to revise and extend her remarks.)

Mrs. JOHNSON of Connecticut. Mr. Chairman, I have the greatest respect for the gentleman from California (Mr. LEWIS), subcommittee chairman, and the gentleman from Pennsylvania (Mr. MURTHA), ranking member.

However, I must rise to express my grave reservations and concerns about the decision to cut $1.8 billion in procurement funding the F–22.

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The Air Force and the Department of Defense developed the F–22 as a modern air superiority fighter to seize and hold air dominance in future conflicts. The F–22 is the cornerstone of our Nation's global air power in the 21st century and will ensure our technological lead for the next 30 years, just like the F–15 did 25 years ago.

Pausing or delaying production puts our forces at higher risk and hurts thousands of workers whose skills are critical in fighter sophistication and safety and reliability. In addition, delaying the program just 2 years will add approximately $8 billion in completely unnecessary costs to the F–22 program.

No matter how much money this bill throws at the F–15, the cost of sustaining the current F–15 fleet will increasingly compromise Air Force modernization.

Mr. Chairman, I urge support of the amendment.

Mr. LEWIS of California. Mr. Chairman, I yield 3 minutes to the gentleman from Indiana (Mr. BUYER).

Mr. BUYER. Mr. Chairman, I thank the gentleman for yielding me this time, and first of all I would like to discuss the appropriations bill from the standpoint of the authorizers looking at this bill out of the personnel accounts.

With regard to recruiting and retention and retirement, I extend great compliments to the gentleman from Pennsylvania (Mr. MURTHA) and also to the gentleman from California (Mr. LEWIS) as the chairman. Without the military personnel recruiting initiatives in the bill, the request for military services, I think, would fall way short.

I would like to extend great compliments on the pay initiatives, not only the reforming of the pay tables but the 4.8 percent pay raise will go a long way. We also have many different retention bonuses, pro-pays and flight pays which will be very meaningful not only in the NCO mid-grade officer level but throughout the force.

Mr. MURTHA. Mr. Chairman, will the gentleman yield?

Mr. BUYER. I yield to the gentleman from Pennsylvania.

Mr. MURTHA. Mr. Chairman, I just want to compliment the gentleman for his effort in making sure that the troops did get their pay raise and the way it was apportioned. All of us are indebted, including the military services, for the gentleman's work in that particular area.

Mr. BUYER. Reclaiming my time, Mr. Chairman, I thank the gentleman for those comments.

What will also be very important on the retention issue is the retirement initiatives. Repeal of the REDUX will go a long way. When I think about this bill, I just want to say to every soldier, sailor, airman and marine, ''This bill is about you.''

But, Mr. Chairman, I have a question for the gentleman from California (Mr. LEWIS). As I reviewed the appropriations, the mark, I noticed that there were some, well, I do not want to be as strong as to say inequities, but I cannot find a better word for it. Out of the guard and reserve equipment accounts I compliment both the chairman and ranking member for almost an $800 million plus-up for their accounts, but 83 percent of that is dedicated right now for the air guard and the army guard, with only 17 percent for all other reserve components.

For instance, Mr. Chairman, the Air Force National Guard. Forty-three percent of that pot goes to them, while only 3 percent goes to the Air Force Reserve. What I would like to do with the chairman is have an assurance that he can work with myself and the gentleman from California (Mr. HUNTER) to bring equity to the report language as we move to conference.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. BUYER. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, let me say to my colleague that I not only appreciate his work on the authorizing committee, but also on the subcommittee he chairs and has these serious responsibilities of which we speak.

I want to assure the gentleman that I intend to work closely with him, as well as the gentleman from California (Mr. HUNTER), following our debate today as we go to conference, as well as in the years ahead.

Mr. BUYER. I thank the gentleman for his time, Mr. Chairman.

Mr. LEWIS of California. Mr. Chairman, I ask unanimous consent to yield 5 minutes to the gentleman from Connecticut (Mr. LARSON) so that he might distribute that time.

The CHAIRMAN. Without objection, the gentleman from Connecticut (Mr. LARSON) has 5 additional minutes.

There was no objection.

Mr. LARSON. Mr. Chairman, I yield 3 minutes to the gentleman from South Carolina (Mr. SPRATT), and I want to thank him personally for the help and mentorship that he has provided me throughout the year, and especially on this issue.

I also want to thank the gentleman from California (Mr. LEWIS) for his generosity with the time, Mr. Chairman.

Mr. SPRATT. Mr. Chairman, I thank the gentleman for yielding me this time, and let me say first of all that I do not have a dog in this fight. I represent Shaw Air Force Base and I represent flyers who fought in the Gulf and flyers who fought from Aviano, General Dan Leaf, and they believe in stealth and they have convinced me it is the way to go. They also believe in the mission of air superiority, and I am here to speak for them.

I am also here to speak as an old cost analyst. That is where I cut my teeth in the Pentagon. And what we were taught as cost analysts is, the first rule of analysis is forget sunk cost. If we get to the sunk cost of this program, and I am told it is about $20 billion, I do not know as much as I should to be talking, the numbers change dramatically. Because the relevant comparison is not the program unit cost, in procurement parlance, the relevant cost comparison for F–15X purposes is procurement costs.

Program unit cost includes everything, divided by the number of units we are going to buy. Procurement unit cost includes just those costs we are going to procure, spare parts and airspace ground equipment, prospectively. The difference in this case is $183 billion to $187 billion for program unit cost, but $117 billion then-year dollars for procurement unit cost. At $117 billion, this airplane becomes very, very competitive, just in cost dollars, with anything the F–15X would look like.

Secondly, we were taught to look at life cycle cost. That is critically important. What are we worried about right now? O&M. That is where life cycle cost gets captured. The life cycle cost of this system, if it comes in as planned, is supposed to be significantly less. About 37 percent less.

The gentleman from California (Mr. CUNNINGHAM) is smiling. I do not know whether it will be retained, but at least that is the program objective, 37 percent less. We are supposed to be able to get 8½ sorties per airplane before major maintenance with this airplane, as opposed to about five with the F–15. Over time that makes a big difference, if indeed that objective is realized.

Finally, Mr. Chairman, we need to look at commonality. One of the things that is being developed in this program in conjunction with other programs is the engine. The gentleman from California (Mr. CUNNINGHAM) was just pointing out to us that the engine in this airplane is the same engine as in the JSF. If we buy fewer units of this engine, because we are not buying 400 or 500 of these airplanes, the JSF is going up significantly, let me tell my colleagues.

So this is a way of spreading cost, buying the new engine for the same airplane, and we should really commend the Air Force and all the services for trying to get together in one common airframe and using one common engine as well.

Finally, there are related costs, associated costs. Don Wright, as the Secretary of the Air Force, when he was trying to sell the B–2, had a favorite chart. He had all the things that did not have to fly when the B–2 flew a mission, all the escorts and the chasers and the associated aircraft that did not have to fly when the B–2 flew, because it made the single-unit cost of the B–2 look like a much better deal. Just keep that in mind. Air superiority matters when it keeps the AWACS flying, the JSTARS flying, because it makes all the rest of this conventional stuff work.

Mr. BARR of Georgia. Mr. Chairman, I yield 1 minute to the gentleman from Florida (Mr. FOLEY).

(Mr. FOLEY asked and was given permission to revise and extend his remarks.)

Mr. FOLEY. Mr. Chairman, I rise in support of the bill we are considering today but in opposition to the portion that cuts all funding for procurement of the F–22 aircraft. If the F–22 is eliminated, it could be decades before we are able to replace our standard air superiority aircraft, the F–15, with a suitable replacement.

In future conflicts this could mean American pilots in combat flying planes as old as their fathers. I fear the path we are headed down will lead to many more American pilots at risk, because they will be going up against potentially superior enemy aircraft.

I received a letter last week, Mr. Chairman, from a constituent who wrote he was attending a World War II veteran survivors meeting, and he wrote, ''We will conduct a memorial service for those who died in the past year with a roll call, candle lighting and prayers, and also remember those who gave their lives and never came home from the war.'' He continues, ''We need the F–22 program to keep our air power the best in the world, both for our pilots and for our country.''

Mr. Chairman, let us give our military personnel the best equipment possible. I sincerely hope that this program will be fully restored in conference.

Mr. LEWIS of California. Mr. Chairman, I yield 3 minutes to the gentlewoman from Texas (Ms. GRANGER).

Ms. GRANGER. Mr. Chairman, I rise today in support of H.R. 2561, because I believe it is very important that we continue to move the appropriations process forward and because I salute the hard work of the gentleman from California (Mr. LEWIS) on this issue. However, I have some strong reservations about the legislation before us.

Let me say that I recognize the very difficult budgetary challenges that the gentleman from California and the Subcommittee on Defense faced in assembling this bill. Every Member of Congress who follows defense closely is concerned with our defense needs and knows that they are underfunded, and I join my colleagues in wanting to see our Armed Services remain the best in the world. So knowing that we share the same goals, I look forward to continuing to work with the chairman to improve this legislation as we proceed to conference.

One element of the bill I hope the committee will improve in conference is the decision to pause procurement of the F–22. But make no mistake, there is no pause. A pause in this program will result in the death of this program. A pause tells our enemies the United States has stopped reaching ahead to the future.

Some have argued that we do not need the F–22 because there are no other enemy aircraft that can challenge the fighter planes we have today. Others have said the Joint Strike Fighter is all we need for the future. I am here to say that both of those arguments are wrong. Many of the Members here today have attended the Air Force's classified briefings where we have had outlined the current and future threats to our air superiority. I believe the top officers in the Air Force, men who have given their entire careers to the safety of this country, know what they are talking about. I believe the threats that they have outlined are real, and I believe the Air Force is right to make the F–22 its priority, and the Congress should too.

Members should also know the Joint Strike Fighter is not a substitute for the F–22. The F–22 is designed for absolute air superiority; to engage and destroy enemy aircraft at greater standoff distances, to operate at supersonic speeds without using afterburners, to be stealth, and to save the lives of our pilots. Do not be misled, the F–15 is not stealth. It does not have the same performance range. It is 30 years old. It does a good job, but it cannot be modified endlessly into the future. It cannot be the advanced technology for the 21st century.

Likewise, do not be misled into believing that the Joint Strike Fighter is a substitute for the F–22. They are designed to enhance each other's capabilities. The Joint Strike Fighter is a multi-role tactical aircraft, not an air superiority aircraft. It is meant to follow the F–22 into combat, not lead the charge. In fact, we need both planes.

And that leads me to my final point, Mr. Chairman. We cannot just skip the F–22 and go on to the Joint Strike Fighter. Killing the F–22 means the Joint Strike Fighter will also be killed, or at least seriously injured and delayed. Too much of the technology for both planes is being developed simultaneously. If the F–22 is dropped, the Joint Strike Fighter goes too. It is not possible to separate those contracts.

My colleagues, the defense budget is simply inadequate. We should not have to choose between today and tomorrow for our armed forces. While it is difficult to balance these needs, it is still possible. We should not be penny-wise and pound-foolish when it comes to our national security. I ask my colleagues to please help us work with the gentleman from California (Mr. LEWIS) and the gentleman from Florida (Mr. YOUNG) to restore the F–22 in conference.

In conclusion, I commend the gentleman from California (Mr. LEWIS) for including some very good measures for our military personnel, and I thank him for his commitment to our Armed Services.

Mr. LARSON. Mr. Chairman, may I inquire of the time remaining?

The CHAIRMAN. The gentleman from Connecticut (Mr. LARSON) has 2 minutes remaining.

Mr. LARSON. Mr. Chairman, I yield 1 minute to the gentleman from Florida (Mr. WELDON).

Mr. WELDON of Florida. Mr. Chairman, I rise acknowledging the difficult task the chairman of the full committee and subcommittee have, as well as our ranking members, but I must rise in support of continued funding for procurement of the F–22.

Basic knowledge of warfare states that one must have undisputed air superiority before introduction of ground troops. Achieving air superiority is the first order of business for any joint force commander. Opponents of the F–22 say that the current stable of fighter aircraft will be able to handle any foreign opponent aircraft. This argument does not address the growing sophistication of the surface-to-air-missiles that are currently available on the market today and their cheap availability.

The F–22 will stand a much better chance against such threats than the F–15 in the future. I support continued funding of the F–22 and the full procurement. The Secretary of Defense has come out in support of this position and the Air Force has made it their number one modernization priority.

□ 1630

Mr. BARR of Georgia. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Florida (Mr. STEARNS), the cochair of the Air Force Caucus.

(Mr. STEARNS asked and was given permission to revise and extend his remarks.)

Mr. STEARNS. Mr. Chairman, I think, like others, I am coming down here to urge the Committee on Appropriations to restore the needed funding for the F–22 in their upcoming conference.

I think the F–22 advanced fighter aircraft represents, of course, the next generation of superior American military aircraft; 1974 was the last time we started with an advanced fighter aircraft.

There is no alternative to the F–22 in the Air Force inventory for future combat operations that can provide or evolve to provide the capabilities that are inherent in the F–22, nor is there an alternative in development.

Richard Hallion writes in today's Washington Post, ''Failure to procure the F–22 would mark the first time since World War II that the United States has consciously chosen to send its soldiers, sailors, and airmen into harm's way while knowingly conceding the lead in modern fighter development to a variety of foreign nations that may sell their products on the world's arms market.''

America needs the F–22 and it needs it now.

Mr. Chairman, I rise to speak in support of the most fundamental component of America's future defense needs in maintaining our air dominance during military combat—the F–22 Raptor fighter aircraft.

I cannot speak on behalf of the F–22 any better than Richard Hallion has done in an op-ed that appears in today's Washington Post.

Mr. Hallion writes that, ''It takes more than a decade to develop a fighter, and it is imperative that we make the right choice. The hallmarks of a dominant fighter are the ability to evade and minimize detection, transit threat area quickly and exploit information warfare to react more quickly than one's foes. Only one aircraft contemplated for service today can do that: the F–22.

The F–22 advanced fighter aircraft represents the next generation of superior American military aircraft. The F–22 combines ''radar-evading stealth with the ability to cruise at supersonic speeds and to exploit and display data from various sources to better inform the pilot about threats and opportunities.''

The U.S. Air Force has become victim to their own military success. The action by the Defense Appropriations Subcommittee and the full Appropriations Committee to cut funding for the procurement of the F–22 comes on the heels of the Air Force's dominant performance against the Yugoslavian military and their air defense systems.

The Yugoslavian success has been the third consecutive military campaign since 1990 that the U.S. military has been able to dominate the air. Mr. Hallion writes that, ''exploiting dominant aerospace power is the irreplaceable keystone of our post-Cold War strategy for successful quick-response crisis intervention.''

''Seeking air superiority should never be what we choose to live with. Rather, air supremacy should be the minimum we seek, and air dominance our desired goal. Control of the air is fragile and can be lost from a variety of causes, including poor doctrine and tactics, deficient training, poor strategy and rules of engagement. But worst of all, it can be lost through poor aircraft.''

As a rest of the world continues to develop advance military aircraft and continues to develop high-quality surface-to-air and other missiles, America's ability to continue to dominate the air in military engagements with the existing arsenal of aircraft will be greatly diminished.

There is no alternative to the F–22 in the Air Force inventory for future combat operations that can provide or evolve to provide the capabilities inherent in the F–22. Nor is there an alternative in development. The F–22 will clear the skies of enemy aircraft and destroy enemy air defenses.

The F–22 will breach enemy defenses, bomb highly defended strategic targets and interdict enemy forces. No other aircraft in the U.S. inventory or in development can meet that need.

The actions to withhold sufficient funding for the F–22 by the Appropriations Committee will in fact increase the cost to the American taxpayer. The reduction of the FY 2000 funding for the F–22 has a net impact of terminating the current production program and increases total Air Force costs by $8.4 billion or roughly the current cost of 85 additional F–22 aircraft.

Finally, I would like to close with more words from Richard Hallion. ''Failure to procure the F–22 would mark the first time since the Second World War that the United States has consciously chosen to send its soldiers, sailors and airmen into harm's way while knowingly conceding the lead in modern fighter development to a variety of foreign nations that may sell their products on the world's arms market. America needs the F–22, and needs it now.

I urge Chairman YOUNG, Chairman LEWIS and all future conferees to the Defense Appropriations bills to accede to the Senate position on fully funding for FY 2000 for America's most significant next generation fighter aircraft that will preserve America's national security and protect our national security interests around the world. Work to protect the F–22.

Mr. LEWIS of California. Mr. Chairman, I am pleased to yield 1 minute to the gentleman from Washington (Mr. METCALF).

(Mr. METCALF asked and was given permission to revise and extend his remarks.)

Mr. METCALF. Mr. Chairman, I thank the chairman for yielding me the time.

Mr. Chairman, I rise today to support the continuation of the procurement of the F–22 because it is vital to the continued air dominance for the United States.

Mr. Chairman, air superiority has become the essential piece of military action, and the F–22 will guarantee our success into the next century.

This program must remain on schedule to ensure that the U.S. forces responsible to keep this country's vital interests safe have the absolute best technology available.

The proliferation of advanced surface-to-air weapons, systems as seen in Kosovo, serve to underscore the need for the F–22 now. At a time when we are uniquely aware of the challenges and demands placed on our military, we must go forward with this program.

I ask my colleagues to support the F–22.

Mr. LEWIS of California. Mr. Chairman, I am pleased to yield 2 minutes to the gentleman from Georgia (Mr. CHAMBLISS) my colleague.

(Mr. CHAMBLISS asked and was given permission to revise and extend his remarks.)

Mr. CHAMBLISS. Mr. Chairman, I first of all want to thank my friends, the gentleman from Florida (Chairman YOUNG), the gentleman from California (Chairman LEWIS), and the gentleman from Pennsylvania (Mr. MURTHA), the ranking member, for the great job that they have done in a very tough environment. We have all had very difficult budget issues to resolve, and this is yet another one.

But I also rise to talk about securing America's future. Part of the cornerstone of securing America's future is to provide for a strong national defense. In order for our continued strong national defense in this country, we have got to maintain air superiority.

Now, what we are doing by reducing the funding of $1.8 billion for the F–22 program is to move the F–15 into an upgrade status. The F–15, make no mistake about it, has been a great airplane for the United States Air Force. But the threat out there today, as my friend from California has already alluded to, is the SU–27, which is on parity with the F–15.

If you upgrade the F–15, we are looking at the SU–35 that is a Russian-made airplane coming down the line that will be superior to the upgraded F–15. Yet they have another airplane on the drawing board already. We simply will not be in parity if we do not have the F–22.

Sure, cost is a problem. But can cost measure saving lives of our young men and women? The F–22 is an absolute necessity to maintain air superiority. There are three things that the F–22 has as an asset that no other airplane has. It has integrated avionics. It has supercruise capability. And it has stealth.

The F–15 has none of these. The upgrade will have none of these. The F–22 has the capability of first-day, first-shot, first-kill. Against the other airplanes that are out there today, the F–15, even with its upgrades and modifications, will not have that capability.

If we are going to maintain air superiority that has been so valuable and such an absolute necessity in the Persian Gulf and in Kosovo and other areas of the Balkans, we have got to have the F–22.

I urge the chairman to really negotiate hard in conference on this issue.

Mr. LARSON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me start by saying how much I appreciate the efforts especially of the gentleman from California (Mr. CHAMBLISS) who helped put together a working group of concerned Members of Congress who I think have demonstrated this afternoon on both sides of this issue concern about national security and safety.

It is my sincere hope that, as we move forward with the conference, that the conferees from the House take into consideration the concerns that have been brought forward during this debate.

Mr. Chairman, I would like to thank especially the gentleman from Pennsylvania (Mr. MURTHA) for his kindness and mentoring through this process.

Mr. BARR of Georgia. Mr. Chairman, I yield 1 minute to my distinguished colleague, the gentleman from the great State of Georgia (Mr. KINGSTON), a member of the Committee on Appropriations.

Mr. LEWIS of California. Mr. Chairman, I also yield 1 minute to the gentleman from Georgia (Mr. KINGSTON).

Mr. KINGSTON. Mr. Chairman, I thank both gentlemen for yielding me the time.

Let me say that I am going to support this bill. The ranking member and the chairman of the committee have worked hard on a bill that balances quality of life, readiness, and modernization in the face of a budget shortfall in a long list of very many needs.

There are three reasons that I am standing in support of including the F–22 in the final bill. And that is, number one, the threat. That has been outlined fairly well by previous speakers, but let me just put it this way:

When George Washington was President, the Congress had a bill that said that our standing military would never be more than 5,000 troops; and the President at that time said that would be great, but let us also pass a bill that we cannot be invaded by any country that has more than 3,000 troops.

We do want a fair fight in America. And our enemies are not cooperating. While we may pause on the F–22, they may not pause on their development of stealth fighters. We know from our classified briefings, that the threat is real.

The second reason I support the F–22 is because of the slippage. If we hold back because of a very complicated purchasing system that involves over 200 contracts by the producer, it will cost us an additional $6 billion to get up and running again. It also will cost us some soft costs.

For example, with the F–22, the Air Force does not need the EF–11s. But without it, they will need them. And so, we are going to have to start spending money on that again. The slippage cost is real, and again it is about $6 billion.

The third reason I support the F–22 is because the Joint Strike Fighter, as the gentlewoman from Texas (Ms. GRANGER) said very articulately, is a complement to the F–22. It is not a replacement.

I believe there is some other money out there. We did not spend all our money that we had appropriated in the bombing of Kosovo. Maybe we should look at going back into that supplemental bill and bringing some of this money back to make this happen. I am not sure.

But I appreciate the gentleman listening to us, and I appreciate the leadership on the issue and hope we can get this done in the final version of the bill.

The House Department of Defense Appropriations Bill for FY00 provides an extremely important allocation of resources in a serious effort to improve critical shortcomings affecting the readiness of our armed forces. This bill meets the budget authority and outlay limits set in the Committee's 302(b) allocation, provides a critical $15.5 billion increase over appropriations in FY99, and provides $2.8 billion above the President's request. This legislation goes a long way to address critical readiness, recruitment, retention, operational maintenance, and quality of life needs that are so important for our military. However, I am concerned about one aspect of the legislation's strategy, cutting programmed funding for the initial production of the Air Force's number one development priority, the F–22, Raptor.

We expect our military to remain the world's best, head and shoulders above any potential aggressor. We demand that our armed forces reign supreme in personnel, training, professionalism, and equipment. We do not want parity with our enemies, we demand superiority. We do not want to win conflicts by attrition but by overwhelming our foes. A most critical aspect of our superiority is our ability to achieve and maintain all superiority in any conflict. Furthermore, today Americans have grown to expect to win conflicts with minimal or even no casualities. The best trained pilots in the most advanced aircraft are the great enabler in any conflict whether to protect our Navy, or to allow the introduction and free maneuver of our ground forces. Air superiority is vital. Experience in modern warfare has continued to reflect the importance of this from success in World War II to operations during Desert Storm and Operation Allied Force.

The F–22 aircraft is being produced to replace the F–15 fighter and to accomplish its air superiority mission beginning in 2005. The F–15 currently represents 1960's technology and the aging fleet will average 26 years old when the F–22 is scheduled to be operational. Today's F–15's have served our country well, but in the future our pilots will be at risk. Its capabilities today are at parity with the Russian SU–27, MIG–29 and by 2005 will be at a disadvantaged facing the Russian SU–35 or the French Rafael, and the European Fighter 2000 aircraft that will be available on the world market. Additionally, the surface to air missile threat continues to advance world wide. today, the SA–10 and SA–12 millile availability pose a threat to the F–15. Proliferation of SA–10 and SA–12 capability has increased from four countries in 1985 to fourteen in 1995 and an estimated 22 by 2005. The F–22 will have the capability to counter the surface to air missile threat through stealth technology, supercruise capability that will significantly reduce missile engagement opportunity, maneuverability and unequaled pilot awareness.

The F–22 aircraft does bear costs, $19 billion have been invested to date, but the cost and advanced technology provide significant efficiencies and long term savings. The F–22 will reduce by half the number of maintenance personnel for each aircraft. It is expected to have 30 percent reduction in direct operations and sustainment costs per squadron per year when compared to the F–15. A quicker combat turnaround time will allow higher sorties rates during a conflict. The F–22 program costs are under control and are within the Congressional mandated cost caps for both development and production. This plane utilizes cutting edge technology to ensure our Air Force continues to maintain our nation's superiority in air combat.

Based upon the status of the current F–22 program, a pause in funding the F–22 procurement requested for FY00 would put the entire program at serious risk. Contract obligations would be breached if aircraft procurement is not funded. This would result in at least a three year delay in the program, would increase costs by $6–8 billion, and exceed the caps set by Congress. The production delay could seriously affect numerous suppliers that could not afford to stop and restart production causing significant erosion of the program's industrial base. Such a pause would seriously disrupt an intricate supply system established in all but a few states.

A pause or end of the F–22 program would have a very negative impact on the future of an important complementary aircraft, the Joint Strike Fighter (JSF). The JSF also under development is being designed as a multi-role aircraft for three services to replace the capabilities of the F–16 and A–10 fleet, with fielding goals in FY10. It is being developed to perform as an air-to-ground combat aircraft to complement the air-to-air combat role of the F–22. The characteristics of these plans will differ greatly. If the F–22 program is killed, the U.S. will have a void in the capabilities required by the F–22, the action could cause great changes to JSF, or require development of a whole new kind of aircraft, all of which would delay the fielding of the JSF. Additionally, the JSF leverages certain technologies from the F–22, including avionics and engines that use the F–22 as a stepping stone for advancements. Setback of the F–22 program will degrade progress on the JSF. Ultimately, this action could place our air supremacy capability in extreme danger.

Finally, as the F–22 harnesses and employs superb, advanced technology, the development and testing of the aircraft does the same. Flight testing of two test aircraft has proceeded well. Avionics testing has been ongoing through three bench labs and one flying test bed, a 757 aircraft with all avionics including a full cockpit from an F–22. Advanced computer models have also enhanced the ability to hone the technical aspects of the

plane. Nine aircraft are funded in the Engineering and Manufacturing Development (EMD) phase of this program. All nine aircraft will be delivered by FY01. Production aicraft that have been requested by the Air Force to be funded in FY00 will not complete production until FY03. This low rate initial production is necessary to efficiently utilize the open delivery line. Testing will be 90% complete and initial operational testing and evaluation will complete in mid-year 2003. The program minimizes risks and employs efficiency and responsible costing to meet delivery milestones. When compared with previous aircraft production such as the F–15 and F–16, the F–22 minimizes, by a large degree, the number of production aircraft during the EMD phase.

In closing, the House Department of Defense Appropriations Bill for FY00 is a good bill that will provide relief for many aspects of our services needs. It goes far to take care of the men and women who serve in America's Army, Navy, Air Force, and Marine Corps. I will vote in favor of this legislation, but with apprehension that this bill does an injustice to the number one Air Force development priority and a critical Department of Defense program that has vital implications on how we remain the undisputed air superiority and air supermacy power in the world.

This amendment was offered in the Appropriations Committee by Mr. KINGSTON, but was withdrawn and not offered on the floor.

NEW GENERAL PROVISIONS RESTORING F–22 FUNDS AND PROVIDING ADVANCE APPROPRIATIONS FOR SEVERAL PROGRAM INCREASES

In the appropriate place in the Committee Print Bill, insert the following new general provision:

SEC. XXXX. Notwithstanding any other provision in this Act, the total amounts appropriated in this Act for Titles III and IV is hereby reduced by $1,852,075,000 to reflect the deletion of the following amounts for the following programs: $208,000,000 for eight KC–135 re-enginings; $440,000,000 for eight F–15E aircraft; $564,000,000 for KC–130J aircraft; $250,000,000 for one JSTARS aircraft; $98,000,000 for five F–16 C/D aircraft; $63,000,000 for one Operational Support Aircraft; $100,000,000 for additional AMRAAM procurement; $50,000,000 for additional JDAM procurement; $79,075,000 for B–2 upgrades; *Provided*, in addition to the amounts provided elsewhere in this or any other act, $1,852,075,000 is hereby appropriated to be available October 1, 2000, until expended, in the following amounts for the following programs: $208,000,000 for eight KC–135 re-enginings; $440,000,000 for eight F–15E aircraft; $564,000,000 for KC–130J aircraft; $250,000,000 for one JSTARS aircraft; $98,000,000 for five F–16 C/D aircraft; $63,000,000 for one Operational Support Aircraft; $100,000,000 for additional AMRAAM procurement; $50,000,000 for additional JDAM procurement; $79,075,000 for B–2 upgrades: *Provided further*, in addition to the amounts appropriated elsewhere in title II of this Act, $1,574,981,000 is provided for F–22 procurement and $277,094,000 for F–22 Advance Procurement.

WHY WE NEED THE F–22

THREAT

Need F–22 to counter future and current surface-to-air missile (SA 10/12) threats. The F–15 cannot operate in this environment by itself

21 countries expected to possess SA 10/12's (advanced SAMS) by 2005

237 of world's 267 nations have surface to air missiles

There will be a five fold increase in the number of countries with radar guided air to air missiles

As many as 700 MIG–21's may be upgraded between 1995 and 2000

F–15 began service in early 1970's (almost 25 years ago)

When F–22 becomes operational in FY06, the F–15 will average 26 years old

When JSF becomes operational in FY10, the F–16 will be 24 years old

30–40 year old F–15's put our pilots at risk

Today the F–15 is just at parity with the SU–27 and MIG–29.

By 2005 the F–15 will be disadvantage to the SU–35 and the export versions of the Rafale and European Fighter 2000

Air to air missiles are proliferating and becoming more capable

IMPACT OF SLIPPING PROGRAM

3 year delay in program, voids contracts, and kills program

This is not a pause, it kills the production program

Increase in costs breaks the contract price and the Congressional costs caps

Increases Air Force costs by $6.5 billion

Set back for Army's number one priority the Commanche helicopter since they have some common systems)

$16 billion already invested to date

Loss of industrial base to support F–22 program

Upgrading the F–15 would cost about $26 million per plane

F–22

F–22 replaces the F–15 for all weather air superiority and deep attack

Increased capabilities: stealth, supercruise, maneuverability, avionics, weapons payload

First look, first shot, first kill against multiple targets

Flight tests have gone well

Costs are controlled, costs are within funding caps set by Congress

The F–22 will reduce by half the number of maintenance personnel for each aircraft

F–22 will cost $500 million less to operate and support over 20 years than an F–15 squadron

F–15 afterburner operations are limited to 5–7 minutes, F–22 can operate at supercruise for a significant period of time without afterburners

20% lower combat turnaround time for the F–22/higher sortie rate

Lower deployment requirements (14 C–17s to deploy F–15 vs. 4 C–17s for F–22)

JSF

JSF leverages technologies from the F–22 (avionics, engines)

JSF is a multi-role air to ground fighter to complement (not replace) the air-to-air role of F–22

JSF replaces the F–16 and A–10 and meets requirements for other military services

Without the F–22, the requirements for JSF change and will delay JSF by several years

for more information contact Congressman KINGSTON or Congressman CHAMBLISS.

POINT PAPER ON HAC–D MARK TO F–22 PROCUREMENT

BACKGROUND—WHY THE USAF NEEDS THE F–22

The 21st Century Force Structure—The Air Force's modernization strategy is built on the proper mix of ''High'' capability F–22s and ''Low'' cost Joint Strike Fighters (JSF) to achieve the dominant capability and operations tempo to support Joint Vision 2010's goal of full spectrum dominance.

F–22 is the high-capability force enabler designed to accomplish the most demanding missions of air superiority and attack of high-value, highly defended targets.

A combination of stealth, supercruise, integrated avionics, and larger internal air-to-air weapons payload are its primary attributes.

The JSF is the low-cost majority of the force—balance of affordability and capability allows procurement of greater numbers to perform a variety of missions and sustain the required high tempo of modern warfare.

JSF will rely on the F–22 for air superiority.

JSF will modernize the largest part of our fleet providing an affordable replacement for the F–16 and A–10.

JSF is dependent upon F–22 technologies and will complement the F–22 in the future as the F–16 complements the F–15 today.

The Need for the F–22—Joint Vision 2010 requires the Air Force to achieve Air Dominance—the ability to completely control adversary's vertical battlespace.

The current air superiority fighter, the F–15, is at parity today with the SU–27 and MIG–29; by IOC for F–22 in 2005, the F–15 will be at a disadvantage with the fielding of the SU–35 and export versions of the Rafale and Typhoon, and the proliferation of advanced air-to-air missiles such as the AA–11, AA–X–12, and MICA.

The development and proliferation of advanced surface-to-air missiles (SAMs) such as the SA–10 and SA–12 result in a sanctuary for the enemy because the F–15 will be unable to operate in this environment without a protracted, asset intensive, defense suppression campaign.

F–22's attributes of stealth, supercruise, and integrated avionics will allow it to operate in the presence of the total threat—emerging threat aircraft, advanced SAMs, and advanced air-to-air missiles.

Provides American forces the freedom from attack, freedom to maneuver and freedom to attack.

the Time is Now—The current Air Force fighter modernization program is an affordable and effective solution demanded by the increasing age of our current fighter force structure.

By F–22 ICO in 2005, the average age of the F–15 will be 26 years old.

By JSF IOC in 2010, the average age of the F–16 will be 24 years old.

F–22 is an essential investment to achieve air dominance—the key enabler for 21st Century Combat Operations.

DISCUSSION—IMPACT OF THE HAC–D REDUCTION ON THE CURRENT F–22 PROGRAM

The proposed reduction of the F–22 FY00 funding has a net impact of terminating the current production program and increases total Air Force costs by $6.5 Billion (does not include costs for Service Life Extension of F–15 to accommodate 2 year slip to F–22 Initial Operational Capability).

Termination of the current production program—The current F–22 production strategy to procure all 339 aircraft within the Congressional Cost cap of $39.8B Key elements of this strategy are: fixed price options for the PRTV and Lot 1; target price curve (TPC) for Lots 2–5; and multi-year contracts for lots 5–12.

Impact: Termination of the Lot 1 buy voids the fixed price agreement for the PRTV/Lot 1 buy and contractually requires termination of the PRTV aircraft buy. This in turn breaks the TPC and results in a production cost increase over the Congressional cost caps. A new production strategy initiated in FY02 with an 8 aircraft buy (requires Advance Buy in FY01) and a new production profile (8, 10, 16, 24, 36) results in a production cost increase of $5.3B, which breaks the Congressionally mandated production cost cap of $39.8B.

Extension of the EMD program by 15 months—The cancellation of the PRTV aircraft drives the requirement to retrofit the

EMD aircraft to a production configuration for dedicated initial operational test and evaluation, which would have been accomplished by the PRTVs.

An additional $500M is required for EMD to fund for Out-of-Production parts associated with these aircraft due to the lack of an active production program.

Impact: With the EMD stretchout and above considerations the total cost impact to the EMD program is $1.2B, which breaks Congressionally mandated EMD cost cap of $18.8B.

Delay to Initial Operating Capability (IOC)—F–22 IOC is currently scheduled for December 2005, the change to the production profile would delay IOC (stand up of the first F–22 squadron) to Dec 2007.

Delay in IOC would force the Air Force to execute an F–15 Service Life Extension Program (SLEP) on one Fighter Wing (72 aircraft).

Mr. LEWIS of California. Mr. Chairman, I am pleased to yield 1 minute to my colleague, the gentleman from Utah (Mr. HANSEN).

(Mr. HANSEN asked and was given permission to revise and extend his remarks.)

Mr. HANSEN. Mr. Chairman, I think the question today is, what kind of Air Force do we want? If it is not the Air Force today, it is an Air Force 10, 20, 30, 40 years from now. That is what we are looking at.

Our choice in this thing is tomorrow's Air Force needs to be stealthy, needs to be survivable, supportable, deployable, and lethal; and the future of that rests with the F–22.

It is kind of hard, and I think there is nothing we can do but to hurt retention and morale by giving these kids a plane that is old. When they are flying 90-year-old bombers and 80-year-old tankers and 30-year-old fighters, that is the worst thing we can do for retention and morale of people.

We kind of have to laugh in a way, Mr. Chairman, because it was just a little while ago we were fighting this argument with the B–2 bomber. Do my colleagues remember that one? It cannot fly. The technology is wrong. It cannot fly in the rain. It will not do it.

And then this last thing in Kosovo, what happened? It did it all. And then the same people who vetoed the bill, the same people who opposed it are now standing there with air crews with the B–2 behind them. Politicians are rushing to have their pictures taken with the B–2 that could not fly and could not work and made the same arguments.

I think it is reasonable to go with the F–22. That is the future of the Air Force. Let us support that.

Mr. LEWIS of California. Mr. Chairman, I yield 1 minute to the gentleman from Mississippi (Mr. TAYLOR) my colleague, for purposes of a colloquy.

Mr. TAYLOR of Mississippi. Mr. Chairman, I wish to engage in a colloquy with the gentleman from Pennsylvania (Mr. MURTHA).

Mr. Chairman, as the gentleman well knows, the armed services have recently conducted a survey for the purpose of identifying which ships should be used as a centerpiece of the 12 Marine amphibious assault groups.

A study was done comparing building an additional LHD as opposed to taking an LHD–8 and schlepping it. The study came back very much in favor of taking an LHD and putting turbines in the next version of it as opposed to schlepping it.

I notice there were no funds in this bill for that, although the Senate has funded this program.

My question to my colleague and I seek his assurance that, at the end of the day, when this bill comes back from conference committee, will there be funds for LHD–8 in the bill.

Mr. MURTHA. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR of Mississippi. I yield to the gentleman from Pennsylvania.

Mr. MURTHA. Mr. Chairman, I can assure the gentleman that all of us in the subcommittee discussed this at great length. We know the importance to our national security. We know the importance to the Marine Corps. We will make every effort to bring back an LHD–8.

I know the gentleman has been pushing this for a long time. And the same here as the F–22, it is a matter of money. We hope we can work it out, and we expect to have more money down the road.

Mr. BARR of Georgia. Mr. Chairman, I yield myself such time as I may consume.

(Mr. BARR of Georgia asked and was given permission to revise and extend his remarks.)

Mr. Chairman, that is one beautiful aircraft. But do not be deceived. That is one mean SOB when it comes to air superiority.

That, my colleagues, is the only way the United States of America can maintain what has always been an essential pillar of our national security for so long as American men and women have been flying, and that is the F–22.

But do not take my word for it. Take the Washington Post's word for it. We heard earlier, as referenced by the gentleman from Florida, do not take my word for it. Take the word of seven, count them, seven former Secretaries of Defense: Bill Perry, Cap Weinberger, Frank Carlucci, Don Rumsfeld, Dick Cheney, Harold Brown, and James Schlesinger.

All of these men, who have served their country under administrations on both sides of the aisle, have told us and told us very clearly, America must have the F–22 if it is to maintain air superiority.

Over 200 years ago, a gentleman universally recognized as one of the great military generals of all time, George Washington, said, ''To be prepared for war is one of the most effectual means of preserving peace.''

Do not just take his word for it. Go back 2,000 years before that to Mr. Sun Tzu who said, ''Victorious warriors win first and then go to war. It is defeated warriors who go to war first and then seek to win.''

The way we prepare for war is to win war first and then go to war. The way we do that is what we did in the Gulf War, what we did in Kosovo; and that is to use air superiority.

Before our men and women went to war in the air in Desert Storm or in Kosovo, they had already won. They had already won because the F–15 and the F–18 were superior to anything that the enemy had.

That will prevail today. It will prevail tomorrow. But 5 years from now, it will not prevail. There are fighters being developed by a consortium of three countries that can defeat the F–15. The only way we can demand and contain air superiority in the future is to fund the F–22. We need to do that.

I appreciate the gentleman from California hearing these arguments out. I appreciate the support of Members on both sides of the aisle to fund the F–22.

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Mr. LEWIS of California. Mr. Chairman, I yield myself such time as I may consume, not by way of responding to the comments of the gentleman from Georgia or to others who have taken a position today in support of the F–22, but rather to make certain that all of our colleagues understand exactly how we got to this point preceding this debate.

Earlier on in the year when I suddenly found myself with this chairmanship, my friend, the gentleman from Pennsylvania (Mr. MURTHA) said to me, ''Jerry, you're going to shortly realize there's only so much money to go around, and it's our job to make the tough choices.'' In that connection as we looked over the whole array of requirements and needs of our national defense, it became very clear, in competition with other programs that are a Federal responsibility, that indeed this is a very challenging responsibility.

Among those items that came before me in the early days of homework regarding this bill was the fact that we were on a line that would take us to three production lines of tactical fighter needs for the future. That involved the development further of the F–18E/F, the F–22, and the Joint Strike Fighter in the near future. It is the F–22 which we have discussed rather extensively today. If we follow through on the development of all three of those lines, we will eventually commit somewhere near $340 billion of expenditure. If we can, after reexamination, reduce that by just one aircraft line, we will save as much as $60 billion and at the end we will still have the finest tactical fighter force in the entire world. That is our entire objective.

I can assure my colleagues that we are going to do everything necessary to ensure that no nation will be able to threaten us in terms of tactical air in the future.

Having said that, Mr. Chairman, this has been a very difficult process. I want my colleagues to know how much I appreciate their serious cooperation regarding this amendment. Between now and the time that we go to conference with the Senate, we will be carefully evaluating that request for $3 billion for the tactical fighters in the future. Presently the bill provides for $1.2 billion for research and development. This funding will give us all the flexibility we need to have adequate discussions with the Senate. Between now and then, we are expecting serious responses from the Air Force and others as to how we can develop these programs and make sense out of our conflicting budgetary problems.

And so with that, Mr. Chairman, I yield back the balance of my time, with the exception of yielding a minute to the gentleman from Georgia for purposes of a motion to withdraw.

Mr. SMITH of Washington. Mr. Chairman, air power is critical for how we fight wars and respond to international incidents. Americans place an immeasurable value on life, and in war. Mr. Speaker, air dominance saves lives. Sweeping the skies clean of enemy air craft is essential for protecting our most vulnerable troops on the ground, and the pilots who fly follow-on strike missions. Air dominance cannot be guaranteed with aircraft on par with the enemy—it can only be achieved with superior capabilities. Mr. Speaker, the F–22 is the American guarantor of air supremacy.

In scenarios where the United States need to respond to a rogue nation or terrorist group with a punitive strike, advanced fighters can deliver the message with precision. This is an important factor in lowering collateral damage and limiting the number of allied lives put at risk. As in Kosovo and the Gulf War, I believe air power will continue to be the primary player in how the United States responds to conflict.

Mr. Chairman, we cannot cut funding for F–22 procurement. Tactical fighters take 15 years to research, develop, and mature. If we want to maintain our air dominance in the future, say in the year 2010, we need to develop and test these air dominance fighters today. Currently, no other tactical air program combines the breakthrough technologies of integrated avionics, supercruise, thrust vectoring engines, and stealth into one aircraft. With the world-wide proliferation of SAMs, our pilots must take advantage of the F–22's supercruise, speed and stealth to complete their mission and return home safely. By investing in leap-ahead technologies, we can save the lives of our future war fighters; we cannot invest in yesteryear technology.

The F–22 is our top fighter program, no near term or long term substitute exists. Mr. Chairman, I urge my colleagues to support full funding of the F–22 program.

Mr. STENHOLM. Mr. Chairman, I rise today to express my support for the F–22—the key to maintaining air dominance in the 21st Century.

The F–22 is the first new U.S. air superiority fighter to be built in more than thirty years, and it is scheduled to join the Air Force inventory at a crucial time. Despite the ongoing upgrade of existing U.S. fighter aircraft, our tactical aircraft are facing increasingly sophisticated foreign fighters and more lethal air defense missiles.

The F–22 is crucial to maintaining air superiority. History has shown us that air dominance is crucial to controlling the battlefield; it allows our forces and other aircraft to operate against our enemies with impunity. Proven success in attaining air superiority is the reason that no American soldier has died from enemy air attack in over forty years.

We must continue development and acquisition of the F–22. Pausing this process is equal to cancellation of the program. Development of the aircraft system is on-track, and modern technology means that we can have a high-level of confidence in flight-tests, computer simulation, and other testing.

I urge my colleagues to join me in supporting funding for the F–22. It is important to our defense industry but most importantly it is crucial to the men and women who defend our nation.

Mr. BARR of Georgia. Mr. Chairman, if allowed to stand, the decision to cut $1.8 billion in funding for the production of six F–22s would be a grave mistake. This cut in the F–22 program will adversely impact the security of this nation.

Defense experts agree the F–22 performs a vital role in maintaining air superiority in future conflicts. As witnessed in the recent strikes in Kosovo and the Persian Gulf, air superiority provides an essential element in the protection of our nation and our interests abroad. Without the complete development of stealth technology and advanced avionics features, we put our soldiers at risk.

The F–22 is America's next generation air superiority fighter, and has been developed to counter any future threats posed by foreign advanced surface-to-air missiles (SAMs). As we witnessed over the skies of Iraq, SAMs and other advanced fire-controlled radars pose a real threat to U.S. combat air fighters. The only real defense against those systems is the F–22 program, which has the ability to operate against multiple targets and use advanced avionics. As foreign countries continue to develop and purchase increasingly advanced air defense systems, our nation must continue advancement of our own fighters to preserve future air superiority.

The goal of the F–22 program is to maintain the dominance of aerodynamic stealth performance and will enable the Department of Defense to continue its air superiority. Creating a ''pause'' in the program may in all likelihood, kill future production of this magnificent plan. Once the production is stopped, contracts will be broken as will the congressional cost caps. Since the early 1980s, Congress has continued to appropriate the necessary funding for the research and development of this plane, which has resulted in the investment of $19 billion in taxpayer funds and 13 years of development. As the F–22 program continues to exceed every technical and programmatic challenge, the U.S. Air Force continued to give its strong, explicit support for the projects continuation.

From the start, the F–22 has been designed for minimal maintenance and will provide a reliable aircraft which is far superior than any other aircraft today. Compared to the F–15, which requires an average of 23 maintenance personnel, the F–22 will require a mere 15 personnel, which represents a substantial cost savings when calculated over the 20-to-30 year life of an aircraft. Through the use of advanced technology, several benefits will be gained by developing a cost efficient design strategy, creating substantial savings and improving operational flexibility throughout the life of this program.

Limiting this nation's defense in the 21st century to only one new fighter—the smaller, sub-sonic tactical Joint Strike Fighter, or JSF—would put us in serious risk and force us to waste vital defense monies updating current aircraft (F–15 and F–18) that will be outdated and outperformed by foreign produced aircraft as soon as they are upgraded. While some suggest we rely on the future development of the Joint Strike Fighter (JSF) program, the JSF production is expected to begin around 2005 and operational service to begin around 2010. In March 1999, the Congressional Budget Office estimated the total acquisition cost of these JSF aircraft over a 27-year period at some $223 billion. The estimates of the JSF's ultimate price may cost more than the F–22 when the program finally reaches it programmatic maturity. The alternative JSF has been developed as a joint-service fighter/attack plane to complement—not replace the F–22. The JSF was never envisaged to take the place of the F–22 and it cannot be modified to do so.

As other foreign countries begin to develop and acquire combat aircraft equal to our current fighters, the F–22 program is the best hope—the only hope—to beat the encroachment of advanced foreign arsenals. Countries such as Russia are developing advanced fighters for their foreign customers such as Syria, China and India. The F–15 began service over 25 years ago, and when the F–22 becomes operational in FY06, the F–15 will average 26 years of service. The F–15's flight characteristics are well known, making it even more susceptible to the next generation of foreign missiles and fighters.

The history of warfare is clear—whoever owns the sky and space above it will own the future. The F–22 is the only opportunity our nation has to ensure America's military continues to control the sky for this century and the 21st century. There is no other tactical combat aircraft in service today that has similar capacity to successfully operate amid our growing future foreign threats.

I urge the House to re-consider supporting such a defense initiative which will adversely affect future conflict capability and would put our nation's air superiority in jeopardy. We must continue to guarantee air superiority through the continued support and funding of the F–22 program. There is no other American aircraft that can offer the insurance and protection our soldiers and their families desperately need.

Mr. BARR of Georgia. Mr. Chairman, I ask unanimous consent to withdraw amendment No. 4.

The CHAIRMAN. Pursuant to the order of the House, the amendment is withdrawn.

AMENDMENT OFFERED BY MR. LEWIS OF CALIFORNIA

Mr. LEWIS of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LEWIS of California:

On page 8, line 20, after the word ''facilities'', add the following proviso:

''*: Provided,* That of the funds made available under this heading, $7,000,000 shall only be available to the Secretary of the Army, acting through the Chief of Engineers, only for demolition and removal of facilities, buildings, and structures used at MOTBY (a Military Traffic Management Command facility)''.

On page 9, line 7, after the word ''Fund'' add the following proviso:

''*: Provided,* That of the funds available under this heading, $300,000 shall be available only for site design and planning, and materials and equipment acquisition for the Maritime Fire Training Center at MERTS''.

On page 10, line 6, delete ''$11,401,733,000'' and insert in lieu thereof ''$11,402,733,000''.

On page 11, line 25, after ''tractors'' at the end of line 25, add the following proviso:

''*: Provided further,* That of the amounts provided under this heading, $6,300,000 is available only for the Department of Defense STARBASE program''.

On page 32, line 7, delete ''$6,964,227,000'' and insert in lieu thereof ''$6,958,227,000''.

On page 32, line 8, after ''2002'' insert the following new proviso:

''*: Provided,* That of the amounts provided under this heading, $82,363,000 shall be available only for procurement of the 60K A/C Loader program: *Provided further,* That of the amounts provided under this heading, $179,339,000 is available only for the Base Information Infrastructure program''.

On page 36, line 10, delete ''$8,930,149,000'' and insert in lieu thereof ''$8,935,149,000''.

On page 37, line 12, after the word ''proviso'', insert the following proviso:

''*: Provided further,* That of the amounts provided under this heading, $5,000,000 is only for a technology insertion program, to be carried out by a federally funded research and development center and other units it affiliates with, to demonstrate the cost savings and efficiency benefits of applying commercially available software and information technology to the manufacturing lines of small defense firms''.

On page 83, line 23, section 8071, insert after ''a State'' the following:

''(as defined in section 381(d) of title 10, United States Code).''

At the end of the bill, insert after the last section (preceding the short title) the following new section.

''SEC. . None of the funds provided in this Act may be used to transfer to any nongovernmental entity ammunition held by the Department of Defense that has a centerfire cartridge and a United States military nomenclature designation of ''armor penetrator'', ''armor piercing (AP)'', ''armor piercing incendiary (API)'', or ''armor-piercing incendiary-tracer (API–T)''.''

Mr. LEWIS of California (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. LEWIS of California. Mr. Chairman, I offer a manager's amendment on behalf of myself and the gentleman from Pennsylvania (Mr. MURTHA). As I mentioned, this has been cleared on both sides, and I thank the gentleman from Pennsylvania for his cooperation.

Mr. MURTHA. We have no objection to the amendment.

Mr. LEWIS of California. Mr. Chairman, I move the amendment be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. LEWIS).

The amendment was agreed to.

Mr. LEWIS of California. Mr. Chairman, I ask unanimous consent that the remainder of the bill, through page 138, line 23, be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The text of the remainder of the bill is as follows:

TITLE V

REVOLVING AND MANAGEMENT FUNDS

DEFENSE WORKING CAPITAL FUNDS

For the Defense Working Capital Funds; $90,344,000: *Provided,* That during fiscal year 2000, funds in the Defense Working Capital Funds may be used for the purchase of not to exceed 295 passenger motor vehicles for replacement only for the Defense Security Service.

NATIONAL DEFENSE SEALIFT FUND

For National Defense Sealift Fund programs, projects, and activities, and for expenses of the National Defense Reserve Fleet, as established by section 11 of the Merchant Ship Sales Act of 1946 (50 U.S.C. App. 1744); $729,700,000, to remain available until expended: *Provided,* That none of the funds provided in this paragraph shall be used to award a new contract that provides for the acquisition of any of the following major components unless such components are manufactured in the United States: auxiliary equipment, including pumps, for all shipboard services; propulsion system components (that is; engines, reduction gears, and propellers); shipboard cranes; and spreaders for shipboard cranes: *Provided further,* That the exercise of an option in a contract awarded through the obligation of previously appropriated funds shall not be considered to be the award of a new contract: *Provided further,* That the Secretary of the military department responsible for such procurement may waive the restrictions in the first proviso on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes.

TITLE VI

OTHER DEPARTMENT OF DEFENSE PROGRAMS

DEFENSE HEALTH PROGRAM

For expenses, not otherwise provided for, for medical and health care programs of the Department of Defense, as authorized by law; $11,078,417,000, of which $10,471,447,000 shall be for Operation and maintenance, of which not to exceed 2 per centum shall remain available until September 30, 2001; of which $356,970,000, to remain available for obligation until September 30, 2002, shall be for Procurement; and of which $250,000,000, to remain available for obligation until September 30, 2000, shall be for Research, development, test and evaluation: *Provided,* That of the amounts made available under this heading for Research, development, test and evaluation, $175,000,000 shall be made available only for the Army peer-reviewed breast cancer research program and $75,000,000 shall be made available only for the Army peer-reviewed prostate cancer research program.

CHEMICAL AGENTS AND MUNITIONS DESTRUCTION, ARMY

(INCLUDING TRANSFER OF FUNDS)

For expenses, not otherwise provided for, necessary for the destruction of the United States stockpile of lethal chemical agents and munitions in accordance with the provisions of section 1412 of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521), and for the destruction of other chemical warfare materials that are not in the chemical weapon stockpile; $781,000,000, of which $492,000,000 shall be for Operation and maintenance, $116,000,000 shall be for Procurement to remain available until September 30, 2002, and $173,000,000 shall be for Research, development, test and evaluation to remain available until September 30, 2001*: Provided,* That notwithstanding 10 U.S.C. 2215, of the funds appropriated under this heading, $75,303,000 shall be transferred to the Federal Emergency Management Agency ''Defense Chemical Stockpile Emergency Preparedness Program'' account by October 31, 1999, to provide off-post emergency response and preparedness assistance to the communities surrounding the eight continental United States chemical agent storage and disposal sites; of which $32,209,000 shall be derived from Operation and maintenance, and $43,094,000 shall be derived from Procurement.

DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES, DEFENSE

(INCLUDING TRANSFER OF FUNDS)

For drug interdiction and counter-drug activities of the Department of Defense, for transfer to appropriations available to the Department of Defense for military personnel of the reserve components serving under the provisions of title 10 and title 32, United States Code; for Operation and maintenance; for Procurement; and for Research, development, test and evaluation; $883,700,000: *Provided,* That of the funds appropriated under this heading, $42,800,000 is hereby transferred to appropriations available for ''Military Construction, Air Force'' for fiscal year 2000, and the transferred funds shall be available for construction at forward operating locations in the area of responsibility of the United States Southern Command: *Provided further,* That the funds appropriated under this heading shall be available for obligation for the same time period and for the same purpose as the appropriation to which transferred: *Provided further,* That the transfer authority provided under this heading is in addition to any transfer authority contained elsewhere in this Act.

OFFICE OF THE INSPECTOR GENERAL

For expenses and activities of the Office of the Inspector General in carrying out the provisions of the Inspector General Act of 1978, as amended; $140,844,000, of which $138,744,000 shall be for Operation and maintenance, of which not to exceed $700,000 is available for emergencies and extraordinary expenses to be expended on the approval or authority of the Inspector General, and payments may be made on the Inspector General's certificate of necessity for confidential military purposes; and of which $2,100,000 to remain available until September 30, 2002, shall be for Procurement.

TITLE VII

RELATED AGENCIES

CENTRAL INTELLIGENCE AGENCY RETIREMENT AND DISABILITY SYSTEM FUND

For payment to the Central Intelligence Agency Retirement and Disability System Fund, to maintain proper funding level for continuing the operation of the Central Intelligence Agency Retirement and Disability System; $209,100,000.

INTELLIGENCE COMMUNITY MANAGEMENT ACCOUNT

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses of the Intelligence Community Management Account; $144,415,000, of which $34,923,000 for the Advanced Research and Development Committee shall remain available until September 30, 2001: *Provided*, That of the funds appropriated under this heading, $27,000,000 shall be transferred to the Department of Justice for the National Drug Intelligence Center to support the Department of Defense's counter-drug intelligence responsibilities, and of the said amount, $1,500,000 for Procurement shall remain available until September 30, 2002, and $1,000,000 for Research, development, test and evaluation shall remain available until September 30, 2001.

PAYMENT TO KAHO'OLAWE ISLAND CONVEYANCE, REMEDIATION, AND ENVIRONMENTAL RESTORATION FUND

For payment to Kaho'olawe Island Conveyance, Remediation, and Environmental Restoration Fund, as authorized by law; $15,000,000, to remain available until expended.

NATIONAL SECURITY EDUCATION TRUST FUND

For the purposes of title VIII of Public Law 102–183, $8,000,000, to be derived from the National Security Education Trust Fund, to remain available until expended.

TITLE VIII

GENERAL PROVISIONS

SEC. 8001. No part of any appropriation contained in this Act shall be used for publicity or propaganda purposes not authorized by the Congress.

SEC. 8002. During the current fiscal year, provisions of law prohibiting the payment of compensation to, or employment of, any person not a citizen of the United States shall not apply to personnel of the Department of Defense: *Provided*, That salary increases granted to direct and indirect hire foreign national employees of the Department of Defense funded by this Act shall not be at a rate in excess of the percentage increase authorized by law for civilian employees of the Department of Defense whose pay is computed under the provisions of section 5332 of title 5, United States Code, or at a rate in excess of the percentage increase provided by the appropriate host nation to its own employees, whichever is higher: *Provided further*, That this section shall not apply to Department of Defense foreign service national employees serving at United States diplomatic missions whose pay is set by the Department of State under the Foreign Service Act of 1980: *Provided further*, That the limitations of this provision shall not apply to foreign national employees of the Department of Defense in the Republic of Turkey.

SEC. 8003. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year, unless expressly so provided herein.

SEC. 8004. No more than 20 per centum of the appropriations in this Act which are limited for obligation during the current fiscal year shall be obligated during the last 2 months of the fiscal year: *Provided*, That this section shall not apply to obligations for support of active duty training of reserve components or summer camp training of the Reserve Officers' Training Corps.

(TRANSFER OF FUNDS)

SEC. 8005. Upon determination by the Secretary of Defense that such action is necessary in the national interest, he may, with the approval of the Office of Management and Budget, transfer not to exceed $2,000,000,000 of working capital funds of the Department of Defense or funds made available in this Act to the Department of Defense for military functions (except military construction) between such appropriations or funds or any subdivision thereof, to be merged with and to be available for the same purposes, and for the same time period, as the appropriation or fund to which transferred: *Provided*, That such authority to transfer may not be used unless for higher priority items, based on unforeseen military requirements, than those for which originally appropriated and in no case where the item for which funds are requested has been denied by Congress: *Provided further*, That the Secretary of Defense shall notify the Congress promptly of all transfers made pursuant to this authority or any other authority in this Act: *Provided further*, That no part of the funds in this Act shall be available to prepare or present a request to the Committees on Appropriations for reprogramming of funds, unless for higher priority items, based on unforeseen military requirements, than those for which originally appropriated and in no case where the item for which reprogramming is requested has been denied by the Congress: *Provided further*, That the Department of the Army, Department of the Air Force, Defense-Wide Agencies, and the Office of the Secretary of Defense may not reprogram funds within any appropriation in title III or IV of this or prior annual Department of Defense Acts under the authority of the Department of Defense Financial Management Regulation without prior written approval from the Appropriations Committees of Congress.

(TRANSFER OF FUNDS)

SEC. 8006. During the current fiscal year, cash balances in working capital funds of the Department of Defense established pursuant to section 2208 of title 10, United States Code, may be maintained in only such amounts as are necessary at any time for cash disbursements to be made from such funds: *Provided*, That transfers may be made between such funds: *Provided further*, That transfers may be made between working capital funds and the ''Foreign Currency Fluctuations, Defense'' appropriation and the ''Operation and Maintenance'' appropriation accounts in such amounts as may be determined by the Secretary of Defense, with the approval of the Office of Management and Budget, except that such transfers may not be made unless the Secretary of Defense has notified the Congress of the proposed transfer. Except in amounts equal to the amounts appropriated to working capital funds in this Act, no obligations may be made against a working capital fund to procure or increase the value of war reserve material inventory, unless the Secretary of Defense has notified the Congress prior to any such obligation.

SEC. 8007. Funds appropriated by this Act may not be used to initiate a special access program without prior notification 30 calendar days in session in advance to the congressional defense committees.

SEC. 8008. None of the funds provided in this or any other Act hereafter shall be available to initiate: (1) a multiyear contract that employs economic order quantity procurement in excess of $20,000,000 in any one year of the contract or that includes an unfunded contingent liability in excess of $20,000,000; or (2) a contract for advance procurement leading to a multiyear contract that employs economic order quantity procurement in excess of $20,000,000 in any one year; or (3) a contract for any systems or component thereof if the value of the multiyear contract would exceed $100,000,000: *Provided*, That the limitations in the preceding provisos of this section do not apply to multiyear contracts awarded prior to the date of enactment of this Act or to multiyear contracts for which authority is specifically provided in subsequent defense authorization acts and appropriation acts: *Provided further*, That no funds in this or any other Act may be used to initiate, expand, or extend a multiyear contract unless the Secretary of Defense has specifically notified the congressional defense committees in writing thirty days in advance of contract award that such a contract is in the national interest: *Provided further*, That no multiyear contract may be terminated without ten day prior notification to the congressional defense committees: *Provided further*, That the execution of multiyear authority shall require the use of a present value analysis to determine lowest cost compared to an annual procurement.

SEC. 8009. Within the funds appropriated for the operation and maintenance of the Armed Forces, funds are hereby appropriated pursuant to section 401 of title 10, United States Code, for humanitarian and civic assistance costs under chapter 20 of title 10, United States Code. Such funds may also be obligated for humanitarian and civic assistance costs incidental to authorized operations and pursuant to authority granted in section 401 of chapter 20 of title 10, United States Code, and these obligations shall be reported to Congress on September 30 of each year: *Provided*, That funds available for operation and maintenance shall be available for providing humanitarian and similar assistance by using Civic Action Teams in the Trust Territories of the Pacific Islands and freely associated states of Micronesia, pursuant to the Compact of Free Association as authorized by Public Law 99–239: *Provided further*, That upon a determination by the Secretary of the Army that such action is beneficial for graduate medical education programs conducted at Army medical facilities located in Hawaii, the Secretary of the Army may authorize the provision of medical services at such facilities and transportation to such facilities, on a nonreimbursable basis, for civilian patients from American Samoa, the Commonwealth of the Northern Mariana Islands, the Marshall Islands, the Federated States of Micronesia, Palau, and Guam.

SEC. 8010. (a) During fiscal year 2000, the civilian personnel of the Department of Defense may not be managed on the basis of any end-strength, and the management of such personnel during that fiscal year shall not be subject to any constraint or limitation (known as an end-strength) on the number of such personnel who may be employed on the last day of such fiscal year.

(b) The fiscal year 2001 budget request for the Department of Defense as well as all justification material and other documentation supporting the fiscal year 2001 Department of Defense budget request shall be prepared and submitted to the Congress as if subsections (a) and (b) of this provision were effective with regard to fiscal year 2001.

(c) Nothing in this section shall be construed to apply to military (civilian) technicians.

SEC. 8011. Notwithstanding any other provision of law, none of the funds made available by this Act shall be used by the Department of Defense to exceed, outside the 50 United States, its territories, and the District of Columbia, 125,000 civilian workyears: *Provided*, That workyears shall be applied as defined in the Federal Personnel Manual: *Provided further*, That workyears expended in dependent student hiring programs for disadvantaged youths shall not be included in this workyear limitation.

SEC. 8012. None of the funds made available by this Act shall be used in any way, directly

or indirectly, to influence congressional action on any legislation or appropriation matters pending before the Congress.

SEC. 8013. (a) None of the funds appropriated by this Act shall be used to make contributions to the Department of Defense Education Benefits Fund pursuant to section 2006(g) of title 10, United States Code, representing the normal cost for future benefits under section 3015(c) of title 38, United States Code, for any member of the armed services who, on or after the date of the enactment of this Act, enlists in the armed services for a period of active duty of less than three years, nor shall any amounts representing the normal cost of such future benefits be transferred from the Fund by the Secretary of the Treasury to the Secretary of Veterans Affairs pursuant to section 2006(d) of title 10, United States Code; nor shall the Secretary of Veterans Affairs pay such benefits to any such member: *Provided*, That these limitations shall not apply to members in combat arms skills or to members who enlist in the armed services on or after July 1, 1989, under a program continued or established by the Secretary of Defense in fiscal year 1991 to test the cost-effective use of special recruiting incentives involving not more than nineteen noncombat arms skills approved in advance by the Secretary of Defense: *Provided further*, That this subsection applies only to active components of the Army.

(b) None of the funds appropriated by this Act shall be available for the basic pay and allowances of any member of the Army participating as a full-time student and receiving benefits paid by the Secretary of Veterans Affairs from the Department of Defense Education Benefits Fund when time spent as a full-time student is credited toward completion of a service commitment: *Provided*, That this subsection shall not apply to those members who have reenlisted with this option prior to October 1, 1987: *Provided further*, That this subsection applies only to active components of the Army.

SEC. 8014. None of the funds appropriated by this Act shall be available to convert to contractor performance an activity or function of the Department of Defense that, on or after the date of the enactment of this Act, is performed by more than ten Department of Defense civilian employees until a most efficient and cost-effective organization analysis is completed on such activity or function and certification of the analysis is made to the Committees on Appropriations of the House of Representatives and the Senate: *Provided*, That this section and subsections (a), (b), and (c) of 10 U.S.C. 2461 shall not apply to a commercial or industrial type function of the Department of Defense that: (1) is included on the procurement list established pursuant to section 2 of the Act of June 25, 1938 (41 U.S.C. 47), popularly referred to as the Javits-Wagner-O'Day Act; (2) is planned to be converted to performance by a qualified nonprofit agency for the blind or by a qualified nonprofit agency for other severely handicapped individuals in accordance with that Act; or (3) is planned to be converted to performance by a qualified firm under 51 per centum Native American ownership.

(TRANSFER OF FUNDS)

SEC. 8015. Funds appropriated in title III of this Act for the Department of Defense Pilot Mentor-Protege Program may be transferred to any other appropriation contained in this Act solely for the purpose of implementing a Mentor-Protege Program developmental assistance agreement pursuant to section 831 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 10 U.S.C. 2301 note), as amended, under the authority of this provision or any other transfer authority contained in this Act.

SEC. 8016. None of the funds in this Act may be available for the purchase by the Department of Defense (and its departments and agencies) of welded shipboard anchor and mooring chain 4 inches in diameter and under unless the anchor and mooring chain are manufactured in the United States from components which are substantially manufactured in the United States: *Provided*, That for the purpose of this section manufactured will include cutting, heat treating, quality control, testing of chain and welding (including the forging and shot blasting process): *Provided further*, That for the purpose of this section substantially all of the components of anchor and mooring chain shall be considered to be produced or manufactured in the United States if the aggregate cost of the components produced or manufactured in the United States exceeds the aggregate cost of the components produced or manufactured outside the United States: *Provided further*, That when adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis, the Secretary of the service responsible for the procurement may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations that such an acquisition must be made in order to acquire capability for national security purposes.

SEC. 8017. None of the funds appropriated by this Act available for the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) shall be available for the reimbursement of any health care provider for inpatient mental health service for care received when a patient is referred to a provider of inpatient mental health care or residential treatment care by a medical or health care professional having an economic interest in the facility to which the patient is referred: *Provided*, That this limitation does not apply in the case of inpatient mental health services provided under the program for the handicapped under subsection (d) of section 1079 of title 10, United States Code, provided as partial hospital care, or provided pursuant to a waiver authorized by the Secretary of Defense because of medical or psychological circumstances of the patient that are confirmed by a health professional who is not a Federal employee after a review, pursuant to rules prescribed by the Secretary, which takes into account the appropriate level of care for the patient, the intensity of services required by the patient, and the availability of that care.

SEC. 8018. Funds available in this Act may be used to provide transportation for the next-of-kin of individuals who have been prisoners of war or missing in action from the Vietnam era to an annual meeting in the United States, under such regulations as the Secretary of Defense may prescribe.

SEC. 8019. Notwithstanding any other provision of law, during the current fiscal year, the Secretary of Defense may, by executive agreement, establish with host nation governments in NATO member states a separate account into which such residual value amounts negotiated in the return of United States military installations in NATO member states may be deposited, in the currency of the host nation, in lieu of direct monetary transfers to the United States Treasury: *Provided*, That such credits may be utilized only for the construction of facilities to support United States military forces in that host nation, or such real property maintenance and base operating costs that are currently executed through monetary transfers to such host nations: *Provided further*, That the Department of Defense's budget submission for fiscal year 2001 shall identify such sums anticipated in residual value settlements, and identify such construction, real property maintenance or base operating costs that shall be funded by the host nation through such credits: *Provided further*, That all military construction projects to be executed from such accounts must be previously approved in a prior Act of Congress: *Provided further*, That each such executive agreement with a NATO member host nation shall be reported to the congressional defense committees, the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate 30 days prior to the conclusion and endorsement of any such agreement established under this provision.

SEC. 8020. None of the funds available to the Department of Defense may be used to demilitarize or dispose of M–1 Carbines, M–1 Garand rifles, M–14 rifles, .22 caliber rifles, .30 caliber rifles, or M–1911 pistols.

SEC. 8021. Notwithstanding any other provision of law, none of the funds appropriated by this Act shall be available to pay more than 50 per centum of an amount paid to any person under section 308 of title 37, United States Code, in a lump sum.

SEC. 8022. No more than $500,000 of the funds appropriated or made available in this Act shall be used during a single fiscal year for any single relocation of an organization, unit, activity or function of the Department of Defense into or within the National Capital Region: *Provided*, That the Secretary of Defense may waive this restriction on a case-by-case basis by certifying in writing to the congressional defense committees that such a relocation is required in the best interest of the Government.

SEC. 8023. A member of a reserve component whose unit or whose residence is located in a State which is not contiguous with another State is authorized to travel in a space required status on aircraft of the Armed Forces between home and place of inactive duty training, or place of duty in lieu of unit training assembly, when there is no road or railroad transportation (or combination of road and railroad transportation between those locations): *Provided*, That a member traveling in that status on a military aircraft pursuant to the authority provided in this section is not authorized to receive travel, transportation, or per diem allowances in connection with that travel.

SEC. 8024. (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).

SEC. 8025. During the current fiscal year, funds appropriated or otherwise available for any Federal agency, the Congress, the judicial branch, or the District of Columbia may be used for the pay, allowances, and benefits of an employee as defined by section 2105 of title 5, United States Code, or an individual employed by the government of the District of Columbia, permanent or temporary indefinite, who—

(1) is a member of a Reserve component of the Armed Forces, as described in section 10101 of title 10, United States Code, or the National Guard, as described in section 101 of title 32, United States Code;

(2) performs, for the purpose of providing military aid to enforce the law or providing assistance to civil authorities in the protection or saving of life or property or prevention of injury—

(A) Federal service under sections 331, 332, 333, or 12406 of title 10, or other provision of law, as applicable; or

(B) full-time military service for his or her State, the District of Columbia, the Commonwealth of Puerto Rico, or a territory of the United States; and

(3) requests and is granted—

(A) leave under the authority of this section; or

(B) annual leave, which may be granted without regard to the provisions of sections 5519 and 6323(b) of title 5, if such employee is otherwise entitled to such annual leave:

Provided, That any employee who requests leave under subsection (3)(A) for service described in subsection (2) of this section is entitled to such leave, subject to the provisions of this section and of the last sentence of section 6323(b) of title 5, and such leave shall be considered leave under section 6323(b) of title 5, United States Code.

SEC. 8026. None of the funds appropriated by this Act shall be available to perform any cost study pursuant to the provisions of OMB Circular A–76 if the study being performed exceeds a period of 24 months after initiation of such study with respect to a single function activity or 48 months after initiation of such study for a multi-function activity.

SEC. 8027. Funds appropriated by this Act for the American Forces Information Service shall not be used for any national or international political or psychological activities.

SEC. 8028. Notwithstanding any other provision of law or regulation, the Secretary of Defense may adjust wage rates for civilian employees hired for certain health care occupations as authorized for the Secretary of Veterans Affairs by section 7455 of title 38, United States Code.

Sec. 8029. None of the funds appropriated or made available in this Act shall be used to reduce or disestablish the operation of the 53rd Weather Reconnaissance Squadron of the Air Force Reserve, if such action would reduce the WC–130 Weather Reconnaissance mission below the levels funded in this Act.

SEC. 8030. (a) Of the funds for the procurement of supplies or services appropriated by this Act, qualified nonprofit agencies for the blind or other severely handicapped shall be afforded the maximum practicable opportunity to participate as subcontractors and suppliers in the performance of contracts let by the Department of Defense.

(b) During the current fiscal year, a business concern which has negotiated with a military service or defense agency a subcontracting plan for the participation by small business concerns pursuant to section 8(d) of the Small Business Act (15 U.S.C. 637(d)) shall be given credit toward meeting that subcontracting goal for any purchases made from qualified nonprofit agencies for the blind or other severely handicapped.

(c) For the purpose of this section, the phrase ''qualified nonprofit agency for the blind or other severely handicapped'' means a nonprofit agency for the blind or other severely handicapped that has been approved by the Committee for the Purchase from the Blind and Other Severely Handicapped under the Javits-Wagner-O'Day Act (41 U.S.C. 46–48).

SEC. 8031. During the current fiscal year, net receipts pursuant to collections from third party payers pursuant to section 1095 of title 10, United States Code, shall be made available to the local facility of the uniformed services responsible for the collections and shall be over and above the facility's direct budget amount.

SEC. 8032. During the current fiscal year, the Department of Defense is authorized to incur obligations of not to exceed $350,000,000 for purposes specified in section 2350j(c) of title 10, United States Code, in anticipation of receipt of contributions, only from the Government of Kuwait, under that section: *Provided*, That upon receipt, such contributions from the Government of Kuwait shall be credited to the appropriations or fund which incurred such obligations.

SEC. 8033. Of the funds made available in this Act, not less than $26,588,000 shall be available for the Civil Air Patrol Corporation, of which $22,888,000 shall be available for Civil Air Patrol Corporation operation and maintenance to support readiness activities which includes $1,418,000 for the Civil Air Patrol counterdrug program: *Provided*, That funds identified for ''Civil Air Patrol'' under this section are intended for and shall be for the exclusive use of the Civil Air Patrol Corporation and not for the Air Force or any unit thereof.

SEC. 8034. (a) None of the funds appropriated in this Act are available to establish a new Department of Defense (department) federally funded research and development center (FFRDC), either as a new entity, or as a separate entity administrated by an organization managing another FFRDC, or as a nonprofit membership corporation consisting of a consortium of other FFRDCs and other non-profit entities.

(b) LIMITATION ON COMPENSATION—FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTER (FFRDC).—No member of a Board of Directors, Trustees, Overseers, Advisory Group, Special Issues Panel, Visiting Committee, or any similar entity of a defense FFRDC, and no paid consultant to any defense FFRDC, except when acting in a technical advisory capacity, may be compensated for his or her services as a member of such entity, or as a paid consultant by more than one FFRDC in a fiscal year: *Provided*, That a member of any such entity referred to previously in this subsection shall be allowed travel expenses and per diem as authorized under the Federal Joint Travel Regulations, when engaged in the performance of membership duties.

(c) Notwithstanding any other provision of law, none of the funds available to the department from any source during fiscal year 2000 may be used by a defense FFRDC, through a fee or other payment mechanism, for construction of new buildings, for payment of cost sharing for projects funded by government grants, for absorption of contract overruns, or for certain charitable contributions, not to include employee participation in community service and/or development.

(d) Notwithstanding any other provision of law, of the funds available to the department during fiscal year 2000, not more than 6,206 staff years of technical effort (staff years) may be funded for defense FFRDCs: *Provided*, That of the specific amount referred to previously in this subsection, not more than 1,105 staff years may be funded for the defense studies and analysis FFRDCs.

(e) Within 60 days after the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report presenting the specific amounts of staff years of technical effort to be allocated by the department for each defense FFRDC during fiscal year 2000: *Provided*, That, after the submission of the report required by this subsection, the department may not reallocate more than 5 per centum of an FFRDC's staff years among other defense FFRDCs until 30 days after a detailed justification for any such reallocation is submitted to the congressional defense committees.

(f) The Secretary of Defense shall, with the submission of the department's fiscal year 2001 budget request, submit a report presenting the specific amounts of staff years of technical effort to be allocated for each defense FFRDC during that fiscal year.

(g) Notwithstanding any other provision of law, none of the reductions for advisory and assistance services contained in this Act shall be applied to defense FFRDCs.

SEC. 8035. None of the funds appropriated or made available in this Act shall be used to procure carbon, alloy or armor steel plate for use in any Government-owned facility or property under the control of the Department of Defense which were not melted and rolled in the United States or Canada: *Provided*, That these procurement restrictions shall apply to any and all Federal Supply Class 9515, American Society of Testing and Materials (ASTM) or American Iron and Steel Institute (AISI) specifications of carbon, alloy or armor steel plate: *Provided further*, That the Secretary of the military department responsible for the procurement may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes: *Provided further*, That these restrictions shall not apply to contracts which are in being as of the date of the enactment of this Act.

SEC. 8036. For the purposes of this Act, the term ''congressional defense committees'' means the Armed Services Committee of the House of Representatives, the Armed Services Committee of the Senate, the Subcommittee on Defense of the Committee on Appropriations of the Senate, and the Subcommittee on Defense of the Committee on Appropriations of the House of Representatives.

SEC. 8037. During the current fiscal year, the Department of Defense may acquire the modification, depot maintenance and repair of aircraft, vehicles and vessels as well as the production of components and other Defense-related articles, through competition between Department of Defense depot maintenance activities and private firms: *Provided*, That the Senior Acquisition Executive of the military department or defense agency concerned, with power of delegation, shall certify that successful bids include comparable estimates of all direct and indirect costs for both public and private bids: *Provided further*, That Office of Management and Budget Circular A–76 shall not apply to competitions conducted under this section.

SEC. 8038. (a)(1) If the Secretary of Defense, after consultation with the United States Trade Representative, determines that a foreign country which is party to an agreement described in paragraph (2) has violated the terms of the agreement by discriminating against certain types of products produced in the United States that are covered by the agreement, the Secretary of Defense shall rescind the Secretary's blanket waiver of the Buy American Act with respect to such types of products produced in that foreign country.

(2) An agreement referred to in paragraph (1) is any reciprocal defense procurement memorandum of understanding, between the United States and a foreign country pursuant to which the Secretary of Defense has prospectively waived the Buy American Act for certain products in that country.

(b) The Secretary of Defense shall submit to Congress a report on the amount of Department of Defense purchases from foreign entities in fiscal year 2000. Such report shall separately indicate the dollar value of items for which the Buy American Act was waived pursuant to any agreement described in subsection (a)(2), the Trade Agreement Act of 1979 (19 U.S.C. 2501 et seq.), or any international agreement to which the United States is a party.

(c) For purposes of this section, the term ''Buy American Act'' means title III of the Act entitled ''An Act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes'', approved March 3, 1933 (41 U.S.C. 10a et seq.).

SEC. 8039. Appropriations contained in this Act that remain available at the end of the current fiscal year as a result of energy cost savings realized by the Department of Defense shall remain available for obligation for the next fiscal year to the extent, and for the purposes, provided in section 2865 of title 10, United States Code.

(INCLUDING TRANSFER OF FUNDS)

SEC. 8040. Amounts deposited during the current fiscal year to the special account established under 40 U.S.C. 485(h)(2) and to the special account established under 10 U.S.C. 2667(d)(1) are appropriated and shall be available until transferred by the Secretary of Defense to current applicable appropriations or funds of the Department of Defense under the terms and conditions specified by 40 U.S.C. 485(h)(2)(A) and (B) and 10 U.S.C. 2667(d)(1)(B), to be merged with and to be available for the same time period and the same purposes as the appropriation to which transferred.

SEC. 8041. During the current fiscal year, appropriations available to the Department of Defense may be used to reimburse a member of a reserve component of the Armed Forces who is not otherwise entitled to travel and transportation allowances and who occupies transient government housing while performing active duty for training or inactive duty training: *Provided*, That such members may be provided lodging in kind if transient government quarters are unavailable as if the member was entitled to such allowances under subsection (a) of section 404 of title 37, United States Code: *Provided further*, That if lodging in kind is provided, any authorized service charge or cost of such lodging may be paid directly from funds appropriated for operation and maintenance of the reserve component of the member concerned.

SEC. 8042. The President shall include with each budget for a fiscal year submitted to the Congress under section 1105 of title 31, United States Code, materials that shall identify clearly and separately the amounts requested in the budget for appropriation for that fiscal year for salaries and expenses related to administrative activities of the Department of Defense, the military departments, and the Defense agencies.

SEC. 8043. Notwithstanding any other provision of law, funds available for ''Drug Interdiction and Counter-Drug Activities, Defense'' may be obligated for the Young Marines program.

SEC. 8044. During the current fiscal year, amounts contained in the Department of Defense Overseas Military Facility Investment Recovery Account established by section 2921(c)(1) of the National Defense Authorization Act of 1991 (Public Law 101–510; 10 U.S.C. 2687 note) shall be available until expended for the payments specified by section 2921(c)(2) of that Act.

SEC. 8045. Of the funds appropriated or otherwise made available by this Act, not more than $119,200,000 shall be available for payment of the operating costs of NATO Headquarters: *Provided*, That the Secretary of Defense may waive this section for Department of Defense support provided to NATO forces in and around the former Yugoslavia.

SEC. 8046. During the current fiscal year, appropriations which are available to the Department of Defense for operation and maintenance may be used to purchase items having an investment item unit cost of not more than $100,000.

SEC. 8047. (a) During the current fiscal year, none of the appropriations or funds available to the Department of Defense Working Capital Funds shall be used for the purchase of an investment item for the purpose of acquiring a new inventory item for sale or anticipated sale during the current fiscal year or a subsequent fiscal year to customers of the Department of Defense Working Capital Funds if such an item would not have been chargeable to the Department of Defense Business Operations Fund during fiscal year 1994 and if the purchase of such an investment item would be chargeable during the current fiscal year to appropriations made to the Department of Defense for procurement.

(b) The fiscal year 2001 budget request for the Department of Defense as well as all justification material and other documentation supporting the fiscal year 2001 Department of Defense budget shall be prepared and submitted to the Congress on the basis that any equipment which was classified as an end item and funded in a procurement appropriation contained in this Act shall be budgeted for in a proposed fiscal year 2001 procurement appropriation and not in the supply management business area or any other area or category of the Department of Defense Working Capital Funds.

SEC. 8048. None of the funds appropriated by this Act for programs of the Central Intelligence Agency shall remain available for obligation beyond the current fiscal year, except for funds appropriated for the Reserve for Contingencies, which shall remain available until September 30, 2001: *Provided*, That funds appropriated, transferred, or otherwise credited to the Central Intelligence Agency Central Services Working Capital Fund during this or any prior or subsequent fiscal year shall remain available until expended.

SEC. 8049. Notwithstanding any other provision of law, funds made available in this Act for the Defense Intelligence Agency may be used for the design, development, and deployment of General Defense Intelligence Program intelligence communications and intelligence information systems for the Services, the Unified and Specified Commands, and the component commands.

SEC. 8050. Of the funds appropriated by the Department of Defense under the heading ''Operation and Maintenance, Defense-Wide'', not less than $8,000,000 shall be made available only for the mitigation of environmental impacts, including training and technical assistance to tribes, related administrative support, the gathering of information, documenting of environmental damage, and developing a system for prioritization of mitigation and cost to complete estimates for mitigation, on Indian lands resulting from Department of Defense activities.

SEC. 8051. Amounts collected for the use of the facilities of the National Science Center for Communications and Electronics during the current fiscal year pursuant to section 1459(g) of the Department of Defense Authorization Act, 1986, and deposited to the special account established under subsection 1459(g)(2) of that Act are appropriated and shall be available until expended for the operation and maintenance of the Center as provided for in subsection 1459(g)(2).

SEC. 8052. None of the funds appropriated in this Act may be used to fill the commander's position at any military medical facility with a health care professional unless the prospective candidate can demonstrate professional administrative skills.

SEC. 8053. (a) None of the funds appropriated in this Act may be expended by an entity of the Department of Defense unless the entity, in expending the funds, complies with the Buy American Act. For purposes of this subsection, the term ''Buy American Act'' means title III of the Act entitled ''An Act making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes'', approved March 3, 1933 (41 U.S.C. 10a et seq.).

(b) If the Secretary of Defense determines that a person has been convicted of intentionally affixing a label bearing a ''Made in America'' inscription to any product sold in or shipped to the United States that is not made in America, the Secretary shall determine, in accordance with section 2410f of title 10, United States Code, whether the person should be debarred from contracting with the Department of Defense.

(c) In the case of any equipment or products purchased with appropriations provided under this Act, it is the sense of the Congress that any entity of the Department of Defense, in expending the appropriation, purchase only American-made equipment and products, provided that American-made equipment and products are cost-competitive, quality-competitive, and available in a timely fashion.

SEC. 8054. None of the funds appropriated by this Act shall be available for a contract for studies, analysis, or consulting services entered into without competition on the basis of an unsolicited proposal unless the head of the activity responsible for the procurement determines—

(1) as a result of thorough technical evaluation, only one source is found fully qualified to perform the proposed work;

(2) the purpose of the contract is to explore an unsolicited proposal which offers significant scientific or technological promise, represents the product of original thinking, and was submitted in confidence by one source; or

(3) the purpose of the contract is to take advantage of unique and significant industrial accomplishment by a specific concern, or to insure that a new product or idea of a specific concern is given financial support: *Provided*, That this limitation shall not apply to contracts in an amount of less than $25,000, contracts related to improvements of equipment that is in development or production, or contracts as to which a civilian official of the Department of Defense, who has been confirmed by the Senate, determines that the award of such contract is in the interest of the national defense.

SEC. 8055. (a) Except as provided in subsections (b) and (c), none of the funds made available by this Act may be used—

(1) to establish a field operating agency; or

(2) to pay the basic pay of a member of the Armed Forces or civilian employee of the department who is transferred or reassigned from a headquarters activity if the member or employee's place of duty remains at the location of that headquarters.

(b) The Secretary of Defense or Secretary of a military department may waive the limitations in subsection (a), on a case-by-case basis, if the Secretary determines, and certifies to the Committees on Appropriations of the House of Representatives and Senate that the granting of the waiver will reduce the personnel requirements or the financial requirements of the department.

(c) This section does not apply to field operating agencies funded within the National Foreign Intelligence Program.

SEC. 8056. Funds appropriated by this Act and in Public Law 105–277, or made available by the transfer of funds in this Act and in Public Law 105–277 for intelligence activities are deemed to be specifically authorized by the Congress for purposes of section 504 of the National Security Act of 1947 (50 U.S.C. 414) during fiscal year 2000 until the enactment of the Intelligence Authorization Act for Fiscal Year 2000.

SEC. 8057. Notwithstanding section 303 of Public Law 96–487 or any other provision of law, the Secretary of the Navy is authorized to lease real and personal property at Naval Air Facility, Adak, Alaska, pursuant to 10 U.S.C. 2667(f), for commercial, industrial or other purposes: *Provided*, That notwithstanding any other provision of law, the Secretary of the Navy may remove hazardous materials from facilities, buildings, and structures at Adak, Alaska, and may demolish or otherwise dispose of such facilities, buildings, and structures: *Provided further*, That notwithstanding any other provision of law, not more than $4,650,000 of the funds provided under the heading ''Operation and Maintenance, Army'' in title II of this Act shall be available to the Secretary of the Army, acting through the Chief of Engineers, only for demolition and removal of facilities, buildings, and structures formerly used as a District Headquarters Office by the Corps of Engineers (Northwest Division, CENWW, Washington State), as described in the study conducted regarding the headquarters pursuant to the Energy and Water Development Appropriations Act, 1992 (Public Law 102–104; 105 Stat. 511).

(RESCISSIONS)

SEC. 8058. Of the funds provided in Department of Defense Appropriations Acts, the following funds are hereby rescinded as of the date of the enactment of this Act, or October 1, 1999, whichever is later, from the following accounts and programs in the specified amounts:

''Other Procurement, Navy, 1998/2000'', $6,384,000;

''Aircraft Procurement, Air Force, 1998/2000'', $26,100,000;

''Missile Procurement, Air Force, 1998/2000'', $100,000,000;

''Other Procurement, Army, 1999/2001'', $20,700,000;

''Aircraft Procurement, Navy, 1999/2001'', $62,500,000;

''Weapons Procurement, Navy, 1999/2001'', $8,000,000;

Under the heading, ''Shipbuilding and Conversion, Navy, 1999/2003'':

New Attack Submarine, $35,000,000;

CVN–69, $11,400,000;

''Other Procurement, Navy, 1999/2001'', $16,353,000;

''Aircraft Procurement, Air Force, 1999/2001'', $81,229,000;

''Missile Procurement, Air Force, 1999/2001'', $155,500,000;

''Research, Development, Test and Evaluation, Army, 1999/2000'', $16,400,000;

''Research, Development, Test and Evaluation, Air Force, 1999/2000'', $49,921,000; and

''Research, Development, Test and Evaluation, Defense-Wide, 1999/2000'', $23,500,000.

SEC. 8059. None of the funds available in this Act may be used to reduce the authorized positions for military (civilian) technicians of the National Guard, the Air National Guard, Army Reserve and Air Force Reserve for the purpose of applying any administratively imposed civilian personnel ceiling, freeze, or reduction on military (civilian) technicians, unless such reductions are a direct result of a reduction in military force structure.

SEC. 8060. None of the funds appropriated or otherwise made available in this Act may be obligated or expended for assistance to the Democratic People's Republic of North Korea unless specifically appropriated for that purpose.

SEC. 8061. During the current fiscal year, funds appropriated in this Act are available to compensate members of the National Guard for duty performed pursuant to a plan submitted by a Governor of a State and approved by the Secretary of Defense under section 112 of title 32, United States Code: *Provided*, That during the performance of such duty, the members of the National Guard shall be under State command and control: *Provided further*, That such duty shall be treated as full-time National Guard duty for purposes of sections 12602(a)(2) and (b)(2) of title 10, United States Code.

SEC. 8062. Funds appropriated in this Act for operation and maintenance of the Military Departments, Unified and Specified Commands and Defense Agencies shall be available for reimbursement of pay, allowances and other expenses which would otherwise be incurred against appropriations for the National Guard and Reserve when members of the National Guard and Reserve provide intelligence or counterintelligence support to Unified Commands, Defense Agencies and Joint Intelligence Activities, including the activities and programs included within the National Foreign Intelligence Program (NFIP), the Joint Military Intelligence Program (JMIP), and the Tactical Intelligence and Related Activities (TIARA) aggregate: *Provided*, That nothing in this section authorizes deviation from established Reserve and National Guard personnel and training procedures.

SEC. 8063. During the current fiscal year, none of the funds appropriated in this Act may be used to reduce the civilian medical and medical support personnel assigned to military treatment facilities below the September 30, 1999 level: *Provided*, That the Service Surgeons General may waive this section by certifying to the congressional defense committees that the beneficiary population is declining in some catchment areas and civilian strength reductions may be consistent with responsible resource stewardship and capitation-based budgeting.

(INCLUDING TRANSFER OF FUNDS)

SEC. 8064. (a) None of the funds appropriated in this Act may be transferred to or obligated from the Pentagon Reservation Maintenance Revolving Fund, unless the Secretary of Defense certifies that the total cost for the planning, design, construction and installation of equipment for the renovation of the Pentagon Reservation will not exceed $1,222,000,000.

(b) The Secretary shall, in conjunction with the Pentagon Renovation, design and construct secure secretarial offices and support facilities and security-related changes to the subway entrance at the Pentagon Reservation.

SEC. 8065. (a) None of the funds available to the Department of Defense for any fiscal year for drug interdiction or counter-drug activities may be transferred to any other department or agency of the United States except as specifically provided in an appropriations law.

(b) None of the funds available to the Central Intelligence Agency for any fiscal year for drug interdiction and counter-drug activities may be transferred to any other department or agency of the United States except as specifically provided in an appropriations law.

(TRANSFER OF FUNDS)

SEC. 8066. Appropriations available in this Act under the heading ''Operation and Maintenance, Defense-Wide'' for increasing energy and water efficiency in Federal buildings may, during their period of availability, be transferred to other appropriations or funds of the Department of Defense for projects related to increasing energy and water efficiency, to be merged with and to be available for the same general purposes, and for the same time period, as the appropriation or fund to which transferred.

SEC. 8067. None of the funds appropriated by this Act may be used for the procurement of ball and roller bearings other than those produced by a domestic source and of domestic origin: *Provided*, That the Secretary of the military department responsible for such procurement may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate, that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes.

SEC. 8068. Notwithstanding any other provision of law, funds available to the Department of Defense shall be made available to provide transportation of medical supplies and equipment, on a nonreimbursable basis, to American Samoa: *Provided*, That notwithstanding any other provision of law, funds available to the Department of Defense shall be made available to provide transportation of medical supplies and equipment, on a nonreimbursable basis, to the Indian Health Service when it is in conjunction with a civil-military project.

SEC. 8069. None of the funds in this Act may be used to purchase any supercomputer which is not manufactured in the United States, unless the Secretary of Defense certifies to the congressional defense committees that such an acquisition must be made in order to acquire capability for national security purposes that is not available from United States manufacturers.

SEC. 8070. Notwithstanding any other provision of law, the Naval shipyards of the United States shall be eligible to participate in any manufacturing extension program financed by funds appropriated in this or any other Act.

SEC. 8071. Notwithstanding any other provision of law, each contract awarded by the Department of Defense during the current fiscal year for construction or service performed in whole or in part in a State which is not contiguous with another State and has an unemployment rate in excess of the national average rate of unemployment as determined by the Secretary of Labor, shall include a provision requiring the contractor to employ, for the purpose of performing that portion of the contract in such State that is not contiguous with another State, individuals who are residents of such State and who, in the case of any craft or trade, possess or would be able to acquire promptly the necessary skills: *Provided*, That the Secretary of Defense may waive the requirements of this section, on a case-by-case basis, in the interest of national security.

SEC. 8072. During the current fiscal year, the Army shall use the former George Air Force Base as the airhead for the National Training Center at Fort Irwin: *Provided*, That none of the funds in this Act shall be obligated or expended to transport Army personnel into Edwards Air Force Base for training rotations at the National Training Center.

SEC. 8073. (a) The Secretary of Defense shall submit, on a quarterly basis, a report to the congressional defense committees, the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate setting forth all costs (including incremental costs) incurred by the Department of Defense during the preceding quarter in implementing or supporting resolutions of the United Nations Security Council, including any such resolution calling for international sanctions, international peacekeeping operations, and humanitarian missions undertaken by the Department of Defense. The quarterly report shall include an aggregate of all such Department of Defense costs by operation or mission.

(b) The Secretary of Defense shall detail in the quarterly reports all efforts made to seek credit against past United Nations expenditures and all efforts made to seek compensation from the United Nations for costs incurred by the Department of Defense in implementing and supporting United Nations activities.

SEC. 8074. (a) LIMITATION ON TRANSFER OF DEFENSE ARTICLES AND SERVICES.—Notwithstanding any other provision of law, none of the funds available to the Department of Defense for the current fiscal year may be obligated or expended to transfer to another nation or an international organization any defense articles or services (other than intelligence services) for use in the activities described in subsection (b) unless the congressional defense committees, the Committee on International Relations of the House of Representatives, and the Committee on Foreign Relations of the Senate are notified 15 days in advance of such transfer.

(b) COVERED ACTIVITIES.—This section applies to—

(1) any international peacekeeping or peace-enforcement operation under the authority of chapter VI or chapter VII of the United Nations Charter under the authority of a United Nations Security Council resolution; and

(2) any other international peacekeeping, peace-enforcement, or humanitarian assistance operation.

(c) REQUIRED NOTICE.—A notice under subsection (a) shall include the following:

(1) A description of the equipment, supplies, or services to be transferred.

(2) A statement of the value of the equipment, supplies, or services to be transferred.

(3) In the case of a proposed transfer of equipment or supplies—

(A) a statement of whether the inventory requirements of all elements of the Armed Forces (including the reserve components) for the type of equipment or supplies to be transferred have been met; and

(B) a statement of whether the items proposed to be transferred will have to be replaced and, if so, how the President proposes to provide funds for such replacement.

SEC. 8075. To the extent authorized by subchapter VI of chapter 148 of title 10, United States Code, the Secretary of Defense may issue loan guarantees in support of United States defense exports not otherwise provided for: *Provided*, That the total contingent liability of the United States for guarantees issued under the authority of this section may not exceed $15,000,000,000: *Provided further*, That the exposure fees charged and collected by the Secretary for each guarantee, shall be paid by the country involved and shall not be financed as part of a loan guaranteed by the United States: *Provided further*, That the Secretary shall provide quarterly reports to the Committees on Appropriations, Armed Services and Foreign Relations of the Senate and the Committees on Appropriations, Armed Services and International Relations in the House of Representatives on the implementation of this program: *Provided further*, That amounts charged for administrative fees and deposited to the special account provided for under section 2540c(d) of title 10, shall be available for paying the costs of administrative expenses of the Department of Defense that are attributable to the loan guarantee program under subchapter VI of chapter 148 of title 10, United States Code.

SEC. 8076. None of the funds available to the Department of Defense shall be obligated or expended to make a financial contribution to the United Nations for the cost of an United Nations peacekeeping activity (whether pursuant to assessment or a voluntary contribution) or for payment of any United States arrearage to the United Nations.

SEC. 8077. None of the funds available to the Department of Defense under this Act shall be obligated or expended to pay a contractor under a contract with the Department of Defense for costs of any amount paid by the contractor to an employee when—

(1) such costs are for a bonus or otherwise in excess of the normal salary paid by the contractor to the employee; and

(2) such bonus is part of restructuring costs associated with a business combination.

SEC. 8078. (a) None of the funds appropriated or otherwise made available in this Act may be used to transport or provide for the transportation of chemical munitions or agents to the Johnston Atoll for the purpose of storing or demilitarizing such munitions or agents.

(b) The prohibition in subsection (a) shall not apply to any obsolete World War II chemical munition or agent of the United States found in the World War II Pacific Theater of Operations.

(c) The President may suspend the application of subsection (a) during a period of war in which the United States is a party.

SEC. 8079. None of the funds provided in title II of this Act for ''Former Soviet Union Threat Reduction'' may be obligated or expended to finance housing for any individual who was a member of the military forces of the Soviet Union or for any individual who is or was a member of the military forces of the Russian Federation.

(INCLUDING TRANSFER OF FUNDS)

SEC. 8080. During the current fiscal year, no more than $5,000,000 of appropriations made in this Act under the heading ''Operation and Maintenance, Defense-Wide'' may be transferred to appropriations available for the pay of military personnel, to be merged with, and to be available for the same time period as the appropriations to which transferred, to be used in support of such personnel in connection with support and services for eligible organizations and activities outside the Department of Defense pursuant to section 2012 of title 10, United States Code.

SEC. 8081. For purposes of section 1553(b) of title 31, United States Code, any subdivision of appropriations made in this Act under the heading ''Shipbuilding and Conversion, Navy'' shall be considered to be for the same purpose as any subdivision under the heading ''Shipbuilding and Conversion, Navy'' appropriations in any prior year, and the 1 percent limitation shall apply to the total amount of the appropriation.

SEC. 8082. During the current fiscal year, in the case of an appropriation account of the Department of Defense for which the period of availability for obligation has expired or which has closed under the provisions of section 1552 of title 31, United States Code, and which has a negative unliquidated or unexpended balance, an obligation or an adjustment of an obligation may be charged to any current appropriation account for the same purpose as the expired or closed account if—

(1) the obligation would have been properly chargeable (except as to amount) to the expired or closed account before the end of the period of availability or closing of that account;

(2) the obligation is not otherwise properly chargeable to any current appropriation account of the Department of Defense; and

(3) in the case of an expired account, the obligation is not chargeable to a current appropriation of the Department of Defense under the provisions of section 1405(b)(8) of the National Defense Authorization Act for Fiscal Year 1991, Public Law 101–510, as amended (31 U.S.C. 1551 note): *Provided*, That in the case of an expired account, if subsequent review or investigation discloses that there was not in fact a negative unliquidated or unexpended balance in the account, any charge to a current account under the authority of this section shall be reversed and recorded against the expired account: *Provided further*, That the total amount charged to a current appropriation under this section may not exceed an amount equal to 1 percent of the total appropriation for that account.

(TRANSFER OF FUNDS)

SEC. 8083. Upon enactment of this Act, the Secretary of Defense shall make the following transfers of funds: *Provided*, That the amounts transferred shall be available for the same purposes as the appropriations to which transferred, and for the same time period as the appropriation from which transferred: *Provided further*, That the amounts shall be transferred between the following appropriations in the amount specified:

From:

Under the heading, ''Shipbuilding and Conversion, Navy, 1988/2001'':

SSN–688 attack submarine program, $6,585,000;

CG–47 cruiser program, $12,100,000;

Aircraft carrier service life extension program, $202,000;

LHD–1 amphibious assault ship program, $2,311,000;

LSD–41 cargo variant ship program, $566,000;

T–AO fleet oiler program, $3,494,000;

AO conversion program, $133,000;

Craft, outfitting, and post delivery, $1,688,000;

To:

Under the heading, ''Shipbuilding and Conversion, Navy, 1995/2001'':

DDG–51 destroyer program, $27,079,000;

From:

Under the heading, ''Shipbuilding and Conversion, Navy, 1989/2000'':

DDG–51 destroyer program, $13,200,000;

Aircraft carrier service life extension program, $186,000;

LHD–1 amphibious assault ship program, $3,621,000;

LCAC landing craft, air cushioned program, $1,313,000;

T–AO fleet oiler program, $258,000;

AOE combat support ship program, $1,078,000;

AO conversion program, $881,000;

T–AGOS drug interdiction conversion, $407,000;

Outfitting and post delivery, $219,000;

To:

Under the heading, ''Shipbuilding and Conversion, Navy, 1996/2000'':

LPD–17 amphibious transport dock ship, $21,163,000;

From:

Under the heading, ''Shipbuilding and Conversion, Navy, 1990/2002'':

SSN–688 attack submarine program, $5,606,000;

DDG–51 destroyer program, $6,000,000;

ENTERPRISE refueling/modernization program, $2,306,000;

LHD–1 amphibious assault ship program, $183,000;

LSD–41 dock landing ship cargo variant program, $501,000;

LCAC landing craft, air cushioned program, $345,000;

MCM mine countermeasures program, $1,369,000;

Moored training ship demonstration program, $1,906,000;

Oceanographic ship program, $1,296,000;

AOE combat support ship program, $4,086,000;

AO conversion program, $143,000;

Craft, outfitting, post delivery, and ship special support equipment, $1,209,000;

To:

Under the heading, ''Shipbuilding and Conversion, Navy, 1990/2002'':

T–AGOS surveillance ship program, $5,000,000;

Coast Guard icebreaker program, $8,153,000;

Under the heading, ''Shipbuilding and Conversion, Navy, 1996/2002'':

LPD–17 amphibious transport dock ship, $7,192,000;

Under the heading, ''Shipbuilding and Conversion, Navy, 1998/2002'':

CVN refuelings, $4,605,000;

From:

Under the heading, ''Shipbuilding and Conversion, Navy, 1991/2001'':

SSN–21(AP) attack submarine program, $1,614,000;

LHD–1 amphibious assault ship program, $5,647,000;

LSD–41 dock landing ship cargo variant program, $1,389,000;

LCAC landing craft, air cushioned program, $330,000;

AOE combat support ship program, $1,435,000;

To:

Under the heading, ''Shipbuilding and Conversion, Navy, 1998/2001'':

CVN refuelings, $10,415,000;

From:

Under the heading, ''Shipbuilding and Conversion, Navy, 1992/2001'':

SSN–21 attack submarine program, $11,983,000;

Craft, outfitting, post delivery, and DBOF transfer, $836,000;

Escalation, $5,378,000;

To:

Under the heading, ''Shipbuilding and Conversion, Navy, 1998/2001'':

CVN refuelings, $18,197,000;

From:

Under the heading, ''Shipbuilding and Conversion, Navy, 1993/2002'':

Carrier replacement program (AP), $30,332,000;

LSD–41 cargo variant ship program, $676,000;

AOE combat support ship program, $2,066,000;

Craft, outfitting, post delivery, and first destination transportation, and inflation adjustments, $2,127,000;

To:

Under the heading, ''Shipbuilding and Conversion, Navy, 1998/2002'':

CVN refuelings, $29,844,000;

Under the heading, ''Shipbuilding and Conversion, Navy, 1999/2002'':

Craft, outfitting, post delivery, conversions, and first destination transportation, $5,357,000;

From:

Under the heading, ''Shipbuilding and Conversion, Navy, 1994/2003'':

LHD–1 amphibious assault ship program, $23,900,000;

Oceanographic ship program, $9,000;

To:

Under the heading, ''Shipbuilding and Conversion, Navy, 1994/2003'':

DDG–51 destroyer program, $18,349,000;

Under the heading, ''Shipbuilding and Conversion, Navy, 1995/1999'':

DDG–51 destroyer program, $5,383,000;

Under the heading, ''Shipbuilding and Conversion, Navy, 1996/2000'':

LPD–17 amphibious transport dock ship, $168,000;

Under the heading, ''Shipbuilding and Conversion, Navy, 1999/2003'':

Craft, outfitting, post delivery, conversions, and first destination transportation, $9,000;

From:

Under the heading, ''Shipbuilding and Conversion, Navy, 1996/2000'':

SSN–21 attack submarine program, $10,100,000;

LHD–1 amphibious assault ship program, $7,100,000;

To:

Under the heading, ''Shipbuilding and Conversion, Navy, 1996/2000'':

DDG–51 destroyer program, $3,723,000;

LPD–17 amphibious transport dock ship, $13,477,000;

From:

Under the heading, ''National Defense Sealift Fund, 1996'':

Defense features, $30,000,000;

Under the heading, ''National Defense Sealift Fund, 1999'':

Research, development, test and evaluation, $8,000,000;

To:

Under the heading, ''National Defense Sealift Fund, 1997'':

Maritime pre-positioning force enhancement, $38,000,000.

SEC. 8084. The Under Secretary of Defense (Comptroller) shall submit to the congressional defense committees by February 1, 2000, a detailed report identifying, by amount and by separate budget activity, activity group, subactivity group, line item, program element, program, project, subproject, and activity, any activity for which the fiscal year 2001 budget request was reduced because Congress appropriated funds above the President's budget request for that specific activity for fiscal year 2000.

SEC. 8085. Funds appropriated in title II of this Act and for the Defense Health Program in title VI of this Act for supervision and administration costs for facilities maintenance and repair, minor construction, or design projects may be obligated at the time the reimbursable order is accepted by the performing activity: *Provided*, That for the purpose of this section, supervision and administration costs includes all in-house Government cost.

SEC. 8086. The Secretary of Defense may waive reimbursement of the cost of conferences, seminars, courses of instruction, or similar educational activities of the Asia-Pacific Center for Security Studies for military officers and civilian officials of foreign nations if the Secretary determines that attendance by such personnel, without reimbursement, is in the national security interest of the United States: *Provided*, That costs for which reimbursement is waived pursuant to this subsection shall be paid from appropriations available for the Asia-Pacific Center.

SEC. 8087. (a) Notwithstanding any other provision of law, the Chief of the National Guard Bureau may permit the use of equipment of the National Guard Distance Learning Project by any person or entity on a space-available, reimbursable basis. The Chief of the National Guard Bureau shall establish the amount of reimbursement for such use on a case-by-case basis.

(b) Amounts collected under subsection (a) shall be credited to funds available for the National Guard Distance Learning Project and be available to defray the costs associated with the use of equipment of the project under that subsection. Such funds shall be available for such purposes without fiscal year limitation.

SEC. 8088. Using funds available by this Act or any other Act, the Secretary of the Air Force, pursuant to a determination under section 2690 of title 10, United States Code, may implement cost-effective agreements for required heating facility modernization in the Kaiserslautern Military Community in the Federal Republic of Germany: *Provided*, That in the City of Kaiserslautern such agreements will include the use of United States anthracite as the base load energy for municipal district heat to the United States Defense installations: *Provided further*, That at Landstuhl Army Regional Medical Center and Ramstein Air Base, furnished heat may be obtained from private, regional or municipal services, if provisions are included for the consideration of United States coal as an energy source.

SEC. 8089. Notwithstanding 31 U.S.C. 3902, during the current fiscal year, interest penalties may be paid by the Department of Defense from funds financing the operation of the military department or defense agency with which the invoice or contract payment is associated.

SEC. 8090. None of the funds appropriated in title IV of this Act may be used to procure end-items for delivery to military forces for operational training, operational use or inventory requirements: *Provided*, That this restriction does not apply to end-items used in development, prototyping, and test activities preceding and leading to acceptance for operational use: *Provided further*, That this restriction does not apply to programs funded within the National Foreign Intelligence Program: *Provided further*, That the Secretary of Defense may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that it is in the national security interest to do so.

(RESCISSIONS)

SEC. 8091. Of the funds provided in the Department of Defense Appropriations Act, 1999 (Public Law 105–262), $452,100,000, to reflect savings from revised economic assumptions, is hereby rescinded as of the date of enactment of this Act, or October 1, 1999, whichever is later, from the following accounts in the specified amounts:

''Aircraft Procurement, Army'', $8,000,000;

''Missile Procurement, Army'', $7,000,000;

''Procurement of Weapons and Tracked Combat Vehicles, Army'', $9,000,000;

''Procurement of Ammunition, Army'', $6,000,000;

''Other Procurement, Army'', $19,000,000;

''Aircraft Procurement, Navy'', $44,000,000;

''Weapons Procurement, Navy'', $8,000,000;

''Procurement of Ammunition, Navy and Marine Corps'', $3,000,000;

''Shipbuilding and Conversion, Navy'', $37,000,000;

''Other Procurement, Navy'', $23,000,000;

''Procurement, Marine Corps'', $5,000,000;

''Aircraft Procurement, Air Force'', $46,000,000;

''Missile Procurement, Air Force'', $14,000,000;

''Procurement of Ammunition, Air Force'', $2,000,000;

''Other Procurement, Air Force'', $44,400,000;

''Procurement, Defense-Wide'', $5,200,000;

''Chemical Agents and Munitions Destruction, Army'', $5,000,000;

''Research, Development, Test and Evaluation, Army'', $20,000,000;

''Research, Development, Test and Evaluation, Navy'', $40,900,000;

''Research, Development, Test and Evaluation, Air Force'', $76,900,000; and

''Research, Development, Test and Evaluation, Defense-Wide'', $28,700,000:

Provided, That these reductions shall be applied proportionally to each budget activity, activity group and subactivity group and each program, project, and activity within each appropriation account.

SEC. 8092. The budget of the President for fiscal year 2001 submitted to Congress pursuant to section 1105 of title 31, United States Code, and each annual budget request thereafter, shall include budget activity groups (known as ''subactivities'') in all appropriations accounts provided in this Act, as may

be necessary, to separately identify all costs incurred by the Department of Defense to support the North Atlantic Treaty Organization and all Partnership For Peace programs and initiatives. The budget justification materials submitted to Congress in support of the budget of the Department of Defense for fiscal year 2001, and subsequent fiscal years, shall provide complete, detailed estimates for all such costs.

SEC. 8093. None of the funds made available in this Act may be used to approve or license the sale of the F–22 advanced tactical fighter to any foreign government.

SEC. 8094. (a) The Secretary of Defense may, on a case-by-case basis, waive with respect to a foreign country each limitation on the procurement of defense items from foreign sources provided in law if the Secretary determines that the application of the limitation with respect to that country would invalidate cooperative programs entered into between the Department of Defense and the foreign country, or would invalidate reciprocal trade agreements for the procurement of defense items entered into under section 2531 of title 10, United States Code, and the country does not discriminate against the same or similar defense items produced in the United States for that country.

(b) Subsection (a) applies with respect to—

(1) contracts and subcontracts entered into on or after the date of the enactment of this Act; and

(2) options for the procurement of items that are exercised after such date under contracts that are entered into before such date if the option prices are adjusted for any reason other than the application of a waiver granted under subsection (a).

(c) Subsection (a) does not apply to a limitation regarding construction of public vessels, ball and roller bearings, food, and clothing or textile materials as defined by section 11 (chapters 50–65) of the Harmonized Tariff Schedule and products classified under headings 4010, 4202, 4203, 6401 through 6406, 6505, 7019, 7218 through 7229, 7304.41 through 7304.49, 7306.40, 7502 through 7508, 8105, 8108, 8109, 8211, 8215, and 9404.

SEC. 8095. Funds made available to the Civil Air Patrol in this Act under the heading ''Drug Interdiction and Counter-Drug Activities, Defense'' may be used for the Civil Air Patrol Corporation's counterdrug program, including its demand reduction program involving youth programs, as well as operational and training drug reconnaissance missions for Federal, State and local government agencies; for administrative costs, including the hiring of Civil Air Patrol Corporation employees; for travel and per diem expenses of Civil Air Patrol Corporation personnel in support of those missions; and for equipment needed for mission support or performance: *Provided*, That of these funds, $300,000 shall be made available to establish and operate a distance learning program: *Provided further*, That the Department of the Air Force should waive reimbursement from the Federal, State and local government agencies for the use of these funds.

SEC. 8096. Notwithstanding any other provision of law, the TRICARE managed care support contracts in effect, or in final stages of acquisition as of September 30, 1999, may be extended for two years: *Provided*, That any such extension may only take place if the Secretary of Defense determines that it is in the best interest of the Government: *Provided further*, That any contract extension shall be based on the price in the final best and final offer for the last year of the existing contract as adjusted for inflation and other factors mutually agreed to by the contractor and the Government: *Provided further*, That notwithstanding any other provision of law, all future TRICARE managed care support contracts replacing contracts in effect, or in the final stages of acquisition as of September 30, 1999, may include a base contract period for transition and up to seven one-year option periods.

SEC. 8097. None of the funds in this Act may be used to compensate an employee of the Department of Defense who initiates a new start program without notification to the Office of the Secretary of Defense, the Office of Management and Budget, and the congressional defense committees, as required by Department of Defense financial management regulations.

SEC. 8098. Section 8118 of the Department of Defense Appropriations Act, 1999 (Public Law 105–262; 112 Stat. 2331; 10 U.S.C. 2241 note) is amended by striking ''convicted'' and inserting ''debarred by the Department of Defense based upon a conviction''.

SEC. 8099. In addition to the amounts provided elsewhere in this Act, notwithstanding any other provision of law, $5,000,000 is hereby appropriated to the Office of the Secretary of Defense, and is available only for a grant to the Women in Military Service for America Memorial Foundation, Inc., only for costs associated with completion of the ''Women in Military Service For America'' memorial at Arlington National Cemetery.

TRAINING AND OTHER PROGRAMS

SEC. 8100. (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 the unit has committed a gross violation of human rights, unless all necessary corrective steps have been taken.

(b) MONITORING.—The Secretary of Defense, in consultation with the Secretary of State, shall ensure that prior to a decision to conduct any training program referred to in subsection (a), full consideration is given to all credible 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 subsection (a) if he determines that such waiver is required by extraordinary circumstances.

SEC. 8101. Notwithstanding any other provision in this Act, the total amount appropriated in this Act is hereby reduced by $171,000,000 to reflect savings from favorable foreign currency fluctuations, to be distributed as follows:

''Military Personnel, Army'', $19,100,000;

''Military Personnel, Navy'', $2,200,000;

''Military Personnel, Air Force'', $9,900,000;

''Operation and Maintenance, Army'', $80,700,000;

''Operation and Maintenance, Navy'', $13,700,000;

''Operation and Maintenance, Air Force,'' $26,900,000;

''Operation and Maintenance, Defense-Wide'', $8,700,000; and

''Defense Health Program'', $9,800,000.

SEC. 8102. Notwithstanding any other provision of law, the Secretary of Defense may retain all or a portion of the family housing at Fort Buchanan, Puerto Rico, as the Secretary deems necessary to meet military family housing needs arising out of the relocation of elements of the United States Army South to Fort Buchanan.

U.S. ARMY NATIONAL TRAINING CENTER ACCESS AND TRAINING ENHANCEMENTS

SEC. 8103. From within amounts made available in title II of this Act, under the heading ''Operation and Maintenance, Army'', and notwithstanding any other provision of law, $12,500,000 shall be available only for repairs and safety improvements to the segment of Fort Irwin Road which extends from Interstate 15 northeast toward the boundary of Fort Irwin, California and the originating intersection of Irwin Road: *Provided*, That these funds shall remain available until expended: *Provided further*, That the authorized scope of work includes, but is not limited to, environmental documentation and mitigation, engineering and design, improving safety, resurfacing, widening lanes, and replacing signs and pavement markings: *Provided further*, That these funds may be used for advances to the Federal Highway Administration, Department of Transportation, for the authorized scope of work.

SEC. 8104. Funds appropriated to the Department of the Navy in title II of this Act may be available to replace lost and canceled Treasury checks issued to Trans World Airlines in the total amount of $255,333.24 for which timely claims were filed and for which detailed supporting records no longer exist.

SEC. 8105. Notwithstanding any other provision of law, section 112 of Public Law 105–261 shall apply only to phase III of the Army's second source acquisition strategy for medium tactical vehicles.

SEC. 8106. None of the funds appropriated or made available in this Act to the Department of the Navy shall be used to develop, lease or procure the ADC(X) class of ships unless the main propulsion diesel engines are manufactured in the United States by a domestically operated entity: *Provided*, That the Secretary of Defense may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that adequate domestic supplies are not available to meet Department of Defense requirements on a timely basis and that such an acquisition must be made in order to acquire capability for national security purposes or there exists a significant cost or quality difference.

SEC. 8107. From within amounts made available in title II of this Act under the heading ''Operation and Maintenance, Defense-Wide'', and notwithstanding any other provision of law, $2,500,000 shall be available only for a grant for ''America's Promise—The Alliance for Youth, Inc.'', only to support, on a dollar-for-dollar matching basis with non-departmental funds, efforts to mobilize individuals, groups and organizations to build and strengthen the character and competence of the Nation's youth.

SEC. 8108. Of the funds made available in this Act, not less than $47,100,000 shall be available to maintain an attrition reserve force of 23 B–52 aircraft, of which $3,000,000 shall be available from ''Military Personnel, Air Force'', $34,500,000 shall be available from ''Operation and Maintenance, Air Force'', and $9,600,000 shall be available from ''Aircraft Procurement, Air Force'': *Provided*, That the Secretary of the Air Force shall maintain a total force of 94 B–52 aircraft, including 23 attrition reserve aircraft, during fiscal year 2000: *Provided further*, That the Secretary of Defense shall include in the Air Force budget request for fiscal year 2001 amounts sufficient to maintain a B–52 force totaling 94 aircraft.

SEC. 8109. Notwithstanding any other provision in this Act, the total amount appropriated in title II is hereby reduced by $100,000,000 to reflect savings resulting from reviews of Department of Defense missions and functions conducted pursuant to Office of Management and Budget Circular A–76, to be distributed as follows:

''Operation and Maintenance, Army'', $34,300,000;

''Operation and Maintenance, Navy'', $22,800,000;

''Operation and Maintenance, Marine Corps'', $1,400,000; and

''Operation and Maintenance, Air Force'', $41,500,000:

Provided, That none of the funds appropriated or otherwise made available by this Act may be obligated or expended for the purpose of contracting out functions directly related to the award of Department of Defense contracts, oversight of contractors with the Department of Defense, or the payment of such contractors including, but not limited to: contracting technical officers, contact administration officers, accounting and finance officers, and budget officers.

SEC. 8110. (a) REPORT ON OMB CIRCULAR A–76 REVIEWS OF WORK PERFORMED BY DOD EMPLOYEES.—The Secretary of Defense shall submit a report not later than 90 days after the enactment of this Act which lists all instances since 1995 in which missions or functions of the Department of Defense have been reviewed by the Department of Defense pursuant to OMB Circular A–76. The report shall list the disposition of each such review and indicate whether the review resulted in the performance of such missions or functions by Department of Defense civilian and military personnel, or whether such reviews resulted in performance by contractors. The report shall include a description of the types of missions or functions, the locations where the missions or functions are performed, the name of the contractor performing the work (if applicable), the cost to perform the missions or functions at the time the review was conducted, and the current cost to perform the missions or functions.

(b) REPORT ON OMB CIRCULAR A–76 REVIEWS OF WORK PERFORMED BY DOD CONTRACTORS.—The report shall also identify those instances in which work performed by a contractor has been converted to performance by civilian or military employees of the Department of Defense. For each instance of contracting in, the report shall include a description of the types of work, the locations where the work was performed, the name of the contractor that was performing the work, the cost of contractor performance at the time the work was contracted in, and the current cost of performance by civilian or military employees of the Department of Defense. In addition, the report shall include recommendations for maximizing the possibility of effective public-private competition for work that has been contracted out.

(c) COMPTROLLER GENERAL REVIEW.—Not later than 90 days after the date on which the Secretary submits the annual report, the Comptroller General shall submit to the House and Senate Committees on Appropriations the Comptroller General's views on whether the Department has complied with the requirements for the report.

SEC. 8111. The budget of the President for fiscal year 2001 submitted to Congress pursuant to section 1105 of title 31, United States Code, and each annual budget request thereafter, shall include separate budget justification documents for costs of United States armed forces' participation in contingency operations for the Military Personnel accounts, the Procurement accounts, and the Overseas Contingency Operations Transfer Fund: *Provided,* That these budget justification documents shall include a description of the funding requested for each anticipated contingency operation, for each military service, to include active duty and Guard and Reserve components, and for each appropriation account: *Provided further,* That these documents shall include estimated costs for each element of expense or object class, a reconciliation of increases and decreases for ongoing contingency operations, and programmatic data including, but not limited to troop strength for each active duty and Guard and Reserve component, and estimates of the major weapons systems deployed in support of each contingency.

SEC. 8112. In addition to amounts otherwise appropriated or made available by this Act, $20,000,000 is appropriated to the Army National Guard and shall be available only for the purpose of the procurement or lease of fire-fighting aircraft or systems.

(INCLUDING TRANSFER OF FUNDS)

SEC. 8113. In addition to amounts appropriated or otherwise made available in this Act, $50,000,000 is hereby appropriated, only to initiate and expand activities of the Department of Defense to prevent, prepare for, and respond to a terrorist attack in the United States involving weapons of mass destruction: *Provided,* That funds made available under this section shall be transferred to the following accounts:

''Reserve Personnel, Army'', $2,000,000;

''National Guard Personnel, Army'', $4,310,000;

''National Guard Personnel, Air Force'', $1,080,000;

''Operation and Maintenance, Army'', $12,110,000;

''Operation and Maintenance, Army National Guard'', $12,320,000;

''Other Procurement, Army'', $12,180,000; and

''Research, Development, Test and Evaluation, Army'', $6,000,000:

Provided further, That funds transferred pursuant to this section shall be merged with and 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 section is in addition to any other transfer authority available to the Department of Defense: *Provided further,* That of the funds transferred to ''Operation and Maintenance, Army National Guard'', not less than $3,000,000 shall be made available only to establish cost effective counter-terrorism training of first responders and concurrent testing of response apparatus and equipment at the Memorial Tunnel Facility as part of the WMD Study under the WMD Task Force: *Provided further,* That of the funds transferred to ''Operation and Maintenance, Army National Guard'', not less than $2,000,000 shall be made available only to support development of a structured undergraduate research program designed to produce graduates with specialized laboratory training and scientific skills required by military and industrial laboratories engaged in combating the threat of biological and chemical terrorism: *Provided further,* That of the funds transferred to ''Operation and Maintenance, Army National Guard'', not less than $3,500,000 shall be made available only to enhance distance learning technologies and develop related courseware to provide training for counter-terrorism and related concerns: *Provided further,* That of the funds transferred to ''Research, Development, Test and Evaluation, Army'', not less than $3,000,000 shall be made available only to continue development and presentation of advanced distributed learning consequence management response courses and conventional courses.

(INCLUDING TRANSFER OF FUNDS)

SEC. 8114. In addition to the amounts made available elsewhere in this Act, $150,000,000, to remain available until expended, is hereby appropriated to ''Operation and Maintenance, Defense-Wide'', only for information assurance programs, to include protection from non-authorized access to information technology systems and computer systems, and for related infrastructure expenses: *Provided,* That funds under this heading may only be obligated after the approval of the Deputy Secretary of Defense: *Provided further,* That none of the funds provided by this provision may be obligated or transferred to other appropriations accounts until fifteen days after the Deputy Secretary of Defense has submitted to the House and Senate Committees on Appropriations a proposed funding allocation and a plan for the Department of Defense to achieve information superiority and information assurance: *Provided further,* That the Deputy Secretary of Defense shall provide written notification to the House and Senate Committees on Appropriations prior to the transfer of any amount in excess of $10,000,000 to a specific program or project: *Provided further,* That funds made available under this heading may be transferred only to operation and maintenance accounts, procurement accounts, the Defense Health Program appropriation, and research, development, test and evaluation accounts: *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 section shall be in addition to the transfer authority provided to the Department of Defense in this Act or any other Act.

SEC. 8115. (a) The Secretary of Defense shall, along with submission of the fiscal year 2001 budget request for the Department of Defense, submit to the congressional defense committees a report, in both unclassified and classified versions, which contains an assessment of the advantages or disadvantages of deploying a ground-based National Missile Defense system at more than one site.

(b) This report shall include, but not be limited to, an assessment of the following issues:

(1) The ability of a single site, versus multiple sites, to counter the expected ballistic missile threat;

(2) The optimum basing locations for a single and multiple site National Missile Defense system;

(3) The survivability and redundancy of potential National Missile Defense systems under a single or multiple site architecture;

(4) The estimated costs (including development, construction and infrastructure, and procurement of equipment) associated with different site deployment options; and

(5) Other issues bearing on deploying a National Missile Defense system at one or more sites.

SEC. 8116. The Secretary of the Navy and the Secretary of the Air Force each shall submit a report to the congressional defense committees within 90 days of enactment of this Act in both classified and unclassified form which shall provide a detailed description of the dedicated aggressor squadrons used to conduct combat flight training for the Navy, Marine Corps and Air Force covering the period from fiscal year 1990 through the present. For each year of the specified time period, each report shall provide a detailed description of the following: the assets which comprise dedicated aggressor squadrons including both aircrews, and the types and models of aircraft assigned to these squadrons; the number of training sorties for all forms of combat flight training which require aggressor aircraft, and the number of sorties that the dedicated aggressor squadrons can generate to meet these requirements; the ratio of the total inventory of attack and fighter aircraft to the number of aircraft available for dedicated aggressor squadrons; a comparison of the performance characteristics of the aircraft assigned to dedicated aggressor squadrons compared to the performance characteristics of the aircraft they are intended to represent in training scenarios; an assessment of pilot proficiency by year from 1986 to the present;

Service recommendations to enhance aggressor squadron proficiency to include number of dedicated aircraft, equipment, facilities, and personnel; and a plan that proposes improvements in dissimilar aircraft air combat training.

SEC. 8117. None of the funds appropriated or otherwise made available by this or other Department of Defense Appropriations Acts may be obligated or expended for the purpose of performing repairs or maintenance to military family housing units of the Department of Defense, including areas in such military family housing units that may be used for the purpose of conducting official Department of Defense business: *Provided,* That the Department of Defense Office of the Inspector General shall provide a report to the House and Senate Committees on Appropriations not later than 60 days after the enactment of this Act which assesses the compliance of each of the military services with applicable appropriations law, Office of Management and Budget circulars, and Undersecretary of Defense (Comptroller) directives which govern funding for maintenance and repairs to flag officer quarters: *Provided further,* That this report shall include an assessment as to whether there have been violations of the Anti-Deficiency Act resulting from instances of improper funding of such maintenance and repair projects.

SEC. 8118. Notwithstanding any other provision of law, funds appropriated in this Act under the heading ''Research, Development, Test and Evaluation, Defense-Wide'' for any advanced concept technology demonstration project may only be obligated thirty days after a report, including a description of the project and its estimated annual and total cost, has been provided in writing to the congressional defense committees: *Provided,* That the Secretary of Defense may waive this restriction on a case-by-case basis by certifying to the congressional defense committees that it is in the national interest to do so: *Provided further,* That none of the funds appropriated under the heading ''Research, Development, Test and Evaluation, Defense-Wide'' in the Department of Defense Appropriations Act, 1999 (Public Law 105–262) are available for the Line of Sight Anti-Tank Program: *Provided further,* That of the funds appropriated under the heading ''Research, Development, Test and Evaluation, Defense-Wide'' in Public Law 105–262, $10,027,000 shall be available only for the Air Directed Surface to Air Missile.

SEC. 8119. Notwithstanding any other provision of law, none of the funds appropriated or otherwise made available by this Act may be used for concept development, pre-engineering management and development, engineering management and development, risk reduction, program office operations, travel of Department of Defense personnel, or contributions to international cooperative efforts for the Medium Extended Air Defense System, or successor systems: *Provided,* That none of the funds appropriated under the heading ''Research, Development, Test and Evaluation, Defense-Wide'' in the Department of Defense Appropriations Act, 1999 (Public Law 105–262) are available for the Medium Extended Air Defense System or successor systems.

SEC. 8120. None of the funds in this Act may be used to conduct a Defense Acquisition Board oversight review of a major weapon system acquisition unless the Commander-in-Chief of the United States Atlantic Command is a fully participating member of the Board which is conducting the review: *Provided,* That none of the funds in this Act may be used for the Defense Acquisition Board to approve a major weapon system acquisition to proceed into a subsequent phase of development or production unless the Commander-in-Chief of the United States Atlantic Command certifies to the congressional defense committees that the acquisition fully meets joint service interoperability requirements as determined by the theater Commanders-in-Chief: *Provided further,* That no additional funds or personnel beyond those contained in the fiscal year 2000 President's budget for ongoing United States Atlantic Command activities are available to support participation by the Commander-in-Chief of the United States Atlantic Command in Defense Acquisition Board weapon system reviews.

SEC. 8121. Of the funds appropriated in title II of this Act under the heading ''Operation and Maintenance, Army'', $250,000 shall be available only for a grant to the Nebraska Game and Parks Commission for the purpose of locating, identifying the boundaries of, acquiring, preserving, and memorializing the cemetery site that is located in close proximity to Fort Atkinson, Nebraska. The Secretary of the Army shall require as a condition of such grant that the Nebraska Game and Parks Commission, in carrying out the purposes of which the grant is made, work in conjunction with the Nebraska State Historical Society. The grant under this section shall be made without regard to section 1301 of title 31, United States Code, or any other provision of law.

SEC. 8122. Notwithstanding any other provision of law, for the purpose of establishing all Department of Defense policies governing the provision of care provided by and financed under the military health care system, the term ''custodial care'' shall be defined as care designed essentially to assist an individual in meeting the activities of daily living and which does not require the supervision of trained medical, nursing, paramedical or other specially trained individuals.

SEC. 8123. During the current fiscal year—

(1) refunds attributable to the use of the Government travel card and refunds attributable to official Government travel arranged by Government Contracted Travel Management Centers may be credited to operation and maintenance accounts of the Department of Defense which are current when the refunds are received; and

(2) refunds attributable to the use of the Government Purchase Card by military personnel and civilian employees of the Department of Defense may be credited to accounts of the Department of Defense that are current when the refunds are received and that are available for the same purposes as the accounts originally charged.

SEC. 8124. During the current fiscal year and hereafter, any Federal grant of funds to an institution of higher education to be available solely for student financial assistance or related administrative costs may be used for the purpose for which the grant is made without regard to any provision to the contrary in section 514 of the Departments of Labor, Health and Human Services, Education, and Related Agencies Appropriations Act, 1997 (10 U.S.C. 503 note), or section 983 of title 10, United States Code.

INFORMATION TECHNOLOGY SYSTEMS

SEC. 8125. (a) REGISTERING WITH DOD CHIEF INFORMATION OFFICER.—After March 31, 2000, none of the funds appropriated in this Act may be used for an information technology system that is not registered with the Chief Information Officer of the Department of Defense. A system shall be considered to be registered with that officer upon the furnishing to that officer of notice of the system, together with such information concerning the system as the Secretary of Defense may prescribe.

(b) MILESTONE CERTIFICATIONS TO CONGRESSIONAL COMMITTEES.—An information technology system may not receive Milestone I approval, Milestone II approval, or Milestone III approval until the Chief Information Officer of the Department of Defense provides to the congressional defense committees written certification, with respect to that milestone, that the system is being developed in accordance with the sections 5122 and 5123 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1422, 1423). The Chief Information Officer shall include with any such certification a report providing, at a minimum, the funding baseline and milestone schedule for the system and confirmation that the following steps have been taken with respect to the system:

(1) Business process reengineering.

(2) An analysis of alternatives.

(3) An economic analysis that includes a calculation of the return on investment.

(4) Performance measures.

(5) Effective information security measure.

(c) DEFINITIONS.—For purposes of this section:

(1) The term ''Chief Information Officer'' means the senior official of the Department of Defense designated by the Secretary of Defense pursuant to section 3506 of title 44, United States Code.

(2) The term ''information technology'' has the meaning given that term in section 5002 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1401), but does not include a national security system.

(3) The term ''national security system'' has the meaning given that term in section 5142 of such Act (40 U.S.C. 1452).

SEC. 8126. During the current fiscal year, none of the funds available to the Department of Defense may be used to provide support to another department or agency of the United States if such department or agency is more than 90 days in arrears in making payment to the Department of Defense for goods or services previously provided to such department or agency on a reimbursable basis: *Provided,* That this restriction shall not apply if the Department is authorized by law to provide support to such department or agency on a nonreimbursable basis, and is providing the requested support pursuant to such authority: *Provided further,* That the Secretary of Defense may waive this restriction on a case-by-case basis by certifying in writing to the Committees on Appropriations of the House of Representatives and the Senate that it is in the national security interest to do so.

SEC. 8127. (a) RECOVERY OF CERTAIN DOD ADMINISTRATIVE EXPENSES IN CONNECTION WITH FOREIGN MILITARY SALES PROGRAM.—Charges for administrative services calculated under section 21(e) of the Arms Export Control Act (22 U.S.C. 2761(e)) in connection with the sale of defense articles or defense services shall (notwithstanding paragraph (3) of section 43(b) of such Act (22 U.S.C. 2792(b)) include recovery of administrative expenses incurred by the Department of Defense during fiscal year 2000 that are attributable to (1) salaries of members of the Armed Forces, and (2) unfunded estimated costs of civilian retirement and other benefits.

(b) REIMBURSEMENT OF APPLICABLE MILITARY PERSONNEL ACCOUNTS.—During the current fiscal year, amounts in the Foreign Military Sales Trust Fund shall be available in an amount not to exceed $63,000,000 to reimburse the applicable military personnel accounts in title I of this Act for the value of administrative expenses referred in subsection (a)(1).

(c) REDUCTIONS TO REFLECT AMOUNTS EXPECTED TO BE RECOVERED.—(1) The amounts in title I of this Act are hereby reduced by an aggregate of $63,000,000 (such amount being the amount expected to be recovered by reason of subsection (a)(1)).

(2) The amounts in title II of this Act are hereby reduced by an aggregate of $31,000,000 (such amount being that amount expected to be recovered by reason of subsection (a)(2)).

SEC. 8128. (a) The Communications Act of 1934 is amended in section 337(b) (47 U.S.C. 337(b)), by deleting paragraph (2). Upon enactment of this provision, the FCC shall initiate the competitive bidding process in fiscal year 1999 and shall conduct the competitive bidding in a manner that ensures that all proceeds of such bidding are deposited in accordance with section 309(j)(8) of the Act not later than September 30, 2000. To expedite the assignment by competitive bidding of the frequencies identified in section 337(a)(2) of the Act, the rules governing such frequencies shall be effective immediately upon publication in the Federal Register, notwithstanding 5 U.S.C. 553(d), 801(a)(3), 804(2), and 806(a). Chapter 6 of such title, 15 U.S.C. 632, and 44 U.S.C. 3507 and 3512, shall not apply to the rules and competitive bidding procedures governing such frequencies. Notwithstanding section 309(b) of the Act, no application for an instrument of authorization for such frequencies shall be granted by the Commission earlier than 7 days following issuance of public notice by the Commission of the acceptance for filing of such application or of any substantial amendment thereto. Notwithstanding section 309(d)(1) of such Act, the Commission may specify a period (no less than 5 days following issuance of such public notice) for the filing of petitions to deny any application for an instrument of authorization for such frequencies.

(b)(1) Not later than 15 days after the date of the enactment of this Act, the Director of the Office of Management and Budget and the Federal Communications Commission shall each submit to the appropriate congressional committees a report which shall—

(A) set forth the anticipated schedule (including specific dates) for—

(i) preparing and conducting the competitive bidding process required by subsection (a); and

(ii) depositing the receipts of the competitive bidding process;

(B) set forth each signficant milestone in the rulemaking process with respect to the competitive bidding process;

(C) include an explanation of the effect of each requirement in subsection (a) on the schedule for the competitive bidding process and any post-bidding activities (including the deposit of receipts) when compared with the schedule for the competitive bidding and any post-bidding activities (including the deposit of receipts) that would otherwise have occurred under section 337(b)(2) of the Communications Act of 1934 (47 U.S.C. 337(b)(2)) if not for the enactment of subsection (a);

(D) set forth for each spectrum auction held by the Federal Communications Commission since 1993 information on—

(i) the time required for each stage of preparation for the auction;

(ii) the date of the commencement and of the completion of the auction;

(iii) the time which elapsed between the date of the completion of the auction and the date of the first deposit of receipts from the auction in the Treasury; and

(iv) the dates of all subsequent deposits of receipts from the auction in the Treasury; and

(E) include an assessment of how the stages of the competitive bidding process required by subsection (a), including preparation, commencement and completion, and deposit of receipts, will differ from similar stages in the auctions referred to in subparagraph (D).

(2) Not later than October 5, 2000, the Director of the Office of Management and Budget and the Federal Communications Commission shall each submit to the appropriate congressional committees the report which shall—

(A) describe the course of the competitive bidding process required by subsection (a) through September 30, 2000, including the amount of any receipts from the competitive bidding process deposited in the Treasury as of September 30, 2000; and

(B) if the course of the competitive bidding process has included any deviations from the schedule set forth under paragraph (1)(A), an explanation for such deviations from the schedule.

(3) The Federal Communications Commission may not consult with the Director in the preparation and submittal of the reports required of the Commission by this subsection.

(4) In this subsection, the term ''appropriate congressional committees'' means the following:

(A) The Committees on Appropriations, the Budget, and Commerce of the Senate.

(B) The Committees on Appropriations, the Budget, and Commerce of the House of Representatives.

DEPARTMENT OF DEFENSE REPORT ON THE CONDUCT OF OPERATION DESERT FOX AND OPERATION ALLIED FORCE

SEC. 8129. (a) REPORT REQUIRED.—Not later than January 31, 2000, the Secretary of Defense shall submit to the congressional defense committees in both classified and unclassified form a report on the conduct of Operation Desert Fox and Operation Allied Force (also referred to as Operation Noble Anvil). The Secretary of Defense shall submit to such committees a preliminary report on the conduct of these operations not later than October 15, 1999. The report (including the preliminary report) should be prepared in consultation with the Chairman of the Joint Chiefs of Staff, the Commander in Chief of the United States Central Command, and the Commander in Chief of the United States European Command.

(b) REVIEW OF SUCCESSES AND DEFICIENCIES.—The report should contain a thorough review of the successes and deficiencies of these operations, with respect to the following matters:

(1) United States military objectives in these operations.

(2) With respect to Operation Allied Force, the military strategy of the North Atlantic Treaty Organization (NATO) to obtain said military objectives.

(3) The command structure for the execution of Operation Allied Force.

(4) The process for identifying, nominating, selecting, and verifying targets to be attacked during Operation Desert Fox and Operation Allied Force.

(5) A comprehensive battle damage assessment of targets prosecuted during the conduct of the air campaigns in these operations, to include—

(A) fixed targets, both military and civilian, to include bridges, roads, rail lines, airfields, power generating plants, broadcast facilities, oil refining infrastructure, fuel and munitions storage installations, industrial plants producing military equipment, command and control nodes, civilian leadership bunkers and military barracks;

(B) mobile military targets such as tanks, armored personnel carriers, artillery pieces, trucks, and air defense assets;

(C) with respect to Operation Desert Fox, research and production facilities associated with Iraq's weapons of mass destruction and ballistic missile programs, and any military units or organizations associated with such activities within Iraq; and

(D) a discussion of decoy, deception and counter-intelligence techniques employed by the Iraqi and Serbian military.

(6) The use and performance of United States military equipment, weapon systems, munitions, and national and tactical reconnaissance and surveillance assets (including items classified under special access procedures) and an analysis of—

(A) any equipment or capabilities that were in research and development and if available could have been used in these operations' respective theater of operations;

(B) any equipment or capabilities that were available and could have been used but were not introduced into these operations' respective theater of operations; and

(C) any equipment or capabilities that were introduced to these operations' respective theater of operations that could have been used but were not.

(7) Command, control, communications and operational security of NATO forces as a whole and United States forces separately during Operation Allied Force, including the ability of United States aircraft to operate with aircraft of other nations without degradation of capabilities or protection of United States forces.

(8) The deployment of United States forces and supplies to the theater of operations, including an assessment of airlift and sealift (to include a specific assessment of the deployment of Task Force Hawk during Operation Allied Force, to include detailed explanations for the delay in initial deployment, the suitability of equipment deployed compared to other equipment in the U.S. inventory that was not deployed, and a critique of the training provided to operational personnel prior to and during the deployment).

(9) The use of electronic warfare assets, in particular an assessment of the adequacy of EA–6B aircraft in terms of inventory, capabilities, deficiencies, and ability to provide logistics support.

(10) The effectiveness of reserve component forces including their use and performance in the theater of operations.

(11) The contributions of United States (and with respect to Operation Allied Force, NATO) intelligence and counterintelligence systems and personnel, including an assessment of the targeting selection and bomb damage assessment process.

(c) The report should also contain:

(1) An analysis of the transfer of operational assets from other United States Unified Commands to these operations' theater of operations and the impact on the readiness, warfighting capability and deterrence value of those commands.

(2) An analysis of the implications of these operations as regards the ability of United States armed forces and intelligence capabilities to carry out the current national security strategy, including—

(A) whether the Department of Defense and its components, and the intelligence community and its components, have sufficient force structure and manning as well as equipment (to include items such as munitions stocks) to deploy, prosecute and sustain operations in a second major theater of war as called for under the current national security strategy;

(B) which, if any aspects, of currently programmed manpower, operations, training and other readiness programs, and weapons and other systems are found to be inadequate in terms of supporting the national military strategy; and

(C) what adjustments need to be made to current defense planning and budgets, and specific programs to redress any deficiencies identified by this analysis.

This Act may be cited as the ''Department of Defense Appropriations Act, 2000''.

AMENDMENT NO. 7 OFFERED BY MR. KUCINICH

Mr. KUCINICH. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 7 offered by Mr. KUCINICH:

At the end of the bill insert after the last section (preceding the short title) the following new section:

SEC. —. None of the funds made available in this Act may be used to procure a munition of a type referred to as a ''cluster bomb'' (also known as ''combined effects munitions'', ''CBU munitions'', ''sensor-fused weapons'', ''area-impact munitions'', ''anti-personnel bomblets'', ''anti-material bomblets'', and ''anti-armor bomblets'').

Mr. KUCINICH. Mr. Chairman, I rise today to offer an amendment that would prohibit any funds for the procurement of cluster bombs. Cluster bombs come in all types, sizes, colors and labels. But they all do two things. They often fail to explode when dropped in wartime, and they kill innocent civilians long after the war is over.

These weapons are dropped either by aircraft or rocket launchers. They break open in midair and disperse hundreds of bomblets that saturate an area with flying shards of steel. Cluster bombs turn into land mines when some of the bomblets fail to explode right away. The failure rate in cluster weapons is extremely high, between 5 percent to 30 percent. A GAO report on Desert Storm states that during the Gulf War, the Army's MLRS, the military launch rocket system, failed to explode when dropped more than 5 percent of the time, with some reaching a failure rate as high as 23 percent.

These unexploded bombs essentially become land mines and wreak havoc and kill civilians long after the war is over. About 1,100 cluster bombs containing more than 200,000 bomblets rained down on Yugoslavia and the Kosovo province. More than 1,100 unexploded bomblets are lying in fields in Kosovo. Usually these weapons come in various colors and toy-sized shapes to designate their type. They are very attractive to young children. Many of these children that play or are curious about these bombs are either killed or maimed. A recent example of this took place Saturday, April 24, when five ethnic Albanian children ages 3 to 15 were killed by unexploded cluster bombs trying to pry one open with a knife. According to the World Health Organization, in the past month over 170 people, that is over 170 people, have been killed or maimed by unexploded cluster bombs. Only last month, two British soldiers were killed trying to defuse an unexploded cluster bomb.

During the Gulf War, more than one-quarter of the total number of weapons dropped by aircraft in Iraq and Kuwait were cluster bombs. This means that 24 million to 30 million bomblets were dropped during the Gulf War. More than 1.2 million of these bombs failed to explode during the Gulf War and are now killing people, even though the war is over. More than 1,600 civilians were killed and over 2,500 injured in the first 2 years after the end of the Gulf War from cluster bombs. A Kuwaiti doctor said that 60 percent of those killed were children.

During the Vietnam War, more than 2.3 million tons of bombs fell on Laos. Many of them were cluster bombs. With a failure rate of 30 percent, an estimated 4 million cluster bomblets are still lying in rice fields, villages and on roadsides in Vietnam, Laos and Cambodia.

I want to bring my colleagues' attention to a young boy who fell victim to a cluster bomb explosion just 2 years ago, in 1996, 20 years after the end of the Vietnam War. While tilling the family rice paddy behind a water buffalo Ton Kemla's plow hit a long-hidden cluster bomblet that exploded and ripped him apart. My colleagues, because of cluster bombs, a young man in Laos became a victim of the war 20 years after the conclusion of the war. He had not even been born when the war officially ended. No difference, cluster bombs destroyed him even after the troops stopped fighting. He is not alone. There are many like him.

I ask why do we buy weapons and use weapons that have such a high incidence of failure and a high likelihood of killing after the war is over? We have much more sophisticated weaponry that is smarter and more effective in fighting a war. We will have spent more than $4.8 billion between 1995 and 1999 buying cluster bombs. We should not spend another penny on weapons that fail and that kill children after a war is over.

In addition to that, we have incidents where cluster bombs were dropped on populated areas during the war. What is NATO doing letting cluster bombs fall on populated areas?

Mr. MURTHA. Mr. Chairman, I rise in opposition to the amendment.

I appreciate what the gentleman from Ohio is saying. I appreciate the tragedy in every war. Having been on the ground in combat myself, I have seen the mutilation of people affected by the wars themselves. It is not a pretty sight. We have had some record that we have had some problems with cluster bombs. It seems to me, though, that to ban them completely would endanger our own troops. I would have to oppose this strongly until we had an opportunity to maybe work out something, where in case we are fighting the type of war we did lately, that we would not use them in that type of war. I do not even know that I could agree to that. But I certainly could not agree to not using them at a time when it protects our own forces.

Mr. KUCINICH. Mr. Chairman, will the gentleman yield?

Mr. MURTHA. I yield to the gentleman from Ohio.

Mr. KUCINICH. Mr. Chairman, I thank the gentleman for yielding. One of the things that called this to my attention is there was a dropping of cluster bombs at a downtown area of Nice, killing and injuring scores of shoppers and destroying about 20 homes.

Mr. MURTHA. I understand what the gentleman is saying, and I appreciate what he is saying. I think it is something we should look into. I would like to get this to a vote so we can move on with the bill.

Mr. KUCINICH. I respect the gentleman.

I would ask the gentleman, finally, if the gentleman would be interested in at least reviewing this policy related to cluster bombs being dropped near populated areas.

Mr. MURTHA. I think that is a legitimate request, and, working with the committee, I am sure we can work something out here.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio (Mr. KUCINICH).

The amendment was rejected.

AMENDMENT NO. 8 OFFERED BY MR. KUCINICH

Mr. KUCINICH. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 8 offered by Mr. KUCINICH:

At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. . (a) The Comptroller General, the Director of the Congressional Budget Office, and the Director of the Congressional Research Service of the Library of Congress shall conduct such studies as appropriate and within their respective capabilities to assist Congress in evaluating the air campaign conducted by the North Atlantic Treaty Organization (NATO) against the Federal Republic of Yugoslavia during Operation Allied Force in 1999. Those studies shall, at a minimum, identify the following matters:

(1) The damage that the NATO plan for the air campaign identified as necessary.

(2) The reasons why that damage was identified as being necessary.

(3) The military forces that the plan required and the extent to which those forces were committed.

(4) The extent to which the air campaign achieved the desired level of damage.

(5) The extent to which the damage caused by the air campaign had the predicted effects in terms of reducing capabilities of the Federal Republic of Yugoslavia in Kosovo.

(6) The extent to which the damage caused by the air campaign had the predicted effects in terms of undermining command and control capabilities of the ruling regime of the Federal Republic of Yugoslavia.

(7) The role of the bombing in obtaining the agreement of the regime of the Federal Republic of Yugoslavia to the Military Technical Agreement of June 10, 1999.

(8) Any other factors that led to the decision by the regime of the Federal Republic to the Military Technical Agreement of June 10, 1999.

(b) The studies under subsection (a) shall be submitted to Congress not later than one year after the date of the enactment of this Act.

(c) All data that would be declassified in the course of the studies under subsection (a) shall be electronically published on the Internet, and statistical data shall be electronically published in spreadsheet form, for

use by the public, academicians, and nongovernmental organizations.

Mr. LEWIS of California. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman from California reserves a point of order.

Mr. KUCINICH. Mr. Chairman, the amendment I am offering today should not be controversial. The purpose of the amendment is to direct the Congressional Research Service, the Congressional Budget Office, and the General Accounting Office to coordinate a study that would evaluate the effectiveness of the air campaign in the Federal Republic of Yugoslavia and in Kosovo.

Astonishingly, no one is now conducting a study of such depth. Indeed, the Department of Defense is undertaking its own study of its performance in Yugoslavia. I commend them for doing that. But in my opinion their review will not go far enough. It will not completely answer an important question that many of us are asking: Was the bombing campaign effective in achieving our strategic and tactical goals in the Balkans?

Many lessons will be learned from the Kosovo war. But will they be the right lessons? Will they be correct or will they be clouded in bias by various interests? The study I propose would allow for a truly independent study conducted by various independent organizations. After 1 year, the report would be given to Congress and the data would be published on the Internet so that the public could have free and open access to it.

Mr. MURTHA. Mr. Chairman, will the gentleman yield?

Mr. KUCINICH. I yield to the gentleman from Pennsylvania.

Mr. MURTHA. If the gentleman would consider withdrawing this amendment, I would coordinate with him a letter from he and I to the GAO to get the kind of independent study he wants. I think it is a legitimate request, I think it is something we should do, and I think we should find out exactly what somebody outside the services believes about the bombing campaign and how effective it was and the other things that he has talked about.

Mr. KUCINICH. I am interested in doing that. Could we also ask the GAO to perform this study quickly so that important evidence would not be lost?

Mr. MURTHA. Absolutely.

Mr. KUCINICH. Then I would gratefully express my appreciation to the gentleman from Pennsylvania. I look forward to writing that letter with him.

Mr. Chairman, I withdraw my amendment.

The CHAIRMAN. Without objection, the amendment is withdrawn.

There was no objection.

Mr. TERRY. Mr. Chairman, I move to strike the last word.

I rise to engage the gentleman from California in a colloquy on a matter of concern that was brought to my attention by members of the Guard and Reserve. They believe that some savings may be realized by conversion of positions.

I had planned to offer an amendment to clarify the scope of the Defense Department's study of contracting out military and civilian positions pursuant to OMB Circular A–76. As the gentleman from California knows, the Department of Defense announced in 1995 that it could save approximately $10 billion over the next 10 years by contracting out 230,000 jobs to the private sector. While I support the savings, I want to make sure that privatization does not harm war-fighting capability of the United States Armed Forces.

According to this week's ''Defense News,'' Department of Defense officials are beginning to rethink their policy of planned competitions because some of the services have asked if they could achieve the required manpower and cost savings through their own reengineering.

This is what I believe we need to address. The Department of Defense has moved rapidly towards outsourcing, without allowing the individual service chiefs or base commanders the opportunity to meet manpower reductions and cost savings through other means. The Congress should encourage defense officials to consider savings that might be realized by giving greater consideration to retaining members of the military service and civilian personnel to perform required Department of Defense workload. I believe that cost savings can still be realized without affecting our war-fighting capability.

I want to commend the gentleman from California for his efforts in assessing the privatization issue. I ask him if he agrees that section 8109 and 8110 of the bill before us would cause the Department of Defense to give greater consideration to retaining government civilian employees and military members when considering whether to contract out support functions.

□ 1700

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. TERRY. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I want to thank my colleague from Nebraska for bringing his concern to my attention, and I share his concern about the potential consequences that the current outsourcing initiative may have on the Department of Defense. I would also like to assure the gentleman that the intent of sections 8109 and 8110 is to give greater consideration to government employees and military service members as the Department of Defense continues its outsourcing initiative.

Mr. TERRY. Mr. Chairman, I thank the gentleman.

AMENDMENT OFFERED BY MR. STARK

Mr. STARK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STARK:

At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC.—. None of the funds made available in this Act may be used by the Armed Forces to participate in, or to provide support for, any airshow or trade exhibition held outside the United States.

Mr. STARK (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. STARK. Mr. Chairman, this is a simple amendment, and it does not save much money, but we learned from years ago from H. R. Gross that we save a little bit at a time and it adds up to a big amount.

But we have been subsidizing defense contractors at air shows designed to sell our weapons to foreign governments. I have no quarrel, and I am not here to debate the value or the validity of air shows, but I am suggesting that we have had a long history with this, and it culminated in 1992 when a U.S. Marine aircraft crashed on its way back from the Singapore airport, and in response to that misuse of taxpayers' money, because we had subsidized that air show by sending our planes, our men to basically be demonstrators or sales people——

Mr. MURTHA. Mr. Chairman, will the gentleman yield?

Mr. STARK. I yield to the gentleman from Pennsylvania.

Mr. MURTHA. Mr. Chairman, there is no question we banned this at one time, we have had an erosion on the plan, we agree with what the gentleman is trying to do, and on behalf of the minority Democrat side I certainly would be glad to accept the amendment.

Mr. STARK. I appreciate the gentleman.

Mr. LEWIS of California. Mr. Chairman, will the gentleman yield?

Mr. STARK. I yield to the distinguished gentleman from California.

Mr. LEWIS of California. Mr. Chairman, I very much appreciate my colleague bringing this matter to our attention. I have a very similar interests that he has here, and we are happy to accept the gentleman's amendment.

Mr. STARK. The gentleman's record is well known in that regard, and I deeply appreciate his support of this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California (Mr. STARK).

The amendment was agreed to.

The CHAIRMAN. Are there any further amendments?

Mr. DICKS. Mr. Chairman, I move to strike the last word.

(Mr. DICKS asked and was given permission to revise and extend his remarks.)

Mr. DICKS. Mr. Chairman, I rise in support of H.R. 2561, the Defense Appropriations Act.

I would like to thank Chairman LEWIS and Ranking Member MURTHA for their excellent work on this bill. And while thanking the Chairman and Ranking Member is customary, I believe that the Committee this year was able, through congressional oversight and additional funding, to begin the process of helping the Department of Defense fix those parts of the Defense budget which are broken. Wherever you stand on the larger issue of defense spending and on particular programs and weapons systems, fixing the Defense budget is good news, and it will improve the national security of this country.

This bill begins the process of fixing both long term budget problems, and near term problems identified during the recent conflict in Yugoslavia. The conflict in Kosovo was, in my view, an important triumph for U.S. ideals over the worst kind of repression seen in Europe in decades. But more centrally for the purposes of this bill, it also demonstrated and revealed much about the tremendous capabilities of several U.S. weapons systems including the B–2 bomber, and our deficiencies in other areas like electronic jamming. This bill seeks to emphasize and enhance those capabilities that performed well, and address those areas that revealed weaknesses.

H.R. 2561 includes funding for a 15th JSTARS aircraft, which performed magnificently in Kosovo. The Air Force has a requirement for 19 JSTARS, but only budgeted for 13. It increases funding for the EA–6B force, which was extremely effective but was strained to its limits flying continual sorties every day. And it continues the process of weaponizing the most advanced and effective bomber force in the world.

The work done by the House of Representatives over the last several years to support the heavy bomber force was dramatically vindicated in this recent conflict. As many of you know, the B–2 was the star of the air campaign over Kosovo, but it was not the only star. JDAM, the Joint Direct Attack Munition, was also a tremendous success. This simple weapon costs only about $15,000 a copy to buy. But combined with the radar and accuracy of the B–2, it performed flawlessly, and demolished almost every target it was assigned to destroy. Compared to the over $1 million cost of the CALCM cruise missiles also used in Kosovo, the JDAM was nothing short of a miracle for capability compared to cost. But as many of you know, JDAMs have only recently entered the U.S. arsenal. Boeing delivered the first production model of JDAM to the Air Force on June 24, 1998. The B–2 was still able to use JDAMs flawlessly, however, because Congress had appropriated funding for an early version, GATS/GAM. Congress accelerated the GATS/GAM program in FY93 by over a year, and it was successfully tested in October of 1996. Without the experience of testing and training with GATS/GAM, we might not have been as successful in the early days of the air campaign in Kosovo, when the B–2 was the only plane that could access the skies over Belgrade, and the only plane that could attack anywhere in bad weather.

We must continue to weaponize both the bomber and tac-air forces for conventional all-weather combat. We saw in Kosovo the importance of being able to forward deploy bombers closer to the theater of combat to get sortie rates up. We also saw the importance of in-theater communications. This highlights the need for Link 16 and inflight reprogramming capabilities on all of the bombers.

H.R. 2561 fully funds those needs. For this reason, it enjoys my strong support, and I urge all members to vote ''aye.''

The CHAIRMAN. Are their further amendments?

If there are no further amendments, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. HANSEN) having assumed the chair, Mr. CAMP, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2561) making appropriations for the Department of Defense for the fiscal year ending September 30, 2000, and for other purposes, pursuant to House Resolution 256, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

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

The CHAIRMAN. The question is on passage of the bill.

Pursuant to clause 10 of rule XX, the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 379, nays 45, not voting 10, as follows:

[Roll No. 334]

YEAS—379

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baird
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (VA)
Deal
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Dooley
Doolittle
Doyle
Dreier
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fletcher
Foley
Forbes
Ford
Fossella
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Kanjorski
Kaptur
Kelly
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lowey
Lucas (KY)
Lucas (OK)
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McHugh
McIntosh
McIntyre
McKeon
McNulty
Meehan
Meek (FL)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Olver
Ortiz
Ose
Oxley
Packard
Pallone
Pascrell
Pastor
Pease
Pelosi
Peterson (MN)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Regula
Reyes
Reynolds
Riley
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sanchez
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaffer
Scott
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Spence
Spratt
Stabenow
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tierney
Toomey
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Visclosky
Vitter
Walden
Walsh
Wamp
Watkins
Watt (NC)
Watts (OK)
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Wicker
Wilson
Wise
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—45

Baldwin
Barrett (WI)
Brown (OH)
Capuano
Coburn
Conyers
Davis (IL)
DeFazio
Doggett
Duncan
Eshoo
Filner
Ganske
Gejdenson
Gutierrez
Hooley
Jackson (IL)
Jones (OH)
Kucinich
Larson
Lazio
Lee
Lofgren
Luther
McGovern
McKinney
Meeks (NY)

Miller, George	Payne	Sensenbrenner
Nadler	Rangel	Stark
Oberstar	Rivers	Velazquez
Obey	Rush	Vento
Owens	Sanders	Waters
Paul	Schakowsky	Waxman

NOT VOTING—10

Becerra	McDermott	Towns
Dunn	McInnis	Whitfield
Kasich	Peterson (PA)	
Kennedy	Portman	

□ 1726

Mr. COBURN, Mr. CONYERS, and Mrs. JONES of Ohio changed their vote from ''yea'' to ''nay.''

Mr. DEUTSCH, Mrs. MINK of Hawaii, Mr. WEYGAND and Ms. WOOLSEY changed their vote from ''nay'' to ''yea.''

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. PORTMAN. Mr. Speaker, because I was in my District, I was absent for Rollcall vote 334. Had I been in attendance, I would have voted ''yea'' on rollcall vote 334.

Stated against:

Mr. BECERRA. Mr. Speaker, on July 22, 1999, I was unavoidably detained during a rollcall vote; number 334, on passage of H.R. 2561, the Department of Defense Appropriations for F.Y. 2000. Had I been present for the vote, I would have voted ''no.''

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO HAVE UNTIL MIDNIGHT, FRIDAY, JULY 23, 1999 TO FILE PRIVILEGED REPORT FOR ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 2000

Mr. LEWIS of California. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight, Friday, July 23, 1999 to file a privileged report on a bill making appropriations for energy and water development for the fiscal year ending September 30, 2000, and for other purposes.

The SPEAKER pro tempore (Mr. PETRI). Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. Pursuant to clause 1 of rule XX, all points of order are reserved on the bill.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO HAVE UNTIL MIDNIGHT, JULY 23, 1999 TO FILE PRIVILEGED REPORT ON DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 2000

Mr. LEWIS of California. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight, Friday, July 23, 1999 to file a privileged report on a bill making appropriations for the government of the District of Columbia and other activities chargeable, in whole or in part, against the revenues of said District for the fiscal year ending September 30, 2000, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. Pursuant to clause 1 of rule XX, all points of order are reserved on the bill.

PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO HAVE UNTIL MIDNIGHT, JULY 23, 1999 TO FILE PRIVILEGED REPORT ON FOREIGN OPERATIONS APPROPRIATIONS ACT, 2000

Mr. LEWIS of California. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight, Friday, July 23, 1999 to file a privileged report on a bill making appropriations for foreign operations, export financing and related programs for the fiscal year ending September 30, 2000, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. Pursuant to clause 1 of rule XX, all points of order are reserved on the bill.

LEGISLATIVE PROGRAM

(Mr. BONIOR asked and was given permission to address the House for 1 minute.)

Mr. BONIOR. Mr. Speaker, I rise for the purposes of inquiring as to what the schedule may be for the remainder of this week and next week.

Mr. Speaker, I yield to the gentleman from New York for the purpose of answering the inquiry.

Mr. LAZIO of New York. Mr. Speaker, I thank the distinguished Democratic whip for yielding.

Mr. Speaker, I am pleased to announce that the legislative business for this week has been completed.

The House will meet on Monday, July 26 at 12:30 p.m. for morning hour, and 2 o'clock p.m. for legislative business. We will consider a number of bills under suspension of the rules, a list of which will be distributed to all Members' offices tomorrow. After suspensions, we will begin consideration of H.R. 1074, the Regulatory Right to Know Act. Members should be aware that there will be recorded votes after 6 o'clock p.m. on Monday, July 26.

On Tuesday and the balance of next week, the House will take up the following measures: H.J. Resolution 57, a joint resolution disapproving China NTR; the Energy and Water Appropriations Act, the District of Columbia Appropriations Act, and the Foreign Operations Appropriations Act.

□ 1730

Mr. Speaker, I would also like to remind the House of the memorial arrangements that have been made to honor the life of our great colleague, the gentleman from California (Mr. Brown).

On Wednesday July 28 at 12:30 p.m. there will be a memorial service in California. We, therefore, will not schedule any votes on Wednesday in order to allow Members to attend that ceremony.

On Friday, July 30, at 11:00 a.m., there will be a service in Statutory Hall open to all Members as well.

I wish all Members safe travels back to their district, and thank the gentleman for yielding.

Mr. BONIOR. Mr. Speaker, I have a couple of inquiries of the gentleman from New York (Mr. LAZIO). First, I would like to ask the gentleman what time on Tuesday will the China MFN be considered?

Mr. LAZIO. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. I yield to the gentleman from New York.

Mr. LAZIO. Mr. Speaker, I thank the gentleman for yielding.

My expectation is that it will be earlier in the day rather than later, although, of course, there is no certainty. I would expect that it would be earlier on Tuesday.

Mr. BONIOR. I thank my colleague on that.

Then let me also ask the gentleman from New York (Mr. LAZIO), we assume that no votes will occur or any debate would occur on Wednesday, in honor of our late colleague, the gentleman from California (Mr. Brown), because of the services. Am I correct on that?

Mr. LAZIO. Yes. If the gentleman would yield again, I expect that all recorded or requested votes will be rolled or postponed. We do not expect any votes, but we do expect legislative business on that day, including debate and possible other committee consideration, but there will be no votes, recorded votes, that will be held on that day.

Mr. OBEY. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. I yield to the gentleman from Wisconsin.

Mr. OBEY. Let me simply strenuously object to that proposition. The fact is that the gentleman from California (Mr. Brown) was a distinguished Member of this House. He had a good many friends, and a lot of those friends were on the Committee on Appropriations. I do not believe it is right, when one of the most senior Members of the House and one of the most distinguished members of the House has a memorial service and a number of us would be denied the opportunity to attend that memorial service because they want our committees to stay here debating appropriation bills that day. It just seems to me that there ought to be another way that a civilized institution could honor one of its own without preventing some of his oldest friends from attending that memorial service.

I would say that if we cannot find that kind of accommodation that there

are a lot of things that could be slowed down next week.

Mr. LAZIO. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. I yield to the gentleman from New York.

Mr. LAZIO. Mr. Speaker, I would be happy to try and respond to that, if the gentleman would like a response.

Mr. BONIOR. I would be very happy to yield and would tend to agree with my friend, the gentleman from Wisconsin (Mr. OBEY), on his point.

Mr. LAZIO. I thank the gentleman. I thank both gentlemen. It is certainly true that our colleague, the gentleman from California (Mr. Brown), deserves all the honor that he will be given on Wednesday. I can say that this House is trying to accommodate Members by ensuring that there will be no recorded votes on Wednesday, and we will be in discussions with the Committee on Appropriations to see the best we can do to ensure that Members are not put in a position where they need to choose; but as both gentlemen know, we are trying to get our appropriations work done.

We are trying to work around Wednesday. We have scheduled no votes on that day. We are trying to ensure that Members can get out and make that flight in the morning so they can attend the service. That will be accommodated. There will be no votes, and we will take up the other remaining appropriations bills, working around that Wednesday; and we will do the very best we possibly can in terms of committee considerations. I do not know that I can say more than that.

Mr. BONIOR. I would just remind my friend that the tradition of the House is to accommodate the Members when a Member of this body has passed away and services are held. That has been the long tradition in this House.

Mr. OBEY. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. I yield to the gentleman from Wisconsin.

Mr. OBEY. Let me simply point out there are a number of Members in the California delegation who would need to be involved in the debate that would go on if they were here. It is unfair to them to expect that they ought to be here while they would like to be in California at the last opportunity to bid adieu to one of their colleagues.

So it just seems to me that this House has adjourned fully for hundreds of Members in its history, and it ought to do the same for the gentleman from California (Mr. Brown).

Mr. BONIOR. We would ask, again, that the majority revisit this issue and talk about it.

Mr. DREIER. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. I yield to the gentleman from California.

Mr. DREIER. I would simply like to say that I have the privilege of representing the district that adjoins the gentleman from California (Mr. Brown) in California, and he was a very dear friend to me. I am looking forward to the memorial service that we are going to have here in Statutory Hall and we are going to be participating in special orders for the gentleman from California (Mr. Brown) at some point, I think that is sometime next week, but I think that as my friend, the gentleman from New York (Mr. LAZIO) has said, that it is very important for us to proceed with our work here.

We appreciate the input that has come from a number of Members.

Mr. STENHOLM. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. I yield to the gentleman from Texas.

Mr. STENHOLM. Mr. Speaker, I thank the gentleman from Michigan (Mr. BONIOR) for yielding.

Mr. Speaker, I would like to pose an additional question. I did not hear any mention of H.R. 402, a bill sponsored by the gentleman from Missouri (Mr. BLUNT) and 228 other cosponsors, a dairy bill, that has overwhelmingly passed the House Committee on Agriculture. I did not hear whether or not it might be scheduled next week.

Mr. LAZIO. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. I yield to the gentleman from New York.

Mr. LAZIO. I am just informed that the bill which the gentleman references is under consideration by the House leadership. It is not expected to be scheduled for next week; but it is under consideration, and I will try to ensure that the gentleman receives some update during the course of next week.

Mr. STENHOLM. Might it possibly be scheduled the following week then? I am hearing that it might be postponed until September, and there is a little anxiety among the dairy community if that would be the fact. We would hope that it would and could be scheduled prior to our August break.

Mr. LAZIO. Well, I would say to the gentleman that I am happy to try and give the gentleman an update sometime next week and we will do the very best we can. I know that the bill is under consideration by leadership now.

Mr. STENHOLM. I thank the gentleman for that.

Mr. LAZIO. The gentleman is welcome.

Mr. BONIOR. Mr. Speaker, just to conclude, I thank my friend, the gentleman from New York (Mr. LAZIO) and my friend, the gentleman from California (Mr. DREIER), for their input and would ask once again that they go back and revisit this with the rest of their leadership, the question of Wednesday. I understand their need to move forward; and we appreciate that, having been in a similar situation ourselves, but with all due respect, especially for someone who has served with such great distinction in this body and who had so many friends, it will present a terrible conflict for Members to choose. That should not be the case. It has not been the tradition to have to face that choice, and I hope that we can revisit that decision.

I thank the gentleman for the comments this evening.

Mr. LAZIO. I thank the gentleman.

MAKING IN ORDER ON JULY 27, 1999, OR ANY DAY THEREAFTER, CONSIDERATION OF H.J. RES. 57 DISAPPROVING EXTENSION OF NONDISCRIMINATORY TREATMENT TO PRODUCTS OF PEOPLE'S REPUBLIC OF CHINA

Mr. DREIER. Mr. Speaker, I ask unanimous consent that it be in order at any time on July 27, 1999, or any day thereafter, to consider in the House the joint resolution (H.J. Res. 57) disapproving the extension of nondiscriminatory treatment (normal trade relations treatment) to the products of the People's Republic of China; that the joint resolution be considered as read for amendment; that all points of order against the joint resolution and against its consideration be waived; that the joint resolution be debatable for 3 hours equally divided and controlled by the chairman of the Committee on Ways and Means in opposition to the joint resolution, and a Member in support of the joint resolution; that pursuant to sections 152 and 153 of the Trade Act of 1974, the previous question be considered as ordered on the joint resolution to final passage without intervening motion; and that the provisions of sections 152 and 153 of the Trade Act of 1974 shall not otherwise apply to any joint resolution disapproving the extension of most-favored-nation treatment to the People's Republic of China for the remainder of the first session of the 106th Congress.

The SPEAKER pro tempore (Mr. PETRI). Is there objection to the request of the gentleman from California?

Ms. PELOSI. Mr. Speaker, reserving the right to object, could the gentleman from California (Mr. DREIER) clarify the intent of this unanimous consent regarding the distribution of debatable time?

Mr. DREIER. Mr. Speaker, will the gentlewoman yield?

Ms. PELOSI. Further reserving the right to object, I yield to the gentleman from California.

Mr. DREIER. Mr. Speaker, it is the intention for us to proceed, recognizing that there are Members of the Committee on Ways and Means who both support and oppose this resolution, with an equal division of debate so that Members on both sides of this issue will have an equal opportunity to participate in this, and we are looking forward to a very interesting, fascinating, full, vigorous 3 hours of debate on this issue.

Ms. PELOSI. Further seeking clarification, when the gentleman says recognizing that Members of the Committee on Ways and Means in both parties agree or disagree on this, does that

mean that only a Member of the Committee on Ways and Means of the majority or minority party can control the time?

Mr. DREIER. It is not our intention to make that decision as far as recognition. It will be up to the Chair. Again, there are Members of both the majority and the minority on the Committee on Ways and Means who are on both sides of this question, but it is clear that another Member could be recognized. In fact, the author of the resolution of disapproval is not, in fact, a Member of the Committee on Ways and Means, and it is quite possible that he could be recognized.

Ms. PELOSI. I thank the gentleman for his clarification.

Mr. DREIER. I thank the gentlewoman for yielding and would encourage acceptance of my unanimous consent request and again look forward to a vigorous debate.

Ms. PELOSI. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

ADJOURNMENT TO MONDAY, JULY 26, 1999

Mr. DREIER. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 12:30 p.m. on Monday next for morning hour debates.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. OBEY. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. DREIER. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

Mr. OBEY. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

WATER RESOURCES DEVELOPMENT ACT OF 1999

Mr. BOEHLERT. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 507) to provide for the conservation and development of water and related resources, to authorize the Secretary of the Army to construct various projects for improvements to rivers and harbors of the United States, and for other purposes, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. OBEY. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 798

Mr. SESSIONS. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 798.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. OBEY. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

PROVIDING FOR CONSIDERATION OF H.R. 1074, REGULATORY RIGHT-TO-KNOW ACT OF 1999

Mr. SESSIONS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 258 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 258

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 1074) to provide Government-wide accounting of regulatory costs and benefits, and for other purposes. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Government Reform. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on Government Reform now printed in the bill. The committee amendment in the nature of a substitute shall be considered as read. No amendment to the committee amendment in the nature of a substitute shall be in order except those printed in the portion of the Congressional Record designated for that purpose in clause 8 of rule XVIII and except pro forma amendments for the purpose of debate. Each amendment so printed may be offered only by the Member who caused it to be printed or his designee and shall be considered as read. The chairman of the Committee of the Whole may: (1) postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment; and (2) reduce to five minutes the minimum time for electronic voting on any postponed question that follows another electronic vote without intervening business, provided that the minimum time for electronic voting on the first in any series of questions shall be 15 minutes. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

□ 1745

The SPEAKER pro tempore. The gentleman from Texas (Mr. SESSIONS) is recognized for 1 hour.

Mr. SESSIONS. Mr. Speaker, for the purposes of debate only, I yield the customary 30 minutes to the gentlewoman from New York (Ms. SLAUGHTER), pending which I yield myself such time as I may consume. During the consideration of this amendment, all time is yielded for the purpose of debate only.

Mr. Speaker, the legislation before us is a modified open rule providing for the consideration of H.R. 1074, the Regulatory Right-To-Know Act of 1999.

This open rule provides for 1 hour of general debate, equally divided between the chairman and ranking minority member of the Committee on Government Reform.

The rule provides that it shall be in order to consider as an original bill for the purposes of amendment under the 5-minute rule the amendment in the nature of a substitute recommended by the Committee on Government Reform now printed in the bill.

The bill provides that the amendment in the nature of a substitute shall be open for amendment at any point.

The rule provides for the consideration of only those amendments preprinted in the CONGRESSIONAL RECORD, which may be offered only by the Member who caused it to be printed or that designee, and pro forma amendments offered for the purpose of debate only.

The rule allows the Chairman of the Committee of the Whole to postpone votes during consideration of the bill and to reduce voting time to 5 minutes on a postponed question if the vote follows a 15-minute vote.

Finally, the rule provides one motion to recommit with or without instructions.

Mr. Speaker, the underlying legislation, the Regulatory Right-to-Know Act is important legislation. The purpose of this legislation is to increase public awareness about the costs and benefits of Federal regulations to increase accountability of the government and to improve the Federal program and rules.

The bill achieves these goals by requiring the Office of Management and Budget to prepare an annual accounting statement containing cost and benefit estimates of Federal regulatory programs.

Furthermore, this report would require an analysis of the cumulative impact of regulations on various sectors and functional areas, including the private sector.

The Regulatory Right-To-Know Act is yet another significant step towards making this government more efficient and more accountable. A more efficient and accountable government provides

us with a Nation with more freedom, liberty, and integrity.

Mr. Speaker, since 1995, Congress has changed the direction of the Federal Government from the endless burden of more taxes and spending to the new fiscal discipline of balance and responsibility and accountability.

Congress has passed legislation to prevent unfunded mandates from being passed from the Federal Government to State and local governments. This legislation is now law.

Congress has passed the Small Business Paperwork Reduction Act as another incremental step toward relieving governmental burdens on small businesses and their employees.

The Regulatory Right-To-Know Act builds on these successes and provides a straight cost benefit analysis of Federal regulations.

Finally, a full and accurate accounting of regulations and their impact on the economy will now be readily available. The United States has become the global leader in technological development which, in turn, has created efficiencies in our economy and made life better for all of us.

But the Federal Government remains the largest impediment to continued growth and development. Federal regulatory programs impose tremendous cost and restrictions on innovation in the private sector and on State and local governments. That is why this legislation is so important.

Mr. Speaker, I urge my colleagues to continue the bipartisan manner in which this legislation was crafted and support this rule.

Mr. Speaker, I reserve the balance of my time.

MOTION TO ADJOURN

Mr. OBEY. Mr. Speaker, I move that the House do now adjourn.

The SPEAKER pro tempore (Mr. PETRI). The question is on the motion to adjourn.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. OBEY. Mr. Speaker, I demand a recorded vote.

A recorded vote was refused.

Mr. OBEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. The Chair will count for a quorum.

Mr. OBEY. Mr. Speaker, I withdraw my objection.

So the motion to adjourn was rejected.

PROVIDING FOR CONSIDERATION OF H.R. 1074, REGULATORY RIGHT-TO-KNOW ACT OF 1999

The SPEAKER pro tempore. The Chair recognizes the gentelwoman from New York (Ms. SLAUGHTER).

Ms. SLAUGHTER. Mr. Speaker, I thank the gentleman from Texas (Mr. SESSIONS) for yielding me the time, and I yield myself such time as I may consume.

(Ms. SLAUGHTER asked and was given permission to revise and extend her remarks.)

Ms. SLAUGHTER. Mr. Speaker, this is an almost open rule, for the majority has again relied on a preprinting requirement for amendments which may affect some Members of the House.

Mr. Speaker, H.R. 1074 is a bill which sorely needs improvement. Amendments to protect taxpayers from runaway spending and to analyze the cost/benefit ratio of corporate welfare were not included in the bill during its consideration in the Committee on Government Reform.

My friends on the other side are more than willing to belabor the value of and insist on a bottom line for rules which protect the life, the health, and the safety of the American people.

But when the question is restated to ask how much corporate America benefits from Federal programs, the majority is far less interested in the answer. I expect we will see that issue revisited when we take up the Hoeffel-Kucinich amendment.

H.R. 1074, the Regulatory Right-To-Know Act, has a ''feel good'' title to disguise the potential harm buried in its details.

As envisioned by my friends on the other side, every time the Federal Government proposes to take even the most routine action, it would be viewed through 1,000 different green eye shades.

There is little if any leeway given for action which is clearly necessary, decisions which are ''no-brainers.''

It is like the pedestrian whose reflex is to leap from the crosswalk to avoid a car running a red light, but first he asks how many calories will be burned and how much shoe leather will be used and how the impact of the car would impact their productivity at the office.

Now, if our pedestrian is faced with a different set of circumstances, such as deciding whether to buy a car so that they do not have to walk to work, then that requires a different approach, and rightly so. Because, by Executive Order, we already analyze the cost and benefits of the 60 or more major rules which are proposed each year. That is sensible and reasonable.

My concern is that my friends on the other side who so often talk about government which is small and smart are now proposing to make government big and dull.

A cost benefit analysis is useful when applied in the appropriate circumstances. But with the approach advanced by this legislation, they are killing the dog to stop the fleas.

Mr. Speaker, I reserve the balance of my time.

Mr. SESSIONS. Mr. Speaker, I yield 10 minutes to the gentleman from Indiana (Mr. MCINTOSH).

Mr. McINTOSH. Mr. Speaker, I am speaking today in support of the rule for a bipartisan bill to promote the public's right to know the cost benefits and impacts of Federal regulatory programs, H.R. 1074, Regulatory Right-To-Know Act of 1999.

This bill is the product of the leadership of the gentleman from Virginia (Chairman BLILEY) from the Committee on Commerce over the last several years. He really deserves a great deal of credit for bringing forward the basic idea of this bill. It also builds on the provisions offered by Senator STEVENS and Senator THOMPSON in the 1997, 1998, 1999 Treasury, General Government and Postal Appropriations Act. They put in a temporary 1-year provision very similar to what this bill does.

This bill, along with the companion bill, S. 59, also designed to establish a permanent and stronger regulatory accounting requirement, would make that year-by-year appropriations bill unnecessary.

H.R. 1074 is a good government bill, which requires the Office of Management and Budget to prepare an annual accounting statement and an associated report. This accounting statement, which is the core provision of this bill, would provide estimates ever the costs and benefits of Federal regulatory programs in the aggregate, by agency, by agency program, by program component, and by major rule.

The bill requires that accurate information be provided for the same 7-year time series as the budget of the United States, the current year, 2 years preceding this year, and the 4 years following.

The associated report would analyze the impacts of Federal rules and all the paperwork that goes along with these rules on various sectors in our economy, for example, on small businesses and on functional areas, for example, in the health care and our public health in this country.

In the associated report, OMB would identify and analyze overlaps, duplications, and potential inconsistencies among the Federal regulatory programs and offer recommendations to reform inefficient or ineffective regulatory programs.

The gentleman from Wisconsin (Mr. RYAN), who is Vice Chairman of our Subcommittee on National Economic Growth, Natural Resources, and Regulatory Affairs, will go into more detail about some of the examples of those overlapping and duplicative regulations.

Now, currently, there is no report that analyzes the cumulative impact of Federal regulations. Americans, we believe, have a right to know what are the cumulative costs, what are the benefits, and what is the impact of Federal regulations on their sector of the economy and on various areas throughout the United States.

Current estimates of the ''off budget,'' if you will, compliance costs on Americans by Federal regulatory programs are close to $700 billion each

year. By the way, that is a 25 percent increase from 10 years ago.

□ 1800

Broken down for each family in the United States, they pay, on average, $6,900 in additional costs simply because of the compliance with Federal regulations. By the way, to put that in perspective, that is more than the typical family pays in Federal taxes, which we cut earlier today here on the House floor.

The bill requires OMB to issue guidelines to standardize agency estimates of the costs and the benefits and to use an accounting format that can be analyzed across different sectors. The bill also requires OMB to quantify the net benefits or the net costs for each alternative considered in a regulatory impact analysis accompanying a major rule. By the way, this is already required under President Clinton's executive order on regulatory review.

This information will help the public understand how and why major decisions affecting them are made by the executive branch. It will disclose that the Federal agencies chose the most effective, least costly regulatory approach.

To ensure a fair and balanced estimate of the costs and benefits, the bill also requires that this report by OMB be peer-reviewed by two or more experts and that the public have an opportunity to comment on a draft report relating to the impact of sectors. This way the bill ensures that the public can know whether OMB is doing its job to keep a lid on the stupid, silly, sometimes costly regulations that are often promulgated.

Mr. Speaker, our oversight hearings in my subcommittee, and the GAO reports, show that OMB, quite frankly, in recent years, has not done a very good job of supervising these type of regulatory impact analyses. So this bill will make that a legal mandate for OMB.

H.R. 1074 requires that they compile some new and improved information about these regulatory programs. However, we believe that fundamentally the bill will not pose an undue burden on OMB if they are doing their job under the current executive order, since much of the needed information is already available.

Since Ronald Reagan issued his historic executive order in 1981, Federal agencies have been required to perform cost-benefit analyses on major rules. These are the rules that constitute the bulk of that $700 billion of cost for the regulatory programs. Also, OMB can use many other sources of information, including private regulatory accounting studies and government studies done by the agencies.

The bill, as it was reported by the gentleman from Indiana (Mr. BURTON), the Chairman of the Committee on Government Reform, made many changes on the initial draft that we have proposed to lessen the burden on the Office of Management and Budget and to address some of the Clinton administration's concerns, including a phase-in of several of the key requirements. The Congressional Budget Office estimated that the cost of this bill will be in its lowest category, less than $500,000 each year.

Frankly, I think that is a pretty good deal. For less than $500,000, we have the potential to save the American citizens billions of dollars in unnecessary, duplicative, and costly regulatory burdens.

There is wide support for this bill, Mr. Speaker. It is bipartisan, and it has been endorsed by many organizations, including the seven major bipartisan State and local organizations: the National Governors' Association, the National Conference of State Legislatures, the Council of State Governments, the U.S. Conference of Mayors, the National League of Cities, the National Association of Counties, and the International City/County Management Association.

Some other organizations, Mr. Speaker, that are endorsing this bill include Alliance USA; the American Farm Bureau Federation; Americans For Tax Reform; Associated Builders and Contractors; the Business Roundtable; the Center for Study for American Business; the Chamber of Commerce of the United States, which has key voted this bill on its legislative calendar; the Chemical Manufacturers Association; Citizens for a Sound Economy, which has also key voted this bill; National Association of Manufacturers; National Federation of Independent Businesses; the Seniors Coalition; the 60 Plus Association; and the Small Business Survival Committee, which, once again, has key voted this bill on their legislative calendar.

Now, unfortunately, there have been some views that have been stated about this bill that ended up being reflected in the minority report, and so we had to issue a correction and clarification on some of those. But I want to stress, for example, that some of the opposition to this bill incorrectly states that it would ''require a cost-benefit analysis of every major and minor rule.''

This bill, quite frankly, does not require any new regulatory impact analyses, RIAs, no new rule-by-rule cost-benefit analyses, and no new rule-by-rule impact analyses. So that the exceptions that are currently in place under President Clinton's executive order for minor routine regulations would also apply for this bill.

Instead, the bill provides for combining a set of related rules into broad categories. Except for the regulatory impact analysis already required for major rules, the various analytical requirements relate to information after the rules are issued. So it should not require any greater regulatory burden in actually issuing those rules.

The difference may be that the administration currently, under OMB's guidance, does not always follow their own executive order. And so some of these regulatory impact analyses that are required under the President's Executive Order, in fact, are not being done. But the bill provides OMB with substantial discretion in ways to address the various analytical requirements. It makes no changes in the standard of law. It cannot slow down a rulemaking, since the analysis will be done in the aggregate, after those rules are issued; but what it will do is give the American people a very precise comprehensive view of what the benefits and what the costs are of our Federal regulations.

I strongly support the rule that has come forth from the Committee on Rules, and I believe fundamentally the public has a right to know what are the impact of our Federal regulations. We need to have open and accountable government. OMB's accounting statement and associated report will give Americans the tools to fully analyze how legislation on regulatory matters will affect them and how rules today are, in fact, impacting their lives.

Mr. Speaker, I urge my colleagues to vote for the rule and vote for the bill when it comes up on Monday.

Ms. SLAUGHTER. Mr. Speaker, I yield 1 minute to the gentleman from Wisconsin (Mr. OBEY).

Mr. OBEY. Mr. Speaker, I thank the gentlewoman for yielding me this time, and I use the time to ask the gentleman from Texas (Mr. SESSIONS) whether it is not correct that there is now an understanding that the House will not be in session on Wednesday so that we can attend the memorial service for the distinguished former Member from California, Mr. Brown.

Mr. SESSIONS. Mr. Speaker, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Texas.

Mr. SESSIONS. Mr. Speaker, to respond to the gentleman, and I am going to read what I have been given, it is my understanding the House will be in pro forma session and that no votes will be held, in accommodation of Republican and Democrat Members who wish to attend services for our colleague, George Brown.

Mr. OBEY. Reclaiming my time, Mr. Speaker, my understanding is correct, then, that there will be no committees asked to be running bills on the floor while that is going on?

Mr. SESSIONS. If the gentleman will continue to yield, it is my understanding that there will not be any legislative business on the floor of the House of Representatives.

Mr. OBEY. Mr. Speaker, I thank the gentleman and I thank the leadership for reconsidering that position. I am sorry to take the time of the House, but given the fact that George Brown was the ranking member of a committee, that he served here 35 years, and that he was one of the two people who were driving forces behind the

first teach-ins in Vietnam, a very historic occasion in our Nation's history, and I think that is very important.

Mr. SESSIONS. I thank the gentleman for his concern and feel like we have responded appropriately.

Ms. SLAUGHTER. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio (Mr. KUCINICH).

Mr. KUCINICH. Mr. Speaker, I thank the gentlewoman from New York for yielding me this time.

Mr. Speaker, I want to thank the gentleman from California (Mr. DREIER), the Chairman of the Committee on Rules, and the gentleman from Massachusetts (Mr. MOAKLEY), the ranking minority member, as well as the gentlewoman from New York (Ms. SLAUGHTER), for their work on this rule for H.R. 1074, the so-called Regulatory Right-to-Know Act of 1999.

I also want to express my appreciation to the chairman of the subcommittee, the gentleman from Indiana (Mr. MCINTOSH), the committee on which I serve as the ranking member. The gentleman from Indiana and I have developed a good working relationship. We do not always agree on the substance of some of the bills, but I think we have been able to at least have an exchange of ideas, which I hope has resulted in a better bill. We are pleased on this side of the aisle that we will have the opportunity to offer our amendment, which we believe significantly improves the bill.

While I support the underlying goal of the bill to give taxpayers information on the costs and benefits of government regulations, with the hope of improving government accountability, efficiency, and effectiveness, I am concerned that the bill, as offered, fails to adequately protect the taxpayers. That is why, the gentleman from Pennsylvania (Mr. HOEFFEL), the gentleman from Indiana (Mr. VISCLOSKY), and myself will be offering the Taxpayer Protection and Corporate Welfare Disclosure Amendment.

This amendment will improve the bill in three ways. First, it will require the Office of Management and Budget to identify and analyze the costs and benefits of corporate subsidies given out by the Federal Government. H.R. 1074 is supposed to provide the American people with better information about how much money Federal laws and regulations cost American businesses and what benefits are derived from those programs.

But this misses the fact that each year the Federal Government provides billions of dollars in corporate welfare to regulated businesses. This amendment would require corporate welfare to be disclosed to the American public so that they can have a complete accounting of the cost and benefits imposed on businesses by the Federal Government, not just the cost and benefits of regulations.

Second, this amendment would cap reporting expenditures by the Office of Management and Budget and Federal agencies required by H.R. 1074 to $1 million a year. According to the Congressional Budget Office, H.R. 1074 should only cost $500,000 a year to implement. So limiting these expenditures to double that amount, or $1 million, should provide plenty of funds for both the regulatory and the corporate welfare components of the bill, while making sure the taxpayers do not pay the price if programs end up costing much more than anticipated by Congress.

Third, the Hoeffel amendment, the amendment that I am pleased to sponsor with that gentleman and the gentleman from Indiana (Mr. VISCLOSKY), would sunset the bill after 4 years. Let us make sure that the information we are asking for is actually useful before we make this an open-ended requirement. If we find that the accounting required under H.R. 1074 is worthwhile, Congress can reauthorize the report at that time and make changes to it to make it better.

Mr. Speaker, I want to again thank those on the other side of the aisle who have worked on this, the gentleman from Wisconsin (Mr. RYAN) and all the others who have worked on it, and we look forward to the debate on Monday.

Mr. SESSIONS. Mr. Speaker, I yield 10 minutes to the gentleman from Wisconsin (Mr. RYAN), who is the vice chairman on the Committee on Government Reform.

Mr. RYAN of Wisconsin. Mr. Speaker, I thank the gentleman from Texas for yielding me this time, and I also want to thank the gentleman from Ohio (Mr. KUCINICH), who is the ranking member of this subcommittee. I must admit that as a new Member of Congress it is nice to see people who really like to cooperate on a bipartisan basis, and I think the gentleman from Ohio is a person who is of strong conscience and serves this body very well, and I just wanted to commend him for his attitude in working with us on passage of this legislation. We may disagree on some of these amendments, but I would like to thank the gentleman from Ohio for his attitude on this.

I rise in support of the rule, Mr. Speaker, for H.R. 1074. I would also like to voice my support for passage of H.R. 1074, the Regulatory Right-to-Know Act. This is a bipartisan initiative. This point is made obvious by the groups that have voiced their support of this bill. It has the support of numerous groups, from the National Governors' Association to the Seniors Coalition. The U.S. Conference of Mayors, the American Farm Bureau and the U.S. Chamber of Commerce have all publicly endorsed this legislation. These diverse groups have endorsed this bill because they recognize the benefits this legislation could provide to Congress and to the citizens of this country.

This legislation will increase understanding and, therefore, public confidence in all Federal regulations and agencies. The public has the right to know the factors that affect agency decision-making. The Congress has the right to know that the intent of the legislation we pass here in Congress is being carefully considered by the agencies who promulgate these regulations, taking into account and implementing the laws we pass here in this body.

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Through this legislation, the public will have access to information regarding the cost and benefits including the social health, safety, environment, and economic effects of major agency action.

Mr. Speaker, the key to accountability in Government is providing information. Information is vital to effective governing. The more accessible information is to the public and to the Congress, the more efficient and productive our system of Government will be.

This bill does not change the existing process for adopting agency regulations. Moreover, it helps us change the environment in which these agencies adopt regulations by fostering an atmosphere of openness and accountability.

Some groups have likened this to the annual accounting most companies do for their shareholders. Well, Mr. Speaker, the American people are the shareholders of our Government of our country and they deserve to be provided an accounting of the impact of Federal regulations.

But I would like to make one more point that is very important in the Regulatory Right-to-Know Act, which will require OMB to do an annual study looking at duplicative regulations. And believe me, Mr. Speaker, we have a lot of duplicative regulations in our Federal Government today.

Just to point out a few examples: Agriculture's Natural Resource and Conservation Service and the Army Corps of Engineers had conflict requirements over wetlands regulations. I am going to go into that in just a second.

The grantees for so many different programs are required by Federal rules to provide nearly identical information to many Federal grant-making agencies for similar grant programs, including the same type of information to various agencies.

The USDA and FDA have issued overlapping food safety regulations regarding tainted food products. Many agency programs, and thus their regulatory requirements, sometimes overlap. Just in the area of job training and employment there are 14 departments that delve into this area.

Among the 14 departments and agencies that have programs, rules, and regulations with respect to job training and employment are the Agriculture Department, the Commerce Department, the Education Department, HHS, HUD, Interior, Justice, Labor, Transportation, Treasury, Veterans' Affairs, EPA, the NRC, and the SSA.

All of these agencies promulgate regulations on job training and employment. Many of them duplicate and

overlap each other. An accounting of these regulations is going to do nothing but help us get good Government, get good information to the citizens we represent.

Going back to the area of wetlands regulations, there is a great example of how overlapping and duplicative regulations can actually do a lot of harm to our constituents when we are simply trying to make sure that they comply with the Federal law.

I would like to take an example of a turf fight between two agencies over wetlands regulations. The turf fight is between the Army Corps of Engineers and the Natural Resources Conservation Service. There is a farmer named Dave Pechan who farms near Linden, California. He wanted to convert 40 acres of his land into a vineyard.

In accordance with the law, Mr. Pechan asked the Natural Resources Conservation Service to evaluate his property for possible wetlands. The Conservation Service is one of those Federal agencies that is charged with enforcing wetlands regulations.

After inspecting Mr. Pechan's land on two occasions, the Conservation Service determined that only a .3 acre swale could be considered a wetland. He was instructed to go ahead with his vineyard plans as long as he plowed around that tiny little wetland.

Well, that seemed to settle the matter. Until one week later, when Mr. Pechan saw representatives from the Army Corps of Engineers and the U.S. Fish and Wildlife Service on his property taking pictures. They told Mr. Pechan that he may be violating the law when he farmed in wetlands.

When Pechan produced the documentation from the Conservation Service showing that he was in compliance with these regulations, the agencies rudely rejected his claim.

It seems that the Army Corps of Engineers and the Conservation Service are locked into a bureaucratic turf fight over which agency would have the lead role in enforcing wetlands laws.

Well, in 1994, the Corps of Engineers signed a memorandum of agreement that ostensibly recognized the Conservation Service as the lead Federal agency. However, the Corps of Engineers reneged on that agreement because they refused to give up on enforcement of wetlands policy.

The end result is this: The farmer in California, Dave Pechan, is snared in the middle of a bureaucratic turf fight. The Corps has told him that regardless of what the Conservation Service had determined allowing him to go through with his vineyard plans, he will be subjected to civil and criminal penalties if he continues to work his land.

He is now in limbo while the Corps conducts its own wetlands evaluations of his property.

Mr. Speaker, the Regulatory Right-to-Know Act is very common sense. It is bipartisan. This is a good Government bill. This simply says, let us get a handle on all of these regulations we are passing on to our constituents. Let us make sure they do not duplicate each other or overlap or send conflicting messages to our constituents.

Lastly, it does not do one thing to change the regulations. It simply says, let us measure the cost and benefits of these regulations, what are they costing our economy, what are they doing to our constituents.

This is clearly a good Government measure. I urge all of my colleagues to support the rule on this measure. And next week when we vote on this bill, I urge all of my colleagues to vote in favor of H.R. 1074, the Regulatory Right-to-Know Act.

Ms. SLAUGHTER. Mr. Speaker, I yield 4 minutes to the gentleman from Pennsylvania (Mr. HOEFFEL).

Mr. HOEFFEL. Mr. Speaker, I thank the gentlewoman for yielding me the time and I thank her for her cooperation and her leadership.

I compliment the gentleman from California (Mr. DREIER) the chairman of the Committee on Rules and the gentleman from Massachusetts (Mr. MOAKLEY) the ranking member for bringing forward this bill with the rule that permits through the preprinting mechanism the opportunity for the gentleman from Ohio (Mr. KUCINICH) and I to offer an amendment that we believe is necessary to improve this bill so that it really provides a good service for the American taxpayer.

H.R. 1074, the Regulatory Right-to-Know Act, is the subject of this rule. As the previous speaker, the gentleman from Wisconsin (Mr. RYAN) and the gentleman from Indiana (Mr. MCINTOSH) before him have described, this bill is designed to tell Congress and the American people how much it costs to produce regulations pursuant to the laws we pass every year.

A cost benefit analysis of Federal regulation is a concept that has been debated for some time. I am pleased that this bill is before us. I think the bill needs improvement, but I think it is the right thing for Congress to address this and to make sure we have an opportunity to get the information we need to do our jobs properly and to get to the American people a clear statement of the cost of Federal regulation and the benefit of Federal regulation.

I, for one, believe there are many benefits to the rules and regulations that are promulgated based upon our statutes. But we need to know the cost on business and the benefit to business in order to do our job properly.

Unfortunately, I think that there are some areas of this bill that need to be improved. I will be offering, along with the gentleman from Ohio (Mr. KUCINICH), the Hoeffel-Kucinich amendment, entitled the taxpayer protection and corporate welfare disclosure amendment, when we have an opportunity on Monday to debate and amend this bill.

Our amendment is designed to get even more information available to Congress and to the American people regarding the impact of the Federal Government on American business.

If we want to find out the costs and benefits of Federal regulations, then let us also find out the costs and benefits of the so-called corporate welfare, the Federal subsidies, the tax preferences, the below market values of Federal lands that are granted to many of our corporations in this country.

Historically, we have given these kind of corporate benefits to many industries, some of them mature, successful, highly profitable industries. If we are to determine how much the regulations cost these industries to get a fair and complete picture, we surely need to know the benefits, if any, of the corporate welfare they receive.

Secondly, the amendment that the gentleman from Ohio (Mr. KUCINICH) and I will offer will make sure that the cost of this bill will not be unlimited.

The Congressional Budget Office has estimated that to conduct the regulatory review of the underlying bill will cost something less than $500,000 per year. So we are putting in the Hoeffel-Kucinich amendment an overall cap of $1 million a year to conduct both the regulatory review and the corporate welfare review that the amended bill will call for.

I think this is a wise and sensible limitation to make sure that, in the process of determining costs and benefits, we do not waste the taxpayers' dollars with unnecessary expenditures.

Finally, the Hoeffel-Kucinich amendment will put a 4-year sunset provision on both the regulatory review and the corporate welfare review called for in the amended bill.

I will ask for support of the amendment on Monday.

Mr. SESSIONS. Mr. Speaker, may I inquire as to the time remaining on both sides?

The SPEAKER pro tempore (Mr. TERRY). The gentleman from Texas (Mr. SESSIONS) has 8½ minutes remaining. The gentlewoman from New York (Ms. SLAUGHTER) has 19 minutes remaining.

Mr. SESSIONS. Mr. Speaker, I yield 2 minutes to the gentleman from Wisconsin (Mr. RYAN).

Mr. RYAN of Wisconsin. Mr. Speaker, I think it is very important as we debate the rule and the Regulatory Right-to-Know Act that we put this in its proper perspective.

We would debate what I would like to call the ''killer Kucinich amendment'' a little bit later when it is up next week.

But let us put this in proper perspective. Regulations are good. They are necessary. But regulations do pose what we often call a hidden tax on the American economy. It is widely estimated that Federal regulations cost the American taxpayers about $700 billion annually.

This is a tax that we do not see right on our paychecks. We do not see it in front of our faces in our businesses. This is a tax that comes to us through

the various overlapping and duplicative rules and regulations, costing our American families and businesses about $700 billion annually.

So when we talk about the Regulatory Right-to-Know Act, it is really let us see what these taxes are costing us, let us get openness in Government, let us make sure that we know when we are imposing $700 billion of hidden tax on our Government, let us make these open taxes so we actually see really what these taxes are, what the cost and benefits of these hidden taxes on our families and businesses impose.

Placing a cap on that to me seems to be very, very much disingenuous in the spirit of the public's right to know. We will debate the merits of that amendment next week.

But I think it is very important to put this whole thing in perspective, that the Regulatory Right-to-Know Act is a bipartisan solution at getting openness in Government at taking a look at what really is this hidden tax being placed on our families and our businesses.

Mr. Speaker, I yield back the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania (Mr. HOEFFEL).

Mr. HOEFFEL. Mr. Speaker, I thank the gentlewoman for yielding me the time.

If I could just respond quickly to my friend the gentleman from Wisconsin (Mr. RYAN) who spoke about the ''killer Kucinich amendment''.

Many people have said that I am a pretty tough guy, but no one has ever called me ''killer'' before. It is actually the ''Hoeffel-Kucinich amendment.''

Mr. RYAN of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. HOEFFEL. I yield to the gentleman from Wisconsin.

Mr. RYAN of Wisconsin. Mr. Speaker, I said ''killer Kucinich,'' not ''killer Hoeffel.''

Mr. HOEFFEL. Mr. Speaker, we will debate this amendment Monday, known as the ''Hoeffel-Kucinich amendment.'' I look forward to the debate with the gentleman.

If I would simply add, he appropriately identified the estimated cost of regulations on American business. Let me add to this debate today that Time Magazine has estimated that the cost of corporate welfare to the Federal Government is $125 billion a year, which they describe as being the equivalent of the income taxes paid each year by 60 million Americans. Or another way of looking at it, the equivalent of two weeks' pay for every working American is distributed and paid by the Federal Government in corporate welfare.

So I simply stand with the Hoeffel-Kucinich amendment for the proposition that we ought to know where that $125 billion goes when we find out where the $700 billion that the gentleman is concerned about and that I am concerned about goes.

We ought to see the whole package at the same time to get a clear picture.

Ms. SLAUGHTER. Mr. Speaker, I yield myself such time as I may consume to close.

Mr. Speaker, I want to add to what the gentleman from Pennsylvania (Mr. HOEFFEL) said about the corporate welfare costing us $125 billion a year. That is handed out despite the fact that the economy has been strong and that corporate profits have totaled more than $4.5 trillion this decade.

Proponents of corporate welfare say that it encourages economic development and job growth. A good example is a tax break for a company that relocates to the inner city. But the biggest recipients are Fortune 500 companies that have cut, Mr. Speaker, more jobs than they created this decade.

As stated by Time, ''The rationale to curtail traditional welfare programs was compelling because the old system did not work. It was unfair and destroyed incentive and perpetuated dependence and distorted the economy.''

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''The same indictment, almost to the word, applies to corporate welfare. In some ways, it represents pork-barrel legislation of the worst order. The difference, of course, is that instead of rewarding the poor, it rewards the powerful.''

I agree with the gentleman from Pennsylvania that corporate welfare deserves all the attention we can give it to bring it into the light.

Mr. Speaker, I yield back the balance of my time.

Mr. SESSIONS. Mr. Speaker, I yield myself such time as I may consume. I would like to echo the comments that were made by the gentleman from Wisconsin and give a quote so that we know where the figure came from. Professor Thomas D. Hopkins, Interim Dean, College of Business at the Rochester Institute of Technology is the gentleman that estimated the total regulatory cost in the United States will be over $700 billion a year.

Mr. Speaker, I urge my colleagues to support this fair rule so that the House may continue this important legislation.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 798

Mr. SESSIONS. Mr. Speaker, I ask unanimous consent to be removed from cosponsorship of H.R. 798.

The SPEAKER pro tempore (Mr. TERRY). Is there objection to the request of the gentleman from Texas?

There was no objection.

ADJOURNMENT TO MONDAY, JULY 26, 1999

Mr. SESSIONS. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 12:30 p.m. on Monday next for morning hour debates.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. SESSIONS. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

WATER RESOURCES DEVELOPMENT ACT OF 1999

Mr. BOEHLERT. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 507) to provide for the conservation and development of water and related resources, to authorize the Secretary of the Army to construct various projects for improvements to rivers and harbors of the United States, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 507

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 ''Water Resources Development Act of 1999''.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Definition of Secretary.

TITLE I—WATER RESOURCES PROJECTS

Sec. 101. Project authorizations.
Sec. 102. Project modifications.
Sec. 103. Project deauthorizations.
Sec. 104. Studies.

TITLE II—GENERAL PROVISIONS

Sec. 201. Flood hazard mitigation and riverine ecosystem restoration program.
Sec. 202. Shore protection.
Sec. 203. Small flood control authority.
Sec. 204. Use of non-Federal funds for compiling and disseminating information on floods and flood damages.
Sec. 205. Aquatic ecosystem restoration.
Sec. 206. Beneficial uses of dredged material.
Sec. 207. Voluntary contributions by States and political subdivisions.

Sec. 208. Recreation user fees.
Sec. 209. Water resources development studies for the Pacific region.
Sec. 210. Missouri and Middle Mississippi Rivers enhancement project.
Sec. 211. Outer Continental Shelf.
Sec. 212. Environmental dredging.
Sec. 213. Benefit of primary flood damages avoided included in benefit-cost analysis.
Sec. 214. Control of aquatic plant growth.
Sec. 215. Environmental infrastructure.
Sec. 216. Watershed management, restoration, and development.
Sec. 217. Lakes program.
Sec. 218. Sediments decontamination policy.
Sec. 219. Disposal of dredged material on beaches.
Sec. 220. Fish and wildlife mitigation.
Sec. 221. Reimbursement of non-Federal interest.
Sec. 222. National Contaminated Sediment Task Force.
Sec. 223. John Glenn Great Lakes Basin program.
Sec. 224. Projects for improvement of the environment.
Sec. 225. Water quality, environmental quality, recreation, fish and wildlife, flood control, and navigation.
Sec. 226. Irrigation diversion protection and fisheries enhancement assistance.
Sec. 227. Small storm damage reduction projects.
Sec. 228. Shore damage prevention or mitigation.
Sec. 229. Atlantic coast of New York.
Sec. 230. Accelerated adoption of innovative technologies for contaminated sediments.
Sec. 231. Mississippi River Commission.
Sec. 232. Use of private enterprises.

TITLE III—PROJECT-RELATED PROVISIONS

Sec. 301. Dredging of salt ponds in the State of Rhode Island.
Sec. 302. Upper Susquehanna River basin, Pennsylvania and New York.
Sec. 303. Small flood control projects.
Sec. 304. Small navigation projects.
Sec. 305. Streambank protection projects.
Sec. 306. Aquatic ecosystem restoration, Springfield, Oregon.
Sec. 307. Guilford and New Haven, Connecticut.
Sec. 308. Francis Bland Floodway Ditch.
Sec. 309. Caloosahatchee River basin, Florida.
Sec. 310. Cumberland, Maryland, flood project mitigation.
Sec. 311. City of Miami Beach, Florida.
Sec. 312. Sardis Reservoir, Oklahoma.
Sec. 313. Upper Mississippi River and Illinois waterway system navigation modernization.
Sec. 314. Upper Mississippi River management.
Sec. 315. Research and development program for Columbia and Snake Rivers salmon survival.
Sec. 316. Nine Mile Run habitat restoration, Pennsylvania.
Sec. 317. Larkspur Ferry Channel, California.
Sec. 318. Comprehensive Flood Impact-Response Modeling System.
Sec. 319. Study regarding innovative financing for small and medium-sized ports.
Sec. 320. Candy Lake project, Osage County, Oklahoma.
Sec. 321. Salcha River and Piledriver Slough, Fairbanks, Alaska.
Sec. 322. Eyak River, Cordova, Alaska.
Sec. 323. North Padre Island storm damage reduction and environmental restoration project.
Sec. 324. Kanopolis Lake, Kansas.
Sec. 325. New York City watershed.
Sec. 326. City of Charlevoix reimbursement, Michigan.
Sec. 327. Hamilton Dam flood control project, Michigan.
Sec. 328. Holes Creek flood control project, Ohio.
Sec. 329. Overflow management facility, Rhode Island.
Sec. 330. Anacostia River aquatic ecosystem restoration, District of Columbia and Maryland.
Sec. 331. Everglades and south Florida ecosystem restoration.
Sec. 332. Pine Flat Dam, Kings River, California.
Sec. 333. Levees in Elba and Geneva, Alabama.
Sec. 334. Toronto Lake and El Dorado Lake, Kansas.
Sec. 335. San Jacinto disposal area, Galveston, Texas.
Sec. 336. Environmental infrastructure.
Sec. 337. Water monitoring station.
Sec. 338. Upper Mississippi River comprehensive plan.
Sec. 339. McNary Lock and Dam, Washington.
Sec. 340. McNary National Wildlife Refuge.

TITLE IV—CHEYENNE RIVER SIOUX TRIBE, LOWER BRULE SIOUX TRIBE, AND STATE OF SOUTH DAKOTA TERRESTRIAL WILDLIFE HABITAT RESTORATION

Sec. 401. Cheyenne River Sioux Tribe, Lower Brule Sioux Tribe, and State of South Dakota Terrestrial Wildlife Habitat Restoration.

SEC. 2. DEFINITION OF SECRETARY.

In this Act, the term ''Secretary'' means the Secretary of the Army.

TITLE I—WATER RESOURCES PROJECTS

SEC. 101. PROJECT AUTHORIZATIONS.

(a) PROJECTS WITH CHIEF'S REPORTS.—The following projects for water resources development and conservation and other purposes are authorized to be carried out by the Secretary substantially in accordance with the plans, and subject to the conditions, described in the respective reports designated in this section:

(1) SAND POINT HARBOR, ALASKA.—The project for navigation, Sand Point Harbor, Alaska: Report of the Chief of Engineers dated October 13, 1998, at a total cost of $11,760,000, with an estimated Federal cost of $6,964,000 and an estimated non-Federal cost of $4,796,000.

(2) RIO SALADO (SALT RIVER), ARIZONA.—The project for environmental restoration, Rio Salado (Salt River), Arizona: Report of the Chief of Engineers dated August 20, 1998, at a total cost of $88,048,000, with an estimated Federal cost of $56,355,000 and an estimated non-Federal cost of $31,693,000.

(3) TUCSON DRAINAGE AREA, ARIZONA.—The project for flood damage reduction, environmental restoration, and recreation, Tucson drainage area, Arizona: Report of the Chief of Engineers dated May 20, 1998, at a total cost of $29,900,000, with an estimated Federal cost of $16,768,000 and an estimated non-Federal cost of $13,132,000.

(4) AMERICAN RIVER WATERSHED, CALIFORNIA.—

(A) IN GENERAL.—The project for flood damage reduction described as the Folsom Stepped Release Plan in the Corps of Engineers Supplemental Information Report for the American River Watershed Project, California, dated March 1996, at a total cost of $505,400,000, with an estimated Federal cost of $329,300,000 and an estimated non-Federal cost of $176,100,000.

(B) IMPLEMENTATION.—

(i) IN GENERAL.—Implementation of the measures by the Secretary pursuant to subparagraph (A) shall be undertaken after completion of the levee stabilization and strengthening and flood warning features authorized by section 101(a)(1) of the Water Resources Development Act of 1996 (110 Stat. 3662).

(ii) FOLSOM DAM AND RESERVOIR.—The Secretary may undertake measures at the Folsom Dam and Reservoir authorized under subparagraph (A) only after reviewing the design of such measures to determine if modifications are necessary to account for changed hydrologic conditions and any other changed conditions in the project area, including operational and construction impacts that have occurred since completion of the report referred to in subparagraph (A). The Secretary shall conduct the review and develop the modifications to the Folsom Dam and Reservoir with the full participation of the Secretary of the Interior.

(iii) REMAINING DOWNSTREAM ELEMENTS.—

(I) IN GENERAL.—Implementation of the remaining downstream elements authorized pursuant to subparagraph (A) may be undertaken only after the Secretary, in consultation with affected Federal, State, regional, and local entities, has reviewed the elements to determine if modifications are necessary to address changes in the hydrologic conditions, any other changed conditions in the project area that have occurred since completion of the report referred to in subparagraph (A) and any design modifications for the Folsom Dam and Reservoir made by the Secretary in implementing the measures referred to in clause (ii), and has issued a report on the review.

(II) PRINCIPLES AND GUIDELINES.—The review shall be prepared in accordance with the economic and environmental principles and guidelines for water and related land resources implementation studies, and no construction may be initiated unless the Secretary determines that the remaining downstream elements are technically sound, environmentally acceptable, and economically justified.

(5) LLAGAS CREEK, CALIFORNIA.—The project for completion of the remaining reaches of the Natural Resources Conservation Service flood control project at Llagas Creek, California, undertaken pursuant to section 5 of the Watershed Protection and Flood Prevention Act (16 U.S.C. 1005), substantially in accordance with the requirements of local cooperation as specified in section 4 of that Act (16 U.S.C. 1004) at a total cost of $45,000,000, with an estimated Federal cost of $21,800,000 and an estimated non-Federal cost of $23,200,000.

(6) SOUTH SACRAMENTO COUNTY STREAMS, CALIFORNIA.—The project for flood control, environmental restoration, and recreation, South Sacramento County streams, California: Report of the Chief of Engineers dated October 6, 1998, at a total cost of $65,500,000, with an estimated Federal cost of $41,200,000 and an estimated non-Federal cost of $24,300,000.

(7) UPPER GUADALUPE RIVER, CALIFORNIA.—Construction of the locally preferred plan for flood damage reduction and recreation, Upper Guadalupe River, California, described as the Bypass Channel Plan of the Chief of Engineers dated August 19, 1998, at a total cost of $137,600,000, with an estimated Federal cost of $44,000,000 and an estimated non-Federal cost of $93,600,000.

(8) YUBA RIVER BASIN, CALIFORNIA.—The project for flood damage reduction, Yuba River Basin, California: Report of the Chief of Engineers dated November 25, 1998, at a total cost of $26,600,000, with an estimated Federal cost of $17,350,000 and an estimated non-Federal cost of $9,250,000.

(9) DELAWARE BAY COASTLINE: DELAWARE AND NEW JERSEY-BROADKILL BEACH, DELAWARE.—

(A) IN GENERAL.—The project for hurricane and storm damage reduction and shore protection, Delaware Bay coastline: Delaware and New Jersey-Broadkill Beach, Delaware, Report of the Chief of Engineers dated August 17, 1998, at a total cost of $9,049,000, with an estimated Federal cost of $5,674,000 and an estimated non-Federal cost of $3,375,000.

(B) PERIODIC NOURISHMENT.—Periodic nourishment is authorized for a 50-year period at an estimated average annual cost of $538,200, with an estimated annual Federal cost of $349,800 and an estimated annual non-Federal cost of $188,400.

(10) DELAWARE BAY COASTLINE: DELAWARE AND NEW JERSEY-PORT MAHON, DELAWARE.—

(A) IN GENERAL.—The project for ecosystem restoration and shore protection, Delaware Bay coastline: Delaware and New Jersey-Port Mahon, Delaware: Report of the Chief of Engineers dated September 28, 1998, at a total cost of $7,644,000, with an estimated Federal cost of $4,969,000 and an estimated non-Federal cost of $2,675,000.

(B) PERIODIC NOURISHMENT.—Periodic nourishment is authorized for a 50-year period at an estimated average annual cost of $234,000, with an estimated annual Federal cost of $152,000 and an estimated annual non-Federal cost of $82,000.

(11) HILLSBORO AND OKEECHOBEE AQUIFER STORAGE AND RECOVERY PROJECT, FLORIDA.—The project for aquifer storage and recovery described in the Corps of Engineers Central and Southern Florida Water Supply Study, Florida, dated April 1989, and in House Document 369, dated July 30, 1968, at a total cost of $27,000,000, with an estimated Federal cost of $13,500,000 and an estimated non-Federal cost of $13,500,000.

(12) INDIAN RIVER COUNTY, FLORIDA.—Notwithstanding section 1001(a) of the Water Resources Development Act of 1986 (33 U.S.C. 579a(a)), the project for shoreline protection, Indian River County, Florida, authorized by section 501(a) of that Act (100 Stat. 4134), shall remain authorized for construction through December 31, 2002.

(13) LIDO KEY BEACH, SARASOTA, FLORIDA.—

(A) IN GENERAL.—The project for shore protection at Lido Key Beach, Sarasota, Florida, authorized by section 101 of the River and Harbor Act of 1970 (84 Stat. 1819) and deauthorized by operation of section 1001(b) of the Water Resources Development Act of 1986 (33 U.S.C. 579a(b)), is authorized to be carried out by the Secretary at a total cost of $5,200,000, with an estimated Federal cost of $3,380,000 and an estimated non-Federal cost of $1,820,000.

(B) PERIODIC NOURISHMENT.—Periodic nourishment is authorized for a 50-year period at an estimated average annual cost of $602,000, with an estimated annual Federal cost of $391,000 and an estimated annual non-Federal cost of $211,000.

(14) TAMPA HARBOR-BIG BEND CHANNEL, FLORIDA.—The project for navigation, Tampa Harbor-Big Bend Channel, Florida: Report of the Chief of Engineers dated October 13, 1998, at a total cost of $12,356,000, with an estimated Federal cost of $6,235,000 and an estimated non-Federal cost of $6,121,000.

(15) BRUNSWICK HARBOR, GEORGIA.—The project for navigation, Brunswick Harbor, Georgia: Report of the Chief of Engineers dated October 6, 1998, at a total cost of $50,717,000, with an estimated Federal cost of $32,966,000 and an estimated non-Federal cost of $17,751,000.

(16) BEARGRASS CREEK, KENTUCKY.—The project for flood damage reduction, Beargrass Creek, Kentucky: Report of the Chief of Engineers dated May 12, 1998, at a total cost of $11,172,000, with an estimated Federal cost of $7,262,000 and an estimated non-Federal cost of $3,910,000.

(17) AMITE RIVER AND TRIBUTARIES, LOUISIANA, EAST BATON ROUGE PARISH WATERSHED.—The project for flood damage reduction and recreation, Amite River and Tributaries, Louisiana, East Baton Rouge Parish Watershed: Report of the Chief of Engineers, dated December 23, 1996, at a total cost of $112,900,000, with an estimated Federal cost of $73,400,000 and an estimated non-Federal cost of $39,500,000.

(18) BALTIMORE HARBOR ANCHORAGES AND CHANNELS, MARYLAND AND VIRGINIA.—

(A) IN GENERAL.—The project for navigation, Baltimore Harbor Anchorages and Channels, Maryland and Virginia, Report of the Chief of Engineers dated June 8, 1998, at a total cost of $28,426,000, with an estimated Federal cost of $18,994,000 and an estimated non-Federal cost of $9,432,000.

(B) CREDIT OR REIMBURSEMENT.—If a project cooperation agreement is entered into, the non-Federal interest shall receive credit or reimbursement of the Federal share of project costs for construction work performed by the non-Federal interest before execution of the project cooperation agreement if the Secretary finds the work to be integral to the project.

(C) STUDY OF MODIFICATIONS.—During the preconstruction engineering and design phase of the project, the Secretary shall conduct a study to determine the feasibility of undertaking further modifications to the Dundalk Marine Terminal access channels, consisting of—

(i) deepening and widening the Dundalk access channels to a depth of 50 feet and a width of 500 feet;

(ii) widening the flares of the access channels; and

(iii) providing a new flare on the west side of the entrance to the east access channel.

(D) REPORT.—

(i) IN GENERAL.—Not later than March 1, 2000, the Secretary shall submit to Congress a report on the study under subparagraph (C).

(ii) CONTENTS.—The report shall include a determination of—

(I) the feasibility of performing the project modifications described in subparagraph (C); and

(II) the appropriateness of crediting or reimbursing the Federal share of the cost of the work performed by the non-Federal interest on the project modifications.

(19) RED LAKE RIVER AT CROOKSTON, MINNESOTA.—The project for flood damage reduction, Red Lake River at Crookston, Minnesota: Report of the Chief of Engineers, dated April 20, 1998, at a total cost of $8,950,000, with an estimated Federal cost of $5,720,000 and an estimated non-Federal cost of $3,230,000.

(20) NEW JERSEY SHORE PROTECTION, TOWNSENDS INLET TO CAPE MAY INLET, NEW JERSEY.—

(A) IN GENERAL.—The project for hurricane and storm damage reduction, ecosystem restoration, and shore protection, New Jersey coastline, Townsends Inlet to Cape May Inlet, New Jersey: Report of the Chief of Engineers dated September 28, 1998, at a total cost of $56,503,000, with an estimated Federal cost of $36,727,000 and an estimated non-Federal cost of $19,776,000.

(B) PERIODIC NOURISHMENT.—Periodic nourishment is authorized for a 50-year period at an estimated average annual cost of $2,000,000, with an estimated annual Federal cost of $1,300,000 and an estimated annual non-Federal cost of $700,000.

(21) PARK RIVER, NORTH DAKOTA.—

(A) IN GENERAL.—Subject to the condition stated in subparagraph (B), the project for flood control, Park River, Grafton, North Dakota, authorized by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4121) and deauthorized under section 1001(a) of the Water Resources Development Act of 1986 (33 U.S.C. 579a), at a total cost of $28,100,000, with an estimated Federal cost of $18,265,000 and an estimated non-Federal cost of $9,835,000.

(B) CONDITION.—No construction may be initiated unless the Secretary determines through a general reevaluation report using current data, that the project is technically sound, environmentally acceptable, and economically justified.

(22) SALT CREEK, GRAHAM, TEXAS.—The project for flood control, environmental restoration, and recreation, Salt Creek, Graham, Texas: Report of the Chief of Engineers dated October 6, 1998, at a total cost of $10,080,000, with an estimated Federal cost of $6,560,000 and an estimated non-Federal cost of $3,520,000.

(b) PROJECTS SUBJECT TO A FINAL REPORT.—The following projects for water resources development and conservation and other purposes are authorized to be carried out by the Secretary substantially in accordance with the plans, and subject to the conditions recommended in a final report of the Chief of Engineers as approved by the Secretary, if a favorable report of the Chief is completed not later than December 31, 1999:

(1) NOME HARBOR IMPROVEMENTS, ALASKA.—The project for navigation, Nome Harbor Improvements, Alaska, at a total cost of $24,608,000, with an estimated first Federal cost of $19,660,000 and an estimated first non-Federal cost of $4,948,000.

(2) SEWARD HARBOR, ALASKA.—The project for navigation, Seward Harbor, Alaska, at a total cost of $12,240,000, with an estimated first Federal cost of $4,364,000 and an estimated first non-Federal cost of $7,876,000.

(3) ARROYO PASAJERO, CALIFORNIA..—The project for flood damage reduction, Arroyo Pasajero, California, at a total cost of $260,700,000, with an estimated first Federal cost of $170,100,000 and an estimated first non-Federal cost of $90,600,000.

(4) HAMILTON AIRFIELD WETLAND RESTORATION, CALIFORNIA.—The project for environmental restoration at Hamilton Airfield, California, at a total cost of $55,200,000, with an estimated Federal cost of $41,400,000 and an estimated non-Federal cost of $13,800,000.

(5) OAKLAND, CALIFORNIA.—

(A) IN GENERAL.—The project for navigation and environmental restoration, Oakland, California, at a total cost of $214,340,000, with an estimated Federal cost of $143,450,000 and an estimated non-Federal cost of $70,890,000.

(B) BERTHING AREAS AND OTHER LOCAL SERVICE FACILITIES.—The non-Federal interests shall provide berthing areas and other local service facilities necessary for the project at an estimated cost of $42,310,000.

(6) SUCCESS DAM, TULE RIVER BASIN, CALIFORNIA.—The project for flood damage reduction and water supply, Success Dam, Tule River basin, California, at a total cost of $17,900,000, with an estimated first Federal cost of $11,635,000 and an estimated first non-Federal cost of $6,265,000.

(7) DELAWARE BAY COASTLINE: DELAWARE AND NEW JERSEY-ROOSEVELT INLET-LEWES BEACH, DELAWARE.—

(A) IN GENERAL.—The project for navigation mitigation, shore protection, and hurricane and storm damage reduction, Delaware Bay coastline: Delaware and New Jersey-Roosevelt Inlet-Lewes Beach, Delaware, at a total cost of $3,393,000, with an estimated Federal cost of $2,620,000 and an estimated non-Federal cost of $773,000.

(B) PERIODIC NOURISHMENT.—Periodic nourishment is authorized for a 50-year period at an estimated average annual cost of $196,000,

with an estimated annual Federal cost of $152,000 and an estimated annual non-Federal cost of $44,000.

(8) DELAWARE COAST FROM CAPE HENELOPEN TO FENWICK ISLAND, BETHANY BEACH/SOUTH BETHANY BEACH, DELAWARE.—

(A) IN GENERAL.—The project for hurricane and storm damage reduction and shore protection, Delaware Coast from Cape Henelopen to Fenwick Island, Bethany Beach/South Bethany Beach, Delaware, at a total cost of $22,205,000, with an estimated Federal cost of $14,433,000 and an estimated non-Federal cost of $7,772,000.

(B) PERIODIC NOURISHMENT.—Periodic nourishment is authorized for a 50-year period at an estimated average annual cost of $1,584,000, with an estimated annual Federal cost of $1,030,000 and an estimated annual non-Federal cost of $554,000.

(9) JACKSONVILLE HARBOR, FLORIDA.—The project for navigation, Jacksonville Harbor, Florida, at a total cost of $26,116,000, with an estimated Federal cost of $9,129,000 and an estimated non-Federal cost of $16,987,000.

(10) LITTLE TALBOT ISLAND, DUVAL COUNTY, FLORIDA.—The project for hurricane and storm damage prevention and shore protection, Little Talbot Island, Duval County, Florida, at a total cost of $5,915,000, with an estimated Federal cost of $3,839,000 and an estimated non-Federal cost of $2,076,000.

(11) PONCE DE LEON INLET, VOLUSIA COUNTY, FLORIDA.—The project for navigation and recreation, Ponce de Leon Inlet, Volusia County, Florida, at a total cost of $5,454,000, with an estimated Federal cost of $2,988,000 and an estimated non-Federal cost of $2,466,000.

(12) SAVANNAH HARBOR EXPANSION, GEORGIA.—

(A) IN GENERAL.—Subject to subparagraph (B), the Secretary may carry out the project for navigation, Savannah Harbor expansion, Georgia, substantially in accordance with the plans, and subject to the conditions, recommended in a final report of the Chief of Engineers, with such modifications as the Secretary deems appropriate, at a total cost of $230,174,000 (of which amount a portion is authorized for implementation of the mitigation plan), with an estimated Federal cost of $145,160,000 and an estimated non-Federal cost of $85,014,000.

(B) CONDITIONS.—The project authorized by subparagraph (A) may be carried out only after—

(i) the Secretary, in consultation with affected Federal, State, regional, and local entities, has reviewed and approved an Environmental Impact Statement that includes—

(I) an analysis of the impacts of project depth alternatives ranging from 42 feet through 48 feet; and

(II) a selected plan for navigation and associated mitigation plan as required by section 906(a) of the Water Resources Development Act of 1986 (33 U.S.C. 2283); and

(ii) the Secretary of the Interior, the Secretary of Commerce, and the Administrator of the Environmental Protection Agency, with the Secretary, have approved the selected plan and have determined that the mitigation plan adequately addresses the potential environmental impacts of the project.

(C) MITIGATION REQUIREMENTS.—The mitigation plan shall be implemented in advance of or concurrently with construction of the project.

(13) TURKEY CREEK BASIN, KANSAS CITY, MISSOURI AND KANSAS CITY, KANSAS.—The project for flood damage reduction, Turkey Creek Basin, Kansas City, Missouri, and Kansas City, Kansas, at a total cost of $42,875,000 with an estimated Federal cost of $25,596,000 and an estimated non-Federal cost of $17,279,000.

(14) DELAWARE BAY COASTLINE, OAKWOOD BEACH, NEW JERSEY.—

(A) IN GENERAL.—The project for hurricane and storm damage reduction, Delaware Bay coastline, Oakwood Beach, New Jersey, at a total cost of $3,380,000, with an estimated Federal cost of $2,197,000 and an estimated non-Federal cost of $1,183,000.

(B) PERIODIC NOURISHMENT.—Periodic nourishment is authorized for a 50-year period at an estimated average annual cost of $90,000, with an estimated annual Federal cost of $58,000 and an estimated annual non-Federal cost of $32,000.

(15) DELAWARE BAY COASTLINE, REEDS BEACH AND PIERCES POINT, NEW JERSEY.—The project for environmental restoration, Delaware Bay coastline, Reeds Beach and Pierces Point, New Jersey, at a total cost of $4,057,000, with an estimated Federal cost of $2,637,000 and an estimated non-Federal cost of $1,420,000.

(16) DELAWARE BAY COASTLINE, VILLAS AND VICINITY, NEW JERSEY.—The project for environmental restoration, Delaware Bay coastline, Villas and vicinity, New Jersey, at a total cost of $7,520,000, with an estimated Federal cost of $4,888,000 and an estimated non-Federal cost of $2,632,000.

(17) LOWER CAPE MAY MEADOWS, CAPE MAY POINT, NEW JERSEY.—

(A) IN GENERAL.—The project for navigation mitigation, ecosystem restoration, shore protection, and hurricane and storm damage reduction, Lower Cape May Meadows, Cape May Point, New Jersey, at a total cost of $15,952,000, with an estimated Federal cost of $12,118,000 and an estimated non-Federal cost of $3,834,000.

(B) PERIODIC NOURISHMENT.—Periodic nourishment is authorized for a 50-year period at an estimated average annual cost of $1,114,000, with an estimated annual Federal cost of $897,000 and an estimated annual non-Federal cost of $217,000.

(18) NEW JERSEY SHORE PROTECTION, BRIGANTINE INLET TO GREAT EGG HARBOR, BRIGANTINE ISLAND, NEW JERSEY.—

(A) IN GENERAL.—The project for hurricane and storm damage reduction and shore protection, New Jersey Shore protection, Brigantine Inlet to Great Egg Harbor, Brigantine Island, New Jersey, at a total cost of $4,970,000, with an estimated Federal cost of $3,230,000 and an estimated non-Federal cost of $1,740,000.

(B) PERIODIC NOURISHMENT.—Periodic nourishment is authorized for a 50-year period at an estimated average annual cost of $465,000, with an estimated annual Federal cost of $302,000 and an estimated annual non-Federal cost of $163,000.

(19) COLUMBIA RIVER CHANNEL DEEPENING, OREGON AND WASHINGTON.—

(A) IN GENERAL.—The project for navigation, Columbia River channel deepening, Oregon and Washington, at a total cost of $176,700,000, with an estimated Federal cost of $116,900,000 and an estimated non-Federal cost of $59,800,000.

(B) BERTHING AREAS AND OTHER LOCAL SERVICE FACILITIES.—The non-Federal interests shall provide berthing areas and other local service facilities necessary for the project at an estimated cost of $1,200,000.

(20) MEMPHIS HARBOR, MEMPHIS, TENNESSEE.—

(A) IN GENERAL.—Subject to subparagraph (B), the project for navigation, Memphis Harbor, Memphis, Tennessee, authorized by section 601(a) of the Water Resources Development Act of 1986 (100 Stat. 4145) and deauthorized under section 1001(a) of that Act (33 U.S.C. 579a(a)) is authorized to be carried out by the Secretary.

(B) CONDITION.—No construction may be initiated unless the Secretary determines through a general reevaluation report using current data, that the project is technically sound, environmentally acceptable, and economically justified.

(21) JOHNSON CREEK, ARLINGTON, TEXAS.—The project for flood damage reduction, environmental restoration, and recreation, Johnson Creek, Arlington, Texas, at a total cost of $20,300,000, with an estimated Federal cost of $12,000,000 and an estimated non-Federal cost of $8,300,000.

(22) HOWARD HANSON DAM, WASHINGTON.—The project for water supply and ecosystem restoration, Howard Hanson Dam, Washington, at a total cost of $75,600,000, with an estimated Federal cost of $36,900,000 and an estimated non-Federal cost of $38,700,000.

SEC. 102. PROJECT MODIFICATIONS.

(a) PROJECTS WITH REPORTS.—

(1) SAN LORENZO RIVER, CALIFORNIA.—The project for flood control, San Lorenzo River, California, authorized by section 101(a)(5) of the Water Resources Development Act of 1996 (110 Stat. 3663), is modified to authorize the Secretary to include as a part of the project streambank erosion control measures to be undertaken substantially in accordance with the report entitled ''Bank Stabilization Concept, Laurel Street Extension'', dated April 23, 1998, at a total cost of $4,000,000, with an estimated Federal cost of $2,600,000 and an estimated non-Federal cost of $1,400,000.

(2) ST. JOHNS COUNTY SHORE PROTECTION, FLORIDA.—

(A) IN GENERAL.—The project for hurricane and storm damage reduction and shore protection, St. Johns County, Florida, authorized by section 501(a) of the Water Resources Development Act of 1986 (100 Stat. 4133) is modified to authorize the Secretary to include navigation mitigation as a purpose of the project in accordance with the report of the Corps of Engineers dated November 18, 1998, at a total cost of $16,086,000, with an estimated Federal cost of $12,949,000 and an estimated non-Federal cost of $3,137,000.

(B) PERIODIC NOURISHMENT.—Periodic nourishment is authorized for a 50-year period at an estimated average annual cost of $1,251,000, with an estimated annual Federal cost of $1,007,000 and an estimated annual non-Federal cost of $244,000.

(3) WOOD RIVER, GRAND ISLAND, NEBRASKA.—The project for flood control, Wood River, Grand Island, Nebraska, authorized by section 101(a)(19) of the Water Resources Development Act of 1996 (110 Stat. 3665) is modified to authorize the Secretary to construct the project in accordance with the Corps of Engineers report dated June 29, 1998, at a total cost of $17,039,000, with an estimated Federal cost of $9,730,000 and an estimated non-Federal cost of $7,309,000.

(4) ABSECON ISLAND, NEW JERSEY.—The project for Absecon Island, New Jersey, authorized by section 101(b)(13) of the Water Resources Development Act of 1996 (110 Stat. 3668) is amended to authorize the Secretary to reimburse the non-Federal interests for all work performed, consistent with the authorized project.

(5) ARTHUR KILL, NEW YORK AND NEW JERSEY.—

(A) IN GENERAL.—The project for navigation, Arthur Kill, New York and New Jersey, authorized by section 202(b) of the Water Resources Development Act of 1986 (100 Stat. 4098) and modified by section 301(b)(11) of the Water Resources Development Act of 1996 (110 Stat. 3711), is further modified to authorize the Secretary to construct the project at a total cost of $276,800,000, with an estimated Federal cost of $183,200,000 and an estimated non-Federal cost of $93,600,000.

(B) BERTHING AREAS AND OTHER LOCAL SERVICE FACILITIES.—The non-Federal interests shall provide berthing areas and other local service facilities necessary for the project at an estimated cost of $38,900,000.

(6) WAURIKA LAKE, OKLAHOMA, WATER CONVEYANCE FACILITIES.—The requirement for the Waurika Project Master Conservancy District to repay the $2,900,000 in costs (including interest) resulting from the October 1991 settlement of the claim of the Travelers Insurance Company before the United States Claims Court related to construction of the water conveyance facilities authorized by the first section of Public Law 88–253 (77 Stat. 841) is waived.

(b) PROJECTS SUBJECT TO REPORTS.—The following projects are modified as follows, except that no funds may be obligated to carry out work under such modifications until completion of a final report by the Chief of Engineers, as approved by the Secretary, finding that such work is technically sound, environmentally acceptable, and economically justified, as applicable:

(1) FORT PIERCE SHORE PROTECTION, FLORIDA.—

(A) IN GENERAL.—The Fort Pierce, Florida, shore protection and harbor mitigation project authorized by section 301 of the River and Harbor Act of 1965 (79 Stat. 1092) and section 506(a)(2) of the Water Resources Development Act of 1996 (110 Stat. 3757) is modified to include an additional 1-mile extension of the project and increased Federal participation in accordance with section 101(c) of the Water Resources Development Act of 1986 (33 U.S.C. 2211(c)), as described in the general reevaluation report approved by the Chief of Engineers, at an estimated total cost of $9,128,000, with an estimated Federal cost of $7,074,000 and an estimated non-Federal cost of $2,054,000.

(B) PERIODIC NOURISHMENT.—Periodic nourishment is authorized for a 50-year period for the modified project, at an estimated annual cost of $559,000, with an estimated annual Federal cost of $433,000 and an estimated annual non-Federal cost of $126,000.

(2) THORNTON RESERVOIR, COOK COUNTY, ILLINOIS.—

(A) IN GENERAL.—The Thornton Reservoir project, an element of the project for flood control, Chicagoland Underflow Plan, Illinois, authorized by section 3(a)(5) of the Water Resources Development Act of 1988 (102 Stat. 4013), is modified to authorize the Secretary to include additional permanent flood control storage attributable to the Natural Resources Conservation Service Thornton Reservoir (Structure 84), Little Calumet River Watershed, Illinois, approved under the Watershed Protection and Flood Prevention Act (16 U.S.C. 1001 et seq.).

(B) COST SHARING.—Costs for the Thornton Reservoir project shall be shared in accordance with section 103 of the Water Resources Development Act of 1986 (33 U.S.C. 2213).

(C) TRANSITIONAL STORAGE.—The Secretary of Agriculture may cooperate with non-Federal interests to provide, on a transitional basis, flood control storage for the Natural Resources Conservation Service Thornton Reservoir (Structure 84) project in the west lobe of the Thornton quarry.

(D) CREDITING.—The Secretary may credit against the non-Federal share of the Thornton Reservoir project all design and construction costs incurred by the non-Federal interests before the date of enactment of this Act.

(E) REEVALUATION REPORT.—The Secretary shall determine the credits authorized by subparagraph (D) that are integral to the Thornton Reservoir project and the current total project costs based on a limited reevaluation report.

(3) WELLS HARBOR, WELLS, MAINE.—

(A) IN GENERAL.—The project for navigation, Wells Harbor, Maine, authorized by section 101 of the River and Harbor Act of 1960 (74 Stat. 480), is modified to authorize the Secretary to realign the channel and anchorage areas based on a harbor design capacity of 150 craft.

(B) DEAUTHORIZATION OF CERTAIN PORTIONS.—The following portions of the project are not authorized after the date of enactment of this Act:

(i) The portion of the 6-foot channel the boundaries of which begin at a point with coordinates N177,992.00, E394,831.00, thence running south 83 degrees 58 minutes 14.8 seconds west 10.38 feet to a point N177,990.91, E394,820.68, thence running south 11 degrees 46 minutes 47.7 seconds west 991.76 feet to a point N177,020.04, E394,618.21, thence running south 78 degrees 13 minutes 45.7 seconds east 10.00 feet to a point N177,018.00, E394,628.00, thence running north 11 degrees 46 minutes 22.8 seconds east 994.93 feet to the point of origin.

(ii) The portion of the 6-foot anchorage the boundaries of which begin at a point with coordinates N177,778.07, E394,336.96, thence running south 51 degrees 58 minutes 32.7 seconds west 15.49 feet to a point N177,768.53, E394,324.76, thence running south 11 degrees 46 minutes 26.5 seconds west 672.87 feet to a point N177,109.82, E394,187.46, thence running south 78 degrees 13 minutes 45.7 seconds east 10.00 feet to a point N177,107.78, E394,197.25, thence running north 11 degrees 46 minutes 25.4 seconds east 684.70 feet to the point of origin.

(iii) The portion of the 10-foot settling basin the boundaries of which begin at a point with coordinates N177,107.78, E394,197.25, thence running north 78 degrees 13 minutes 45.7 seconds west 10.00 feet to a point N177,109.82, E394,187.46, thence running south 11 degrees 46 minutes 15.7 seconds west 300.00 feet to a point N176,816.13, E394,126.26, thence running south 78 degrees 12 minutes 21.4 seconds east 9.98 feet to a point N176,814.09, E394,136.03, thence running north 11 degrees 46 minutes 29.1 seconds east 300.00 feet to the point of origin.

(iv) The portion of the 10-foot settling basin the boundaries of which begin at a point with coordinates N177,018.00, E394,628.00, thence running north 78 degrees 13 minutes 45.7 seconds west 10.00 feet to a point N177,020.04, E394,618.21, thence running south 11 degrees 46 minutes 44.0 seconds west 300.00 feet to a point N176,726.36, E394,556.97, thence running south 78 degrees 12 minutes 30.3 seconds east 10.03 feet to a point N176,724.31, E394,566.79, thence running north 11 degrees 46 minutes 22.4 seconds east 300.00 feet to the point of origin.

(C) REDESIGNATIONS AS PART OF THE 6-FOOT ANCHORAGE.—The following portions of the project shall be redesignated as part of the 6-foot anchorage:

(i) The portion of the 6-foot channel the boundaries of which begin at a point with coordinates N177,990.91, E394,820.68, thence running south 83 degrees 58 minutes 40.8 seconds west 94.65 feet to a point N177,980.98, E394,726.55, thence running south 11 degrees 46 minutes 22.4 seconds west 962.83 feet to a point N177,038.40, E394,530.10, thence running south 78 degrees 13 minutes 45.7 seconds east 90.00 feet to a point N177,020.04, E394,618.21, thence running north 11 degrees 46 minutes 47.7 seconds east 991.76 feet to the point of origin.

(ii) The portion of the 10-foot inner harbor settling basin the boundaries of which begin at a point with coordinates N177,020.04, E394,618.21, thence running north 78 degrees 13 minutes 30.5 seconds west 160.00 feet to a point N177,052.69, E394,461.58, thence running south 11 degrees 46 minutes 45.4 seconds west 299.99 feet to a point N176,759.02, E394,400.34, thence running south 78 degrees 13 minutes 17.9 seconds east 160 feet to a point N176,726.36, E394,556.97, thence running north 11 degrees 46 minutes 44.0 seconds east 300.00 feet to the point of origin.

(D) REDESIGNATION AS PART OF THE 6-FOOT CHANNEL.—The following portion of the project shall be redesignated as part of the 6-foot channel: the portion the boundaries of which begin at a point with coordinates N178,102.26, E394,751.83, thence running south 51 degrees 59 minutes 42.1 seconds west 526.51 feet to a point N177,778.07, E394,336.96, thence running south 11 degrees 46 minutes 26.6 seconds west 511.83 feet to a point N177,277.01, E394,232.52, thence running south 78 degrees 13 minutes 17.9 seconds east 80.00 feet to a point N177,260.68, E394,310.84, thence running north 11 degrees 46 minutes 24.8 seconds east 482.54 feet to a point N177,733.07, E394,409.30, thence running north 51 degrees 59 minutes 41.0 seconds east 402.63 feet to a point N177,980.98, E394,726.55, thence running north 11 degrees 46 minutes 27.6 seconds east 123.89 feet to the point of origin.

(E) REALIGNMENT.—The portion of the project described in subparagraph (D) shall be realigned to include the area located south of the inner harbor settling basin in existence on the date of enactment of this Act beginning at a point with coordinates N176,726.36, E394,556.97, thence running north 78 degrees 13 minutes 17.9 seconds west 160.00 feet to a point N176,759.02, E394,400.34, thence running south 11 degrees 47 minutes 03.8 seconds west 45 feet to a point N176,714.97, E394,391.15, thence running south 78 degrees 13 minutes 17.9 seconds 160.00 feet to a point N176,682.31, E394,547.78, thence running north 11 degrees 47 minutes 03.8 seconds east 45 feet to the point of origin.

(F) RELOCATION.—The Secretary may relocate the settling basin feature of the project to the outer harbor between the jetties.

(G) CONSERVATION EASEMENT.—The Secretary of the Interior, acting through the Director of the United States Fish and Wildlife Service, may accept a conveyance of the right, but not the obligation, to enforce a conservation easement to be held by the State of Maine over certain land owned by the town of Wells, Maine, that is adjacent to the Rachel Carson National Wildlife Refuge.

(4) NEW YORK HARBOR AND ADJACENT CHANNELS, PORT JERSEY, NEW JERSEY.—

(A) IN GENERAL.—The project for navigation, New York Harbor and adjacent channels, Port Jersey, New Jersey, authorized by section 201(b) of the Water Resources Development Act of 1986 (100 Stat. 4091), is modified to authorize the Secretary to construct the project at a total cost of $102,545,000, with an estimated Federal cost of $76,909,000 and an estimated non-Federal cost of $25,636,000.

(B) BERTHING AREAS AND OTHER LOCAL FACILITIES.—The non-Federal interests shall provide berthing areas and other local service facilities necessary for the project at an estimated cost of $722,000.

(5) WILLAMETTE RIVER TEMPERATURE CONTROL, MCKENZIE SUBBASIN, OREGON.—The project for environmental restoration, Willamette River Temperature Control, McKenzie Subbasin, Oregon, authorized by section 101(a)(25) of the Water Resources Development Act of 1996 (110 Stat. 3665), is modified to authorize the Secretary to construct the project at a total Federal cost of $64,741,000.

(6) WHITE RIVER BASIN, ARKANSAS AND MISSOURI.—

(A) IN GENERAL.—The project for flood control, power generation and other purposes at the White River Basin, Arkansas and Missouri, authorized by section 4 of the Act of June 28, 1938 (52 Stat. 1218, chapter 795), and modified by House Document 917, Seventy-sixth Congress, Third Session, and House Document 290, Seventy-seventh Congress, First Session, approved August 18, 1941, and House Document 499, Eighty-third Congress, Second Session, approved September 3, 1954,

and by section 304 of the Water Resources Development Act of 1996 (110 Stat. 3711) is modified to authorize the Secretary to provide minimum flows necessary to sustain tail water trout fisheries by reallocating the following amounts of project storage: Beaver Lake, 3.5 feet; Table Rock, 2 feet; Bull Shoals Lake, 5 feet; Norfork Lake, 3.5 feet; and Greers Ferry Lake, 3 feet. The Secretary shall complete such report and submit it to the Congress by July 30, 2000.

(B) REPORT.—The report of the Chief of Engineers, required by this subsection, shall also include a determination that the modification of the project in subparagraph (A) does not adversely affect other authorized project purposes, and that no Federal costs are incurred.

(c) BEAVER LAKE, ARKANSAS, WATER SUPPLY STORAGE REALLOCATION.—The Secretary shall reallocate approximately 31,000 additional acre-feet at Beaver Lake, Arkansas, to water supply storage at no cost to the Beaver Water District or the Carroll-Boone Water District, except that at no time shall the bottom of the conservation pool be at an elevation that is less than 1,076 feet, NGVD.

(d) TOLCHESTER CHANNEL S-TURN, BALTIMORE, MARYLAND.—The project for navigation, Baltimore Harbor and Channels, Maryland, authorized by section 101 of the River and Harbor Act of 1958 (72 Stat. 297), is modified to direct the Secretary to straighten the Tolchester Channel S-turn as part of project maintenance.

(e) TROPICANA WASH AND FLAMINGO WASH, NEVADA.—Any Federal costs associated with the Tropicana and Flamingo Washes, Nevada, authorized by section 101(13) of the Water Resources Development Act of 1992 (106 Stat. 4803), incurred by the non-Federal interest to accelerate or modify construction of the project, in cooperation with the Corps of Engineers, shall be considered to be eligible for reimbursement by the Secretary.

(f) REDIVERSION PROJECT, COOPER RIVER, CHARLESTON HARBOR, SOUTH CAROLINA.—

(1) IN GENERAL.—The rediversion project, Cooper River, Charleston Harbor, South Carolina, authorized by section 101 of the River and Harbor Act of 1968 (82 Stat. 731) and modified by title I of the Energy and Water Development Appropriations Act, 1992 (105 Stat. 517), is modified to authorize the Secretary to pay the State of South Carolina not more than $3,750,000, if the State enters into an agreement with the Secretary providing that the State shall perform all future operation of the St. Stephen, South Carolina, fish lift (including associated studies to assess the efficacy of the fish lift).

(2) CONTENTS.—The agreement shall specify the terms and conditions under which payment will be made and the rights of, and remedies available to, the Secretary to recover all or a portion of the payment if the State suspends or terminates operation of the fish lift or fails to perform the operation in a manner satisfactory to the Secretary.

(3) MAINTENANCE.—Maintenance of the fish lift shall remain a Federal responsibility.

(g) TRINITY RIVER AND TRIBUTARIES, TEXAS.—The project for flood control and navigation, Trinity River and tributaries, Texas, authorized by section 301 of the River and Harbor Act of 1965 (79 Stat. 1091), is modified to add environmental restoration as a project purpose.

(h) BEACH EROSION CONTROL AND HURRICANE PROTECTION, VIRGINIA BEACH, VIRGINIA.—

(1) ACCEPTANCE OF FUNDS.—In any fiscal year that the Corps of Engineers does not receive appropriations sufficient to meet expected project expenditures for that year, the Secretary shall accept from the city of Virginia Beach, Virginia, for purposes of the project for beach erosion control and hurricane protection, Virginia Beach, Virginia, authorized by section 501(a) of the Water Resources Development Act of 1986 (100 Stat. 4136), such funds as the city may advance for the project.

(2) REPAYMENT.—Subject to the availability of appropriations, the Secretary shall repay, without interest, the amount of any advance made under paragraph (1), from appropriations that may be provided by Congress for river and harbor, flood control, shore protection, and related projects.

(i) ELIZABETH RIVER, CHESAPEAKE, VIRGINIA.—Notwithstanding any other provision of law, after the date of enactment of this Act, the city of Chesapeake, Virginia, shall not be obligated to make the annual cash contribution required under paragraph 1(9) of the Local Cooperation Agreement dated December 12, 1978, between the Government and the city for the project for navigation, southern branch of Elizabeth River, Chesapeake, Virginia.

(j) PAYMENT OPTION, MOOREFIELD, WEST VIRGINIA.—The Secretary may permit the non-Federal interests for the project for flood control, Moorefield, West Virginia, to pay without interest the remaining non-Federal cost over a period not to exceed 30 years, to be determined by the Secretary.

(k) MIAMI DADE AGRICULTURAL AND RURAL LAND RETENTION PLAN AND SOUTH BISCAYNE, FLORIDA.—Section 528(b)(3) of the Water Resources Development Act of 1996 (110 Stat. 3768) is amended by adding at the end the following:

''(D) CREDIT AND REIMBURSEMENT OF PAST AND FUTURE ACTIVITIES.—The Secretary may afford credit to or reimburse the non-Federal sponsors (using funds authorized by subparagraph (C)) for the reasonable costs of any work that has been performed or will be performed in connection with a study or activity meeting the requirements of subparagraph (A) if—

''(i) the Secretary determines that—

''(I) the work performed by the non-Federal sponsors will substantially expedite completion of a critical restoration project; and

''(II) the work is necessary for a critical restoration project; and

''(ii) the credit or reimbursement is granted pursuant to a project-specific agreement that prescribes the terms and conditions of the credit or reimbursement.''.

(l) LAKE MICHIGAN, ILLINOIS.—

(1) IN GENERAL.—The project for storm damage reduction and shoreline protection, Lake Michigan, Illinois, from Wilmette, Illinois, to the Illinois-Indiana State line, authorized by section 101(a)(12) of the Water Resources Development Act of 1996 (110 Stat. 3664), is modified to provide for reimbursement for additional project work undertaken by the non-Federal interest.

(2) CREDIT OR REIMBURSEMENT.—The Secretary shall credit or reimburse the non-Federal interest for the Federal share of project costs incurred by the non-Federal interest in designing, constructing, or reconstructing reach 2F (700 feet south of Fullerton Avenue and 500 feet north of Fullerton Avenue), reach 3M (Meigs Field), and segments 7 and 8 of reach 4 (43rd Street to 57th Street), if the non-Federal interest carries out the work in accordance with plans approved by the Secretary, at an estimated total cost of $83,300,000.

(3) REIMBURSEMENT.—The Secretary shall reimburse the non-Federal interest for the Federal share of project costs incurred by the non-Federal interest in reconstructing the revetment structures protecting Solidarity Drive in Chicago, Illinois, before the signing of the project cooperation agreement, at an estimated total cost of $7,600,000.

(m) MEASUREMENTS OF LAKE MICHIGAN DIVERSIONS, ILLINOIS.—Section 1142(b) of the Water Resources Development Act of 1986 (100 Stat. 4253) is amended by striking ''$250,000 per fiscal year for each fiscal year beginning after September 30, 1986'' and inserting ''a total of $1,250,000 for each of fiscal years 1999 through 2003''.

(n) PROJECT FOR NAVIGATION, DUBUQUE, IOWA.—The project for navigation at Dubuque, Iowa, authorized by section 101 of the River and Harbor Act of 1960 (74 Stat. 482), is modified to authorize the development of a wetland demonstration area of approximately 1.5 acres to be developed and operated by the Dubuque County Historical Society or a successor nonprofit organization.

(o) LOUISIANA STATE PENITENTIARY LEVEE.—The Secretary may credit against the non-Federal share work performed in the project area of the Louisiana State Penitentiary Levee, Mississippi River, Louisiana, authorized by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4117).

(p) JACKSON COUNTY, MISSISSIPPI.—The project for environmental infrastructure, Jackson County, Mississippi, authorized by section 219(c)(5) of the Water Resources Development Act of 1992 (106 Stat. 4835) and modified by section 504 of the Water Resources Development Act of 1996 (110 Stat. 3757), is modified to direct the Secretary to provide a credit, not to exceed $5,000,000, against the non-Federal share of the cost of the project for the costs incurred by the Jackson County Board of Supervisors since February 8, 1994, in constructing the project, if the Secretary determines that such costs are for work that the Secretary determines was compatible with and integral to the project.

(q) RICHARD B. RUSSELL DAM AND LAKE, SOUTH CAROLINA.—

(1) IN GENERAL.—Except as otherwise provided in this paragraph, the Secretary shall convey to the State of South Carolina all right, title, and interest of the United States in the parcels of land described in paragraph (2)(A) that are currently being managed by the South Carolina Department of Natural Resources for fish and wildlife mitigation purposes for the Richard B. Russell Dam and Lake, South Carolina, project authorized by the Flood Control Act of 1966 and modified by the Water Resources Development Act of 1986.

(2) LAND DESCRIPTION.—

(A) IN GENERAL.—The parcels of land to be conveyed are described in Exhibits A, F, and H of Army Lease No. DACW21–1–93–0910 and associated supplemental agreements or are designated in red in Exhibit A of Army License No. DACW21–3–85–1904, excluding all designated parcels in the license that are below elevation 346 feet mean sea level or that are less than 300 feet measured horizontally from the top of the power pool.

(B) MANAGEMENT OF EXCLUDED PARCELS.—Management of the excluded parcels shall continue in accordance with the terms of Army License No. DACW21–3–85–1904 until the Secretary and the State enter into an agreement under paragraph (6).

(C) SURVEY.—The exact acreage and legal description of the land shall be determined by a survey satisfactory to the Secretary, with the cost of the survey borne by the State.

(3) COSTS OF CONVEYANCE.—The State shall be responsible for all costs, including real estate transaction and environmental compliance costs, associated with the conveyance.

(4) PERPETUAL STATUS.—

(A) IN GENERAL.—All land conveyed under this paragraph shall be retained in public ownership and shall be managed in perpetuity for fish and wildlife mitigation purposes in accordance with a plan approved by the Secretary.

(B) REVERSION.—If any parcel of land is not managed for fish and wildlife mitigation purposes in accordance with the plan, title to the parcel shall revert to the United States.

(5) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance as the Secretary considers appropriate to protect the interests of the United States.

(6) FISH AND WILDLIFE MITIGATION AGREEMENT.—

(A) IN GENERAL.—The Secretary may pay the State of South Carolina not more than $4,850,000 subject to the Secretary and the State entering into a binding agreement for the State to manage for fish and wildlife mitigation purposes in perpetuity the lands conveyed under this paragraph and excluded parcels designated in Exhibit A of Army License No. DACW21–3–85–1904.

(B) FAILURE OF PERFORMANCE.—The agreement shall specify the terms and conditions under which payment will be made and the rights of, and remedies available to, the Federal Government to recover all or a portion of the payment if the State fails to manage any parcel in a manner satisfactory to the Secretary.

(r) LAND CONVEYANCE, CLARKSTON, WASHINGTON.—

(1) IN GENERAL.—The Secretary shall convey to the Port of Clarkston, Washington, all right, title, and interest of the United States in and to a portion of the land described in the Department of the Army lease No. DACW68–1–97–22, consisting of approximately 31 acres, the exact boundaries of which shall be determined by the Secretary and the Port of Clarkston.

(2) ADDITIONAL LAND.—The Secretary may convey to the Port of Clarkston, Washington, such additional land located in the vicinity of Clarkston, Washington, as the Secretary determines to be excess to the needs of the Columbia River Project and appropriate for conveyance.

(3) TERMS AND CONDITIONS.—The conveyances made under paragraphs (1) and (2) shall be subject to such terms and conditions as the Secretary determines to be necessary to protect the interests of the United States, including a requirement that the Port of Clarkston pay all administrative costs associated with the conveyances, including the cost of land surveys and appraisals and costs associated with compliance with applicable environmental laws (including regulations).

(4) USE OF LAND.—The Port of Clarkston shall be required to pay the fair market value, as determined by the Secretary, of any land conveyed pursuant to paragraphs (1) and (2) that is not retained in public ownership and used for public park or recreation purposes, except that the Secretary shall have a right of reverter to reclaim possession and title to any such land.

(s) WHITE RIVER, INDIANA.—The project for flood control, Indianapolis on West Fork of the White River, Indiana, authorized by section 5 of the Act entitled ''An Act authorizing the construction of certain public works on rivers and harbors for flood control, and other purposes'', approved June 22, 1936 (49 Stat. 1586, chapter 688), as modified by section 323 of the Water Resources Development Act of 1996 (110 Stat. 3716), is modified to authorize the Secretary to undertake the riverfront alterations described in the Central Indianapolis Waterfront Concept Plan, dated February 1994, for the Canal Development (Upper Canal feature) and the Beveridge Paper feature, at a total cost not to exceed $25,000,000, of which $12,500,000 is the estimated Federal cost and $12,500,000 is the estimated non-Federal cost, except that no such alterations may be undertaken unless the Secretary determines that the alterations authorized by this subsection, in combination with the alterations undertaken under section 323 of the Water Resources Development Act of 1996 (110 Stat. 3716), are economically justified.

(t) FOX POINT HURRICANE BARRIER, PROVIDENCE, RHODE ISLAND.—The project for hurricane-flood protection, Fox Point, Providence, Rhode Island, authorized by section 203 of the Flood Control Act of 1958 (72 Stat. 306) is modified to direct the Secretary to undertake the necessary repairs to the barrier, as identified in the Condition Survey and Technical Assessment dated April 1998 with Supplement dated August 1998, at a total cost of $3,000,000, with an estimated Federal cost of $1,950,000 and an estimated non-Federal cost of $1,050,000.

(u) LEE COUNTY, CAPTIVA ISLAND SEGMENT, FLORIDA.—

(1) IN GENERAL.—The project for shoreline protection, Lee County, Captiva Island segment, Florida, authorized by section 506(b)(3)(A) of the Water Resources Development Act of 1996 (110 Stat. 3758), is modified to direct the Secretary to enter into an agreement with the non-Federal interest to carry out the project in accordance with section 206 of the Water Resources Development Act of 1992 (33 U.S.C. 426i–1).

(2) DECISION DOCUMENT.—The design memorandum approved in 1996 shall be the decision document supporting continued Federal participation in cost sharing of the project.

(v) COLUMBIA RIVER CHANNEL, WASHINGTON AND OREGON.—

(1) IN GENERAL.—The project for navigation, Columbia River between Vancouver, Washington, and The Dalles, Oregon, authorized by the first section of the Act of July 24, 1946 (60 Stat. 637, chapter 595), is modified to authorize the Secretary to construct an alternate barge channel to traverse the high span of the Interstate Route 5 bridge between Portland, Oregon, and Vancouver, Washington, to a depth of 17 feet, with a width of approximately 200 feet through the high span of the bridge and a width of approximately 300 feet upstream of the bridge.

(2) DISTANCE UPSTREAM.—The channel shall continue upstream of the bridge approximately 2,500 feet to about river mile 107, then to a point of convergence with the main barge channel at about river mile 108.

(3) DISTANCE DOWNSTREAM.—

(A) SOUTHERN EDGE.—The southern edge of the channel shall continue downstream of the bridge approximately 1,500 feet to river mile 106+10, then turn northwest to tie into the edge of the Upper Vancouver Turning Basin.

(B) NORTHERN EDGE.—The northern edge of the channel shall continue downstream of the bridge to the Upper Vancouver Turning Basin.

SEC. 103. PROJECT DEAUTHORIZATIONS.

(a) BRIDGEPORT HARBOR, CONNECTICUT.—The portion of the project for navigation, Bridgeport Harbor, Connecticut, authorized by section 101 of the River and Harbor Act of 1958 (72 Stat. 297), consisting of a 2.4-acre anchorage area 9 feet deep and an adjacent 0.60-acre anchorage area 6 feet deep, located on the west side of Johnsons River, Connecticut, is not authorized after the date of enactment of this Act.

(b) BASS HARBOR, MAINE.—

(1) DEAUTHORIZATION.—The portions of the project for navigation, Bass Harbor, Maine, authorized on May 7, 1962, under section 107 of the River and Harbor Act of 1960 (33 U.S.C. 577) described in paragraph (2) are not authorized after the date of enactment of this Act.

(2) DESCRIPTION.—The portions of the project referred to in paragraph (1) are described as follows:

(A) Beginning at a bend in the project, N149040.00, E538505.00, thence running easterly about 50.00 feet along the northern limit of the project to a point, N149061.55, E538550.11, thence running southerly about 642.08 feet to a point, N148477.64, E538817.18, thence running southwesterly about 156.27 feet to a point on the westerly limit of the project, N148348.50, E538737.02, thence running northerly about 149.00 feet along the westerly limit of the project to a bend in the project, N148489.22, E538768.09, thence running northwesterly about 610.39 feet along the westerly limit of the project to the point of origin.

(B) Beginning at a point on the westerly limit of the project, N148118.55, E538689.05, thence running southeasterly about 91.92 feet to a point, N148041.43, E538739.07, thence running southerly about 65.00 feet to a point, N147977.86, E538725.51, thence running southwesterly about 91.92 feet to a point on the westerly limit of the project, N147927.84, E538648.39, thence running northerly about 195.00 feet along the westerly limit of the project to the point of origin.

(c) BOOTHBAY HARBOR, MAINE.—The project for navigation, Boothbay Harbor, Maine, authorized by the Act of July 25, 1912 (37 Stat. 201, chapter 253), is not authorized after the date of enactment of this Act.

(d) CARVERS HARBOR, VINALHAVEN, MAINE.—

(1) DEAUTHORIZATION.—The portion of the project for navigation, Carvers Harbor, Vinalhaven, Maine, authorized by the Act of June 3, 1896 (commonly known as the ''River and Harbor Appropriations Act of 1896'') (29 Stat. 202, chapter 314), described in paragraph (2) is not authorized after the date of enactment of this Act.

(2) DESCRIPTION.—The portion of the project referred to in paragraph (1) is the portion of the 16-foot anchorage beginning at a point with coordinates N137,502.04, E895,156.83, thence running south 6 degrees 34 minutes 57.6 seconds west 277.660 feet to a point N137,226.21, E895,125.00, thence running north 53 degrees, 5 minutes 42.4 seconds west 127.746 feet to a point N137,302.92, E895022.85, thence running north 33 degrees 56 minutes 9.8 seconds east 239.999 feet to the point of origin.

(e) EAST BOOTHBAY HARBOR, MAINE.—Section 364 of the Water Resources Development Act of 1996 (110 Stat. 3731) is amended by striking paragraph (9) and inserting the following:

''(9) EAST BOOTHBAY HARBOR, MAINE.—The project for navigation, East Boothbay Harbor, Maine, authorized by the first section of the Act entitled 'An Act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes', approved June 25, 1910 (36 Stat. 657).''.

(f) SEARSPORT HARBOR, SEARSPORT, MAINE.—

(1) DEAUTHORIZATION.—The portion of the project for navigation, Searsport Harbor, Searsport, Maine, authorized by section 101 of the River and Harbor Act of 1962 (76 Stat. 1173), described in paragraph (2) is not authorized after the date of enactment of this Act.

(2) DESCRIPTION.—The portion of the project referred to in paragraph (1) is the portion of the 35-foot turning basin beginning at a point with coordinates N225,008.38, E395,464.26, thence running north 43 degrees 49 minutes 53.4 seconds east 362.001 feet to a point N225,269.52, E395,714.96, thence running south 71 degrees 27 minutes 33.0 seconds east 1,309.201 feet to a point N224,853.22, E396,956.21, thence running north 84 degrees 3 minutes 45.7 seconds west 1,499.997 feet to the point of origin.

SEC. 104. STUDIES.

(a) CADDO LEVEE, RED RIVER BELOW DENISON DAM, ARIZONA, LOUISIANA, OKLAHOMA, AND TEXAS.—The Secretary shall conduct a study to determine the feasibility of undertaking a project for flood control, Caddo Levee, Red River Below Denison Dam, Arizona, Louisiana, Oklahoma, and Texas, including incorporating the existing levee, along Twelve Mile Bayou from its juncture with the existing Red River Below Denison Dam Levee approximately 26 miles upstream to its terminus at high ground in the vicinity of Black Bayou, Louisiana.

(b) BOYDSVILLE, ARKANSAS.—The Secretary shall conduct a study to determine the feasibility of reservoir and associated improvements to provide for flood control, recreation, water quality, water supply, and fish and wildlife purposes in the vicinity of Boydsville, Arkansas.

(c) UNION COUNTY, ARKANSAS.—The Secretary shall conduct a study to determine the feasibility of municipal and industrial water supply for Union County, Arkansas.

(d) WHITE RIVER BASIN, ARKANSAS AND MISSOURI.—

(1) IN GENERAL.—The Secretary shall conduct a study of the project for flood control, power generation, and other purposes at the White River Basin, Arkansas and Missouri, authorized by section 4 of the Act of June 28, 1938 (52 Stat. 1218, chapter 795), and modified by H. Doc. 917, 76th Cong., 3d Sess., and H. Doc. 290, 77th Cong., 1st Sess., approved August 18, 1941, and H. Doc. 499, 83d Cong., 2d Sess., approved September 3, 1954, and by section 304 of the Water Resources Development Act of 1996 (110 Stat. 3711) to determine the feasibility of modifying the project to provide minimum flows necessary to sustain the tail water trout fisheries.

(2) REPORT.—Not later than July 30, 2000, the Secretary shall submit to Congress a report on the study and any recommendations on reallocation of storage at Beaver Lake, Table Rock, Bull Shoals Lake, Norfolk Lake, and Greers Ferry Lake.

(e) FIELDS LANDING CHANNEL, HUMBOLDT HARBOR, CALIFORNIA.—The Secretary—

(1) shall conduct a study for the project for navigation, Fields Landing Channel, Humboldt Harbor and Bay, California, to a depth of minus 35 feet (MLLW), and for that purpose may use any feasibility report prepared by the non-Federal sponsor under section 203 of the Water Resources Development Act of 1986 (33 U.S.C. 2231) for which reimbursement of the Federal share of the study is authorized subject to the availability of appropriations; and

(2) may carry out the project under section 107 of the River and Harbor Act of 1960 (33 U.S.C. 577), if the Secretary determines that the project is feasible.

(f) FRAZIER CREEK, TULARE COUNTY, CALIFORNIA.—The Secretary shall conduct a study to determine—

(1) the feasibility of restoring Frazier Creek, Tulare County, California; and

(2) the Federal interest in flood control, environmental restoration, conservation of fish and wildlife resources, recreation, and water quality of the creek.

(g) STRAWBERRY CREEK, BERKELEY, CALIFORNIA.—The Secretary shall conduct a study to determine the feasibility of restoring Strawberry Creek, Berkeley, California, and the Federal interest in environmental restoration, conservation of fish and wildlife resources, recreation, and water quality.

(h) WEST SIDE STORM WATER RETENTION FACILITY, CITY OF LANCASTER, CALIFORNIA.—The Secretary shall conduct a study to determine the feasibility of undertaking measures to construct the West Side Storm Water Retention Facility in the city of Lancaster, California.

(i) APALACHICOLA RIVER, FLORIDA.—The Secretary shall conduct a study for the purpose of identifying—

(1) alternatives for the management of material dredged in connection with operation and maintenance of the Apalachicola River Navigation Project; and

(2) alternatives that reduce the requirements for such dredging.

(j) BROWARD COUNTY, SAND BYPASSING AT PORT EVERGLADES, FLORIDA.—The Secretary shall conduct a study to determine the feasibility of constructing a sand bypassing project at the Port Everglades Inlet, Florida.

(k) CITY OF DESTIN-NORIEGA POINT BREAKWATER, FLORIDA.—The Secretary shall conduct a study to determine the feasibility of—

(1) restoring Noriega Point, Florida, to serve as a breakwater for Destin Harbor; and

(2) including Noriega Point as part of the East Pass, Florida, navigation project.

(l) GATEWAY TRIANGLE REDEVELOPMENT AREA, FLORIDA.—

(1) IN GENERAL.—The Secretary shall conduct a study to determine the feasibility of undertaking measures to reduce the flooding problems in the vicinity of Gateway Triangle Redevelopment Area, Florida.

(2) STUDIES AND REPORTS.—The study shall include a review and consideration of studies and reports completed by the non-Federal interests.

(m) CITY OF PLANT CITY, FLORIDA.—

(1) IN GENERAL.—The Secretary shall conduct a study to determine the feasibility of a flood control project in the city of Plant City, Florida.

(2) STUDIES AND REPORTS.—In conducting the study, the Secretary shall review and consider studies and reports completed by the non-Federal interests.

(n) BOISE, IDAHO.—The Secretary shall conduct a study to determine the feasibility of undertaking flood control on the Boise River in Boise, Idaho.

(o) GOOSE CREEK WATERSHED, OAKLEY, IDAHO.—The Secretary shall conduct a study to determine the feasibility of undertaking flood damage reduction, water conservation, ground water recharge, ecosystem restoration, and related purposes along the Goose Creek watershed near Oakley, Idaho.

(p) LITTLE WOOD RIVER, GOODING, IDAHO.—The Secretary shall conduct a study to determine the feasibility of restoring and repairing the Lava Rock Little Wood River Containment System to prevent flooding in the city of Gooding, Idaho.

(q) BANK STABILIZATION, SNAKE RIVER, LEWISTON, IDAHO.—The Secretary shall conduct a study to determine the feasibility of undertaking bank stabilization and flood control on the Snake River at Lewiston, Idaho.

(r) SNAKE RIVER AND PAYETTE RIVER, IDAHO.—The Secretary shall conduct a study to determine the feasibility of a flood control project along the Snake River and Payette River, in the vicinity of Payette, Idaho.

(s) ACADIANA NAVIGATION CHANNEL, LOUISIANA.—The Secretary shall conduct a study to determine the feasibility of assuming operations and maintenance for the Acadiana Navigation Channel located in Iberia and Vermillion Parishes, Louisiana.

(t) CAMERON PARISH WEST OF CALCASIEU RIVER, LOUISIANA.—The Secretary shall conduct a study to determine the feasibility of a storm damage reduction and ecosystem restoration project for Cameron Parish west of Calcasieu River, Louisiana.

(u) BENEFICIAL USE OF DREDGED MATERIAL, COASTAL LOUISIANA.—The Secretary shall conduct a study to determine the feasibility of using dredged material from maintenance activities at Federal navigation projects in coastal Louisiana to benefit coastal areas in the State.

(v) CONTRABAND BAYOU NAVIGATION CHANNEL, LOUISIANA.—The Secretary shall conduct a study to determine the feasibility of assuming the maintenance at Contraband Bayou, Calcasieu River Ship Canal, Louisiana.

(w) GOLDEN MEADOW LOCK, LOUISIANA.—The Secretary shall conduct a study to determine the feasibility of converting the Golden Meadow floodgate into a navigation lock to be included in the Larose to Golden Meadow Hurricane Protection Project, Louisiana.

(x) GULF INTRACOASTAL WATERWAY ECOSYSTEM PROTECTION, CHEF MENTEUR TO SABINE RIVER, LOUISIANA.—

(1) IN GENERAL.—The Secretary shall conduct a study to determine the feasibility of undertaking ecosystem restoration and protection measures along the Gulf Intracoastal Waterway from Chef Menteur to Sabine River, Louisiana.

(2) MATTERS TO BE ADDRESSED.—The study shall address saltwater intrusion, tidal scour, erosion, compaction, subsidence, wind and wave action, bank failure, and other problems relating to water resources in the area.

(y) LAKE PONTCHARTRAIN, LOUISIANA, AND VICINITY, ST. CHARLES PARISH PUMPS.—The Secretary shall conduct a study to determine the feasibility of modifying the Lake Pontchartrain Hurricane Protection Project to include the St. Charles Parish Pumps and the modification of the seawall fronting protection along Lake Pontchartrain in Orleans Parish, from New Basin Canal on the west to the Inner Harbor Navigation Canal on the east.

(z) LAKE PONTCHARTRAIN AND VICINITY SEAWALL RESTORATION, LOUISIANA.—The Secretary shall conduct a study to determine the feasibility of undertaking structural modifications of that portion of the seawall fronting protection along the south shore of Lake Pontchartrain in Orleans Parish, Louisiana, extending approximately 5 miles from the new basin Canal on the west to the Inner Harbor Navigation Canal on the east as a part of the Lake Pontchartrain and Vicinity Hurricane Protection Project, authorized by section 204 of the Flood Control Act of 1965 (79 Stat. 1077).

(aa) MUDDY RIVER, BROOKLINE AND BOSTON, MASSACHUSETTS.—

(1) IN GENERAL.—The Secretary shall evaluate the January 1999 study commissioned by the Boston Parks and Recreation Department, Boston, Massachusetts, and entitled ''The Emerald Necklace Environmental Improvement Master Plan, Phase I Muddy River Flood Control, Water Quality and Habitat Enhancement'', to determine whether the plans outlined in the study for flood control, water quality, habitat enhancements, and other improvements to the Muddy River in Brookline and Boston, Massachusetts, are cost-effective, technically sound, environmentally acceptable, and in the Federal interest.

(2) REPORT.—Not later than December 31, 1999, the Secretary shall report to Congress the results of the evaluation.

(bb) DETROIT RIVER, MICHIGAN, GREENWAY CORRIDOR STUDY.—

(1) IN GENERAL.—The Secretary shall conduct a study to determine the feasibility of a project for shoreline protection, frontal erosion, and associated purposes in the Detroit River shoreline area from the Belle Isle Bridge to the Ambassador Bridge in Detroit, Michigan.

(2) POTENTIAL MODIFICATIONS.—As a part of the study, the Secretary shall review potential project modifications to any existing Corps projects within the same area.

(cc) ST. CLAIR SHORES FLOOD CONTROL, MICHIGAN.—The Secretary shall conduct a

study to determine the feasibility of constructing a flood control project at St. Clair Shores, Michigan.

(dd) WOODTICK PENINSULA, MICHIGAN, AND TOLEDO HARBOR, OHIO.—The Secretary shall conduct a study to determine the feasibility of utilizing dredged material from Toledo Harbor, Ohio, to provide erosion reduction, navigation, and ecosystem restoration at Woodtick Peninsula, Michigan.

(ee) DREDGED MATERIAL MANAGEMENT, PASCAGOULA HARBOR, MISSISSIPPI.—

(1) IN GENERAL.—The Secretary shall conduct a study to determine an alternative plan for dredged material management for the Pascagoula River portion of the project for navigation, Pascagoula Harbor, Mississippi, authorized by section 202(a) of the Water Resources Development Act of 1986 (100 Stat. 4094).

(2) CONTENTS.—The study under paragraph (1) shall—

(A) include an analysis of the feasibility of expanding the Singing River Island Disposal Area or constructing a new dredged material disposal facility; and

(2) identify methods of managing and reducing sediment transport into the Federal navigation channel.

(ff) TUNICA LAKE WEIR, MISSISSIPPI.—

(1) IN GENERAL.—The Secretary shall conduct a study to determine the feasibility of constructing an outlet weir at Tunica Lake, Tunica County, Mississippi, and Lee County, Arkansas, for the purpose of stabilizing water levels in the Lake.

(2) ECONOMIC ANALYSIS.—In carrying out the study, the Secretary shall include as a part of the economic analysis the benefits derived from recreation uses at the Lake and economic benefits associated with restoration of fish and wildlife habitat.

(gg) PROTECTIVE FACILITIES FOR THE ST. LOUIS, MISSOURI, RIVERFRONT AREA.—

(1) STUDY.—The Secretary shall conduct a study to determine the optimal plan to protect facilities that are located on the Mississippi River riverfront within the boundaries of St. Louis, Missouri.

(2) REQUIREMENTS.—In conducting the study, the Secretary shall—

(A) evaluate alternatives to offer safety and security to facilities; and

(B) use state-of-the-art techniques to best evaluate the current situation, probable solutions, and estimated costs.

(3) REPORT.—Not later than April 15, 2000, the Secretary shall submit to Congress a report on the results of the study.

(hh) YELLOWSTONE RIVER, MONTANA.—

(1) STUDY.—The Secretary shall conduct a comprehensive study of the Yellowstone River from Gardiner, Montana to the confluence of the Missouri River to determine the hydrologic, biological, and socioeconomic cumulative impacts on the river.

(2) CONSULTATION AND COORDINATION.—The Secretary shall conduct the study in consultation with the United States Fish and Wildlife Service, the United States Geological Survey, and the Natural Resources Conservation Service and with the full participation of the State of Montana and tribal and local entities, and provide for public participation.

(3) REPORT.—Not later than 5 years after the date of enactment of this Act, the Secretary shall submit a report to Congress on the results of the study.

(ii) LAS VEGAS VALLEY, NEVADA.—

(1) IN GENERAL.—The Secretary shall conduct a comprehensive study of water resources located in the Las Vegas Valley, Nevada.

(2) OBJECTIVES.—The study shall identify problems and opportunities related to ecosystem restoration, water quality, particularly the quality of surface runoff, water supply, and flood control.

(jj) OSWEGO RIVER BASIN, NEW YORK.—The Secretary shall conduct a study to determine the feasibility of establishing a flood forecasting system within the Oswego River basin, New York.

(kk) PORT OF NEW YORK-NEW JERSEY NAVIGATION STUDY AND ENVIRONMENTAL RESTORATION STUDY.—

(1) NAVIGATION STUDY.—The Secretary shall conduct a comprehensive study of navigation needs at the Port of New York-New Jersey (including the South Brooklyn Marine and Red Hook Container Terminals, Staten Island, and adjacent areas) to address improvements, including deepening of existing channels to depths of 50 feet or greater, that are required to provide economically efficient and environmentally sound navigation to meet current and future requirements.

(2) ENVIRONMENTAL RESTORATION STUDY.—The Secretary, acting through the Chief of Engineers, shall review the report of the Chief of Engineers on the New York Harbor, printed in the House Management Plan of the Harbor Estuary Program, and other pertinent reports concerning the New York Harbor Region and the Port of New York-New Jersey, to determine the Federal interest in advancing harbor environmental restoration.

(3) REPORT.—The Secretary may use funds from the ongoing navigation study for New York and New Jersey Harbor to complete a reconnaissance report for environmental restoration by December 31, 1999. The navigation study to deepen New York and New Jersey Harbor shall consider beneficial use of dredged material.

(ll) CLEVELAND HARBOR, CLEVELAND, OHIO.—The Secretary shall conduct a study to determine the feasibility of undertaking repairs and related navigation improvements at Dike 14, Cleveland, Ohio.

(mm) CHAGRIN, OHIO.—

(1) IN GENERAL.—The Secretary shall conduct a study to determine the feasibility of undertaking flood damage reduction at Chagrin, Ohio.

(2) ICE RETENTION STRUCTURE.—In conducting the study, the Secretary may consider construction of an ice retention structure as a potential means of providing flood damage reduction.

(nn) TOUSSAINT RIVER, CARROLL TOWNSHIP, OHIO.—The Secretary shall conduct a study to determine the feasibility of undertaking navigation improvements at Toussaint River, Carroll Township, Ohio.

(oo) SANTEE DELTA WETLAND HABITAT, SOUTH CAROLINA.—Not later than 18 months after the date of enactment of this Act, the Secretary shall complete a comprehensive study of the ecosystem in the Santee Delta focus area of South Carolina to determine the feasibility of undertaking measures to enhance the wetland habitat in the area.

(pp) WACCAMAW RIVER, SOUTH CAROLINA.—The Secretary shall conduct a study to determine the feasibility of a flood control project for the Waccamaw River in Horry County, South Carolina.

(qq) UPPER SUSQUEHANNA-LACKAWANNA, PENNSYLVANIA, WATERSHED MANAGEMENT AND RESTORATION STUDY.—

(1) IN GENERAL.—The Secretary shall conduct a study to determine the feasibility of a comprehensive flood plain management and watershed restoration project for the Upper Susquehanna-Lackawanna Watershed, Pennsylvania.

(2) GEOGRAPHIC INFORMATION SYSTEM.—In conducting the study, the Secretary shall use a geographic information system.

(3) PLANS.—The study shall formulate plans for comprehensive flood plain management and environmental restoration.

(4) CREDITING.—Non-Federal interests may receive credit for in-kind services and materials that contribute to the study. The Secretary may credit non-Corps Federal assistance provided to the non-Federal interest toward the non-Federal share of study costs to the maximum extent authorized by law.

(rr) CONTAMINATED DREDGED MATERIAL AND SEDIMENT MANAGEMENT, SOUTH CAROLINA COASTAL AREAS.—

(1) IN GENERAL.—The Secretary shall review pertinent reports and conduct other studies and field investigations to determine the best available science and methods for management of contaminated dredged material and sediments in the coastal areas of South Carolina.

(2) FOCUS.—In carrying out subsection (a), the Secretary shall place particular focus on areas where the Corps of Engineers maintains deep draft navigation projects, such as Charleston Harbor, Georgetown Harbor, and Port Royal, South Carolina.

(3) COOPERATION.—The studies shall be conducted in cooperation with the appropriate Federal and State environmental agencies.

(ss) NIOBRARA RIVER AND MISSOURI RIVER SEDIMENTATION STUDY, SOUTH DAKOTA.—The Secretary shall conduct a study of the Niobrara River watershed and the operations of Fort Randall Dam and Gavins Point Dam on the Missouri River to determine the feasibility of alleviating the bank erosion, sedimentation, and related problems in the lower Niobrara River and the Missouri River below Fort Randall Dam.

(tt) SANTA CLARA RIVER, UTAH.—

(1) IN GENERAL.—The Secretary shall conduct a study to determine the feasibility of undertaking measures to alleviate damage caused by flooding, bank erosion, and sedimentation along the watershed of the Santa Clara River, Utah, above the Gunlock Reservoir.

(2) CONTENTS.—The study shall include an analysis of watershed conditions and water quality, as related to flooding and bank erosion, along the Santa Clara River in the vicinity of the town of Gunlock, Utah.

(uu) MOUNT ST. HELENS ENVIRONMENTAL RESTORATION, WASHINGTON.—

(1) IN GENERAL.—The Secretary shall conduct a study to determine the feasibility of ecosystem restoration improvements throughout the Cowlitz and Toutle River basins, Washington, including the 6,000 acres of wetland, riverine, riparian, and upland habitats lost or altered due to the eruption of Mount St. Helens in 1980 and subsequent emergency actions.

(2) REQUIREMENTS.—In carrying out the study, the Secretary shall—

(A) work in close coordination with local governments, watershed entities, the State of Washington, and other Federal agencies; and

(B) place special emphasis on—

(i) conservation and restoration strategies to benefit species that are listed or proposed for listing as threatened or endangered species under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.); and

(ii) other watershed restoration objectives.

(vv) AGAT SMALL BOAT HARBOR, GUAM.—The Secretary shall conduct a study to determine the feasibility of undertaking the repair and reconstruction of Agat Small Boat Harbor, Guam, including the repair of existing shore protection measures and construction or a revetment of the breakwater seawall.

(ww) APRA HARBOR SEAWALL, GUAM.—The Secretary shall conduct a study to determine the feasibility of undertaking measures to repair, upgrade, and extend the seawall protecting Apra Harbor, Guam, and to ensure continued access to the harbor via Route 11B.

(xx) APRA HARBOR FUEL PIERS, GUAM.—The Secretary shall conduct a study to determine

the feasibility of undertaking measures to upgrade the piers and fuel transmission lines at the fuel piers in the Apra Harbor, Guam, and measures to provide for erosion control and protection against storm damage.

(yy) MAINTENANCE DREDGING OF HARBOR PIERS, GUAM.—The Secretary shall conduct a study to determine the feasibility of Federal maintenance of areas adjacent to piers at harbors in Guam, including Apra Harbor, Agat Harbor, and Agana Marina.

(zz) ALTERNATIVE WATER SOURCES STUDY.—

(1) IN GENERAL.—The Administrator of the Environmental Protection Agency shall conduct a study of the water supply needs of States that are not currently eligible for assistance under title XVI of the Reclamation Projects Authorization and Adjustment Act of 1992 (43 U.S.C. 390h et seq.).

(2) REQUIREMENTS.—The study shall—

(A) identify the water supply needs (including potable, commercial, industrial, recreational and agricultural needs) of each State described in paragraph (1) through 2020, making use of such State, regional, and local plans, studies, and reports as are available;

(B) evaluate the feasibility of various alternative water source technologies such as reuse and reclamation of wastewater and stormwater (including indirect potable reuse), aquifer storage and recovery, and desalination to meet the anticipated water supply needs of the States; and

(C) assess how alternative water sources technologies can be utilized to meet the identified needs.

(3) REPORT.—The Administrator shall report to Congress on the results of the study not more than 180 days after the date of enactment of this Act.

(aaa) GREAT LAKES NAVIGATIONAL SYSTEM.—In consultation with the St. Lawrence Seaway Development Corporation, the Secretary shall review the Great Lakes Connecting Channel and Harbors Report dated March 1985 to determine the feasibility of any modification of the recommendations made in the report to improve commercial navigation on the Great Lakes navigation system, including locks, dams, harbors, ports, channels, and other related features.

TITLE II—GENERAL PROVISIONS

SEC. 201. FLOOD HAZARD MITIGATION AND RIVERINE ECOSYSTEM RESTORATION PROGRAM.

(a) IN GENERAL.—

(1) AUTHORIZATION.—The Secretary may carry out a program to reduce flood hazards and restore the natural functions and values of riverine ecosystems throughout the United States.

(2) STUDIES.—In carrying out the program, the Secretary shall conduct studies to identify appropriate flood damage reduction, conservation, and restoration measures and may design and implement watershed management and restoration projects.

(3) PARTICIPATION.—The studies and projects carried out under the program shall be conducted, to the extent practicable, with the full participation of the appropriate Federal agencies, including the Department of Agriculture, the Federal Emergency Management Agency, the Department of the Interior, the Environmental Protection Agency, and the Department of Commerce.

(4) NONSTRUCTURAL APPROACHES.—The studies and projects shall, to the extent practicable, emphasize nonstructural approaches to preventing or reducing flood damages.

(b) COST-SHARING REQUIREMENTS.—

(1) STUDIES.—The cost of studies conducted under subsection (a) shall be shared in accordance with section 105 of the Water Resources Development Act of 1986 (33 Stat. 2215).

(2) PROJECTS.—The non-Federal interests shall pay 35 percent of the cost of any project carried out under this section.

(3) IN-KIND CONTRIBUTIONS.—The non-Federal interests shall provide all land, easements, rights-of-way, dredged material disposal areas, and relocations necessary for the projects. The value of the land, easements, rights-of-way, dredged material disposal areas, and relocations shall be credited toward the payment required under this subsection.

(4) RESPONSIBILITIES OF THE NON-FEDERAL INTERESTS.—The non-Federal interests shall be responsible for all costs associated with operating, maintaining, replacing, repairing, and rehabilitating all projects carried out under this section.

(c) PROJECT JUSTIFICATION.—

(1) IN GENERAL.—The Secretary may implement a project under this section if the Secretary determines that the project—

(A) will significantly reduce potential flood damages;

(B) will improve the quality of the environment; and

(C) is justified considering all costs and beneficial outputs of the project.

(2) SELECTION CRITERIA; POLICIES AND PROCEDURES.—Not later than 180 days after the date of enactment of this Act, the Secretary shall—

(A) develop criteria for selecting and rating the projects to be carried out as part of the program authorized by this section; and

(B) establish policies and procedures for carrying out the studies and projects undertaken under this section.

(d) REPORTING REQUIREMENT.—The Secretary may not implement a project under this section until—

(1) the Secretary provides to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a written notification describing the project and the determinations made under subsection (c); and

(2) a period of 21 calendar days has expired following the date on which the notification was received by the Committees.

(e) PRIORITY AREAS.—In carrying out this section, the Secretary shall examine the potential for flood damage reductions at appropriate locations, including—

(1) Los Angeles County drainage area, California;

(2) Napa River Valley watershed, California;

(3) Le May, Missouri;

(4) the upper Delaware River basin, New York;

(5) Mill Creek, Cincinnati, Ohio;

(6) Tillamook County, Oregon;

(7) Willamette River basin, Oregon;

(8) Delaware River, Pennsylvania;

(9) Schuylkill River, Pennsylvania; and

(10) Providence County, Rhode Island.

(f) PER-PROJECT LIMITATION.—Not more than $25,000,000 in Army Civil Works appropriations may be expended on any single project undertaken under this section.

(g) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There is authorized to be appropriated to carry out this section $75,000,000 for the period of fiscal years 2000 and 2001.

(2) PROGRAM FUNDING LEVELS.—All studies and projects undertaken under this authority from Army Civil Works appropriations shall be fully funded within the program funding levels provided in this subsection.

SEC. 202. SHORE PROTECTION.

Section 103(d) of the Water Resources Development Act of 1986 (33 U.S.C. 2213(d)) is amended—

(1) by striking ''Costs of constructing'' and inserting the following:

''(1) CONSTRUCTION.—Costs of constructing''; and

(2) by adding at the end the following:

''(2) PERIODIC NOURISHMENT.—In the case of a project authorized for construction after December 31, 1999, or for which a feasibility study is completed after that date, the non-Federal cost of the periodic nourishment of projects or measures for shore protection or beach erosion control shall be 50 percent, except that—

''(A) all costs assigned to benefits to privately owned shores (where use of such shores is limited to private interests) or to prevention of losses of private land shall be borne by non-Federal interests; and

''(B) all costs assigned to the protection of federally owned shores shall be borne by the United States.''.

SEC. 203. SMALL FLOOD CONTROL AUTHORITY.

Section 205 of the Flood Control Act of 1948 (33 U.S.C. 701s) is amended—

(1) in the first sentence, by striking ''construction of small projects'' and inserting ''implementation of small structural and nonstructural projects''; and

(2) in the third sentence, by striking ''$5,000,000'' and inserting ''$7,000,000''.

SEC. 204. USE OF NON-FEDERAL FUNDS FOR COMPILING AND DISSEMINATING INFORMATION ON FLOODS AND FLOOD DAMAGES.

Section 206(b) of the Flood Control Act of 1960 (33 U.S.C. 709a(b)) is amended in the third sentence by inserting before the period at the end the following: '', but the Secretary of the Army may accept funds voluntarily contributed by such entities for the purpose of expanding the scope of the services requested by the entities''.

SEC. 205. AQUATIC ECOSYSTEM RESTORATION.

Section 206(c) of the Water Resources Development Act of 1996 (33 U.S.C. 2330(c)) is amended—

(1) by striking ''Construction'' and inserting the following:

''(1) IN GENERAL.—Construction''; and

(2) by adding at the end the following:

''(2) NONPROFIT ENTITIES.—Notwithstanding section 221 of the Flood Control Act of 1970 (42 U.S.C. 1962d–5b), for any project carried out under this section, a non-Federal interest may include a nonprofit entity, with the consent of the affected local government.''.

SEC. 206. BENEFICIAL USES OF DREDGED MATERIAL.

Section 204 of the Water Resources Development Act of 1992 (33 U.S.C. 2326) is amended by adding at the end the following:

''(g) NONPROFIT ENTITIES.—Notwithstanding section 221 of the Flood Control Act of 1970 (42 U.S.C. 1962d–5b), for any project carried out under this section, a non-Federal interest may include a nonprofit entity, with the consent of the affected local government.''.

SEC. 207. VOLUNTARY CONTRIBUTIONS BY STATES AND POLITICAL SUBDIVISIONS.

Section 5 of the Act of June 22, 1936 (33 U.S.C. 701h), is amended by inserting ''or environmental restoration'' after ''flood control''.

SEC. 208. RECREATION USER FEES.

(a) WITHHOLDING OF AMOUNTS.—

(1) IN GENERAL.—During fiscal years 1999 through 2002, the Secretary may withhold from the special account established under section 4(i)(1)(A) of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–6a(i)(1)(A)) 100 percent of the amount of receipts above a baseline of $34,000,000 per each fiscal year received from fees imposed at recreation sites under the administrative jurisdiction of the Department of the Army under section 4(b) of that Act (16 U.S.C. 460l–6a(b)).

(2) USE.—The amounts withheld shall be retained by the Secretary and shall be available, without further Act of appropriation, for expenditure by the Secretary in accordance with subsection (b).

(3) AVAILABILITY.—The amounts withheld shall remain available until September 30, 2005.

(b) USE OF AMOUNTS WITHHELD.—In order to increase the quality of the visitor experience at public recreational areas and to enhance the protection of resources, the amounts withheld under subsection (a) may be used only for—

(1) repair and maintenance projects (including projects relating to health and safety);

(2) interpretation;

(3) signage;

(4) habitat or facility enhancement;

(5) resource preservation;

(6) annual operation (including fee collection);

(7) maintenance; and

(8) law enforcement related to public use.

(c) AVAILABILITY.—Each amount withheld by the Secretary shall be available for expenditure, without further Act of appropriation, at the specific project from which the amount, above baseline, is collected.

SEC. 209. WATER RESOURCES DEVELOPMENT STUDIES FOR THE PACIFIC REGION.

Section 444 of the Water Resources Development Act of 1996 (110 Stat. 3747) is amended by striking ''interest of navigation'' and inserting ''interests of water resources development (including navigation, flood damage reduction, and environmental restoration)''.

SEC. 210. MISSOURI AND MIDDLE MISSISSIPPI RIVERS ENHANCEMENT PROJECT.

(a) DEFINITIONS.—In this section:

(1) MIDDLE MISSISSIPPI RIVER.—The term ''middle Mississippi River'' means the reach of the Mississippi River from the mouth of the Ohio River (river mile 0, upper Mississippi River) to the mouth of the Missouri River (river mile 195).

(2) MISSOURI RIVER.—The term ''Missouri River'' means the main stem and floodplain of the Missouri River (including reservoirs) from its confluence with the Mississippi River at St. Louis, Missouri, to its headwaters near Three Forks, Montana.

(3) PROJECT.—The term ''project'' means the project authorized by this section.

(b) PROTECTION AND ENHANCEMENT ACTIVITIES.—

(1) PLAN.—

(A) DEVELOPMENT.—Not later than 180 days after the date of enactment of this Act, the Secretary shall develop a plan for a project to protect and enhance fish and wildlife habitat of the Missouri River and the middle Mississippi River.

(B) ACTIVITIES.—

(i) IN GENERAL.—The plan shall provide for such activities as are necessary to protect and enhance fish and wildlife habitat without adversely affecting—

(I) the water-related needs of the region surrounding the Missouri River and the middle Mississippi River, including flood control, navigation, recreation, and enhancement of water supply; and

(II) private property rights.

(ii) REQUIRED ACTIVITIES.—The plan shall include—

(I) modification and improvement of navigation training structures to protect and enhance fish and wildlife habitat;

(II) modification and creation of side channels to protect and enhance fish and wildlife habitat;

(III) restoration and creation of island fish and wildlife habitat;

(IV) creation of riverine fish and wildlife habitat;

(V) establishment of criteria for prioritizing the type and sequencing of activities based on cost-effectiveness and likelihood of success; and

(VI) physical and biological monitoring for evaluating the success of the project, to be performed by the River Studies Center of the United States Geological Survey in Columbia, Missouri.

(2) IMPLEMENTATION OF ACTIVITIES.—

(A) IN GENERAL.—Using funds made available to carry out this section, the Secretary shall carry out the activities described in the plan.

(B) USE OF EXISTING AUTHORITY FOR UNCONSTRUCTED FEATURES OF THE PROJECT.—Using funds made available to the Secretary under other law, the Secretary shall design and construct any feature of the project that may be carried out using the authority of the Secretary to modify an authorized project, if the Secretary determines that the design and construction will—

(i) accelerate the completion of activities to protect and enhance fish and wildlife habitat of the Missouri River or the middle Mississippi River; and

(ii) be compatible with the project purposes described in this section.

(c) INTEGRATION OF OTHER ACTIVITIES.—

(1) IN GENERAL.—In carrying out the activities described in subsection (b), the Secretary shall integrate the activities with other Federal, State, and tribal activities.

(2) NEW AUTHORITY.—Nothing in this section confers any new regulatory authority on any Federal or non-Federal entity that carries out any activity authorized by this section.

(d) PUBLIC PARTICIPATION.—In developing and carrying out the plan and the activities described in subsection (b), the Secretary shall provide for public review and comment in accordance with applicable Federal law, including—

(1) providing advance notice of meetings;

(2) providing adequate opportunity for public input and comment;

(3) maintaining appropriate records; and

(4) compiling a record of the proceedings of meetings.

(e) COMPLIANCE WITH APPLICABLE LAW.—In carrying out the activities described in subsections (b) and (c), the Secretary shall comply with any applicable Federal law, including the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(f) COST SHARING.—

(1) NON-FEDERAL SHARE.—The non-Federal share of the cost of the project shall be 35 percent.

(2) FEDERAL SHARE.—The Federal share of the cost of any 1 activity described in subsection (b) shall not exceed $5,000,000.

(3) OPERATION AND MAINTENANCE.—The operation and maintenance of the project shall be a non-Federal responsibility.

(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to pay the Federal share of the cost of carrying out activities under this section $30,000,000 for the period of fiscal years 2000 and 2001.

SEC. 211. OUTER CONTINENTAL SHELF.

(a) SAND, GRAVEL, AND SHELL.—Section 8(k)(2)(B) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(k)(2)(B)) is amended in the second sentence by inserting before the period at the end the following: ''or any other non-Federal interest subject to an agreement entered into under section 221 of the Flood Control Act of 1970 (42 U.S.C. 1962d–5b)''.

(b) REIMBURSEMENT FOR LOCAL INTERESTS.—Any amounts paid by non-Federal interests for beach erosion control, hurricane protection, shore protection, or storm damage reduction projects as a result of an assessment under section 8(k) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(k)) shall be fully reimbursed.

SEC. 212. ENVIRONMENTAL DREDGING.

Section 312(f) of the Water Resources Development Act of 1990 (33 U.S.C. 1272(f)) is amended by adding at the end the following:

''(6) Snake Creek, Bixby, Oklahoma.

''(7) Willamette River, Oregon.''.

SEC. 213. BENEFIT OF PRIMARY FLOOD DAMAGES AVOIDED INCLUDED IN BENEFIT-COST ANALYSIS.

Section 308 of the Water Resources Development Act of 1990 (33 U.S.C. 2318) is amended—

(1) in the heading of subsection (a), by striking ''BENEFIT-COST ANALYSIS'' and inserting ''ELEMENTS EXCLUDED FROM COST-BENEFIT ANALYSIS'';

(2) by redesignating subsections (b) through (e) as subsections (c) through (f), respectively;

(3) by inserting after subsection (a) the following:

''(b) ELEMENTS INCLUDED IN COST-BENEFIT ANALYSIS.—The Secretary shall include primary flood damages avoided in the benefit base for justifying Federal nonstructural flood damage reduction projects.''; and

(4) in the first sentence of subsection (e) (as redesignated by paragraph (2)), by striking ''(b)'' and inserting ''(d)''.

SEC. 214. CONTROL OF AQUATIC PLANT GROWTH.

Section 104(a) of the River and Harbor Act of 1958 (33 U.S.C. 610(a)) is amended in the first sentence by striking ''water-hyacinth, alligatorweed, Eurasian water milfoil, melaleuca,'' and inserting ''Alligatorweed, Aquaticum, Arundo Dona, Brazilian Elodea, Cabomba, Melaleuca, Myrophyllum, Spicatum, Tarmarix, Water Hyacinth,''.

SEC. 215. ENVIRONMENTAL INFRASTRUCTURE.

Section 219(c) of the Water Resources Development Act of 1992 (106 Stat. 4835) is amended by adding at the end the following:

''(19) LAKE TAHOE, CALIFORNIA AND NEVADA.—Regional water system for Lake Tahoe, California and Nevada.

''(20) LANCASTER, CALIFORNIA.—Fox Field Industrial Corridor water facilities, Lancaster, California.

''(21) SAN RAMON, CALIFORNIA.—San Ramon Valley recycled water project, San Ramon, California.''.

SEC. 216. WATERSHED MANAGEMENT, RESTORATION, AND DEVELOPMENT.

Section 503 of the Water Resources Development Act of 1996 (110 Stat. 3756) is amended—

(1) in subsection (d)—

(A) by striking paragraph (10) and inserting the following:

''(10) Regional Atlanta Watershed, Atlanta, Georgia, and Lake Lanier of Forsyth and Hall Counties, Georgia.''; and

(B) by adding at the end the following:

''(14) Clear Lake watershed, California.

''(15) Fresno Slough watershed, California.

''(16) Hayward Marsh, Southern San Francisco Bay watershed, California.

''(17) Kaweah River watershed, California.

''(18) Lake Tahoe watershed, California and Nevada.

''(19) Malibu Creek watershed, California.

''(20) Truckee River basin, Nevada.

''(21) Walker River basin, Nevada.

''(22) Bronx River watershed, New York.

''(23) Catawba River watershed, North Carolina.

''(24) Columbia Slough watershed, Oregon.'';

(2) by redesignating subsection (e) as subsection (f); and

(3) by inserting after subsection (d) the following:

''(e) NONPROFIT ENTITIES.—Notwithstanding section 221(b) of the Flood Control

Act of 1970 (42 U.S.C. 1962d–5b(b)), for any project undertaken under this section, with the consent of the affected local government, a non-Federal interest may include a non-profit entity.''.

SEC. 217. LAKES PROGRAM.

Section 602(a) of the Water Resources Development Act of 1986 (100 Stat. 4148) is amended—

(1) in paragraph (15), by striking ''and'' at the end;

(2) in paragraph (16), by striking the period at the end; and

(3) by adding at the end the following:

''(17) Clear Lake, Lake County, California, removal of silt and aquatic growth and development of a sustainable weed and algae management program;

''(18) Flints Pond, Hollis, New Hampshire, removal of excessive aquatic vegetation; and

''(19) Osgood Pond, Milford, New Hampshire, removal of excessive aquatic vegetation.''.

SEC. 218. SEDIMENTS DECONTAMINATION POLICY.

Section 405 of the Water Resources Development Act of 1992 (33 U.S.C. 2239 note; Public Law 102–580) is amended—

(1) in subsection (a), by adding at the end the following:

''(4) PRACTICAL END-USE PRODUCTS.—Technologies selected for demonstration at the pilot scale shall result in practical end-use products.

''(5) ASSISTANCE BY THE SECRETARY.—The Secretary shall assist the project to ensure expeditious completion by providing sufficient quantities of contaminated dredged material to conduct the full-scale demonstrations to stated capacity.''; and

(2) in subsection (c), by striking the first sentence and inserting the following: ''There is authorized to be appropriated to carry out this section a total of $22,000,000 to complete technology testing, technology commercialization, and the development of full scale processing facilities within the New York/New Jersey Harbor.''.

SEC. 219. DISPOSAL OF DREDGED MATERIAL ON BEACHES.

(a) IN GENERAL.—Section 145 of the Water Resources Development Act of 1976 (33 U.S.C. 426j) is amended in the first sentence by striking ''50'' and inserting ''35''.

(b) GREAT LAKES BASIN.—The Secretary shall work with the State of Ohio, other Great Lakes States, and political subdivisions of the States to fully implement and maximize beneficial reuse of dredged material as provided under section 145 of the Water Resources Development Act of 1976 (33 U.S.C. 426j).

SEC. 220. FISH AND WILDLIFE MITIGATION.

Section 906(e) of the Water Resources Development Act of 1986 (33 U.S.C. 2283(e)) is amended by inserting after the second sentence the following: ''Not more than 80 percent of the non-Federal share of such first costs may be in kind, including a facility, supply, or service that is necessary to carry out the enhancement project.''.

SEC. 221. REIMBURSEMENT OF NON-FEDERAL INTEREST.

Section 211(e)(2)(A) of the Water Resources Development Act of 1996 (33 U.S.C. 701b–13(e)(2)(A)) is amended by striking ''subject to amounts being made available in advance in appropriations Acts'' and inserting ''subject to the availability of appropriations''.

SEC. 222. NATIONAL CONTAMINATED SEDIMENT TASK FORCE.

(a) DEFINITION OF TASK FORCE.—In this section, the term ''Task Force'' means the National Contaminated Sediment Task Force established by section 502 of the National Contaminated Sediment Assessment and Management Act (33 U.S.C. 1271 note; Public Law 102–580).

(b) CONVENING.—The Secretary and the Administrator shall convene the Task Force not later than 90 days after the date of enactment of this Act.

(c) REPORTING ON REMEDIAL ACTION.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Task Force shall submit to Congress a report on the status of remedial actions at aquatic sites in the areas described in paragraph (2).

(2) AREAS.—The report under paragraph (1) shall address remedial actions in—

(A) areas of probable concern identified in the survey of data regarding aquatic sediment quality required by section 503(a) of the National Contaminated Sediment Assessment and Management Act (33 U.S.C. 1271);

(B) areas of concern within the Great Lakes, as identified under section 118(f) of the Federal Water Pollution Control Act (33 U.S.C. 1268(f));

(C) estuaries of national significance identified under section 320 of the Federal Water Pollution Control Act (33 U.S.C. 1330);

(D) areas for which remedial action has been authorized under any of the Water Resources Development Acts; and

(E) as appropriate, any other areas where sediment contamination is identified by the Task Force.

(3) ACTIVITIES.—Remedial actions subject to reporting under this subsection include remedial actions under—

(A) the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) or other Federal or State law containing environmental remediation authority;

(B) any of the Water Resources Development Acts;

(C) section 404 of the Federal Water Pollution Control Act (33 U.S.C. 1344); or

(D) section 10 of the Act of March 3, 1899 (30 Stat. 1151, chapter 425).

(4) CONTENTS.—The report under paragraph (1) shall provide, with respect to each remedial action described in the report, a description of—

(A) the authorities and sources of funding for conducting the remedial action;

(B) the nature and sources of the sediment contamination, including volume and concentration, where appropriate;

(C) the testing conducted to determine the nature and extent of sediment contamination and to determine whether the remedial action is necessary;

(D) the action levels or other factors used to determine that the remedial action is necessary;

(E) the nature of the remedial action planned or undertaken, including the levels of protection of public health and the environment to be achieved by the remedial action;

(F) the ultimate disposition of any material dredged as part of the remedial action;

(G) the status of projects and the obstacles or barriers to prompt conduct of the remedial action; and

(H) contacts and sources of further information concerning the remedial action.

SEC. 223. JOHN GLENN GREAT LAKES BASIN PROGRAM.

(a) STRATEGIC PLANS.—

(1) IN GENERAL.—Not later than 18 months after the date of enactment of this Act, and every 2 years thereafter, the Secretary shall report to Congress on a plan for programs of the Corps of Engineers in the Great Lakes basin.

(2) CONTENTS.—The plan shall include details of the projected environmental and navigational projects in the Great Lakes basin, including—

(A) navigational maintenance and operations for commercial and recreational vessels;

(B) environmental restoration activities;

(C) water level maintenance activities;

(D) technical and planning assistance to States and remedial action planning committees;

(E) sediment transport analysis, sediment management planning, and activities to support prevention of excess sediment loadings;

(F) flood damage reduction and shoreline erosion prevention;

(G) all other activities of the Corps of Engineers; and

(H) an analysis of factors limiting use of programs and authorities of the Corps of Engineers in existence on the date of enactment of this Act in the Great Lakes basin, including the need for new or modified authorities.

(b) GREAT LAKES BIOHYDROLOGICAL INFORMATION.—

(1) INVENTORY.—

(A) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, the Secretary shall request each Federal agency that may possess information relevant to the Great Lakes biohydrological system to provide an inventory of all such information in the possession of the agency.

(B) RELEVANT INFORMATION.—For the purpose of subparagraph (A), relevant information includes information on—

(i) ground and surface water hydrology;

(ii) natural and altered tributary dynamics;

(iii) biological aspects of the system influenced by and influencing water quantity and water movement;

(iv) meteorological projections and weather impacts on Great Lakes water levels; and

(v) other Great Lakes biohydrological system data relevant to sustainable water use management.

(2) REPORT.—

(A) IN GENERAL.—Not later than 18 months after the date of enactment of this Act, the Secretary, in consultation with the States, Indian tribes, and Federal agencies, and after requesting information from the provinces and the federal government of Canada, shall—

(i) compile the inventories of information;

(ii) analyze the information for consistency and gaps; and

(iii) submit to Congress, the International Joint Commission, and the Great Lakes States a report that includes recommendations on ways to improve the information base on the biohydrological dynamics of the Great Lakes ecosystem as a whole, so as to support environmentally sound decisions regarding diversions and consumptive uses of Great Lakes water.

(B) RECOMMENDATIONS.—The recommendations in the report under subparagraph (A) shall include recommendations relating to the resources and funds necessary for implementing improvement of the information base.

(C) CONSIDERATIONS.—In developing the report under subparagraph (A), the Secretary, in cooperation with the Secretary of State, the Secretary of Transportation, and other relevant agencies as appropriate, shall consider and report on the status of the issues described and recommendations made in—

(i) the Report of the International Joint Commission to the Governments of the United States and Canada under the 1977 reference issued in 1985; and

(ii) the 1993 Report of the International Joint Commission to the Governments of Canada and the United States on Methods of Alleviating Adverse Consequences of Fluctuating Water Levels in the Great Lakes St. Lawrence Basin.

(c) GREAT LAKES RECREATIONAL BOATING.—Not later than 18 months after the date of enactment of this Act, the Secretary shall,

using information and studies in existence on the date of enactment of this Act to the maximum extent practicable, and in cooperation with the Great Lakes States, submit to Congress a report detailing the economic benefits of recreational boating in the Great Lakes basin, particularly at harbors benefiting from operation and maintenance projects of the Corps of Engineers.

(d) COOPERATION.—In undertaking activities under this section, the Secretary shall—

(1) encourage public participation; and

(2) cooperate, and, as appropriate, collaborate, with Great Lakes States, tribal governments, and Canadian federal, provincial, tribal governments.

(e) WATER USE ACTIVITIES AND POLICIES.—The Secretary may provide technical assistance to the Great Lakes States to develop interstate guidelines to improve the consistency and efficiency of State-level water use activities and policies in the Great Lakes basin.

(f) COST SHARING.—The Secretary may seek and accept funds from non-Federal entities to be used to pay up to 25 percent of the cost of carrying out subsections (b), (c), (d), and (e).

SEC. 224. PROJECTS FOR IMPROVEMENT OF THE ENVIRONMENT.

Section 1135(c) of the Water Resources Development Act of 1986 (33 U.S.C. 2309a(c)) is amended—

(1) by striking ''The Secretary'' and inserting the following:

''(1) IN GENERAL.—The Secretary''; and

(2) by adding at the end the following:

''(2) CONTROL OF SEA LAMPREY.—Congress finds that—

''(A) the Great Lakes navigation system has been instrumental in the spread of sea lamprey and the associated impacts to its fishery; and

''(B) the use of the authority under this subsection for control of sea lamprey at any Great Lakes basin location is appropriate.''.

SEC. 225. WATER QUALITY, ENVIRONMENTAL QUALITY, RECREATION, FISH AND WILDLIFE, FLOOD CONTROL, AND NAVIGATION.

(a) IN GENERAL.—The Secretary may investigate, study, evaluate, and report on—

(1) water quality, environmental quality, recreation, fish and wildlife, flood control, and navigation in the western Lake Erie watershed, including the watersheds of the Maumee River, Ottawa River, and Portage River in the States of Indiana, Ohio, and Michigan; and

(2) measures to improve water quality, environmental quality, recreation, fish and wildlife, flood control, and navigation in the western Lake Erie basin.

(b) COOPERATION.—In carrying out studies and investigations under subsection (a), the Secretary shall cooperate with Federal, State, and local agencies and nongovernmental organizations to ensure full consideration of all views and requirements of all interrelated programs that those agencies may develop independently or in coordination with the Corps of Engineers.

SEC. 226. IRRIGATION DIVERSION PROTECTION AND FISHERIES ENHANCEMENT ASSISTANCE.

The Secretary may provide technical planning and design assistance to non-Federal interests and may conduct other site-specific studies to formulate and evaluate fish screens, fish passages devices, and other measures to decrease the incidence of juvenile and adult fish inadvertently entering into irrigation systems. Measures shall be developed in cooperation with Federal and State resource agencies and not impair the continued withdrawal of water for irrigation purposes. In providing such assistance priority shall be given based on the objectives of the Endangered Species Act, cost-effectiveness, and the potential for reducing fish mortality. Non-Federal interests shall agree by contract to contribute 50 percent of the cost of such assistance. Not more than one-half of such non-Federal contribution may be made by the provision of services, materials, supplies, or other in-kind services. No construction activities are authorized by this section. Not later than 2 years after the date of enactment of this section, the Secretary shall report to Congress on fish mortality caused by irrigation water intake devices, appropriate measures to reduce mortality, the extent to which such measures are currently being employed in the arid States, the construction costs associated with such measures, and the appropriate Federal role, if any, to encourage the use of such measures.

SEC. 227. SMALL STORM DAMAGE REDUCTION PROJECTS.

Section 3 of the Act of August 13, 1946 (33 U.S.C. 426g), is amended by striking ''$2,000,000'' and inserting ''$3,000,000''.

SEC. 228. SHORE DAMAGE PREVENTION OR MITIGATION.

Section 111 of the River and Harbor Act of 1968 (33 U.S.C. 426(i)) is amended—

(1) in the first sentence, by striking ''The Secretary'' and inserting ''(a) IN GENERAL.—The Secretary'';

(2) in the second sentence, by striking ''The costs'' and inserting the following:

''(b) COST SHARING.—The costs'';

(3) in the third sentence—

(A) by striking ''No such'' and inserting the following:

''(c) REQUIREMENT FOR SPECIFIC AUTHORIZATION.—No such''; and

(B) by striking ''$2,000,000'' and inserting ''$5,000,000''; and

(4) by adding at the end the following:

''(d) COORDINATION.—The Secretary shall—

''(1) coordinate the implementation of the measures under this section with other Federal and non-Federal shore protection projects in the same geographic area; and

''(2) to the extent practicable, combine mitigation projects with other shore protection projects in the same area into a comprehensive regional project.''.

SEC. 229. ATLANTIC COAST OF NEW YORK.

Section 404(c) of the Water Resources Development Act of 1992 (106 Stat. 4863) is amended by inserting after ''1997'' the following: ''and an additional total of $2,500,000 for fiscal years thereafter''.

SEC. 230. ACCELERATED ADOPTION OF INNOVATIVE TECHNOLOGIES FOR CONTAMINATED SEDIMENTS.

Section 8 of the Water Resources Development Act of 1988 (33 U.S.C. 2314) is amended—

(1) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

(2) by inserting after subsection (a) the following:

''(b) ACCELERATED ADOPTION OF INNOVATIVE TECHNOLOGIES FOR MANAGEMENT OF CONTAMINATED SEDIMENTS.—

''(1) TEST PROJECTS.—The Secretary shall approve an appropriate number of projects to test, under actual field conditions, innovative technologies for environmentally sound management of contaminated sediments.

''(2) DEMONSTRATION PROJECTS.—The Secretary may approve an appropriate number of projects to demonstrate innovative technologies that have been pilot tested under paragraph (1).

''(3) CONDUCT OF PROJECTS.—Each pilot project under paragraph (1) and demonstration project under paragraph (2) shall be conducted by a university with proven expertise in the research and development of contaminated sediment treatment technologies and innovative applications using waste materials.''.

SEC. 231. MISSISSIPPI RIVER COMMISSION.

Notwithstanding any other provision of law, a member of the Mississippi River Commission (other than the president of the Commission) shall receive annual pay of $21,500.

SEC. 232. USE OF PRIVATE ENTERPRISES.

(a) INVENTORY AND REVIEW.—The Secretary shall inventory and review all activities of the Corps of Engineers that are not inherently governmental in nature in accordance with the Federal Activities Inventory Reform Act of 1998 (31 U.S.C. 501 note; Public Law 105–270).

(b) CONSIDERATIONS.—In determining whether to commit to private enterprise the performance of architectural or engineering services (including surveying and mapping services), the Secretary shall take into consideration professional qualifications as well as cost.

TITLE III—PROJECT-RELATED PROVISIONS

SEC. 301. DREDGING OF SALT PONDS IN THE STATE OF RHODE ISLAND.

The Secretary may acquire for the State of Rhode Island a dredge and associated equipment with the capacity to dredge approximately 100 cubic yards per hour for use by the State in dredging salt ponds in the State.

SEC. 302. UPPER SUSQUEHANNA RIVER BASIN, PENNSYLVANIA AND NEW YORK.

Section 567(a) of the Water Resources Development Act of 1996 (110 Stat. 3787) is amended by adding at the end the following:

''(3) The Chemung River watershed, New York, at an estimated Federal cost of $5,000,000.''.

SEC. 303. SMALL FLOOD CONTROL PROJECTS.

Section 102 of the Water Resources Development Act of 1996 (110 Stat. 3668) is amended—

(1) by redesignating paragraphs (15) through (22) as paragraphs (16) through (23), respectively;

(2) by inserting after paragraph (14) the following:

''(15) REPAUPO CREEK AND DELAWARE RIVER, GLOUCESTER COUNTY, NEW JERSEY.—Project for tidegate and levee improvements for Repaupo Creek and the Delaware River, Gloucester County, New Jersey.''; and

(3) by adding at the end the following:

''(24) IRONDEQUOIT CREEK, NEW YORK.—Project for flood control, Irondequoit Creek watershed, New York.

''(25) TIOGA COUNTY, PENNSYLVANIA.—Project for flood control, Tioga River and Cowanesque River and their tributaries, Tioga County, Pennsylvania.''.

SEC. 304. SMALL NAVIGATION PROJECTS.

Section 104 of the Water Resources Development Act of 1996 (110 Stat. 3669) is amended—

(1) by redesignating paragraphs (9) through (12) as paragraphs (11) through (14), respectively; and

(2) by inserting after paragraph (8) the following:

''(9) FORTESCUE INLET, DELAWARE BAY, NEW JERSEY.—Project for navigation for Fortescue Inlet, Delaware Bay, New Jersey.

''(10) BRADDOCK BAY, GREECE, NEW YORK.—Project for navigation, Braddock Bay, Greece, New York.''.

SEC. 305. STREAMBANK PROTECTION PROJECTS.

(a) ARCTIC OCEAN, BARROW, ALASKA.—The Secretary shall evaluate and, if justified under section 14 of the Flood Control Act of 1946 (33 U.S.C. 701r), carry out storm damage reduction and coastal erosion measures at the town of Barrow, Alaska.

(b) SAGINAW RIVER, BAY CITY, MICHIGAN.—The Secretary may construct appropriate control structures in areas along the Saginaw River in the city of Bay City, Michigan,

under authority of section 14 of the Flood Control Act of 1946 (33 Stat. 701r).

(c) YELLOWSTONE RIVER, BILLINGS, MONTANA.—The streambank protection project at Coulson Park, along the Yellowstone River, Billings, Montana, shall be eligible for assistance under section 14 of the Flood Control Act of 1946 (33 U.S.C. 701r).

(d) MONONGAHELA RIVER, POINT MARION, PENNSYLVANIA.—The Secretary shall evaluate and, if justified under section 14 of the Flood Control Act of 1946 (33 U.S.C. 701r), carry out streambank erosion control measures along the Monongahela River at the borough of Point Marion, Pennsylvania.

SEC. 306. AQUATIC ECOSYSTEM RESTORATION, SPRINGFIELD, OREGON.

Under section 206 of the Water Resources Development Act of 1996 (33 U.S.C. 2330), the Secretary shall conduct measures to address water quality, water flows, and fish habitat restoration in the historic Springfield, Oregon, millrace through the reconfiguration of the existing millpond, if the Secretary determines that harmful impacts have occurred as the result of a previously constructed flood control project by the Corps of Engineers.

SEC. 307. GUILFORD AND NEW HAVEN, CONNECTICUT.

The Secretary shall expeditiously complete the activities authorized under section 346 of the Water Resources Development Act of 1992 (106 Stat. 4858), including activities associated with Sluice Creek in Guilford, Connecticut, and Lighthouse Point Park in New Haven, Connecticut.

SEC. 308. FRANCIS BLAND FLOODWAY DITCH.

(a) REDESIGNATION.—The project for flood control, Eight Mile Creek, Paragould, Arkansas, authorized by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4112) and known as ''Eight Mile Creek, Paragould, Arkansas'', shall be known and designated as the ''Francis Bland Floodway Ditch''.

(b) LEGAL REFERENCES.—Any reference in any law, map, regulation, document, paper, or other record of the United States to the project and creek referred to in subsection (a) shall be deemed to be a reference to the Francis Bland Floodway Ditch.

SEC. 309. CALOOSAHATCHEE RIVER BASIN, FLORIDA.

Section 528(e)(4) of the Water Resources Development Act of 1996 (110 Stat. 3770) is amended in the first sentence by inserting before the period at the end the following: '', including potential land acquisition in the Caloosahatchee River basin or other areas''.

SEC. 310. CUMBERLAND, MARYLAND, FLOOD PROJECT MITIGATION.

(a) IN GENERAL.—The project for flood control and other purposes, Cumberland, Maryland, authorized by section 5 of the Act of June 22, 1936 (commonly known as the ''Flood Control Act of 1936'') (49 Stat. 1574, chapter 688), is modified to authorize the Secretary to undertake, as a separate part of the project, restoration of the historic Chesapeake and Ohio Canal substantially in accordance with the Chesapeake and Ohio Canal National Historic Park, Cumberland, Maryland, Rewatering Design Analysis, dated February 1998, at a total cost of $15,000,000, with an estimated Federal cost of $9,750,000 and an estimated non-Federal cost of $5,250,000.

(b) IN-KIND SERVICES.—The non-Federal interest for the restoration project under subsection (a)—

(1) may provide all or a portion of the non-Federal share of project costs in the form of in-kind services; and

(2) shall receive credit toward the non-Federal share of project costs for design and construction work performed by the non-Federal interest before execution of a project cooperation agreement and for land, easements, and rights-of-way required for the restoration and acquired by the non-Federal interest before execution of such an agreement.

(c) OPERATION AND MAINTENANCE.—The operation and maintenance of the restoration project under subsection (a) shall be the full responsibility of the National Park Service.

SEC. 311. CITY OF MIAMI BEACH, FLORIDA.

Section 5(b)(3)(C)(i) of the Act of August 13, 1946 (33 U.S.C. 426h), is amended by inserting before the semicolon the following: '', including the city of Miami Beach, Florida''.

SEC. 312. SARDIS RESERVOIR, OKLAHOMA.

(a) IN GENERAL.—The Secretary shall accept from the State of Oklahoma or an agent of the State an amount, as determined under subsection (b), as prepayment of 100 percent of the water supply cost obligation of the State under Contract No. DACW56–74–JC–0314 for water supply storage at Sardis Reservoir, Oklahoma.

(b) DETERMINATION OF AMOUNT.—The amount to be paid by the State of Oklahoma under subsection (a) shall be subject to adjustment in accordance with accepted discount purchase methods for Government properties as determined by an independent accounting firm designated by the Director of the Office of Management and Budget.

(c) EFFECT.—Nothing in this section shall otherwise affect any of the rights or obligations of the parties to the contract referred to in subsection (a).

SEC. 313. UPPER MISSISSIPPI RIVER AND ILLINOIS WATERWAY SYSTEM NAVIGATION MODERNIZATION.

(a) FINDINGS.—Congress finds that—

(1) exports are necessary to ensure job creation and an improved standard of living for the people of the United States;

(2) the ability of producers of goods in the United States to compete in the international marketplace depends on a modern and efficient transportation network;

(3) a modern and efficient waterway system is a transportation option necessary to provide United States shippers a safe, reliable, and competitive means to win foreign markets in an increasingly competitive international marketplace;

(4) the need to modernize is heightened because the United States is at risk of losing its competitive edge as a result of the priority that foreign competitors are placing on modernizing their own waterway systems;

(5) growing export demand projected over the coming decades will force greater demands on the waterway system of the United States and increase the cost to the economy if the system proves inadequate to satisfy growing export opportunities;

(6) the locks and dams on the upper Mississippi River and Illinois River waterway system were built in the 1930s and have some of the highest average delays to commercial tows in the country;

(7) inland barges carry freight at the lowest unit cost while offering an alternative to truck and rail transportation that is environmentally sound, is energy efficient, is safe, causes little congestion, produces little air or noise pollution, and has minimal social impact; and

(8) it should be the policy of the Corps of Engineers to pursue aggressively modernization of the waterway system authorized by Congress to promote the relative competitive position of the United States in the international marketplace.

(b) PRECONSTRUCTION ENGINEERING AND DESIGN.—In accordance with the Upper Mississippi River-Illinois Waterway System Navigation Study, the Secretary shall proceed immediately to prepare engineering design, plans, and specifications for extension of locks 20, 21, 22, 24, 25 on the Mississippi River and the LaGrange and Peoria Locks on the Illinois River, to provide lock chambers 110 feet in width and 1,200 feet in length, so that construction can proceed immediately upon completion of studies and authorization of projects by Congress.

SEC. 314. UPPER MISSISSIPPI RIVER MANAGEMENT.

Section 1103 of the Water Resources Development Act of 1986 (33 U.S.C. 652) is amended—

(1) in subsection (e)—

(A) by striking ''(e)'' and all that follows through the end of paragraph (2) and inserting the following:

''(e) UNDERTAKINGS.—

''(1) IN GENERAL.—

''(A) AUTHORITY.—The Secretary, in consultation with the Secretary of the Interior and the States of Illinois, Iowa, Minnesota, Missouri, and Wisconsin, is authorized to undertake—

''(i) a program for the planning, construction, and evaluation of measures for fish and wildlife habitat rehabilitation and enhancement; and

''(ii) implementation of a program of long-term resource monitoring, computerized data inventory and analysis, and applied research.

''(B) REQUIREMENTS FOR PROJECTS.—Each project carried out under subparagraph (A)(i) shall—

''(i) to the maximum extent practicable, simulate natural river processes;

''(ii) include an outreach and education component; and

''(iii) on completion of the assessment under subparagraph (D), address identified habitat and natural resource needs.

''(C) ADVISORY COMMITTEE.—In carrying out subparagraph (A), the Secretary shall create an independent technical advisory committee to review projects, monitoring plans, and habitat and natural resource needs assessments.

''(D) HABITAT AND NATURAL RESOURCE NEEDS ASSESSMENT.—

''(i) AUTHORITY.—The Secretary is authorized to undertake a systemic, river reach, and pool scale assessment of habitat and natural resource needs to serve as a blueprint to guide habitat rehabilitation and long-term resource monitoring.

''(ii) DATA.—The habitat and natural resource needs assessment shall, to the maximum extent practicable, use data in existence at the time of the assessment.

''(iii) TIMING.—The Secretary shall complete a habitat and natural resource needs assessment not later than 3 years after the date of enactment of this subparagraph.

''(2) REPORTS.—On December 31, 2005, in consultation with the Secretary of the Interior and the States of Illinois, Iowa, Minnesota, Missouri, and Wisconsin, the Secretary shall prepare and submit to Congress a report that—

''(A) contains an evaluation of the programs described in paragraph (1);

''(B) describes the accomplishments of each program;

''(C) includes results of a habitat and natural resource needs assessment; and

''(D) identifies any needed adjustments in the authorization under paragraph (1) or the authorized appropriations under paragraphs (3), (4), and (5).'';

(B) in paragraph (3)—

(i) by striking ''paragraph (1)(A)'' and inserting ''paragraph (1)(A)(i)''; and

(ii) by striking ''Secretary not to exceed'' and all that follows and inserting ''Secretary not to exceed $22,750,000 for each of fiscal years 1999 through 2009.'';

(C) in paragraph (4)—

(i) by striking ''paragraph (1)(B)'' and inserting ''paragraph (1)(A)(ii)''; and

(ii) by striking ''$7,680,000'' and all that follows and inserting ''$10,420,000 for each of fiscal years 1999 through 2009.'';

(D) by striking paragraphs (5) and (6) and inserting the following:

''(5) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out paragraph (1)(C) not to exceed $350,000 for each of fiscal years 1999 through 2009.

''(6) TRANSFER OF AMOUNTS.—

''(A) IN GENERAL.—For each fiscal year beginning after September 30, 1992, the Secretary, in consultation with the Secretary of the Interior and the States of Illinois, Iowa, Minnesota, Missouri, and Wisconsin, may transfer appropriated amounts between the programs under clauses (i) and (ii) of paragraph (1)(A) and paragraph (1)(C).

''(B) APPORTIONMENT OF COSTS.—In carrying out paragraph (1)(D), the Secretary may apportion the costs between the programs authorized by paragraph (1)(A) in amounts that are proportionate to the amounts authorized to be appropriated to carry out those programs, respectively.''; and

(E) in paragraph (7)—

(i) in subparagraph (A)—

(I) by inserting ''(i)'' after ''paragraph (1)(A)''; and

(II) by inserting before the period at the end the following: ''and, in the case of any project requiring non-Federal cost sharing, the non-Federal share of the cost of the project shall be 35 percent''; and

(ii) in subparagraph (B), by striking ''paragraphs (1)(B) and (1)(C) of this subsection'' and inserting ''paragraph (1)(A)(ii)'';

(2) in subsection (f)(2)—

(A) in subparagraph (A), by striking ''(A)''; and

(B) by striking subparagraph (B); and

(3) by adding at the end the following:

''(k) ST. LOUIS AREA URBAN WILDLIFE HABITAT.—The Secretary shall investigate and, if appropriate, carry out restoration of urban wildlife habitat, with a special emphasis on the establishment of greenways in the St. Louis, Missouri, area and surrounding communities.''.

SEC. 315. RESEARCH AND DEVELOPMENT PROGRAM FOR COLUMBIA AND SNAKE RIVERS SALMON SURVIVAL.

Section 511 of the Water Resources Development Act of 1996 (16 U.S.C. 3301 note; Public Law 104–303) is amended by striking subsection (a) and all that follows and inserting the following:

''(a) SALMON SURVIVAL ACTIVITIES.—

''(1) IN GENERAL.—In conjunction with the Secretary of Commerce and Secretary of the Interior, the Secretary shall accelerate ongoing research and development activities, and may carry out or participate in additional research and development activities, for the purpose of developing innovative methods and technologies for improving the survival of salmon, especially salmon in the Columbia/Snake River Basin.

''(2) ACCELERATED ACTIVITIES.—Accelerated research and development activities referred to in paragraph (1) may include research and development related to—

''(A) impacts from water resources projects and other impacts on salmon life cycles;

''(B) juvenile and adult salmon passage;

''(C) light and sound guidance systems;

''(D) surface-oriented collector systems;

''(E) transportation mechanisms; and

''(F) dissolved gas monitoring and abatement.

''(3) ADDITIONAL ACTIVITIES.—Additional research and development activities referred to in paragraph (1) may include research and development related to—

''(A) studies of juvenile salmon survival in spawning and rearing areas;

''(B) estuary and near-ocean juvenile and adult salmon survival;

''(C) impacts on salmon life cycles from sources other than water resources projects;

''(D) cryopreservation of fish gametes and formation of a germ plasm repository for threatened and endangered populations of native fish; and

''(E) other innovative technologies and actions intended to improve fish survival, including the survival of resident fish.

''(4) COORDINATION.—The Secretary shall coordinate any activities carried out under this subsection with appropriate Federal, State, and local agencies, affected Indian tribes, and the Northwest Power Planning Council.

''(5) REPORT.—Not later than 3 years after the date of enactment of this section, the Secretary shall submit to Congress a report on the research and development activities carried out under this subsection, including any recommendations of the Secretary concerning the research and development activities.

''(6) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $10,000,000 to carry out research and development activities under paragraph (3).

''(b) ADVANCED TURBINE DEVELOPMENT.—

''(1) IN GENERAL.—In conjunction with the Secretary of Energy, the Secretary shall accelerate efforts toward developing and installing in Corps of Engineers-operated dams innovative, efficient, and environmentally safe hydropower turbines, including design of fish-friendly turbines, for use on the Columbia/Snake River hydrosystem.

''(2) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $35,000,000 to carry out this subsection.

''(c) MANAGEMENT OF PREDATION ON COLUMBIA/SNAKE RIVER SYSTEM NATIVE FISHES.—

''(1) NESTING AVIAN PREDATORS.—In conjunction with the Secretary of Commerce and the Secretary of the Interior, and consistent with a management plan to be developed by the United States Fish and Wildlife Service, the Secretary shall carry out methods to reduce nesting populations of avian predators on dredge spoil islands in the Columbia River under the jurisdiction of the Secretary.

''(2) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $1,000,000 to carry out research and development activities under this subsection.

''(d) IMPLEMENTATION.—Nothing in this section affects the authority of the Secretary to implement the results of the research and development carried out under this section or any other law.''.

SEC. 316. NINE MILE RUN HABITAT RESTORATION, PENNSYLVANIA.

If the Secretary determines that the documentation is integral to the project, the Secretary shall credit against the non-Federal share such costs, not to exceed $1,000,000, as are incurred by the non-Federal interests in preparing the environmental restoration report, planning and design-phase scientific and engineering technical services documentation, and other preconstruction documentation for the habitat restoration project, Nine Mile Run, Pennsylvania.

SEC. 317. LARKSPUR FERRY CHANNEL, CALIFORNIA.

The Secretary shall work with the Secretary of Transportation on a proposed solution to carry out the project to maintain the Larkspur Ferry Channel, Larkspur, California, authorized by section 601(d) of the Water Resources Development Act of 1986 (100 Stat. 4148).

SEC. 318. COMPREHENSIVE FLOOD IMPACT-RESPONSE MODELING SYSTEM.

(a) IN GENERAL.—The Secretary may study and implement a Comprehensive Flood Impact-Response Modeling System for the Coralville Reservoir and the Iowa River watershed, Iowa.

(b) STUDY.—The study shall include—

(1) an evaluation of the combined hydrologic, geomorphic, environmental, economic, social, and recreational impacts of operating strategies within the watershed;

(2) creation of an integrated, dynamic flood impact model; and

(3) the development of a rapid response system to be used during flood and emergency situations.

(c) REPORT TO CONGRESS.—Not later than 5 years after the date of enactment of this Act, the Secretary shall transmit a report to Congress on the results of the study and modeling system and such recommendations as the Secretary determines to be appropriate.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated a total of $2,250,000 to carry out this section.

SEC. 319. STUDY REGARDING INNOVATIVE FINANCING FOR SMALL AND MEDIUM-SIZED PORTS.

(a) STUDY.—The Comptroller General of the United States shall conduct a study and analysis of various alternatives for innovative financing of future construction, operation, and maintenance of projects in small and medium-sized ports.

(b) REPORT.—Not later than 270 days after the date of enactment of this Act, the Comptroller General shall submit to the Committee on Environment and Public Works of the Senate and Committee on Transportation and Infrastructure of the House of Representatives and the results of the study and any related legislative recommendations for consideration by Congress.

SEC. 320. CANDY LAKE PROJECT, OSAGE COUNTY, OKLAHOMA.

(a) DEFINITIONS.—In this section:

(1) FAIR MARKET VALUE.—The term ''fair market value'' means the amount for which a willing buyer would purchase and a willing seller would sell a parcel of land, as determined by a qualified, independent land appraiser.

(2) PREVIOUS OWNER OF LAND.—The term ''previous owner of land'' means a person (including a corporation) that conveyed, or a descendant of a deceased individual who conveyed, land to the Corps of Engineers for use in the Candy Lake project in Osage County, Oklahoma.

(3) SECRETARY.—The term ''Secretary'' means the Secretary of the Army.

(b) LAND CONVEYANCES.—

(1) IN GENERAL.—The Secretary shall convey, in accordance with this section, all right, title, and interest of the United States in and to the land acquired by the United States for the Candy Lake project in Osage County, Oklahoma.

(2) PREVIOUS OWNERS OF LAND.—

(A) IN GENERAL.—The Secretary shall give a previous owner of land first option to purchase the land described in paragraph (1).

(B) APPLICATION.—

(i) IN GENERAL.—A previous owner of land that desires to purchase the land described in paragraph (1) that was owned by the previous owner of land, or by the individual from whom the previous owner of land is descended, shall file an application to purchase the land with the Secretary not later than 180 days after the official date of notice to the previous owner of land under subsection (c).

(ii) FIRST TO FILE HAS FIRST OPTION.—If more than 1 application is filed for a parcel of land described in paragraph (1), first options to purchase the parcel of land shall be

allotted in the order in which applications for the parcel of land were filed.

(C) IDENTIFICATION OF PREVIOUS OWNERS OF LAND.—As soon as practicable after the date of enactment of this Act, the Secretary shall, to the extent practicable, identify each previous owner of land.

(D) CONSIDERATION.—Consideration for land conveyed under this subsection shall be the fair market value of the land.

(3) DISPOSAL.—Any land described in paragraph (1) for which an application has not been filed under paragraph (2)(B) within the applicable time period shall be disposed of in accordance with law.

(4) EXTINGUISHMENT OF EASEMENTS.—All flowage easements acquired by the United States for use in the Candy Lake project in Osage County, Oklahoma, are extinguished.

(c) NOTICE.—

(1) IN GENERAL.—The Secretary shall notify—

(A) each person identified as a previous owner of land under subsection (b)(2)(C), not later than 90 days after identification, by United States mail; and

(B) the general public, not later than 90 days after the date of enactment of this Act, by publication in the Federal Register.

(2) CONTENTS OF NOTICE.—Notice under this subsection shall include—

(A) a copy of this section;

(B) information sufficient to separately identify each parcel of land subject to this section; and

(C) specification of the fair market value of each parcel of land subject to this section.

(3) OFFICIAL DATE OF NOTICE.—The official date of notice under this subsection shall be the later of—

(A) the date on which actual notice is mailed; or

(B) the date of publication of the notice in the Federal Register.

SEC. 321. SALCHA RIVER AND PILEDRIVER SLOUGH, FAIRBANKS, ALASKA.

The Secretary shall evaluate and, if justified under section 205 of the Flood Control Act of 1948 (33 U.S.C. 701s), carry out flood damage reduction measures along the lower Salcha River and on Piledriver Slough, from its headwaters at the mouth of the Salcha River to the Chena Lakes Flood Control Project, in the vicinity of Fairbanks, Alaska, to protect against surface water flooding.

SEC. 322. EYAK RIVER, CORDOVA, ALASKA.

The Secretary shall evaluate and, if justified under section 205 of the Flood Control Act of 1948 (33 U.S.C. 701s), carry out flood damage reduction measures along the Eyak River at the town of Cordova, Alaska.

SEC. 323. NORTH PADRE ISLAND STORM DAMAGE REDUCTION AND ENVIRONMENTAL RESTORATION PROJECT.

The Secretary shall carry out a project for ecosystem restoration and storm damage reduction at North Padre Island, Corpus Christi Bay, Texas, at a total estimated cost of $30,000,000, with an estimated Federal cost of $19,500,000 and an estimated non-Federal cost of $10,500,000, if the Secretary finds that the work is technically sound, environmentally acceptable, and economically justified. The Secretary shall make such a finding not later than 270 days after the date of enactment of this Act.

SEC. 324. KANOPOLIS LAKE, KANSAS.

(a) WATER SUPPLY.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary, in cooperation with the State of Kansas or another non-Federal interest, shall complete a water supply reallocation study at the project for flood control, Kanopolis Lake, Kansas, as a basis on which the Secretary shall enter into negotiations with the State of Kansas or another non-Federal interest for the terms and conditions of a reallocation of the water supply.

(2) OPTIONS.—The negotiations for storage reallocation shall include the following options for evaluation by all parties:

(A) Financial terms of storage reallocation.

(B) Protection of future Federal water releases from Kanopolis Dam, consistent with State water law, to ensure that the benefits expected from releases are provided.

(C) Potential establishment of a water assurance district consistent with other such districts established by the State of Kansas.

(D) Protection of existing project purposes at Kanopolis Dam to include flood control, recreation, and fish and wildlife.

(b) IN-KIND CREDIT.—

(1) IN GENERAL.—The Secretary may negotiate a credit for a portion of the financial repayment to the Federal Government for work performed by the State of Kansas, or another non-Federal interest, on land adjacent or in close proximity to the project, if the work provides a benefit to the project.

(2) WORK INCLUDED.—The work for which credit may be granted may include watershed protection and enhancement, including wetland construction and ecosystem restoration.

SEC. 325. NEW YORK CITY WATERSHED.

Section 552(d) of the Water Resources Development Act of 1996 (110 Stat. 3780) is amended by striking ''for the project to be carried out with such assistance'' and inserting '', or a public entity designated by the State director, to carry out the project with such assistance, subject to the project's meeting the certification requirement of subsection (c)(1)''.

SEC. 326. CITY OF CHARLEVOIX REIMBURSEMENT, MICHIGAN.

The Secretary shall review and, if consistent with authorized project purposes, reimburse the city of Charlevoix, Michigan, for the Federal share of costs associated with construction of the new revetment connection to the Federal navigation project at Charlevoix Harbor, Michigan.

SEC. 327. HAMILTON DAM FLOOD CONTROL PROJECT, MICHIGAN.

The Secretary may construct the Hamilton Dam flood control project, Michigan, under authority of section 205 of the Flood Control Act of 1948 (33 U.S.C. 701s).

SEC. 328. HOLES CREEK FLOOD CONTROL PROJECT, OHIO.

(a) IN GENERAL.—Notwithstanding any other provision of law, the non-Federal share of project costs for the project for flood control, Holes Creek, Ohio, shall not exceed the sum of—

(1) the total amount projected as the non-Federal share as of September 30, 1996, in the Project Cooperation Agreement executed on that date; and

(2) 100 percent of the amount of any increases in the cost of the locally preferred plan over the cost estimated in the Project Cooperation Agreement.

(b) REIMBURSEMENT.—The Secretary shall reimburse the non-Federal interest any amount paid by the non-Federal interest in excess of the non-Federal share.

SEC. 329. OVERFLOW MANAGEMENT FACILITY, RHODE ISLAND.

Section 585(a) of the Water Resources Development Act of 1996 (110 Stat. 3791) is amended by striking ''river'' and inserting ''sewer''.

SEC. 330. ANACOSTIA RIVER AQUATIC ECOSYSTEM RESTORATION, DISTRICT OF COLUMBIA AND MARYLAND.

The Secretary may use the balance of funds appropriated for the improvement of the environment as part of the Anacostia River Flood Control and Navigation Project under section 1135 of the Water Resources Development Act of 1986 (33 U.S.C. 2309a) to construct aquatic ecosystem restoration projects in the Anacostia River watershed under section 206 of the Water Resources Development Act of 1996 (33 U.S.C. 2330).

SEC. 331. EVERGLADES AND SOUTH FLORIDA ECOSYSTEM RESTORATION.

Subparagraphs (B) and (C)(i) of section 528(b)(3) of the Water Resources Development Act of 1996 (110 Stat. 3769) are amended by striking ''1999'' and inserting ''2003''.

SEC. 332. PINE FLAT DAM, KINGS RIVER, CALIFORNIA.

Under the authority of section 1135(a) of the Water Resources Development Act of 1986 (33 U.S.C. 2309a), the Secretary shall carry out a project to construct a turbine bypass at Pine Flat Dam, Kings River, California, in accordance with the Project Modification Report and Environmental Assessment dated September 1996.

SEC. 333. LEVEES IN ELBA AND GENEVA, ALABAMA.

(a) ELBA, ALABAMA.—

(1) IN GENERAL.—The Secretary may repair and rehabilitate a levee in the city of Elba, Alabama, at a total cost of $12,900,000.

(2) COST SHARING.—The non-Federal share of the cost of repair and rehabilitation under paragraph (1) shall be 35 percent.

(b) GENEVA, ALABAMA.—

(1) IN GENERAL.—The Secretary may repair and rehabilitate a levee in the city of Geneva, Alabama, at a total cost of $16,600,000.

(2) COST SHARING.—The non-Federal share of the cost of repair and rehabilitation under paragraph (1) shall be 35 percent.

SEC. 334. TORONTO LAKE AND EL DORADO LAKE, KANSAS.

(a) IN GENERAL.—The Secretary shall convey to the State of Kansas, by quitclaim deed and without consideration, all right, title, and interest of the United States in and to the 2 parcels of land described in subsection (b) on which correctional facilities operated by the Kansas Department of Corrections are situated.

(b) LAND DESCRIPTION.—The parcels of land referred to in subsection (a) are—

(1) the parcel located in Butler County, Kansas, adjacent to the El Dorado Lake Project, consisting of approximately 32.98 acres; and

(2) the parcel located in Woodson County, Kansas, adjacent to the Toronto Lake Project, consisting of approximately 51.98 acres.

(c) CONDITIONS.—

(1) USE OF LAND.—A conveyance of a parcel under subsection (a) shall be subject to the condition that all right, title, and interest in and to the parcel conveyed under subsection (a) shall revert to the United States if the parcel is used for a purpose other than that of a correctional facility.

(2) COSTS.—The Secretary may require such additional terms, conditions, reservations, and restrictions in connection with the conveyance as the Secretary determines are necessary to protect the interests of the United States, including a requirement that the State pay all reasonable administrative costs associated with the conveyance.

SEC. 335. SAN JACINTO DISPOSAL AREA, GALVESTON, TEXAS.

Section 108 of the Energy and Water Development Appropriations Act, 1994 (107 Stat. 1320), is amended in the first sentence of subsection (a) and in subsection (b)(1) by striking ''fee simple absolute title'' each place it appears and inserting ''fee simple title to the surface estate (without the right to use the surface of the property for the production of minerals)''.

SEC. 336. ENVIRONMENTAL INFRASTRUCTURE.

Section 219(e)(1) of the Water Resources Development Act of 1992 (106 Stat. 4835; 110

Stat. 3757) is amended by striking ''$10,000,000'' and inserting ''$15,000,000''.

SEC. 337. WATER MONITORING STATION.

Section 584(b) of the Water Resources Development Act of 1996 (110 Stat. 3791) is amended by striking ''$50,000'' and inserting ''$100,000''.

SEC. 338. UPPER MISSISSIPPI RIVER COMPREHENSIVE PLAN.

(a) DEVELOPMENT.—The Secretary shall develop a plan to address water and related land resources problems in the upper Mississippi River basin and the Illinois River basin, extending from Cairo, Illinois, to the headwaters of the Mississippi River, to determine the feasibility of systemic flood damage reduction by means of—

(1) structural and nonstructural flood control and floodplain management strategies;

(2) continued maintenance of the navigation project;

(3) management of bank caving, erosion, watershed nutrients and sediment, habitat, and recreation; and

(4) other related means.

(b) CONTENTS.—The plan shall contain recommendations for—

(1) management plans and actions to be carried out by Federal and non-Federal entities;

(2) construction of a systemic flood control project in accordance with a plan for the upper Mississippi River;

(3) Federal action, where appropriate; and

(4) follow-on studies for problem areas for which data or current technology does not allow immediate solutions.

(c) CONSULTATION AND USE OF EXISTING DATA.—In developing the plan, the Secretary shall—

(1) consult with appropriate State and Federal agencies; and

(2) make maximum use of—

(A) data and programs in existence on the date of enactment of this Act; and

(B) efforts of States and Federal agencies.

(d) REPORT.—Not later than 3 years after the date of enactment of this Act, the Secretary shall submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Environment and Public Works of the Senate a report that includes the plan.

SEC. 339. MCNARY LOCK AND DAM, WASHINGTON.

(a) IN GENERAL.—The Secretary may convey to a port district or a port authority—

(1) without the payment of additional consideration, any remaining right, title, and interest of the United States in property acquired for the McNary Lock and Dam, Washington, project and subsequently conveyed to the port district or a port authority under section 108 of the River and Harbor Act of 1960 (33 U.S.C. 578); and

(2) at fair market value, as determined by the Secretary, all right, title, and interest of the United States in such property under the jurisdiction of the Secretary relating to the project as the Secretary considers appropriate.

(b) CONDITIONS, RESERVATIONS, AND RESTRICTIONS.—A conveyance under subsection (a) shall be subject to—

(1) such conditions, reservations, and restrictions as the Secretary determines to be necessary for the development, maintenance, or operation or the project or otherwise in the public interest; and

(2) the payment by the port district or port authority of all administrative costs associated with the conveyance.

SEC. 340. MCNARY NATIONAL WILDLIFE REFUGE.

(a) TRANSFER OF ADMINISTRATIVE JURISDICTION.—Administrative jurisdiction over the McNary National Wildlife Refuge is transferred from the Secretary to the Secretary of the Interior.

(b) LAND EXCHANGE WITH THE PORT OF WALLA WALLA, WASHINGTON.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary of the Interior may exchange approximately 188 acres of land located south of Highway 12 and comprising a portion of the McNary National Wildlife Refuge for approximately 122 acres of land owned by the Port of Walla Walla, Washington, and located at the confluence of the Snake River and the Columbia River.

(2) TERMS AND CONDITIONS.—The land exchange under paragraph (1) shall be carried out in accordance with such terms and conditions as the Secretary of the Interior determines to be necessary to protect the interests of the United States, including a requirement that the Port pay—

(A) reasonable administrative costs (not to exceed $50,000) associated with the exchange; and

(B) any excess (as determined by the Secretary of the Interior) of the fair market value of the parcel conveyed by the Secretary of the Interior over the fair market value of the parcel conveyed by the Port.

(3) USE OF FUNDS.—The Secretary of the Interior may retain any funds received under paragraph (2)(B) and, without further Act of appropriation, may use the funds to acquire replacement habitat for the Mid-Columbia River National Wildlife Refuge Complex.

(c) MANAGEMENT.—The McNary National Wildlife Refuge and land conveyed by the Port of Walla Walla, Washington, under subsection (b) shall be managed in accordance with applicable laws, including section 120(h) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9620(h)) and the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

TITLE IV—CHEYENNE RIVER SIOUX TRIBE, LOWER BRULE SIOUX TRIBE, AND STATE OF SOUTH DAKOTA TERRESTRIAL WILDLIFE HABITAT RESTORATION

SEC. 401. CHEYENNE RIVER SIOUX TRIBE, LOWER BRULE SIOUX TRIBE, AND STATE OF SOUTH DAKOTA TERRESTRIAL WILDLIFE HABITAT RESTORATION.

(a) DEFINITIONS.—Section 601 of division C of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (112 Stat. 2681–660), is amended—

(1) by redesignating paragraphs (1), (2), and (3) as paragraphs (2), (4), and (5), respectively;

(2) by inserting before paragraph (2) (as redesignated by paragraph (1)) the following:

''(1) COMMISSION.—The term 'Commission' means the South Dakota Cultural Resources Advisory Commission established by section 605(j).''; and

(3) by inserting after paragraph (2) (as redesignated by paragraph (1)) the following:

''(3) SECRETARY.—The term 'Secretary' means the Secretary of the Army.''.

(b) TERRESTRIAL WILDLIFE HABITAT RESTORATION.—Section 602 of division C of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (112 Stat. 2681–660), is amended—

(1) in subsection (a)(4)—

(A) in subparagraph (A)(ii), by striking ''803'' and inserting ''603'';

(B) in subparagraph (B)(ii), by striking ''804'' and inserting ''604''; and

(C) in subparagraph (C)—

(i) in clause (i)(II), by striking ''803(d)(3) and 804(d)(3)'' and inserting ''603(d)(3) and 604(d)(3)''; and

(ii) in clause (ii)(II)—

(I) by striking ''803(d)(3)(A)(i)'' and inserting ''603(d)(3)(A)(i)''; and

(II) by striking ''804(d)(3)(A)(i)'' and inserting ''604(d)(3)(A)(i)'';

(2) in subsection (b)—

(A) in paragraph (1), by striking ''803(d)(3)(A)(iii)'' and inserting ''603(d)(3)(A)(ii)(III)''; and

(B) in paragraph (4)—

(i) in subparagraph (A), by striking ''803(d)(3)(A)(iii)'' and inserting ''603(d)(3)(A)(ii)(III)''; and

(ii) in subparagraph (B), by striking ''804(d)(3)(A)(iii)'' and inserting ''604(d)(3)(A)(ii)(III)''; and

(3) in subsection (c), by striking ''803 and 804'' and inserting ''603 and 604''.

(c) SOUTH DAKOTA TERRESTRIAL WILDLIFE HABITAT RESTORATION TRUST FUND.—Section 603 of division C of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (112 Stat. 2681–663), is amended—

(1) in subsection (c)—

(A) by striking ''The Secretary'' and inserting the following:

''(1) IN GENERAL.—The Secretary''; and

(B) by adding at the end the following:

''(2) INTEREST RATE.—The Secretary of the Treasury shall invest amounts in the fund in obligations that carry the highest rate of interest among available obligations of the required maturity.''; and

(2) in subsection (d)—

(A) in paragraph (2), by striking ''802(a)(4)(A)'' and inserting ''602(a)(4)(A)''; and

(B) in paragraph (3)(A)—

(i) in clause (i)—

(I) by striking ''802(a)'' and inserting ''602(a)''; and

(II) by striking ''and'' at the end; and

(ii) in clause (ii)—

(I) in subclause (III), by striking ''802(b)'' and inserting ''602(b)''; and

(II) in subclause (IV)—

(aa) by striking ''802'' and inserting ''602''; and

(bb) by striking ''and'' at the end.

(d) CHEYENNE RIVER SIOUX TRIBE AND LOWER BRULE SIOUX TRIBE TERRESTRIAL WILDLIFE HABITAT RESTORATION TRUST FUNDS.—Section 604 of division C of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (112 Stat. 2681–664), is amended—

(1) in subsection (c)—

(A) by striking ''The Secretary'' and inserting the following:

''(1) IN GENERAL.—The Secretary''; and

(B) by adding at the end the following:

''(2) INTEREST RATE.—The Secretary of the Treasury shall invest amounts in the fund in obligations that carry the highest rate of interest among available obligations of the required maturity.''; and

(2) in subsection (d)—

(A) in paragraph (2), by striking ''802(a)(4)(B)'' and inserting ''602(a)(4)(B)''; and

(B) in paragraph (3)(A)—

(i) in clause (i), by striking ''802(a)'' and inserting ''602(a)''; and

(ii) in clause (ii)—

(I) in subclause (III), by striking ''802(b)'' and inserting ''602(b)''; and

(II) in subclause (IV), by striking ''802'' and inserting ''602''.

(e) TRANSFER OF FEDERAL LAND TO STATE OF SOUTH DAKOTA.—Section 605 of division C of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (112 Stat. 2681–665), is amended—

(1) in subsection (a)(2)(B), by striking ''802'' and inserting ''602'';

(2) in subsection (c), in the mater preceding paragraph (1), by striking ''waters'' and inserting ''facilities'';

(3) in subsection (e)(2), by striking ''803'' and inserting ''603'';

(4) by striking subsection (g) and inserting the following:

''(g) HUNTING AND FISHING.—

''(1) IN GENERAL.—Except as provided in this section, nothing in this title affects jurisdiction over the waters of the Missouri River below the water's edge and outside the exterior boundaries of an Indian reservation in South Dakota.

''(2) JURISDICTION.—

''(A) TRANSFERRED LAND.—On transfer of the land under this section to the State of South Dakota, jurisdiction over the land shall be the same as that over other land owned by the State of South Dakota.

''(B) LAND BETWEEN THE MISSOURI RIVER WATER'S EDGE AND THE LEVEL OF THE EXCLUSIVE FLOOD POOL.—Jurisdiction over land between the Missouri River water's edge and the level of the exclusive flood pool outside Indian reservations in the State of South Dakota shall be the same as that exercised by the State on other land owned by the State, and that jurisdiction shall follow the fluctuations of the water's edge.

''(D) FEDERAL LAND.—Jurisdiction over land and water owned by the Federal government within the boundaries of the State of South Dakota that are not affected by this Act shall remain unchanged.

''(3) EASEMENTS AND ACCESS.—The Secretary shall provide the State of South Dakota with easements and access on land and water below the level of the exclusive flood pool outside Indian reservations in the State of South Dakota for recreational and other purposes (including for boat docks, boat ramps, and related structures), so long as the easements would not prevent the Corps of Engineers from carrying out its mission under the Act entitled ''An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes'', approved December 22, 1944 (commonly known as the 'Flood Control Act of 1944') (58 Stat. 887)).''; and

(5) by adding at the end the following:

''(i) IMPACT AID.—The land transferred under subsection (a) shall be deemed to continue to be owned by the United States for purposes of section 8002 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7702).''

(f) TRANSFER OF CORPS OF ENGINEERS LAND FOR INDIAN TRIBES.—Section 606 of division C of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (112 Stat. 2681–667), is amended—

(1) in subsection (a)(1), by inserting before the period at the end the following: ''for their use in perpetuity'';

(2) in subsection (c), in the matter preceding paragraph (1), by striking ''waters'' and inserting ''facilities'';

(3) in subsection (f), by striking paragraph (2) and inserting the following:

''(2) HUNTING AND FISHING.—

''(A) IN GENERAL.—Except as provided in this section, nothing in this title affects jurisdiction over the waters of the Missouri River below the water's edge and within the exterior boundaries of the Cheyenne River Sioux and Lower Brule Sioux Tribe reservations.

''(B) JURISDICTION.—On transfer of the land to the respective tribes under this section, jurisdiction over the land and on land between the water's edge and the level of the exclusive flood pool within the respective Tribe's reservation boundaries shall be the same as that over land held in trust by the Secretary of the Interior on the Cheyenne River Sioux Reservation and the Lower Brule Sioux Reservation, and that jurisdiction shall follow the fluctuations of the water's edge.

''(C) EASEMENTS AND ACCESS.—The Secretary shall provide the Tribes with such easements and access on land and water below the level of the exclusive flood pool inside the respective Indian reservations for recreational and other purposes (including for boat docks, boat ramps, and related structures), so long as the easements would not prevent the Corps of Engineers from carrying out its mission under the Act entitled ''An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes'', approved December 22, 1944 (commonly known as the 'Flood Control Act of 1944') (58 Stat. 887)).'';

(4) in subsection (e)(2), by striking ''804'' and inserting ''604''; and

(5) by adding at the end the following:

''(g) EXTERIOR INDIAN RESERVATION BOUNDARIES.—Notheing in this section diminishes, changes, or otherwise affects the exterior boundaries of a reservation of an Indian tribe.''.

(g) ADMINISTRATION.—Section 607(b) of division C of the Omnibus Consolidated and Energy Supplemental Appropriations Act, 1999 (112 Stat. 2681–669), is amended by striking ''land'' and inserting ''property''.

(h) STUDY.—Section 608 of division C of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (112 Stat. 2681–670), is amended—

(1) in subsection (a)—

(A) by striking ''Not late than 1 year after the date of enactment of this Act, the Secretary'' and inserting ''The Secretary'';

(B) by striking ''to conduct'' and inserting ''to complete, not later than October 31, 1999,''; and

(C) by striking ''805(b) and 806(b)'' and inserting ''605(b) and 606(b)'';

(2) in subsection (b), by striking ''805(b) or 806(b)'' and inserting ''606(b) or 606(b)''; and

(3) by adding at the end the following:

''(c) STATE WATER RIGHTS.—The results of the study shall not affect, and shall not be taken into consideration in, any proceeding to quantify the water rights of any State.

''(d) INDIAN WATER RIGHTS.—The results of the study shall not affect, and shall not be taken into consideration in, any proceeding to quantify the water rights of any Indian tribe or tribal nation.''.

(i) AUTHORIZATION OF APPROPRIATIONS.—Section 609(a) of division C of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (112 Stat. 2681–670), is amended—

(1) in paragraph (1), by striking ''and'' at the end;

(2) in paragraph (2)—

(A) by striking ''802(a)'' and inserting ''605(a)''; and

(B) by striking ''803(d)(3) and 804(d)(3).'' and inserting ''603(d)(3) and 604(d)(3); and''; and

(3) by adding at the end the following:

''(3) to fund the annual expenses (not to exceed the Federal cost as of the date of enactment of this Act) of operating recreation areas to be transferred under sections 605(c) and 606(c) or leased by the State of South Dakota or Indian tribes, until such time as the trust funds under sections 603 and 604 are fully capitalized.''.

MOTION OFFERED BY MR. BOEHLERT

Mr. BOEHLERT. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. BOEHLERT moves to strike out all after the enacting clause of the Senate bill, S. 507, and insert in lieu thereof the provisions contained in H.R. 1480 as passed by the House, as follows:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Water Resources Development Act of 1999''.

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.
Sec. 2. Secretary defined.

TITLE I—WATER RESOURCES PROJECTS

Sec. 101. Project authorizations.
Sec. 102. Small flood control projects.
Sec. 103. Small bank stabilization projects.
Sec. 104. Small navigation projects.
Sec. 105. Small projects for improvement of the environment.
Sec. 106. Small aquatic ecosystem restoration projects.

TITLE II—GENERAL PROVISIONS

Sec. 201. Small flood control authority.
Sec. 202. Use of non-Federal funds for compiling and disseminating information on floods and flood damages.
Sec. 203. Contributions by States and political subdivisions.
Sec. 204. Sediment decontamination technology.
Sec. 205. Control of aquatic plants.
Sec. 206. Use of continuing contracts required for construction of certain projects.
Sec. 207. Support of Army civil works program.
Sec. 208. Water resources development studies for the Pacific region.
Sec. 209. Everglades and south Florida ecosystem restoration.
Sec. 210. Beneficial uses of dredged material.
Sec. 211. Harbor cost sharing.
Sec. 212. Aquatic ecosystem restoration.
Sec. 213. Watershed management, restoration, and development.
Sec. 214. Flood mitigation and riverine restoration pilot program.
Sec. 215. Shoreline management program.
Sec. 216. Assistance for remediation, restoration, and reuse.
Sec. 217. Shore damage mitigation.
Sec. 218. Shore protection.
Sec. 219. Flood prevention coordination.
Sec. 220. Annual passes for recreation.
Sec. 221. Cooperative agreements for environmental and recreational measures.
Sec. 222. Nonstructural flood control projects.
Sec. 223. Lakes program.
Sec. 224. Construction of flood control projects by non-Federal interests.
Sec. 225. Enhancement of fish and wildlife resources.
Sec. 226. Sense of Congress; requirement regarding notice.
Sec. 227. Periodic beach nourishment.
Sec. 228. Environmental dredging.
Sec. 229. Wetlands mitigation.

TITLE III—PROJECT-RELATED PROVISIONS

Sec. 301. Missouri River Levee System.
Sec. 302. Ouzinkie Harbor, Alaska.
Sec. 303. Greers Ferry Lake, Arkansas.
Sec. 304. Ten- and Fifteen-Mile Bayous, Arkansas.
Sec. 305. Loggy Bayou, Red River below Denison Dam, Arkansas, Louisiana, Oklahoma, and Texas.
Sec. 306. Sacramento River, Glenn-Colusa, California.
Sec. 307. San Lorenzo River, California.
Sec. 308. Terminus Dam, Kaweah River, California.
Sec. 309. Delaware River mainstem and channel deepening, Delaware, New Jersey, and Pennsylvania.
Sec. 310. Potomac River, Washington, District of Columbia.
Sec. 311. Brevard County, Florida.
Sec. 312. Broward County and Hillsboro Inlet, Florida.
Sec. 313. Fort Pierce, Florida.
Sec. 314. Nassau County, Florida.
Sec. 315. Miami Harbor Channel, Florida.
Sec. 316. Lake Michigan, Illinois.

Sec. 317. Springfield, Illinois.
Sec. 318. Little Calumet River, Indiana.
Sec. 319. Ogden Dunes, Indiana.
Sec. 320. Saint Joseph River, South Bend, Indiana.
Sec. 321. White River, Indiana.
Sec. 322. Lake Pontchartrain, Louisiana.
Sec. 323. Larose to Golden Meadow, Louisiana.
Sec. 324. Louisiana State Penitentiary Levee, Louisiana.
Sec. 325. Twelve-mile Bayou, Caddo Parish, Louisiana.
Sec. 326. West Bank of the Mississippi River (East of Harvey Canal), Louisiana.
Sec. 327. Tolchester Channel, Baltimore Harbor and channels, Chesapeake Bay, Kent County, Maryland.
Sec. 328. Sault Sainte Marie, Chippewa County, Michigan.
Sec. 329. Jackson County, Mississippi.
Sec. 330. Tunica Lake, Mississippi.
Sec. 331. Bois Brule Drainage and Levee District, Missouri.
Sec. 332. Meramec River Basin, Valley Park Levee, Missouri.
Sec. 333. Missouri River mitigation project, Missouri, Kansas, Iowa, and Nebraska.
Sec. 334. Wood River, Grand Island, Nebraska.
Sec. 335. Absecon Island, New Jersey.
Sec. 336. New York Harbor and Adjacent Channels, Port Jersey, New Jersey
Sec. 337. Passaic River, New Jersey.
Sec. 338. Sandy Hook to Barnegat Inlet, New Jersey.
Sec. 339. Arthur Kill, New York and New Jersey.
Sec. 340. New York City watershed.
Sec. 341. New York State Canal System.
Sec. 342. Fire Island Inlet to Montauk Point, New york.
Sec. 343. Broken Bow Lake, Red River Basin, Oklahoma.
Sec. 344. Willamette River temperature control, Mckenzie Subbasin, Oregon.
Sec. 345. Aylesworth Creek Reservoir, Pennsylvania.
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Sec. 348. Mussers Dam, Pennsylvania.
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Sec. 350. Raystown Lake, Pennsylvania.
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Sec. 354. Clear Creek, Texas.
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Sec. 357. Upper Jordan River, Utah.
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Sec. 402. Upper Mississippi River comprehensive plan.
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Sec. 529. Salton Sea, California.
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Sec. 531. Point Beach, Milford, Connecticut.
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Sec. 533. Shoreline protection and environmental restoration, Lake Allatoona, Georgia.
Sec. 534. Mayo's Bar Lock and Dam, Coosa River, Rome, Georgia.
Sec. 535. Comprehensive flood impact response modeling system, Coralville Reservoir and Iowa River Watershed, Iowa.
Sec. 536. Additional construction assistance in Illinois.
Sec. 537. Kanopolis Lake, Kansas.
Sec. 538. Southern and Eastern Kentucky.
Sec. 539. Southeast Louisiana.
Sec. 540. Snug Harbor, Maryland.
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Sec. 572. Mississippi River Commission.
Sec. 573. Coastal aquatic habitat management.
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Sec. 575. Abandoned and inactive noncoal mine restoration.
Sec. 576. Beneficial use of waste tire rubber.
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Sec. 582. Detroit River, Detroit, Michigan.
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Sec. 586. Sacramento Metropolitan area watershed restoration, California.
Sec. 587. Onondaga Lake.
Sec. 588. East Lynn Lake, West Virginia.
Sec. 589. Eel River, California.
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SEC. 2. SECRETARY DEFINED.

In this Act, the term ''Secretary'' means the Secretary of the Army.

TITLE I—WATER RESOURCES PROJECTS

SEC. 101. PROJECT AUTHORIZATIONS.

(a) PROJECTS WITH CHIEF'S REPORTS.—The following projects for water resources development and conservation and other purposes are authorized to be carried out by the Secretary substantially in accordance with the plans, and subject to the conditions, described in the respective reports designated in this subsection:

(1) SAND POINT HARBOR, ALASKA.—The project for navigation, Sand Point Harbor, Alaska: Report of the Chief of Engineers dated October 13, 1998, at a total cost of $11,760,000, with an estimated Federal cost of $6,964,000 and an estimated non-Federal cost of $4,796,000.

(2) RIO SALADO, SALT RIVER, PHOENIX AND TEMPE, ARIZONA.—The project for flood control and environmental restoration, Rio Salado, Salt River, Phoenix and Tempe, Arizona: Report of the Chief of Engineers dated August 20, 1998, at a total cost of $88,048,000, with an estimated Federal cost of $56,355,000 and an estimated non-Federal cost of $31,693,000.

(3) TUCSON DRAINAGE AREA, ARIZONA.—The project for flood control, Tucson drainage area, Arizona: Report of the Chief of Engineers, dated May 20, 1998, at a total cost of $29,900,000, with an estimated Federal cost of $16,768,000 and an estimated non-Federal cost of $13,132,000.

(4) AMERICAN RIVER WATERSHED, CALIFORNIA.—

(A) IN GENERAL.—The Folsom Dam Modification portion of the Folsom Modification Plan described in the United States Army Corps of Engineers Supplemental Information Report for the American River Watershed Project, California, dated March 1996, as modified by the report entitled ''Folsom Dam Modification Report, New Outlets Plan,'' dated March 1998, prepared by the Sacramento Area Flood Control Agency, at an estimated cost of $150,000,000, with an estimated Federal cost of $97,500,000 and an estimated non-Federal cost of $52,500,000. The Secretary shall coordinate with the Secretary of the Interior with respect to the design and construction of modifications at Folsom Dam authorized by this paragraph.

(B) REOPERATION MEASURES.—Upon completion of the improvements to Folsom Dam authorized by subparagraph (A), the variable space allocated to flood control within the Reservoir shall be reduced from the current operating range of 400,000-670,000 acre-feet to 400,000-600,000 acre-feet.

(C) MAKEUP OF WATER SHORTAGES CAUSED BY FLOOD CONTROL OPERATION.—The Secretary of the Interior shall enter into, or modify, such agreements with the Sacramento Area Flood Control Agency regarding the operation of Folsom Dam and reservoir as may be necessary in order that, notwithstanding any prior agreement or provision of law, 100 percent of the water needed to make up for any water shortage caused by variable flood control operation during any year at Folsom Dam and resulting in a significant impact on recreation at Folsom Reservoir shall be replaced, to the extent the water is available for purchase, by the Secretary of the Interior.

(D) SIGNIFICANT IMPACT ON RECREATION.—For the purposes of this paragraph, a significant impact on recreation is defined as any impact that results in a lake elevation at Folsom Reservoir below 435 feet above sea level starting on May 15 and ending on September 15 of any given year.

(5) OAKLAND HARBOR, CALIFORNIA.—The project for navigation, Oakland Harbor, California: Report of the Chief of Engineers dated April 21, 1999, at a total cost of $252,290,000, with an estimated Federal cost of $128,081,000 and an estimated non-Federal cost of $124,209,000.

(6) SOUTH SACRAMENTO COUNTY STREAMS, CALIFORNIA.—The project for flood control, environmental restoration and recreation, South Sacramento County streams, California: Report of the Chief of Engineers dated October 6, 1998, at a total cost of $65,500,000, with an estimated Federal cost of $41,200,000 and an estimated non-Federal cost of $24,300,000.

(7) UPPER GUADALUPE RIVER, CALIFORNIA.—The project for flood control and recreation, Upper Guadalupe River, California: Locally Preferred Plan (known as the ''Bypass Channel Plan''), Report of the Chief of Engineers dated August 19, 1998, at a total cost of $140,328,000, with an estimated Federal cost of $70,164,000 and an estimated non-Federal cost of $70,164,000.

(8) YUBA RIVER BASIN, CALIFORNIA.—The project for flood control, Yuba River Basin, California: Report of the Chief of Engineers dated November 25, 1998, at a total cost of $26,600,000, with an estimated Federal cost of $17,350,000 and an estimated non-Federal cost of $9,250,000.

(9) DELAWARE BAY COASTLINE, DELAWARE AND NEW JERSEY-BROADKILL BEACH, DELAWARE.—The project for hurricane and storm damage reduction, Delaware Bay coastline, Delaware and New Jersey-Broadkill Beach, Delaware: Report of the Chief of Engineers dated August 17, 1998, at a total cost of $9,049,000, with an estimated Federal cost of $5,674,000 and an estimated non-Federal cost of $3,375,000, and at an estimated average annual cost of $538,200 for periodic nourishment over the 50-year life of the project, with an estimated annual Federal cost of $349,800 and an estimated annual non-Federal cost of $188,400.

(10) DELAWARE BAY COASTLINE, DELAWARE AND NEW JERSEY-PORT MAHON, DELAWARE.—The project for ecosystem restoration, Delaware Bay coastline, Delaware and New Jersey-Port Mahon, Delaware: Report of the Chief of Engineers dated September 28, 1998, at a total cost of $7,644,000, with an estimated Federal cost of $4,969,000 and an estimated non-Federal cost of $2,675,000, and at an estimated average annual cost of $234,000 for periodic nourishment over the 50-year life of the project, with an estimated annual Federal cost of $152,000 and an estimated annual non-Federal cost of $82,000.

(11) DELAWARE BAY COASTLINE, DELAWARE AND NEW JERSEY-ROOSEVELT INLET-LEWES BEACH, DELAWARE.—The project for navigation mitigation and hurricane and storm damage reduction, Delaware Bay coastline, Delaware and New Jersey-Roosevelt Inlet-Lewes Beach, Delaware: Report of the Chief of Engineers dated February 3, 1999, at a total cost of $3,393,000, with an estimated Federal cost of $2,620,000 and an estimated non-Federal cost of $773,000, and at an estimated average annual cost of $196,000 for periodic nourishment over the 50-year life of the project, with an estimated annual Federal cost of $152,000 and an estimated annual non-Federal cost of $44,000.

(12) DELAWARE BAY COASTLINE, DELAWARE AND NEW JERSEY-VILLAS AND VICINITY, NEW JERSEY.—The project for shore protection and ecosystem restoration, Delaware Bay coastline, Delaware and New Jersey-Villas and vicinity, New Jersey: Report of the Chief of Engineers dated April 21, 1999, at a total cost of $7,520,000, with an estimated Federal cost of $4,888,000 and an estimated non-Federal cost of $2,632,000.

(13) DELAWARE COAST FROM CAPE HENELOPEN TO FENWICK ISLAND, BETHANY BEACH/SOUTH BETHANY BEACH, DELAWARE.—The project for hurricane and storm damage reduction, Delaware Coast from Cape Henelopen to Fenwick Island, Bethany Beach/South Bethany Beach, Delaware: Report of the Chief of Engineers dated April 21, 1999, at a total cost of $22,205,000, with an estimated Federal cost of $14,433,000 and an estimated non-Federal cost of $7,772,000, and at an estimated average annual cost of $1,584,000 for periodic nourishment over the 50-year life of the project, with an estimated annual Federal cost of $1,030,000 and an estimated annual non-Federal cost of $554,000.

(14) JACKSONVILLE HARBOR, FLORIDA.—

(A) IN GENERAL.—The project for navigation, Jacksonville Harbor, Florida: Report of the Chief of Engineers April 21, 1999, at a total cost of $26,116,000, with an estimated Federal cost of $9,129,000 and an estimated non-Federal cost of $16,987,000.

(B) SPECIAL RULE.—Notwithstanding subparagraph (A), the Secretary may construct the project to a depth of 40 feet if the non-Federal interest agrees to pay any additional costs above those for the recommended plan.

(15) TAMPA HARBOR-BIG BEND CHANNEL, FLORIDA.—The project for navigation, Tampa Harbor-Big Bend Channel, Florida: Report of the Chief of Engineers dated October 13, 1998, at a total cost of $9,356,000, with an estimated Federal cost of $6,235,000 and an estimated non-Federal cost of $3,121,000.

(16) BRUNSWICK HARBOR, GEORGIA.—The project for navigation, Brunswick Harbor, Georgia: Report of the Chief of Engineers dated October 6, 1998, at a total cost of $50,717,000, with an estimate Federal cost of $32,966,000 and an estimated non-Federal cost of $17,751,000.

(17) BEARGRASS CREEK, KENTUCKY.—The project for flood control, Beargrass Creek, Kentucky: Report of the Chief of Engineers, dated May 12, 1998, at a total cost of $11,171,300, with an estimated Federal cost of $7,261,500 and an estimated non-Federal cost of $3,909,800.

(18) AMITE RIVER AND TRIBUTARIES, LOUISIANA.—The project for flood control, Amite River and tributaries, Louisiana: Report of the Chief of Engineers dated December 23, 1996, at a total cost of $112,900,000, with an estimated Federal cost of $84,675,000 and an estimated non-Federal cost of $28,225,000. Cost sharing for the project shall be determined in accordance with section 103(a) of the Water Resources Development Act of 1986 (33 U.S.C. 2213), as in effect on October 11, 1996.

(19) BALTIMORE HARBOR ANCHORAGES AND CHANNELS, MARYLAND AND VIRGINIA.—The

project for navigation, Baltimore harbor anchorages and channels, Maryland and Virginia: Report of the Chief of Engineers, dated June 8, 1998, at a total cost of $28,430,000, with an estimated Federal cost of $19,000,000 and an estimated non-Federal cost of $9,430,000.

(20) RED RIVER LAKE AT CROOKSTON, MINNESOTA.—The project for flood control, Red River Lake at Crookston, Minnesota: Report of the Chief of Engineers, dated April 20, 1998, at a total cost of $8,950,000, with an estimated Federal cost of $5,720,000 and an estimated non-Federal cost of $3,230,000.

(21) TURKEY CREEK BASIN, KANSAS CITY, MISSOURI, AND KANSAS CITY, KANSAS.—The project for flood damage reduction, Turkey Creek Basin, Kansas City, Missouri, and Kansas City, Kansas: Report of the Chief of Engineers dated April 21, 1999, at a total cost of $42,875,000, with an estimated Federal cost of $25,596,000 and an estimated non-Federal cost of $17,279,000.

(22) LOWER CAPE MAY MEADOWS, CAPE MAY POINT, NEW JERSEY.—The project for navigation mitigation, ecosystem restoration, and hurricane and storm damage reduction, Lower Cape May Meadows, Cape May Point, New Jersey: Report of the Chief of Engineers dated April 5, 1999, at a total cost of $15,952,000, with an estimated Federal cost of $12,118,000 and an estimated non-Federal cost of $3,834,000, and at an estimated average annual cost of $1,114,000 for periodic nourishment over the 50-year life of the project, with an estimated annual Federal cost of $897,000 and an estimated annual non-Federal cost of $217,000.

(23) NEW JERSEY SHORE PROTECTION: TOWNSENDS INLET TO CAPE MAY INLET, NEW JERSEY.—The project for hurricane and storm damage reduction and ecosystem restoration, New Jersey Shore Protection: Townsends Inlet to Cape May Inlet, New Jersey: Report of the Chief of Engineers dated September 28, 1998, at a total cost of $56,503,000, with an estimated Federal cost of $36,727,000 and an estimated non-Federal cost of $19,776,000, and at an estimated average annual cost of $2,000,000 for periodic nourishment over the 50-year life of the project, with an estimated annual Federal cost of $1,300,000 and an estimated annual non-Federal cost of $700,000.

(24) GUANAJIBO RIVER, PUERTO RICO.—The project for flood control, Guanajibo River, Puerto Rico: Report of the Chief of Engineers, dated February 27, 1996, at a total cost of $27,031,000, with an estimated Federal cost of $20,273,250 and an estimated non-Federal cost of $6,757,750. Cost sharing for the project shall be determined in accordance with section 103(a) of the Water Resources Development Act 1986 (33 U.S.C. 2213) as in effect on October 11, 1986.

(25) RIO GRANDE DE MANATI, BARCELONETA, PUERTO RICO.—The project for flood control, Rio Grande De Manati, Barceloneta, Puerto Rico: Report of the Chief of Engineers, dated January 22, 1999, at a total cost of $13,491,000, with an estimated Federal cost of $8,785,000 and an estimated non-Federal cost of $4,706,000.

(26) RIO NIGUA AT SALINAS, PUERTO RICO.—The project for flood control, Rio Nigua at Salinas, Puerto Rico: Report of the Chief of Engineers, dated April 15, 1997, at a total cost of $13,702,000, with an estimated Federal cost of $7,645,000 and an estimated non-Federal cost of $6,057,000.

(27) SALT CREEK, GRAHAM, TEXAS.—The project for flood control, environmental restoration and recreation, Salt Creek, Graham, Texas: Report of the Chief of Engineers dated October 6, 1998, at a total cost of $10,080,000, with an estimated Federal cost of $6,560,000 and an estimated non-Federal cost of $3,520,000.

(b) PROJECTS SUBJECT TO REPORT.—The following projects for water resources development and conservation and other purposes are authorized to be carried out by the Secretary substantially in accordance with the plans, and subject to the conditions, recommended in a final report of the Corps of Engineers, if the report is completed not later than September 30, 1999.

(1) NOME, ALASKA.—The project for navigation, Nome, Alaska, at a total cost of $24,608,000, with an estimated Federal cost of $19,660,000 and an estimated non-Federal cost of $4,948,000.

(2) SEWARD HARBOR, ALASKA.—The project for navigation, Seward Harbor, Alaska, at a total cost of $12,240,000, with an estimated Federal cost of $4,364,000 and an estimated non-Federal cost of $7,876,000.

(3) HAMILTON AIRFIELD, CALIFORNIA.—The project for wetlands restoration, Hamilton Airfield, California, at a total cost of $55,200,000, with an estimated Federal cost of $41,400,000 and an estimated non-Federal cost of $13,800,000.

(4) DELAWARE BAY COASTLINE, DELAWARE AND NEW JERSEY: OAKWOOD BEACH, NEW JERSEY.—The project for shore protection, Delaware Bay Coastline, Delaware and New Jersey: Oakwood Beach, New Jersey, at a total cost of $3,360,000, with an estimated Federal cost of $2,184,000 and an estimated non-Federal cost of $1,176,000.

(5) DELAWARE BAY COASTLINE, DELAWARE AND NEW JERSEY: REEDS BEACH AND PIERCES POINT, NEW JERSEY.—The project for shore protection and ecosystem restoration, Delaware Bay Coastline, Delaware and New Jersey: Reeds Beach and Pierces Point, New Jersey, at a total cost of $4,057,000, with an estimated Federal cost of $2,637,000 and an estimated non-Federal cost of $1,420,000.

(6) LITTLE TALBOT ISLAND, DUVAL COUNTY, FLORIDA.—The project for hurricane and storm damage prevention, Little Talbot Island, Duval County, Florida, at a total cost of $5,915,000, with an estimated Federal cost of $3,839,000 and an estimated non-Federal cost of $2,076,000.

(7) PONCE DE LEON INLET, FLORIDA.—The project for navigation and related purposes, Ponce de Leon Inlet, Volusia County, Florida, at a total cost of $5,454,000, with an estimated Federal cost of $2,988,000 and an estimated non-Federal cost of $2,466,000.

(8) SAVANNAH HARBOR EXPANSION, GEORGIA.—

(A) IN GENERAL.—Subject to subparagraph (B), the project for navigation, Savannah Harbor expansion, Georgia, including implementation of the mitigation plan, with such modifications as the Secretary deems appropriate, at a total cost of $230,174,000 (of which amount a portion is authorized for implementation of the mitigation plan), with an estimated Federal cost of $145,160,000 and an estimated non-Federal cost of $85,014,000.

(B) CONDITIONS.—The project authorized by subparagraph (A) may be carried out only after—

(i) the Secretary, in consultation with affected Federal, State of Georgia, State of South Carolina, regional, and local entities, has reviewed and approved an environmental impact statement for the project that includes—

(I) an analysis of the impacts of project depth alternatives ranging from 42 feet through 48 feet; and

(II) a selected plan for navigation and an associated mitigation plan as required by section 906(a) of the Water Resources Development Act of 1986 (33 U.S.C. 2283); and

(ii) the Secretary of the Interior, the Secretary of Commerce, the Administrator of the Environmental Protection Agency, and the Secretary have approved the selected plan and have determined that the mitigation plan adequately addresses the potential environmental impacts of the project.

(C) MITIGATION REQUIREMENTS.—The mitigation plan shall be implemented in advance of or concurrently with construction of the project.

(9) DES PLAINES RIVER, ILLINOIS.—The project for flood control, Des Plaines River, Illinois, at a total cost of $44,300,000 with an estimated Federal cost of $28,800,000 and an estimated non-Federal cost of $15,500,000.

(10) NEW JERSEY SHORE PROTECTION, BRIGANTINE INLET TO GREAT EGG HARBOR, BRIGANTINE ISLAND, NEW JERSEY.—The project for hurricane and storm damage reduction, New Jersey shore protection, Brigantine Inlet to Great Egg Harbor, Brigantine Island, New Jersey, at a total cost of $4,970,000, with an estimated Federal cost of $3,230,000 and an estimated non-Federal cost of $1,740,000, and at an estimated average annual cost of $465,000 for periodic nourishment over the 50-year life of the project, with an estimated annual Federal cost of $302,000 and an estimated annual non-Federal cost of $163,000.

(11) COLUMBIA RIVER CHANNEL, OREGON AND WASHINGTON.—The project for navigation, Columbia River Channel, Oregon and Washington, at a total cost of $183,623,000 with an estimated Federal cost $106,132,000 and an estimated non-Federal cost of $77,491,000.

(12) JOHNSON CREEK, ARLINGTON, TEXAS.—The locally preferred project for flood control, Johnson Creek, Arlington, Texas, at a total cost of $20,300,000, with an estimated Federal cost of $12,000,000 and an estimated non-Federal cost of $8,300,000.

(13) HOWARD HANSON DAM, WASHINGTON.—The project for water supply and ecosystem restoration, Howard Hanson Dam, Washington, at a total cost of $75,600,000, with an estimated Federal cost of $36,900,000 and an estimated non-Federal cost of $38,700,000.

SEC. 102. SMALL FLOOD CONTROL PROJECTS.

(a) IN GENERAL.—The Secretary shall conduct a study for each of the following projects and, after completion of such study, shall carry out the project under section 205 of the Flood Control Act of 1948 (33 U.S.C. 701s):

(1) LANCASTER, CALIFORNIA.—Project for flood control, Lancaster, California, westside stormwater retention facility.

(2) GATEWAY TRIANGLE AREA, FLORIDA.—Project for flood control, Gateway Triangle area, Collier County, Florida.

(3) PLANT CITY, FLORIDA.—Project for flood control, Plant City, Florida.

(4) STONE ISLAND, LAKE MONROE, FLORIDA.—Project for flood control, Stone Island, Lake Monroe, Florida.

(5) OHIO RIVER, ILLINOIS.—Project for flood control, Ohio River, Illinois.

(6) REPAUPO CREEK, NEW JERSEY.—Project for flood control, Repaupo Creek, New Jersey.

(7) OWASCO LAKE SEAWALL, NEW YORK.—Project for flood control, Owasco Lake seawall, New York.

(8) PORT CLINTON, OHIO.—Project for flood control, Port Clinton, Ohio.

(9) NORTH CANADIAN RIVER, OKLAHOMA.—Project for flood control, North Canadian River, Oklahoma.

(10) ABINGTON TOWNSHIP, PENNSYLVANIA.—Project for flood control, Baeder and Wanamaker Roads, Abington Township, Pennsylvania.

(11) PORT INDIAN, WEST NORRITON TOWNSHIP, MONTGOMERY COUNTY, PENNSYLVANIA.—Project for flood control, Port Indian, West Norriton Township, Montgomery County, Pennsylvania.

(12) PORT PROVIDENCE, UPPER PROVIDENCE TOWNSHIP, PENNSYLVANIA.—Project for flood control, Port Providence, Upper Providence Township, Pennsylvania.

(13) SPRINGFIELD TOWNSHIP, MONTGOMERY COUNTY, PENNSYLVANIA.—Project for flood control, Springfield Township, Montgomery County, Pennsylvania.

(14) FIRST CREEK, KNOXVILLE, TENNESSEE.—Project for flood control, First Creek, Knoxville, Tennessee.

(15) METRO CENTER LEVEE, CUMBERLAND RIVER, NASHVILLE, TENNESSEE.—Project for flood control, Metro Center Levee, Cumberland River, Nashville, Tennessee.

(b) FESTUS AND CRYSTAL CITY, MISSOURI.—

(1) MAXIMUM FEDERAL EXPENDITURE.—The maximum amount of Federal funds that may be expended for the project for flood control, Festus and Crystal City, Missouri, shall be $10,000,000.

(2) REVISION OF PROJECT COOPERATION AGREEMENT.—The Secretary shall revise the project cooperation agreement for the project referred to in paragraph (1) to take into account the change in the Federal participation in such project pursuant to paragraph (1).

(3) COST SHARING.—Nothing in this section shall be construed to affect any cost-sharing requirement applicable to the project referred to in paragraph (1) under the Water Resources Development Act of 1986.

SEC. 103. SMALL BANK STABILIZATION PROJECTS.

The Secretary shall conduct a study for each of the following projects and, after completion of such study, shall carry out the project under section 14 of the Flood Control Act of 1946 (33 U.S.C. 701r):

(1) SAINT JOSEPH RIVER, INDIANA.—Project for streambank erosion control, Saint Joseph River, Indiana.

(2) SAGINAW RIVER, BAY CITY, MICHIGAN.—Project for streambank erosion control, Saginaw River, Bay City, Michigan.

(3) BIG TIMBER CREEK, NEW JERSEY.—Project for streambank erosion control, Big Timber Creek, New Jersey.

(4) LAKE SHORE ROAD, ATHOL SPRINGS, NEW YORK.—Project for streambank erosion control, Lake Shore Road, Athol Springs, New York.

(5) MARIST COLLEGE, POUGHKEEPSIE, NEW YORK.—Project for streambank erosion control, Marist College, Poughkeepsie, New York.

(6) MONROE COUNTY, OHIO.—Project for streambank erosion control, Monroe County, Ohio.

(7) GREEN VALLEY, WEST VIRGINIA.—Project for streambank erosion control, Green Valley, West Virginia.

SEC. 104. SMALL NAVIGATION PROJECTS.

The Secretary shall conduct a study for each of the following projects and, after completion of such study, shall carry out the project under section 107 of the River and Harbor Act of 1960 (33 U.S.C. 577):

(1) GRAND MARAIS, ARKANSAS.—Project for navigation, Grand Marais, Arkansas.

(2) FIELDS LANDING CHANNEL, HUMBOLDT HARBOR, CALIFORNIA.—Project for navigation, Fields Landing Channel, Humboldt Harbor, California.

(3) SAN MATEO (PILLAR POINT HARBOR), CALIFORNIA.—Project for navigation San Mateo (Pillar Point Harbor), California.

(4) AGANA MARINA, GUAM.—Project for navigation, Agana Marina, Guam.

(5) AGAT MARINA, GUAM.—Project for navigation, Agat Marina, Guam.

(6) APRA HARBOR FUEL PIERS, GUAM.—Project for navigation, Apra Harbor Fuel Piers, Guam.

(7) APRA HARBOR PIER F–6, GUAM.—Project for navigation, Apra Harbor Pier F–6, Guam.

(8) APRA HARBOR SEAWALL, GUAM.—Project for navigation including a seawall, Apra Harbor, Guam.

(9) GUAM HARBOR, GUAM.—Project for navigation, Guam Harbor, Guam.

(10) ILLINOIS RIVER NEAR CHAUTAUQUA PARK, ILLINOIS.—Project for navigation, Illinois River near Chautauqua Park, Illinois.

(11) WHITING SHORELINE WATERFRONT, WHITING, INDIANA.—Project for navigation, Whiting Shoreline Waterfront, Whiting, Indiana.

(12) NARAGUAGUS RIVER, MACHIAS, MAINE.—Project for navigation, Naraguagus River, Machias, Maine.

(13) UNION RIVER, ELLSWORTH, MAINE.—Project for navigation, Union River, Ellsworth, Maine.

(14) DETROIT WATERFRONT, MICHIGAN.—Project for navigation, Detroit River, Michigan, including dredging and removal of a reef.

(15) FORTESCUE INLET, DELAWARE BAY, NEW JERSEY.—Project for navigation for Fortescue Inlet, Delaware Bay, New Jersey.

(16) BUFFALO AND LASALLE PARK, NEW YORK.—Project for navigation, Buffalo and LaSalle Park, New York.

(17) STURGEON POINT, NEW YORK.—Project for navigation, Sturgeon Point, New York.

(18) FAIRPORT HARBOR, OHIO.—Project for navigation, Fairport Harbor, Ohio, including a recreation channel.

SEC. 105. SMALL PROJECTS FOR IMPROVEMENT OF THE ENVIRONMENT.

(a) IN GENERAL.—The Secretary shall conduct a study for each of the following projects and, after completion of such study, shall carry out the project under section 1135 of the Water Resources Development Act of 1986 (33 U.S.C. 2309a):

(1) ILLINOIS RIVER IN THE VICINITY OF HAVANA, ILLINOIS.—Project for the improvement of the environment, Illinois River in the vicinity of Havana, Illinois.

(2) KNITTING MILL CREEK, VIRGINIA.—Project for the improvement of the environment, Knitting Mill Creek, Virginia.

(b) PINE FLAT DAM, KINGS RIVER, CALIFORNIA.—The Secretary shall carry out under section 1135(a) of the Water Resources Development Act of 1986 (33 U.S.C. 2309a(a)) a project to construct a turbine bypass at Pine Flat Dam, Kings River, California, in accordance with the Project Modification Report and Environmental Assessment dated September 1996.

SEC. 106. SMALL AQUATIC ECOSYSTEM RESTORATION PROJECTS.

The Secretary shall conduct a study for each of the following projects and, after completion of such study, shall carry out the project under section 206 of the Water Resources Development Act of 1996 (33 U.S.C. 2330):

(1) CONTRA COSTA COUNTY, BAY DELTA, CALIFORNIA.—Project for aquatic ecosystem restoration, Contra Costa County, Bay Delta, California.

(2) INDIAN RIVER, FLORIDA.—Project for aquatic ecosystem restoration and lagoon restoration, Indian River, Florida.

(3) LITTLE WEKIVA RIVER, FLORIDA.—Project for aquatic ecosystem restoration and erosion control, Little Wekiva River, Florida.

(4) COOK COUNTY, ILLINOIS.—Project for aquatic ecosystem restoration and lagoon restoration and protection, Cook County, Illinois.

(5) GRAND BATTURE ISLAND, MISSISSIPPI.—Project for aquatic ecosystem restoration, Grand Batture Island, Mississippi.

(6) HANCOCK, HARRISON, AND JACKSON COUNTIES, MISSISSIPPI.—Project for aquatic ecosystem restoration and reef restoration along the Gulf Coast, Hancock, Harrison, and Jackson Counties, Mississippi.

(7) MISSISSIPPI RIVER AND RIVER DES PERES, ST. LOUIS, MISSOURI.—Project for aquatic ecosystem restoration and recreation, Mississippi River and River Des Peres, St. Louis, Missouri.

(8) HUDSON RIVER, NEW YORK.—Project for aquatic ecosystem restoration, Hudson River, New York.

(9) ONEIDA LAKE, NEW YORK.—Project for aquatic ecosystem restoration, Oneida Lake, Oneida County, New York.

(10) OTSEGO LAKE, NEW YORK.—Project for aquatic ecosystem restoration, Otsego Lake, Otsego County, New York.

(11) NORTH FORK OF YELLOW CREEK, OHIO.—Project for aquatic ecosystem restoration, North Fork of Yellow Creek, Ohio.

(12) WHEELING CREEK WATERSHED, OHIO.—Project for aquatic ecosystem restoration, Wheeling Creek watershed, Ohio.

(13) SPRINGFIELD MILLRACE, OREGON.—Project for aquatic ecosystem restoration, Springfield Millrace, Oregon.

(14) UPPER AMAZON CREEK, OREGON.—Project for aquatic ecosystem restoration, Upper Amazon Creek, Oregon.

(15) LAKE ONTELAUNEE RESERVOIR, BERKS COUNTY, PENNSYLVANIA.—Project for aquatic ecosystem restoration and distilling pond facilities, Lake Ontelaunee Reservoir, Berks County, Pennsylvania.

(16) BLACKSTONE RIVER BASIN, RHODE ISLAND AND MASSACHUSETTS.—Project for aquatic ecosystem restoration and fish passage facilities, Blackstone River Basin, Rhode Island and Massachusetts.

TITLE II—GENERAL PROVISIONS

SEC. 201. SMALL FLOOD CONTROL AUTHORITY.

Section 205 of the Flood Control Act of 1948 (33 U.S.C. 701s) is amended—

(1) by striking ''construction of small projects'' and inserting ''implementation of small structural and nonstructural projects''; and

(2) by striking ''$5,000,000'' and inserting ''$7,000,000''.

SEC. 202. USE OF NON-FEDERAL FUNDS FOR COMPILING AND DISSEMINATING INFORMATION ON FLOODS AND FLOOD DAMAGES.

The last sentence of section 206(b) of the Flood Control Act of 1960 (33 U.S.C. 709a(b)) is amended by inserting before the period the following: ''; except that this limitation on fees shall not apply to funds voluntarily contributed by such entities for the purpose of expanding the scope of the services requested by such entities''.

SEC. 203. CONTRIBUTIONS BY STATES AND POLITICAL SUBDIVISIONS.

Section 5 of the Flood Control Act of June 22, 1936 (33 U.S.C. 701h), is amended by inserting ''or environmental restoration'' after ''flood control''.

SEC. 204. SEDIMENT DECONTAMINATION TECHNOLOGY.

Section 405 of the Water Resources Development Act of 1992 (33 U.S.C. 2239 note; 106 Stat. 4863) is amended—

(1) by adding at the end of subsection (a) the following:

''(4) PRACTICAL END-USE PRODUCTS.—Technologies selected for demonstration at the pilot scale shall be intended to result in practical end-use products.

''(5) ASSISTANCE BY THE SECRETARY.—The Secretary shall assist the project to ensure expeditious completion by providing sufficient quantities of contaminated dredged material to conduct the full-scale demonstrations to stated capacity.'';

(2) in subsection (c) by striking the first sentence and inserting the following: ''There is authorized to be appropriated to carry out this section $22,000,000 to complete technology testing, technology commercialization, and the development of full scale processing facilities within the New York/New Jersey Harbor.''; and

(3) by adding at the end the following:

''(e) SUPPORT.—In carrying out the program under this section, the Secretary is encouraged to utilize contracts, cooperative

agreements, and grants with colleges and universities and other non-Federal entities.''.

SEC. 205. CONTROL OF AQUATIC PLANTS.

Section 104 of the River and Harbor Act of 1958 (33 U.S.C. 610) is amended—

(1) in subsection (a) by inserting ''arundo,'' after ''milfoil,'';

(2) in subsection (b) by striking ''$12,000,000'' and inserting ''$15,000,000.''; and

(3) by adding at the end the following:

''(c) SUPPORT.—In carrying out this program, the Secretary is encouraged to utilize contracts, cooperative agreements, and grants with colleges and universities and other non-Federal entities.''.

SEC. 206. USE OF CONTINUING CONTRACTS REQUIRED FOR CONSTRUCTION OF CERTAIN PROJECTS.

(a) IN GENERAL.—Notwithstanding any other provision of law, the Secretary shall not implement a fully allocated funding policy with respect to a water resources project if initiation of construction has occurred but sufficient funds are not available to complete the project. The Secretary shall enter into continuing contracts for such project.

(b) INITIATION OF CONSTRUCTION CLARIFIED.—For the purposes of this section, initiation of construction for a project occurs on the date of the enactment of an Act that appropriates funds for the project from one of the following appropriation accounts:

(1) Construction, General.

(2) Operation and Maintenance, General.

(3) Flood Control, Mississippi River and Tributaries.

SEC. 207. SUPPORT OF ARMY CIVIL WORKS PROGRAM.

The requirements of section 2361 of title 10, United States Code, shall not apply to any contract, cooperative research and development agreement, cooperative agreement, or grant entered into under section 229 of the Water Resources Development Act of 1996 (110 Stat. 3703) between the Secretary and Marshall University or entered into under section 350 of this Act between the Secretary and Juniata College.

SEC. 208. WATER RESOURCES DEVELOPMENT STUDIES FOR THE PACIFIC REGION.

Section 444 of the Water Resources Development Act of 1996 (110 Stat. 3747) is amended by striking ''interest of navigation'' and inserting ''interests of water resources development, including navigation, flood damage reduction, and environmental restoration''.

SEC. 209. EVERGLADES AND SOUTH FLORIDA ECOSYSTEM RESTORATION.

(a) PROGRAM EXTENSION.—Section 528(b)(3) of the Water Resources Development Act of 1996 (110 Stat. 3769) is amended—

(1) in subparagraph (B) by striking ''1999'' and inserting ''2000''; and

(2) in subparagraph (C)(i) by striking ''1999'' and inserting ''2003''.

(b) CREDIT.—Section 528(b)(3) of such Act is amended by adding at the end the following:

''(D) CREDIT OF PAST AND FUTURE ACTIVITIES.—The Secretary may provide a credit to the non-Federal interests toward the non-Federal share of a project implemented under subparagraph (A). The credit shall be for reasonable costs of work performed by the non-Federal interests if the Secretary determines that the work substantially expedited completion of the project and is compatible with and an integral part of the project, and the credit is provided pursuant to a specific project cooperation agreement.''.

(c) CALOOSAHATCHEE RIVER BASIN, FLORIDA.—Section 528(e)(4) of such Act is amended by inserting before the period at the end of the first sentence the following: ''if the Secretary determines that such land acquisition is compatible with and an integral component of the Everglades and South Florida ecosystem restoration, including potential land acquisition in the Caloosahatchee River basin or other areas''.

SEC. 210. BENEFICIAL USES OF DREDGED MATERIAL.

Section 204 of the Water Resources Development Act of 1992 (106 Stat. 4826–4827) is amended—

(1) in subsection (c) by striking ''cooperative agreement in accordance with the requirements of section 221 of the Flood Control Act of 1970'' and inserting ''binding agreement with the Secretary''; and

(2) by adding at the end the following:

''(g) NON-FEDERAL INTERESTS.—Notwithstanding section 221(b) of the Flood Control Act of 1968 (42 U.S.C. 1962d–5b(b)), the Secretary, after coordination with the appropriate State and local government officials having jurisdiction over an area in which a project under this section will be carried out, may allow a nonprofit entity to serve as the non-Federal interest for the project.''.

SEC. 211. HARBOR COST SHARING.

(a) IN GENERAL.—Sections 101 and 214 of the Water Resources Development Act of 1986 (33 U.S.C. 2211 and 2241; Public Law 99–662) are amended by striking ''45 feet'' each place it appears and inserting ''53 feet''.

(b) APPLICABILITY.—The amendments made by subsection (a) shall only apply to a project, or separable element thereof, on which a contract for physical construction has not been awarded before the date of the enactment of this Act.

SEC. 212. AQUATIC ECOSYSTEM RESTORATION.

Section 206 of the Water Resources Development Act of 1996 (110 Stat. 3679–3680) is amended—

(1) by adding at the end of subsection (b) the following: ''Before October 1, 2003, the Federal share may be provided in the form of grants or reimbursements of project costs.''; and

(2) by adding at the end of subsection (c) the following: ''Notwithstanding section 221(b) of the Flood Control Act of 1970 (42 U.S.C. 1962d–5b(b)), the Secretary, after coordination with the appropriate State and local government officials having jurisdiction over an area in which a project under this section will be carried out, may allow a nonprofit entity to serve as the non-Federal interest for the project.''.

SEC. 213. WATERSHED MANAGEMENT, RESTORATION, AND DEVELOPMENT.

(a) NONPROFIT ENTITY AS NON-FEDERAL INTEREST.—Section 503(a) of the Water Resources Development Act of 1996 (110 Stat. 3756) is amended by adding at the end the following: ''Notwithstanding section 221(b) of the Flood Control Act of 1970 (42 U.S.C. 1962d–5b(b)), the Secretary, after coordination with the appropriate State and local government officials having jurisdiction over an area in which a project under this section will be carried out, may allow a nonprofit entity to serve as the non-Federal interest for the project.''.

(b) PROJECT LOCATIONS.—Section 503(d) of such Act is amended—

(1) in paragraph (7) by inserting before the period at the end '', including Clear Lake''; and

(2) by adding at the end the following:

''(14) Fresno Slough watershed, California.

''(15) Hayward Marsh, Southern San Francisco Bay watershed, California.

''(16) Kaweah River watershed, California.

''(17) Malibu Creek watershed, California.

''(18) Illinois River watershed, Illinois.

''(19) Catawba River watershed, North Carolina.

''(20) Cabin Creek basin, West Virginia.

''(21) Lower St. Johns River basin, Florida.''.

SEC. 214. FLOOD MITIGATION AND RIVERINE RESTORATION PILOT PROGRAM.

(a) IN GENERAL.—The Secretary may undertake a program for the purpose of conducting projects that reduce flood hazards and restore the natural functions and values of rivers throughout the United States.

(b) STUDIES AND PROJECTS.—

(1) AUTHORITY.—In carrying out the program, the Secretary may conduct studies to identify appropriate flood damage reduction, conservation, and restoration measures and may design and implement projects described in subsection (a).

(2) CONSULTATION AND COORDINATION.—The studies and projects carried out under this section shall be conducted, to the maximum extent practicable, in consultation and coordination with the Federal Emergency Management Agency and other appropriate Federal agencies, and in consultation and coordination with appropriate State, tribal, and local agencies.

(3) NONSTRUCTURAL APPROACHES.—The studies and projects shall emphasize, to the maximum extent practicable and appropriate, nonstructural approaches to preventing or reducing flood damages.

(4) USE OF STATE, TRIBAL, AND LOCAL STUDIES AND PROJECTS.—The studies and projects shall include consideration of and coordination with any State, tribal, and local flood damage reduction or riverine and wetland restoration studies and projects that conserve, restore, and manage hydrologic and hydraulic regimes and restore the natural functions and values of floodplains.

(c) COST-SHARING REQUIREMENTS.—

(1) STUDIES.—Studies conducted under this section shall be subject to cost sharing in accordance with section 105 of the Water Resources Development Act of 1986 (33 U.S.C. 2215).

(2) ENVIRONMENTAL RESTORATION AND NONSTRUCTURAL FLOOD CONTROL PROJECTS.—The non-Federal interests shall pay 35 percent of the cost of any environmental restoration or nonstructural flood control project carried out under this section. The non-Federal interests shall provide all land, easements, rights-of-way, dredged material disposal areas, and relocations necessary for such projects. The value of such land, easements, rights-of-way, dredged material disposal areas, and relocations shall be credited toward the payment required under this paragraph.

(3) STRUCTURAL FLOOD CONTROL PROJECTS.—Any structural flood control measures carried out under this section shall be subject to cost sharing in accordance with section 103(a) of the Water Resources Development Act of 1986 (33 U.S.C. 2213(a)).

(4) OPERATION AND MAINTENANCE.—The non-Federal interests shall be responsible for all costs associated with operating, maintaining, replacing, repairing, and rehabilitating all projects carried out under this section.

(d) PROJECT JUSTIFICATION.—

(1) IN GENERAL.—Notwithstanding any other provision of law or requirement for economic justification established pursuant to section 209 of the Flood Control Act of 1970 (42 U.S.C. 1962–2), the Secretary may implement a project under this section if the Secretary determines that the project—

(A) will significantly reduce potential flood damages;

(B) will improve the quality of the environment; and

(C) is justified considering all costs and beneficial outputs of the project.

(2) ESTABLISHMENT OF SELECTION AND RATING CRITERIA AND POLICIES.—Not later than 180 days after the date of the enactment of this section, the Secretary, in cooperation with State, tribal, and local agencies, shall develop, and transmit to the Committee on

Transportation and Infrastructure of the House of Representatives and the Committee on Environment and Public Works of the Senate, criteria for selecting and rating projects to be carried out under this section and shall establish policies and procedures for carrying out the studies and projects undertaken under this section. Such criteria shall include, as a priority, the extent to which the appropriate State government supports the project.

(e) PRIORITY AREAS.—In carrying out this section, the Secretary shall examine the potential for flood damage reductions at appropriate locations, including the following:

(1) Upper Delaware River, New York.

(2) Willamette River floodplain, Oregon.

(3) Pima County, Arizona, at Paseo De Las Iglesias and Rillito River.

(4) Los Angeles and San Gabriel Rivers, California.

(5) Murrieta Creek, California.

(6) Napa County, California, at Yountville, St. Helena, Calistoga, and American Canyon.

(7) Santa Clara basin, California, at Upper Guadalupe River and tributaries, San Francisquito Creek, and Upper Penitencia Creek.

(8) Pine Mount Creek, New Jersey.

(9) Chagrin River, Ohio.

(10) Blair County, Pennsylvania, at Altoona and Frankstown Township.

(11) Lincoln Creek, Wisconsin.

(f) PROGRAM REVIEW.—

(1) IN GENERAL.—The program established under this section shall be subject to an independent review to evaluate the efficacy of the program in achieving the dual goals of flood hazard mitigation and riverine restoration.

(2) REPORT.—Not later than April 15, 2003, the Secretary shall transmit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Environment and Public Works of the Senate a report on the findings of the review conducted under this subsection with any recommendations concerning continuation of the program.

(g) COST LIMITATIONS.—

(1) MAXIMUM FEDERAL COST PER PROJECT.—No more than $30,000,000 may be expended by the United States on any single project under this section.

(2) COMMITTEE RESOLUTION PROCEDURE.—

(A) LIMITATION ON APPROPRIATIONS.—No appropriation shall be made to construct any project under this section the total Federal cost of construction of which exceeds $15,000,000 if the project has not been approved by resolutions adopted by the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Environment and Public Works of the Senate.

(B) REPORT.—For the purpose of securing consideration of approval under this paragraph, the Secretary shall transmit a report on the proposed project, including all relevant data and information on all costs.

(h) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section—

(1) $25,000,000 for fiscal year 2000;

(2) $25,000,000 for fiscal year 2001 if $12,500,000 or more is appropriated to carry out subsection (e) for fiscal year 2000;

(3) $25,000,000 for fiscal year 2002 if $12,500,000 or more is appropriated to carry out subsection (e) for fiscal year 2001; and

(4) $25,000,000 for fiscal year 2003 if $12,500,000 or more is appropriated to carry out subsection (e) for fiscal year 2002.

SEC. 215. SHORELINE MANAGEMENT PROGRAM.

(a) REVIEW.—The Secretary shall review the implementation of the Corps of Engineers' shoreline management program, with particular attention to inconsistencies in implementation among the divisions and districts of the Corps of Engineers and complaints by or potential inequities regarding property owners in the Savannah District including an accounting of the number and disposition of complaints over the last 5 years in the District.

(b) REPORT.—As expeditiously as practicable after the date of the enactment of this Act, the Secretary shall transmit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Environment and Public Works of the Senate a report describing the results of the review conducted under subsection (a).

SEC. 216. ASSISTANCE FOR REMEDIATION, RESTORATION, AND REUSE.

(a) IN GENERAL.—The Secretary may provide to State and local governments assessment, planning, and design assistance for remediation, environmental restoration, or reuse of areas located within the boundaries of such State or local governments where such remediation, environmental restoration, or reuse will contribute to the conservation of water and related resources of drainage basins and watersheds within the United States.

(b) BENEFICIAL USE OF DREDGED MATERIAL.—In providing assistance under subsection (a), the Secretary shall encourage the beneficial use of dredged material, consistent with the findings of the Secretary under section 204 of the Water Resources Development Act of 1992 (33 U.S.C. 2326).

(c) NON-FEDERAL SHARE.—The non-Federal share of the cost of assistance provided under subsection (a) shall be 50 percent.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $3,000,000 for each of fiscal years 2000 through 2004.

SEC. 217. SHORE DAMAGE MITIGATION.

(a) IN GENERAL.—Section 111 of the River and Harbor Act of 1968 (33 U.S.C. 426i; 100 Stat. 4199) is amended by inserting after ''navigation works'' the following: ''and shore damages attributable to the Atlantic Intracoastal Waterway and the Gulf Intracoastal Waterway''.

(b) PALM BEACH COUNTY, FLORIDA.—The project for navigation, Palm Beach County, Florida, authorized by section 2 of the River and Harbor Act of March 2, 1945 (59 Stat. 11), is modified to authorize the Secretary to undertake beach nourishment as a dredged material disposal option under the project.

(c) GALVESTON COUNTY, TEXAS.—The Secretary may place dredged material from the Gulf Intracoastal Waterway on the beaches along Rollover Pass, Galveston County, Texas, to stabilize beach erosion.

SEC. 218. SHORE PROTECTION.

(a) NON-FEDERAL SHARE OF PERIODIC NOURISHMENT.—Section 103(d) of the Water Resources Development Act of 1986 (100 Stat. 4085–5086) is amended—

(1) by inserting ''(1) CONSTRUCTION.—'' before ''Costs of constructing'';

(2) by inserting at the end the following:

''(2) PERIODIC NOURISHMENT.—

''(A) IN GENERAL.—Subject to subparagraph (B), the non-Federal share of costs of periodic nourishment measures for shore protection or beach erosion control that are carried out—

''(i) after January 1, 2001, shall be 40 percent;

''(ii) after January 1, 2002, shall be 45 percent; and

''(iii) after January 1, 2003, shall be 50 percent;

''(B) BENEFITS TO PRIVATELY OWNED SHORES.—All costs assigned to benefits of periodic nourishment measures to privately owned shores (where use of such shores is limited to private interests) or to prevention of losses of private lands shall be borne by the non-Federal interest and all costs assigned to the protection of federally owned shores for such measures shall be borne by the United States.''; and

(C) by indenting paragraph (1) (as designated by subparagraph (A) of this paragraph) and aligning such paragraph with paragraph (2) (as added by subparagraph (B) of this paragraph).

(b) UTILIZATION OF SAND FROM OUTER CONTINENTAL SHELF.—Section 8(k)(2)(B) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(k)(2)(B)) is amended by striking ''an agency of the Federal Government'' and inserting ''a Federal, State, or local government agency''.

(c) REPORT ON NATION'S SHORELINES.—

(1) IN GENERAL.—Not later than 3 years after the date of the enactment of this Act, the Secretary shall report to Congress on the state of the Nation's shorelines.

(2) CONTENTS.—The report shall include—

(A) a description of the extent of, and economic and environmental effects caused by, erosion and accretion along the Nation's shores and the causes thereof;

(B) a description of resources committed by local, State, and Federal governments to restore and renourish shorelines;

(C) a description of the systematic movement of sand along the Nation's shores; and

(D) recommendations regarding (i) appropriate levels of Federal and non-Federal participation in shoreline protection, and (ii) utilization of a systems approach to sand management.

(3) UTILIZATION OF SPECIFIC LOCATION DATA.—In developing the report, the Secretary shall utilize data from specific locations on the Atlantic, Pacific, Great Lakes, and Gulf of Mexico coasts.

(d) NATIONAL COASTAL DATA BANK.—

(1) ESTABLISHMENT OF DATA BANK.—Not later than 2 years after the date of the enactment of this Act, the Secretary shall establish a national coastal data bank containing data on the geophysical and climatological characteristics of the Nation's shorelines.

(2) CONTENT.—To the extent practical, the national coastal data bank shall include data regarding current and predicted shoreline positions, information on federally-authorized shore protection projects, and data on the movement of sand along the Nation's shores, including impediments to such movement caused by natural and manmade features.

(3) ACCESS.—The national coastal data bank shall be made readily accessible to the public.

SEC. 219. FLOOD PREVENTION COORDINATION.

Section 206 of the Flood Control Act of 1960 (33 U.S.C. 709a) is amended—

(1) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

(2) by inserting after subsection (a) the following:

''(b) FLOOD PREVENTION COORDINATION.—The Secretary shall coordinate with the Director of the Federal Emergency Management Agency and the heads of other Federal agencies to ensure that flood control projects and plans are complementary and integrated to the extent practicable and appropriate.''.

SEC. 220. ANNUAL PASSES FOR RECREATION.

Section 208(c)(4) of the Water Resources Development Act of 1996 (16 U.S.C. 460d note; 110 Stat. 3680) is amended by striking ''1999, or the date of transmittal of the report under paragraph (3)'' and inserting ''2003''.

SEC. 221. COOPERATIVE AGREEMENTS FOR ENVIRONMENTAL AND RECREATIONAL MEASURES.

(a) IN GENERAL.—The Secretary is authorized to enter into cooperative agreements with non-Federal public bodies and non-profit entities for the purpose of facilitating collaborative efforts involving environmental protection and restoration, natural resources conservation, and recreation in connection with the development, operation, and management of water resources projects under the jurisdiction of the Department of the Army.

(b) REPORT.—Not later than 18 months after the date of the enactment of this Act, the Secretary shall transmit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Environment and Public Works of the Senate a report that includes—

(1) a listing and general description of the cooperative agreements entered into by the Secretary with non-Federal public bodies and entities under subsection (a);

(2) a determination of whether such agreements are facilitating collaborative efforts; and

(3) a recommendation on whether such agreements should be further encouraged.

SEC. 222. NONSTRUCTURAL FLOOD CONTROL PROJECTS.

(a) ANALYSIS OF BENEFITS.—Section 308 of the Water Resources Development Act of 1990 (33 U.S.C. 2318; 104 Stat. 4638) is amended—

(1) in the heading to subsection (a) by inserting ''ELEMENTS EXCLUDED FROM'' before ''BENEFIT-COST'';

(2) by redesignating subsections (b) through (e) as subsections (c) through (f), respectively; and

(3) by inserting after subsection (a) the following:

''(b) FLOOD DAMAGE REDUCTION BENEFITS.—In calculating the benefits of a proposed project for nonstructural flood damage reduction, the Secretary shall calculate benefits of nonstructural projects using methods similar to structural projects, including similar treatment in calculating the benefits from losses avoided from both structural and nonstructural alternatives. In carrying out this subsection, the Secretary should avoid double counting of benefits.''.

(b) REEVALUATION OF FLOOD CONTROL PROJECTS.—At the request of a non-Federal interest for a flood control project, the Secretary shall conduct a reevaluation of a previously authorized project to consider nonstructural alternatives in light of the amendments made by subsection (a).

(c) COST SHARING.—Section 103(b) of the Water Resources Development Act of 1986 (33 U.S.C. 2213(b)) is amended by adding at the end the following: ''At any time during construction of the project, where the Secretary determines that the costs of lands, easements, rights-of-way, dredged material disposal areas, and relocations in combination with other costs contributed by the non-Federal interests will exceed 35 percent, any additional costs for the project, but not to exceed 65 percent of the total costs of the project, shall be a Federal responsibility and shall be contributed during construction as part of the Federal share.''.

SEC. 223. LAKES PROGRAM.

Section 602(a) of the Water Resources Development Act of 1986 (110 Stat. 3758) is amended—

(1) by striking ''and'' at the end of paragraph (15);

(2) by striking the period at the end of paragraph (16) and inserting a semicolon; and

(3) by adding at the end the following:

''(17) Clear Lake, Lake County, California, removal of silt and aquatic growth and measures to address excessive sedimentation and high nutrient concentration;

''(18) Osgood Pond, Milford, Hillsborough County, New Hampshire, removal of silt and aquatic growth and measures to address excessive sedimentation; and

''(19) Flints Pond, Hollis, Hillsborough County, New Hampshire, removal of silt and aquatic growth and measures to address excessive sedimentation.''.

SEC. 224. CONSTRUCTION OF FLOOD CONTROL PROJECTS BY NON-FEDERAL INTERESTS.

(a) CONSTRUCTION BY NON-FEDERAL INTERESTS.—Section 211(d)(1) of the Water Resources Development Act of 1996 (33 U.S.C. 701b–13(d)(1)) is amended—

(1) by striking ''(b) or'';

(2) by striking ''Any non-Federal'' and inserting the following:

''(A) STUDIES AND DESIGN ACTIVITIES UNDER SUBSECTION (b).—A non-Federal interest may only carry out construction for which studies and design documents are prepared under subsection (b) if the Secretary approves such construction. The Secretary shall approve such construction unless the Secretary determines, in writing, that the design documents do not meet standard practices for design methodologies or that the project is not economically justified or environmentally acceptable or does not meet the requirements for obtaining the appropriate permits required under the Secretary's authority. The Secretary shall not unreasonably withhold approval. Nothing in this subparagraph may be construed to affect any regulatory authority of the Secretary.

''(B) STUDIES AND DESIGN ACTIVITIES UNDER SUBSECTION (c).—Any non-Federal''; and

(3) by aligning the remainder of subparagraph (B) (as designated by paragraph (2) of this subsection) with subparagraph (A) (as inserted by paragraph (2) of this subsection).

(b) CONFORMING AMENDMENT.—Section 211(d)(2) of such Act is amended by inserting ''(other than paragraph (1)(A))'' after ''this subsection''.

(c) REIMBURSEMENT.—

(1) IN GENERAL.—Section 211(e)(1) of such Act is amended—

(A) in the matter preceding subparagraph (1) by inserting after ''constructed pursuant to this section'' the following: ''and provide credit for the non-Federal share of the project'';

(B) by striking ''and'' at the end of subparagraph (A);

(C) by striking the period at the end of subparagraph (B) and inserting ''; and''; and

(D) by adding at the end the following:

''(C) if the construction work is reasonably equivalent to Federal construction work.''.

(2) SPECIAL RULES.—Section 211(e)(2)(A) of such Act is amended—

(A) by striking ''subject to amounts being made available in advance in appropriations Acts'' and inserting ''subject to appropriations''; and

(B) by inserting after ''the cost of such work'' the following: '', or provide credit (depending on the request of the non-Federal interest) for the non-Federal share of such work,''.

(3) SCHEDULE AND MANNER OF REIMBURSEMENTS.—Section 211(e) of such Act (33 U.S.C. 701b–13(e)) is amended by adding at the end the following:

''(6) SCHEDULE AND MANNER OF REIMBURSEMENT.—

''(A) BUDGETING.—The Secretary shall budget and request appropriations for reimbursements under this section on a schedule that is consistent with a Federal construction schedule.

''(B) COMMENCEMENT OF REIMBURSEMENTS.—Reimbursements under this section may commence upon approval of a project by the Secretary.

''(C) CREDIT.—At the request of a non-Federal interest, the Secretary may reimburse the non-Federal interest by providing credit toward future non-Federal costs of the project.

''(D) SCHEDULING.—Nothing in this paragraph shall affect the President's discretion to schedule new construction starts.''.

SEC. 225. ENHANCEMENT OF FISH AND WILDLIFE RESOURCES.

Section 906(e) of the Water Resources Development Act of 1986 (33 U.S.C. 2283(e)) is amended by inserting after the second sentence the following: ''Not more than 80 percent of the non-Federal share of such first costs may be satisfied through in-kind contributions, including facilities, supplies, and services that are necessary to carry out the enhancement project.''.

SEC. 226. SENSE OF CONGRESS; REQUIREMENT REGARDING NOTICE.

(a) PURCHASE OF AMERICAN-MADE EQUIPMENT AND PRODUCTS.—It is the sense of Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available under this Act should be American made.

(b) NOTICE TO RECIPIENTS OF ASSISTANCE.—In providing financial assistance under this Act, the Secretary, to the greatest extent practicable, shall provide to each recipient of the assistance a notice describing the statement made in subsection (a).

SEC. 227. PERIODIC BEACH NOURISHMENT.

(a) IN GENERAL.—Section 506(a) of the Water Resources Development Act of 1996 (110 Stat. 3757) is amended by adding at the end the following:

''(5) LEE COUNTY, FLORIDA.—Project for shoreline protection, Lee County, Captiva Island segment, Florida.''.

(b) PROJECTS.—Section 506(b)(3) of such Act (110 Stat. 3758) is amended by striking subparagraph (A) and redesignating subparagraphs (B) through (D) as subparagraphs (A) through (C), respectively.

SEC. 228. ENVIRONMENTAL DREDGING.

Section 312 of the Water Resources Development Act of 1990 (104 Stat. 4639–4640) is amended—

(1) in subsection (b)(1) by striking ''50'' and inserting ''35''; and

(2) in subsection (d) by striking ''non-Federal responsibility'' and inserting ''shared as a cost of construction''.

SEC. 229. WETLANDS MITIGATION.

In carrying out a water resources project that involves wetlands mitigation and that has an impact that occurs within the service area of a mitigation bank, the Secretary, to the maximum extent practicable and where appropriate, shall give preference to the use of the mitigation bank if the bank contains sufficient available credits to offset the impact and the bank is approved in accordance with the Federal Guidance for the Establishment, Use and Operation of Mitigation Banks (60 Fed. Reg. 58605 (November 28, 1995)) or other applicable Federal law (including regulations).

TITLE III—PROJECT-RELATED PROVISIONS

SEC. 301. MISSOURI RIVER LEVEE SYSTEM.

The project for flood control, Missouri River Levee System, authorized by section 10 of the Act entitled ''An Act authorizing the construction of certain public works on rivers and harbors for flood control, and other purposes'', approved December 22, 1944 (58 Stat. 897), is modified to provide that project costs totaling $2,616,000 expended on Units L–15, L–246, and L–385 out of the Construction, General account of the Corps of Engineers before the date of the enactment of the

Water Resources Development Act of 1986 (33 U.S.C. 2201 note) shall not be treated as part of total project costs.

SEC. 302. OUZINKIE HARBOR, ALASKA.

(a) MAXIMUM FEDERAL EXPENDITURE.—The maximum amount of Federal funds that may be expended for the project for navigation, Ouzinkie Harbor, Alaska, shall be $8,500,000.

(b) REVISION OF PROJECT COOPERATION AGREEMENT.—The Secretary shall revise the project cooperation agreement for the project referred to in subsection (a) to take into account the change in the Federal participation in such project pursuant to subsection (a).

(c) COST SHARING.—Nothing in this section shall be construed to affect any cost-sharing requirement applicable to the project referred to in subsection (a) under the Water Resources Development Act of 1986.

SEC. 303. GREERS FERRY LAKE, ARKANSAS.

The project for flood control, Greers Ferry Lake, Arkansas, authorized by the Act entitled ''An Act authorizing the construction of certain public works on rivers and harbors for flood control, and other purposes'', approved June 28, 1938 (52 Stat. 1218), is modified to authorize the Secretary to construct water intake facilities for the benefit of Lonoke and White Counties, Arkansas.

SEC. 304. TEN- AND FIFTEEN-MILE BAYOUS, ARKANSAS.

The project for flood control, St. Francis River Basin, Missouri and Arkansas, authorized by section 204 of the Flood Control Act of 1950 (64 Stat. 172), is modified to expand the project boundaries to include Ten- and Fifteen-Mile Bayous near West Memphis, Arkansas. Notwithstanding section 103(f) of the Water Resources Development Act of 1986 (100 Stat. 4086), the flood control work at Ten- and Fifteen-Mile Bayous shall not be considered separable elements of the St. Francis River Basin project.

SEC. 305. LOGGY BAYOU, RED RIVER BELOW DENISON DAM, ARKANSAS, LOUISIANA, OKLAHOMA, AND TEXAS.

The project for flood control on the Red River Below Denison Dam, Arkansas, Louisiana, Oklahoma, and Texas, authorized by section 10 of the Flood Control Act of 1946 (60 Stat. 647), is modified to direct the Secretary to conduct a study to determine the feasibility of expanding the project to include mile 0.0 to mile 7.8 of Loggy Bayou between the Red River and Flat River. If the Secretary determines as a result of the study that the project should be expanded, the Secretary may assume responsibility for operation and maintenance of the expanded project.

SEC. 306. SACRAMENTO RIVER, GLENN-COLUSA, CALIFORNIA.

(a) IN GENERAL.—The project for flood control, Sacramento River, California, authorized by section 2 of the Act entitled ''An Act to provide for the control of the floods of the Mississippi River and of the Sacramento River, California, and for other purposes'', approved March 1, 1917 (39 Stat. 949), and modified by section 102 of the Energy and Water Development Appropriations Act, 1990 (103 Stat. 649), section 301(b)(3) of the Water Resources Development Act of 1996 (110 Stat. 3110), and title I of the Energy and Water Development Appropriations Act, 1999 (112 Stat. 1841), is further modified to authorize the Secretary—

(1) to carry out the portion of the project at Glenn-Colusa, California, at a total cost of $26,000,000, with an estimated Federal cost of $20,000,000 and an estimated non-Federal cost of $6,000,000; and

(2) to carry out bank stabilization work in the vicinity of the riverbed gradient facility, particularly in the vicinity of River Mile 208.

(b) CREDIT.—The Secretary shall provide the non-Federal interests for the project referred to in subsection (a) a credit of up to $4,000,000 toward the non-Federal share of the project costs for the direct and indirect costs incurred by the non-Federal sponsor in carrying out activities associated with environmental compliance for the project. Such credit may be in the form of reimbursements for costs which were incurred by the non-Federal interests prior to an agreement with the Corps of Engineers, to include the value of lands, easements, rights-of-way, relocations, or dredged material disposal areas.

SEC. 307. SAN LORENZO RIVER, CALIFORNIA.

The project for flood control and habitat restoration, San Lorenzo River, California, authorized by section 101(a)(5) of the Water Resources Development Act of 1996 (110 Stat. 3663), is modified to authorize the Secretary to expand the boundaries of the project to include bank stabilization for a 1,000-foot portion of the San Lorenzo River.

SEC. 308. TERMINUS DAM, KAWEAH RIVER, CALIFORNIA.

(a) TRANSFER OF TITLE TO ADDITIONAL LAND.—If the non-Federal interests for the project for flood control and water supply, Terminus Dam, Kaweah River, California, authorized by section 101(b)(5) of the Water Resources Development Act of 1996 (110 Stat. 3667), transfers to the Secretary without consideration title to perimeter lands acquired for the project by the non-Federal interests, the Secretary may accept the transfer of such title.

(b) LANDS, EASEMENT, AND RIGHTS-OF-WAY.—Nothing in this section shall be construed to change, modify, or otherwise affect the responsibility of the non-Federal interests to provide lands, easements, rights-of-way, relocations, and dredged material disposal areas necessary for the Terminus Dam project and to perform operation and maintenance for the project.

(c) OPERATION AND MAINTENANCE.—Upon request by the non-Federal interests, the Secretary shall carry out operation, maintenance, repair, replacement, and rehabilitation of the project if the non-Federal interests enter into a binding agreement with the Secretary to reimburse the Secretary for 100 percent of the costs of such operation, maintenance, repair, replacement, and rehabilitation.

(d) HOLD HARMLESS.—The non-Federal interests shall hold the United States harmless for ownership, operation, and maintenance of lands and facilities of the Terminus Dam project title to which is transferred to the Secretary under this section.

SEC. 309. DELAWARE RIVER MAINSTEM AND CHANNEL DEEPENING, DELAWARE, NEW JERSEY, AND PENNSYLVANIA.

The project for navigation, Delaware River Mainstem and Channel Deepening, Delaware, New Jersey and Pennsylvania, authorized by section 101(6) of the Water Resources Development Act of 1992 (106 Stat. 4802), is modified as follows:

(1) The Secretary is authorized to provide non-Federal interests credit toward cash contributions required for construction and subsequent to construction for engineering and design and construction management work that is performed by non-Federal interests and that the Secretary determines is necessary to implement the project. Any such credits extended shall reduce the Philadelphia District's private sector performance goals for engineering work by a like amount.

(2) The Secretary is authorized to provide to non-Federal interests credit toward cash contributions required during construction and subsequent to construction for the costs of construction carried out by the non-Federal interest on behalf of the Secretary and that the Secretary determines is necessary to implement the project.

(3) The Secretary is authorized to enter into an agreement with a non-Federal interest for the payment of disposal or tipping fees for dredged material from a Federal project other than for the construction or operation and maintenance of the new deepening project as described in the Limited Reevaluation Report of May 1997, where the non-Federal interest has supplied the corresponding disposal capacity.

(4) The Secretary is authorized to enter into an agreement with a non-Federal interest that will provide that the non-Federal interest may carry out or cause to have carried out, on behalf of the Secretary, a disposal area management program for dredged material disposal areas necessary to construct, operate, and maintain the project and to authorize the Secretary to reimburse the non-Federal interest for the costs of the disposal area management program activities carried out by the non-Federal interest.

SEC. 310. POTOMAC RIVER, WASHINGTON, DISTRICT OF COLUMBIA.

The project for flood control, Potomac River, Washington, District of Columbia, authorized by section 5 of the Flood Control Act of June 22, 1936 (69 Stat. 1574), and modified by section 301(a)(4) of the Water Resources Development Act of 1996 (110 Stat. 3707), is further modified to authorize the Secretary to construct the project at a Federal cost of $6,129,000.

SEC. 311. BREVARD COUNTY, FLORIDA.

(a) STUDY.—The Secretary, in cooperation with the non-Federal interest, shall conduct a study of any damage to the project for shoreline protection, Brevard County, Florida, authorized by section 101(b)(7) of the Water Resources Development Act of 1996 (110 Stat. 3667), to determine whether the damage is the result of a Federal navigation project.

(b) CONDITIONS.—In conducting the study, the Secretary shall utilize the services of an independent coastal expert who shall consider all relevant studies completed by the Corps of Engineers and the project's local sponsor. The study shall be completed within 120 days of the date of the enactment of this Act.

(c) MITIGATION OF DAMAGES.—After completion of the study, the Secretary shall mitigate any damage to the shoreline protection project that is the result of a Federal navigation project. The costs of the mitigation shall be allocated to the Federal navigation project as operation and maintenance.

SEC. 312. BROWARD COUNTY AND HILLSBORO INLET, FLORIDA.

The project for shoreline protection, Broward County and Hillsboro Inlet, Florida, authorized by section 301 of the River and Harbor Act of 1965 (79 Stat. 1090), is modified to authorize the Secretary to reimburse the non-Federal interest for the Federal share of the cost of preconstruction planning and design for the project upon execution of a contract to construct the project if the Secretary determines such work is compatible with and integral to the project.

SEC. 313. FORT PIERCE, FLORIDA.

(a) IN GENERAL.—The project for shore protection and harbor mitigation, Fort Pierce, Florida, authorized by section 301 of the River and Harbor Act of 1965 (79 Stat. 1092) and section 506(a)(2) of the Water Resources Development Act of 1996 (110 Stat. 3757), is modified to incorporate an additional 1 mile into the project in accordance with a final approved General Reevaluation Report, at a total cost for initial nourishment for the entire project of $9,128,000, with an estimated Federal cost of $7,073,500 and an estimated non-Federal cost of $2,054,500.

(b) PERIOD NOURISHMENT.—Periodic nourishment is authorized for the project in accordance with section 506(a)(2) of Water Resources Development Act of 1996 (110 Stat. 3757).

(c) REVISION OF THE PROJECT COOPERATION AGREEMENT.—The Secretary shall revise the project cooperation agreement for the project referred to in subsection (a) to take into account the change in Federal participation in the project pursuant to subsection (a).

SEC. 314. NASSAU COUNTY, FLORIDA.

The project for beach erosion control, Nassau County (Amelia Island), Florida, authorized by section 3(a)(3) of the Water Resources Development Act of 1988 (102 Stat. 4013), is modified to authorize the Secretary to construct the project at a total cost of $17,000,000, with an estimated Federal cost of $13,300,000 and an estimated non-Federal cost of $3,700,000.

SEC. 315. MIAMI HARBOR CHANNEL, FLORIDA.

The project for navigation, Miami Harbor Channel, Florida, authorized by section 101(a)(9) of the Water Resources Development Act of 1990 (104 Stat. 4606), is modified to include construction of artificial reefs and related environmental mitigation required by Federal, State, and local environmental permitting agencies for the project.

SEC. 316. LAKE MICHIGAN, ILLINOIS.

The project for storm damage reduction and shoreline erosion protection, Lake Michigan, Illinois, from Wilmette, Illinois, to the Illinois-Indiana State line, authorized by section 101(a)(12) of the Water Resources Development Act of 1996 (110 Stat. 3664), is modified to authorize the Secretary to provide a credit against the non-Federal share of the cost of the project for costs incurred by the non-Federal interest—

(1) in constructing Reach 2D and Segment 8 of Reach 4 of the project; and

(2) in reconstructing Solidarity Drive in Chicago, Illinois, prior to entry into a project cooperation agreement with the Secretary.

SEC. 317. SPRINGFIELD, ILLINOIS.

Section 417 of the Water Resources Development Act of 1996 (110 Stat. 3743) is amended—

(1) by inserting ''(a) IN GENERAL.—'' before ''The Secretary''; and

(2) by adding at the end the following:

''(b) COST SHARING.—The non-Federal share of assistance provided under this section before, on, or after the date of the enactment of this subsection shall be 50 percent.''.

SEC. 318. LITTLE CALUMET RIVER, INDIANA.

The project for flood control, Little Calumet River, Indiana, authorized by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4115), is modified to authorize the Secretary to construct the project substantially in accordance with the report of the Corps of Engineers, at a total cost of $167,000,000, with an estimated Federal cost of $122,000,000 and an estimated non-Federal cost of $45,000,000.

SEC. 319. OGDEN DUNES, INDIANA.

(a) STUDY.—The Secretary shall conduct a study of beach erosion in and around the town of Ogden Dunes, Indiana, to determine whether the damage is the result of a Federal navigation project.

(b) MITIGATION OF DAMAGES.—After completion of the study, the Secretary shall mitigate any damage to the beach and shoreline that is the result of a Federal navigation project. The cost of the mitigation shall be allocated to the Federal navigation project as operation and maintenance.

SEC. 320. SAINT JOSEPH RIVER, SOUTH BEND, INDIANA.

(a) MAXIMUM TOTAL EXPENDITURE.—The maximum total expenditure for the project for streambank erosion, recreation, and pedestrian access features, Saint Joseph River, South Bend, Indiana, shall be $7,800,000.

(b) REVISION OF PROJECT COOPERATION AGREEMENT.—The Secretary shall revise the project cooperation agreement for the project referred to in subsection (a) to take into account the change in the Federal participation in such project pursuant to subsection (a).

(c) COST SHARING.—Nothing in this section shall be construed to affect any cost-sharing requirement applicable to the project referred to in subsection (a) under title I of the Water Resources Development Act of 1986 (33 U.S.C. 2211 et seq.).

SEC. 321. WHITE RIVER, INDIANA.

The project for flood control, Indianapolis on West Fork of the White River, Indiana, authorized by section 5 of the Act entitled ''An Act authorizing the construction of certain public works on rivers and harbors for flood control, and other purposes'', approved June 22, 1936 (49 Stat. 1586), and modified by section 323 of the Water Resources Development Act of 1996 (110 Stat. 3716), is further modified to authorize the Secretary to undertake riverfront alterations as described in the Central Indianapolis Waterfront Concept Master Plan, dated February 1994, at a total cost of $110,975,000, with an estimated Federal cost of $52,475,000 and an estimated non-Federal cost of $58,500,000.

SEC. 322. LAKE PONTCHARTRAIN, LOUISIANA.

The project for hurricane-flood protection, Lake Pontchartrain, Louisiana, authorized by section 204 of the Flood Control Act of 1965 (79 Stat. 1077), is modified—

(1) to direct the Secretary to conduct a study to determine the feasibility of constructing a pump adjacent to each of the 4 proposed drainage structures for the Saint Charles Parish feature of the project; and

(2) to authorize the Secretary to construct such pumps upon completion of the study.

SEC. 323. LAROSE TO GOLDEN MEADOW, LOUISIANA.

The project for hurricane protection Larose to Golden Meadow, Louisiana, authorized by section 204 of the Flood Control Act of 1965 (79 Stat. 1077), is modified to direct the Secretary to convert the Golden Meadow floodgate into a navigation lock if the Secretary determines that the conversion is feasible.

SEC. 324. LOUISIANA STATE PENITENTIARY LEVEE, LOUISIANA.

The Louisiana State Penitentiary Levee project, Louisiana, authorized by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4117), is modified to direct the Secretary to provide credit to the non-Federal interest toward the non-Federal share of the cost of the project. The credit shall be for cost of work performed by the non-Federal interest prior to the execution of a project cooperation agreement as determined by the Secretary to be compatible with and an integral part of the project.

SEC. 325. TWELVE-MILE BAYOU, CADDO PARISH, LOUISIANA.

The Secretary shall be responsible for maintenance of the levee along Twelve-Mile Bayou from its junction with the existing Red River Below Denison Dam Levee approximately 26 miles upstream to its terminus at high ground in the vicinity of Black Bayou, Caddo Parish, Louisiana, if the Secretary determines that such maintenance is economically justified and environmentally acceptable and that the levee was constructed in accordance with appropriate design and engineering standards.

SEC. 326. WEST BANK OF THE MISSISSIPPI RIVER (EAST OF HARVEY CANAL), LOUISIANA.

(a) IN GENERAL.—The project for flood control and storm damage reduction, West Bank of the Mississippi River (East of Harvey Canal), Louisiana, authorized by section 401(b) of the Water Resources Development Act of 1986 (100 Stat. 4128) and section 101(a)(17) of the Water Resources Development Act of 1996 (110 Stat. 3665), is modified—

(1) to provide that any liability under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) from the construction of the project is a Federal responsibility; and

(2) to authorize the Secretary to carry out operation and maintenance of that portion of the project included in the report of the Chief of Engineers, dated May 1, 1995, referred to as ''Algiers Channel'', if the non-Federal sponsor reimburses the Secretary for the amount of such operation and maintenance included in the report of the Chief of Engineers.

(b) COMBINATION OF PROJECTS.—The Secretary shall carry out work authorized as part of the Westwego to Harvey Canal project, the East of Harvey Canal project, and the Lake Cataouatche modifications as a single project, to be known as the West Bank and vicinity, New Orleans, Louisiana, hurricane protection project, with a combined total cost of $280,300,000.

SEC. 327. TOLCHESTER CHANNEL, BALTIMORE HARBOR AND CHANNELS, CHESAPEAKE BAY, KENT COUNTY, MARYLAND.

The project for navigation, Tolchester Channel, Baltimore Harbor and Channels, Chesapeake Bay, Kent County, Maryland, authorized by section 101 of the River and Harbor Act of 1958 (72 Stat. 297), is modified to authorize the Secretary to straighten the navigation channel in accordance with the District Engineer's Navigation Assessment Report and Environmental Assessment, dated April 30, 1997. This modification shall be carried out in order to improve navigation safety.

SEC. 328. SAULT SAINTE MARIE, CHIPPEWA COUNTY, MICHIGAN.

The project for navigation Sault Sainte Marie, Chippewa County, Michigan, authorized by section 1149 of the Water Resources Development Act of 1986 (100 Stat. 4254–4255) and modified by section 330 of the Water Resources Development Act of 1996 (110 Stat. 3717–3718), is further modified to provide that the amount to be paid by non-Federal interests pursuant to section 101(a) of the Water Resources Development Act of 1986 (33 U.S.C. 2211(a)) and subsection (a) of such section 330 shall not include any interest payments.

SEC. 329. JACKSON COUNTY, MISSISSIPPI.

The project for environmental infrastructure, Jackson County, Mississippi, authorized by section 219(c)(5) of the Water Resources Development Act of 1992 (106 Stat. 4835) and modified by section 504 of the Water Resources Development Act of 1996 (110 Stat. 3757), is further modified to direct the Secretary to provide a credit, not to exceed $5,000,000, against the non-Federal share of the cost of the project for the costs incurred by the Jackson County Board of Supervisors since February 8, 1994, in constructing the project if the Secretary determines that such costs are for work that the Secretary determines is compatible with and integral to the project.

SEC. 330. TUNICA LAKE, MISSISSIPPI.

The project for flood control, Mississippi River Channel Improvement Project, Tunica Lake, Mississippi, authorized by the Act entitled: ''An Act for the control of floods on the Mississippi River and its tributaries, and for other purposes'', approved May 15, 1928 (45 Stat. 534–538), is modified to include construction of a weir at the Tunica Cutoff, Mississippi.

SEC. 331. BOIS BRULE DRAINAGE AND LEVEE DISTRICT, MISSOURI.

(a) MAXIMUM FEDERAL EXPENDITURE.—The maximum amount of Federal funds that may be allocated for the project for flood control, Bois Brule Drainage and Levee District, Missouri, authorized pursuant to section 205 of the Flood Control Act of 1948 (33 U.S.C. 701s), shall be $15,000,000.

(b) REVISION OF THE PROJECT COOPERATION AGREEMENT.—The Secretary shall revise the project cooperation agreement for the project referred to in subsection (a) to take into account the change in Federal participation in the project pursuant to subsection (a).

(c) COST SHARING.—Nothing in this section shall be construed to affect any cost-sharing requirement applicable to the project referred to in subsection (a) under title I of the Water Resources Development Act of 1986 (33 U.S.C. 2211 et seq.).

SEC. 332. MERAMEC RIVER BASIN, VALLEY PARK LEVEE, MISSOURI.

The project for flood control, Meramec River Basin, Valley Park Levee, Missouri, authorized by section 2(h) of an Act entitled ''An Act to deauthorize several projects within the jurisdiction of the Army Corps of Engineers'' (95 Stat. 1682–1683) and modified by section 1128 of the Water Resources Development Act of 1986, (100 Stat. 4246), is further modified to authorize the Secretary to construct the project at a maximum Federal expenditure of $35,000,000.

SEC. 333. MISSOURI RIVER MITIGATION PROJECT, MISSOURI, KANSAS, IOWA, AND NEBRASKA.

(a) IN GENERAL.—The project for mitigation of fish and wildlife losses, Missouri River Bank Stabilization and Navigation Project, Missouri, Kansas, Iowa, and Nebraska, authorized by section 601 of the Water Resources Development Act of 1986 (100 Stat. 4143), is modified to increase by 118,650 acres the lands and interests in lands to be acquired for the project.

(b) STUDY.—

(1) IN GENERAL.—The Secretary, in conjunction with the States of Nebraska, Iowa, Kansas, and Missouri, shall conduct a study to determine the cost of restoring, under the authority of the Missouri River fish and wildlife mitigation project, a total of 118,650 acres of lost Missouri River habitat.

(2) REPORT.—The Secretary shall report to Congress on the results of the study not later than 6 months after the date of the enactment of this Act.

SEC. 334. WOOD RIVER, GRAND ISLAND, NEBRASKA.

The project for flood control, Wood River, Grand Island, Nebraska, authorized by section 101(a)(19) of the Water Resources Development Act of 1996 (110 Stat. 3665), is modified to authorize the Secretary to construct the project substantially in accordance with the report of the Corps of Engineers dated June 29, 1998, at a total cost of $17,039,000, with an estimated Federal cost of $9,730,000 and an estimated non-Federal cost of $7,309,000.

SEC. 335. ABSECON ISLAND, NEW JERSEY.

The project for storm damage reduction and shoreline protection, Brigantine Inlet to Great Egg Harbor Inlet, Absecon Island, New Jersey, authorized by section 101(b)(13) of the Water Resources Development Act of 1996 (110 Stat. 3668), is modified to provide that, if, after October 12, 1996, the non-Federal interests carry out any work associated with the project that is later recommended by the Chief of Engineers and approved by the Secretary, the Secretary may credit the non-Federal interests toward the non-Federal share of the cost of the project an amount equal to the Federal share of the cost of such work, without interest.

SEC. 336. NEW YORK HARBOR AND ADJACENT CHANNELS, PORT JERSEY, NEW JERSEY

The project for navigation, New York Harbor and Adjacent Channels, New York and New Jersey, authorized by section 202(b) of the Water Resources Development Act of 1986 (100 Stat. 4098), is modified to authorize the Secretary to construct that portion of the project that is located between Military Ocean Terminal Bayonne and Global Terminal in Bayonne, New Jersey, substantially in accordance with the report of the Corps of Engineers, at a total cost of $103,267,000, with an estimated Federal cost of $76,909,000 and an estimated non-Federal cost of $26,358,000.

SEC. 337. PASSAIC RIVER, NEW JERSEY.

Section 101(a)(18)(B) of the Water Resources Development Act of 1990 (104 Stat. 4608–4609) is amended by inserting '', including an esplanade for safe pedestrian access with an overall width of 600 feet'' after ''public access to Route 21''.

SEC. 338. SANDY HOOK TO BARNEGAT INLET, NEW JERSEY.

The project for shoreline protection, Sandy Hook to Barnegat Inlet, New Jersey, authorized by section 101 of the River and Harbor Act of 1958 (72 Stat. 299), is modified—

(1) to include the demolition of Long Branch pier and extension of Ocean Grove pier; and

(2) to authorize the Secretary to reimburse the non-Federal sponsor for the Federal share of costs associated with the demolition of Long Branch pier and the construction of the Ocean Grove pier.

SEC. 339. ARTHUR KILL, NEW YORK AND NEW JERSEY.

The project for navigation, Arthur Kill, New York and New Jersey, authorized by section 202(b) of the Water Resources Development Act of 1986 (100 Stat. 4098) and modified by section 301(b)(11) of the Water Resources Development Act of 1996 (110 Stat. 3711), is further modified to authorize the Secretary to construct the portion of the project at Howland Hook Marine Terminal substantially in accordance with the report of the Corps of Engineers, dated September 30, 1998, at a total cost of $315,700,000, with an estimated Federal cost of $183,200,000 and an estimated non-Federal cost of $132,500,000.

SEC. 340. NEW YORK CITY WATERSHED.

Section 552(i) of the Water Resources Development Act of 1996 (110 Stat. 3781) is amended by striking ''$22,500,000'' and inserting ''$42,500,000''.

SEC. 341. NEW YORK STATE CANAL SYSTEM.

Section 553(e) of the Water Resources Development Act of 1996 (110 Stat. 3781) is amended by striking ''$8,000,000'' and inserting ''$18,000,000''.

SEC. 342. FIRE ISLAND INLET TO MONTAUK POINT, NEW YORK.

The project for combined beach erosion control and hurricane protection, Fire Island Inlet to Montauk Point, Long Island, New York, authorized by the River and Harbor Act of 1960 (74 Stat. 483) and modified by the River and Harbor Act of 1962, the Water Resources Development Act of 1974, and the Water Resources Development Act of 1986, is further modified to direct the Secretary, in coordination with the heads of other Federal departments and agencies, to complete all procedures and reviews expeditiously and to adopt and transmit to Congress not later than June 30, 1999, a mutually acceptable shore erosion plan for the Fire Island Inlet to Moriches Inlet reach of the project.

SEC. 343. BROKEN BOW LAKE, RED RIVER BASIN, OKLAHOMA.

The project for flood control and water supply, Broken Bow Lake, Red River Basin, Oklahoma, authorized by section 203 of the Flood Control Act of 1958 (72 Stat. 309) and modified by section 203 of the Flood Control Act of 1962 (76 Stat. 1187), section 102(v) of the Water Resources Development Act of 1992 (106 Stat. 4808), and section 338 of the Water Resources Development Act of 1996 (110 Stat. 3720), is further modified to require the Secretary to make seasonal adjustments to the top of the conservation pool at the project as follows (if the Secretary determines that the adjustments will be undertaken at no cost to the United States and will adequately protect impacted water and related resources):

(1) Maintain an elevation of 599.5 from November 1 through March 31.

(2) Increase elevation gradually from 599.5 to 602.5 during April and May.

(3) Maintain an elevation of 602.5 from June 1 to September 30.

(4) Decrease elevation gradually from 602.5 to 599.5 during October.

SEC. 344. WILLAMETTE RIVER TEMPERATURE CONTROL, MCKENZIE SUBBASIN, OREGON.

(a) IN GENERAL.—The project for environmental restoration, Willamette River Temperature Control, McKenzie Subbasin, Oregon, authorized by section 101(a)(25) of the Water Resources Development Act of 1996 (110 Stat. 3665), is modified to authorize the Secretary to construct the project substantially in accordance with the Feature Memorandum dated July 31, 1998, at a total cost of $64,741,000.

(b) REPORT.—Not later than 90 days after the date of the enactment of this Act, the Secretary shall report to Congress on the reasons for the cost growth of the Willamette River project and outline the steps the Corps of Engineers is taking to control project costs, including the application of value engineering and other appropriate measures. In the report, the Secretary shall also include a cost estimate for, and recommendations on the advisability of, adding fish screens to the project.

SEC. 345. AYLESWORTH CREEK RESERVOIR, PENNSYLVANIA.

The project for flood control, Aylesworth Creek Reservoir, Pennsylvania, authorized by section 203 of the Flood Control Act of 1962 (76 Stat. 1182), is modified to authorize the Secretary to transfer, in each of fiscal years 1999 and 2000, $50,000 to the Aylesworth Creek Reservoir Park Authority for recreational facilities.

SEC. 346. CURWENSVILLE LAKE, PENNSYLVANIA.

Section 562 of the Water Resources Development Act of 1996 (110 Stat. 3784) is amended by adding at the end the following: ''The Secretary shall provide design and construction assistance for recreational facilities at Curwensville Lake and, when appropriate, may require the non-Federal interest to provide not more than 25 percent of the cost of designing and constructing such facilities. The Secretary may transfer, in each of fiscal years 1999 through 2003, $100,000 to the Clearfield County Municipal Services and Recreation Authority for recreational facilities.''.

SEC. 347. DELAWARE RIVER, PENNSYLVANIA AND DELAWARE.

The project for navigation, Delaware River, Philadelphia to Wilmington, Pennsylvania and Delaware, authorized by section 3(a)(12) of the Water Resources Development Act of 1988 (102 Stat. 4014), is modified to authorize the Secretary to extend the channel of the Delaware River at Camden, New Jersey, to within 150 feet of the existing bulkhead and to relocate the 40-foot deep Federal navigation channel, eastward within Philadelphia Harbor, from the Ben Franklin Bridge to the Walt Whitman Bridge, into deep water.

SEC. 348. MUSSERS DAM, PENNSYLVANIA.

Section 209 of the Water Resources Development Act of 1992 (106 Stat. 4830) is amended

by striking subsection (e) and redesignating subsection (f) as subsection (e).

SEC. 349. NINE-MILE RUN, ALLEGHENY COUNTY, PENNSYLVANIA.

The Nine-Mile Run project, Allegheny County, Pennsylvania, carried out pursuant to section 206 of the Water Resources Development Act of 1996 (33 U.S.C. 2330; 110 Stat. 3679–3680), is modified to authorize the Secretary to provide a credit toward the non-Federal share of the project for costs incurred by the non-Federal interest in preparing environmental and feasibility documentation for the project before entering into an agreement with the Corps of Engineers with respect to the project if the Secretary determines such costs are for work that is compatible with and integral to the project.

SEC. 350. RAYSTOWN LAKE, PENNSYLVANIA.

(a) RECREATION PARTNERSHIP INITIATIVE.—Section 519(b) of the Water Resources Development Act of 1996 (110 Stat. 3765) is amended—

(1) by redesignating paragraph (3) as paragraph (4); and

(2) by inserting after paragraph (2) the following:

''(3) ENGINEERING AND DESIGN SERVICES.—The Secretary may perform, at full Federal expense, engineering and design services for project infrastructure expected to be associated with the development of the site at Raystown Lake, Hesston, Pennsylvania.''.

(b) CONSTRUCTION ASSISTANCE.—

(1) IN GENERAL.—Consistent with the master plan described in section 318 of the Water Resources Development Act of 1992 (106 Stat. 4848), the Secretary may provide a grant to Juniata College for the construction of facilities and structures at Raystown Lake, Pennsylvania, to interpret and understand environmental conditions and trends. As a condition of the receipt of such financial assistance, officials at Juniata College shall coordinate with the Baltimore District of the Army Corps of Engineers.

(2) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $5,000,000 for fiscal years beginning after September 30, 1998, to carry out this subsection.

SEC. 351. SOUTH CENTRAL PENNSYLVANIA.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 313(g)(1) of the Water Resources Development Act of 1992 (106 Stat. 4846) is amended by striking ''$80,000,000'' and inserting ''$180,000,000''.

(b) CORPS OF ENGINEERS EXPENSES.—Section 313(g) of such Act (106 Stat. 4846) is amended by adding at the end the following:

''(4) CORPS OF ENGINEERS EXPENSES.—10 percent of the amounts appropriated to carry out this section for each of fiscal years 2000 through 2002 may be used by the Corps of Engineers district offices to administer and implement projects under this section at 100 percent Federal expense.''.

SEC. 352. COOPER RIVER, CHARLESTON HARBOR, SOUTH CAROLINA.

The project for rediversion, Cooper River, Charleston Harbor, South Carolina, authorized by section 101 of the River and Harbor Act of 1968 (82 Stat. 731) and modified by title I of the Energy and Water Development Appropriations Act, 1992 (105 Stat. 516), is further modified to authorize the Secretary to pay to the State of South Carolina not more than $3,750,000 if the Secretary and the State enter into a binding agreement for the State to perform all future operation of, including associated studies to assess the efficacy of, the St. Stephen, South Carolina, fish lift. The agreement must specify the terms and conditions under which payment will be made and the rights of, and remedies available to, the Federal Government to recover all or a portion of such payment in the event the State suspends or terminates operation of the fish lift or fails to operate the fish lift in a manner satisfactory to the Secretary. Maintenance of the fish lift shall remain a Federal responsibility.

SEC. 353. BOWIE COUNTY LEVEE, TEXAS.

The project for flood control, Red River Below Denison Dam, Texas and Oklahoma, authorized by section 10 of the Flood Control Act of 1946 (60 Stat. 647), is modified to direct the Secretary to implement the Bowie County Levee feature of the project in accordance with the plan defined as Alternative B in the draft document entitled ''Bowie County Local Flood Protection, Red River, Texas Project Design Memorandum No. 1, Bowie County Levee'', dated April 1997. In evaluating and implementing this modification, the Secretary shall allow the non-Federal interest to participate in the financing of the project in accordance with section 903(c) of the Water Resources Development Act of 1986 (100 Stat. 4184) to the extent that the Secretary's evaluation indicates that applying such section is necessary to implement the project.

SEC. 354. CLEAR CREEK, TEXAS.

Section 575 of the Water Resources Development Act of 1996 (110 Stat. 3789) is amended—

(1) in subsection (a)—

(A) by inserting ''or nonstructural (buyout) actions'' after ''flood control works constructed''; and

(B) by inserting ''or nonstructural (buyout) actions'' after ''construction of the project''; and

(2) in subsection (b)—

(A) by striking ''and'' at the end of paragraph (3);

(B) by striking the period at the end of paragraph (3) and inserting ''; and''; and

(C) by adding at the end the following:

''(4) the project for flood control, Clear Creek, Texas, authorized by section 203 of the Flood Control Act of 1968 (82 Stat. 742).''.

SEC. 355. CYPRESS CREEK, TEXAS.

(a) IN GENERAL.—The project for flood control, Cypress Creek, Texas, authorized by section 3(a)(13) of the Water Resources Development Act of 1988 (102 Stat. 4014), is modified to authorize the Secretary to carry out a nonstructural flood control project at a total cost of $5,000,000.

(b) REIMBURSEMENT FOR WORK.—The Secretary may reimburse the non-Federal interest for the Cypress Creek project for work done by the non-Federal interest on the nonstructural flood control project in an amount equal to the estimate of the Federal share, without interest, of the cost of such work—

(1) if, after authorization and before initiation of construction of such nonstructural project, the Secretary approves the plans for construction of such nonstructural project by the non-Federal interest; and

(2) if the Secretary finds, after a review of studies and design documents prepared to carry out such nonstructural project, that construction of such nonstructural project is economically justified and environmentally acceptable.

SEC. 356. DALLAS FLOODWAY EXTENSION, DALLAS, TEXAS.

The project for flood control, Dallas Floodway Extension, Dallas, Texas, authorized by section 301 of the River and Harbor Act of 1965 (79 Stat. 1091) and modified by section 351 of the Water Resources Development Act of 1996 (110 Stat. 3724), is further modified to add environmental restoration and recreation as project purposes.

SEC. 357. UPPER JORDAN RIVER, UTAH.

The project for flood control, Upper Jordan River, Utah, authorized by section 101(a)(23) of the Water Resources Development Act of 1990 (104 Stat. 4610) and modified by section 301(a)(14) of the Water Resources Development Act of 1996 (110 Stat. 3709), is further modified to direct the Secretary to carry out the locally preferred project, entitled ''Upper Jordan River Flood Control Project, Salt Lake County, Utah—Supplemental Information'' and identified in the document of Salt Lake County, Utah, dated July 30, 1998, at a total cost of $12,870,000, with an estimated Federal cost of $8,580,000 and an estimated non-Federal cost of $4,290,000.

SEC. 358. ELIZABETH RIVER, CHESAPEAKE, VIRGINIA.

Notwithstanding any other provision of law, after September 30, 1999, the City of Chesapeake, Virginia, shall not be obligated to make the annual cash contribution required under paragraph 1(9) of the Local Cooperation Agreement dated December 12, 1978, between the Government and the city for the project for navigation, southern branch of Elizabeth River, Chesapeake, Virginia.

SEC. 359. BLUESTONE LAKE, OHIO RIVER BASIN, WEST VIRGINIA.

Section 102(ff) of the Water Resources Development Act of 1992 (106 Stat. 4810) is amended by striking ''take such measures as are technologically feasible'' and inserting ''implement Plan C/G, as defined in the Evaluation Report of the District Engineer, dated December 1996,''.

SEC. 360. GREENBRIER BASIN, WEST VIRGINIA.

Section 579(c) of the Water Resources Development Act of 1996 (110 Stat. 3790) is amended by striking ''$12,000,000'' and inserting ''$73,000,000''.

SEC. 361. MOOREFIELD, WEST VIRGINIA.

Effective October 1, 1999, the project for flood control, Moorefield, West Virginia, authorized by section 101(a)(25) of the Water Resources Development Act of 1990 (104 Stat. 4610-4611), is modified to provide that the non-Federal interest shall not be required to pay the unpaid balance, including interest, of the non-Federal share of the cost of the project.

SEC. 362. WEST VIRGINIA AND PENNSYLVANIA FLOOD CONTROL.

Section 581(a) of the Water Resources Development Act of 1996 (110 Stat. 3790) is amended to read as follows:

''(a) IN GENERAL.—The Secretary may design and construct—

''(1) flood control measures in the Cheat and Tygart River basins, West Virginia, at a level of protection that is sufficient to prevent any future losses to these communities from flooding such as occurred in January 1996 but no less than a 100-year level of protection; and

''(2) structural and nonstructural flood control, streambank protection, stormwater management, and channel clearing and modification measures in the Lower Allegheny, Lower Monongahela, West Branch Susquehanna, and Juniata River basins, Pennsylvania, at a level of protection that is sufficient to prevent any future losses to communities in these basins from flooding such as occurred in January 1996, but no less than a 100-year level of flood protection with respect to those measures that incorporate levees or floodwalls.''.

SEC. 363. PROJECT REAUTHORIZATIONS.

(a) LEE CREEK, ARKANSAS AND OKLAHOMA.—The project for flood protection on Lee Creek, Arkansas and Oklahoma, authorized by section 204 of the Flood Control Act of 1965 (79 Stat. 1078) and deauthorized pursuant to section 1001(b)(1) of the Water Resources Development Act of 1986 (33 U.S.C. 579a(b)(1)), is authorized to be carried out by the Secretary.

(b) INDIAN RIVER COUNTY, FLORIDA.—The project for shore protection, Indian River

County, Florida, authorized by section 501 of the Water Resources and Development Act of 1986 (100 Stat. 4134) and deauthorized pursuant to section 1001(b)(1) of the Water Resources Development Act of 1986 (33 U.S.C. 579a(b)(1)), is authorized to be carried out by the Secretary.

(c) LIDO KEY, FLORIDA.—The project for shore protection, Lido Key, Florida, authorized by section 101 of the River and Harbor Act of 1970 (84 Stat. 1819) and deauthorized pursuant to section 1001(b)(2) of the Water Resources Development Act of 1986 (33 U.S.C 579a(b)(2)), is authorized to be carried out by the Secretary.

(d) ST. AUGUSTINE, ST. JOHNS COUNTY, FLORIDA.—

(1) IN GENERAL.—The project for shore protection and storm damage reduction, St. Augustine, St. Johns County, Florida, authorized by section 501 of the Water Resources Development Act of 1986 and deauthorized pursuant to section 1001(a) of such Act (33 U.S.C. 579a(a)), is authorized to include navigation mitigation as a project purpose and to be carried out by the Secretary substantially in accordance with the General Reevaluation Report dated November 18, 1998, at a total cost of $16,086,000, with an estimated Federal cost of $12,949,000 and an estimated non-Federal cost of $3,137,000.

(2) PERIODIC NOURISHMENT.—The Secretary is authorized to carry out periodic nourishment for the project for a 50-year period at an estimated average annual cost of $1,251,000, with an estimated annual Federal cost of $1,007,000 and an estimated annual non-Federal cost of $244,000.

(e) CASS RIVER, MICHIGAN (VASSAR).—The project for flood protection, Cass River, Michigan (Vassar), authorized by section 203 of the Flood Control Act of 1958 (72 Stat. 311) and deauthorized pursuant to section 1001(b)(2) of the Water Resources Development Act of 1986 (33 U.S.C. 579a(b)(2)), is authorized to be carried out by the Secretary.

(f) SAGINAW RIVER, MICHIGAN (SHIAWASSEE FLATS).—The project for flood control, Saginaw River, Michigan (Shiawassee Flats), authorized by section 203 of the Flood Control Act of 1958 (72 Stat. 311) and deauthorized pursuant to section 1001(b)(2) of the Water Resources Development Act of 1986 (33 U.S.C. 579a(b)(2)), is authorized to be carried out by the Secretary.

(g) PARK RIVER, GRAFTON, NORTH DAKOTA.—The project for flood control, Park River, Grafton, North Dakota, authorized by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4121) and deauthorized pursuant to section 1001(a) of such Act (33 U.S.C. 579a(a)), is authorized to be carried out by the Secretary.

(h) MEMPHIS HARBOR, MEMPHIS, TENNESSEE.—The project for navigation, Memphis Harbor, Memphis, Tennessee, authorized by section 601(a) of the Water Resources Development Act of 1986 (100 Stat. 4145) and deauthorized pursuant to 1001(a) of such Act (33 U.S.C 579a(a)), is authorized to be carried out by the Secretary.

SEC. 364. PROJECT DEAUTHORIZATIONS.

(a) IN GENERAL.—The following projects or portions of projects are not authorized after the date of the enactment of this Act:

(1) BRIDGEPORT HARBOR, CONNECTICUT.—That portion of the project for navigation, Bridgeport Harbor, Connecticut, authorized by section 101 of the River and Harbor Act of 1958 (72 Stat. 297), consisting of a 2.4-acre anchorage area, 9 feet deep, and an adjacent 0.6-acre anchorage, 6 feet deep, located on the west side of Johnsons River.

(2) CLINTON HARBOR, CONNECTICUT.—That portion of the project for navigation, Clinton Harbor, Connecticut, authorized by the Rivers and Harbors Act of 1945, House Document 240, 76th Congress, 1st Session, lying upstream of a line designated by the 2 points N158,592.12, E660,193.92 and N158,444.58, E660,220.95.

(3) BASS HARBOR, MAINE.—The following portions of the project for navigation, Bass Harbor, Maine, authorized on May 7, 1962, under section 107 of the River and Harbor Act of 1960 (33 U.S.C. 577):

(A) Beginning at a bend in the project, N149040.00, E538505.00, thence running easterly about 50.00 feet along the northern limit of the project to a point N149061.55, E538550.11, thence running southerly about 642.08 feet to a point, N14877.64, E538817.18, thence running southwesterly about 156.27 feet to a point on the westerly limit of the project, N148348.50, E538737.02, thence running northerly about 149.00 feet along the westerly limit of the project to a bend in the project, N148489.22, E538768.09, thence running northwesterly about 610.39 feet along the westerly limit of the project to the point of origin.

(B) Beginning at a point on the westerly limit of the project, N148118.55, E538689.05, thence running southeasterly about 91.92 feet to a point, N148041.43, E538739.07, thence running southerly about 65.00 feet to a point, N147977.86, E538725.51, thence running southwesterly about 91.92 feet to a point on the westerly limit of the project, N147927.84, E538648.39, thence running northerly about 195.00 feet along the westerly limit of the project to the point of origin.

(4) BOOTHBAY HARBOR, MAINE.—The project for navigation, Boothbay Harbor, Maine, authorized by the River and Harbor Act of 1912 (37 Stat. 201).

(5) BUCKSPORT HARBOR, MAINE.—That portion of the project for navigation, Bucksport Harbor, Maine, authorized by the River and Harbor Act of 1902, consisting of a 16-foot deep channel beginning at a point N268.748.16, E423.390.76, thence running north 47 degrees 02 minutes 23 seconds east 51.76 feet to a point N268.783.44, E423.428.64, thence running north 67 degrees 54 minutes 32 seconds west 1513.94 feet to a point N269.352.81, E422.025.84, thence running south 47 degrees 02 minutes 23 seconds west 126.15 feet to a point N269.266.84, E421.933.52, thence running south 70 degrees 24 minutes 28 seconds east 1546.79 feet to the point of origin.

(6) CARVERS HARBOR, VINALHAVEN, MAINE.—That portion of the project for navigation, Carvers Harbor, Vinalhaven, Maine, authorized by the Act of June 3, 1896 (commonly known as the ''River and Harbor Appropriations Act of 1896'') (29 Stat. 202, chapter 314), consisting of the 16-foot anchorage beginning at a point with coordinates N137,502.04, E895,156.83, thence running south 6 degrees 34 minutes 57.6 seconds west 277.660 feet to a point N137,226.21, E895,125.00, thence running north 53 degrees, 5 minutes 42.4 seconds west 127.746 feet to a point N137,302.92, E895022.85, thence running north 33 degrees 56 minutes 9.8 seconds east 239.999 feet to the point of origin.

(7) EAST BOOTHBAY HARBOR, MAINE.—The project for navigation, East Boothbay Harbor, Maine, authorized by the first section of the Act entitled, ''An Act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes'', approved June 25, 1910 (36 Stat. 631).

(8) SEARSPORT HARBOR, SEARSPORT, MAINE.—That portion of the project for navigation, Searsport Harbor, Searsport, Maine, authorized by section 101 of the River and Harbor Act of 1962 (76 Stat. 1173), consisting of the 35-foot turning basin beginning at a point with coordinates N225,008.38, E395,464.26, thence running north 43 degrees 49 minutes 53.4 seconds east 362.001 feet to a point N225,269.52, E395,714.96, thence running south 71 degrees 27 minutes 33.0 seconds east 1,309.201 feet to a point N224,853.22, E396,956.21, thence running north 84 degrees 3 minutes 45.7 seconds west 1,499.997 feet to the point of origin.

(9) WELLS HARBOR, MAINE.—The following portions of the project for navigation, Wells Harbor, Maine, authorized by section 101 of the River and Harbor Act of 1960 (74 Stat. 480):

(A) The portion of the 6-foot channel the boundaries of which begin at a point with coordinates N177,992.00, E394,831.00, thence running south 83 degrees 58 minutes 14.8 seconds west 10.38 feet to a point N177,990.91, E394,820.68, thence running south 11 degrees 46 minutes 47.7 seconds west 991.76 feet to a point N177,020.04, E394,618.21, thence running south 78 degrees 13 minutes 45.7 seconds east 10.00 feet to a point N177,018.00, E394,628.00, thence running north 11 degrees 46 minutes 22.8 seconds east 994.93 feet to the point of origin.

(B) The portion of the 6-foot anchorage the boundaries of which begin at a point with coordinates N177,778.07, E394,336.96, thence running south 51 degrees 58 minutes 32.7 seconds west 15.49 feet to a point N177,768.53, E394,324.76, thence running south 11 degrees 46 minutes 26.5 seconds west 672.87 feet to a point N177,109.82, E394,187.46, thence running south 78 degrees 13 minutes 45.7 seconds east 10.00 feet to a point N177,107.78, E394,197.25, thence running north 11 degrees 46 minutes 25.4 seconds east 684.70 feet to the point of origin.

(C) The portion of the 10-foot settling basin the boundaries of which begin at a point with coordinates N177,107.78, E394,197.25, thence running north 78 degrees 13 minutes 45.7 seconds west 10.00 feet to a point N177,109.82, E394,187.46, thence running south 11 degrees 46 minutes 15.7 seconds west 300.00 feet to a point N176,816.13, E394,126.26, thence running south 78 degrees 12 minutes 21.4 seconds east 9.98 feet to a point N176,814.09, E394,136.03, thence running north 11 degrees 46 minutes 29.1 seconds east 300.00 feet to the point of origin.

(D) The portion of the 10-foot settling basin the boundaries of which begin at a point with coordinates N177,018.00, E394,628.00, thence running north 78 degrees 13 minutes 45.7 seconds west 10.00 feet to a point N177,020.04, E394,618.21, thence running south 11 degrees 46 minutes 44.0 seconds west 300.00 feet to a point N176,726.36, E394,556.97, thence running south 78 degrees 12 minutes 30.3 seconds east 10.03 feet to a point N176,724.31, E394,566.79, thence running north 11 degrees 46 minutes 22.4 seconds east 300.00 feet to the point of origin.

(10) FALMOUTH HARBOR, MASSACHUSETTS.—That portion of the project for navigation, Falmouth Harbor, Massachusetts, authorized by section 101 of the River and Harbor Act of 1948 lying southeasterly of a line commencing at a point N199,286.41, E844,394.91, thence running north 66 degrees 52 minutes 3.31 seconds east 472.95 feet to a point N199,472.21, E844,829.83, thence running north 43 degrees 9 minutes 28.3 seconds east 262.64 feet to a point N199,633.80, E845,009.48, thence running north 21 degrees 40 minutes 11.26 seconds east 808.38 feet to a point N200,415.05, E845,307.98, thence running north 32 degrees 25 minutes 29.01 seconds east 160.76 feet to a point N200,550.75, E845,394.18, thence running north 24 degrees 56 minutes 42.29 seconds east 1,410.29 feet to a point N201,829.48, E845,988.97.

(11) GREEN HARBOR, MASSACHUSETTS.—That portion of the project for navigation, Green Harbor, Massachusetts, undertaken pursuant to section 107 of the River and Harbor Act of 1960 (33 U.S.C. 577), consisting of the 6-foot deep channel beginning at a point along the west limit of the existing project, North 395990.43, East 831079.16, thence running

northwesterly about 752.85 feet to a point, North 396722.80, East 830904.76, thence running northwesterly about 222.79 feet to a point along the west limit of the existing project, North 396844.34, East 830718.04, thence running southwesterly about 33.72 feet along the west limit of the existing project to a point, North 396810.80, East 830714.57, thence running southeasterly about 195.42 feet along the west limit of the existing project to a point, North 396704.19, East 830878.35, thence running about 544.66 feet along the west limit of the existing project to a point, North 396174.35, East 831004.52, thence running southeasterly about 198.49 feet along the west limit of the existing project to the point of beginning.

(12) NEW BEDFORD AND FAIRHAVEN HARBOR, MASSACHUSETTS.—The following portions of the project for navigation, New Bedford and Fairhaven Harbor, Massachusetts:

(A) A portion of the 25-foot spur channel leading to the west of Fish Island, authorized by the River and Harbor Act of 3 March 1909, beginning at a point with coordinates N232,173.77, E758,791.32, thence running south 27 degrees 36 minutes 52.8 seconds west 38.2 feet to a point N232,139.91, E758,773.61, thence running south 87 degrees 35 minutes 31.6 seconds west 196.84 feet to a point N232,131.64, E758,576.94, thence running north 47 degrees 47 minutes 48.4 seconds west 502.72 feet to a point N232,469.35, E758,204.54, thence running north 10 degrees 10 minutes 20.3 seconds west 438.88 feet to a point N232,901.33, E758,127.03, thence running north 79 degrees 49 minutes 43.1 seconds east 121.69 feet to a point N232,922.82, E758,246.81, thence running south 04 degrees 29 minutes 17.6 seconds east 52.52 feet to a point N232,870.46, E758,250.92, thence running south 23 degrees 56 minutes 11.2 seconds east 49.15 feet to a point N323,825.54, E758,270.86, thence running south 79 degrees 49 minutes 27.0 seconds west 88.19 feet to a point N232,809.96, E758,184.06, thence running south 10 degrees 10 minutes 25.7 seconds east 314.83 feet to a point N232,500.08, E758,239.67, thence running south 56 degrees 33 minutes 56.1 seconds east 583.07 feet to a point N232,178.82, E758,726.25, thence running south 85 degrees 33 minutes 16.0 seconds east to the point of origin.

(B) A portion of the 30-foot west maneuvering basin, authorized by the River and Harbor Act of 3 July 1930, beginning at a point with coordinates N232,139.91, E758,773.61, thence running north 81 degrees 49 minutes 30.1 seconds east 160.76 feet to a point N232,162.77, E758.932.74, thence running north 85 degrees 33 minutes 16.0 seconds west 141.85 feet to a point N232,173.77, E758,791.32, thence running south 27 degrees 36 minutes 52.8 seconds west to the point of origin.

(b) ANCHORAGE AREA, CLINTON HARBOR, CONNECTICUT.—That portion of the Clinton Harbor, Connecticut, navigation project referred to in subsection (a)(2) beginning at a point beginning: N158,444.58, E660,220.95, thence running north 79 degrees 37 minutes 14 seconds east 833.31 feet to a point N158,594.72, E661,040.67, thence running south 80 degrees 51 minutes 53 seconds east 181.21 feet to a point N158,565.95, E661,219.58, thence running north 57 degrees 38 minutes 04 seconds west 126.02 feet to a point N158,633.41, E660,113.14, thence running south 79 degrees 37 minutes 14 seconds west 911.61 feet to a point N158,469.17, E660,216.44, thence running south 10 degrees 22 minutes 46 seconds east 25 feet returning to a point N158,444.58, E660,220.95 is redesignated as an anchorage area.

(c) WELLS HARBOR, MAINE.—

(1) PROJECT MODIFICATION.—The Wells Harbor, Maine, navigation project referred to in subsection (a)(9) is modified to authorize the Secretary to realign the channel and anchorage areas based on a harbor design capacity of 150 craft.

(2) REDESIGNATIONS.—

(A) 6-FOOT ANCHORAGE.—The following portions of the Wells Harbor, Maine, navigation project referred to in subsection (a)(9) shall be redesignated as part of the 6-foot anchorage:

(i) The portion of the 6-foot channel the boundaries of which begin at a point with coordinates N177,990.91, E394,820.68, thence running south 83 degrees 58 minutes 40.8 seconds west 94.65 feet to a point N177,980.98, E394,726.55, thence running south 11 degrees 46 minutes 22.4 seconds west 962.83 feet to a point N177,038.40, E394,530.10, thence running south 78 degrees 13 minutes 45.7 seconds east 90.00 feet to a point N177,020.04, E394,618.21, thence running north 11 degrees 46 minutes 47.7 seconds east 991.76 feet to the point of origin.

(ii) The portion of the 10-foot inner harbor settling basin the boundaries of which begin at a point with coordinates N177,020.04, E394,618.21, thence running north 78 degrees 13 minutes 30.5 seconds west 160.00 feet to a point N177,052.69, E394,461.58, thence running south 11 degrees 46 minutes 45.4 seconds west 299.99 feet to a point N176,759.02, E394,400.34, thence running south 78 degrees 13 minutes 17.9 seconds east 160 feet to a point N176,726.36, E394,556.97, thence running north 11 degrees 46 minutes 44.0 seconds east 300.00 feet to the point of origin.

(B) 6-FOOT CHANNEL.—The following portion of the Wells Harbor, Maine, navigation project referred to in subsection (a)(9) shall be redesignated as part of the 6-foot channel: the portion of the 6-foot anchorage the boundaries of which begin at a point with coordinates N178,102.26, E394,751.83, thence running south 51 degrees 59 minutes 42.1 seconds west 526.51 feet to a point N177,778.07, E394,336.96, thence running south 11 degrees 46 minutes 26.6 seconds west 511.83 feet to a point N177,277.01, E394,232.52, thence running south 78 degrees 13 minutes 17.9 seconds east 80.00 feet to a point N177,260.68, E394,310.84, thence running north 11 degrees 46 minutes 24.8 seconds east 482.54 feet to a point N177,733.07, E394,409.30, thence running north 51 degrees 59 minutes 41.0 seconds east 402.63 feet to a point N177,980.98, E394,726.55, thence running north 11 degrees 46 minutes 27.6 seconds east 123.89 feet to the point of origin.

(3) REALIGNMENT.—The 6-foot anchorage area described in paragraph (2)(B) shall be realigned to include the area located south of the inner harbor settling basin in existence on the date of the enactment of this Act beginning at a point with coordinates N176,726.36, E394,556.97, thence running north 78 degrees 13 minutes 17.9 seconds west 160.00 feet to a point N176,759.02, E394,400.34, thence running south 11 degrees 47 minutes 03.8 seconds west 45 feet to a point N176,714.97, E394,391.15, thence running south 78 degrees 13 minutes 17.9 seconds 160.00 feet to a point N176,682.31, E394,547.78, thence running north 11 degrees 47 minutes 03.8 seconds east 45 feet to the point of origin.

(4) RELOCATION.—The Secretary may relocate the settling basin feature of the Wells Harbor, Maine, navigation project referred to in subsection (a)(9) to the outer harbor between the jetties.

(5) ADDITIONAL ACTIONS.—In carrying out the operation and the maintenance of the Wells Harbor, Maine, navigation project referred to in subsection (a)(9), the Secretary shall undertake each of the actions of the Corps of Engineers specified in section IV(B) of the memorandum of agreement relating to the project dated January 20, 1998, including those actions specified in such section IV(B) that the parties agreed to ask the Corps of Engineers to undertake.

(d) ANCHORAGE AREA, GREEN HARBOR, MASSACHUSETTS.—The portion of the Green Harbor, Massachusetts, navigation project referred to in subsection (a)(11) consisting of a 6-foot deep channel that lies northerly of a line whose coordinates are North 394825.00, East 831660.00 and North 394779.28, East 831570.64 is redesignated as an anchorage area.

SEC. 365. AMERICAN AND SACRAMENTO RIVERS, CALIFORNIA.

(a) IN GENERAL.—The project for flood damage reduction, American and Sacramento Rivers, California, authorized by section 101(a)(1) of the Water Resources Development Act of 1996 (110 Stat. 3662–3663), is modified to direct the Secretary to include the following improvements as part of the overall project:

(1) Raising the left bank of the non-Federal levee upstream of the Mayhew Drain for a distance of 4,500 feet by an average of 2.5 feet.

(2) Raising the right bank of the American River levee from 1,500 feet upstream to 4,000 feet downstream of the Howe Avenue bridge by an average of 1 feet.

(3) Modifying the south levee of the Natomas Cross Canal for a distance of 5 miles to ensure that the south levee is consistent with the level of protection provided by the authorized levee along the east bank of the Sacramento River.

(4) Modifying the north levee of the Natomas Cross Canal for a distance of 5 miles to ensure that the height of the levee is equivalent to the height of the south levee as authorized by paragraph (3).

(5) Installing gates to the existing Mayhew Drain culvert and pumps to prevent backup of floodwater on the Folsom Boulevard side of the gates.

(6) Installation of a slurry wall in the north levee of the American River from the east levee of the Natomas east Main Drain upstream for a distance of approximately 1.2 miles.

(7) Installation of a slurry wall in the north levee of the American River from 300 feet west of Jacob Lane north for a distance of approximately 1 mile to the end of the existing levee.

(b) COST LIMITATIONS.—Section 101(a)(1)(A) of the Water Resources Development Act of 1996 (110 Stat. 3662) is amended by striking ''at a total cost of'' and all that follows through ''$14,225,000,'' and inserting the following: ''at a total cost of $91,900,000, with an estimated Federal cost of $68,925,000 and an estimated non-Federal cost of $22,975,000,''.

(c) COST SHARING.—For purposes of section 103 of the Water Resources Development Act of 1986 (33 U.S.C. 2213), the modifications authorized by this section shall be subject to the same cost sharing in effect for the project for flood damage reduction, American and Sacramento Rivers, California, authorized by section 101(a)(1) of the Water Resources Development Act of 1996 (110 Stat. 3662).

SEC. 366. MARTIN, KENTUCKY.

The project for flood control, Martin, Kentucky, authorized by section 202(a) of the Energy and Water Development Appropriations Act, 1981 (94 Stat. 1339) is modified to authorize the Secretary to take all necessary measures to prevent future losses that would occur from a flood equal in magnitude to a 100-year frequency event.

SEC. 367. SOUTHERN WEST VIRGINIA PILOT PROGRAM.

Section 340(g) of the Water Resources Development Act of 1992 (106 Stat. 4856) is amended to read as follows:

''(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out the pilot program under this section $40,000,000 for fiscal years beginning

after September 30, 1992. Such sums shall remain available until expended.''.

SEC. 368. BLACK WARRIOR AND TOMBIGBEE RIVERS, JACKSON, ALABAMA.

The project for navigation, Black Warrior and Tombigbee Rivers, vicinity of Jackson, Alabama, as authorized by section 106 of the Energy and Water Development Appropriations Act, 1987 (100 Stat. 3341–199), is modified to authorize the Secretary to acquire lands for mitigation of the habitat losses attributable to the project, including the navigation channel, dredged material disposal areas, and other areas directly impacted by construction of the project. Notwithstanding section 906 of the Water Resources Development Act of 1986 (33 U.S.C. 2283), the Secretary may construct the project prior to acquisition of the mitigation lands if the Secretary takes such actions as may be necessary to ensure that any required mitigation lands will be acquired not later than 2 years after initiation of construction of the new channel and such acquisition will fully mitigate any adverse environmental impacts resulting from the project.

SEC. 369. TROPICANA WASH AND FLAMINGO WASH, NEVADA.

Any Federal costs associated with the Tropicana and Flamingo Washes, Nevada, authorized by section 101(13) of the Water Resources Development Act of 1992 (106 Stat. 4803), incurred by the non-Federal interest to accelerate or modify construction of the project, in cooperation with the Corps of Engineers, shall be considered to be eligible for reimbursement by the Secretary.

SEC. 370. COMITE RIVER, LOUISIANA.

The Comite River Diversion Project for flood control, authorized as part of the project for flood control, Amite River and Tributaries, Louisiana, by section 101(11) of the Water Resources Development Act of 1992 (106 Stat. 4802–4803) and modified by section 301(b)(5) of the Water Resources Development Act of 1996 (110 Stat. 3709–3710), is further modified to authorize the Secretary to include the costs of highway relocations to be cost shared as a project construction feature if the Secretary determines that such treatment of costs is necessary to facilitate construction of the project.

SEC. 371. ST. MARY'S RIVER, MICHIGAN.

The project for navigation, St. Mary's River, Michigan, is modified to direct the Secretary to provide an additional foot of overdraft between Point Louise Turn and the Locks and Sault Saint Marie, Michigan, consistent with the channels upstream of Point Louise Turn. The modification shall be carried out as operation and maintenance to improve navigation safety.

SEC. 372. CITY OF CHARLXVOIX: REIMBURSEMENT, MICHIGAN.

The Secretary, shall review and, if consistent with authorized project Purposes, reimburse the City of Charlevoix, Michigan, for the Federal share of costs associated with construction of the new revetment to the Federal navigation project at Charlevoix Harbor, Michigan.

TITLE IV—STUDIES

SEC. 401. UPPER MISSISSIPPI AND ILLINOIS RIVERS LEVEES AND STREAMBANKS PROTECTION.

The Secretary shall conduct a study of erosion damage to levees and infrastructure on the upper Mississippi and Illinois Rivers and the impact of increased barge and pleasure craft traffic on deterioration of levees and other flood control structures on such rivers.

SEC. 402. UPPER MISSISSIPPI RIVER COMPREHENSIVE PLAN.

(a) DEVELOPMENT.—The Secretary shall develop a plan to address water and related land resources problems and opportunities in the Upper Mississippi and Illinois River Basins, extending from Cairo, Illinois, to the headwaters of the Mississippi River, in the interest of systemic flood damage reduction by means of a mixture of structural and nonstructural flood control and floodplain management strategies, continued maintenance of the navigation project, management of bank caving and erosion, watershed nutrient and sediment management, habitat management, recreation needs, and other related purposes.

(b) CONTENTS.—The plan shall contain recommendations on future management plans and actions to be carried out by the responsible Federal and non-Federal entities and shall specifically address recommendations to authorize construction of a systemic flood control project in accordance with a plan for the Upper Mississippi River. The plan shall include recommendations for Federal action where appropriate and recommendations for follow-on studies for problem areas for which data or current technology does not allow immediate solutions.

(c) CONSULTATION AND USE OF EXISTING DATA.—The Secretary shall consult with appropriate State and Federal agencies and shall make maximum use of existing data and ongoing programs and efforts of States and Federal agencies in developing the plan.

(d) COST SHARING.—Development of the plan under this section shall be at Federal expense. Feasibility studies resulting from development of such plan shall be subject to cost sharing under section 105 of the Water Resources Development Act of 1986 (33 U.S.C. 2215).

(e) REPORT.—The Secretary shall submit a report that includes the comprehensive plan to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Environment and Public Works of the Senate not later than 3 years after the date of the enactment of this Act.

SEC. 403. EL DORADO, UNION COUNTY, ARKANSAS.

The Secretary shall conduct a study to determine the feasibility of improvements to regional water supplies for El Dorado, Union County, Arkansas.

SEC. 404. SWEETWATER RESERVOIR, SAN DIEGO COUNTY, CALIFORNIA.

The Secretary shall conduct a study of the potential water quality problems and pollution abatement measures in the watershed in and around Sweetwater Reservoir, San Diego County, California.

SEC. 405. WHITEWATER RIVER BASIN, CALIFORNIA.

The Secretary shall undertake and complete a feasibility study for flood damage reduction in the Whitewater River basin, California, and, based upon the results of such study, give priority consideration to including the recommended project, including the Salton Sea wetlands restoration project, in the flood mitigation and riverine restoration pilot program authorized in section 214 of this Act.

SEC. 406. LITTLE ECONLACKHATCHEE RIVER BASIN, FLORIDA.

The Secretary shall conduct a study of pollution abatement measures in the Little Econlackhatchee River basin, Florida.

SEC. 407. PORT EVERGLADES INLET, FLORIDA.

The Secretary shall conduct a study to determine the feasibility of carrying out a sand bypass project at Port Everglades Inlet, Florida.

SEC. 408. UPPER DES PLAINES RIVER AND TRIBUTARIES, ILLINOIS AND WISCONSIN.

(a) IN GENERAL.—The Secretary is directed to conduct a study of the upper Des Plaines River and tributaries, Illinois and Wisconsin, upstream of the confluence with Salt Creek at Riverside, Illinois, to determine the feasibility of improvements in the interests of flood damage reduction, environmental restoration and protection, water quality, recreation, and related purposes.

(b) SPECIAL RULE.—In conducting the study, the Secretary may not exclude from consideration and evaluation flood damage reduction measures based on restrictive policies regarding the frequency of flooding, drainage area, and amount of runoff.

(c) CONSULTATION AND USE OF EXISTING DATA.—The Secretary shall consult with appropriate State and Federal agencies and shall make maximum use of existing data and ongoing programs and efforts of States and Federal agencies in conducting the study.

SEC. 409. CAMERON PARISH WEST OF CALCASIEU RIVER, LOUISIANA.

The Secretary shall conduct a study to determine the feasibility of carrying out a project for storm damage reduction and environmental restoration, Cameron Parish west of Calcasieu River, Louisiana.

SEC. 410. GRAND ISLE AND VICINITY, LOUISIANA.

In carrying out a study of the storm damage reduction benefits to Grand Isle and vicinity, Louisiana, the Secretary shall include benefits that a storm damage reduction project for Grand Isle and vicinity, Louisiana, may have on the mainland coast of Louisiana as project benefits attributable to the Grand Isle project.

SEC. 411. LAKE PONTCHARTRAIN SEAWALL, LOUISIANA.

(a) IN GENERAL.—The Secretary shall complete a post-authorization change report on the project for hurricane-flood protection, Lake Pontchartrain, Louisiana, and vicinity, authorized by section 204 of the Flood Control Act of 1965 (79 Stat. 1077), to incorporate and accomplish structural modifications to the seawall fronting protection along the south shore of Lake Pontchartrain from the New Basin Canal on the west to the Inner harbor Navigation Canal on the east.

(b) REPORT.—The Secretary shall ensure expeditious completion of the post-authorization change report required by subsection (a) not later than 180 days after the date of the enactment of this section.

SEC. 412. WESTPORT, MASSACHUSETTS.

The Secretary shall conduct a study to determine the feasibility of carrying out a navigation project for the town of Westport, Massachusetts, and the possible beneficial uses of dredged material for shoreline protection and storm damage reduction in the area. In determining the benefits of the project, the Secretary shall include the benefits derived from using dredged material for shoreline protection and storm damage reduction.

SEC. 413. SOUTHWEST VALLEY, ALBUQUERQUE, NEW MEXICO.

The Secretary shall undertake and complete a feasibility study for flood damage reduction in the Southwest Valley, Albuquerque, New Mexico, and, based upon the results of such study, give priority consideration to including the recommended project in the flood mitigation and riverine restoration pilot program authorized in section 214 of this Act.

SEC. 414. CAYUGA CREEK, NEW YORK.

The Secretary shall conduct a study to determine the feasibility of carrying out a project for flood control for Cayuga Creek, New York.

SEC. 415. ARCOLA CREEK WATERSHED, MADISON, OHIO.

The Secretary shall conduct a study to determine the feasibility of a project to provide environmental restoration and protection for the Arcola Creek watershed, Madison, Ohio.

SEC. 416. WESTERN LAKE ERIE BASIN, OHIO, INDIANA, AND MICHIGAN.

(a) IN GENERAL.—The Secretary shall conduct a study to develop measures to improve flood control, navigation, water quality, recreation, and fish and wildlife habitat in a comprehensive manner in the western Lake Erie basin, Ohio, Indiana, and Michigan, including watersheds of the Maumee, Ottawa, and Portage Rivers.

(b) COOPERATION.—In carrying out the study, the Secretary shall cooperate with interested Federal, State, and local agencies and nongovernmental organizations and consider all relevant programs of such agencies.

(c) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the results of the study, including findings and recommendations.

SEC. 417. SCHUYLKILL RIVER, NORRISTOWN, PENNSYLVANIA.

The Secretary shall conduct a study to determine the feasibility of carrying out a project for flood control for Schuylkill River, Norristown, Pennsylvania, including improvement to existing stormwater drainage systems.

SEC. 418. LAKES MARION AND MOULTRIE, SOUTH CAROLINA.

The Secretary shall conduct a study to determine the feasibility of carrying out a project for Lakes Marion and Moultrie to provide water supply, treatment, and distribution to Calhoun, Clarendon, Colleton, Dorchester, Orangeburg, and Sumter Counties, South Carolina.

SEC. 419. DAY COUNTY, SOUTH DAKOTA.

The Secretary shall conduct an investigation of flooding and other water resources problems between the James River and Big Sioux watersheds in South Dakota and an assessment of flood damage reduction needs of the area.

SEC. 420. CORPUS CHRISTI, TEXAS.

The Secretary shall include, as part of the study authorized in a resolution of the Committee on Public Works and Transportation of the House of Representatives, dated August 1, 1990, a review of two 175-foot-wide barge shelves on either side of the navigation channel at the Port of Corpus Christi, Texas.

SEC. 421. MITCHELL'S CUT CHANNEL (CANEY FORK CUT), TEXAS.

The Secretary shall conduct a study to determine the feasibility of carrying out a project for navigation, Mitchell's Cut Channel (Caney Fork Cut), Texas.

SEC. 422. MOUTH OF COLORADO RIVER, TEXAS.

The Secretary shall conduct a study to determine the feasibility of carrying out a project for navigation at the mouth of the Colorado River, Texas, to provide a minimum draft navigation channel extending from the Colorado River through Parkers Cut (also known as ''Tiger Island Cut''), or an acceptable alternative, to Matagorda Bay.

SEC. 423. KANAWHA RIVER, FAYETTE COUNTY, WEST VIRGINIA.

The Secretary shall conduct a study to determine the feasibility of developing a public port along the Kanawha River in Fayette County, West Virginia, at a site known as ''Longacre''.

SEC. 424. WEST VIRGINIA PORTS.

The Secretary shall conduct a study to determine the feasibility of expanding public port development in West Virginia along the Ohio River and navigable portion of the Kanawha River from its mouth to river mile 91.0

SEC. 425. GREAT LAKES REGION COMPREHENSIVE STUDY.

(a) STUDY.—The Secretary shall conduct a comprehensive study of the Great Lakes region to ensure the future use, management, and protection of water and related resources of the Great Lakes basin.

(b) REPORT.—Not later than 4 years after the date of the enactment of this Act, the Secretary shall submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Environment and Public Works of the Senate a report that includes the strategic plan for Corps of Engineers programs in the Great Lakes basin and details of proposed Corps of Engineers environmental, navigation, and flood damage reduction projects in the region.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $1,000,000 for fiscal years 2000 through 2003.

SEC. 426. NUTRIENT LOADING RESULTING FROM DREDGED MATERIAL DISPOSAL.

(a) STUDY.—The Secretary shall conduct a study of nutrient loading that occurs as a result of discharges of dredged material into open-water sites in the Chesapeake Bay.

(b) REPORT.—Not later than 18 months after the date of the enactment of this Act, the Secretary shall transmit to Congress a report on the results of the study.

SEC. 427. SANTEE DELTA FOCUS AREA, SOUTH CAROLINA.

The Secretary shall conduct a study of the Santee Delta focus area, South Carolina, to determine the feasibility of carrying out a project for enhancing wetlands values and public recreational opportunities in the area.

SEC. 428. DEL NORTE COUNTY, CALIFORNIA.

The Secretary shall undertake and complete a feasibility study for designating a permanent disposal site for dredged materials from Federal navigation projects in Del Norte County, California.

SEC. 429. ST. CLAIR RIVER AND LAKE ST. CLAIR, MICHIGAN.

(a) PLAN.—The Secretary, in coordination with State and local governments and appropriate Federal and provincial authorities of Canada, shall develop a comprehensive management plan for St. Clair River and Lake St. Clair. Such plan shall include the following elements:

(1) The causes and sources of environmental degradation.

(2) Continuous monitoring of organic, biological, metallic, and chemical contamination levels.

(3) Timely dissemination of information of such contamination levels to public authorities, other interested parties, and the public.

(b) REPORT.—Not later than 1 year after the date of the enactment of this Act, the Secretary shall transmit to Congress a report that includes the plan developed under subsection (a), together with recommendations of potential restoration measures.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $400,000.

SEC. 430. CUMBERLAND COUNTY, TENNESSEE.

The Secretary shall conduct a study to determine the feasibility of improvements to regional water supplies for Cumberland County, Tennessee.

TITLE V—MISCELLANEOUS PROVISIONS

SEC. 501. CORPS ASSUMPTION OF NRCS PROJECTS.

(a) LLAGAS CREEK, CALIFORNIA.—The Secretary is authorized to complete the remaining reaches of the Natural Resources Conservation Service's flood control project at Llagas Creek, California, undertaken pursuant to section 5 of the Watershed Protection and Flood Prevention Act (16 U.S.C. 1005), substantially in accordance with the Natural Resources Conservation Service watershed plan for Llagas Creek, Department of Agriculture, and in accordance with the requirements of local cooperation as specified in section 4 of such Act, at a total cost of $45,000,000, with an estimated Federal cost of $21,800,000 and an estimated non-Federal cost of $23,200,000.

(b) THORNTON RESERVOIR, COOK COUNTY, ILLINOIS.—

(1) IN GENERAL.—The Thornton Reservoir project, an element of the project for flood control, Chicagoland Underflow Plan, Illinois, authorized by section 3(a)(5) of the Water Resources Development Act of 1988 (102 Stat. 4013), is modified to authorize the Secretary to include additional permanent flood control storage attributable to the Natural Resources Conservation Service Thornton Reservoir (Structure 84), Little Calumet River Watershed, Illinois, approved under the Watershed Protection and Flood Prevention Act (16 U.S.C. 1001 et seq.).

(2) COST SHARING.—Costs for the Thornton Reservoir project shall be shared in accordance with section 103 of the Water Resources Development Act of 1986 (33 U.S.C. 2213).

(3) TRANSITIONAL STORAGE.—The Secretary of Agriculture may cooperate with non-Federal interests to provide, on a transitional basis, flood control storage for the Natural Resources Conservation Service Thornton Reservoir (Structure 84) in the west lobe of the Thornton quarry in advance of Corps' construction.

(4) CREDITING.—The Secretary may credit against the non-Federal share of the Thornton Reservoir project all design, lands, easements, rights-of-way (as of the date of authorization), and construction costs incurred by the non-Federal interests before the signing of the project cooperation agreement.

(5) REEVALUATION REPORT.—The Secretary shall determine the credits authorized by paragraph (4) that are integral to the Thornton Reservoir project and the current total project costs based on a limited reevaluation report.

SEC. 502. CONSTRUCTION ASSISTANCE.

Section 219(e) of the Water Resources Development Act of 1992 (106 Stat. 4836–4837) is amended by striking paragraphs (5) and (6) and inserting the following:

''(5) $25,000,000 for the project described in subsection (c)(2);

''(6) $20,000,000 for the project described in subsection (c)(9);

''(7) $30,000,000 for the project described in subsection (c)(16);

''(8) $30,000,000 for the project described in subsection (c)(17);

''(9) $20,000,000 for the project described in subsection (c)(19);

''(10) $15,000,000 for the project described in subsection (c)(20);

''(11) $11,000,000 for the project described in subsection (c)(21);

''(12) $2,000,000 for the project described in subsection (c)(22);

''(13) $3,000,000 for the project described in subsection (c)(23);

''(14) $1,500,000 for the project described in subsection (c)(24);

''(15) $2,000,000 for the project described in subsection (c)(25);

''(16) $8,000,000 for the project described in subsection (c)(26);

''(17) $8,000,000 for the project described in subsection (c)(27), of which $3,000,000 shall be available only for providing assistance for the Montoursville Regional Sewer Authority, Lycoming County;

''(18) $10,000,000 for the project described in subsection (c)(28); and

''(19) $1,000,000 for the project described in subsection (c)(29).''.

SEC. 503. CONTAMINATED SEDIMENT DREDGING TECHNOLOGY.

(a) CONTAMINATED SEDIMENT DREDGING PROJECT.—

(1) REVIEW.—The Secretary shall conduct a review of innovative dredging technologies designed to minimize or eliminate contamination of a water column upon removal of contaminated sediments. The Secretary shall complete such review by June 1, 2001.

(2) TESTING.—After completion of the review under paragraph (1), the Secretary shall select the technology of those reviewed that the Secretary determines will increase the effectiveness of removing contaminated sediments and significantly reduce contamination of the water column. Not later than December 31, 2001, the Secretary shall enter into an agreement with a public or private entity to test such technology in the vicinity of Peoria Lakes, Illinois.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $2,000,000.

SEC. 504. DAM SAFETY.

(a) ASSISTANCE.—The Secretary is authorized to provide assistance to enhance dam safety at the following locations:

(1) Healdsburg Veteran's Memorial Dam, California.

(2) Felix Dam, Pennsylvania.

(3) Kehly Run Dam, Pennsylvania.

(4) Owl Creek Reservoir, Pennsylvania.

(5) Sweet Arrow Lake Dam, Pennsylvania.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $6,000,000 to carry out this section.

SEC. 505. GREAT LAKES REMEDIAL ACTION PLANS.

Section 401(a)(2) of the Water Resources Development Act of 1990 (110 Stat. 3763) is amended by adding at the end the following: ''Nonprofit public or private entities may contribute all or a portion of the non-Federal share.''.

SEC. 506. SEA LAMPREY CONTROL MEASURES IN THE GREAT LAKES.

(a) IN GENERAL.—In conjunction with the Great Lakes Fishery Commission, the Secretary is authorized to undertake a program for the control of sea lampreys in and around waters of the Great Lakes. The program undertaken pursuant to this section may include projects which consist of either structural or nonstructural measures or a combination thereof.

(b) COST SHARING.—Projects carried out under this section on lands owned by the United States shall be carried out at full Federal expense. The non-Federal share of the cost of any such project undertaken on lands not in Federal ownership shall be 35 percent.

(c) NON-FEDERAL INTERESTS.—Notwithstanding section 221(b) of the Flood Control Act of 1970 (42 U.S.C. 1962d–5b(b)), the Secretary, after coordination with the appropriate State and local government officials having jurisdiction over an area in which a project under this section will be carried out, may allow a nonprofit entity to serve as the non-Federal interest for the project.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $2,000,000 for each of fiscal years 2000 through 2005.

SEC. 507. MAINTENANCE OF NAVIGATION CHANNELS.

Section 509(a) of the Water Resources Development Act of 1996 (110 Stat. 3759) is amended by adding at the end the following:

''(12) Acadiana Navigation Channel, Louisiana.

''(13) Contraband Bayou, Louisiana, as part of the Calcasieu River and Pass Ship Channel.

''(14) Lake Wallula Navigation Channel, Washington.

''(15) Wadley Pass (also known as McGriff Pass), Suwanee River, Florida.''.

SEC. 508. MEASUREMENT OF LAKE MICHIGAN DIVERSIONS.

Section 1142(b) of the Water Resources Development Act of 1986 (42 U.S.C. 1962d–20 note; 100 Stat. 4253) is amended by striking ''$250,000'' and inserting ''$1,250,000''.

SEC. 509. UPPER MISSISSIPPI RIVER ENVIRONMENTAL MANAGEMENT PROGRAM.

(a) AUTHORIZED ACTIVITIES.—Section 1103(e)(1) of the Water Resources Development Act of 1986 (33 U.S.C. 652(e)(1)) is amended—

(1) by inserting ''and'' at the end of subparagraph (A);

(2) in subparagraph (B) by striking ''long-term resource monitoring program; and'' and inserting ''long-term resource monitoring, computerized data inventory and analysis, and applied research program.''; and

(3) by striking subparagraph (C) and inserting the following:

''In carrying out subparagraph (A), the Secretary shall establish an independent technical advisory committee to review projects, monitoring plans, and habitat and natural resource needs assessments.''.

(b) REPORTS.—Section 1103(e)(2) of such Act (33 U.S.C. 652(e)(2)) is amended to read as follows:

''(2) REPORTS.—Not later than December 31, 2004, and not later than December 31st of every sixth year thereafter, the Secretary, in consultation with the Secretary of the Interior and the States of Illinois, Iowa, Minnesota, Missouri, and Wisconsin, shall transmit to Congress a report that—

''(A) contains an evaluation of the programs described in paragraph (1);

''(B) describes the accomplishments of each of such programs;

''(C) provides updates of a systemic habitat needs assessment; and

''(D) identifies any needed adjustments in the authorization.''.

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 1103(e) of such Act (33 U.S.C. 652(e)) is amended—

(1) in paragraph (3) by striking ''not to exceed'' and all that follows before the period at the end and inserting ''$22,750,000 for fiscal year 1999 and each fiscal year thereafter'';

(2) in paragraph (4) by striking ''not to exceed'' and all that follows before the period at the end and inserting ''$10,420,000 for fiscal year 1999 and each fiscal year thereafter''; and

(3) by striking paragraph (5) and inserting the following:

''(5) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out paragraph (1)(A) $350,000 for each of fiscal years 1999 through 2009.''.

(d) TRANSFER OF AMOUNTS.—Section 1103(e)(6) of such Act is amended to read as follows:

''(6) TRANSFER OF AMOUNTS.—For fiscal year 1999, and each fiscal year thereafter, the Secretary, in consultation with the Secretary of the Interior and the States of Illinois, Iowa, Minnesota, Missouri, and Wisconsin, may transfer not to exceed 20 percent of the amounts appropriated to carry out subparagraph (A) or (B) of paragraph (1) to the amounts appropriated to carry out the other of such subparagraphs.''.

(e) HABITAT NEEDS ASSESSMENT.—Section 1103(h)(2) of such Act (33 U.S.C. 652(h)(2)) is amended by adding at the end the following: ''The Secretary shall complete the on-going habitat needs assessment conducted under this paragraph not later than September 30, 2000, and shall include in each report required by subsection (e)(2) the most recent habitat needs assessment conducted under this paragraph.''.

(f) CONFORMING AMENDMENTS.—Section 1103 of such Act (33 U.S.C. 652) is amended—

(1) in subsection (e)(7) by striking ''paragraphs (1)(B) and (1)(C)'' and inserting ''paragraph (1)(B)''; and

(2) in subsection (f)(2)—

(A) by striking ''(2)(A)'' and inserting ''(2)''; and

(B) by striking subparagraph (B).

SEC. 510. ATLANTIC COAST OF NEW YORK MONITORING.

Section 404(c) of the Water Resources Development Act of 1992 (106 Stat. 4863) is amended by striking ''1993, 1994, 1995, 1996, and 1997'' and inserting ''1993 through 2003''.

SEC. 511. WATER CONTROL MANAGEMENT.

(a) IN GENERAL.—In evaluating potential improvements for water control management activities and consolidation of water control management centers, the Secretary may consider a regionalized water control management plan but may not implement such a plan until the date on which a report is transmitted under subsection (b).

(b) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall transmit to the Committee on Transportation and Infrastructure and the Committee on Appropriations of the House of Representatives and the Committee on Environment and Public Works and the Committee on Appropriations of the Senate a report containing the following:

(1) A description of the primary objectives of streamlining water control management activities.

(2) A description of the benefits provided by streamlining water control management activities through consolidation of centers for such activities.

(3) A determination of whether or not benefits to users of regional water control management centers will be retained in each district office of the Corps of Engineers that does not have a regional center.

(4) A determination of whether or not users of such regional centers will receive a higher level of benefits from streamlining water management control management activities.

(5) A list of the Members of Congress who represent a district that currently includes a water control management center that is to be eliminated under a proposed regionalized plan.

SEC. 512. BENEFICIAL USE OF DREDGED MATERIAL.

The Secretary is authorized to carry out the following projects under section 204 of the Water Resources Development Act of 1992 (33 U.S.C. 2326):

(1) BODEGA BAY, CALIFORNIA.—A project to make beneficial use of dredged materials from a Federal navigation project in Bodega Bay, California.

(2) SABINE REFUGE, LOUISIANA.—A project to make beneficial use of dredged materials from Federal navigation projects in the vicinity of Sabine Refuge, Louisiana.

(3) HANCOCK, HARRISON, AND JACKSON COUNTIES, MISSISSIPPI.—A project to make beneficial use of dredged material from a Federal navigation project in Hancock, Harrison, and Jackson Counties, Mississippi.

(4) ROSE CITY MARSH, ORANGE COUNTY, TEXAS.—A project to make beneficial use of dredged material from a Federal navigation project in Rose City Marsh, Orange County, Texas.

(5) BESSIE HEIGHTS MARSH, ORANGE COUNTY, TEXAS.—A project to make beneficial use of dredged material from a Federal navigation project in Bessie Heights Marsh, Orange County, Texas.

SEC. 513. DESIGN AND CONSTRUCTION ASSISTANCE.

Section 507(2) of the Water Resources Development Act of 1996 (110 Stat. 3758) is amended to read as follows:

''(2) Expansion and improvement of Long Pine Run Dam and associated water infrastructure in accordance with the requirements of subsections (b) through (e) of section 313 of the Water Resources Development Act of 1992 (106 Stat. 4845) at a total cost of $20,000,000.''.

SEC. 514. LOWER MISSOURI RIVER AQUATIC RESTORATION PROJECTS.

(a) IN GENERAL.—Not later than 1 year after funds are made available for such purposes, the Secretary shall complete a comprehensive report—

(1) identifying a general implementation strategy and overall plan for environmental restoration and protection along the Lower Missouri River between Gavins Point Dam and the confluence of the Missouri and Mississippi Rivers; and

(2) recommending individual environmental restoration projects that can be considered by the Secretary for implementation under section 206 of the Water Resources Development Act of 1996 (33 U.S.C. 2330; 110 Stat. 3679–3680).

(b) SCOPE OF PROJECTS.—Any environmental restoration projects recommended under subsection (a) shall provide for such activities and measures as the Secretary determines to be necessary to protect and restore fish and wildlife habitat without adversely affecting private property rights or water related needs of the region surrounding the Missouri River, including flood control, navigation, and enhancement of water supply, and shall include some or all of the following components:

(1) Modification and improvement of navigation training structures to protect and restore fish and wildlife habitat.

(2) Modification and creation of side channels to protect and restore fish and wildlife habitat.

(3) Restoration and creation of fish and wildlife habitat.

(4) Physical and biological monitoring for evaluating the success of the projects.

(c) COORDINATION.—To the maximum extent practicable, the Secretary shall integrate projects carried out in accordance with this section with other Federal, tribal, and State restoration activities.

(d) COST SHARING.—The report under subsection (a) shall be undertaken at full Federal expense.

SEC. 515. AQUATIC RESOURCES RESTORATION IN THE NORTHWEST.

(a) IN GENERAL.—In cooperation with other Federal agencies, the Secretary is authorized to develop and implement projects for fish screens, fish passage devices, and other similar measures agreed to by non-Federal interests and relevant Federal agencies to mitigate adverse impacts associated with irrigation system water diversions by local governmental entities in the States of Oregon, Washington, Montana, and Idaho.

(b) PROCEDURE AND PARTICIPATION.—

(1) CONSULTATION REQUIREMENT; USE OF EXISTING DATA.—In providing assistance under subsection (a), the Secretary shall consult with other Federal, State, and local agencies and make maximum use of data and studies in existence on the date of the enactment of this Act.

(2) PARTICIPATION BY NON-FEDERAL INTERESTS.—Participation by non-Federal interests in projects under this section shall be voluntary. The Secretary shall not take any action under this section that will result in a non-Federal interest being held financially responsible for an action under a project unless the non-Federal interest has voluntarily agreed to participate in the project.

(c) COST SHARING.—Projects carried out under this section on lands owned by the United States shall be carried out at full Federal expense. The non-Federal share of the cost of any such project undertaken on lands not in Federal ownership shall be 35 percent.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $10,000,000 for fiscal years beginning after September 30, 1999.

SEC. 516. INNOVATIVE TECHNOLOGIES FOR WATERSHED RESTORATION.

The Secretary shall use, and encourage the use of, innovative treatment technologies, including membrane technologies, for watershed and environmental restoration and protection projects involving water quality.

SEC. 517. ENVIRONMENTAL RESTORATION.

(a) ATLANTA, GEORGIA.—Section 219(c)(2) of the Water Resources Development Act of 1992 (106 Stat. 4835) is amended by inserting before the period ''and watershed restoration and development in the regional Atlanta watershed, including Big Creek and Rock Creek''.

(b) PATERSON AND PASSAIC VALLEY, NEW JERSEY.—Section 219(c)(9) of such Act (106 Stat. 4836) is amended to read as follows:

''(9) PATERSON, PASSAIC COUNTY, AND PASSAIC VALLEY, NEW JERSEY.—Drainage facilities to alleviate flooding problems on Getty Avenue in the vicinity of St. Joseph's Hospital for the City of Paterson, New Jersey, and Passaic County, New Jersey, and innovative facilities to manage and treat additional flows in the Passaic Valley, Passaic River basin, New Jersey.''.

(c) NASHUA, NEW HAMPSHIRE.—Section 219(c) of such Act is amended by adding at the end the following:

''(19) NASHUA, NEW HAMPSHIRE.—A sewer and drainage system separation and rehabiliation program for Nashua, New Hampshire.''.

(d) FALL RIVER AND NEW BEDFORD, MASSACHUSETTS.—Section 219(c) of such Act is further amended by adding at the end the following:

''(20) FALL RIVER AND NEW BEDFORD, MASSACHUSETTS.—Elimination or control of combined sewer overflows in the cities of Fall River and New Bedford, Massachusetts.''.

(e) ADDITIONAL PROJECT DESCRIPTIONS.—Section 219(c) of such Act is further amended by adding at the end the following:

''(21) FINDLAY TOWNSHIP, PENNSYLVANIA.—Water and sewer lines in Findlay Township, Allegheny County, Pennsylvania.

''(22) DILLSBURG BOROUGH AUTHORITY, PENNSYLVANIA.—Water and sewer systems in Franklin Township, York County, Pennsylvania.

''(23) HAMPTON TOWNSHIP, PENNSYLVANIA.—Water, sewer, and stormsewer improvements in Hampton Township, Cumberland County, Pennsylvania.

''(24) TOWAMENCIN TOWNSHIP, PENNSYLVANIA.—Sanitary sewer and water lines in Towamencin Township, Montgomery County, Pennsylvania.

''(25) DAUPHIN COUNTY, PENNSYLVANIA.—Combined sewer and water system rehabilitation for the City of Harrisburg, Dauphin County, Pennsylvania.

''(26) LEE, NORTON, WISE, AND SCOTT COUNTIES, VIRGINIA.—Water supply and wastewater treatment in Lee, Norton, Wise, and Scott Counties, Virginia.

''(27) NORTHEAST PENNSYLVANIA.—Water-related infrastructure in Lackawanna, Lycoming, Susquehanna, Wyoming, Pike, and Monroe Counties, Pennsylvania, including assistance for the Montoursville Regional Sewer Authority, Lycoming County.

''(28) CALUMET REGION, INDIANA.—Water-related infrastructure in Lake and Porter Counties, Indiana.

''(29) CLINTON COUNTY, PENNSYLVANIA.—Water-related infrastructure in Clinton County, Pennsylvania.''.

SEC. 518. EXPEDITED CONSIDERATION OF CERTAIN PROJECTS.

The Secretary shall expedite completion of the reports for the following projects and proceed directly to project planning, engineering, and design:

(1) Arroyo Pasajero, San Joaquin River basin, California, project for flood control.

(2) Success Dam, Tule River, California, project for flood control and water supply.

(3) Alafia Channel, Tampa Harbor, Florida, project for navigation.

(4) Columbia Slough, Portland, Oregon, project for ecosystem restoration.

(5) Ohio River Greenway, Indiana, project for environmental restoration and recreation.

SEC. 519. DOG RIVER, ALABAMA.

(a) IN GENERAL.—The Secretary is authorized to establish, in cooperation with non-Federal interests, a pilot project to restore natural water depths in the Dog River, Alabama, between its mouth and the Interstate Route 10 crossing, and in the downstream portion of its principal tributaries.

(b) FORM OF ASSISTANCE.—Assistance provided under subsection (a) shall be in the form of design and construction of water-related resource protection and development projects affecting the Dog River, including environmental restoration and recreational navigation.

(c) NON-FEDERAL SHARE.—The non-Federal share of the cost of the project carried out with assistance under this section shall be 90 percent.

(d) LANDS, EASEMENTS, AND RIGHTS-OF-WAY.—The non-Federal sponsor provide all lands, easements, rights of way, relocations, and dredged material disposal areas including retaining dikes required for the project.

(e) OPERATION MAINTENANCE.—The non-Federal share of the cost of operation, maintenance, repair, replacement, or rehabilitation of the project carried out with assistance under this section shall be 100 percent.

(f) CREDIT TOWARD NON-FEDERAL SHARE.—The value of the lands, easements, rights of way, relocations, and dredged material disposal areas, including retaining dikes, provided by the non-Federal sponsor shall be credited toward the non-Federal share.

SEC. 520. ELBA, ALABAMA.

The Secretary is authorized to repair and rehabilitate a levee in the City of Elba, Alabama at a total cost of $12,900,000.

SEC. 521. GENEVA, ALABAMA.

The Secretary is authorized to repair and rehabilitate a levee in the City of Geneva, Alabama at a total cost of $16,600,000.

SEC. 522. NAVAJO RESERVATION, ARIZONA, NEW MEXICO, AND UTAH.

(a) IN GENERAL.—In cooperation with other appropriate Federal and local agencies, the Secretary shall undertake a survey of, and provide technical, planning, and design assistance for, watershed management, restoration, and development on the Navajo Indian Reservation, Arizona, New Mexico, and Utah.

(b) COST SHARING.—The Federal share of the cost of activities carried out under this section shall be 75 percent. Funds made available under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) may be used by the Navajo Nation in meeting the non-Federal share of the cost of such activities.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $12,000,000 for fiscal years beginning after September 30, 1999.

SEC. 523. AUGUSTA AND DEVALLS BLUFF, ARKANSAS.

(a) IN GENERAL.—The Secretary is authorized to perform operations, maintenance, and rehabilitation on 37 miles of levees in and around Augusta and Devalls Bluff, Arkansas.

(b) REIMBURSEMENT.—After performing the operations, maintenance, and rehabilitation under subsection (a), the Secretary may seek reimbursement from the Secretary of the Interior of an amount equal to the costs allocated to benefits to a Federal wildlife refuge of such operations, maintenance, and rehabilitation.

SEC. 524. BEAVER LAKE, ARKANSAS.

(a) WATER SUPPLY STORAGE REALLOCATION.—The Secretary shall reallocate approximately 31,000 additional acre-feet at Beaver Lake, Arkansas, to water supply storage at no additional cost to the Beaver Water District or the Carroll-Boone Water District above the amount that has already been contracted for. At no time may the bottom of the conservation pool be at an elevation that is less than 1,076 feet NGVD.

(b) CONTRACT PRICING.—The contract price for additional storage for the Carroll-Boone Water District beyond that which is provided for in subsection (a) shall be based on the original construction cost of Beaver Lake and adjusted to the 1998 price level net of inflation between the date of initiation of construction and the date of the enactment of this Act.

SEC. 525. BEAVER LAKE TROUT PRODUCTION FACILITY, ARKANSAS.

(a) EXPEDITED CONSTRUCTION.—The Secretary shall construct, under the authority of section 105 of the Water Resources Development Act of 1976 (90 Stat. 2921) and section 1135 of the Water Resources Development Act of 1986 (100 Stat. 4251–4252), the Beaver Lake trout hatchery as expeditiously as possible, but in no event later than September 30, 2002.

(b) MITIGATION PLAN.—Not later than 2 years after the date of the enactment of this Act, the Secretary, in conjunction with the State of Arkansas, shall prepare a plan for the mitigation of effects of the Beaver Dam project on Beaver Lake. Such plan shall provide for construction of the Beaver Lake trout production facility and related facilities.

SEC. 526. CHINO DAIRY PRESERVE, CALIFORNIA.

(a) TECHNICAL ASSISTANCE.—The Secretary, in coordination with the heads of other Federal agencies, shall provide technical assistance to State and local agencies in the study, design, and implementation of measures for flood damage reduction and environmental restoration and protection in the Santa Ana River watershed, California, with particular emphasis on structural and nonstructural measures in the vicinity of the Chino Dairy Preserve.

(b) COMPREHENSIVE STUDY.—The Secretary shall conduct a feasibility study to determine the most cost-effective plan for flood damage reduction and environmental restoration and protection in the vicinity of the Chino Dairy Preserve, Santa Ana River watershed, Orange County and San Bernardino County, California.

SEC. 527. NOVATO, CALIFORNIA.

The Secretary shall carry out a project for flood control under section 205 of the Flood Control Act of 1948 (33 U.S.C. 701s) at Rush Creek, Novato, California.

SEC. 528. ORANGE AND SAN DIEGO COUNTIES, CALIFORNIA.

The Secretary, in cooperation with local governments, may prepare special area management plans in Orange and San Diego Counties, California, to demonstrate the effectiveness of using such plans to provide information regarding aquatic resources. The Secretary may use such plans in making regulatory decisions and issue permits consistent with such plans.

SEC. 529. SALTON SEA, CALIFORNIA.

(a) TECHNICAL ASSISTANCE.—The Secretary, in coordination with other Federal agencies, shall provide technical assistance to Federal, State, and local agencies in the study, design, and implementation of measures for the environmental restoration and protection of the Salton Sea, California.

(b) STUDY.—The Secretary, in coordination with other Federal, State, and local agencies, shall conduct a study to determine the most effective plan for the Corps of Engineers to assist in the environmental restoration and protection of the Salton Sea, California.

SEC. 530. SANTA CRUZ HARBOR, CALIFORNIA.

The Secretary is authorized to modify the cooperative agreement with the Santa Cruz Port District, California, to reflect unanticipated additional dredging effort and to extend such agreement for 10 years.

SEC. 531. POINT BEACH, MILFORD, CONNECTICUT.

(a) MAXIMUM FEDERAL EXPENDITURE.—The maximum amount of Federal funds that may be expended for the project for hurricane and storm damage reduction, Point Beach, Milford, Connecticut, shall be $3,000,000.

(b) REVISION OF PROJECT COOPERATION AGREEMENT.—The Secretary shall revise the project cooperation agreement for the project referred to in subsection (a) to take into account the change in the Federal participation in such project.

(c) COST SHARING.—Nothing in this section shall be construed to affect any cost-sharing requirement applicable to the project referred to in subsection (a) under section 101 of the Water Resources Development Act of 1986 (31 U.S.C. 2211).

SEC. 532. LOWER ST. JOHNS RIVER BASIN, FLORIDA.

(a) COMPUTER MODEL.—

(1) IN GENERAL.—The Secretary may apply the computer model developed under the St. Johns River basin feasibility study to assist non-Federal interests in developing strategies for improving water quality in the Lower St. Johns River basin, Florida.

(2) COST SHARING.—The non-Federal share of the cost of assistance provided under this subsection shall be 50 percent.

(b) TOPOGRAPHIC SURVEY.—The Secretary is authorized to provide 1-foot contour topographic survey maps of the Lower St. Johns River basin, Florida, to non-Federal interests for analyzing environmental data and establishing benchmarks for subbasins.

SEC. 533. SHORELINE PROTECTION AND ENVIRONMENTAL RESTORATION, LAKE ALLATOONA, GEORGIA.

(a) IN GENERAL.—The Secretary, in cooperation with the Administrator of the Environmental Protection Agency, is authorized to carry out the following water-related environmental restoration and resource protection activities to restore Lake Allatoona and the Etowah River in Georgia:

(1) LAKE ALLATOONA/ETOWAH RIVER SHORELINE RESTORATION DESIGN.—Develop pre-construction design measures to alleviate shoreline erosion and sedimentation problems.

(2) LITTLE RIVER ENVIRONMENTAL RESTORATION.—Conduct a feasibility study to evaluate environmental problems and recommend environmental infrastructure restoration measures for the Little River within Lake Allatoona, Georgia.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for fiscal years beginning after September 30, 1999—

(1) $850,000 to carry out subsection (a)(1); and

(2) $250,000 to carry out subsection (a)(2).

SEC. 534. MAYO'S BAR LOCK AND DAM, COOSA RIVER, ROME, GEORGIA.

The Secretary is authorized to provide technical assistance, including planning, engineering, and design assistance, for the reconstruction of the Mayo's Bar Lock and Dam, Coosa River, Rome, Georgia. The non-Federal share of assistance under this section shall be 50 percent.

SEC. 535. COMPREHENSIVE FLOOD IMPACT RESPONSE MODELING SYSTEM, CORALVILLE RESERVOIR AND IOWA RIVER WATERSHED, IOWA.

(a) IN GENERAL.—The Secretary, in cooperation with the University of Iowa, shall conduct a study and develop a Comprehensive Flood Impact Response Modeling System for Coralville Reservoir and the Iowa River watershed, Iowa.

(b) CONTENTS OF STUDY.—The study shall include—

(1) an evaluation of the combined hydrologic, geomorphic, environmental, economic, social, and recreational impacts of operating strategies within the Iowa River watershed;

(2) development of an integrated, dynamic flood impact model; and

(3) development of a rapid response system to be used during flood and other emergency situations.

(c) REPORT TO CONGRESS.—Not later than 5 years after the date of the enactment of this Act, the Secretary shall transmit to Congress a report containing the results of the study and modeling system together with such recommendations as the Secretary determines to be appropriate.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $900,000 for each of fiscal years 2000 through 2004.

SEC. 536. ADDITIONAL CONSTRUCTION ASSISTANCE IN ILLINOIS.

The Secretary may carry out the project for Georgetown, Illinois, and the project for Olney, Illinois, referred to in House Report Number 104–741, accompanying Public Law 104–182.

SEC. 537. KANOPOLIS LAKE, KANSAS.

(a) WATER STORAGE.—The Secretary shall offer to the State of Kansas the right to purchase water storage in Kanopolis Lake, Kansas, at a price calculated in accordance with and in a manner consistent with the terms of the memorandum of understanding entitled ''Memorandum of Understanding Between the State of Kansas and the U.S. Department of the Army Concerning the Purchase of Municipal and Industrial Water Supply Storage'', dated December 11, 1985.

(b) EFFECTIVE DATE.—For the purposes of this section, the effective date of that memorandum of understanding shall be deemed to be the date of the enactment of this Act.

SEC. 538. SOUTHERN AND EASTERN KENTUCKY.

Section 531(h) of the Water Resources Development Act of 1996 (110 Stat. 3774) is amended by striking ''$10,000,000'' and inserting ''$25,000,000''.

SEC. 539. SOUTHEAST LOUISIANA.

Section 533(c) of the Water Resources Development Act of 1996 (110 Stat. 3775) is amended by striking ''$100,000,000'' and inserting ''$200,000,000''.

SEC. 540. SNUG HARBOR, MARYLAND.

(a) IN GENERAL.—The Secretary, in coordination with the Director of the Federal Emergency Management Agency, is authorized—

(1) to provide technical assistance to the residents of Snug Harbor, in the vicinity of Berlin, Maryland, for purposes of flood damage reduction;

(2) to conduct a study of a project for nonstructural measures for flood damage reduction in the vicinity of Snug Harbor, Maryland, taking into account the relationship of both the Ocean City Inlet and Assateague Island to the flooding; and

(3) after completion of the study, to carry out the project under the authority of section 205 of the Flood Control Act of 1948 (33 U.S.C. 701s).

(b) FEMA ASSISTANCE.—The Director, in coordination with the Secretary and under the authorities of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 note), may provide technical assistance and nonstructural measures for flood damage mitigation in the vicinity of Snug Harbor, Maryland.

(c) FEDERAL SHARE.—The Federal share of the cost of assistance under this section shall not exceed $3,000,000. The non-Federal share of such cost shall be determined in accordance with the Water Resources Development Act of 1986 or the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as appropriate.

SEC. 541. WELCH POINT, ELK RIVER, CECIL COUNTY, AND CHESAPEAKE CITY, MARYLAND.

(a) SPILLAGE OF DREDGED MATERIALS.—The Secretary shall carry out a study to determine if the spillage of dredged materials that were removed as part of the project for navigation, Inland Waterway from Delaware River to Chesapeake Bay, Delaware and Maryland, authorized by the first section of the Act of August 30, 1935 (49 Stat. 1030), is a significant impediment to vessels transiting the Elk River near Welch Point, Maryland. If the Secretary determines that the spillage is an impediment to navigation, the Secretary may conduct such dredging as may be required to permit navigation on the river.

(b) DAMAGE TO WATER SUPPLY.—The Secretary shall carry out a study to determine if additional compensation is required to fully compensate the City of Chesapeake, Maryland, for damage to the city's water supply resulting from dredging of the Chesapeake and Delaware Canal project. If the Secretary determines that such additional compensation is required, the Secretary may provide the compensation to the City of Chesapeake.

SEC. 542. WEST VIEW SHORES, CECIL COUNTY, MARYLAND.

Not later than 1 year after the date of the enactment of this Act, the Secretary shall carry out an investigation of the contamination of the well system in West View Shores, Cecil County, Maryland. If the Secretary determines that the disposal site from any Federal navigation project has contributed to the contamination of the wells, the Secretary may provide alternative water supplies, including replacement of wells, at full Federal expense.

SEC. 543. RESTORATION PROJECTS FOR MARYLAND, PENNSYLVANIA, AND WEST VIRGINIA.

Section 539 of the Water Resources Development Act of 1996 (110 Stat. 3776–3777) is amended—

(1) in subsection (a)(1) by striking ''technical'';

(2) in subsection (a)(1) by inserting ''(or in the case of projects located on lands owned by the United States, to Federal interests)'' after ''interests'';

(3) in subsection (a)(3) by inserting ''or in conjunction'' after ''consultation''; and

(4) by inserting at the end of subsection (d) the following: ''Funds authorized to be appropriated to carry out section 340 of the Water Resources Development Act of 1992 (106 Stat. 4856) are authorized for projects undertaken under subsection (a)(1)(B).''.

SEC. 544. CAPE COD CANAL RAILROAD BRIDGE, BUZZARDS BAY, MASSACHUSETTS.

(a) ALTERNATIVE TRANSPORTATION.—The Secretary is authorized to provide up to $300,000 for alternative transportation that may arise as a result of the operation, maintenance, repair, and rehabilitation of the Cape Cod Canal Railroad Bridge.

(b) OPERATION AND MAINTENANCE CONTRACT RENEGOTIATION.—Not later than 60 days after the date of the enactment of this Act, the Secretary shall enter into negotiation with the owner of the railroad right-of-way for the Cape Cod Canal Railroad Bridge for the purpose of establishing the rights and responsibities for the operation and maintenance of the Bridge. The Secretary is authorized to include in any new contract the termination of the prior contract numbered ER–W175–ENG–1.

SEC. 545. ST. LOUIS, MISSOURI.

(a) DEMONSTRATION PROJECT.—The Secretary, in consultation with local officials, shall conduct a demonstration project to improve water quality in the vicinity of St. Louis, Missouri.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $1,700,000 to carry out this section.

SEC. 546. BEAVER BRANCH OF BIG TIMBER CREEK, NEW JERSEY.

Upon request of the State of New Jersey or a political subdivision thereof, the Secretary may compile and disseminate information on floods and flood damages, including identification of areas subject to inundation by floods, and provide technical assistance regarding floodplain management for Beaver Branch of Big Timber Creek, New Jersey.

SEC. 547. LAKE ONTARIO AND ST. LAWRENCE RIVER WATER LEVELS, NEW YORK.

Upon request, the Secretary shall provide technical assistance to the International Joint Commission and the St. Lawrence River Board of Control in undertaking studies on the effects of fluctuating water levels on the natural environment, recreational boating, property flooding, and erosion along the shorelines of Lake Ontario and the St. Lawrence River in New York. The Commission and Board are encouraged to conduct such studies in a comprehensive and thorough manner before implementing any change to water regulation Plan 1958–D.

SEC. 548. NEW YORK-NEW JERSEY HARBOR, NEW YORK AND NEW JERSEY.

The Secretary may enter into cooperative agreements with non-Federal interests to investigate, develop, and support measures for sediment management and reduction of contaminant sources which affect navigation in the Port of New York-New Jersey and the environmental conditions of the New York-New Jersey Harbor estuary. Such investigation shall include an analysis of the economic and environmental benefits and costs of potential sediment management and contaminant reduction measures.

SEC. 549. SEA GATE REACH, CONEY ISLAND, NEW YORK, NEW YORK.

The Secretary is authorized to construct a project for shoreline protection which includes a beachfill with revetment and T-groin for the Sea Gate Reach on Coney Island, New York, as identified in the March 1998 report prepared for the Corps of Engineers, New York District, entitled ''Field Data Gathering, Project Performance Analysis and Design Alternative Solutions to Improve Sandfill Retention'', at a total cost of $9,000,000, with an estimated Federal cost of $5,850,000 and an estimated non-Federal cost of $3,150,000.

SEC. 550. WOODLAWN, NEW YORK.

(a) IN GENERAL.—The Secretary shall provide planning, design, and other technical assistance to non-Federal interests for identifying and mitigating sources of contamination at Woodlawn Beach in Woodlawn, New York.

(b) COST SHARING.—The non-Federal share of the cost of assistance provided under this section shall be 50 percent.

SEC. 551. FLOODPLAIN MAPPING, NEW YORK.

(a) IN GENERAL.—The Secretary shall provide assistance for a project to develop maps identifying 100- and 500-year flood inundation areas in the State of New York.

(b) REQUIREMENTS.—Maps developed under the project shall include hydrologic and hydraulic information and shall accurately show the flood inundation of each property by flood risk in the floodplain. The maps shall be produced in a high resolution format and shall be made available to all flood prone areas in the State of New York in an electronic format.

(c) PARTICIPATION OF FEMA.—The Secretary and the non-Federal sponsor of the project shall work with the Director of the Federal Emergency Management Agency to ensure the validity of the maps developed under the project for flood insurance purposes.

(d) FORMS OF ASSISTANCE.—In carrying out the project, the Secretary may enter into contracts or cooperative agreements with the non-Federal sponsor or provide reimbursements of project costs.

(e) FEDERAL SHARE.—The Federal share of the cost of the project shall be 75 percent.

(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $12,000,000 for fiscal years beginning after September 30, 1998.

SEC. 552. WHITE OAK RIVER, NORTH CAROLINA.

The Secretary shall conduct a study to determine if water quality deterioration and sedimentation of the White Oak River, North Carolina, are the result of the Atlantic Intracoastal Waterway navigation project. If the Secretary determines that the water quality deterioration and sedimentation are the result of the project, the Secretary shall take appropriate measures to mitigate the deterioration and sedimentation.

SEC. 553. TOUSSAINT RIVER, CARROLL TOWNSHIP, OTTAWA COUNTY, OHIO.

The Secretary is authorized to provide technical assistance for the removal of military ordnance from the Toussaint River, Carroll Township, Ottawa County, Ohio.

SEC. 554. SARDIS RESERVOIR, OKLAHOMA.

(a) IN GENERAL.—The Secretary shall accept from the State of Oklahoma or an agent of the State an amount, as determined under subsection (b), as prepayment of 100 percent of the water supply cost obligation of the State under Contract No. DACW56–74–JC–0314 for water supply storage at Sardis Reservoir, Oklahoma.

(b) DETERMINATION OF AMOUNT.—The amount to be paid by the State of Oklahoma under subsection (a) shall be subject to adjustment in accordance with accepted discount purchase methods for Federal Government properties as determined by an independent accounting firm designated by the Director of the Office of Management and Budget. The cost of such determination shall be paid for by the State of Oklahoma or an agent of the State.

(c) EFFECT.—Nothing in this section affects any of the rights or obligations of the parties to the contract referred to in subsection (a).

SEC. 555. WAURIKA LAKE, OKLAHOMA, WATER CONVEYANCE FACILITIES.

For the project for construction of the water conveyances authorized by the first section of Public Law 88–253 (77 Stat. 841), the requirement for the Waurika Project Master Conservancy District to repay the $2,900,000 in costs (including interest) resulting from the October 1991 settlement of the claim before the United States Claims Court, and the payment of $1,190,451 of the final cost representing the difference between the 1978 estimate of cost and the actual cost determined after completion of such project in 1991, are waived.

SEC. 556. SKINNER BUTTE PARK, EUGENE, OREGON.

(a) STUDY.—The Secretary shall conduct a study of the south bank of the Willamette

River, in the area of Skinner Butte Park from Ferry Street Bridge to the Valley River footbridge, to determine the feasibility of carrying out a project to stabilize the river bank, and to restore and enhance riverine habitat, using a combination of structural and bioengineering techniques.

(b) CONSTRUCTION.—If, upon completion of the study, the Secretary determines that the project is feasible, the Secretary shall participate with non-Federal interests in the construction of the project.

(c) COST SHARE.—The non-Federal share of the cost of the project shall be 35 percent.

(d) LANDS, EASEMENTS, AND RIGHTS-OF-WAY.—The non-Federal interest shall provide lands, easements, rights-of-way, relocations, and dredged material disposal areas necessary for construction of the project. The value of such items shall be credited toward the non-Federal share of the cost of the project.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $1,000,000 for fiscal years beginning after September 30, 1999.

SEC. 557. WILLAMETTE RIVER BASIN, OREGON.

The Secretary, Director of the Federal Emergency Management Agency, Administrator of the Environmental Protection Agency, and heads of other appropriate Federal agencies shall, using existing authorities, assist the State of Oregon in developing and implementing a comprehensive basin-wide strategy in the Willamette River basin of Oregon for coordinated and integrated management of land and water resources to improve water quality, reduce flood hazards, ensure sustainable economic activity, and restore habitat for native fish and wildlife. The heads of such Federal agencies may provide technical assistance, staff and financial support for development of the basin-wide management strategy. The heads of Federal agencies shall seek to exercise flexibility in administrative actions and allocation of funding to reduce barriers to efficient and effective implementing of the strategy.

SEC. 558. BRADFORD AND SULLIVAN COUNTIES, PENNSYLVANIA.

The Secretary is authorized to provide assistance for water-related environmental infrastructure and resource protection and development projects in Bradford and Sullivan Counties, Pennsylvania, using the funds and authorities provided in title I of the Energy and Water Development Appropriations Act, 1999 (Public Law 105–245) under the heading ''CONSTRUCTION, GENERAL'' (112 Stat. 1840) for similar projects in Lackawanna, Lycoming, Susquehanna, Wyoming, Pike, and Monroe Counties, Pennsylvania.

SEC. 559. ERIE HARBOR, PENNSYLVANIA.

The Secretary may reimburse the appropriate non-Federal interest not more than $78,366 for architect and engineering costs incurred in connection with the Erie Harbor basin navigation project, Pennsylvania.

SEC. 560. POINT MARION LOCK AND DAM, PENNSYLVANIA.

The project for navigation, Point Marion Lock and Dam, Borough of Point Marion, Pennsylvania, as authorized by section 301(a) of the Water Resources Development Act of 1986 (100 Stat. 4110), is modified to direct the Secretary, in the operation and maintenance of the project, to mitigate damages to the shoreline, at a total cost of $2,000,000. The cost of the mitigation shall be allocated as an operation and maintenance cost of a Federal navigation project.

SEC. 561. SEVEN POINTS' HARBOR, PENNSYLVANIA.

(a) IN GENERAL.—The Secretary is authorized, at full Federal expense, to construct a breakwater-dock combination at the entrance to Seven Points' Harbor, Pennsylvania.

(b) OPERATION AND MAINTENANCE COSTS.—All operation and maintenance costs associated with the facility constructed under this section shall be the responsibility of the lessee of the marina complex at Seven Points' Harbor.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $850,000 to carry out this section.

SEC. 562. SOUTHEASTERN PENNSYLVANIA.

Section 566(b) of the Water Resources Development Act of 1996 (110 Stat. 3786) is amended by inserting ''environmental restoration,'' after ''water supply and related facilities,''.

SEC. 563. UPPER SUSQUEHANNA-LACKAWANNA WATERSHED RESTORATION INITIATIVE.

(a) IN GENERAL.—The Secretary, in cooperation with appropriate Federal, State, and local agencies and nongovernmental institutions, is authorized to prepare a watershed plan for the Upper Susquehanna-Lackawanna Watershed (USGS Cataloguing Unit 02050107). The plan shall utilize geographic information system and shall include a comprehensive environmental assessment of the watershed's ecosystem, a comprehensive flood plain management plan, a flood plain protection plan, water resource and environmental restoration projects, water quality improvement, and other appropriate infrastructure and measures.

(b) NON-FEDERAL SHARE.—The non-Federal share of the cost of preparation of the plan under this section shall be 50 percent. Services and materials instead of cash may be credited toward the non-Federal share of the cost of the plan.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $5,000,000 for fiscal years beginning after September 30, 1999.

SEC. 564. AGUADILLA HARBOR, PUERTO RICO.

The Secretary shall conduct a study to determine if erosion and additional storm damage risks that exist in the vicinity of Aguadilla Harbor, Puerto Rico, are the result of a Federal navigation project. If the Secretary determines that such erosion and additional storm damage risks are the result of the project, the Secretary shall take appropriate measures to mitigate the erosion and storm damage.

SEC. 565. OAHE DAM TO LAKE SHARPE, SOUTH DAKOTA, STUDY.

Section 441 of the Water Resources Development Act of 1996 (110 Stat. 3747) is amended—

(1) by inserting ''(a) INVESTIGATION.—'' before ''The Secretary''; and

(2) by adding at the end the following:

''(b) REPORT.—Not later than September 30, 1999, the Secretary shall transmit to Congress a report on the results of the investigation under this section. The report shall include the examination of financing options for regular maintenance and preservation of the lake. The report shall be prepared in coordination and cooperation with the Natural Resources Conservation Service, other Federal agencies, and State and local officials.''.

SEC. 566. INTEGRATED WATER MANAGEMENT PLANNING, TEXAS.

(a) IN GENERAL.—The Secretary, in cooperation with other Federal agencies and the State of Texas, shall provide technical, planning, and design assistance to non-Federal interests in developing integrated water management plans and projects that will serve the cities, counties, water agencies, and participating planning regions under the jurisdiction of the State of Texas.

(b) PURPOSES OF ASSISTANCE.—Assistance provided under subsection (a) shall be in support of non-Federal planning and projects for the following purposes:

(1) Plan and develop integrated, near- and long-term water management plans that address the planning region's water supply, water conservation, and water quality needs.

(2) Study and develop strategies and plans that restore, preserve, and protect the State's and planning region's natural ecosystems.

(3) Facilitate public communication and participation.

(4) Integrate such activities with other ongoing Federal and State projects and activities associated with the State of Texas water plan and the State of Texas legislation.

(c) COST SHARING.—The non-Federal share of the cost of assistance provided under subsection (a) shall be 50 percent, of which up to ½ of the non-Federal share may be provided as in kind services.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, $10,000,000 for the fiscal years beginning after September 30, 1999.

SEC. 567. BOLIVAR PENINSULA, JEFFERSON, CHAMBERS, AND GALVESTON COUNTIES, TEXAS.

(a) SHORE PROTECTION PROJECT.—The Secretary is authorized to design and construct a shore protection project between the south jetty of the Sabine Pass Channel and the north jetty of the Galveston Harbor Entrance Channel in Jefferson, Chambers, and Galveston Counties, Texas, including beneficial use of dredged material from Federal navigation projects.

(b) APPLICABILITY OF BENEFIT-COST RATIO WAIVER AUTHORITY.—In evaluating and implementing the project, the Secretary shall allow the non-Federal interest to participate in the financing of the project in accordance with section 903(c) of the Water Resources Development Act of 1986 (100 Stat. 4184), notwithstanding any limitation on the purpose of projects to which such section applies, to the extent that the Secretary's evaluation indicates that applying such section is necessary to implement the project.

SEC. 568. GALVESTON BEACH, GALVESTON COUNTY, TEXAS.

The Secretary is authorized to design and construct a shore protection project between the Galveston South Jetty and San Luis Pass, Galveston County, Texas, using innovative nourishment techniques, including beneficial use of dredged material from Federal navigation projects.

SEC. 569. PACKERY CHANNEL, CORPUS CHRISTI, TEXAS.

(a) IN GENERAL.—The Secretary shall construct a navigation and storm protection project at Packery Channel, Mustang Island, Texas, consisting of construction of a channel and a channel jetty and placement of sand along the length of the seawall.

(b) ECOLOGICAL AND RECREATIONAL BENEFITS.—In evaluating the project, the Secretary shall include the ecological and recreational benefits of reopening the Packery Channel.

(c) APPLICABILITY OF BENEFIT-COST RATIO WAIVER AUTHORITY.—In evaluating and implementing the project, the Secretary shall allow the non-Federal interest to participate in the financing of the project in accordance with section 903(c) of the Water Resources Development Act of 1986 (100 Stat. 4184), notwithstanding any limitation on the purpose of projects to which such section applies, to the extent that the Secretary's evaluation indicates that applying such section is necessary to implement the project.

SEC. 570. NORTHERN WEST VIRGINIA.

The projects described in the following reports are authorized to be carried out by the Secretary substantially in accordance with the plans, and subject to the conditions, recommended in such reports:

(1) PARKERSBURG, WEST VIRGINIA.—Report of the Corps of Engineers entitled ''Parkersburg/Vienna Riverfront Park Feasibility Study'', dated June 1998, at a total cost of $8,400,000, with an estimated Federal cost of $4,200,000, and an estimated non-Federal cost of $4,200,000.

(2) WEIRTON, WEST VIRGINIA.—Report of the Corps of Engineers entitled ''Feasibility Master Plan for Weirton Port and Industrial Center, West Virginia Public Port Authority'', dated December 1997, at a total cost of $18,000,000, with an estimated Federal cost of $9,000,000, and an estimated non-Federal cost of $9,000,000.

(3) ERICKSON/WOOD COUNTY, WEST VIRGINIA.—Report of the Corps of Engineers entitled ''Feasibility Master Plan for Erickson/Wood County Port District, West Virginia Public Port Authority'', dated July 7, 1997, at a total cost of $28,000,000, with an estimated Federal cost of $14,000,000, and an estimated non-Federal cost of $14,000,000.

(4) MONONGAHELA RIVER, WEST VIRGINIA.—Monongahela River, West Virginia, Comprehensive Study Reconnaissance Report, dated September 1995, consisting of the following elements:

(A) Morgantown Riverfront Park, Morgantown, West Virginia, at a total cost of $1,600,000, with an estimated Federal cost of $800,000 and an estimated non-Federal cost of $800,000.

(B) Caperton Rail to Trail, Monongahela County, West Virginia, at a total cost of $4,425,000, with an estimated Federal cost of $2,212,500 and an estimated non-Federal cost of $2,212,500.

(C) Palatine Park, Fairmont, West Virginia, at a total cost of $1,750,000, with an estimated Federal cost of $875,000 and an estimated non-Federal cost of $875,000.

SEC. 571. URBANIZED PEAK FLOOD MANAGEMENT RESEARCH.

(a) IN GENERAL.—The Secretary shall develop and implement a research program to evaluate opportunities to manage peak flood flows in urbanized watersheds located in the State of New Jersey.

(b) SCOPE OF RESEARCH.—The research program authorized by subsection (a) shall be accomplished through the New York District. The research shall specifically include the following:

(1) Identification of key factors in urbanized watersheds that are under development and impact peak flows in the watersheds and downsteam of the watersheds.

(2) Development of peak flow management models for 4 to 6 watersheds in urbanized areas located with widely differing geology, areas, shapes, and soil types that can be used to determine optimal flow reduction factors for individual watersheds.

(3) Utilization of such management models to determine relationships between flow and reduction factors and change in imperviousness, soil types, shape of the drainage basin, and other pertinent parameters from existing to ultimate conditions in watersheds under consideration for development.

(4) Development and validation of an inexpensive accurate model to establish flood reduction factors based on runoff curve numbers, change in imperviousness, the shape of the basin, and other pertinent factors.

(c) REPORT TO CONGRESS.—The Secretary shall evaluate policy changes in the planning process for flood control projects based on the results of the research authorized by this section and transmit to Congress a report not later than 3 years after the date of the enactment of this Act.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carryout this section $3,000,000 for fiscal years beginning after September 30, 1999.

(e) FLOW REDUCTION FACTORS DEFINED.—In this section, the term ''flow reduction factors'' means the ratio of estimated allowable peak flows of stormwater after projected development when compared to pre-existing conditions.

SEC. 572. MISSISSIPPI RIVER COMMISSION.

Section 8 of the Flood Control Act of May 15, 1928 (Public Law 391, 70th Congress), is amended by striking ''$7,500'' and inserting ''$21,500''.

SEC. 573. COASTAL AQUATIC HABITAT MANAGEMENT.

(a) IN GENERAL.—The Secretary may cooperate with the Secretaries of Agriculture and the Interior, the Administrators of the Environmental Protection Agency and the National Oceanic and Atmospheric Administration, other appropriate Federal, State, and local agencies, and affected private entities, in the development of a management strategy to address problems associated with toxic microorganisms and the resulting degradation of ecosystems in the tidal and nontidal wetlands and waters of the United States for the States along the Atlantic Ocean. As part of such management strategy, the Secretary may provide planning, design, and other technical assistance to each participating State in the development and implementation of nonregulatory measures to mitigate environmental problems and restore aquatic resources.

(b) COST SHARING.—The Federal share of the cost of measures undertaken under this section shall not exceed 65 percent.

(c) OPERATION AND MAINTENANCE.—The non-Federal share of operation and maintenance costs for projects constructed with assistance provided under this section shall be 100 percent.

(d) AUTHORIZATION OF APPROPRIATION.—There is authorized to be appropriated to carry out this section $7,000,000 for fiscal years beginning after September 30, 1999.

SEC. 574. WEST BATON ROUGE PARISH, LOUISIANA.

The Secretary shall expedite completion of the report for the West Baton Rouge Parish, Louisiana, project for waterfront and riverine preservation, restoration, and enhancement modifications along the Mississippi River.

SEC. 575. ABANDONED AND INACTIVE NONCOAL MINE RESTORATION.

(a) IN GENERAL.—The Secretary is authorized to provide technical, planning, and design assistance to Federal and non-Federal interests for carrying out projects to address water quality problems caused by drainage and related activities from abandoned and inactive noncoal mines.

(b) SPECIFIC MEASURES.—Assistance provided under subsection (a) may be in support of projects for the following purposes:

(1) Management of drainage from abandoned and inactive noncoal mines.

(2) Restoration and protection of streams, rivers, wetlands, other waterbodies, and riparian areas degraded by drainage from abandoned and inactive noncoal mines.

(3) Demonstration of management practices and innovative and alternative treatment technologies to minimize or eliminate adverse environmental effects associated with drainage from abandoned and inactive noncoal mines.

(c) NON-FEDERAL SHARE.—The non-Federal share of the cost of assistance under subsection (a) shall be 50 percent; except that the Federal share with respect to projects located on lands owned by the United States shall be 100 percent.

(d) EFFECT ON AUTHORITY OF THE SECRETARY OF THE INTERIOR.—Nothing in this section shall be construed as affecting the authority of the Secretary of the Interior under title IV of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1231 et seq.).

(e) TECHNOLOGY DATABASE FOR RECLAMATION OF ABANDONED MINES.—The Secretary is authorized to provide assistance to non-Federal and non-profit entities to develop, manage, and maintain a database of conventional and innovative, cost-effective technologies for reclamation of abandoned and inactive noncoal mine sites. Such assistance shall be provided through the rehabilitation of abandoned mine sites program, managed by the Sacramento District Office of the Corps of Engineers.

(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $5,000,000.

SEC. 576. BENEFICIAL USE OF WASTE TIRE RUBBER.

(a) IN GENERAL.—The Secretary is authorized to conduct pilot projects to encourage the beneficial use of waste tire rubber, including crumb rubber, recycled from tires. Such beneficial use may include marine pilings, underwater framing, floating docks with built-in flotation, utility poles, and other uses associated with transportation and infrastructure projects receiving Federal funds. The Secretary shall, when appropriate, encourage the use of waste tire rubber, including crumb rubber, in such federally funded projects.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $5,000,000 for fiscal years beginning after September 30, 1998.

SEC. 577. SITE DESIGNATION.

Section 102(c)(4) of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1412(c)(4)) is amended by striking ''January 1, 2000'' and inserting ''January 1, 2005''.

SEC. 578. LAND CONVEYANCES.

(a) EXCHANGE OF LAND IN PIKE COUNTY, MISSOURI.—

(1) EXCHANGE OF LAND.—Subject to paragraphs (3) and (4), at such time as Holnam Inc. conveys all right, title, and interest in and to the land described in paragraph (2)(A) to the United States, the Secretary shall convey all right, title, and interest in the land described in paragraph (2)(B) to Holnam Inc.

(2) DESCRIPTION OF LANDS.—The lands referred to in paragraph (1) are the following:

(A) NON-FEDERAL LAND.—152.45 acres with existing flowage easements situated in Pike County, Missouri, described a portion of Government Tract Number FM–9 and all of Government Tract Numbers FM–11, FM–10, FM–12, FM–13, and FM–16, owned and administered by the Holnam Inc.

(B) FEDERAL LAND.—152.61 acres situated in Pike County, Missouri, known as Government Tract Numbers FM–17 and a portion of FM–18, administered by the Corps of Engineers.

(3) CONDITIONS OF EXCHANGE.—The exchange of land authorized by paragraph (1) shall be subject to the following conditions:

(A) DEEDS.—

(i) FEDERAL LAND.—The instrument of conveyance used to convey the land described in paragraph (2)(B) to Holnam Inc. shall contain such reservations, terms, and conditions as the Secretary considers necessary to allow the United States to operate and maintain the Mississippi River 9-Foot Navigation Project.

(ii) NON-FEDERAL LAND.—The conveyance of the land described in paragraph (2)(A) to the Secretary shall be by a warranty deed acceptable to the Secretary.

(B) REMOVAL OF IMPROVEMENTS.—Holnam Inc. may remove any improvements on the land described in paragraph (2)(A). The Secretary may require Holnam Inc. to remove

any improvements on the land described in paragraph (2)(A). In either case, Holnam Inc. shall hold the United States harmless from liability, and the United States shall not incur cost associated with the removal or relocation of any such improvements.

(C) TIME LIMIT FOR EXCHANGE.—The land exchange authorized by paragraph (1) shall be completed not later than 2 years after the date of the enactment of this Act.

(D) LEGAL DESCRIPTION.—The Secretary shall provide the legal description of the land described in paragraph (2). The legal description shall be used in the instruments of conveyance of the land.

(E) ADMINISTRATIVE COSTS.—The Secretary shall require Holnam Inc. to pay reasonable administrative costs associated with the exchange.

(4) VALUE OF PROPERTIES.—If the appraised fair market value, as determined by the Secretary, of the land conveyed to Holnam Inc. by the Secretary under paragraph (1) exceeds the appraised fair market value, as determined by the Secretary, of the land conveyed to the United States by Holnam Inc. under paragraph (1), Holnam Inc. shall make a payment equal to the excess in cash or a cash equivalent to the United States.

(b) CANDY LAKE PROJECT, OSAGE COUNTY, OKLAHOMA.—

(1) DEFINITIONS.—In this subsection, the following definitions apply:

(A) FAIR MARKET VALUE.—The term ''fair market value'' means the amount for which a willing buyer would purchase and a willing seller would sell a parcel of land, as determined by a qualified, independent land appraiser.

(B) PREVIOUS OWNER OF LAND.—The term ''previous owner of land'' means a person (including a corporation) that conveyed, or a descendant of a deceased individual who conveyed, land to the Corps of Engineers for use in the Candy Lake project in Osage County, Oklahoma.

(2) LAND CONVEYANCES.—

(A) IN GENERAL.—The Secretary shall convey, in accordance with this subsection, all right, title, and interest of the United States in and to the land acquired by the United States for the Candy Lake project in Osage County, Oklahoma.

(B) PREVIOUS OWNERS OF LAND.—

(i) IN GENERAL.—The Secretary shall give a previous owner of land the first option to purchase the land described in subparagraph (A).

(ii) APPLICATION.—

(I) IN GENERAL.—A previous owner of land that desires to purchase the land described in subparagraph (A) that was owned by the previous owner of land, or by the individual from whom the previous owner of land is descended, shall file an application to purchase the land with the Secretary not later than 180 days after the official date of notice to the previous owner of land under paragraph (3).

(II) FIRST TO FILE HAS FIRST OPTION.—If more than 1 application is filed to purchase a parcel of land described in subparagraph (A), the first option to purchase the parcel of land shall be determined in the order in which applications for the parcel of land were filed.

(iii) IDENTIFICATION OF PREVIOUS OWNERS OF LAND.—As soon as practicable after the date of the enactment of this Act, the Secretary shall, to the extent practicable, identify each previous owner of land.

(iv) CONSIDERATION.—Consideration for land conveyed under this paragraph shall be the fair market value of the land.

(C) DISPOSAL.—Any land described in subparagraph (A) for which an application to purchase the land has not been filed under subparagraph (B)(ii) within the applicable time period shall be disposed of in accordance with law.

(D) EXTINGUISHMENT OF EASEMENTS.—All flowage easements acquired by the United States for use in the Candy Lake project in Osage County, Oklahoma, are extinguished.

(3) NOTICE.—

(A) IN GENERAL.—The Secretary shall notify—

(i) each person identified as a previous owner of land under paragraph (2)(B)(iii), not later than 90 days after identification, by United States mail; and

(ii) the general public, not later than 90 days after the date of the enactment of this Act, by publication in the Federal Register.

(B) CONTENTS OF NOTICE.—Notice under this paragraph shall include—

(i) a copy of this subsection;

(ii) information sufficient to separately identify each parcel of land subject to this subsection; and

(iii) specification of the fair market value of each parcel of land subject to this subsection.

(C) OFFICIAL DATE OF NOTICE.—The official date of notice under this paragraph shall be the later of—

(i) the date on which actual notice is mailed; or

(ii) the date of publication of the notice in the Federal Register.

(c) LAKE HUGO, OKLAHOMA, AREA LAND CONVEYANCE.—

(1) IN GENERAL.—As soon as practicable after the date of the enactment of this Act, the Secretary shall convey at fair market value to Choctaw County Industrial Authority, Oklahoma, the property described in paragraph (2).

(2) DESCRIPTION.—The property to be conveyed under paragraph (1) is—

(A) that portion of land at Lake Hugo, Oklahoma, above elevation 445.2 located in the N½ of the NW¼ of Section 24, R 18 E, T 6 S, and the S½ of the SW¼ of Section 13, R 18 E, T 6 S bounded to the south by a line 50 north on the centerline of Road B of Sawyer Bluff Public Use Area and to the north by the ½ quarter section line forming the south boundary of Wilson Point Public Use Area; and

(B) a parcel of property at Lake Hugo, Oklahoma, commencing at the NE corner of the SE¼ SW¼ of Section 13, R 18 E, T 6 S, 100 feet north, then east approximately ½ mile to the county line road between Section 13, R 18 E, T 6 S, and Section 18, R 19 E, T 6 S.

(3) TERMS AND CONDITIONS.—The conveyances under this subsection shall be subject to such terms and conditions, including payment of reasonable administrative costs and compliance with applicable Federal floodplain management and flood insurance programs, as the Secretary considers necessary and appropriate to protect the interests of the United States.

(d) CONVEYANCE OF PROPERTY IN MARSHALL COUNTY, OKLAHOMA.—

(1) IN GENERAL.—The Secretary shall convey to the State of Oklahoma all right, title, and interest of the United States to real property located in Marshall County, Oklahoma, and included in the Lake Texoma (Denison Dam), Oklahoma and Texas, project consisting of approximately 1,580 acres and leased to the State of Oklahoma for public park and recreation purposes.

(2) CONSIDERATION.—Consideration for the conveyance under paragraph (1) shall be the fair market value of the real property, as determined by the Secretary. All costs associated with the conveyance under paragraph (1) shall be paid by the State of Oklahoma.

(3) DESCRIPTION.—The exact acreage and legal description of the real property to be conveyed under paragraph (1) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be paid by the State of Oklahoma.

(4) ENVIRONMENTAL COMPLIANCE.—Before making the conveyance under paragraph (1), the Secretary shall—

(A) conduct an environmental baseline survey to determine if there are levels of contamination for which the United States would be responsible under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.); and

(B) ensure that the conveyance complies with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(5) OTHER TERMS AND CONDITIONS.—The conveyance under paragraph (1) shall be subject to such other terms and conditions as the Secretary considers necessary and appropriate to protect the interests of the United States, including reservation by the United States of a flowage easement over all portions of the real property to be conveyed that are at or below elevation 645.0 NGVD.

(e) SUMMERFIELD CEMETERY ASSOCIATION, OKLAHOMA, LAND CONVEYANCE.—

(1) IN GENERAL.—As soon as practicable after the date of the enactment of this Act, the Secretary shall transfer to the Summerfield Cemetery Association, Oklahoma, all right, title, and interest of the United State in and to the land described in paragraph (3) for use as a cemetery.

(2) REVERSION.—If the land to be transferred under this subsection ever cease to be used as a not-for-profit cemetery or for other public purposes the land shall revert to the United States.

(3) DESCRIPTION.—The land to be conveyed under this subsection is the approximately 10 acres of land located in Leflore County, Oklahoma, and described as follows:

INDIAN BASIN MERIDIAN

Section 23, Township 5 North, Range 23 East

SW SE SW NW
NW NE NW SW
N½ SW SW NW.

(4) CONSIDERATION.—The conveyance under this subsection shall be without consideration. All costs associated with the conveyance shall be paid by the Summerfield Cemetery Association, Oklahoma.

(5) OTHER TERMS AND CONDITIONS.—The conveyance under this subsection shall be subject to such other terms and conditions as the Secretary considers necessary and appropriate to protect the interests of the United States.

(f) DEXTER, OREGON.—

(1) IN GENERAL.—The Secretary shall convey to the Dexter Sanitary District all right, title, and interest of the United States in and to a parcel of land consisting of approximately 5 acres located at Dexter Lake, Oregon, under lease to the Dexter Sanitary District.

(2) CONSIDERATION.—Land to be conveyed under this section shall be conveyed without consideration. If the land is no longer held in public ownership or no longer used for wastewater treatment purposes, title to the land shall revert to the Secretary.

(3) TERMS AND CONDITIONS.—The conveyance by the United States shall be subject to such terms and conditions as the Secretary considers appropriate to protect the interests of the United States.

(4) DESCRIPTION.—The exact acreage and description of the land to be conveyed under paragraph (1) shall be determined by such surveys as the Secretary considers necessary. The cost of the surveys shall be borne by the Dexter Sanitary District.

(g) RICHARD B. RUSSELL DAM AND LAKE, SOUTH CAROLINA.—

(1) IN GENERAL.—Upon execution of an agreement under paragraph (4) and subject

to the requirements of this subsection, the Secretary shall convey, without consideration, to the State of South Carolina all right, title, and interest of the United States to the lands described in paragraph (2) that are managed, as of the date of the enactment of this Act, by the South Carolina Department of Natural Resources for fish and wildlife mitigation purposes in connection with the Richard B. Russell Dam and Lake, South Carolina, project.

(2) DESCRIPTION.—

(A) IN GENERAL.—Subject to subparagraph (B), the lands to be conveyed under paragraph (1) are described in Exhibits A, F, and H of Army Lease Number DACW21–1–93–0910 and associated Supplemental Agreements or are designated in red in Exhibit A of Army License Number DACW21–3–85–1904; except that all designated lands in the license that are below elevation 346 feet mean sea level or that are less than 300 feet measured horizontally from the top of the power pool are excluded from the conveyance. Management of the excluded lands shall continue in accordance with the terms of Army License Number DACW21–3–85–1904 until the Secretary and the State enter into an agreement under paragraph (4).

(B) SURVEY.—The exact acreage and legal description of the lands to be conveyed under paragraph (1) shall be determined by a survey satisfactory to the Secretary, with the cost of the survey to be paid by the State. The State shall be responsible for all other costs, including real estate transaction and environmental compliance costs, associated with the conveyance.

(3) TERMS AND CONDITIONS.—

(A) MANAGEMENT OF LANDS.—All lands that are conveyed under paragraph (1) shall be retained in public ownership and shall be managed in perpetuity for fish and wildlife mitigation purposes in accordance with a plan approved by the Secretary. If the lands are not managed for such purposes in accordance with the plan, title to the lands shall revert to the United States. If the lands revert to the United States under this subparagraph, the Secretary shall manage the lands for such purposes.

(B) TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance as the Secretary considers appropriate to protect the interests of the United States.

(4) PAYMENTS.—

(A) AGREEMENTS.—The Secretary is authorized to pay to the State of South Carolina not more than $4,850,000 if the Secretary and the State enter into a binding agreement for the State to manage for fish and wildlife mitigation purposes, in perpetuity, the lands conveyed under this subsection and the lands not covered by the conveyance that are designated in red in Exhibit A of Army License Number DACW21–3–85–1904.

(B) TERMS AND CONDITIONS.—The agreement shall specify the terms and conditions under which the payment will be made and the rights of, and remedies available to, the Federal Government to recover all or a portion of the payment in the event the State fails to manage the lands in a manner satisfactory to the Secretary.

(h) CHARLESTON, SOUTH CAROLINA.—The Secretary is authorized to convey the property of the Corps of Engineers known as the ''Equipment and Storage Yard'', located on Meeting Street in Charleston, South Carolina, in as-is condition for fair-market value with all proceeds from the conveyance to be applied by the Corps of Engineers, Charleston District, to offset a portion of the costs of moving or leasing (or both) an office facility in the City of Charleston.

(i) CLARKSTON, WASHINGTON.—

(1) IN GENERAL.—The Secretary shall convey to the Port of Clarkston, Washington, all right, title, and interest of the United States in and to a portion of the land described in Army Lease Number DACW68–1–97–22, consisting of approximately 31 acres, the exact boundaries of which shall be determined by the Secretary and the Port of Clarkston.

(2) ADDITIONAL LAND.—The Secretary may convey to the Port of Clarkston, Washington, at fair market value as determined by the Secretary, such additional land located in the vicinity of Clarkston, Washington, as the Secretary determines to be excess to the needs of the Columbia River Project and appropriate for conveyance.

(3) TERMS AND CONDITIONS.—The conveyances made under paragraphs (1) and (2) shall be subject to such terms and conditions as the Secretary determines to be necessary to protect the interests of the United States, including a requirement that the Port of Clarkston pay all administrative costs associated with the conveyances (including the cost of land surveys and appraisals and costs associated with compliance with applicable environmental laws, including regulations).

(4) USE OF LAND.—The Port of Clarkston shall be required to pay the fair market value, as determined by the Secretary, of any land conveyed pursuant to paragraph (1) that is not retained in public ownership or is used for other than public park or recreation purposes, except that the Secretary shall have a right of reverter to reclaim possession and title to any such land.

(j) LAND CONVEYANCE TO MATEWAN, WEST VIRGINIA.—

(1) IN GENERAL.—The United States shall convey by quit claim deed to the Town of Matewan, West Virginia, all right, title, and interest of the United States in and to four parcels of land deemed excess by the Secretary of the Army, acting through the Chief of the U.S. Army Corps of Engineers, to the structural project for flood control constructed by the Corps of Engineers along the Tug Fork River pursuant to section 202 of Public Law 96–367.

(2) PROPERTY DESCRIPTION.—The parcels of land referred to in paragraph (1) are as follows:

(A) A certain parcel of land in the State of West Virginia, Mingo County, Town of Matewan, and being more particularly bounded and described as follows:

Beginning at a point on the southerly right-of-way line of a 40-foot-wide street right-of-way (known as McCoy Alley), having an approximate coordinate value of N228,695, E1,662,397, in the line common to the land designated as U.S.A. Tract No. 834, and the land designated as U.S.A. Tract No. 837, said point being South 51°52′ East 81.8 feet from an iron pin and cap marked M–12 on the boundary of the Matewan Area Structural Project, on the north right-of-way line of said street, at a corner common to designated U.S.A. Tracts Nos. 834 and 836; thence, leaving the right-of-way of said street, with the line common to the land of said Tract No. 834, and the land of said Tract No. 837.

South 14°37′ West 46 feet to the corner common to the land of said Tract No. 834, and the land of said Tract No. 837; thence, leaving the land of said Tract No. 837, severing the lands of said Project.

South 14°37′ West 46 feet.

South 68°07′ East 239 feet.

North 26°05′ East 95 feet to a point on the southerly right-of-way line of said street; thence, with the right-of-way of said street, continuing to sever the lands of said Project.

South 63°55′ East 206 feet; thence, leaving the right-of-way of said street, continuing to sever the lands of said Project.

South 26°16′ West 63 feet; thence, with a curve to the left having a radius of 70 feet, a delta of 33°58′, an arc length of 41 feet, the chord bearing.

South 09°17′ West 41 feet; thence, leaving said curve, continuing to sever the lands of said Project.

South 07°42′ East 31 feet to a point on the right-of-way line of the floodwall; thence, with the right-of-way of said floodwall, continuing to sever the lands of said Project.

South 77°04′ West 71 feet.

North 77°10′ West 46 feet.

North 67°07′ West 254 feet.

North 67°54′ West 507 feet.

North 57°49′ West 66 feet to the intersection of the right-of-way line of said floodwall with the southerly right-of-way line of said street; thence, leaving the right-of-way of said floodwall and with the southerly right-of-way of said street, continuing to sever the lands of said Project.

North 83°01′ East 171 feet.

North 89°42′ East 74 feet.

South 83°39′ East 168 feet.

South 83°38′ East 41 feet.

South 77°26′ East 28 feet to the point of beginning, containing 2.59 acres, more or less. The bearings and coordinate used herein are referenced to the West Virginia State Plane Coordinate System, South Zone.

(B) A certain parcel of land in the State of West Virginia, Mingo County, Town of Matewan, and being more particularly bounded and described as follows:

Beginning at an iron pin and cap designated Corner No. M2–2 on the southerly right-of-way line of the Norfolk and Western Railroad, having an approximate coordinate value of N228,755 E1,661,242, and being at the intersection of the right-of-way line of the floodwall with the boundary of the Matewan Area Structural Project; thence, leaving the right-of-way of said floodwall and with said Project boundary, and the southerly right-of-way of said Railroad.

North 59°45′ East 34 feet.

North 69°50′ East 44 feet.

North 58°11′ East 79 feet.

North 66°13′ East 102 feet.

North 69°43′ East 98 feet.

North 77°39′ East 18 feet.

North 72°39′ East 13 feet to a point at the intersection of said Project boundary, and the southerly right-of-way of said Railroad, with the westerly right-of-way line of State Route 49/10; thence, leaving said Project boundary, and the southerly right-of-way of said Railroad, and with the westerly right-of-way of said road.

South 03°21′ East 100 feet to a point at the intersection of the westerly right-of-way of said road with the right-of-way of said floodwall; thence, leaving the right-of-way of said road, and with the right-of-way line of said floodwall.

South 79°30′ West 69 feet.

South 78°28′ West 222 feet.

South 80°11′ West 65 feet.

North 38°40′ West 14 feet to the point of beginning, containing 0.53 acre, more or less. The bearings and coordinate used herein are referenced to the West Virginia State Plane Coordinate System, South Zone.

(C) A certain parcel of land in the State of West Virginia, Mingo County, Town of Matewan, and being more particularly bounded and described as follows:

Beginning at a point on the southerly right-of-way line of the Norfolk and Western Railroad, having an approximate coordinate value of N228,936 E1,661,672, and being at the intersection of the easterly right-of-way line of State Route 49/10 with the boundary of the Matewan Area Structural Project; thence, leaving the right-of-way of said road, and with said Project boundary, and the southerly right-of-way of said Railroad.

North 77°49′ East 89 feet to an iron pin and cap designated as U.S.A. Corner No. M–4.

North 79°30′ East 74 feet to an iron pin and cap designated as U.S.A. Corner No. M–5–1; thence, leaving the southerly right-of-way of said Railroad, and continuing with the boundary of said Project.

South 06°33′ East 102 to an iron pipe and cap designated U.S.A. Corner No. M–6–1 on the northerly right-of-way line of State Route 49/28; thence, leaving the boundary of said Project, and with the right-of-way of said road, severing the lands of said Project.

North 80°59′ West 171 feet to a point at the intersection of the Northerly right-of-way line of said State Route 49/28 with the easterly right-of-way line of said State Route 49/10; thence, leaving the right-of-way of said State Route 49/28 and with the right-of-way of said State Route 49/10.

North 03°21′ West 42 feet to the point of beginning, containing 0.27 acre, more or less. The bearings and coordinate used herein are referenced to the West Virginia State Plane Coordinate System, South Zone.

(D) A certain parcel of land in the State of West Virginia, Mingo County, Town of Matewan, and being more particularly bounded and described as follows:

Beginning at a point at the intersection of the easterly right-of-way line of State Route 49/10 with the right-of-way line of the floodwall, having an approximate coordinate value of N228,826 E1,661,679; thence, leaving the right-of-way of said floodwall, and with the right-of-way of said State Route 49/10.

North 03°21′ West 23 feet to a point at the intersection of the easterly right-of-way line of said State Route 49/10 with the southerly right-of-way line of State Route 49/28; thence, leaving the right-of-way of said State Route 49/10 and with the right-of-way of said State Route 49/28.

South 80°59′ East 168 feet.

North 82°28′ East 45 feet to an iron pin and cap designated as U.S.A. Corner No. M–8–1 on the boundary of the Western Area Structural Project; thence, leaving the right-of-way of said State Route 49/28, and with said Project boundary.

South 08°28′ East 88 feet to an iron pin and cap designated as U.S.A. Corner No. M–9–1 point on the northerly right-of-way line of a street (known as McCoy Alley); thence, leaving said Project boundary and with the northerly right-of-way of said street.

South 83°01′ West 38 feet to a point on the right-of-way line of said floodwall; thence, leaving the right-of-way of said street, and with the right-of-way of said floodwall.

North 57°49′ West 180 feet.

South 79°30′ West 34 feet to a point of beginning, containing 0.24 acre, more or less. The bearings and coordinate used herein are referenced to the West Virginia State Plane Coordinate System, South Zone.

(k) MERRISACH LAKE, ARKANSAS COUNTY, ARKANSAS.—

(1) LAND CONVEYANCE.—Notwithstanding any other provision of law, the Secretary shall convey to eligible private property owners at fair market value, as determined by the Secretary, all right, title, and interest of the United States in and to certain lands acquired for Navigation Pool No. 2, McClellan-Kerr Arkansas River Navigation System, Merrisach Lake Project, Arkansas County, Arkansas.

(2) PROPERTY DESCRIPTION.—The lands to be conveyed under paragraph (1) include those lands lying between elevation 163, National Geodetic Vertical Datum of 1929, and the Federal Government boundary line for Tract Numbers 102, 129, 132–1, 132–2, 132–3, 134, 135, 136–1, 136–2, 138, 139, 140, 141, 142, 143, 144, and 145, located in sections 18, 19, 29, 30, 31, and 32, Township 7 South, Range 2 West, and the SE¼ of Section 36, Township 7 South, Range 3 West, Fifth Principal Meridian, with the exception of any land designated for public park purposes.

(3) TERMS AND CONDITIONS.—Any lands conveyed under paragraph (1) shall be subject to—

(A) a perpetual flowage easement prohibiting human habitation and restricting construction activities;

(B) the reservation of timber rights by the United States; and

(C) such additional terms and conditions as the Secretary considers appropriate to protect the interests of the United States.

(4) ELIGIBLE PROPERTY OWNER DEFINED.—In this subsection, the term ''eligible private property owner'' means the owner of record of land contiguous to lands owned by the United States in connection with the project referred to in paragraph (1).

SEC. 579. NAMINGS.

(a) FRANCIS BLAND FLOODWAY DITCH, ARKANSAS.—

(1) DESIGNATION.—8-Mile Creek in Paragould, Arkansas, shall be known and designated as the ''Francis Bland Floodway Ditch''.

(2) LEGAL REFERENCE.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the creek referred to in paragraph (1) shall be deemed to be a reference to the ''Francis Bland Floodway Ditch''.

(b) LAWRENCE BLACKWELL MEMORIAL BRIDGE, ARKANSAS.—

(1) DESIGNATION.—The bridge over lock and dam numbered 4 on the Arkansas River, Arkansas, constructed as part of the project for navigation on the Arkansas River and tributaries, shall be known and designated as the ''Lawrence Blackwell Memorial Bridge''.

(2) LEGAL REFERENCE.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the bridge referred to in paragraph (1) shall be deemed to be a reference to the ''Lawrence Blackwell Memorial Bridge''.

SEC. 580. FOLSOM DAM AND RESERVOIR ADDITIONAL STORAGE AND ADDITIONAL FLOOD CONTROL STUDIES.

(a) FOLSOM FLOOD CONTROL STUDIES.—

(1) IN GENERAL.—The Secretary, in consultation with the State of California and local water resources agencies, shall undertake a study of increasing surcharge flood control storage at the Folsom Dam and Reservoir.

(2) LIMITATIONS.—The study of the Folsom Dam and Reservoir undertaken under paragraph (1) shall assume that there is to be no increase in conservation storage at the Folsom Reservoir.

(3) REPORT.—Not later than March 1, 2000, the Secretary shall transmit to Congress a report on the results of the study under this subsection.

(b) AMERICAN AND SACRAMENTO RIVERS FLOOD CONTROL STUDY.—

(1) IN GENERAL.—The Secretary shall undertake a study of all levees on the American River and on the Sacramento River downstream and immediately upstream of the confluence of such Rivers to access opportunities to increase potential flood protection through levee modifications.

(2) DEADLINE FOR COMPLETION.—Not later than March 1, 2000, the Secretary shall transmit to Congress a report on the results of the study undertaken under this subsection.

SEC. 581. WALLOPS ISLAND, VIRGINIA.

(a) EMERGENCY ACTION.—The Secretary shall take emergency action to protect Wallops Island, Virginia, from damaging coastal storms, by improving and extending the existing seawall, replenishing and renourishing the beach, and constructing protective dunes.

(b) REIMBURSEMENT.—The Secretary may seek reimbursement from other Federal agencies whose resources are protected by the emergency action taken under subsection (a).

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $8,000,000.

SEC. 582. DETROIT RIVER, DETROIT, MICHIGAN.

(a) IN GENERAL.—The Secretary is authorized to repair and rehabilitate the seawalls on the Detroit River in Detroit, Michigan.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for fiscal years beginning after September 30, 1999, $1,000,000 to carry out this section.

SEC. 583. NORTHEASTERN MINNESOTA.

(a) ESTABLISHMENT OF PROGRAM.—The Secretary may establish a pilot program for providing environmental assistance to non-Federal interests in northeastern Minnesota.

(b) FORM OF ASSISTANCE.—Assistance under this section may be in the form of design and construction assistance for water-related environmental infrastructure and resource protection and development projects in northeastern Minnesota, including projects for wastewater treatment and related facilities, water supply and related facilities, environmental restoration, and surface water resource protection and development.

(c) PUBLIC OWNERSHIP REQUIREMENT.—The Secretary may provide assistance for a project under this section only if the project is publicly owned.

(d) LOCAL COOPERATION AGREEMENT.—

(1) IN GENERAL.—Before providing assistance under this section, the Secretary shall enter into a local cooperation agreement with a non-Federal interest to provide for design and construction of the project to be carried out with the assistance.

(2) REQUIREMENTS.—Each local cooperation agreement entered into under this subsection shall provide for the following:

(A) PLAN.—Development by the Secretary, in consultation with appropriate Federal and State officials, of a facilities or resource protection and development plan, including appropriate engineering plans and specifications.

(B) LEGAL AND INSTITUTIONAL STRUCTURES.—Establishment of such legal and institutional structures as are necessary to ensure the effective long-term operation of the project by the non-Federal interest.

(3) COST SHARING.—

(A) IN GENERAL.—The Federal share of project costs under each local cooperation agreement entered into under this subsection shall be 75 percent. The Federal share may be in the form of grants or reimbursements of project costs.

(B) CREDIT FOR DESIGN WORK.—The non-Federal interest shall receive credit for the reasonable costs of design work completed by the non-Federal interest prior to entering into a local cooperation agreement with the Secretary for a project. The credit for the design work shall not exceed 6 percent of the total construction costs of the project.

(C) CREDIT FOR INTEREST.—In the event of a delay in the funding of the non-Federal share of a project that is the subject of an agreement under this section, the non-Federal interest shall receive credit for reasonable interest incurred in providing the non-Federal share of a project's cost.

(D) LAND, EASEMENTS, AND RIGHTS-OF-WAY CREDIT.—The non-Federal interest shall receive credit for land, easements, rights-of-way, and relocations toward its share of project costs (including all reasonable costs associated with obtaining permits necessary for the construction, operation, and maintenance of the project on publicly owned or controlled land), but not to exceed 25 percent of total project costs.

(E) OPERATION AND MAINTENANCE.—The non-Federal share of operation and maintenance costs for projects constructed with assistance provided under this section shall be 100 percent.

(e) APPLICABILITY OF OTHER FEDERAL AND STATE LAWS.—Nothing in this section shall be construed as waiving, limiting, or otherwise affecting the applicability of any provision of Federal or State law that would otherwise apply to a project to be carried out with assistance provided under this section.

(f) REPORT.—Not later than December 31, 2001, the Secretary shall transmit to Congress a report on the results of the pilot program carried out under this section, together with recommendations concerning whether or not such program should be implemented on a national basis.

(g) NORTHEASTERN MINNESOTA DEFINED.—In this section, the term ''northeastern Minnesota'' means the counties of Cook, Lake, St. Louis, Koochiching, Itasca, Cass, Crow Wing, Aitkin, Carlton, Pine, Kanabec, Mille Lacs, Morrison, Benton, Sherburne, Isanti, and Chisago, Minnesota.

(h) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $40,000,000 for fiscal years beginning after September 30, 1999. Such sums shall remain available until expended.

SEC. 584. ALASKA.

(a) ESTABLISHMENT OF PROGRAM.—The Secretary may establish a pilot program for providing environmental assistance to non-Federal interests in Alaska.

(b) FORM OF ASSISTANCE.—Assistance under this section may be in the form of design and construction assistance for water-related environmental infrastructure and resource protection and development projects in Alaska, including projects for wastewater treatment and related facilities, water supply and related facilities, and surface water resource protection and development.

(c) OWNERSHIP REQUIREMENTS.—The Secretary may provide assistance for a project under this section only if the project is publicly owned or is owned by a native corporation as defined by section 1602 of title 43, United States Code.

(d) LOCAL COOPERATION AGREEMENTS.—

(1) IN GENERAL.—Before providing assistance under this section, the Secretary shall enter into a local cooperation agreement with a non-Federal interest to provide for design and construction of the project to be carried out with the assistance.

(2) REQUIREMENTS.—Each local cooperation agreement entered into under this subsection shall provide for the following:

(A) PLAN.—Development by the Secretary, in consultation with appropriate Federal and State officials, of a facilities or resource protection and development plan, including appropriate engineering plans and specifications.

(B) LEGAL AND INSTITUTIONAL STRUCTURES.—Establishment of such legal and institutional structures as are necessary to ensure the effective long-term operation of the project by the non-Federal interest.

(3) COST SHARING.—

(A) IN GENERAL.—The Federal share of the project costs under each local cooperation agreement entered into under this subsection shall be 75 percent. The Federal share may be in the form of grants or reimbursements of project costs.

(B) CREDIT FOR DESIGN WORK.—The non-Federal interest shall receive credit for the reasonable costs of design work completed by the non-Federal interest prior to entering into a local cooperation agreement with the Secretary for a project. The credit for the design work shall not exceed 6 percent of the total construction costs of the project.

(C) CREDIT FOR INTEREST.—In the event of a delay in the funding of the non-Federal share of a project that is the subject of an agreement under this section, the non-Federal interest shall receive credit for reasonable interest incurred in providing the non-Federal share of a project's cost.

(D) LAND, EASEMENTS, AND RIGHTS-OF-WAY CREDIT.—The non-Federal interest shall receive credit for land, easements, rights-of-way, and relocations toward its share of project costs (including all reasonable costs associated with obtaining permits necessary for the construction, operation, and maintenance of the project on publicly owned or controlled land), but not to exceed 25 percent of total project costs.

(E) OPERATION AND MAINTENANCE.—The non-Federal share of operation and maintenance costs for projects constructed with assistance provided under this section shall be 100 percent.

(e) APPLICABILITY OF OTHER FEDERAL AND STATE LAWS.—Nothing in this section shall be construed as waiving, limiting, or otherwise affecting the applicability of any provision of Federal or State law that would otherwise apply to a project to be carried out with assistance provided under this section.

(f) REPORT.—Not later than December 31, 2001, the Secretary shall transmit to Congress a report on the results of the pilot program carried out under this section, together with recommendations concerning whether or not such program should be implemented on a national basis.

(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $25,000,000 for fiscal years beginning after September 30, 1999. Such sums shall remain available until expended.

SEC. 585. CENTRAL WEST VIRGINIA.

(a) ESTABLISHMENT OF PROGRAM.—The Secretary may establish a pilot program for providing environmental assistance to non-Federal interests in central West Virginia.

(b) FORM OF ASSISTANCE.—Assistance under this section may be in the form of design and construction assistance for water-related environmental infrastructure and resource protection and development projects in central West Virginia, including projects for wastewater treatment and related facilities, water supply and related facilities, and surface water resource protection and development.

(c) PUBLIC OWNERSHIP REQUIREMENT.—The Secretary may provide assistance for a project under this section only if the project is publicly owned.

(d) LOCAL COOPERATION AGREEMENTS.—

(1) IN GENERAL.—Before providing assistance under this section, the Secretary shall enter into a local cooperation agreement with a non-Federal interest to provide for design and construction of the project to be carried out with the assistance.

(2) REQUIREMENTS.—Each local cooperation agreement entered into under this subsection shall provide for the following:

(A) PLAN.—Development by the Secretary, in consultation with appropriate Federal and State officials, of a facilities or resource protection and development plan, including appropriate engineering plans and specifications.

(B) LEGAL AND INSTITUTIONAL STRUCTURES.—Establishment of such legal and institutional structures as are necessary to ensure the effective long-term operation of the project by the non-Federal interest.

(3) COST SHARING.—

(A) IN GENERAL.—The Federal share of the project costs under each local cooperation agreement entered into under this subsection shall be 75 percent. The Federal share may be in the form of grants or reimbursements of project costs.

(B) CREDIT FOR DESIGN WORK.—The non-Federal interest shall receive credit for the reasonable costs of design work completed by the non-Federal interest prior to entering into a local cooperation agreement with the Secretary for a project. The credit for the design work shall not exceed 6 percent of the total construction costs of the project.

(C) CREDIT FOR INTEREST.—In the event of a delay in the funding of the non-Federal share of a project that is the subject of an agreement under this section, the non-Federal interest shall receive credit for reasonable interest incurred in providing the non-Federal share of a project's cost.

(D) LAND, EASEMENTS, AND RIGHTS-OF-WAY CREDIT.—The non-Federal interest shall receive credit for land, easements, rights-of-way, and relocations toward its share of project costs (including all reasonable costs associated with obtaining permits necessary for the construction, operation, and maintenance of the project on publicly owned or controlled land), but not to exceed 25 percent of total project costs.

(E) OPERATION AND MAINTENANCE.—The non-Federal share of operation and maintenance costs for projects constructed with assistance provided under this section shall be 100 percent.

(e) APPLICABILITY OF OTHER FEDERAL AND STATE LAWS.—Nothing in this section shall be construed as waiving, limiting, or otherwise affecting the applicability of any provision of Federal or State law that would otherwise apply to a project to be carried out with assistance provided under this section.

(f) REPORT.—Not later than December 31, 2001, the Secretary shall transmit to Congress a report on the results of the pilot program carried out under this section, together with recommendations concerning whether or not such program should be implemented on a national basis.

(g) CENTRAL WEST VIRGINIA DEFINED.—In this section, the term ''central West Virginia'' means the counties of Mason, Jackson, Putnam, Kanawha, Roane, Wirt, Calhoun, Clay, Nicholas, Braxton, Gilmer, Lewis, Upshur, Randolph, Pendleton, Hardy, Hampshire, Morgan, Berkeley, and Jefferson, West Virginia.

(h) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $10,000,000 for fiscal years beginning after September 30, 1999. Such sums shall remain available until expended.

SEC. 586. SACRAMENTO METROPOLITAN AREA WATERSHED RESTORATION, CALIFORNIA.

(a) IN GENERAL.—The Secretary is authorized to undertake environmental restoration activities included in the Sacramento Metropolitan Water Authority's ''Watershed Management Plan''. These activities shall be limited to cleanup of contaminated groundwater resulting directly from the acts of any Federal agency or Department of the Federal Government at or in the vicinity of McClellan Air Force Base, California; Mather Air Force Base, California; Sacramento Army Depot, California; or any location within the watershed where the Federal Government would be a responsible party under any Federal environmental law.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $5,000,000 for fiscal years beginning after September 30, 1999.

SEC. 587. ONONDAGA LAKE.

(a) IN GENERAL.—The Secretary is authorized to plan, design, and construct projects for the environmental restoration, conservation, and management of Onondaga Lake, New York, and to provide, in coordination with the Administrator of the Environmental Protection Agency, financial assistance to the State of New York and political

subdivisions thereof for the development and implementation of projects to restore, conserve, and manage Onondaga Lake.

(b) PARTNERSHIP.—In carrying out this section, the Secretary shall establish a partnership with appropriate Federal agencies (including the Environmental Protection Agency) and the State of New York and political subdivisions thereof for the purpose of project development and implementation. Such partnership shall be dissolved not later than 15 years after the date of the enactment of this Act.

(c) COST SHARING.—The non-Federal share of the cost of a project constructed under subsection (a) shall be not less than 30 percent of the total cost of the project and may be provided through in-kind services.

(d) EFFECT ON LIABILITY.—Financial assistance provided under this section shall not relieve from liability any person who would otherwise be liable under Federal or State law for damages, response costs, natural resource damages, restitution, equitable relief, or any other relief.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $10,000,000 to carry out the purposes of this section.

(f) REPEAL.—Section 401 of the Great Lakes Critical Programs Act of 1990 (104 Stat. 3010) and section 411 of the Water Resources Development Act of 1990 (104 Stat. 4648) are repealed as of the date of the enactment of this Act.

SEC. 588. EAST LYNN LAKE, WEST VIRGINIA.

The Secretary shall defer any decision relating to the leasing of mineral resources underlying East Lynn Lake, West Virginia, project lands to the Federal entity vested with such leasing authority.

SEC. 589. EEL RIVER, CALIFORNIA.

The Secretary shall conduct a study to determine if flooding in the City of Ferndale, California, is the result of a Federal flood control project on the Eel River. If the Secretary determines that the flooding is the result of the project, the Secretary shall take appropriate measures (including dredging of the Salt River and construction of sediment ponds at the confluence of Francis, Reas, and Williams Creeks) to mitigate the flooding.

SEC. 590. NORTH LITTLE ROCK, ARKANSAS.

(a) IN GENERAL.—The Secretary shall review a report prepared by the non-Federal interest concerning flood protection for the Dark Hollow area of North Little Rock, Arkansas. If the Secretary determines that the report meets the evaluation and design standards of the Corps of Engineers and that the project is economically justified, technically sound, and environmentally acceptable, the Secretary shall carry out the project.

(b) TREATMENT OF DESIGN AND PLAN PREPARATION COSTS.—The costs of design and preparation of plans and specifications shall be included as project costs and paid during construction.

SEC. 591. UPPER MISSISSIPPI RIVER, MISSISSIPPI PLACE, ST. PAUL, MINNESOTA.

(a) IN GENERAL.—The Secretary may enter into a cooperative agreement to participate in a project for the planning, design, and construction of infrastructure and other improvements at Mississippi Place, St. Paul, Minnesota.

(b) COST SHARING.—

(1) IN GENERAL.—The Federal share of the cost of the project shall be 50 percent. The Federal share may be provided in the form of grants or reimbursements of project costs.

(2) CREDIT FOR NON-FEDERAL WORK.—The non-Federal interest shall receive credit toward the non-Federal share of the cost of the project for reasonable costs incurred by the non-Federal interests as a result of participation in the planning, design, and construction of the project.

(3) LAND, EASEMENTS, AND RIGHTS-OF-WAY CREDIT.—The non-Federal interest shall receive credit toward the non-Federal share of the cost of the project for land, easements, rights-of-way, and relocations provided by the non-Federal interest with respect to the project.

(4) OPERATION AND MAINTENANCE.—The non-Federal share of operation and maintenance costs for the project shall be 100 percent.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $3,000,000 to carry out this section.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title of the Senate bill was amended so as to read: ''To provide for the conservation and development of water and related resources, to authorize the United States Army Corps of Engineers to construct various projects for improvements to rivers and harbors of the United States, and for other purposes''.

A motion to reconsider was laid on the table.

APPOINTMENT OF CONFEREES

Mr. BOEHLERT. Mr. Speaker, I ask unanimous consent to insist on the House amendment, and request a conference with the Senate thereon.

The SPEAKER pro tempore (Mr. EHRLICH). Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees: Messrs. SHUSTER, YOUNG of Alaska, BOEHLERT, BAKER, DOOLITTLE, SHERWOOD, OBERSTAR, BORSKI, Mrs. TAUSCHER, and Mr. BAIRD.

There was no objection.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. TERRY). Under the Speaker's announced policy of January 6, 1999, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey (Mr. PALLONE) is recognized for 5 minutes.

(Mr. PALLONE addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

REVIEW OF FINANCIAL FREEDOM ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. EHRLICH) is recognized for 5 minutes.

Mr. EHRLICH. Mr. Speaker, over the last 24 hours we have sure heard it all from the floor of this House. The usual class warfare, us versus them; the usual class envy rhetoric concerning the rich. And how many folks watching the national TV right this second making $40,000 a year with a couple of kids know that they are rich, or making $50,000 a year with four children and believe they are rich? Very few, I suspect.

We have seen revisionist history, Mr. Speaker, in how we got to a, what seemed to be just a few years ago, permanent deficit situation in this country as the minority party controlled this House for 40 years.

What we saw most of all, Mr. Speaker, however, was a great sense of frustration because the Speaker and this majority have moved a bill to return money to the people, to the pockets of the people, a comprehensive package that rewards married couples, senior citizens, working families, the self-employed schools, and distressed neighborhoods.

The Republican tax relief plan improves the lives, Mr. Speaker, of all Americans. One of the most unfair provisions in our present tax code, Mr. Speaker, is its treatment of married couples. They pay more in taxes simply because they choose to get married. The Republican plan ends this unfair so-called marriage penalty. It allows married couples to claim a standard deduction for a single taxpayer to the benefit of 42 million taxpayers.

Families with single people also benefit. The Republican tax plan provides for a phased in 10 percent deduction in individual rates over the next 10 years. Taxpayers know best how to spend their own money. Washington needs to get out of the way and let taxpayers control their own money. That thought is why many of us were sent to Washington in the first place.

The cost of education continues to rise. The Republican plan provides meaningful tax relief. First, our legislation increases from $500 to $2,000 the contribution limit for education savings accounts.

Second, the bill permits private universities to offer prepaid tuition plans and exempts the earnings from all prepaid plans from Federal taxation, a real good idea.

Third, the plan eliminates the 60-month limitation on the student loan interest deduction. The Republican plan also addresses the basic brick and mortar issues associated with quality education. Unlike the President's bad idea to take general fund revenue and build public schools, our public school construction initiative makes permanent statutory changes so that State and local governments issuing public school construction bonds can more easily comply with the appropriate rules.

Similar to education, the cost of health care keeps rising. The Republican plan makes health care and long-term care more affordable and accessible to all Americans. Of particular significance, our plan allows a 100 percent deduction for health care premiums and long-term care insurance premiums. It is about time.

Our proposal also recognizes the financial hardships associated with caring for elderly members at home. We provide for an additional personal exemption for these taxpayers. Likewise, the Republican plan allows employers to offer long-term care insurance and cafeteria plans.

Finally, our plans expand the availability of medical savings accounts.

Mr. Speaker, the Republican plan properly buries the death tax that forces many Americans to pay the IRS 37 to 55 percent of their savings when they die, immoral, inefficient, wrong. It is time we got rid of it. This bill is the first step.

Finally, Mr. Speaker, the Republican plan also provides significant tax incentives for families and businesses in distressed neighborhoods. The family development accounts encourage low-income families to save a portion of their income by allowing tax-free withdrawal for education expenses, a first home, a business start-up, or certain medical expenses.

Mr. Speaker, hardworking Americans deserve the benefits that the Republican tax relief plan offers. It is imperative that this Congress ensure these benefits become a reality. The people deserve it. The workers deserve it. The taxpayers deserve it.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan (Mr. STUPAK) is recognized for 5 minutes.

(Mr. STUPAK addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. RAMSTAD) is recognized for 5 minutes.

(Mr. RAMSTAD addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. TIAHRT) is recognized for 5 minutes.

(Mr. TIAHRT addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. BILIRAKIS) is recognized for 5 minutes.

(Mr. BILIRAKIS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

GUAM'S EXPERIENCE IN WORLD WAR II

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from Guam (Mr. UNDERWOOD) is recognized for 60 minutes as the designee of the minority leader.

Mr. UNDERWOOD. Mr. Speaker, this evening I would like to do a World War II commemorative speech about the experiences of the people of Guam that I had intended to do last night.

Yesterday, July 21st, is a very special day in Guam's history. It is the day that the Third Marine Division, United States Marine Corps, and First Provisional Brigade of the U.S. Marine Corps and elements of the 77th Infantry Division of the U.S. Army landed on Guam to begin the liberation of Guam from the Japanese occupation.

Annually on Guam, and certainly for the past few weeks, we celebrate this event with parades and solemn speeches, a carnival and commemorative festivities which honor both the veterans who came to Guam's shores to liberate the people of Guam and for the people of Guam themselves, my people, the people who endured a brutal enemy occupation for over 2½ years.

Now, World War II, of course, is a very seminal event of this century, and Guam plays a very unique part in that. I want to talk a little bit about that this evening.

On December 8, 1941, the Japanese began bombing Guam and they landed about 5,000 army troops on December 10 of 1941. This attack was carried out simultaneously with attacks on Pearl Harbor and the Philippines. Of course, Guam being on the other side of the date line, the attack which was carried out at the same time as Pearl Harbor actually was on December 8 and not December 7.

The Japanese occupation featured a serious time of deprivation, suffering and brutality which the people of Guam, who are ethnically referred to as the Chamorro people, who were at that time not U.S. citizens but occupied a political category called U.S. nationals, endured and survived.

My purpose this evening is to give an historical perspective to those events which occurred some 55 years ago, in July of 1944, on a distant U.S. territory, to enhance the understanding of the Members of this body and the American people in general about the wartime experience of Guam and the postwar period which helped shape the relationship between Guam and the Federal Government.

Guam's experience is not unique if measured against the general experience of occupied peoples during a time of war, whether it was in Europe or China or the Philippines. Guam, after all, did not have a monopoly on human suffering. But it is a unique and special story about dignity in the midst of political and wartime machinations of large powers over small peoples and of a demonstrated loyalty to America, the kind of loyalty which was tested, the kind of loyalty that has not been asked of any civilian American community under the flag at any time during the 20th century.

□ 1845

In earlier years it may not have been necessary to give this kind of speech in Congress. Two or 3 decades ago the Members of this body were themselves, the majority of Members of this body were themselves World War II veterans who understood what the Battle of Guam was and who probably remembered it personally, if not directly from war time experience, but certainly just being part of World War II.

Today unfortunately, most people know very little about Guam. Most Members know very little about the Battle of Guam, and perhaps think of Guam only occasionally, probably more for exaggerated stories about snakes than for the historical experience of a great and loyal people.

When the Japanese landed in December of 1941, the 5,000 Japanese soldiers faced 153 Marines, 271 naval personnel, 134 Pan American workers and some 20,000 natives that I referred to earlier who were commonly called Chamorros. All of the Americans, meaning U.S. citizen civilians, had been evacuated on October 17, 1941, in full expectation a few months before Pearl Harbor, that something was going to happen in the Pacific.

In the Aleutian Islands in Alaska all of the islanders were evacuated with the full understanding that the Japanese may occupy those islands; and so, therefore, all of the civilians were removed.

But the people of Guam remained the only American civilian community open to and eventually experiencing enemy occupation during World War II.

At the time the only units that attempted to engage the Japanese in a very brief, but symbolic, and several people died, was a unit known as the Guam Insular Guard and Insular Force which were really people who had joined the U.S. Navy. It was kind of a Navy auxiliary force composed primarily of, well entirely of, men from Guam, and they were the only ones who willingly engaged the Japanese, and several of them died.

During the time of the occupation, the people of Guam stood steadfastly loyal to America and its ideals despite the best efforts of the Japanese occupiers to propagandize the people that it was better for them to be under and be part of the Far East Greater Co-prosperity Sphere, and the people of Guam were loyal to America at the risk of their lives and certainly their livelihoods.

Symbolic of the loyalty of the people of Guam were several songs written during the course of the Japanese occupation, some mocking the Japanese emperor and occupiers and others praising things American over those things that were Japanese, and the most well-known song was ''Uncle Sam, Sam, My Dear Old Uncle Sam, Won't You Please Come Back to Guam?''

It is a song that was certainly in my upbringing, and I was born after World War II. Those people of my generation and even the later generation were all taught this song in one form or another.

The most visible symbol were the seven American sailors, and there were seven who refused to surrender to the Japanese forces and decided to take their chances, hiding in the jungle until the return of U.S. forces which sadly many of them expected to be a couple of months at the most. One by one each of those sailors were hunted down and executed by the Japanese except for one lonely sailor who survived the entire occupation assisted, greatly assisted, by the Artero family. This man's name was George Tweed, and his heroic saga was eventually made into a movie in the 1960s called No Man Is An Island, and for all those 32 months the people of Guam suffered.

Now in July of 1944 Admiral Ainsworth, actually in June of 1944, Admiral Ainsworth began his pre-invasion bombardment of Guam for the anticipated landings in Guam which were expected to take place in June. After about 2 hours he was called back, and he was called back and they re-routed all of his vessels to help with the battle in Saipan. The general plan was that of the three islands in the Marianas Islands, which were heavily fortified Saipan, Guam and Tinian, Saipan was to be invaded first by U.S. forces because it was acknowledged that that would be the most heavily fortified since those Marianas Islands had been under a Japanese mandate since the end of World War I and were heavily populated not only by Japanese military forces, but indeed by Japanese civilians.

The battle for Saipan proved much more difficult than anticipated, so the invasion of Guam was postponed, and instead Admiral Ainsworth and his naval forces were turned northward to deal with a couple of battles, one the Battle of Saipan and the other a naval air battle called, commonly called, the Marianas Turkey Shoot.

The invasion of Guam was therefore called off for 5 weeks, and during that intervening time the most brutal time of the Japanese occupation was endured by the people of Guam as they suffered forced labor and forced marches, and the whole population was marched all over the island, countless beheadings and civilian massacres largely for unknown reasons. The increased brutality was over and above the forced labor for the construction of defense fortifications for the construction of air strips in places called Orote and Tiyan. Japanese army units, several divisions had landed, had arrived from Manchuria in April of 1944 to defend Guam from the anticipated American invasion.

In July of 1944 Operation Forager began, and this was the whole operation meant for the invasion of Guam and 13 days of sustained bombardment on Guam, an island of some 212 square miles, was given by the Navy partially as a result of their experience in the Battle of Saipan and even the Normandy experience, so that the bombing on Guam, which of course is a much smaller area than the invasion of the coast of Normandy, actually endured more pre-invasion bombardment.

This extensive pre-invasion bombardment even acted more as a stimulus for even more acts by the Japanese military against the civilian population. Army Air Force planes, B–24s from recently taken islands in the Marshall Islands and Navy carrier base planes had been bombing Guam periodically for several weeks. Underwater demolition teams spent 4 days sweeping the shoreline. In a way the Navy took great pride in these underwater demolition teams, and on Guam they planted a sign, welcome U.S. Marines from the U.S. Navy, before the Marines actually landed on Guam.

And the Marines did, and they landed on July 21, 1944, and they landed on narrow beaches on Asan and Agat, and Asan, the people who assaulted the beach of Asan had to face cliffs once they landed, and those who landed in Agat faced the only Japanese counterattack of the day.

One of the heroes of that day was Senator, former Senator Howell Heflin who was wounded and has repeatedly over the years that I have known Senator Howell Heflin has repeatedly told me that the Guam experience was the most important 6 hours of his life.

And the battle for Guam raged for nearly 3 weeks, and the island was declared secured on August 10, 1944. Nearly 18,500 Japanese soldiers were killed and some 1,900 American servicemen were killed, and although no specific statistics were kept about the civilian population, hundreds of Chamorros died during the battle or were executed, and hundreds more died for reasons related directly to the war but not combat.

And even after the island was secured, Japanese stragglers continued to be a serious threat to security and a Guam combat patrol, organized by the U.S. Marine Corps and soldiered by men from Guam, was established to find Japanese stragglers who refused to surrender. Incredibly, the last straggler was discovered in 1972 after spending some 28 years in the jungle by himself.

Battles sometimes bring out the worst in human beings, but they also bring out the inner strength in people of courage. Extraordinary heroism was common in the battles which occurred in the Marianas and in Guam, and two medals of honor were awarded.

One was to a Captain Lewis Wilson who was commanding officer of Company F Second Battalion, 9th Marine Regiment, fought off repeated Japanese counteroffensives on the Fonte Plateau. Had the lines been breached, it would have spelled disaster for the Marines in the rear. Captain Wilson later on became commandant of the Marine Corps.

Another was granted to Private First Class Frank Witek, who distinguished himself in hand-to-hand combat, provided cover for the withdrawal of wounded comrades and single-handedly put out an enemy machine gun position.

Over the Internet and because of the fact that many of the veterans who fought on Guam have a very special relationship to Guam, over the Internet I received the story of a Private First Class Jack Walker and Staff Sergeant Harry Kolata who landed in Agat as members of the 306th Infantry 77th Army Division. They volunteered to go behind enemy lines to make contact with the villagers of Merizo; and they did so, and they brought, successfully brought back 1,500 people into the American lines.

And these are just a few of the stories of the heroism exhibited by the Marines and the soldiers who liberated Guam, and on behalf of the people of Guam I say: Si yu'os ma'ase.

And the veterans of the battle for Guam continued to have an excellent relationship with the people of Guam and return to Guam every year, although obviously in decreasing numbers every year; and during this year's celebration some 60 veterans have returned to Guam to visit Guam and to see the progress that they have helped make possible.

Earlier this month, on July 9, I laid a wreath at the Tomb of the Unknowns at Arlington National Cemetery, as I have done so every year that I have been in office, in order to commemorate the Battle of Guam and to express the gratitude of the people of Guam to the veterans, the servicemen. This year I did so along with Commonwealth of the Northern Marianas, which includes the island of Saipan and Tinian. Representative Juan Babauta, together we laid a wreath in order to express the gratitude felt by the people of our respective islands for the sacrifices of every Marine, sailor, airman, and soldier who helped in the liberation of Guam.

And as I said repeatedly, there was something very special about the Battle for Guam which was not present in any other Pacific battle, indeed any battle during World War II. Guam was a U.S. territory inhabited by civilians who were U.S. nationals at the outbreak of the war. It was in fact the first time that a foreign power had invaded U.S. soil since the War of 1812.

This special relationship is demonstrated in this painting based on a picture of two young Chamorro boys who waved hand-made American flags. The stars are all wrong, the stripes are all wrong, but these two young boys that we think were aged maybe 8 and 6 at the time made flags which were imperfect in their design yet perfectly clear in their representation, and their faces reflect the difficult times that they had had experiencing battle, not as grown men in uniform with weapons, but as young boys confused by all that was going on around them. But despite the fact that their faces reflected the difficult times, they also had their

hope for their future and their gratitude for their deliverance from enemy hands.

It was reported that service men who bore witness to the display and to the spectacle of Chamorros who made their way down from the hills and the camps which the Japanese placed them in broke down and wept at the sight of the people, broke down and wept at the sight of these two young boys, and seeing the people and their condition and their displays of red, white, and blue.

I know that we cannot ever recapture that moment in time, but we must make every effort to do so because it has established a bond which has lasted for generations between those in uniform and the people of Guam.

The people of Guam came down from the mountains to tell the stories of brutality and the tales of suffering which they endured during the last few months of the occupation. The Japanese authorities had herded them into camps in Maimai and Talofofo, Malojloj and especially Manenggon, a name which today continues to stand for suffering. Thousands of people were placed into a valley without food and only a stream from which to drink; and they found a way to survive, and they found the will to survive, and they expressed their gratitude of their deliverance with laughter and tears, with hugs and screams, all reportedly at the same time.

□ 1900

Some experienced horrific events, massacres at Malesso', Tinta, and Faha' where Japanese soldiers herded families into caves and threw hand grenades and delivered small arms fire until dozens were killed. A similar event occurred at Fena cave and for the first time in many years, Speaker Tony Unpingco of the Guam legislature led a commemoration of this event. This event took place in what is now referred to as ''naval magazine,'' a highly secured area where lots of weaponry is stored. And this is very special for the people of Guam, and I certainly congratulate Speaker Unpingco for making this possible.

This tragedy was most manifested by an enormously brave woman I would like to tell you about who passed away a few years ago. She was Beatrice Flores Emsley. Beatrice was a woman who, as a 13-year-old, was told to kneel by Japanese soldiers and then struck by a sword across the back of her neck. This attempt to behead the young lady was unsuccessful for reasons we do not know, but we can only guess at. The soldiers buried her in a shallow grave and miraculously, she emerged from that grave and wandered for several days before she was treated, lived to a ripe old age, had children and grandchildren.

For years, I remember this, Mrs. Emsley was a curiosity for many people. Understandably, she did not like to talk about the war because the experience was so very painful. So very few people asked her, but eventually she started to speak out about her experience in order to bring honor and dignity to the experiences of the people of Guam, and she came to testify in Congress on several occasions. She was a remarkably gifted woman, devoid of bitterness, who never spoke harshly about her captors or the people who tried to behead her, but only spoke compellingly about how her experience and how she hoped that the people of the United States would understand what Guam went through.

As always, Mrs. Emsley was dignified as we asked her to recount her painful experiences, recounting that we knew caused her so much pain, and she came to symbolize what the people of Guam went through.

Several years ago, at the commemoration of the 50th anniversary of the liberation of Guam, the half century mark, Secretary of the Interior Bruce Babbitt referred to the veterans who landed on Guam as the liberators from without, and the people of Guam as the liberators from within. It is their interaction that we bring honor to today, and it is their struggle in the beaches and in the concentration camps; it is their common fear and their common bravery; it is their common love for freedom, and it is their common bond that we bring honor to today.

In light of this, I will enter into the Record two newspaper articles, one on the Fena cave massacre which was commemorated recently in Guam, and the other is about Darryl Dass, one of the Marine liberators from Iowa who was a parade grand marshal in our recent Liberation Day festivities in Guam.

[From the Pacific Daily News]

GUAM REMEMBERS LESSONS OF 1944

(By Hirashi Hiyama)

As the 55th anniversary of the island's liberation draws near, American soldiers and local residents who went through the war will meet once again on the island this week.

Washed away by time, Guam's memories of World War II are starting to be overwhelmed by development and comfort of the modern lifestyle, say those who experienced the war.

But they remember the original Liberation Day and remind others of the harsh island life little more than two generations ago.

Darryl Dass, 75, of Iowa will join local residents on Wednesday as one of four grand marshals for the Liberation Day parade. The former Marine landed on Agat on July 21, 1944, helping to free Guam from the Japanese occupational forces.

He is among some 42 World War II veterans, who helped liberate Guam from Japanese occupational forces, who plan to return to Guam this week to join local residents in celebrating the island's holiday.

''I thought so much about (local) people when we first arrived (on Guam in 1944),'' Dass said, during a phone interview from Iowa. ''They were so pitiful. Their clothes were ragged. They were hungry. They didn't know it they were supposed to give us a hug or to bow.

''All the people, they were so thankful. It was the way they were pleased with their freedom—these things leave a mark on you,'' he said. ''When you have so much respect for the people—it's just like a magnet—it draws me back.''

The arrival of American soldiers is remembered clearly by local residents who lived through the war.

Amalia G. Arceo, 88, of Sinajana was in a concentration camp in Manengon, where she lived in a cave, drank river water and treated her sickly son.

Her family members risked their lives and hid in the surrounding jungles, and from the eyes of Japanese soldiers, to supply food for captured family members, Arceo said.

The joyous news of the arrival of American soldiers on the island seeped through the camp.

''We heard that American people were coming in,'' she said. ''So we said 'the Americans are coming. The Americans are coming.' We were so happy. They brought eggs, ham, cookies, candies, coffee—it was all in boxes.''

Freed local residents were so hungry that they ''stuffed themselves in a hurry.'' Arceo said. But their bodies were so weak that many people initially were sickened by food rations eaten after they were freed, she said.

At about the same time in Guam's's history, similar things were happening at a concentration camp in Tai, Mangilao, where Carmen A. Perez, now 66, also of Sinsjana, was staying with her family. The camp was located near the Fatimer Duerms Memorial School, she said.

She also recalled a rumor about the arrival of American soldiers spreading quickly among those who were captured at the camp.

''We were still careful not to be noticed by the Japanese,'' she said, of the elation detainees felt when hearing the rumor.

Her brother was captured by Japanese soldiers in a jungle, but American soldiers found the Japanese soldiers just in time to rescue Perez's brother, she said.

Memories of the war have been difficult to share for those who experienced it.

Dass said he remained quiet about his wartime experiences for decades. But he now talks about the harsh memories of the war ''because they don't teach too much of the history to (school) kids.''

''Memories: friends are killed and blown into pieces and you don't recognize them. You are killed. You are crippled. These are things you don't forget. You don't want to talk about it,'' he said. ''If we don't tell (young people) what we have done, they won't know. It's over 50 years ago. That's like ancient history to those kids.''

Liberation Day has become a joyous occasion, celebrating the island's freedom from the Japanese military. But it also brings sorrow to those who lost loved ones during the war, Perez said.

''I want,'' Perez said, ''the people of Guam to be educated (in Guam's history).''

Dass said he hopes Guam residents will continue to pass on the island's history for generations to come.

''Old men create the war and young men die, fighting it,'' Dass said. ''War is hell. It brings out the worst in people.''

[From the Pacific Daily News]

FENA SURVIVORS TELL TALES

(By Joseph E. Duenes)

Nearly 400 people attended a memorial service at Fena Cave yesterday to pay homage to the 35 victims, and their families of one of Guam's worst recorded World War II massacres.

Yesterday's ceremony was only the second to take place at the cave since the massacre occurred. The site has been U.S. Navy property since the war, and access to the area was forbidden until last year's memorial ceremony.

In July 1944, shortly before U.S. troops liberated Guam, about 85 Chamorros—men, women, and children—were marched to the Fena area by Japanese soldiers. The

Chamorros were lured into caves with promises of food and rest after a long hard day of building military fortifications.

Without warning, soldiers began flinging grenades into the cave after the Chamorros entered. The soldiers apparently wanted no survivors of the incident, and systematically plunged bayonets into those who were not killed by the explosions. At the same time, a dozen women were raped and killed in a nearby cave. Nearly 35 men and women were killed in the massacre.

Maria ''Chong'' Alerta, one of a handful of survivors still living, was very young when the massacre took place. According to Alerta, the soldiers insisted children enter the cave first, in what she thinks was an attempt to help them survive. As the Japanese walked through the carnage of the grenade blasts, bayonetting moving bodies, Alerta and her family remained still and were passed over by soldiers. Her father was the only one in her family hurt during the onslaught, suffering a non-fatal bayonet wound.

Alerta, the only surviving member of her family, said the event was a blur to her and she does not remember most of it.

''Right now if I think about it, I can still feel it, even though I don't remember the most exciting moments of the event.'' Alerta said, as tears welled up in her eyes. ''I feel kind of lonely.''

Maria Nauta was 17 years old when the massacre took place. She, her father, and her sister were already at the caves the day of the massacre.

''I was here that morning, because we were lined up to be killed. The American planes came early that morning, and everybody scattered.'' Nauta said. ''I ran and I ran, but my father and my sister were, caught and put over here (at the caves). I was able to get away,''

Nauta tearfully said her father was later killed during the massacre. She said her sister was able to escape, but not before being stabbed in the back with a bayonet.

''That was a very sad day, and it is very hard for me to remember,'' Nauta said.

Leroy Delos Santos said he had relatives killed in the massacre. He and his family came to the ceremony to honor them, and the others who died.

''From my perspective, (I came) to memorialize, to pay tribute to our ancestors that were killed,'' he said.

Survivors and their families were not the only ones honoring the victims of the attack. Many came to learn, firsthand, some of Guam's tragic World War II history. For this reason, Delos Santos brought his niece, and all four of his children, to the memorial service.

''I want them to experience this and to know. I feel that its very important that the kids, even at a very young age, get exposed to stuff like this,'' Delos Santos said.

Paul Mafnas, a University of Guam student from Barrigada, came to the ceremony with his Chamorro class. Mafnas said the greatest lesson we can learn from the massacre is forgiveness.

''Of course it's going to touch a nerve, because it was our people that they did this to. But on the same token, we should also practice forgiveness, because everybody needs forgiveness these days.'' Mafnas said ''We should remember what they went through, but at the same time, use that to prevent those mistakes from happening again in the future.''

Pat San Nicolas, of Talofofo, spent a lot of time explaining to her son Chris and her daughter Amanda the events that led up to the massacre, and some of the reasons why it may have happened. She was saddened that the same type of events still take place in other parts of the world.

''You think about Kosovo and the tragedy there, and you think, 'It's still going on after all these years.' People just haven't learned,'' she said.

Though the Navy has already agreed to allow next year's ceremony to be held at the site, Speaker Antonio Unpingco, R-Santa Rita, said the construction of a monument honoring the Fena massacre victims and their families is already in the works. The monument will be located on a hillside near the navy's access gate, and will cost an estimated $500,000 to construct, Unpingco said.

''Since last year, we had several suggestions from the (memorial) committee to put up a memorial for the victims, and we decided to put it near the actual site.'' Unpingco said. ''It will not only be open to locals, but to visitors from all over.''

Unpingco said plans for the memorial have already been donated by the Filipino American Society of Architects and Engineers. The committee is relying on private donations for funding, however, which means it may be two to three years before construction begins, he said.

Unpingco added that as soon as the monument is completed, it will be used for the annual memorial services.

The meaning of the battles of Guam and Saipan.

The taking of the Marianas was another in a series of critical turning points in the Pacific war. The defeat of Japanese forces in the Marianas enabled America to bring the war to the Japanese homelands which was not previously possible. The Tojo government resigned as a result of the Japanese debacle in the Marianas Islands and Admiral Asami Nagano, supreme naval advisor to the Japanese emperor stated, hell is upon us, and the words were very true as Army Air Force bombers took off from airfields recently built on Guam and Saipan and Tinian, the airfields of Harmon Anderson, North, Northwest, Isley, Kobler, became familiar to the Army Air Force station on these islands.

And the gentleman from New York (Mr. GILMAN), the Chairman of the Committee on International Relations, was stationed in Guam during this time period and participated in 35 missions to Japan, taking off from Guam.

And in addition to the air war, Guam became the jumping off point for later landings in the Philippines in Iwo Jima and Okinawa as Guam became, in the Victory at Sea documentary, Guam became the military supermarket in the western Pacific. Guam became the forward naval base. Basically, Pearl Harbor was effectively moved 3,500 miles west and Admiral Nimitz set up his headquarters in Guam.

But we have other issues to bring up as well, and it certainly is something that we do not like to draw too much attention to, but we must, and that is that as we bring honor and recognition to the experiences of the people of Guam, I have to bring up an issue which basically cries out for justice. And this is the issue of how best to recognize this loyalty and their sacrifices.

At the conclusion of World War II, the U.S. Congress passed a bill called the Guam Meritorious Claims Act. This act basically said that people of Guam could submit claims for property damage up to $5,000. In submitting those claims, if one had a claim for more than $5,000, one had to physically come to Washington, D.C., to present one's claim. And this Guam Meritorious Claims Act was in existence for one full year, at a time when the people of Guam were still recovering from World War II, and even the notion of travel to Washington, D.C., was almost as remote as the notion of travel is to Antarctica for most of us today.

Yet, that was legitimate legislation, because it was an attempt to deal with the battle damage. In 1948, the U.S. Congress passed what is known as the War Claims Act. The War Claims Act provided a basis upon which American citizens and American nationals who were working for the Federal Government, who were subject to enemy occupation or forced labor or internment or death or injury could make a claim. Incredibly, Guam was not included in that legislation.

When that legislation was amended in 1962, Guam again was not included in that legislation. And so let me express the anomaly in terms of my family.

My name is ROBERT UNDERWOOD. My grandfather is from North Carolina. He came to Guam in the year 1902 as a Marine. He mustered out in Guam, and he married a Chamorro woman and he thereby established a line of Underwoods in Guam who fully considered themselves, as I do, indigenous inhabitants of Guam.

My grandfather was taken by the Japanese and put in a prison camp for civilians in, Kobe, Japan. As a result of the War Claims Act of 1948, my grandfather was compensated for his time of internment in Japan. His family, his wife, my grandmother, his children, my father and my aunts and my uncles, could not submit any claim, even though it could be argued and certainly, my grandfather felt this way before he died, they suffered more than he did. But because the War Claims Act only recognized the activities of U.S. citizens who were subsequently taken to Japan, the people of Guam were not included.

There were some people of Guam who worked for Pan American Airlines who worked in Wake Island. These people were drafted, in a sense, by the U.S. Marine Corps to help defend the island against Japanese invaders. These people from Guam were taken, captured by the Japanese, some were killed, eventually recognized as World War II veterans, went to prison camp in China. As a result of the War Claims Act of 1948, they were given a certain level of compensation for their forced labor and for their internment. Their families, which were back in Guam, who suffered a similar fate, were not allowed to submit the same claim. So, in a sense, we have a situation that cries out for justice. And outlining that history only helps make the case.

But there is more to it than that. In 1950, the people of Guam were made

United States citizens by a congressional act called the Organic Act of Guam. In 1951, the United States signed a peace treaty with Japan, officially ending the Pacific War. In that treaty, the United States forgave or foreclosed or made impossible any claim for any war action by the Japanese by any American citizen or American national. So the peace treaty, in effect, foreclosed the opportunity for the people of Guam to be allowed the opportunity to make a war claim to Japan.

So what we have today is that the people of Guam cannot make a war claim against Japan, nor are they included in the war claims legislation that has been passed by Congress. So what we have today is a situation that is intolerable, that is unconscionable, and cries out for some justice.

Fortunately, with the collaboration of Senator DANNY INOUYE over in the Senate, he and I have introduced legislation to grant the people of Guam the opportunity to submit war claims for death and injury and for forced march and forced labor. In order to validate these claims, we are proposing that in the future, we will establish a commission to validate the existence of these claims and certainly to review the tortured history of the claims situation in regards to the people of Guam.

The one other irony is that, as I mentioned earlier in this speech, is that in anticipation of a Japanese invasion of the Aleutian Islands, the civilians who lived in the Aleutian Islands were evacuated. In anticipation of Japanese war action in Guam, the only civilians that were evacuated were U.S. citizens. The people of Guam who were not citizens obviously were not evacuated. Legislation was granted to compensate those for property damages and for damages claimed as a result of the Japanese occupation to illusion islanders, but no such similar legislation has been passed for the people of Guam.

It is painful sometimes to talk about such issues because sometimes people think that we are talking about money issues. In one sense, we are. But we are not asking for what we do not deserve, and we are only asking for the same treatment as other American citizens and nationals who experienced exactly the same kind of condition.

In trying to bring honor and closure to the World War II experience, we have done many things in this country. We are establishing a World War II memorial on the mall. The original design of that World War II memorial called for 50 columns to commemorate each of the 50 States and one more for the District of Columbia. Incredibly, a place like Guam was left out of the memorial.

Fortunately, through a lot of conversation and personal appearances and letters and everything else, we have been able to rectify that so that Guam will be given the same kind of prominence in that memorial as any other State or territory, because, based on what I have told my colleagues this evening, its contribution to the war effort was not only great in terms of winning the war against Japan, but enormous in terms of the suffering of individuals and their families.

So it is in their name, it is in the name of the people of Guam that we ask that consideration be given to this legislation, that it be widely supported. It is in their name that I ask that we bring some closure to this war experience for those who have survived to this age. Certainly, most people have passed on. Most of the people who experienced World War II as mature adults have passed on from Guam, and it is a way, it is a tragic circumstance because so many of them that suffered during the Japanese occupation will never see any kind of compensation or recognition for their efforts.

Every single family in Guam has some connection to the war experience. I always do not like to talk about it in those terms, but sometimes those are the terms that most people understand.

□ 1915

My parents have 11 children. I am the only one that was born after World War II, and all the rest were born either during the war or prior to the war. Three of them died during the war.

For my parents, for my father while he was still alive, and for my mother who still lives today as a very energetic 85-year-old woman, there is no concern and there was never any concern about war restitution or the legislation or seeking any legislative initiative.

In fact, I will have to say that for most of the people who experience it, they barely mention it. It is really part of our attempt, for those of us who come from the generation who profited from their experience, it is our attempt to help make whole what must have been a horrific experience and to try to bring some closure and honor to their experience.

So today, even though we are one day late and actually in Guam time we are two days late, I want to again congratulate all the Marines and sailors and airmen and soldiers who participated in the battle for Guam.

There are so many out there. I am in strong communication with several of them. If they have not gone back to Guam, they should go back to Guam and see what they helped make possible. For those people who came down from the hills, the Chamorro people of Guam, who endured the Japanese occupation, let us never forget that they made their contribution to liberty and they made their contribution to American ideals as well.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. UNDERWOOD) to revise and extend their remarks and include extraneous material:)

Mr. PALLONE, for 5 minutes, today.

Mr. STUPAK, for 5 minutes, today.

(The following Members (at the request of Mr. RYAN of Wisconsin) to revise and extend their remarks and include extraneous material:)

Mr. BURTON of Indiana, for 5 minutes, July 28.

Mr. BILIRAKIS, for 5 minutes, today.

Mr. EHRLICH, for 5 minutes, today.

Mr. DAVIS of Virginia, for 5 minutes, July 29.

Mr. RAMSTAD, for 5 minutes, today.

Mr. TIAHRT, for 5 minutes, today.

Mr. KOLBE, for 5 minutes, July 29.

Mr. MORAN of Kansas, for 5 minutes, July 26.

ADJOURNMENT

Mr. UNDERWOOD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 17 minutes p.m.), under its previous order, the House adjourned until Monday, July 26, 1999, at 12:30 p.m., for morning hour debates.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

3190. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting the Department's final rule—Karnal Bunt; Compensation for the 1997–1998 Crop Season [Docket No. 96–016–35] (RIN: 0579–AA83) received July 12, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

3191. A letter from the General Counsel, Federal Emergency Management Agency, transmitting the Agency's final rule—Changes in Flood Elevation Determinations [Docket No. FEMA–7289] received July 12, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

3192. A letter from the General Counsel, National Credit Union Administration, transmitting the Administration's final rule—Credit Union Service Organizations—received July 13, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

3193. A letter from the General Counsel, National Credit Union Administration, transmitting the Administration's final rule—Investment and Deposit Activities; Credit Union Service Organizations—received July 13, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

3194. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans Tennessee: Approval of Revisions to the Tennessee SIP Regarding National Emission Standards for Hazardous Air Pollutants and Volatile Organic Compounds [TN–207–1–9924a; TN–214–1–9925a; FRL–6379–4] received July 13, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

3195. A letter from the Secretary of Commerce, transmitting the first of six annual

reports under the International Anti-Bribery and Fair Competition Act of 1998; to the Committee on Commerce.

3196. A letter from the Chairman, Securities and Exchange Commission, transmitting the annual report of the Securities Investor Protection Corporation for the year 1998, pursuant to 15 U.S.C. 78ggg(c)(2); to the Committee on Commerce.

3197. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Japan [Transmittal No. DTC 48–99], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

3198. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to The Netherlands [Transmittal No. DTC 65–99], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

3199. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Japan [Transmittal No. DTC 67–99], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

3200. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to the United Kingdom [Transmittal No. DTC 49–99], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

3201. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed Manufacturing License Agreement with Oman [Transmittal No. DTC 71–99], pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

3202. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed Technical Assistance Agreement with the United Kingdom [Transmittal No. DTC 14–99], pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

3203. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed Manufacturing License Agreement with Finland [Transmittal No. DTC 9–99], pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

3204. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed Manufacturing License Agreement with Norway [Transmittal No. DTC 53–99], pursuant to 22 U.S.C. 2776(d); to the Committee on International Relations.

3205. A letter from the Director, Retirement and Insurance Services, Office of Personnel Management, transmitting the Office's final rule—Federal Employees Health Benefits (FEHB) Program and Department of Defense (DoD) Demonstration Project (RIN: 3206–AI63) received July 12, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

3206. A letter from the Director, Retirement and Insurance Service, Office of Personnel Management, transmitting the Office's final rule—Federal Employees Health Benefits (FEHB) Program and Department of Defense (DoD) Demonstration Project; and Other Miscellaneous Changes (RIN: 3206–AI67) received July 12, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

3207. A letter from the Director, Fish and Wildlife Service, Department of the Interior, transmitting the Department's final rule—Endangered and Threatened Wildlife and Plants; Final Designation of Critical Habitat for the Rio Grande Silvery Minnow (RIN: 1018–AF72) received July 2, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3208. A letter from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Economic Exclusive Zone Off Alaska; Shallow-water Species Fishery by Vessels using Trawl Gear in the Gulf of Alaska [Docket No. 990304062–9062–01; I.D. 062399A] received July 12, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

3209. A letter from the Secretary of Health and Human Services, transmitting the thirty-first in a series of reports on refugee resettlement in the United States covering the period October 1, 1996, through September 30, 1997, pursuant to 8 U.S.C. 1523(a); to the Committee on the Judiciary.

3210. A letter from the Assistant Attorney General for Administration, Justice Management Division, Department of Justice, transmitting the Department's final rule—Amendment to the Justice Acquisition Regulations (JAR) Regarding: Electronic Funds Transfer (RIN: 1105–AA68) received July 1, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

3211. A letter from the Secretary, Federal Trade Commission, transmitting the Commission's final rule—Premerger Notification: Reporting and Waiting Period Requirements—received July 1, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on the Judiciary.

3212. A letter from the Program Analyst, Office of the Chief Counsel, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; McDonnell Douglas Model DC–9–10, –20, –30, –40, and –50 [Docket No. 97–NM–49–AD; Amendment 39–11224; AD 99–15–05] (RIN: 2120–AA64) received July 15, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3213. A letter from the Program Analyst, Office of the Chief Counsel, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 777–200 Series Airplanes [Docket No. 98–NM–243–AD; Amendment 39–11214; AD 99–14–05] (RIN: 2120–AA64) received July 1, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3214. A letter from the Senior Regulations Analyst, Office of the Secretary, Department of Transportation, transmitting the Department's final rule—Participation by Disadvantaged Business Enterprises in Department of Transportation Programs [Docket No. OST–97–2550] (RIN: 2105–AB92) received July 1, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3215. A letter from the Attorney, Research and Special Programs Administration, Department of Transportation, transmitting the Department's final rule—Hazardous Materials: Revision to Regulations Governing Transportation and Unloading of Liquefied Compressed Gases (Chlorine) [Docket No. RSPA–97–2718 (HM–225A)] (RIN: 2137–AD07) received July 1, 1999, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

3216. A letter from the Clerk of the House of Representatives, transmitting the annual compilation of personal financial disclosure statements and amendments thereto filed with the Clerk of the House of Representatives for the period of January 1, 1998, through December 31, 1998, pursuant to Rule XXVII, clause 1, of the House Rules; (H. Doc. No. 106–103); to the Committee on Standards of Official Conduct and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ISTOOK: Committee on Appropriations. H.R. 2587. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2000, and for other purposes (Rept. 106–249). Referred to the Committee of the Whole House on the State of the Union.

Mr. COBLE: Committee on the Judiciary. H.R. 1565. A bill to amend the Trademark Act of 1946 relating to dilution of famous marks, and for other purposes; with an amendment (Rept. 106–250). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 2181. A bill to authorize the Secretary of Commerce to acquire and equip fishery survey vessels (Rept. 106–251). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 1487. A bill to provide for public participation in the declaration of national monuments under the Act popularly known as the Antiquities Act of 1906; with an amendment (Rept. 106–252). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Ms. BROWN of Florida (for herself, Mr. EVANS, Mr. FILNER, Mr. SHOWS, and Mr. UDALL of New Mexico):

H.R. 2586. A bill to amend title 38, United States Code, to increase the amount of veterans' burial benefit paid for plot allowances, and to provide for the payment to States of plot allowances for veterans eligible for burial in a national cemetery who are buried in cemeteries of such States; to the Committee on Veterans' Affairs.

By Mr. ISTOOK:

H.R. 2587. A bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2000, and for other purposes.

By Mr. CRAMER (for himself and Mr. WICKER):

H.R. 2588. A bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide that certain employees of Federal, State, and local emergency management and civil defense agencies may be eligible for certain public safety officers death benefits, and for other purposes; to the Committee on the Judiciary.

By Mr. CRANE (for himself, Mr. ROHRABACHER, and Mr. COX):

H.R. 2589. A bill to provide for the privatization of the United States Postal Service; to the Committee on Government Reform.

By Mrs. MALONEY of New York (for herself, Mrs. MORELLA, Ms. MILLENDER-MCDONALD, Ms. KAPTUR, Mrs. CHRISTENSEN, Mr. SANDLIN, Mr. FROST, Mr. WAXMAN, Mr. BORSKI, Mr. FILNER, Mr. ROMERO-BARCELO, Mr. UNDERWOOD, Mr. SANDERS, and Mr. LANTOS):

H.R. 2590. A bill to amend the Violence Against Women Act of 1994, the Family Violence Prevention and Services Act, the Older Americans Act of 1965, the Public Health Service Act, and the Right to Financial Privacy Act of 1978 to ensure that older or disabled persons are protected from institutional, community, and domestic violence and sexual assault and to improve outreach efforts and other services available to older or disabled persons victimized by such violence, and for other purposes; to the Committee on Education and the Workforce, and in addition to the Committees on the Judiciary, Commerce, and Banking and Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. MORAN of Kansas (for himself, Mr. RYUN of Kansas, Mr. TIAHRT, and Mr. MOORE):

H.R. 2591. A bill to designate the United States Post Office located at 713 Elm Street in Wakefield, Kansas, as the ''William H. Avery Post Office''; to the Committee on Government Reform.

By Mr. ROGAN (for himself, Mr. BERMAN, Mr. EHRLICH, Mrs. CAPPS, Mr. DEAL of Georgia, Mr. PICKERING, Mr. BILBRAY, Mr. BRYANT, Ms. WOOLSEY, Mr. GALLEGLY, and Mr. DINGELL):

H.R. 2592. A bill to amend the Consumer Product Safety Act to provide that low-speed electric bicycles are consumer products subject to such Act; to the Committee on Commerce.

By Mr. STARK (for himself, Mr. HINCHEY, Mr. GREEN of Texas, Mr. FROST, Mr. MCDERMOTT, Mr. FRANK of Massachusetts, Mr. LANTOS, Mr. WYNN, Ms. PELOSI, Ms. KILPATRICK, Mr. CLYBURN, Mr. SANDERS, Mrs. MORELLA, Ms. DEGETTE, Mr. RODRIGUEZ, Ms. LOFGREN, and Ms. SCHAKOWSKY):

H.R. 2593. A bill to provide for parity in the treatment of mental illness; to the Committee on Ways and Means, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. STRICKLAND:

H.R. 2594. A bill to provide grants to establish 25 demonstration mental health diversion courts; to the Committee on the Judiciary.

By Mr. STUPAK (for himself, Mr. BARRETT of Wisconsin, Mr. BROWN of Ohio, Mr. BONIOR, Mr. LATOURETTE, Mr. QUINN, Mr. STRICKLAND, Mr. UPTON, Mr. MCHUGH, Mr. BARCIA, Mr. KLINK, Ms. SLAUGHTER, Mr. LAFALCE, Mr. KUCINICH, and Mr. GILLMOR):

H.R. 2595. A bill to place a moratorium on the export of bulk fresh water until certain conditions are met; to the Committee on International Relations.

By Mr. VITTER (for himself, Mr. HUNTER, and Mr. WELDON of Pennsylvania):

H.R. 2596. A bill to provide for a testing program for the Navy Theater-Wide system and the Theater High-Altitude Area Defense system; to the Committee on Armed Services.

By Mr. WICKER:

H.R. 2597. A bill to provide that the Federal Government and States shall be subject to the same procedures and substantive laws that would apply to persons on whose behalf certain civil actions may be brought, and for other purposes; to the Committee on the Judiciary.

By Mr. WU:

H.R. 2598. A bill to terminate the price support and marketing quota programs for peanuts; to the Committee on Agriculture.

H.R. 2599. A bill to terminate the Federal price support programs for sugar beets and sugarcane; to the Committee on Agriculture.

H.R. 2600. A bill to require that the level of long-range nuclear forces of the Department of Defense be reduced to 3,500 warheads consistent with the provisions of the START II treaty; to the Committee on Armed Services.

H.R. 2601. A bill to preserve Federal land by requiring a moratorium on new mining activities on such land; to the Committee on Resources.

By Mr. WYNN:

H.R. 2602. A bill to amend the Federal Power Act with respect to electric reliability and oversight, and for other purposes; to the Committee on Commerce.

By Mr. WU:

H.R. 2603. A bill to eliminate the use of the Savannah River nuclear waste separation facilities in South Carolina; to the Committee on Commerce, and in addition to the Committee on Armed Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

H.R. 2604. A bill to terminate funding for the Fast Flux Test Facility at the Hanford Nuclear Reservation in Washington; to the Committee on Science, and in addition to the Committees on Commerce, and Armed Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. LINDER (for himself, Mr. KINGSTON, and Mr. SPENCE):

H.J. Res. 62. A joint resolution to grant the consent of Congress to the boundary change between Georgia and South Carolina; to the Committee on the Judiciary.

By Mrs. CHENOWETH:

H.J. Res. 63. A joint resolution proposing an amendment to the Constitution of the United States relating to the legal effect of certain treaties and other international agreements; to the Committee on the Judiciary.

By Ms. BERKLEY (for herself, Mr. GILMAN, Mr. ACKERMAN, Ms. BALDWIN, Mr. BERMAN, Ms. BROWN of Florida, Mrs. CAPPS, Mr. CAPUANO, Mr. CARDIN, Mr. CROWLEY, Ms. DELAURO, Mr. DELAHUNT, Mr. DEUTSCH, Mr. ENGEL, Mr. FILNER, Mr. FOLEY, Mr. FRANK of Massachusetts, Mr. FROST, Mr. GONZALEZ, Mr. GUTIERREZ, Mr. HASTINGS of Florida, Mr. HINCHEY, Mr. HOEFFEL, Mr. HOLDEN, Mr. HOLT, Mr. INSLEE, Mrs. JONES of Ohio, Mr. LANTOS, Mr. LEVIN, Mrs. LOWEY, Mr. LUCAS of Kentucky, Mr. LUTHER, Mrs. MALONEY of New York, Mr. MATSUI, Mrs. MCCARTHY of New York, Ms. MCCARTHY of Missouri, Mr. MCDERMOTT, Mr. MCGOVERN, Ms. MCKINNEY, Mr. MCNULTY, Mr. MOORE, Mr. NADLER, Mr. NEAL of Massachusetts, Mr. PALLONE, Ms. PELOSI, Mr. POMEROY, Ms. RIVERS, Ms. ROS-LEHTINEN, Mr. ROTHman, Mr. RUSH, Mr. SANDLIN, Ms. SCHAKOWSKY, Mr. SHOWS, Mr. SISISKY, Ms. SLAUGHTER, Ms. STABENOW, Mrs. TAUSCHER, Mr. UDALL of Colorado, Mr. UDALL of New Mexico, Mr. WAXMAN, Mr. WEINER, Mr. WEYGAND, Mr. WEXLER, Ms. WOOLSEY, and Mr. WU):

H. Con. Res. 162. Concurrent resolution expressing the sense of the Congress that the Auschwitz-Birkenau state museum in Poland should release seven paintings by Auschwitz survivor Dina Babbitt made while she was imprisoned there, and that the governments of the United States and Poland should facilitate the return of Dina Babbitt's artwork to her; to the Committee on International Relations.

By Mr. WEINER:

H. Con. Res. 163. Concurrent resolution calling for the full investigation of the Jewish Cultural Center bombing in Buenos Aires, Argentina, on July 18, 1994; to the Committee on International Relations.

MEMORIALS

Under clause 3 of rule XII, memorials were presented and referred as follows:

163. The SPEAKER presented a memorial of the House of Representatives of the State of Michigan, relative to House Resolution No. 98 memorializing Congress to oppose the Kyoto Protocol on greenhouse gas emissions and to memorialize the United States Senate not to ratify the Kyoto Climate Treaty; to the Committee on International Relations.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 8: Mr. PASTOR.

H.R. 25: Mrs. JOHNSON of Connecticut, Mr. GILCHREST, and Mr. SHAYS.

H.R. 72: Mr. SKEEN.

H.R. 82: Mr. HINCHEY and Mrs. WILSON.

H.R. 123: Mr. RAMSTAD and Mr. PICKETT.

H.R. 133: Mr. RAHALL.

H.R. 175: Mr. MORAN of Virginia.

H.R. 229: Mr. WATT of North Carolina.

H.R. 239: Mr. KILDEE, Mr. BARCIA, Mr. THOMPSON of California, Mr. SALMON, Mr. PASTOR, and Ms. MCKINNEY.

H.R. 254: Mrs. FOWLER.

H.R. 274: Ms. CARSON.

H.R. 275: Mr. KING.

H.R. 303: Mr. BARTON of Texas.

H.R. 306: Mr. BROWN of Ohio and Mr. OBEY.

H.R. 353: Ms. SCHAKOWSKY.

H.R. 372: Ms. CARSON.

H.R. 418: Mr. NADLER, Mr. HINCHEY, and Ms. MCKINNEY.

H.R. 470: Mr. BILBRAY.

H.R. 486: Mr. POMEROY.

H.R. 488: Mr. DELAHUNT.

H.R. 505: Mr. RODRIQUEZ.

H.R. 531: Mr. STEARNS.

H.R. 580: Mr. FATTAH and Mr. BECERRA.

H.R. 583: Mr. WELDON of Pennsylvania and Mr. ABERCROMBIE.

H.R. 632: Mr. BOYD.

H.R. 679: Mr. WU.

H.R. 732: Mr. BERMAN, Mr. CARDIN, Mr. PALLONE, Mr. RANGEL, Ms. SANCHEZ, Mr. FATTAH, and Mr. ROEMER.

H.R. 742: Ms. CARSON, Mr. OBERSTAR, and Mr. MALONEY of Connecticut.

H.R. 750: Mr. GOODE.

H.R. 772: Mr. FARR of California.

H.R. 783: Mr. KIND and Mr. HAYWORTH.

H.R. 784: Mr. MCNULTY.

H.R. 815: Mr. WOLF, Mr. OXLEY, Mr. LINDER, Mr. SMITH of Texas, and Mr. COX.

H.R. 826: Mr. QUINN.

H.R. 835: Mr. FRANKS of New Jersey and Ms. MCKINNEY.

H.R. 837: Mrs. LOWEY.

H.R. 850: Mr. HINCHEY.

H.R. 864: Ms. KAPTUR and Mr. MORAN of Kansas.

H.R. 1083: Mrs. FOWLER.

H.R. 1085: Ms. MCCARTHY of Missouri, Mrs. MINK of Hawaii, and Mrs. MALONEY of New York.

H.R. 1093: Mr. MARKEY and Ms. EDDIE BERNICE JOHNSON of Texas.

H.R. 1102: Mr. FRANKS of New Jersey.

H.R. 1106: Mr. DAVIS of Illinois.

H.R. 1116: Mr. SOUDER.

H.R. 1122: Mr. EHRLICH, Mr. REYNOLDS, Mr. HOLT, Ms. LEE, Mr. FRANKS of New Jersey, Mrs. THURMAN, Mr. PASTOR, Mr. HOEFFEL, and Mr. FOLEY.

H.R. 1130: Mr. WELDON of Pennsylvania.

H.R. 1168: Mr. JOHN.

H.R. 1187: Mr. SKEEN and Mr. NORWOOD.

H.R. 1193: Mr. INSLEE and Mr. WYNN.

H.R. 1196: Mr. BARRETT of Wisconsin.

H.R. 1244: Mr. DICKEY.

H.R. 1261: Mr. OSE.

H.R. 1310: Mr. HULSHOF, Mr. BECERRA, Mr. BARCIA, Mr. KLECZKA, Mr. LARGENT, Mr. LAHOOD, Mr. MANZULLO, and Mr. MCHUGH.

H.R. 1311: Mr. ENGLISH, Mr. SHAW, Mr. SUNUNU, Mr. HULSHOF, Mr. BLILEY, Mr. CLYBURN, Mr. FORD, Mr. SMITH of Michigan, Mr. PORTER, Mr. SHUSTER, Mr. HOLT, Mr. WELDON of Florida, Mr. GORDON, Mr. LARGENT, Mr. HERGER, Mr. BAIRD, Ms. MEEK of Florida, Mr. UPTON, Mr. LUCAS of Kentucky, Mr. BEREUTER, Mr. TANCREDO, Ms. CARSON, Mr. FOLEY, Mr. SHOWS, and Mr. DIAZ-BALART.

H.R. 1325: Ms. MCKINNEY.

H.R. 1360: Mr. BLAGOJEVICH.

H.R. 1366: Mr. NEY.

H.R. 1381: Mr. SKEEN.

H.R. 1385: Mr. DEUTSCH and Mr. SOUDER.

H.R. 1388: Mr. HOLDEN, Mr. GORDON, and Mr. WATT of North Carolina.

H.R. 1443: Mr. HINOJOSA.

H.R. 1456: Mr. VISCLOSKY, Mr. DEFAZIO, Mr. UNDERWOOD, and Mr. RAHALL.

H.R. 1482: Mr. ALLEN.

H.R. 1483: Mrs. JOHNSON of Connecticut, Mr. BEREUTER, Mr. HOLDEN, and Mr. PETERSON of Pennsylvania.

H.R. 1505: Mr. FILNER.

H.R. 1507: Mr. CALVERT.

H.R. 1511: Mr. HILL of Montana.

H.R. 1531: Ms. SCHAKOWSKY.

H.R. 1572: Mr. COOK, Mr. GOODLATTE, and Mr. CALVERT.

H.R. 1579: Mr. DOOLEY of California, Ms. ROS-LEHTINEN, Mr. GEORGE MILLER of California, Mr. HALL of Ohio, and Mr. DEUTSCH.

H.R. 1592: Mr. TIAHRT and Mr. DEMINT.

H.R. 1616: Mr. LAZIO.

H.R. 1634: Mr. BLILEY.

H.R. 1644: Mr. CAPUANO.

H.R. 1760: Mr. GILMAN, Mr. METCALF, Mr. GEORGE MILLER of California, Mr. SHERWOOD, and Mr. WALSH.

H.R. 1771: Mr. HAYWORTH and Mr. LAHOOD.

H.R. 1786: Ms. BERKLEY.

H.R. 1841: Mr. REYES, Mr. SERRANO, Mr. NEAL of Massachusetts, and Mr. STARK.

H.R. 1887: Mr. BEREUTER and Mr. ROGAN.

H.R. 1907: Mr. DREIER, Mr. MCCOLLUM, Mr. VENTO, Mr. CALVERT, Mr. PRICE of North Carolina, Mr. LEWIS of Georgia, Mr. CLEMENT, Mr. FORD, Mr. MORAN of Virginia, and Mr. ETHERIDGE.

H.R. 1917: Mr. CLAY, Ms. PELOSI, Mr. KENNEDY of Rhode Island, Mr. MARKEY, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. LUCAS of Oklahoma, Mr. DOYLE, and Ms. ROYBAL-ALLARD.

H.R. 1929: Mr. KUCINICH.

H.R. 1933: Mr. DREIER and Mr. DEAL of Georgia.

H.R. 1950: Mr. HOLT, Mr. PRICE of North Carolina, Mr. SAXTON, Mr. HALL of Ohio, Mr. HINCHEY, Ms. KAPTUR, and Mr. FATTAH.

H.R. 1987: Mr. BALLENGER, Mr. BOEHNER, Mr. HOEKSTRA, Mr. GREENWOOD, Mr. GRAHAM, Mr. NORWOOD, Mr. SCHAFFER, Mr. DEAL of Georgia, Mr. HILLEARY, Mr. SALMON, Mr. TANCREDO, Mr. DEMINT, Mr. GOODE, Mr. WICKER, Mr. COOKSEY, Mr. BARTLETT of Maryland, and Mr. GANSKE.

H.R. 1990: Mr. GILLMOR.

H.R. 2000: Mr. DEMINT, Mr. BILBRAY, Mr. OBERSTAR, Mr. BILIRAKIS, Mr. HOYER, Mr. DAVIS of Florida, Mr. SISISKY, and Mr. TRAFICANT.

H.R. 2004: Mr. STUPAK, Mr. MALONEY of Connecticut, and Ms. WOOLSEY.

H.R. 2005: Mr. GOODLATTE.

H.R. 2031: Mr. NUSSLE and Mr. CAPUANO.

H.R. 2081: Mr. ROTHMAN.

H.R. 2101: Mr. WAXMAN.

H.R. 2102: Mr. GONZALEZ, Mr. MCNULTY, and Ms. BERKLEY.

H.R. 2166: Mr. DAVIS of Florida, Mr. WOLF, Mr. BORSKI, Mr. COOK, and Mr. SPRATT.

H.R. 2171: Mrs. BIGGERT.

H.R. 2241: Mr. MEEHAN and Mr. CAPUANO.

H.R. 2247: Mr. TALENT and Mr. METCALF.

H.R. 2277: Ms. ROYBAL-ALLARD and Mr. SHERMAN.

H.R. 2282: Mr. FOSSELLA.

H.R. 2287: Mr. OWENS and Mr. UNDERWOOD.

H.R. 2316: Mr. HINCHEY, Mrs. MORELLA, and Mr. SHOWS.

H.R. 2319: Mr. HOUGHTON, Mr. BOEHLERT, Mr. MALONEY of Connecticut, Mr. VISCLOSKY, Mr. STUMP, Mr. MILLER of Florida, and Mrs. KELLY.

H.R. 2333: Mr. TOWNS, Mr. FILNER, Mr. GUTIERREZ, Mr. BRADY of Pennsylvania, Ms. MCKINNEY, Mr. GREEN of Texas, Mr. ENGEL, and Mr. RODRIGUEZ.

H.R. 2344: Mr. FROST and Ms. CARSON.

H.R. 2362: Mr. SMITH of New Jersey and Mr. KOLBE.

H.R. 2365: Mr. HILLIARD, Mr. RUSH, Mrs. MINK of Hawaii, Mr. CUMMINGS, and Ms. KILPATRICK.

H.R. 2380: Mr. BLUMENAUER.

H.R. 2396: Mr. STEARNS.

H.R. 2400: Mr. BARCIA.

H.R. 2420: Mr. BILIRAKIS, Mr. FOLEY, Ms. BROWN of Florida, Mr. KILDEE, and Mr. KING.

H.R. 2429: Mr. CALLAHAN, Mr. WICKER, Mr. SHAW, and Mr. TAUZIN.

H.R. 2436: Mr. SOUDER, Mr. STEARNS, Mr. RAHALL, Mr. BURTON of Indiana, and Mr. WELDON of Florida.

H.R. 2439: Mr. BASS.

H.R. 2446: Mr. MASCARA, Mr. GREEN of Texas, Ms. ESHOO, Mr. CLYBURN, Mr. PASTOR, Mr. STARK, Ms. STABENOW, Ms. SLAUGHTER, Mr. PICKETT, Mr. MCNULTY, and Mr. ROTHMAN.

H.R. 2457: Mr. BROWN of Ohio and Ms. MCKINNEY.

H.R. 2511: Mr. ISTOOK.

H.R. 2515: Mr. FROST, Mr. MCNULTY, and Ms. ROS-LEHTINEN.

H.R. 2520: Mr. ENGLISH and Mr. BLUMENAUER.

H.R. 2529: Mrs. NORTHUP, Ms. DUNN, and Mr. SOUDER.

H.R. 2530: Mr. THORNBERRY, Mr. GUTKNECHT, Mr. FROST, and Mr. COSTELLO.

H.R. 2534: Mr. ANDREWS, Mr. SHOWS, Ms. BERKLEY, Ms. DELAURO, and Mr. FROST.

H.R. 2539: Mr. COX.

H.R. 2548: Mr. MICA, Mr. OSE, Mr. BORSKI, and Ms. BALDWIN.

H.R. 2571: Mr. GOODLING and Mr. SOUDER.

H.R. 2572: Mr. DELAY, Mr. OXLEY, Mr. GILLMOR, Mr. ADERHOLT, Mr. CRAMER, Mr. LAMPSON, Mr. FOLEY, Mr. MCCOLLUM, Mr. ROHRABACHER, Mr. SHAYS, Mrs. WILSON, Mr. SHADEGG, Mr. NEY, and Mr. BENTSEN.

H.R. 2584: Mr. FRANKS of New Jersey, Mr. LOBIONDO, Mr. LUCAS of Oklahoma, and Mr. CHAMBLISS.

H.J. Res. 41: Ms. BALDWIN, Mr. CLEMENT, Mr. FATTAH, Mrs. JOHNSON of Connecticut, Mr. MENENDEZ, Mrs. NAPOLITANO, Mr. POMEROY, Mr. UNDERWOOD, Ms. VELÁZQUEZ, and Mr. WU.

H. Con. Res. 30: Mr. PETRI.

H. Con. Res. 62: Mr. FOLEY.

H. Con. Res. 80: Mr. ANDREWS, Mr. OLVER, Mr. TRAFICANT, and Mr. MALONEY of Connecticut.

H. Con. Res. 110: Mr. LAHOOD, Ms. NORTON, Mr. BAIRD, Mr. GEJDENSON, Mr. SPRATT, Mr. TANNER, Mr. REYNOLDS, Mr. REYES, Mr. BATEMAN, Mr. PRICE of North Carolina, Mr. WATT of North Carolina, Mr. PORTER, Mr. SMITH of Texas, Mrs. JOHNSON of Connecticut, Mr. FROST, Mr. SOUDER, Mr. CALVERT, Mr. MCINTYRE, Mr. MALONEY of Connecticut, and Mr. SIMPSON.

H. Con. Res. 120: Mr. CALLAHAN, Mrs. CAPPS, and Ms. SLAUGHTER.

H. Con. Res. 124: Mr. DEUTSCH and Mr. MCNULTY.

H. Res. 16: Mr. GUTKNECHT.

H. Res. 107: Mr. HINCHEY and Mr. DAVIS of Illinois.

H. Res. 163: Mrs. KELLY, Mr. LEWIS of Georgia, Mrs. MORELLA, Mr. HINCHEY, Mr. BAIRD, Mr. LANTOS, Mr. BARRETT of Wisconsin, Mr. TRAFICANT, Mr. GARY MILLER of California, Mr. GUTIERREZ, Mr. STUPAK, Mr. SMITH of New Jersey, Mr. WYNN, Mr. STRICKLAND, Ms. MCKINNEY, Mr. FRANK of Massachusetts, and Ms. MILLENDER-MCDONALD.

H. Res. 238: Mr. STEARNS.

H. Res. 251: Mr. GUTIERREZ, Mr. MCGOVERN, Ms. NORTON, Mr. HEFLEY, Mr. DIXON, Mr. ENGLISH, Mr. FRANK of Massachusetts, Mr. MCDERMOTT, Mr. VENTO, Mr. OBERSTAR, Ms. KILPATRICK, Mr. MALONEY of Connecticut, Mr. POMBO, Mr. HAYWORTH, and Mr. UNDERWOOD.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 7 of rule XII, sponsors were deleted from public bills and resolutions as follows:

H.R. 798: Mr. SESSIONS.

DISCHARGE PETITIONS

Under clause 2 of rule XV, the following discharge petition was filed:

Petition 4, Thursday, July 15, 1999, by Ms. DEGETTE on H. Res. 192, was signed by the following Members: Ed Pastor, Jim Davis, Tammy Baldwin, Carolyn C. Kilpatrick, George Miller, Carrie P. Meek, Jesse L. Jackson, Jr., Bill Pascrell, Jr., Robert A. Brady, Tony P. Hall, Thomas C. Sawyer, Nydia M. Velazquez, Ellen O. Tauscher, Shelley Berkley, Eddie Bernice Johnson, James P. McGovern, Danny K. Davis, Alcee L. Hastings, Karen McCarthy, Bill Luther, Thomas M. Barrett, Sherrod Brown, Fortney Pete Stark, Albert Russell Wynn, Patsy T. Mink, William (Bill) Clay, Carolyn B. Maloney, Barney Frank, Martin Frost, Charles A. Gonzalez, Lloyd Doggett, Eva M. Clayton, Sheila Jackson-Lee, Robert Wexler, Bobby L. Rush, Richard A. Gephardt, Michael E. Capuano, Earl Blumenauer, Donald M. Payne, John F. Tierney, Martin T. Meehan, James E. Clyburn, Henry A. Waxman, Rush D. Holt, Lane Evans, Steven R. Rothman, William O. Lipinski, Julia Carson, William J. Coyne, Thomas H. Allen, Corrine Brown, Cynthia A. McKinney, Steny H. Hoyer, Robert A. Weygand, Joseph Crowley, Neil Abercrombie, John J. LaFalce, Luis V. Gutierrez, Robert Menendez, and Edward J. Markey.

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Congressional Record

PROCEEDINGS AND DEBATES OF THE 106th CONGRESS, FIRST SESSION

Vol. 145 WASHINGTON, THURSDAY, JULY 22, 1999 No. 105

Senate

The Senate met at 9:30 a.m. and was called to order by the Honorable MICHAEL D. CRAPO, a Senator from the State of Idaho.

PRAYER

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

Almighty God, thank You for this moment of quiet in which we can reaffirm who we are, whose we are, and why we are here. Once again, we commit ourselves to You as the sovereign Lord of our lives and of our Nation. Our ultimate goal is to please and serve You. You have called us to be servant leaders who glorify You in seeking to know and do Your will in the unfolding vision for America.

We spread out before You the specific decisions that must be made today. We claim Your presence all through the day. Guide the Senators' thinking and their speaking. May their convictions be based on undeniable truth which has been refined by You. Bless them as they work together to find the best solutions for the problems before our Nation. Help them to draw on the supernatural resources of Your Spirit. Give them divine wisdom, penetrating discernment, and indomitable courage.

When the day draws to a close, may our deepest joy be that we received Your best for us and worked together for what is best for our Nation. In the name of our Lord and Savior. Amen.

PLEDGE OF ALLEGIANCE

The PRESIDING OFFICER (Mr. CRAPO) led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

APPOINTMENT OF THE ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. THURMOND).

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, July 22, 1999.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable MICHAEL D. CRAPO, a Senator from the State of Idaho, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. CRAPO thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Senator from Georgia, Mr. COVERDELL, is recognized.

SCHEDULE

Mr. COVERDELL. Mr. President, today the Senate will be in a period of morning business until 10:30 a.m. Following morning business, the Senate will resume debate on the Commerce-State-Justice appropriations bill with 1 hour of debate on the Gregg amendment regarding the crime reduction trust fund. Further amendments to the bill will be offered, debated, and voted on throughout the day today. Therefore, Senators should be prepared to vote during the day and into the evening. The majority leader would like to reiterate that there will be no break in action on the bill.

I thank my colleagues for their attention.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. There will now be a period for the transaction of morning business not to extend beyond the hour of 10:30 a.m. with Senators permitted to speak therein for up to 5 minutes each. Under the previous order, the Senator from Georgia, Mr. COVERDELL, is recognized for up to 10 minutes.

The Senator from Georgia.

Mr. COVERDELL. Mr. President, you have already enumerated we have now entered into a period of morning business for up to an hour. I believe I have been recognized for up to 10 minutes.

The ACTING PRESIDENT pro tempore. That is correct.

F–22 FUNDING

Mr. COVERDELL. Mr. President, the F–22 has become a matter of great interest and controversy over the last several days because the House Appropriations Defense Subcommittee voted to bring a pause to the program; it took $1.8 billion out of it and redistributed it to other priorities. The problem is, if I might just take a moment to characterize it, nobody had any knowledge of the potential of this act—not the Defense Department, not the Air Force, not the contractors, not any parties who have been involved in development of the aircraft.

To step back for a moment, the decision as to this highly advanced weapons system and the decision to commit the Nation to its development is well over a decade old. The actual development of the aircraft began in 1991. We have now as a nation invested $20 billion in the development of this system; two of these unbelievable instruments of warfare are being tested in the air, and there is movement now to production of the first fighters.

My point is that after responsible commitments are made through three administrations and we have invested everything in its preparation and now

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

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we are ready to harvest that decision, the only words that come to mind are, it is bizarre that out of the blue, with no hearings, no reflection, this decision just drops like a lead brick into the middle of all these circumstances.

I am going to read the letter written by Secretary Cohen on July 15 to Congressman BILL YOUNG, chairman of the Appropriations Committee. I think it begins to encapsulate the shock of what has happened. He says:

I was dismayed to learn about House Appropriations Defense Subcommittee's mark last Monday that cut $1.8 billion in procurement funding for the F–22 aircraft. The Department of Defense cannot accept this decision. This decision, if enacted, would for all practical purposes kill the F–22 program, the cornerstone of our nation's global air power in the 21st century.

For fifty years, every American soldier has gone to war confident that the United States had air superiority. Canceling the F–22 means we cannot guarantee air superiority in future conflicts. It would also have a significant impact on the viability of the Joint Strike Fighter Program. The F–22 will enable the Joint Strike Fighter to carry out its primary strike mission. The Joint Strike Fighter was not designed for the air superiority mission, and redesigning it to do so will dramatically increase the cost. An upgraded F–15 will not provide this dominance and will cost essentially the same as the F–22 program.

It goes on to say:

I know the difficult budget environment the Congress has to deal with these days. I support your efforts to give our nation the best possible defense at an affordable cost. However, I believe the nation's defense requires the F–22. The proposed cut jeopardizes our future warfighting capability and will place our forces at higher risk.

Mr. President, I ask unanimous consent that the letter from Secretary Cohen be printed in the RECORD.

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

THE SECRETARY OF DEFENSE,
Washington, DC, July 15, 1999.

Hon. C.W. BILL YOUNG,
Chairman, Committee on Appropriations, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: I was dismayed to learn about the House Appropriations Defense Subcommittee's mark last Monday that cut $1.8 billion in procurement funding for the F–22 aircraft. The Department of Defense cannot accept this decision. This decision, if enacted would for all practical purposes kill the F–22 program, the cornerstone of our nation's global air power in the 21st century.

For fifty years every American soldier has gone to war confident that the Unties States had air superiority. Canceling the F–22 means we cannot guarantee air superiority in future conflicts. It would also have a significant impact on the viability of the Joint Strike Fighter program The F–22 will enable the Joint Strike Fighter to carry out its primary strike mission. The JSF was not designed for the air superiority mission, and redesigning it to do so will dramatically increase the cost. An upgraded F–15 will not provide this dominance and will cost essentially the same as the F–22 program.

I know the difficult budget environment the Congress has to deal with these days. I support your efforts to give our nation the best possible defense at an affordable cost. However, I believe the nation's defense requires the F–22. The proposed cut jeopardizes our future warfighting capability and will place our forces at higher risk.

I pledge my strongest effort to ensure the program will be delivered within the cost caps that we've agreed to with the Congress. I am confident the Department has the proper management controls to ensure the success of the F–22 program. As always, I would be pleased to discuss these matters with you at any time. But I must tell you that I cannot accept a defense bill that kills this cornerstone program.

Sincerely,

BILL COHEN.

Mr. COVERDELL. Mr. President, an article appeared on July 21 in the Marietta Daily Journal which further illuminates the nature of the Secretary's letter. It says:

Defense Secretary William Cohen criticized a House panel Tuesday—

This is the point I want to make—

for not consulting with the Pentagon before voting to suspend development of the Air Force's F–22 stealth fighter jet.

''Neither I nor anyone in this building—or anyone in the Air Force—was aware of the effort underway on the part of the committee,'' Cohen told reporters during a photo-taking session [at the Department of Defense].

This underscores the point I was making that something of this magnitude, something of the sophistication of this system, something that we have invested $20 billion in, something that we have spent almost two decades getting ready to launch, is not managed in this manner. It is bizarre that you would find yourself at this point, and suddenly a subcommittee decides to overturn almost two decades of thought and preparation and planning.

As I said a moment ago, we have invested about $20 billion in this system up to this point. If you were to carry out and carry through to the end what the subcommittee has done—and it reappropriated $1.8 billion—we would lose another $6.5 billion. This House Appropriations Committee action would deteriorate and jeopardize the program and violate current contractual agreements between the Air Force and the contractor.

One Pentagon source told Defense Daily yesterday:

The $1.8 billion cut would result in $6.5 billion in total growth, $5.3 billion in production costs and $1.2 billion in engineering and manufacturing development costs.

In other words, you would not be saving $1.8 billion; you would have to bleed out another $6.5 billion. So by this time we would have $26, $27 billion in this weapons system—almost two decades—but no fighters.

Anytime you develop a system of that magnitude, there have been issues that surround it. But they have all been managed. Extensive congressional oversight has been very significant over the development of the aircraft. Its problems have been dealt with and managed. As I said, we are at the point of actually inheriting this unique fighter.

There was an article in the Washington Post this morning by Richard Hallion. I will read a couple paragraphs.

There was some irony in the House Appropriations Committee's canceling production funding last week for the Air Force's next generation fighter—the Lockheed-Martin F–22 Raptor. The action came only weeks after America's military forces proved—for the third time since 1990—that exploiting dominant aerospace power is the irreplaceable keystone of our post-Cold War strategy for successful quick-response crisis intervention.

I believe everybody at this point, after the Persian Gulf, after Iraq and Kosovo, is looking anew at traditional war strategy. Who would have ever thought you could have flown the thousands of sorties that were involved in Kosovo with no combat casualties?

No issue has been more misunderstood than the F–22. The plane links radar-evading stealth with the ability to cruise at supersonic speeds and to exploit and display data from various sources to better inform the pilot about threats and opportunities.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

Mr. COVERDELL. Mr. President, I think the other Senators are here for their prearranged time, so I will not go on. I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from North Dakota is recognized.

Mr. DORGAN. I yield myself such time as I consume under the 30 minutes allocated to this side.

TAX CUTS

Mr. DORGAN. Mr. President, we now turn to another agenda in the Senate. By direction of the majority party, we turn to the subject of tax cuts. It is a corner that we have navigated before in this Congress. I was thinking that it might be useful to have had Daniel Webster in this Chamber to say to Members, as he said many years ago: ''Necessity compels me to speak the truth rather than pleasing things. I should indeed like to please you, but I prefer to save you, whatever be your attitude toward me.''

It certainly must be pleasing to say to constituents that we would like to give tax breaks as far as the eye can see, upwards of a half a trillion, three-quarters of a trillion, and some say $1 trillion. What a wonderful thing.

This country is doing quite well. Its economy is moving ahead with significant health. Unemployment is way down. Inflation is way down. There are a lot of things in this country to be thankful for.

Part of the reason to be thankful for that is, in 1993, some of us in Congress had the vision to steer this country to a different course. If we remember, in 1993, we were facing a $290 billion Federal deficit—$290 billion. The economists told us that for the rest of the decade we would have anemic economic growth and deficits.

We passed a piece of legislation in this Congress. I voted for it. I was proud to do so. When people said: We're

going to blame you for voting for that, I said: Don't blame me. Please give me credit for it. I won't run away from that vote.

It was a tough, hard vote. It increased some taxes, mostly on those in top 1 or 2 percent, and it cut some spending. It was tough economic medicine, but it signaled to the country we were going to put this country back on track with a responsible fiscal policy that would lead someday to a balanced budget.

We passed that by one vote in the House and one vote in the Senate—one vote. We did not get one vote from the majority side—not one. We provided all of the votes to pass that legislation at that point. We were widely criticized for it. In fact, we had Members on the other side predict that it would lead to a depression; it would lead to massive unemployment; it would collapse our economy; it would be awful for our country.

This country has had unprecedented economic growth, declining unemployment and low inflation. There are more people working and there is more home ownership. And now we find, instead of a $290 billion budget deficit, budget surpluses ahead.

What happens at the first sign of surplus from this bridge on the ship of state? At the first sign of surplus, the majority party decides it is time to abandon the bridge and go down and get the champagne, pop the corks and pass out money to everybody—well, not to everybody—pass out money to all the friends from the ship's crew.

Let's talk about what all this means.

They rely on some vision for the next 10 and 20 years that we will have surpluses forever. Of course, this comes from economists that cannot remember their home phone number—telling us what is going to happen 3, 5, and 10 years from now. Those in the majority party say: Because we have all of this good economic news, although we didn't participate in helping make that happen—we voted against that economic plan in 1993—we are now deciding we are going to offer tax breaks of unprecedented size.

This is what is proposed. The tax breaks that will come to the floor of the Senate and will be on the floor of the other body today have as their priorities that we will not provide any money to make Medicare solvent. We won't provide any money for our domestic priorities: education, health care, defense, and other key investments. We will provide no money for debt reduction. One would expect when times are good, we ought to be able to begin reducing the indebtedness we incur when times are bad, but there is no money for debt reduction and no money for Social Security solvency. We are going to have a tax cut of $792 billion.

That is the GOP priority. That is not new. That has always been their priority. It is full speed ahead on our priority, and everything else can wait.

If you have a pie and you show who get the tax breaks, here is how the pie gets cut. If you are in the top 1 percent of the income earners of this country, you get this large piece. If you are in the next 4 percent, between 95 and 99, you also get a large piece of the pie. But the lowest 20 percent of the income earners of this country get this little sliver, just a crumb off the corner. It is always the same, and it never changes. The big tax breaks go to the upper-income folks, and the rest are left with tiny crumbs, if any at all.

This chart shows the same thing. The top 1 percent get a $23,000-a-year average tax cut. The bottom 60 percent of the wage earners in this country get a $139 a year tax cut. This chart shows what is going to happen over the next 20 years. The period of time 2000–2004, 2005–2009, the cost of the GOP tax grows substantially. In the second decade, it literally explodes. It will head us right back to the same circumstance we had before of huge Federal deficits.

This chart shows the same thing in a different style. These are back loaded, exploding tax breaks that benefit the upper-income folks and will, in my judgment, lead to very significant risks for this country.

I will ask this question over and over again: If this is your priority, just tax cuts above everything else, and tax cuts that go largely to the upper-income folks in this country, do you decide, then, that Head Start, for example, is not important because the domestic discretionary portion of this budget is fixing to be shrunk like a prune? You look at the kind of cuts that are necessary in all of the programs that make this a good country, the investment in our children, the investment in nutrition, the investment in health care, you will find massive cuts in all of those programs in order to pay for tax breaks that say to the folks in this country: We believe if you are in the top 1 percent, you ought to get $22,900 back in tax refunds each year because we think you contribute the most to this country. And if you happen to be in the lowest 20 percent of the income earners of this country, we have designed a plan that says you are going to get about a $1.59 a month.

Is that surprising? No. It is the GOP plan from the beginning of political time. It is what they have always proposed. It is what they always fight for. It is always at the expense of every other priority.

We are going to have a big debate about this and should have a big debate. I believe some tax cuts are appropriate, if they are fashioned the right way and they don't put this country's economy at risk. But I believe they ought not come at the expense of Head Start, education, health care and so many other key priorities, and especially paying down the debt during good economic times and making sure we extend the life and solvency of Medicare and Social Security. That ought to be part of the priority that comes out of this Chamber as well. That is what we will try to force in this debate on tax breaks in the coming days.

Mr. President, I yield the floor.

Mr. JOHNSON addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from South Dakota.

Mr. JOHNSON. Mr. President, does the Senator from North Dakota control the time?

The ACTING PRESIDENT pro tempore. The Senator from Illinois controls the time.

Mr. DURBIN. I inquire of the Senator from South Dakota how much time he would like to have.

Mr. JOHNSON. I ask the Senator from Illinois for 10 minutes.

Mr. DURBIN. I yield 10 minutes to the Senator from South Dakota.

The ACTING PRESIDENT pro tempore. The Senator is recognized for 10 minutes.

Mr. JOHNSON. Mr. President, on the floor of the other body today and coming to the floor of the Senate this coming week is going to be legislation having to do with taxation, having to do with tax cuts. Just when we think we have seen just about everything in terms of irresponsibility and foolishness, we see something literally taking the cake. We are seeing some pandering irresponsibility of record proportions that would be so serious and so injurious to this Nation's economic future and to the priorities of this country that we simply have to begin to speak about this issue today.

What does this issue revolve around? It revolves around the Congressional Budget Office's projections that we will have about a $964 billion budget surplus over the coming 10 years, over and above what is needed for Social Security. Those are projections 10 years out, incredibly tenuous given the fact that in the past we haven't been able to make projections for a year out that have been accurate, much less for 10 years. But nonetheless, that is the baseline for this debate.

Given the economic prosperity this administration has brought us, particularly the 1993 Budget Act, passed without a single Republican vote in either body, we do have a unique opportunity now to do some extraordinary things for ourselves and for the coming generation of Americans in terms of eliminating the accumulated Federal debt, make some key investments and, yes, assisting with some targeted tax relief to those families who need it most.

But what do we see coming to us from the other body? What do we see coming on this floor this coming week? We see a tax plan from our Republican majority friends suggesting that with this $964 billion, if you even believe it is going to happen, first of all, nothing be set aside for the preservation and the strengthening of Medicare, nothing.

Second, in order to give essentially this entire amount of money back as

tax relief—primarily to the most wealthy people who are making the political contributions in this body; the typical American family gets about a buck a week tax relief—we will have to then reduce over the coming 10 years defense spending buying power by about 17 percent, at a time when we are having a hard time trying to figure out how to maintain our security responsibilities around the world as it is. This tax package would assume, then, that we will have a 23-percent reduction in domestic spending buying power over the coming 10 years.

If you buy into this tax package, that means you close veterans hospitals. That means you have significant reductions in Head Start programs, education programs. That means you give up on the idea we will have some sort of partnership for rebuilding our schools and bringing new technology into our schools. It means gutting education and agricultural programs. It means severe cuts in parks, law enforcement, in medical research, all the things most Americans think are crucial to our Federal, State and local, public and private partnerships that make this the great country it is.

On top of that, if you think that is not bad enough, there is zero set aside for the reduction of the accumulated Federal national debt we have accumulated over the 200-year history of this country but which primarily came about during the 1980s, during the Reagan and Bush years and now stands at $5.6 trillion. It does nothing to buy down that existing debt.

And if the decision is made down the road we are not going to knock defense spending down by 17 percent, then the consequence of that, under this plan, would be that we would have to reduce domestic spending—Head Start, education, parks, law enforcement, medical research, VA hospitals, agriculture, all that range of initiatives, by 38 percent.

This is a radical, extremist agenda for the Nation. The American people deserve better than this.

Just when you think that is as bad as things can get, you look at the way this tax package is constructed, with the tax reductions, especially back loaded for the very wealthy, and then what do you find on the next page? Not only have you given up your entire domestic agenda, not only have you done nothing to reduce the accumulated Federal deficit, not only have you done nothing for Medicare, but the cost of this recipe explodes to double the cost in the next 10 years. What a radical agenda. It would be foolish, were it not so serious and so injurious to our Nation.

Then one last thought: The Federal Reserve has recently raised interest rates by about a quarter percent. Some are attempting in this tax package to put one foot on the gas while the other foot is on the brake. If we were to do this, the obvious next consequence would be a significant increase in interest rates by the Federal Reserve. There is already a rise in interest rates now, without any tax cut whatever. That is a silent tax on every American.

On every parent who wants to send a child to college or a vocational school, and on everyone who wants to buy a house, or buy a car, or a farmer who wants to finance his operation, or a businessperson who wants to expand his business and create new jobs, that is a killing tax. It is a higher interest rate as a consequence of this incredible irresponsibility that we see going on in the House today and coming to the Senate this coming week.

Thank goodness for the future of America President Clinton has indicated he will veto this nonsense. But wouldn't it be better if we could work together in a bipartisan fashion on a constructive, positive agenda that, yes, would provide some tax relief to working class people, working families, the families who struggle to make a car payment, a house payment, and to keep jeans and tennis shoes on the kids, the people who make the economy go. Let's provide tax relief there, but let's pay down some of the national debt, which is probably the single-best thing we can do in any kind of budget plan. We should make sure we make key investments in education, in Head Start, in medical research, and keep the VA hospitals open. We can do all of these things with thoughtful balance and moderation. But moderation seems to be the last thing in the world our Republican friends want to bring to either the other body or this floor in terms of tax and budget agendas.

I think where you put your money says a great deal about the character of any government because rhetoric is cheap. Everybody is for everything around here, until it is time to put some money where your mouth is and do the balancing that needs to be done. That is what we see not happening on the other side. What we are seeing is pandering and irresponsibility and radical agendas that may make a statement for the coming elections. Who knows? It seems to me it makes a very negative statement.

But we deserve better than that. This Nation deserves better, and this Nation needs better than that. We need to come up with a budget and tax reduction package that is moderate, thoughtful, and deals with some of the tax relief that is needed but makes investments that are needed and pays down the accumulated Federal debt. That will keep the cost of money down and make it easier to send a kid to college or vocational school, buy a house, buy a car, or keep a farming or ranching operation going, all of those things, if we make the right decisions.

But this is a once-in-a-lifetime opportunity. Many of us thought, in the years we have had the opportunity to serve in Congress, several things would never happen in our lifetime: The fall of the Berlin Wall, the collapse of the Soviet Union, and the possibility that we would ever be on the floor arguing about what to do about budget surpluses. We have that opportunity. Let's not waste that opportunity.

Let's take a thoughtful, constructive, positive approach to how to use those dollars as we embark on this next millennium and revisit this tax package so we emerge from this debate with a package that, in fact, does address the priorities that I think the American people want us to address, and that does it, hopefully, in a bipartisan fashion and in a way that will leave our economy stronger and leave our families stronger going into the coming century than we are now and, certainly, far stronger than what would happen if we tragically actually passed and enacted the tax agenda that we see occurring on the House floor today and is coming to this body next week.

I yield back my time.

The PRESIDING OFFICER (Mr. ROBERTS). The Senator from Illinois is recognized.

Mr. DURBIN. Mr. President, how much time remains on the Democratic side?

The PRESIDING OFFICER. The Senator has 11 minutes 30 seconds.

Mr. DURBIN. Mr. President, I thank the Chair and I thank the Senator from South Dakota.

Yogi Berra, one of the greatest ''political philosophers'' of all time, may have said, ''This is deja vu all over again.'' If he didn't say it, he should have because this debate that you are hearing on the floor of the Senate is almost a carbon copy of the debate of 1981. Think about that for a moment. We were in the first year of the Reagan Presidency. We had accumulated, in the entire history of the United States of America, $1 trillion in debt, and the Republican Party came to the floor and said now is the time for a massive tax cut. Their supporters cheered, they enacted their massive tax cut, and what happened? Two significant things:

First, we saw a dramatic increase in the national debt. A $1 trillion accumulated debt in the entire history of the United States grew into more than $4 trillion over the span of the Reagan and Bush Presidencies because of that 1981 decision.

Second, it was such a bad decision that the American economy struggled from recession to recession. That is what happened the last time the Republican Party brought their vision of America to the floor of the Congress.

In 1992, the American voters said: Enough; this isn't working. We want a change. And they elected the Clinton-Gore administration, which, in 1993, came to Congress and said: Let us try to get back on the right track; let us try to reduce the deficits on an annual basis, and let us try to get the economy moving again.

You should have heard the Republican Senators who came to the floor—the same ones who begged for a tax cut when the Clinton plan was debated.

Remember, not a single Republican Senator or House Member voted for that plan. Some of the things they said are absolutely classic. The Senator from Texas, PHIL GRAMM, who is very outspoken in favor of this tax cut, said of the Clinton plan:

> I want to predict tonight that if we adopt this bill, the American economy is going to get weaker and not stronger, the deficit 4 years from today will be higher than it is today.

That was PHIL GRAMM of Texas, August 5, 1993. Completely wrong. Completely wrong.

The Clinton plan passed, and two things happened. Annual deficits started to come down, and, in addition to that, the economy started moving forward. Just look at the news. You don't have to believe a politician. Unemployment is down. Housing starts are up. Business starts are up. Inflation is under control. America is moving forward, and we can feel it. Consumer confidence and business confidence is at an all-time high.

Two years ago, if you would have come to this Senate Chamber, the Republican Members were so despondent over the deficits that they wanted to amend the Constitution. That isn't done very often in America, but they said: We need to pass a balanced budget amendment. Why? So the Federal courts can force Congress not to overspend. A constitutional amendment to give a Federal judge the power to stop Congress from spending because deficits were out of control. That was only 2 years ago.

Now what debate do we hear on the floor? It isn't about deficits and constitutional amendments; it is about the surplus and tax cuts. And I have to tell you, quite honestly, the Republican agenda is out of control. What they are suggesting now is a $1 trillion tax cut that, frankly, will not only imperil the state of our economy but also could drive us right back into deficits again. How will we pay for that?

I would like to yield to the Senator from California because she made an observation that I think should be part of the record of this debate. I yield to her for a question.

Mrs. BOXER. Mr. President, I thank my colleague very much for his very fine summation of where we are.

It is amazing to me to see how far we have come in this economy, from the worst of all days when people were despondent. I remember when President George Bush went to Japan and he became ill, and it became kind of a symbol of what was wrong with this country. We went to Japan to find out how they were doing it and what was wrong with our country. Why could we not get our economy under control? Now we finally have it under control. It is in the best place it has been for generations, as my friend has shown us, in terms of employment, in terms of job creation, in terms of no more deficit, in terms of being able to finally pay down the debt, in terms of housing starts and business starts—you name it—inflation. It is all going right.

What do our friends say? Whoops. Let's change course. We finally have it right, but let's turn around and go back to the bad old days.

It is amazing to me. I want to ask my friend a question about the so-called surplus. I was rather stunned to see my chairman, Senator DOMENICI, of the Budget Committee, for whom I have great respect, hold a press conference yesterday and tell the press that there is a $3 trillion surplus. I sort of thought maybe I misheard it. He repeated it four times, at least. He said there is a $3 trillion surplus. Therefore, all we are giving is a $1 trillion tax cut. It is a very small part of the overall surplus. Don't the American people deserve a refund?

I want to ask my friend a couple of questions. Is it not true that $2 trillion of that $3 trillion so-called surplus is Social Security? It isn't anyone else's; it belongs to Social Security. Is my friend in agreement with me on that point?

Mr. DURBIN. The Senator from California is right because we are not dealing with a real surplus. We are dealing with a surplus in the Social Security trust fund which the Republican Party now wants to give away as a tax cut. Does that make sense? Does it make sense to any of us paying into Social Security, or those who hope to derive some benefit from it, at this point in time to decide to spend Social Security funds to give a tax cut?

I might say to the Senator from California: Look at the tax cut. There they go again. The Republicans cannot leave well enough alone. The economy is moving forward. Annual deficits are coming down. They want to put a tax cut package in place.

And look carefully at the winners under the Republican tax cut plan. For Mr. Bill Gates, good news. If you are in the top 1 percent, for the Republican tax, a cut of $22,000 a year—not bad. Will he notice?

But, look, if you are in the lowest 20 percent of average wage earners in America, under the Republican tax cut plan, listen to this, $22 a year—not bad—$22 a year for the average working family in America, and $22,000 for Mr. Trump and Mr. Gates.

There they go again.

Mrs. BOXER. Will my friend yield? I want him to know something. That $22,000 a year, back to the top 1 percent, is an average, I say to my friend. I can assure you that Mr. Trump and Mr. Gates will get far more than that in a refund.

As we discussed yesterday on this floor, when you think of people who work at the minimum wage and get dirt under their nails, and work hard and sometimes have two jobs, that average refund to the top 1 percent is twice as much as they earn in 1 year. There they go again. It is right on target.

I want to ask another question of my friend. We don't have a $3 trillion surplus because we already agreed that $2 trillion belongs to Social Security. That leaves $1 trillion. We know Medicare is in trouble. We know Social Security and Medicare are the twin pillars of the safety net. What good does it do someone on Social Security if they know they get that but their Medicare premium is going to go up so high that they can't afford to buy their food or pay their rent? So we need to take care of Medicare. How much is in the Republican plan to save Medicare?

Mr. DURBIN. The answer is clear. Zero. Medicare is a word about which the Republicans don't want to talk. They don't want to use it. Yet we all know that, unless we do something significant for the Medicare program, by the year 2015 this program will be bankrupt and 40 million Americans, elderly and disabled, who rely on Medicare for their health insurance have a time of reckoning that is just over the horizon.

We on the Democratic side believe that if there is going to be any surplus, as the President has suggested, we should dedicate it, first, to any surplus we realize to Social Security; second, to Medicare; and, third, to reducing the national debt.

I ask you: Which is the party of fiscal conservatism?

Listen to this debate: $1 trillion taken out of funds such as the Social Security trust fund to give away to the wealthiest of Americans, which is the Republican plan, or the Democratic plan, which says to take care of priorities—reducing our debt, reducing our need to appropriate money each year for interest on the debt, and making sure that Medicare and Social Security are strong enough to survive.

I think our position is not only fiscally conservative but I think it is fiscally sane. Others will characterize an alternative.

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

Mr. DURBIN. Yes.

Mr. DORGAN. I wanted to ask the Senator from Illinois if it is not the case that the proposal by the Republicans for very significant tax cuts, much of which will go to the upper income folks, would mean that they have nothing for debt reduction? Isn't it the case that in tough economic times—for example, when we passed the Deficit Reduction Act in 1993, with no help from the other side and not one vote even—in tough economic times your debt increases? During good economic times, you ought to reduce the debt. Isn't it the case that this fiscal policy plan of theirs provides nothing for debt reduction during good economic times? Is that fiscal conservatism?

Mr. DURBIN. It is fiscal insanity. I would say to the Senator from North Dakota that we hope this economy will continue to progress.

The PRESIDING OFFICER. The time of the distinguished Senator has expired.

Mr. DURBIN. I ask unanimous consent for 30 additional seconds.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. DURBIN. I say to the Senator from North Dakota that if we are going to prepare ourselves for the future, we have to prepare for the possibility of a reduction. I don't think that is wild-eyed thinking.

The Republican plan makes no contingency plan that suggests we might have a downturn in the economy. We should be reducing the debt and pledging our surplus, whatever it may be, to reducing that debt and making certain Social Security and Medicare are there for years to come.

I yield the remainder of my time.

The PRESIDING OFFICER. Under the previous order, the Senator from Maine is recognized to speak for up to 10 minutes.

The distinguished Senator is recognized.

Ms. COLLINS. Thank you, Mr. President.

I further ask unanimous consent that the time reserved for the Senator from Ohio, Mr. VOINOVICH, be given to the Senator from Ohio, Mr. DEWINE.

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

(The remarks of Ms. COLLINS and Mr. DEWINE pertaining to the introduction of S. 1412 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Ms. COLLINS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceed to call the roll.

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

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

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS ACT, 2000

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of S. 1217, which the clerk will report.

The legislative assistant read as follows:

A bill (S. 1217) making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 2000, and for other purposes.

Pending:

Gregg amendment No. 1272, to extend the Violent Crime Reduction Trust Fund through fiscal year 2005.

The PRESIDING OFFICER. The pending business is amendment No. 1272, on which there will be 1 hour of debate equally divided.

The distinguished Senator from New Hampshire is recognized.

Mr. GREGG. Mr. President, under the unanimous consent agreement from last night, we were going to reserve 30 minutes of the time for two Democratic Members of the Senate, Senator LEAHY and Senator BIDEN. Senator BIDEN and Senator LEAHY had 30 minutes of this time. I now ask unanimous consent that the final 10 minutes of the time be reserved for myself, and prior to that, the 10 minutes prior to that, be reserved for the Senator from South Carolina.

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

Mr. GREGG. Mr. President, I suggest the absence of a quorum and ask the time be allocated to the underlying amendment and charged equally against both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

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

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

PRIVILEGE OF THE FLOOR

Mr. HOLLINGS. Mr. President, on behalf of the Senator from Delaware, Mr. BIDEN, I ask that Andrew Kline be granted the privilege of the floor during consideration of this measure.

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

Mr. HOLLINGS. I suggest the absence of a quorum under the same arrangement, the time charged to both sides.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

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

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

Mr. HARKIN. Mr. President, I ask unanimous consent that I be allowed to speak as in morning business for 7 minutes.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered. The Senator is recognized.

Mr. HARKIN. First of all, I take this time because I want to talk a little bit about the plight of American agriculture and our Nation's farmers and to talk about a bill that I will be introducing shortly.

U.S. CAPITOL POLICE

Mr. HARKIN. Mr. President, like so many of my fellow Senators, I just came from the memorial service that took place in Statuary Hall for the two police officers, Detective Gibson and Officer Chestnut, who gave their lives 1 year ago defending the Capitol and those of us who work in these hallowed Halls.

I just got to thinking, when I was there watching all of the uniformed police officers standing so gallantly up on the platform, what a tough job these policemen have, what a terribly tough job they have.

On the one hand, because of the very nature of our jobs, we have to be accessible; we have to expose ourselves to the public on a daily basis, whether it is out in the front of the Capitol or over in the grass or walking between offices. We have to be available and accessible to the public. The police officers have to let us be accessible. We cannot put a shield around us.

On the other hand, it is the police officers' sworn duty to protect us and to keep us safe from harm.

All police officers have a tough job in this country. I think, above all, the police officers who work in and around the Capitol have the toughest job of all because they have these two conflicting responsibilities—to make us accessible, to not put shields around us, to keep this an open, public place, to be the shrine of freedom, and, on the other hand, to protect us and defend us from harm.

I just must say, I am as guilty as anyone; I never take the time to thank the police officers who protect us. We pass by them every day. We go in and out of the doors. We see them on the subway. We exchange pleasantries.

I am going to make an extra special effort from now on just to say thank you to these police officers, the men and women who protect us daily in the Capitol and who, as Officers Chestnut and Gibson showed a year ago, are willing to lay down their lives for us. We should thank them every day. I do so now and will make a special effort to do so in the future.

(The remarks of Mr. HARKIN pertaining to the introduction of legislation is located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

TRIBUTE TO JOHN F. KENNEDY, JR., CAROLYN BESSETTE KENNEDY, AND LAUREN BESSETTE

Ms. MIKULSKI. Mr. President, I rise with great sadness today to pay tribute to the lives of John F. Kennedy, Jr., his wife Carolyn, and her sister, Lauren Bessette. My thoughts and prayers are with these families, for at this very moment, as we know, they are at sea to bring these wonderful, outstanding young Americans to a final rest.

We in the Senate, of course, feel very close to this tragedy because of our affection for our own colleague, Senator TED KENNEDY. We in Maryland feel very close to this family because we are the home to Eunice and Sarge Shriver, to Mark Shriver, who has taken his place in the House of Delegates, and our own Lt. Gov. Kathleen Kennedy Townsend, who lost a brother just a few months ago. As the eldest of

the Kennedy cousins, she has endured much. She is living a life of service that certainly would make her father as proud as those of us in Maryland.

The entire Kennedy family has suffered so much. They have also given so much. It is a family of war heroes, Senators, Congressmen, and a President of the United States. They are also defenders of the poor, environmentalists, educators, and artists. They fight to give every American an opportunity to build better lives for themselves and to build stronger communities.

Many of us in this Senate were inspired to lives of public service because of John F. Kennedy. As a young social worker, I thought he was talking to me when he called our generation to service. When he said, ''Ask not what your country can do for you—but what you can do for your country,'' I believed it. I wanted to do something. That is why I committed myself even more forcefully to my own career in social work.

He practiced passionate, active idealism that was different from anything we had seen before in politics. That is why we hoped his son would continue that legacy. In many ways he had already begun to do that.

John Kennedy, Jr., could have lived the life of the idle rich, but he did not. He worked several years as a D.A. in New York, and recently he created a magazine to bring young people into politics who were indifferent to it. He endured intense press interest with grace and good humor. It seemed as if he understood his family was a part of the lives of all Americans.

While we all know the Kennedys, we cannot forget the Bessette family. They are suffering unimaginable pain with the death of two of their daughters. Carolyn Bessette Kennedy also lived in the spotlight. She, too, handled the attention with grace and charm. She had the same passion for life as her husband. Her sister Lauren was also making her own career in investment banking.

Wherever we turn, the Kennedys have touched America. We have been there for their hopes, their dreams, and their good days. We want our dear friend, Senator KENNEDY, the entire Kennedy family, and the Bessettes to know they are not alone today. We mourn with them, and we thank them for their contributions to America and for their own call to duty and to public service.

God bless them and God bless America that we have in our midst a great legacy.

I thank the Chair.

Mr. THURMOND. Mr. President, I rise today to join my colleagues in expressing grief over the passing of John F. Kennedy, Jr., his wife Carolyn Bessette Kennedy, and Lauren Bessette; as well as extending condolences to the Kennedy and Bessette families over their losses.

It is difficult to express the sense of tragedy and loss that all of us feel over the passing of these three young, dynamic, and charismatic individuals. Clearly, John F. Kennedy, Jr. captured the hearts and imagination of millions of Americans, and his untimely and violent end has saddened all those who felt some sort of connection to this promising and handsome young man. Certainly the tremendous outpouring of sympathetic gestures we are witnessing in Massachusetts, New York, and here in Washington stand as testament to the high regard in which he was held.

To be frank, I did not know John F. Kennedy, Jr. all that well, though I have certainly been well acquainted with his family through the years. Here in the United States Senate, I have had the distinct pleasure and honor of serving with his father and both his uncles; and in years past, I worked closely with Representative JOE KENNEDY on an issue of great mutual concern. Clearly this is a family that values public service and has sought to make a contribution to the nation through policy, politics, and activism. The passion and intensity which the Kennedys—particularly John, Bobby, and TED—brought to Washington and directed toward their policy goals are commendable and enviable. Few people have approached their careers in government with the same vigor and enthusiasm than have the members of the Kennedy family.

Though John F. Kennedy, Jr. had not entered politics, he was someone who shared his family's desire to make a difference. He was involved in any number of philanthropic and charitable undertakings, and typical of a family that seeks to help others, he was personally involved in these endeavors. His reputation was of a sincere, kind, and high minded man. There is little doubt that had John F. Kennedy, Jr. decided to follow the path that his father, uncle, and cousins had taken and sought elected office, he would have had a bright political future and would have made an even greater mark on society and history.

There is great sadness in the fact that this tragedy not only snuffed out the promising light of John F. Kennedy, Jr., but took the lives of his wife and sister-in-law as well. It is impossible to comprehend how fate could be so cruel to these families, for these young individuals deserved to enjoy long and rich lives. Certainly, this tragedy is only intensified for the Bessettes who lost two daughters suddenly and unexpectedly, and it is impossible for any of us to truly know the grief they are feeling. Hopefully with time, they will come to some sort of peace and understanding with this inexplicable event.

Earlier today, the ashes of John F. Kennedy, Jr., his wife, and sister-in-law were committed to the sea and a sad chapter of American history is drawn to a close. To our friend and colleague, Senator TED KENNEDY, we extend our deepest condolences on the loss of your nephew and we commend you on your stoicism in exercising your responsibilities as the patriarch of your family. This was an unenviable task, yet one you carried out with dignity, strength, and reserve.

Coming to terms with death is never an easy or pleasant task, but I have always found that it is best to remember a person for the things he or she did during their life, keep that person in your heart and mind, and to try and honor their memory in your actions. If people follow this course with John F. Kennedy, Jr., I think that they will remember a man who tried to make a difference with his life, and hopefully they will be inspired to emulate his commitment to public service.

Mr. REID. Mr. President, for several days, we have waited anxiously for evidence of news I did not want to believe. I did not want to believe that tragedy could come again to the Kennedy family. I did not want to believe that the Bessette family could lose two beautiful daughters in one tragic accident. But as of yesterday afternoon, I was confronted with reality. I am profoundly saddened by the tragic death of John F. Kennedy, Jr. and his wife, Carolyn Bessette Kennedy, and her sister, Lauren.

My relationship with President Kennedy goes back almost 40 years. In 1960, I formed the first Young Democrats organization at Utah State University and worked hard as a young college student for the election of President John F. Kennedy. On the wall in my Senate office, I have a letter from Senator Kennedy written a few weeks written a few weeks before his inauguration as President in 1961. That letter is a thoughtful and considerate note thanking me for my efforts as a campus organizer.

As a young law student in Washington, I worked at night as a Capitol Police Officer. On more than one occasion, I remember President Kennedy's visit to the Capitol. In fact, in my capacity as a police officer, I walked past President Kennedy's casket while it laid in state in the Capitol Rotunda.

For three generations, the Kennedy family has contributed much to the political and cultural life of our Nation. Three members of the Kennedy family have served the Nation as U.S. Senators, and other members have served in the U.S. House of Representatives, the Ambassadorial Corp and other important positions of state. They also serve as leaders, in business and in the world of cultural affairs.

Historians will one day write that the Kennedy family is the most remarkable family in our Nation's history. They have endured tragedy after tragedy. But despite adversity, this family has persevered and found the will and strength to make our nation a better place. Since the presidency of John F. Kennedy, the Kennedy family has become part of the American family. For us in government, the Kennedy family is synonymous with the finest in American politics. They inspire us to dream; they teach use to enjoy life; they make us feel noble.

John F. Kennedy, Jr. had large shoes to fill as the son of a great President and a beautiful, elegant and strong mother. While John F. Kennedy, Jr. was born into the privilege and the fame of his family, he handled it better than anyone I know. His dignity, his sense of style, his connection to ordinary people was unsurpassed.

Finally, I admire the strength and courage of my friend and colleague, Senator TED KENNEDY. Senator KENNEDY is the patriarch of this great family. He has served the Nation and the people of Massachusetts with distinction in the U.S. Senate for almost four decades and the people of Massachusetts have repeatedly shown their gratitude for his service. Senator KENNEDY has given much to this country and yet he has never forgotten the legacy of his distinguished family. To Senator KENNEDY, to the entire Kennedy family, and to the Bessette family, I extend my condolences.

Mr. SCHUMER. Mr. President, our State of New York has lost three of its finest citizens. I want to add my voice to the condolences to John Kennedy's sister Caroline, to his entire family, and to his wife's family, as well, for their double loss. Anyone who knew these three people knew they were the finest of New Yorkers and the finest of Americans. They were decent people; they were concerned people; they were people who cared about average folks.

As was noted, John, in particular, would never go by somebody and make them feel they were less significant than he was, despite his enormous wealth, attractiveness, good looks, his grace, and everything else about him. He and his wife were a man and woman of grace. I am told that her sister was as well, although I did not know her.

So we in New York particularly mourn our loss. John had become a real New Yorker, and the Bessette girls always were. There is nothing we can do but pray that they have met their final reward, and that the wounds that are so deep in their families, with God's help, heal quickly.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY AND RELATED AGENCIES APPROPRIATIONS ACT, 2000—Continued

AMENDMENT NO. 1217

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. What is the business of the Senate now?

The PRESIDING OFFICER. The regular order is the Gregg amendment No. 1217.

Mr. BIDEN. Mr. President, I understand I have a few minutes to speak, and I will take only a few minutes right now and reserve the remainder of the time when I have completed.

I want to be very brief at this point. Mr. President, I want to separate out two aspects of the Gregg amendment: One I wish to compliment him on, and one I am going to remain silent on. The one part I want to compliment him on is that I think the reauthorization of the violent crime trust fund for another 5 years is the single-most significant thing we could do to continue the war on crime.

In 1994, when we introduced the Biden crime bill, which eventually became the crime bill of 1994 which had the 100,000 cops in it, the Violence Against Women Act, and many other things, toward the end of that debate, with the significant help of the senior Senator from Texas, Mr. GRAMM, who didn't like many aspects of my bill, and the senior Senator from West Virginia, Mr. BYRD, who did like the bill, we all agreed on what was viewed as sort of a revolutionary idea—that crime control was the single-most undisputable responsibility of the Federal Government domestically. We can argue about whether there should be welfare. We can argue about whether we should be involved in education. But no one can argue about the requirement of the Government of the United States to make the streets safe. That is the starting point for all ordered society.

So we had an idea, and the three of us joined together to set up a violent crime trust fund. The way we did that was not to raise taxes for America because everybody kept saying: BIDEN, your bill, over the next 5 years, is going to cost over $30 billion. They were right. Putting 100,000 cops on the street costs a lot. Building thousands of new prison cells costs a lot. Spending money on prevention costs a lot. The total of the Biden crime bill was about $30 billion over 5 years in 1994 when I introduced it.

They said: How are we going to pay for it? None of us likes telling the citizens the truth. We all like lying to you, telling you we are going to find a magic way to do this that is not going to cost you any money. The American public wants safer streets, and they have gotten them, I might add. Crime has gone down significantly every year since the crime bill was introduced. I am not claiming it is only because of that, but it is in large part because of that.

So the way we reached this accord was Senator GRAMM, who wanted to see the size of the Federal Government cut even more urgently than—I will speak for myself—even more urgently than I did—we codified, as part of this deal, the agreement that we would let 250,000 Federal employees go. We would shrink the size of the Federal Government. And we did.

The second part of the agreement I wanted was that the paycheck we used to pay the person working in the Justice Department or in the Defense Department or at IRS, who was not going to be rehired, we take John Jones' paycheck and put it into a trust fund to do nothing but deal with violent crime in America. Not an innovative notion—that concept of a trust fund—but it is fairly radical in terms of applying a Social Security-type trust fund—only this does have a lockbox—a trust fund of dedicated revenues to deal with nothing but crime.

The good news about that and the reason I felt so strongly about that at the time I wrote the bill was it is the one place no one can compete. If it is in general funds—and to people who don't share my view about the single-most important responsibility of Government is to maintain order—it is in competition. If it is general revenues, the COPS Program or the prevention programs or building prisons is in competition with money for education, money for the space program, money for the Defense Department, and money for every other function of the Government. By having this trust fund, though, it is not in competition with anything. It is there. It is set aside. It is similar to a savings account to fight crime.

I respectfully suggest that it worked. Now, under the Biden crime bill, which is due to expire this year, the trust fund will end. This special, dedicated pot of money that nobody can compete for, which is not paid for by raising taxes, is paid for by not lowering taxes because it is legitimate to say: BIDEN, if you eliminate the trust funds, you can take John Jones' paycheck, the guy who left the Treasury Department in 1997, and you can give it back to the taxpayers as a tax cut.

That is true. But I choose safe streets over tax cuts. The tax cut would be minuscule, I might add.

So when I heard that my friend from New Hampshire was taking language essentially the same as the Hatch-Biden bill that passed out of here in juvenile justice, the same as the language I have been reintroducing everywhere I can and in every bill I can in the last 4 years, I thought not only is he an enlightened fellow but there has been a bit of an epiphany, that, my Lord, the powerful chairman of the subcommittee of the Appropriations Committee has seen the Lord, has seen the light, and I was overjoyed.

So I said to my staff: I am going to go up there and compliment him. Literally, I said this this morning. They said: Don't be so quick. I said: Why? They said: There is a little kicker here. The kicker is once this amendment that you, BIDEN, have fought so hard for over the last 12 years, even before the crime bill was passed—once it is adopted, there will be a little amendment attached to it that has to do with the way this place functions procedurally, affecting how we can move substantively.

I will not speak to that. I will only say and plead with my friend from New Hampshire, if and when the second issue is resolved, however it is resolved, that he not walk away from the substantive beauty of his amendment as it relates to the trust fund. I don't want to get into a fight with him about

legislating on appropriations and second amendments and the rest. I want to say to him publicly that I truly appreciate the practical impact of reestablishing the violent crime trust fund, if we can do it.

I hope in this procedural fight that is above my pay grade right now, which is about to take place, that a casualty of this fight will not end up being us committing for another 5 years to do what we did in the last 5 years—bringing crime in America down. The way to do that is to guarantee that the law enforcement agencies of the United States for 5 years do not have to compete with anybody, and we don't have to raise anybody's taxes. We are taking those old paychecks, and we are going to continue to make a deposit, similar to a trust fund in a family, for cops, for prisons, and for prevention.

Mr. GREGG. If the Senator will yield, I appreciate the kind words of the Senator, and I am duly thankful for those words. As a result, I can tell the Senator I am committed to trying to get this authorization, in some manner, in this bill when it returns to Congress—should this bill ever make it to conference, which is very much an issue at this time.

Mr. BIDEN. I truly appreciate that because I, quite frankly, think—and this is presumptuous of me to say because you know as much about these issues as I do, clearly—this is the single-most significant thing we can do to continue the successful fight against crime. I authored it, so you might say there is pride of authorship here. But I didn't do this alone. The distinguished Senator from Texas and the distinguished Senator from West Virginia were really the ones who made it happen. I hope, in a bipartisan way, we can continue the funding mechanism. I thank him for his comments. If I have any time, I reserve it.

I yield the floor.

Mr. GREGG. Mr. President, I ask unanimous consent that the time continue to run on this amendment equally divided, and I suggest the absence of a quorum.

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

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. GREGG. Mr. President, how much time is left on the amendment?

The PRESIDING OFFICER. Approximately 5 minutes.

Mr. GREGG. Mr. President, at the end of that 5 minutes, I understand there will be 20 minutes, 10 minutes for the Senator from South Carolina and 10 minutes for myself.

The PRESIDING OFFICER. The Senator is correct.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

PRIVILEGE OF THE FLOOR

Mr. BINGAMAN. Mr. President, I ask unanimous consent that Dan Alpert, who is a fellow in my office, be granted privileges of the floor during the consideration of S. 1217.

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

Mr. BINGAMAN. Mr. President, I ask unanimous consent that I be allowed to speak for up to 10 minutes as in morning business.

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

Mr. BINGAMAN. Mr. President, I have come to the floor to speak about what I see as a funding shortfall for the 2000 census.

First, I compliment Chairman GREGG and Senator HOLLINGS for their work on this bill. I fully appreciate the very tight budget constraints under which they have been working. However, I want to make sure all Senators also know that, even though we will soon pass this appropriations bill, our work is not yet finished.

Census day, which is April 1 of the year 2000, is less than 9 months away. Still today, at this late date, this bill lacks sufficient funding to adequately conduct the 2000 census.

The Founding Fathers recognized the importance of a fair and accurate count of the population. Article I, section 2 of the Constitution provides that Congress is to conduct a decennial census "in such Manner as they shall by Law direct." In fact, the census is one of the few actions that is mandated by the Constitution.

Let me take a few minutes to discuss the importance of a full and accurate census for all Americans.

Data from the 2000 census will be used to apportion House seats among the States for the 108th through the 112th Congresses. The States also use census data to draw legislative districts for congressional seats as well as for State and local representatives. In addition, Federal, State, and local governments use census information to guide annual distribution of the $180 billion of Federal funds for critical services such as child care, Social Security, Medicare, education, and job training.

By now, we have all heard details of the serious shortcomings of the 1990 census. In fact, at the time of the 1990 census, many of us spent many days and hours trying to ensure that a fair census was taken. Mr. President, 8.4 million people were missed in that census, and 4.4 million were counted twice.

In my State of New Mexico, we suffered the highest undercount of any single State. There were nearly 50,000 New Mexicans left out of the census in 1990 and 20,000 of them were children. The worst undercounts were among our Native American and Hispanic communities. A recent General Accounting Office estimate found that the 1990 census shortchanged my State of New Mexico at least $86 million in much-needed Federal grants.

The Census Bureau has made substantial efforts to avoid a repetition of the undercounts that have hurt my State in the past decade. I applaud the Bureau's efforts to reach out to every resident in New Mexico, particularly the extra efforts they have made to count everyone in the Hispanic and the Native American communities. In Spanish, the motto is: "Hagarse Contar!"—"make yourself count." For Native American communities, I cannot give you the Navajo or Taos version of that, but clearly the slogan is "generations are counting on this; don't leave it blank."

So I think everyone agrees that a full and fair census must be our goal. Congress must appropriate all of the funds necessary to produce that full and fair census. The census is not a place where we should be cutting corners. It is time to put partisan politics aside to give the professionals in the Census Bureau the resources they need to get the job done.

Indeed, the appropriations bill on the floor today does provide nearly $2.8 billion for the 2000 census. This is the full amount in the President's original budget. I thank the chairman for providing the Census Bureau's full initial request.

However, as all Senators know, the Supreme Court ruled that under current statutes only a traditional head count may be used for apportionment of House seats among the States. In response to the ruling, the Census Bureau requested an additional $1.7 billion to provide the best census possible using only the traditional method.

The additional funds were requested to cover the Bureau's additional workload, advertising, staffing, and data processing required to perform this actual head count which the Supreme Court has interpreted the Constitution to require.

Mr. President, I ask unanimous consent that a detailed list of the additional costs for a head count be printed in the RECORD at the conclusion of my remarks.

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

(See Exhibit No. 1.)

Mr. BINGAMAN. Mr. President, at this point this appropriations bill does not provide any of the additional funding that the Census Bureau has requested in response to the Supreme Court's January ruling. In fairness to the chairman and the ranking member, and the members of the committee, the Census Bureau's revised request did not arrive until very late in the process. Consequently, the subcommittee may

not have had sufficient time to review the supplemental request and conduct the normal oversight hearings. I understand the subcommittee intends to consider the Census Bureau's supplemental funding request in the near future. I thank the chairman for moving forward promptly and for working on this issue in a spirit of bipartisanship.

What worries me is that even with the additional funds required for a head count, in all likelihood we will still fall well short of counting everyone and, as in the 1990 census, the undercount will hurt certain population groups the most. However, I have not come to the floor today to debate which enumeration method the Census Bureau should use. Except for apportionment, the Bureau will alleviate the undercount problem by using modern scientific methods. This is the only way to assure that States such as New Mexico will not be shortchanged again.

The Supreme Court ruled the 2000 census must include a full head count. I believe Congress has an obligation to provide all the funds required.

I appreciate the very tight budget situation in which we find ourselves. Time is getting short. Again, I thank the chairman and the ranking member for their continued bipartisan work on this appropriations bill, and I hope that they can move quickly to provide the supplemental funds required for the 2000 census.

EXHIBIT NO. 1

ADDITIONAL COSTS FOR A NON-SAMPLING CENSUS

On January 25, 1999, the Supreme Court ruled that the Census Act bars the use of statistical sampling for purposes of apportionment. Additional funds are therefore needed to cover the increased workload of a non-sampling census, principally follow-up visits to an additional 16 million households (50 percent more than under the sampling design).

The President's Budget requests $2.8 billion in FY 2000 to conduct a sampling-based decennial census. The budget amendment will request $1,723 million. Major elements of the $1,723 million are discussed below:

$954M for non-response follow-up.—To get responses from all households that do not answer the mail survey, Census will hire more enumerators and will expand non-response follow-up to ten weeks, four weeks more than expected in the previous census design. Training will be increased by half a day to sustain quality with a larger workforce, and each of the 520 Local Census Offices will be provided additional staff. For purposes of quality control, Census will randomly re-interview addresses to verify the data gathered during non-response follow-up.

$268M for data collection infrastructure.—The larger workforce also requires that Local Census Office have additional space, phone lines, information technology support, supplies, recruiting materials and advertisements, and related items.

$229M for coverage improvement efforts.—The Census Bureau will conduct coverage interviews where forms appear to have deficiencies (e.g., forms lacking complete information on all household members reported) as well as a program to recheck approximately 7.6 million vacant housing units initially classified as vacant or nonexistent and new construction.

$219M for a variety of data collection operations, including:

$96M in rural areas without street addresses (where surveys are delivered to households by Census rather than the Postal Service) for quality checks before the census date and related activities. Census has learned through its address listing program that this workload will be five million household units larger than originally estimated.

$56M for activities including special enumeration methods in remote areas and field verification for the ''Be Counted'' program (which distributes census forms in post offices and other public places) to reduce duplicate and erroneous responses.

$42M for enumerating soup kitchens, shelters, and similar facilities. This work will require advance visits as well as two enumerators per facility at census time.

$25M to redeliver questionnaires where the Postal Service designated forms as undeliverable (e.g., areas where zip code boundaries have changed recently). The Census Bureau anticipates a workload of five million addresses.

$14M to keep all the data processing centers open longer.—The four data processing centers will remain open through September 30, 2000, and process a higher volume of data.

$89M for advertising and promotion efforts.—Additional advertising and promotion, including more materials for schools, non-profits, and Sate and local governments, are intended to increase the speed and rate of response and public cooperation.

Offsets from reduced sample size.—Because the sampling portion of the census will now be based on larger geographic units, the sample size for the Accuracy and Coverage Evaluation (A.C.E.) program (i.e., sampling) can be reduced without compromising accuracy. Reducing the sampling size for A.C.E. will save $214M relative to the request in the President's Budget.

Mrs. FEINSTEIN. Mr. President, I rise today to discuss my concerns about appropriations for the census—an issue that is critical for the State of California and for the Nation.

The Commerce, Justice, and State Appropriations bill for FY 2000 allocates $2.8 billion for census operations. It does not include the additional $1.7 billion that the Administration requested to pay for its revised census plan. This funding shortfall will certainly result in an undercount in the 2000 Census.

In the 1990 Census, California lost $2.2 billion because not everyone was counted, and that's not fair. Although the Administration's request was submitted late in the appropriations process, it is crucial that we equip the Census Bureau with the funds necessary to make the Census 2000 as accurate as possible. How can the Census Bureau do its best to carry out an accurate census in 2000, if they do not have the appropriate resources? We can be sure that the Census 2000 will fail if the Census Bureau does not have the extra $1.7 billion it needs for this operation.

The census has real impact on the lives of people across the Nation. Information gathered from the census count determines how nearly $200 billion of federal funds are allocated. In addition, census information is used by states and local governments to plan schools and highways, and by businesses in making their economic plans.

The 1990 Census undercounted the U.S. population by more than eight million Americans (mostly children, the poor, and communities of color), and more than four million Americans were counted twice. In California alone, the 1990 Census missed more than 834,000 people. A disproportionate number of those undercounted in California were minorities: Nearly half the net undercount—47 percent—were Hispanic-American. Twenty-two percent were African-American and eight percent were Asian Pacific-American. Such differences in census coverage introduce inequities in political representation and in the distribution of funds. Communities from these undercounted ethnic minority populations have been disadvantaged by not receiving the resources they need for various government programs.

A recent study by the General Accounting Office estimates that the economic consequences of the undercount in California caused my state to lose over $2.2 billion in federal funds, more than any other state and more than the additional appropriations requested by the Administration. As a result, the state did not get its fair share of funds for Medicaid, Child Care and Development, Rehabilitation Services, Adoption Assistance, and Foster Care, to mention only a few of the federal grant programs affected. Each person missed in the census cost California $2,660 in Federal funds over the decade.

Some of the top 10 undercounted cities in the 1990 census, two of which are from my state, include:

Los Angeles (138,808); San Diego (32,483); Chicago (68,315); Houston (66,748); Dallas (37,070); Detroit (28,206); and Philadelphia (23,365).

Unless the Census Bureau is allowed to carry out its plan to produce a more accurate count than that which was produced in 1990, California and other states will again lose billions of dollars in federal assistance and will again have to subsidize federal programs with state and local tax dollars.

Since the flawed 1990 population count, the Census Bureau has worked with experts from across the country to design a more accurate census for 2000. The National Academy of Sciences, in three separate reports, concluded that the key to improving accuracy in the census is the use of sound statistical methods. Earlier this year, the Supreme Court ruled that the Census Bureau could not use statistical sampling for apportionment purposes.

Because the Census Bureau cannot use sampling, it has revised its census plan and requested additional appropriations to carry out a full enumeration census, using mail-back census forms and employing an army of bureau workers to personally and repeatedly visit those who do not respond. The Census Bureau's operational plan for carrying out the 2000 Census will be the largest peacetime effort in our nation's history, and will employ more than 860,000 temporary workers.

Mr. President, Congress must make every effort to support the Census Bureau's plan to count all Americans in 2000. The census should not be about politics. This is an issue of fairness, that impacts Americans nationwide. I urge my colleagues to support the additional $1.7 billion appropriation that the Census Bureau needs to carry out an accurate census in 2000. We must do everything we can to ensure that everyone is included in the count, and that our communities are provided with the resources we need.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

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

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

RULE XVI

Mr. LOTT. Mr. President, in order to explain what is not happening now, I will use some leader time to advise Senators what our hopes are and why we are having a quorum at this time.

First of all, we are respecting the request of the Democratic leader to not go forward to the conclusion of the statements and any action or votes on the pending resolution so they can have a conference to discuss how to proceed.

What is involved here is my continuing effort to have the Senate correct a mistake that was made a few years ago with regard to rule XVI. Rule XVI prohibited legislation on an appropriations bill. A precedent was set, and I confess I helped set that precedent. I mistakenly voted to overrule the ruling of the Chair, and so did others, because we were so committed to the issue. It has certainly been a problem for the Senate ever since.

Both sides of the aisle use appropriations bills for every legislative amendment or bill that they might be sponsoring or something they may be harboring to get a vote on. It has really gotten to be a problem in moving appropriations bills forward. The right thing to do for the institution, the right thing to do in terms of legislative sanity, and the right thing to do for the people of this country is to have that precedent established again which would say that Senators cannot offer legislation on appropriations bills without a point of order being in order. Keep in mind, if you get 51 votes, that could be overturned, but I think it will add additional pressure on Senators not to abuse that process.

The matter pending is the Commerce, State and Justice appropriations bill, a very important bill. It provides the funds, obviously, for the Departments of Commerce, State, and Justice. A major portion of law enforcement money is in this appropriations bill. We need to move it forward.

The Senate does not always move with dispatch, but sometimes we do. On an appropriations bill, obviously, involving billions of dollars, Senators want to have a chance to review it carefully and amendments will be in order. Amendments would be in order after the vote that we are about to have or could have reestablishing rule XVI. Senators could offer amendments that relate to the bill, that take money out or put money in, or strike out sections. All of that would still be in order.

Senator DASCHLE and I have basically agreed—in fact, we have exchanged pleasantries on this rule XVI issue several times over the past few years—that this is a precedent we need to go back and correct. We had a colloquy a month or so ago in which we said, yes, this needs to be done, and we need to work together to get it done.

There is concern that the way this was done, the minority had not been given notice. But earlier this summer, the minority was aware we were going to try to reverse this precedent, and 2 or 3 days were spent trying to block us from getting an opportunity.

I don't necessarily feel we have to do it this way or do it on this bill or do it right now, but my question is, if not now, when? If not in this way, in what way?

Mr. HOLLINGS. Will the Senator yield?

Mr. LOTT. I will be glad to yield, when I complete the point. I am willing to work with both sides to try to find a way we can get this done. If there are suggestions by the Senator from South Carolina or the leader, I certainly am very interested in that.

I am not interested in any kind of a surprise action, but I am interested in trying to get some results on this which would help Senators on both sides of the aisle get the appropriations bills done. That is my only intent.

I yield to the Senator from South Carolina.

Mr. HOLLINGS. If the distinguished leader will yield, the truth is, on the contrary, we were given notice. We were told this particular violent crime trust authorization was just a place setter, a gatekeeper, so to speak, in the first degree, and we were going to voice vote it.

We were given notice that it was going to be voice voted and not use this particular maneuver to have a time agreement and, thereby, not be able to debate the rule change. So we were given notice in the other direction. We were totally misled. We were totally misled. I resent it.

Let me go back—there is no use in getting all excited. I am going back to Mississippi with the Governor, Ross Barnett. He was the first fellow to take the door off the capitol on Wednesday afternoon, and he lined them all up. Any and every citizen could come in and express his grief. And one day the trustee who cleaned up the capitol stood in line, and he said: I have to go to a funeral; my aunt just died.

And Governor Barnett said: When is that?

He said: Saturday.

I am hastening it along.

He said: All right. You can go Saturday; be back here on Monday.

And the trustee, Phillips, said: Yes, that is the truth. I will be back.

And so 2 months had passed. Phillips hadn't come back, and the press all agreed, let's just jump on Ross and get him this time. And so they said: Governor, wait a minute; where is the trustee and everything else? And old Ross just laid back and said: If you can't trust the trustee, who can you trust?

If I can't trust the chairman and the chairman can't trust the ranking member, then who can I trust? We were given notice wrongly.

Mr. LOTT. If I could reclaim my time, I don't know exactly what was said between the two Members, but I know there is no desire on either side to mislead. I want to make it clear that I have suggested to the chairmen of our subcommittees that we need to find a time and have a way to address this rule XVI issue. It is in the interest of the Senate. It is in the interest of both parties. But I am told that you have to get a time agreement to set up this process.

If we don't do it here, then, unless we get cooperation on both sides, we may never get an opportunity to reinstate rule XVI. I will bet the Senator from South Carolina would like to see us do that. I will bet he would like to have the appropriations bills be appropriations bills. If we are going to do all of our legislating on appropriations bills, let's just get rid of the legislative committees. Let's just all get on appropriations. I would like to be on the Senator's committee. He is on Commerce, and I would enjoy serving there. I would like to be on the Commerce, State, Justice appropriations bill. That would work nicely.

I don't think we need to do that, though. We don't want to do it.

I want to make it clear, my instructions to our chairmen have been: Find a way, find a time for us to get this rule XVI reconsidered and corrected. A mistake was made.

I say to the Senator from South Dakota, who is here now, the distinguished Democratic leader, I am using leader time. I was trying to explain why we haven't been having votes, what is going on. I was reviewing the bidding of why we need to make this change, and I had not attributed any quotes or impugned anybody's integrity in their absence. I was trying to get this process going forward.

That is what is involved. I have been trying to find a way to get this done. I believe the Democratic leader wants to join me in getting this done. We have talked about it privately and publicly. If this is not the time, this is not the way to do it, then I am open to other times or other ways to do it. But this needs to be done so we can get our

work done and not have everything in the world offered to every appropriations bill, whether it is Commerce, Transportation, Interior, or Defense. It is not something that is abused just on the Democratic side. As long as this mistake is not corrected, Senators will come in, as they are entitled to, from both sides and offer amendments involving who knows what on transportation—it could be an energy issue on transportation or on energy it could be a defense issue. We need to correct that.

So that is my intent, my goal. And where we have other issues, I know my colleagues on both sides are interested in other issues. I want to say publicly what I said to Senator DASCHLE last night. I am going through the process to appoint conferees to juvenile justice. I am going to ask consent. If it is objected to, I will file cloture today, and we will come back and vote Monday on that issue.

With regard to an amendment—or amendments, I think—with regard to agriculture and the pending problems across the Nation for our farmers, we need to address that. I will work with all Senators to find a way to do that. I think we ought to do it on the agriculture bill. I don't think we ought to do it on Commerce-State-Justice. It will mess up the Commerce-State-Justice appropriations bill. It will delay it. Let's do it on agriculture.

I am willing to work with Senators on both sides of the aisle to call up the agriculture appropriations bill and have this issue addressed. If there is a problem with it procedurally, we will work to overcome that. I don't think we ought to duck that issue; it is too important. It is important to South Dakota, it is important to Mississippi, and to people all over America.

I am not interested at all in trying to duck issues. I think we ought to do them in the proper way. I have made those commitments to Senator DASCHLE, and I plan to keep them. It will take cooperation on both sides because we never know, as leaders, when one of our worthy Members will come swooping in with an objection. We had a unanimous consent agreement locked up and ready to sign off; in fact, it was done actually on the campaign finance issue. A Senator had not had a chance to look at it and he objected. That is his right. Basically, we had it all done.

So we have to work with Senators on both sides who have particular problems. If we have one Senator who objects that we had not anticipated, that presents a problem. If we work together, we can get it done. That is what I am trying to do. I would like to get the Commerce-State-Justice appropriations bill done. The chairman and ranking member overcame a lot of things and got agreements on a lot of problems in that bill. But their problem is all the extraneous, nongermane legislative stuff we are going to see drift in here to be thrown up on their bill. Every appropriations bill has somewhere between 40 and 100 amendments, and half of them are legislating on an appropriations bill. Let's correct this problem.

Senator DASCHLE has been kind enough to wait while I went through those things. I think it answers some of the questions he and his Members have. I thought it would be better to go ahead and address them.

Mr. President, parliamentarily, how can we proceed at this time? I have a limit on my leader time.

Mr. DASCHLE. Mr. President, I would be prepared to use my leader time if the Senator is finished.

The PRESIDING OFFICER. The Senator from South Dakota is recognized.

Mr. DASCHLE. Mr. President, I thank the majority leader for his explanation and the discussion we have had this morning. I think it is fair to say there is no question we were misled about the situation we are in today. That is undeniable. I had the opportunity to discuss matters yesterday with regard to the legislative schedule with our majority leader, and this did not come up. We were misled with regard to what the intent of the procedure would be. So, clearly, there is a bitter taste in the mouths of the minority as we find ourselves in this situation this morning.

The problem is not legislating on appropriations; the problem is legislating. We are not able to legislate in large measure because on virtually every bill cloture is filed prior to the time amendments are offered. Every bill. And so what has happened is the minority is relegated to a set of circumstances that requires us to use whatever vehicle becomes available. That isn't the way it used to be, but that is the way it has been for the last few years.

So I am sympathetic, as I have noted to the majority leader, with this institutional concept of going back to the time when we respected appropriations as appropriations bills and also respected the authorization process. But the Senate virtually has eliminated the authorization process, in part, because we don't have the opportunity to offer amendments once authorization bills come to the floor. So we have been forced to use the appropriations bills as authorizing, appropriating, legislating, the whole gamut, the whole array, the universe of legislative actions that come with our responsibility. So I have indicated to the majority leader that I would like to find a way to overturn the mistake made by Republicans 4 years ago. I am glad they have acknowledged it was a mistake, but I must say, since that mistake was made, we have been driven into a new set of legislative circumstances that make it very difficult to do the people's business.

Senator BYRD noted in our caucus that it isn't just this particular issue that is troubling. Frankly, there are a number of other issues. One I will mention is the scope of conferences. The majority overruled the Chair on the scope of conference issue. The majority now has the ability in a conference committee to put anything in a bill, whether or not it was added on the floor of the House or Senate. Anything. It is wide open. That, too, is something we ought to be looking at. There is a huge array of problems, procedurally, I think we ought to address. This is one of them. It seems to me in that context we ought to be looking at whether or not overturning the Chair now is what we need to do.

I will say the majority leader has indicated a willingness to work with us in addressing these problems. I am personally concerned about the agriculture appropriations emergency supplemental we have to pass. Once a point of order is reestablished, we are completely locked out. There is no other way to do it. So from both a practical, as well as a procedural, and, frankly, a personal point of view, I am troubled by how we got here this afternoon.

I will also note that one of our colleagues who uses the rules as successfully as anybody ever has in all 220 years of our history, the senior Senator from Massachusetts, is not here. How ironic it would be that while he is tending to family matters, we took away his rights. So I suggest to the majority leader that we schedule another time for a good debate about all the things we should do.

I will work with my caucus to find the time, and we will need to have the votes. We know how the votes—I am quite sure I know—will turn out.

I am prepared to work with the majority leader to schedule a day, but not this afternoon. This is not the moment, for all the reasons I have outlined. I think we deserve an opportunity to debate this and all of its ramifications, and why it is that we find ourselves here in the first place, and how we might work—as the majority leader has noted, cooperatively. Cooperation is a two-way street. I want to cooperate with him. And I will in every way that I can. But I hope the majority will cooperate with the minority in giving us an opportunity to offer amendments and not fill the tree and not play the parliamentary game out to the extreme so that we are forced to do things we would rather not do.

I guess that would be my suggestion—that we find the time, perhaps early next week, to vote. We would agree to a timeframe within which this could be debated and a vote set.

I would be happy to discuss either on or off the floor a refinement of that recommendation with the majority leader.

I yield the floor.

Mr. LOTT. Mr. President, will the Senator yield? Or, Mr. President, I will reclaim any leader time I might have so that I can respond and pick up on what the Senator said.

We are somewhat on the horns of a dilemma. If we take extended time to

debate those issues, then it further delays our ability to get appropriations bills done. Conversely, if we don't do it soon, all of the appropriations bills will hopefully be done, and we still will not have addressed this issue.

So I would like to pick up on what Senator DASCHLE said.

The suggestion was made that we not do this here but that we do it early next week.

I would like to discuss the possibility of having this debate on Monday or Tuesday morning and having a vote on this issue.

Is that something that would be acceptable to the Senator from South Dakota?

Mr. DASCHLE. Mr. President, I would want to consult first with the senior Senator from Massachusetts to be sure he could be back that early. I assume he might be back by then. I would want to consult, as well, with my caucus. But that is in keeping with the recommendation that I made.

I am not averse necessarily to doing it on Monday or Tuesday, and to setting, as I noted earlier, a timeframe within which we could debate it and vote.

But, again, this is a matter which I think may require a little more consultation than the time we have this afternoon.

Mr. LOTT. If I could respond to that and make an observation, if we don't do it Monday or Tuesday, we will be under the rule that we passed for the budget reconciliation provisions. Wednesday, Thursday, and Friday will be on the reconciliation-tax cut bill. If we don't do it Monday or Tuesday, then it is not done next week.

We agreed that we wanted to get this done, but we have not had the time to get together and decide how we were going to get it done.

So I am in the position that if I give the Democratic leader notice that we want to get this done, he blocks it, or if we set it up to get it done without advance notice, the Democratic leader says, well, that is not fair.

We need to get it done. Everybody knows we need to get it done.

I would propose publicly that we do this Monday and vote Tuesday, and I will work with the Democratic leader on the specifics of getting that done early next week so that we will not go through this on the agriculture bill, on the transportation bill, on the Interior bill, on the HUD, and the Veterans Administration bill, and bill after bill.

I think that would be timely. I would be willing to go forward with the CJS without forcing the vote on overruling the Chair at this point but with the understanding that we are going to find the time so we can get this done.

Can I get that commitment from the Democratic leader?

Mr. DASCHLE. Mr. President, the leader can get that commitment in spirit.

Let met give the leader three qualifications, and I am sure the leader will accommodate me on all three qualifications.

First, if Senator KENNEDY has to be away for family business or personal family matters—the tragedy that he is facing—certainly the majority leader would understand that, and I hope he would accommodate Senator KENNEDY's needs as we schedule.

Second, he noted on more than one occasion, privately and publicly, that he is willing to work with us to ensure that, even if the Chair is overturned, we will find a way—and there are no misgivings about finding a way on either side, I hope—to pass an emergency agriculture appropriations measure. Clearly we will be denied that once this vote occurs. So I know—he told me privately and again alluded to it this morning—that he will work with us to do that.

Third, it would seem to me we would have to have a period of time—no less, at least, than 5 or 6 hours, 3 hours equally divided—to discuss this matter and then have the vote.

If he is willing to accommodate this Senator on those three matters, I would certainly, for the record right now, indicate my willingness to work with him to set a time certain for the vote.

Mr. LOTT. Mr. President, I don't think we need 6 hours, 3 hours equally divided on each side, to discuss this.

What that guarantees is that we wipe out another day next week and we further delay doing the people's business on the appropriations bills.

But if that is what is insisted on, if this is an effort—again, that appears to me to be eating up time so we don't get our work done, but if that is what it takes, I am prepared to consider that.

Let me go back to a couple of things.

No. 1, every Senator in this body knows I am very meticulous about trying to be sympathetic to Senators' needs when they have family problems or deaths or religious holidays. Nobody can take that away from me. I would never do anything to take away any Senator's rights while he is attending to a very sad, personal family problem.

Having said that, I don't view this as having taken something away from Senator KENNEDY or anybody else. I think this is giving something back to the Senate, and that is the ability to get our work done.

But if that is what is taking place here, if you believe you don't want to do this while he is involved obviously in a very necessary family responsibility, I will honor that.

Also, I must say everybody in this Chamber knows I work very hard to keep my word. It is used against me sometimes on both sides. I try to get Senators to vote on Mondays and Fridays. You wouldn't believe the effort that is put underway by Senators on both sides for that not to happen.

If we don't get our work done, you are going to say, well, why didn't we get our work done? While I am trying to get the work done, sometimes with the Democratic leader's help, Senators try to find a way not to vote on Mondays and Fridays.

I don't know how in the world you get your work done if you do not do anything on Mondays and Fridays, and you have people show up and say: Gosh, I want to vote in the middle of the day Wednesday. How do you get this thing done?

In terms of keeping my word and how it has been used against me, for instance, being able to offer amendments, I said, yes, we will go to juvenile justice. And I said we are doing it on a particular date with the clear impression that we would get it done within that week in 4 days. It took 2 weeks. After a lot of going back and forth, we worked out an agreement on Patients' Bill of Rights, but we kept our word. We got it done. We had the debate, and it worked out fine, I thought.

But those 2 weeks took away 2 weeks that should have been spent on appropriations bills. But I kept my word. I really believe my word was used against me.

I have to try to force action on these things because we agreed we were going to deal with rule XVI. We have to find time to do that.

We agreed we would work out something where we would have a Social Security lockbox. We haven't done it. We have to find a way to do that. The American people want a Social Security lockbox. Everybody agreed that we need it. Let's get it done. I don't think we need to do it with 75 amendments in 45 hours. It is a little procedural fix that we can agree on with regard to Social Security being protected.

I filed cloture on those bills because every bill which we ought to bring up, somebody is threatening to filibuster it. Sometimes it is on our side. Sometimes it is on the other side.

Intelligence authorization: We wanted to try to get that up, and get the Department of Energy issue considered. We had a heck of a time getting it up to get it completed. Yet when we got through it, it passed 96–1.

Transportation appropriations bill: I want to get the transportation bill up. I am told in advance now that we are going to filibuster that.

What option do you have but to file cloture?

They don't want to bring it up because there is a provision in there that a couple or half dozen Senators do not like, or four Senators.

Let's get it up. Let's debate it. Let's have a vote on it and then move forward.

In fact, then, at that point, if Senators do not like the result, they have the option to filibuster. But when I am told if you try to bring up the transportation appropriations bill we are going to filibuster the motion to proceed, what option do you have?

There are explanations for these things.

I am interested in legislating. But I also have responsibilities as majority

leader to legislate on issues the majority is interested in. I also have a responsibility—I think both leaders have a responsibility, all leaders—to get our work done.

Included right up front on that list of getting our work done is passing the appropriations bills.

I am doing my job. Most of these appropriations bills I don't particularly like, to tell you the truth. It doesn't necessarily make me feel real good to be worrying about all the appropriations bills, but it is part of the job, part of the process.

There is not a single bill that comes through here where a single Senator likes everything in it, but we move the process along. I can think of a whole bunch of things in State, Justice, and Commerce I would like to knock out, and a lot of things I would like to add, but I will not do that because the Senator from New Hampshire and the Senator from South Carolina put their work in there, it was passed by the committee, probably unanimously, and we ought to move it forward.

I will be glad to work with the Senator to try to lock in a time next week to get this issue debated. I am glad to debate it. I don't know how many times we will hear: You Republicans caused this problem. I am saying: All right, OK, we acknowledge it. Let's fix it.

I bet when the vote comes, it will be overwhelming. Both sides know this needs to be corrected. Let's get on with it. I don't know what the final vote will be, but I will be surprised if it is not 80–20. It will probably be more than that, 90–10. Why not do it? It is the right thing to do. It is good for the institution.

I thank Members for their patience while I responded. If we are ready, we can go forward and set up a time to have this issue debated and voted on. Hopefully, it will be within a reasonable timeframe.

Mr. DASCHLE. Mr. President, I have to respond to a couple of points made by my friend, the distinguished majority leader.

First, with regard to the Social Security lockbox, if ever our point was made on a particular bill, it is this one. This is exactly why we are here. I am amused and completely appreciate what it is Senator LOTT has just said once more: Why do we need so many amendments? This is a simple little idea—Social Security lockbox. Why do we need so many amendments? This is just a simple idea.

Mr. President, a simple idea can have profound consequences. There may be one or there may be more than one way to enact a simple idea.

Senator LAUTENBERG offered on the Senate floor an agreement that said we will limit ourselves—and here we are again, the minority—we will limit ourselves to 12 amendments. Our Republican colleagues objected. That wasn't good enough. Twelve amendments was too many.

We find ourselves, time and time and time again, not filibustering a bill. I do not remember the last time the minority filibustered a bill because we didn't want it to pass. The only time I can recall we have filibustered—and fortunately we have never lost—is on our procedural right to offer amendments. That is the only time, that I am aware of, we have fought, because our rights need to be protected. I am compelled to set the record straight, and I am compelled again to respond. This is why we are in this box.

Ideally, what will happen is, a bill could get laid down, Democrats and Republicans could offer amendments; if it got out of line, Senator LOTT and I could say: People, we have to get this bill done. We have to get this bill done. Will you limit yourself? Let's develop a finite list of amendments.

Often that works. I have some of the best lieutenants I could hope to have, and when I sic them on the caucus, it is amazing how responsive the caucus is. It works. I come back and report to the majority leader, we can do this in 15 amendments, and we can do this tonight, and it works. That is one model.

The other model is, we are presented with a confrontation. A bill is filed, the tree is filled, a cloture vote is taken. That is the other model. That model doesn't work, and it will never work. I don't care whether it is an appropriations bill or an authorization bill, we will not allow that to work.

We can continue to play that out until we die of old age. It is not going to work, not as long as we are here. If we are going to get cooperation, then I am willing to look at that Social Security lockbox again. Twelve amendments doesn't seem too many to me. Yes, there may be some irrelevant amendments—not irrelevant, but nongermane amendments. They are certainly relevant to us.

I think the Republicans demonstrated last week, with the Patients' Bill of Rights, they can deal with it if we offer amendments. They can deal with it. They are in the majority. They have the votes to defeat our proposals. I am not sure I know what they are afraid of.

In any case, I have spoken long enough. As the majority leader has noted, the time has come to move on. I am willing to work with him to make the most of the time remaining this week and certainly next week.

I yield the floor.

Mr. LOTT. Mr. President, briefly, I note that in the presence of the President I was led to believe that, on the Social Security issue, two or three amendments would be enough on the lockbox. Then I am told later, well, we need 12 or 15. That is what I have to deal with all the time.

We can go back and forth as to what happened. We need a Social Security lockbox. We need to find a way to do it. The Senate is the only impediment to having that done.

What I propose to do with regard to rule XVI is ask consent —I am not doing it now—that when the Senate convenes on Monday, the 26th, we proceed to the original resolution to be placed on the calendar by the majority leader, immediately following the asserting of this agreement, and the resolution be considered under the following time constraints—this is the resolution; obviously, it is very short and very simple—that the resolution be limited to 3 hours for each leader or his designee, no amendments or resolutions be in order, and final adoption be in order prior to recess or adjournment of the Senate on Monday. We could have that vote at the same time we have the vote on the juvenile justice conferees cloture, if necessary.

I ask the Democratic leader to consider that. If the Senator can check to see when Senator KENNEDY will be back—I talked to him myself early this week, and I had the impression he would be back early next week, but I didn't press him in terms of Monday, Tuesday, Wednesday, whenever.

That is, I think, a fair way to do this. That is how it was outlined to me. I think we ought to do it. Hopefully, we can make some progress now on the underlying commerce bill.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY AND RELATED AGENCIES APPROPRIATIONS ACT, 2000—Continued

Mr. LOTT. I ask unanimous consent to lay aside the pending amendment until 4 p.m. today, with no call for the regular order served to bring back the amendment before that time. That way, we will have time to talk, and meanwhile our managers can go forward.

Mr. REID. Mr. President, reserving the right to object, while the two leaders are on the floor, the original point of order was made by me, so I believe I have a right to talk about this.

I am not going to talk about the substance of the amendment but talk about our two leaders. Speaking for Democrats and Republicans, we are very proud of our leadership. The majority leader and the minority leader, I think, do an outstanding job of representing their respective interests. The legislative branch of government depends on these two men leading their respective caucuses.

We should be doing less procedural battling and more substantive battling. I hope the majority leader hears what the Democrats are saying. We want to legislate. We are not trying to stop anything from going through. We want our rights to be protected. We want the ability to offer amendments. That is all we are saying.

This was proven in the very good debate we had. We were allowed to have the debate as a result of the work done by our minority leader. I think it is important we have more issues debated here. I hope during this weekend the two leaders realize, as I know they do,

the importance of having the Senate act as the Senate and that we start debating substantive issues.

I think this colloquy between the two leaders was very substantive and informative. I hope it will lead to a much better and more productive Senate.

The PRESIDING OFFICER (Mr. GORTON). Is there objection?

Without objection, it is so ordered.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

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

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

Mr. GREGG. Mr. President, I ask unanimous consent that there be 2 hours of debate, equally divided, on the amendment that is about to be offered by the Senator from Delaware.

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

Mr. GREGG. No second degrees.

Mr. HOLLINGS. No points of order, no second degrees.

Mr. GREGG. No second degrees. And at the end of that time, we are prepared to accept it.

Mr. HOLLINGS. We are prepared to accept it. And as I said, no points of order.

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

AMENDMENT NO. 1285

(Purpose: To provide additional funding for community oriented policing services)

Mr. BIDEN. Mr. President, parliamentary inquiry. Is the amendment at the desk?

The PRESIDING OFFICER. No, it is not.

Mr. BIDEN. I send the amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Delaware [Mr. BIDEN] for himself, Mr. SCHUMER, Mr. ROBB, Mr. DASCHLE, Mr. REID, Mr. HARKIN, Mr. LEAHY, Mr. AKAKA, Mr. BINGAMAN, Mr. DURBIN, Mr. GRAHAM, Mr. LIEBERMAN, Mr. HOLLINGS, Mr. JOHNSON, Mr. KENNEDY, Mr. KERREY, Mr. KOHL, Mr. LAUTENBERG, Mr. LEVIN, Mrs. LINCOLN, Mrs. MURRAY, Mr. REED, Mr. WELLSTONE, Mr. BREAUX, Mr. MOYNIHAN, Mr. BAYH, Mr. DORGAN, Mr. BRYAN, Mr. KERRY, Mr. CLELAND, Mr. SARBANES, Mr. ROCKEFELLER, Mr. DODD, Mrs. BOXER, Ms. LANDRIEU, Ms. MIKULSKI, Mr. FEINGOLD, Mr. BYRD, Mr. SPECTER, Ms. COLLINS, Ms. SNOWE, Mr. TORRICELLI and Mr. JEFFORDS proposes an amendment numbered 1285.

The amendment is as follows:

On page 32, after line 7, insert the following:

COMMUNITY ORIENTED POLICING SERVICES

VIOLENT CRIME REDUCTION PROGRAMS

For activities authorized by the Violent Crime Control and Law Enforcement Act of 1994 (Public Law 104–322) (referred to under this heading as the ''1994 Act''), including administrative costs, $325,000,000 to remain available until expended for Public Safety and Community Policing Grants pursuant to title I of the 1994 Act, of which $140,000,000 shall be derived from the Violent Crime Reduction Trust Fund: *Provided*, That $180,000,000 shall be available for school resource officers: *Provided further*, That not to exceed $17,325,000 shall be expended for program management and administration: *Provided further*, That of the unobligated balances available in this program, $170,000,000 shall be used for innovative community policing programs, of which $90,000,000 shall be used for the Crime Identification Technology Initiative, $25,000,000 shall be used for the Bulletproof Vest Program, and $25,000,000 shall be used for the Methamphetamine Program. *Provided further*, That the funds made available under this heading for the Methamphetamine Program shall be expended as directed in Senate Report 106–76: *Provided further*, That of the funds made available under this heading for school resource officers, $900,000 shall be for a grant to King County, Washington.

On page 21, line 16, strike ''$3,156,895,000'' and insert ''$3,151,895,000''.

On page 26, line 13, strike ''$1,547,450,000'' and insert ''$1,407,450,000''.

On page 27, line 13, strike ''$350,000,000'' and insert ''$260,000,000''.

On page 30, line 21, strike all after ''Initiative'' through ''Program'' on line 23.

On page 35, line 1, strike ''$218,000,000'' and insert ''$38,000,000''.

Mr. BIDEN. Mr. President, let me begin by thanking the chairman of the subcommittee and the ranking member. This is a bit unusual. I am violating what the Senator from South Carolina would recognize as the Russell Long rule.

When I first came to the Senate, Russell Long, the distinguished Senator from Louisiana, was chairman of the Finance Committee. One day I walked up to him because I had an amendment to a finance bill. He said: I will accept it. I said: Thank you very much, Mr. Chairman. Then I got back to my seat in the back row, and a staff person who had worked here longer than I had—I had only been here about 3 months—said: Senator, you really want a rollcall vote on that.

So I went ahead and I did my little spiel. Then I asked for the yeas and nays. The roll was called, and Russell Long voted against the amendment and encouraged others to vote against it. It was defeated. I walked up to him and said: Mr. Chairman, my Lord, you told me just 15 minutes ago you would accept my amendment. He said: Yes, I would accept your amendment. But I did not say anything about a rollcall vote.

We are not going to have, I hope, a rollcall vote on this amendment. I want to thank the chairman of the subcommittee for accepting the amendment. I apologize to him for speaking on something that is going to be accepted. But I think this is of such consequence that it is important to remind our colleagues of what we are about to redo.

A few weeks ago, the Appropriations Committee zeroed out all funding for the COPS Program, nearly closing the doors of what I believe to be the most successful Federal-State cooperative law enforcement program of our time.

This amendment corrects the committee's elimination of the funding for the COPS office in the fiscal year 2000. It restores funding for the COPS office to perform many of the significant functions in support of law enforcement—particularly in getting more cops out on the street.

In doing so, it supersedes—or, basically, makes void—the language in the committee report on pages 62 and 63 that would have directed the Justice Department to take steps to dismantle the COPS office. Under this amendment, the COPS office will remain alive and well for fiscal year 2000.

I am pleased today we have put aside partisan politics in support of this effective law enforcement program. Let me make it clear, although some of my colleagues on the Republican side worry a little bit about this being a Democratic program, it is not a Democratic program. It is a bipartisan program. It is a program where even this amendment has garnered the cosponsorship of four Republicans and the commitment of another several to vote for it. I predict there will be more Republicans to vote for it as well.

I am glad that we have listened to the police officers on the street, the police chiefs, the prosecutors, the mayors, the citizens of our communities, and our constituents about why they think the COPS Program has worked so well.

As I said, today, joined by 42 of my colleagues, including four Republicans, I offer this amendment to restore the COPS Program for fiscal year 2000. This amendment restores $495 million in funding for the COPS Program for the year 2000.

This is just one-third of the $1.43 billion that was appropriated in 1999. But it preserves this vitally important program that has thus far funded over 100,000 cops in communities across the country.

Here is how it will work: $170 million will come from unobligated balances for this fiscal year for the COPS office; $5 million in unobligated funds from the Bureau of Prisons; $140 million are shifted back to the COPS office for programs that it already has successfully administered in the past.

These include the Cops Connect Program, which provides equipment and upgrades so that officers from different jurisdictions can talk to each other and share vital information; it also includes targeted funding for equipment that protects police officers, such as bulletproof vests; and for training to identify and take down methamphetamine and other drug laboratories.

And $180 million are put back into the COPS Program to fund the hiring of up to an additional 2,400 officers in our public school system.

Most importantly, this amendment restores to the COPS office its primary function: putting more cops on the street. Under this amendment, there

will be funding sufficient to put 1,500 additional local law enforcement officers out on the streets in our communities.

I think we can all agree that this is a small price to pay for lower crime rates, safer communities, safer schools, more advanced law enforcement equipment, and more responsive police departments.

I am thrilled to be joined by so many of my colleagues. As I said, there are 42 cosponsors. I ask unanimous consent that a list of the cosponsors be printed in the RECORD.

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

SPONSORING

Joe Biden (DE) (sponsor).

COSPONSORS

(1) Daniel Akaka (HI).
(2) Jeff Bingaman (NM).
(3) Tom Daschle (SD).
(4) Dick Durbin (IL).
(5) Bob Graham (FL).
(6) Tom Harkin (IA).
(7) Ernest Hollings (SC).
(8) Tim Johnson (SD).
(9) Edward Kennedy (MA).
(10) Robert Kerrey (NE).
(11) Herb Khol (WI).
(12) Frank Lautenberg (NJ).
(13) Patrick Leahy (VT).
(14) Carl Levin (MI).
(15) Blanche Lincoln (AR).
(16) Patty Murray (WA).
(17) Jack Reed (RI).
(18) Harry Reid (NV).
(19) Charles Robb (VA).
(20) Charles Schumer (NY).
(21) Paul Wellstone (MN).
(22) John Breaux (LA).
(23) Patrick Moynihan (NY).
(24) Evan Bayh (IN).
(25) Byron Dorgan (ND).
(26) Richard Bryan (NV).
(27) John Kerry (MA).
(28) Max Cleland (GA).
(29) Paul Sarbanes (MD).
(30) John Rockefeller (WV).
(31) Christopher Dodd (CT).
(32) Barbara Boxer (CA).
(33) Mary Landrieu (LA).
(34) Barbara Mikulski (MD).
(35) Joseph Lieberman (CT).
(36) Russell Feingold (WI).
(37) Robert Byrd (WV).
(38) Arlen Specter (PA).
(39) Susan Collins (ME).
(40) Olympia Snowe (ME).
(41) Robert Torricelli (NJ).
(42) James Jeffords (VT).

Mr. BIDEN. It is a challenge for us to apply the lessons we have learned over the past years. More cops on the street means crime goes down. Law enforcement knows this. The American public knows this. We know this. And we must act now.

We all recognize the importance to communities across our country of ensuring the continued success of lowering crime rates.

Look at this chart. Since the COPS Program began as part of the 1994 crime bill, arrests have gone way up.

This is total arrests. Look at all the support we have on this. All the law enforcement organizations endorse this program. The mayors endorse this program. I thank, by the way, these organizations for their continued support of the COPS Program and for their extraordinary help with this amendment in particular.

To the law enforcement community, I say thank you. We should all say thank you. We could not have done this without your hard work and support, your phone calls, your letters. Your personal appearances have resonated with all of us. You are always on the frontline on this, and you have always taken a stand against crime. You should be proud.

I am proud of them. In a recent survey done for the National Association of Police Organizations, 85 percent of those surveyed think we should extend the COPS Program. The American people don't want the program to end. Although we do not extend the COPS Program beyond its authorized period through this fiscal year, my friend from New Hampshire and my friend from South Carolina know that I have continually attempted to extend the program. I will be back in another fora trying to extend the COPS Program so that we continue this beyond the year 2000.

For years, when I first wrote this crime bill, back in the early 1980s, we would debate this, and we would debate it and debate it. The editorial writers in this country, primarily from the most established newspapers, were very critical of my notion that we should vastly increase the number of cops. They would write editorials. One—I think it was one of the major papers, the New York Times, Washington Post, LA Times, but I don't recall which—said: Been there, done that.

Well, the truth is, we were never there. The truth is, for the previous 20 years, before the Biden crime bill, we did not add appreciably to the number of cops in America. If my memory serves me, in the 20 largest cities in America over the previous 20 years, although crime had grown significantly, we only added about 1 percent more cops than existed 20 years earlier. We had never done this before.

After all the hearings I held as chairman of the Judiciary Committee, being exposed over all those years to the leading criminologists in the country, the psychologists, psychiatrists, law enforcement officers, social workers, all the experts, I came away convinced of only a few things.

One is, if there is a cop on one corner of the street and no cop on the other corner and a crime is going to be committed on a corner, it is going to be committed where the cop is not. Sounds pretty basic. It is basic. This single most important reason why, beyond the sheer numbers, this COPS Program has worked, in my view, is because in order to get Federal money to hire local cops under this program, local law enforcement departments had to decide, as my friend from Virginia knows, to set up community policing. When he was Governor, he talked about this. When he was Governor, a lot of the Governors and mayors knew about this.

It was hard to do. Cops didn't want to get out of their cars and walk on the beat, figuratively and literally. There was resistance. So we said: Look, if you want another cop paid for in part by the Federal Government, your whole department has to be a community policing department. You have to go back and interface with the community. You have to know who owns the corner store. You have to know who lives in the house in the middle of the block. You have to know where the drug trafficking takes place. You have to know where the gymnasium is where the kids hang out. You have to know where the swimming pool is. You have to know the people.

And so one of the reasons, I argue, for the extraordinary success of the program is not merely the added numbers of cops but because of the way in which they are required to utilize their existing police forces in order to get any new cops.

Now, granted, in one sense this is a small victory in that it only continues the program through the time it was intended to continue it.

I hope we can reach some bipartisan consensus before we get to fiscal year 2001 to extend, as my friend from New Hampshire has proposed in an amendment we will vote on later today, the violent crime trust fund that pays for these cops, the Federal share. I hope we can get some bipartisan support on extending the program that continues to put more local law enforcement on the ground with the help of Federal dollars.

I will reserve the remainder of my time in a moment, but I want to make it clear that I truly appreciate the willingness of the Senator from New Hampshire to reinstate, at least in part, the funding for this program which would allow the office to continue through the year 2000. I see my friend has risen, and I am happy to yield to him at this time.

Mr. GREGG. I thank the Senator from Delaware. I appreciate his fine comments. We are going to accept his amendment at the point when all the folks who want to speak on it have had an opportunity.

Mr. BIDEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. BIDEN. I yield 10 minutes to my friend from New York.

The PRESIDING OFFICER. The Senator from New York is recognized.

PRIVILEGE OF THE FLOOR

Mr. SCHUMER. Mr. President, I ask unanimous consent that Ben Lawsky, a detailee from the Judiciary Committee, be granted full floor privileges during the remainder of consideration of S. 1217.

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

Mr. SCHUMER. Mr. President, I am proud to join my colleagues, the Senator from Delaware and the Senator

from Virginia, in offering this amendment to preserve the COPS Program for fiscal year 2000.

Three days ago, we received the latest news on crime in America, and the news is good. According to the latest National Crime Victimization Survey, nonfatal, violent crime fell 7 percent from 1997. Other figures recently released by the FBI indicate that murders dropped about 8 percent between 1997 and 1998. Overall, the Nation's crime rate has fallen more than 21 percent since 1993 and now is at its lowest level since 1973.

My home State of New York has been a shining example of crime reduction. Crime is down from one end of New York State to the other. In Buffalo, it has fallen by more than 30 percent; in Albany, it is down 24 percent; in Nassau County, it is down 24 percent; in New York City, overall crime declined 44 percent and murder dropped more than 60 percent.

Why the continued good news on crime? Well, I would be happy to concede to those on the left that a strong economy has something to do with it. I would be happy to concede to those on the right that tougher punishment for violent offenders and aggressive crime fighting by both Republican and Democratic mayors have played a significant role. But just as clearly, enhanced community policing and the COPS Program deserve their share of the credit.

I say to anyone in America, ask your local police about the drop in crime in the neighborhoods they patrol. Ask the local neighborhood and civic associations. They will tell you, inevitably, about new partnerships between police and neighborhood residents. They will tell you about successful efforts to deter vandalism, loitering, and disorderly conduct—the seeds of more serious neighborhood deterioration.

As pleased as we all should be about the crime fighting successes of the past years, now is no time to stand pat. Old and new law enforcement challenges require us to maintain our vigilance and our efforts. Indeed, the war on crime is sadly a war that never ends. The surest way to prevent a return to the bad old days of untamed streets and unsafe schools is to do what works: Yes, lock up violent offenders; yes, invest in prevention programs; and yes, hire and retain community policing officers.

When I authored the COPS Program in the House of Representatives and worked with the Senator from Delaware—we worked in tandem then because I was a House Member and he a Senator—I knew that not only the increased number of police, but the change in the type of policing, to community policing, was going to work. And work it did.

There is almost unanimous agreement from law enforcement, from people on both sides of the criminal justice argument, on the left and on the right, that the COPS Program has been a shining success. So when I read the words in the committee report, ''The Committee directs that from within available funds the COPS office close by the end of the fiscal year 2000,'' I was distressed, perturbed, and I was shocked because this is a Government program that works. This is not an ideological program, and it has such broad support.

The police agencies, the mayors, and town councils that have put COPS funds to such good use over the past 6 years felt the same way. I have received many letters from New York police chiefs and mayors over the past few weeks about this appropriations bill, and every one contains a similar refrain: Please keep the COPS Program in business.

As the Senator from Delaware knows, we made special efforts when we wrote the law to make sure small towns, villages, and counties were included. There was a special set-aside so that not all the money would go to the big cities. I was then a city representative—and, of course, I represent the whole State—representing the people who were most fervently for the program, the small town mayors and local county people, who could not have afforded these police but for the COPS Program.

It also has let us accomplish so much. In addition to hiring officers, it purchased new technology and implemented innovative programs to stop domestic violence, all because we created in this program the flexibility that if you could take cops off the desks and put them on the streets, patrolling the streets, it would work.

Well, 10,505 newly funded officers later, even the most skeptical New Yorkers—and we have many skeptics in our State—are converts to the cause of the COPS Program.

I am proud of this amendment which would keep the COPS Program in business for this fiscal year, negating the report language to the contrary. That is certainly an improvement over the committee's bill, which didn't provide any funding of the program. At the same time, I believe the COPS Program deserves even greater funding for fiscal year 2000 than provided in this amendment because fighting crime is a key to building strong communities. In my State, many of the communities have rebounded, including New York City, because it is much safer.

So I believe it should be a top priority for this Congress to reauthorize the COPS Program. Senator BIDEN and I already tried to do it as an amendment to the juvenile justice bill. We will soon introduce, along with the Senator from Virginia, Mr. ROBB, a freestanding bill to reauthorize the program, and we will not rest until we get the job done.

But this is an important step forward. I congratulate my friends from Delaware and Virginia for their hard work on the issue. I also thank my friend, the Senator from South Carolina, Mr. HOLLINGS, for his invaluable assistance with this amendment. Again, we will not rest until we get the job done.

Mr. BIDEN. Mr. President, I yield 10 minutes to my friend from Virginia.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. ROBB. Mr. President, first let me thank my friend and colleague from Delaware, as well as my friend and colleague from New York, for their support.

As a cosponsor of the Biden amendment, I would like to express my strong support for the effort to preserve and restore funding for the COPS Program.

I believe many of our colleagues share my view that protecting our Nation's citizens from all enemies, foreign and domestic, is a critical obligation of the Federal Government. We are committed to try to make all of our communities safer from the threat of crime. Today, by supporting this amendment and the COPS Program, all of us can make good on this commitment.

The Biden amendment will prevent the COPS Program from expiring as the underlying bill provides. Over the next year, the $495 million in funding provided by the amendment will put 1,500 new officers on the beat, hire 2,400 school resource officers to reduce violence in schools, keep hundreds more officers out in their communities rather than behind their desks, purchase bulletproof vests, and provide better communications equipment and technology. In short, this amendment will make a difference to the safety of our communities.

I am particularly gratified to see the resources devoted to school safety. Even before the tragic killings in schools across the Nation, I worked to amend the Commerce-State-Justice appropriations bill in 1997 to permit the use of COPS funding for school safety grants. The following year, with the help of Senators GREGG and HOLLINGS, we expanded that program. As a result, this year more than $167 million in school safety grants, including funding to hire school resource officers, is going to communities across the Nation.

More generally, the Community-Oriented Policing Services program, or COPS, is one of our best strategies for fighting the war on crime. The rationale is straightforward, and the results are impressive. In the simplest terms, COPS funding means more police on the beat, which means less crime.

The dynamics of COPS in community policing are, of course, more complex. The goal is not simply more bodies but better neighborhoods. By giving law enforcement the resources to actively engage their communities, we develop trust and better communications; we allow officers to be proactive and prevent crime before it occurs.

The bottom line is that the COPS program works. This Nation has the

lowest crime rate in 25 years. The murder rate is at the lowest point in 30 years.

In my home State of Virginia, we provided funding to put nearly 2,000 additional officers on the streets. As we have added those officers, we have seen a drop in crime. Between 1992 and 1997, murders declined by 17 percent in Virginia Beach, by 30 percent in Norfolk, and by 48 percent in Newport News.

With these statistics, it is not surprising how many are urging the Senate to step up to the plate again. My colleagues have already mentioned the many organizations asking us to continue COPS funding, including the Fraternal Order of Police and the United Conference of Mayors.

In a letter to Majority Leader LOTT, Sheriff Dan Smith, president of the National Sheriffs Association, stated:

> It is imperative to effective crime control that the COPS program survive. It is a program that is vital to effective law enforcement, and to sheriffs in both rural and urban jurisdictions.

I urge my colleagues to support the Biden amendment. We should not be satisfied with the lowest crime rate in 25 years. We should work for the lowest crime rate ever. This important amendment will help us to achieve that goal.

I again thank my distinguished colleague from Delaware for his continued leadership in this important area. I am delighted to work with him and with others, and I look forward to the continuation of this vital program.

I yield any time I may have remaining to the principal sponsor of the amendment, the Senator from Delaware.

Mr. BIDEN. I thank the Senator from Virginia.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Mr. President, I now yield 5 minutes to the Senator from Iowa.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, I thank my distinguished colleague, the Senator from Delaware, for yielding me this time.

I am pleased to be a cosponsor of this important amendment to restore funding for the successful COPS Program. We know it works and it should be continued. Later on, I will also be offering an amendment to restore funding for the Edward Byrne Memorial Grant Program—another vital resource for local law enforcement.

I voted against this bill in committee for one main reason: it drains the critical funding needed by our local and state law enforcement to help them do their jobs—to fight the drug problems in our communities and to keep our streets safe. The bill before us cuts the Byrne grants by more than 18 percent. The local law enforcement block grant is cut by 24 percent. Neither of these cuts makes sense.

Our communities need them to beef up their drug and violent crime task forces. These grants go straight to the state and local agencies. Why would they be cut? Violent crime has gone down, but does that mean we should give up the fight? Drugs and crime are a continuous battle and now is not the time to let up.

I've received dozens of letters from Iowa police chiefs and sheriffs describing the kind of setbacks that they would suffer if these cuts go through.

This amendment which restores just about a third of the fiscal year 1999 level funding for Community Oriented Policing Services Program, would be a good first step to giving our local communities the support they need to do their jobs. Police chiefs and sheriffs from across the country have told us loud and clear—the COPS Program is one of the 1994 Crime Act's most effective programs.

Consider this: Serious crime is retreating all across the United States. Since the COPS Program began, violent crime across the nation has dropped 21 percent—in part because local law enforcement used these federal grants to hire more officers to keep our streets safe, and to upgrade their operations with new technology. In Iowa, the murder rate has plummeted 34 percent from last year. Now is not the time to cut back on our efforts to fight illegal drugs and violent crime.

Rural America will pay the heaviest price if this amendment is not adopted. The COPS Program made a special commitment to include small towns and rural areas. Half of all COPS funding goes to agencies serving jurisdictions of under 150,000 in population. And its making a difference. I hear it all the time from sheriffs and police chiefs throughout Iowa.

I got a letter just the other day from Police Chief Douglas Book of Forest City, Iowa—a town of 4,500 people. He said zero-funding COPS would be detrimental to his operation. He wrote:

> * * * COPS, by the addition of one officer, has allowed us to provide a school resource officer for 20 hours per week. Something that was non-existent before COPS. Through the addition of the COPS funded officer we were able to be proactive in various areas of our community. One very successful operation resulted in a 75 percent drop in juvenile assaults * * * This funding literally deals with the quality of life in America. Results, not politics, must be the guiding factor * * * COPS works. Fund it. [Douglas Book, Forest Hill Police Chief, 6/23/99]

Here's another letter I received from Coralville, Iowa Police Chief Barry Bedford:

> Without the COPS Program, we would not have been able to keep up with the tremendous increase in the calls for service and crime-related activities, nor would we be able to obtain the vitally needed mobile data computers. This is a program that needs to continue if we are going to keep our communities safe.

The chiefs are right. Community policing works. It's a flexible program that is responsive to law enforcement needs. More cops on the beat have an undeniable effect on crime and a community's sense of security.

Funds to hire more than 100,000 officers have been awarded since 1994 by the COPS to more than 11,300 state and local law enforcement agencies across the nation. That's more than half the policing agencies in the country. As a result, these officers are joining agencies that serve more than 87 percent of the American public.

Iowa alone has received over $37 million to hire 544 officers. COPS funds have also been used to put computers in police cars in Dubuque, help officers in Grundy Center deal with vandalism and help Waterloo police fight drugs. COPS grants have helped community and county police departments hire civilians to do paperwork so more officers can be out on the streets. In short, COPS has made our streets and communities safer.

It makes no sense to block such a successful program that directly benefits our communities and makes them safer for our families. While crime is down—this is not the time to claim victory and retreat. So I urge my colleagues to support our amendment that restores this crucial law enforcement funding and I also urge that any language in this bill that mentions closing down the COPS office this year be deleted.

I compliment my colleague from Delaware for being a great leader on this program. This amendment should be supported and adopted if we truly want to support our police officers and our sheriffs' departments throughout this country.

I yield the floor.

Mr. BIDEN. Mr. President, I thank my friend from Iowa, and I compliment him for his continued support and early support for this program.

I now yield 5 minutes to my friend from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, I thank the Senator from Delaware. I am delighted to join with him as an original cosponsor of the amendment. I am pleased to work with him with respect to this question of the funding of the COPS Program nationally.

As the Senator from Delaware knows well, back in 1994 I brought the original amendment to the floor for the 100,000 police officers at a time when people said we weren't going to be able to find the money.

We managed to reach an agreement through the ingenuity of the distinguished Senator from West Virginia, Mr. BYRD, and an agreement with Senator GRAMM back then to split some money with respect to prisons, which ultimately became the foundation of a rather remarkable increase in funding for police officers on a national basis.

The Senator from Delaware, then chairman of the Judiciary Committee, had spent many long years working and fighting to recognize the need to have police officers in the streets of America. My own experience as a former prosecutor brought me to the

Senate with a long-term understanding of and commitment to the notion that crimes usually aren't committed right in front of a police officer. On too many streets in America, and too many corners of our communities, we were literally, only a few years ago, abandoning those streets to criminals. The ratio of police officer to a felony was diminishing. Felonies were going up; the police officers were going down. And there was a direct correlation to the disorder, even the chaos in some places, that we were inheriting as a result of the lack of capacity for enforcement.

Having run one of the largest district attorney offices in America, one of the 10 largest counties in the country, Middlesex County in Massachusetts, I learned firsthand it is not just a police officer on a street at a particular moment of time who is going to intercept a crime or break up a fight or provide order; those police officers who make arrests have to go to court. They have to be able to testify in cases. They have to have time to investigate cases. It takes an enormous amount of street work, of nonvisible work, to be able to adequately staff and supply the police force of the country, the investigative capacity of the country, in order to bring cases.

We too often were losing cases because we couldn't bring the officer to court. The officer needed to be out on the streets because of the shifts. Judges would dismiss cases because prosecutors were failing to put them together in time to meet the swift and speedy prosecution standards.

Finally, we got people to understand that it makes a difference to have a police officer walking a beat. That is another problem that occurred in America for a long period of time. We put police officers in a car; they drove around; criminals could pretty well predict when the car was going to come through. The car created a barrier between the officer and the street, so to speak. People didn't build relationships. They didn't build relationships with good citizens in the community, and they also didn't build relationships with bad citizens from whom they often learned who may have done one thing or another against the law.

Through awareness of that in 1994, we began an effort to put police officers back on the streets of America, to build those relationships, and to provide our departments with the indispensable foundation on which the life and economic development of a community exists. That is called the opposite of chaos. It is peace. That is why they are called peace officers.

The fact is, we have been on a wonderful trend line, an extraordinary trend line, where crime has been going down. Most violent crime has been going down, although not all; there are a couple areas that have gone up in the last year. The fact is, the kind of threat the average citizen felt in their community has diminished. In community after community after community, all across this country, police chiefs, police officers, mayors, everybody involved in the effort to provide order, will share stories of the remarkable ways in which the community policing program has made a difference in the lives of our fellow citizens.

It is extraordinary to me that plans were laid in the original Republican budget to eliminate funding for this, one of the most successful programs that we have had.

If you look at the city of Boston in the 1990s, we had a gang epidemic. There was a surge in youth violence. The Boston Police Department responded by developing a very innovative youth violence task force, an aggressive intervention strategy, and a program to control trafficking of firearms. However, much depended on the $750,000 COPS anti-gang initiative grant. That has become a model program in the country. Countless police chiefs and others have used that program as a way of instituting a similar effort in their own cities.

Every year since 1993, the number of juveniles killed by guns has decreased, a 60-percent decrease from 1990 to 1998. From July 1995 to December 1997 not one youth was killed with a firearm.

The rate of violent crime involving a firearm has decreased 43 percent since 1995. Property crime has dropped to its lowest levels since the 1960s and has been cut in half since 1990. House break-ins and car thefts have also hit a 35-year low.

The federal assistance through the COPS program has given local communities like Boston the tools to fight crime effectively. This makes our streets and schools safer, our homes more secure and improves the quality of life for everyone. In 1997, a Boston Public Safety Survey found that more than three-quarters of the residents feel somewhat to very safe alone in their neighborhoods at night, an increase of close to 20 percent just since 1995. Feeling save to walk the streets is a right, not a privilege for those who can afford it. Every community deserves the type of security that Boston residents currently enjoy. The COPS program has played an important role in fostering that security.

Listen to what Paul Evans, Commissioner of the Boston Police Department, has had to say. In a letter to me, which I will now read, Paul reminds us that

> Over the past five years, the COPS office has been a strong and effective partner in our efforts in Boston, and in cities across the country. COPS funds have supported the hiring of 109 new officers like Jamie Kenneally, who has quickly become a community fixture, walking his beat and serving as a one-man-anti-crime unit on Centre Street in Jamaica Plain.

Mr. President, other COPS initiatives have supported Boston's internationally recognized youth violence strategy, which yielded a 75-percent decrease in youth homicides. Also, COPS supported the citywide Strategic Planning and Community Mobilization Project that brought together more than 400 police and community stakeholders to create partnerships for public safety that have been replicated in communities across the country.

The effects of the COPS programs in Boston have been replicated across Massachusetts and across the nation. Here is a letter from Edward Davis, Superintendent of Police in Lowell, Massachusetts. In the letter, Superintendent Davis says the Lowell Police Department has seen a dramatic decrease in crime and the fear of crime over the past six years. Violent crimes have decreased more than 60 percent as a result of the hard work of police officers, citizens, and the support of the Federal Government.

Paula Meara, Chief of Police of Springfield, Massachusetts believes that COPS funding has unquestionably improved the quality of life for Springfield residents. In 1997 and 1998, Homicides in Springfield have declined by 40 percent and serious crime has dropped by 12 percent. Chief Meara believes that any reduction in funding for the COPS program will have catastrophic results and will be detrimental to the quality of life for every resident in Springfield.

The COPS program has been a demonstrated success in Massachusetts and across the nation. It deserves continued federal support. Adopting the Biden amendment is a good first step toward continuing federal assistance for local communities. However, there is much more that we need to do. First, we must find additional funds for the COPS program in conference to insure that communities that are currently plagued with crime and violence can fight back with a cop on the beat. Second, we must continue to work with local police departments to develop innovative community-based approaches to fighting crime. This approach will help allow evey community free itself of the crime and violence that lowers the quality of life and limits economic development. Mr. President, it is time we end the debate of whether to fund the COPS program, and move onto the far more important question of how to enlarge and expand this successsful program for the challenges before us today.

I ask unanimous consent a series of letters from police chiefs with respect to that program be printed in the RECORD.

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

BOSTON POLICE DEPARTMENT,
Boston, MA, July 14, 1999.

Hon. JOHN F. KERRY,
U.S. Senate,
Washington, DC.

DEAR SENATOR KERRY: I am writing to express my urgent opposition to efforts in the Senate to eliminate funding for the COPS Office. Like you, I strongly support Senator Biden's amendment to restore that funding.

Over the past five years, the COPS Office has been a strong and effective partner in

our efforts in Boston, and in cities across the country. COPS funds have supported the hiring of 109 new officers whom we could not otherwise have put to work in Boston's neighorhoods, officers like Jamie Kenneally, who has quickly become a community fixture, walking his beat and serving as a one-man anti-crime unit on Centre Street in Jamaica Plain.

Other COPS initiatives have supported Boston's internationally-recognized youth violence strategy, which yielded a 75 percent decrease in youth homicides. Also, COPS supported the New England Regional Community Policing Institute, which is a training consortium led by the Boston Police Department and that delivers state-of-the-art community policing training across the region. As one of its first initiatives in Boston, COPS supported our citywide Strategic Planning and Community Mobilization Project, that brought together over 400 police and community stakeholders to create the partnerships for public safety that have been replicated in communities across the country. COPS supports our initiatives in reducing domestic violence and other key areas of our mission.

The COPS Office is a major success story from the 1994 Crime Act, which you were so pivotal in enacting. I add my voice to what I know is a chorus of police executives who want this important work to continue.

Please let me know if there are other ways I can support Senator Biden and you in your fight to save COPS.

Sincerely,

PAUL F. EVANS,
Police Commissioner.

LOWELL POLICE DEPARTMENT,
Lowell, MD, July 15, 1999.

Hon. JOHN F. KERRY,
U.S. Senate,
Boston, MA.

DEAR SENATOR KERRY: The Lowell Police Department (LPD) has seen a dramatic decrease in crime and the fear of crime over the past six years. Part I Crimes have decreased by over 60% as a result of the hard work of police officers, citizens, and the support of government officials. This support is most evident by the resources provided by the U.S. Department of Justice Community Oriented Policing Services (COPS) Office.

Since 1993, the COPS Office has provided well over 4 million dollars to the LPD for the hiring of sworn and civilian personnel, as well as the implementation of innovative problem-solving initiatives. Through the Universal Hiring Program, Lowell has been able to hire 37 additional police officers, and COPS More allowed for the redeployment of over 30 officers into the community. The Advancing Community Policing Initiative allowed for the development and implementation of innovative training and management initiatives. The Problem-Solving Partnerships grants support youth and neighborhood challenges. Furthermore, the Community Policing to Combat Domestic Violence grant supported efforts targeted and addressing domestic violence citywide.

Equally important is the impact that COPS Office resources have had on law enforcement across the country. The COPS Office has been instrumental in enhancing the profession of policing, and challenging law enforcement to think and act in a more strategic manner. Embedded in all of the COPS grant programs, is an underlying theme of building and strengthening community partnerships with public and private organizations.

It is without reservation that I support the continuing efforts of the U.S. Department of Justice COPS Office and their state and local law enforcement partners. I would be happy to provide further information from my agency as well as from the citizens of Lowell, Massachusetts if necessary.

Very truly yours,

EDWARD F. DAVIS, III,
Superintendent of Police.

THE CITY OF SPRINGFIELD, MA,
July 15, 1999.

Senator JOHN KERRY,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR KERRY: The Springfield Police Department is a community oriented, full service, municipal Police Department. Community Policing was initiated in a pilot area of Springfield in 1993 and was expanded citywide thanks to the assistance provided through funding by the Department of Justice COPS Universal Hiring Grant Initiative. One hundred twenty-eight (128) officers have been hired thanks to the assistance of the Department of Justice and Federal Funding. Nationwide studies proved that traditional law enforcement strategies were insufficient and outdated when applied to today's complex law enforcement issues. After initiating community policing in 1993, the police department recognized immediate positive results. It became clear that when community police officers spent more time and focused more attention on the issues, calls for return service diminished substantially.

Community Policing was implemented ''city-wide'' in 1995 after a successful trial period, which included several pilot areas. The city was receiving high praise from residents for Community Policing efforts but expansion was hampered due to manpower constraints. The city was still recovering from economic depression and officer lay-offs in 1988. Community Policing in Springfield is both a philosophy and an organizational strategy that promoted new partnerships between people and their police. It is based on the premise that both the police and the community must work together to identify, prioritize and solve contemporary problems such as drugs, fear of crime, social/physical disorder and overall decay with the goal of improving the quality of life in our city. Without sufficient officer staffing Springfield was struggling to answer the constant need for immediate officer response to critical incidents while at the same time allowing officers the time necessary to commit to working with the community. Federal COPS funding provided the funds vital to hiring the essential additional officers to move forward and expand Community Policing in Springfield.

The City is organized into nine Community Policing Sectors. Management and services have been decentralized by transferring Captains out of headquarters into the sectors, assisted by Lieutenants, Sergeants and Officers—all assigned on a long term basis. Investigations have been organized to maximize sector responsibility with investigators from all of the Department's Bureaus assigned by Community Policing Sector. Neighborhood based beat management teams and regular community meetings comprise an essential component of this department's policing initiatives. The Springfield Police Department has worked continually toward enhancing its services to the residents of our city through collaborations with other services providers with the goal of meeting and exceeding citizen expectations. The Department of Social Services, Department of Youth Services, School Department, Springfield Health and Human Services, Department of Code Enforcement, District Attorney's Office, Hampden County Sheriff's Department (Corrections), Juvenile and Adult Probation Divisions, and Parole Department all work with our Community Policing Officers and have representatives assigned to Community Policing Sectors. Springfield is particularly proud of its Youth Assessment Center—named after Captain Joseph A. Budd, who commanded the Youth Aid Bureau and championed youth causes for many years. The Center became operational in 1997 and is among the first of its type in the nation. Funding supplied through the COPS Universal Award made this center possible. Any reduction in funding this center, which has become a national model, would jeopardize the health and welfare of our city's youth. It represents a collaboration of police and other major agencies, working together to better serve our city's children. Its primary focuses are: Early Intervention, Youth Diversion, and Prevention. Among the agencies that work with Youth Aid personnel at the Center on a daily basis are: Springfield School Department, District Attorney's Office, Department of Youth Services, Department of Social Services, Department of Youth Services, and the Center for Human Development (Project Rebound). Children in need of services, or youths that surface with law Enforcement Programs are brought to the center and not to the police station. At the center, trained investigators gather data relative to health, school and home issues—relating to drugs, sexual abuse, and domestic violence. If necessary, immediate and direct referral to the appropriate agency for assistance is provided.

COPS funding has provided officer staffing levels vital to proactively target the issue of school violence. Springfield has nineteen (19) officers and one Sergeant assigned full-time to patrol our Springfield's fifty-five (55) schools. These officers work with school officials, and numerous other service agencies to prevent incidents of violence. Student Support Officers are specially trained in mediation techniques and are a resource to school officials and students.

COPS funding has allowed us to develop many diverse programs to improve the quality of life in our Community.

Citizens Police Academy—Since 1996 we have held seven academies with approximately 175 residents attending twelve week interactive training sessions.

COP SHOP—Based on the Citizen Police Academy but directed at high school age youths who have shown an interest in Law Enforcement.

COPS AND KIDS—An after school program meeting three times a week at our Mounted Patrol facility targeting youths at risk, 12 to 14 years of age.

COPS IN SHOPS—Undercover officers posing as liquor store employees to target underage alcohol violations.

Community Chaplains on Call Program—A multi denominational volunteer group of clergy that respond to critical incidents within the City of Springfield and surrounding communities.

S.A.R.A Problem Solving Initiatives—Collaborative efforts by police and other stakeholders to prioritize and combat quality old life issues such as Open Drug Dealing, Auto Theft, Vandalism, Graffiti, and Youth Violence.

COPS Funding has unquestionably improved the quality of life for Springfield residents. Statistics show hard evidence that the Community Policing Initiatives financed by COPS Funding continues to be our most successful efforts to date.

From the period including 1995 to 1996 Springfield experienced 33 homicides. From the period including 1997 to 1998 as Community Policing expanded Springfield experienced a drastic reduction of homicides, with a total of 20. This is a 40% reduction over these two-year periods.

For the first six months of 1999 Springfield experienced one (1) homicide.

From the period 1997 to 1998 Springfield experienced an 11.98% reduction in UCR Part 1 Index Crimes. This category includes Rape, Robbery, Burglary, Aggravated Assault and Auto Theft.

For the same period Springfield experienced an 8% reduction in all other crimes not categorized in UCR Part 1 Index Crimes.

COPS funding is essential to the continued success of the Springfield Police Department's efforts to improve the quality of life for our citizens. Community Policing has become a way of life in the City of Springfield. Any reduction in funding will have catastrophic results and will directly effect public confidence in their Police Department and will be detrimental to the quality of life for the citizens of Springfield.

Very truly yours,

PAULA C. MEARA.
Chief of Police.

Mr. KERRY. I thank the Senator from Delaware for his leadership as well as for his courtesy.

Mr. BIDEN. I yield 5 minutes to my friend from Minnesota.

Mr. WELLSTONE. Mr. President, I thank Senator BIDEN for his great leadership on this issue. I hope I am an original cosponsor, and, if not, I certainly ask unanimous consent to be named a cosponsor.

I want to talk about a program that is extraordinarily important to the safety of communities. That's the COPS Program. In 1994, Congress enacted the Violent Crime Control and Law Enforcement Act. This act established a program known today as the COPS Program. This program has had unparalleled success.

The authority to hire officers under the COPS Program expires in fiscal year 2000. Although the President's Budget provided for an initiative that would allow a continuation of support for hiring police, the Senate Appropriations Committee markup does not include such funding.

This is not the time to cut back on funding police programs for our communities. The COPS Program authorized the hiring of 100,000 police officers and allowed states and localities to concentrate those officers on community policing. Funds were used for purposes such as: Training law enforcement officers in crime prevention and community policing techniques; development of technologies that emphasize crime prevention; linking community organizations and residents with police; and developing innovative programs.

In 1998, the COPS Program initiated the Safe Schools and Indian Country law enforcement improvements initiatives. The Safe Schools Initiative included $167.5 million for partnerships between law enforcement agencies and schools to improve safety in elementary and secondary schools and to hire school resource officers.

Under the Indian country law enforcement improvement initiative funding was available for hiring uniformed officers and assisting with other law enforcement improvements on tribal lands.

Under the COPS Program, the Youth Firearms Violence Initiative was developed to assist police departments in combating the rise of youth firearms violence.

As a result of the additional police officers in the community and the innovative programs funded by the COPS programs, we have seen historic crime reductions over the last few years. Crime is at its lowest rate in 25 years and has declined for 6½ consecutive years.

The COPS Program is strongly supported by every major law enforcement group. Why? Because it responds directly to their needs.

I want to share with you a number of examples of how different communities in my home State of Minnesota have successful used COPS funding and how their communities have benefited. The Anoka Police Department has refined its junvenile conferencing program—a program which essentially brings together youthful offenders with the victims of their offenses. The basic idea is that this confrontation will cause the young person to see the consequences of his/her actions and make it less likely to occur again. It also has eased the pressure on the court system.

In short, Police Accountability Conferencing is a non-traditional way of dealing with juvenile offenders. Modeled after a program in Australia, it brings the victim, the offender and their relatives together with an officer, who serves as a mediator, to discuss the ramifications of the offender's actions and decide on a mutually agreeable form of punishment.

This commitment to young people is a classic example of how COPS grants can be utilized effectively.

In addition, Anoka has a COPS officer who is also used as a school liaison officer. During the summer, this officer works with the landlords association in dealing with landlord-tenant issues.

Anoka Police Chief Ed Wilberg views the COPS Program as a very successful one—one which really does help to meet the needs of his community.

In both the St. Paul and Minneapolis, the Police Departments have been able to free up more officers so that they can do proactive work. Because of the COPS Program their work is not limited to responding solely to 911 calls.

For instance, Chief Robert Olson of the Minneapolis Police Department talks about being able to commit ''significant additional resources in both police officers and equipment'' to address the core cause of crime in Minneapolis. He reports that ''The catalyst for helping the city commit to those resources was the Federal COPS program.''

Chief Olson further states that

There is still a significant need for federal support of community-oriented policing services . . . . Law enforcement needs that federal support . . . and I hope that when these issues are presented that you will consider a continuation of the mission of the COPS Office in whatever form seems appropriate.

In St. Paul, this is what the Chief's office had to say:

The COPS grants have allowed us to hire police officers, increase efficiency through the use of technology, put greater emphasis on our problem solving efforts and enhance the linkage we have with our community. The COPS program is one of the best things President Clinton and Congress has done for law enforcement. We would like to see more funds for technology and support to further enhance our efforts.

In White Bear Lake, a rural community, COPS funding has enabled restructuring so that more officers are in the community. White Bear Lake has divided its community in 19 subcommunities with at least one officer assigned to each community. Quite simply, White Bear Lake jumped light years ahead because of the technology that the COPS grants allowed them to purchase—which has the direct result of police officers being in the community.

In the Shakopee Police Department, the COPS Program has been a godsend to an agency its size. It has allowed the department to hire additional officers in a diverse community that is growing every rapidly.

Within the last few months they were able to hire community service officers to provide services that ordinarily would have to have been performed by sworn officers. This means that additional sworn officers are freed up to do work in the community. Currently the Police Department is working to hire school resource officers. The school district has agreed to help with the cost. This would not be possible without COPS.

Here, I say to Senator BIDEN, is the quote I have been saving for you.

Police Chief Ken Froschheiser of Thief River Falls said that COPS ''has been so successful that if the citizens heard that it was going to be pulled, we would be hung.'' He also said that he jokes with the school district that he really doesn't have two officers, that the school district has two employees.

His school liaison officers are in the school 12 months of the year. They do things like bike patrols and help create block programs which allows his officers to be closer to the community, neighborhood by neighborhood. The COPS Program provided the resources to do the school work that he wanted to do. He also has noticed an increased collaboration with other city and county agencies, for example, the school district, social services and the court system.

The point is simple: under a community policing philsophy, law enforcement agencies recognize the need for cooperation with the communities they serve. Each community has numerous resources that can be used with law enforcement to solve problems.

The Upper Midwest Community Policing Institute, which is funded in part by COPS, is working in partnership with the Minneapolis Police Department to provide outreach and training to the large Somalian community in the Cedar-Riverside neighborhood and the officers who serve them.

In the near future, this Institute will be exploring community policing applications to the problem of domestic violence. Importantly, the Institute is working closely with a large number of Tribal Law Enforcement agencies to provide training and technical assistance. This work has included helping to facilitate the white Earth Tribe and Mahnomen County agreement to resolve jurisdictional issues. COPS allowed this to happen. This Institute is an important piece of the COPS picture. It exemplifies the success of a law enforcement approach that is tailored to community needs.

The success of the COPS story goes on and on. COPS provided resources which allowed departments throughout Minnesota to upgrade technology and to redevelop the whole notion of community policing.

At the national level: The United States Conference of Mayors states that the COPS Program has been critical in the significant reduction in crime and that the nation's mayors always cite the COPS Program ''as a working example of what can be accomplished when red-tape is reduced to a minimum in favor of results-oriented programming''. The nation's mayors urge reauthorization of the program.

The COPS Program also is supported by the National Sheriffs' Association, The International Brotherhood of Police Officers, the National Association of Police Organizations, The Police Executive Research Forum, The National Troopers Coalition, The Major Cities Chiefs, and the International Association of Chiefs of Police.

Mr. President, why would we eliminate such a successful program? This is a time to build on our successes. This country needs additional resources to enhance crime fighting efforts. We need better communications systems in more communities to deter criminals, and to improve the ability of different jurisdictions to interact. We need to provide more communities with state of the art investigative tools like DNA analysis. We need to be able to target crime hot spots by making resources such as crime mapping available to more jurisdictions. We need new community based programs to ensure the safety of our school children.

The COPS amendment being offered today by Senators BIDEN and SCHUMER will enable us to continue the COPS Program which will expire next year. The amendment will support the hiring and training of up to 50,000 more cops over 5 years. It will support new technology to fight crime. It will provide funding for community prosecutors. The amendment puts cops in schools and supports partnerships between schools, law enforcement and the community. Communities and their students feel particularly vulnerable in the aftermath of the Littleton tragedy. It is important to continue our support of the dialogue between schools, law enforcement and the community so that communities can continue to fashion solutions to the problem of school violence.

This program has been a success over the last 5 years. It has benefited communities throughout this nation. It should be continued.

Mr. BIDEN. Mr. President, I yield 5 minutes to the Senator from Nevada.

Mr. REID. Mr. President, as we prepare to agree to this amendment reauthorizing the COPS Program for an additional year, I wish to take a moment to recognize the work of the Senator from Delaware on this issue. The senior Senator from Delaware has offered an amendment that is very important to the country. He also, earlier this year, offered an amendment to the juvenile justice bill to reauthorize this program. That effort, supported by everyone in the minority, was defeated.

Fortunately, though, for the people of the State of Nevada and this country, we had the support of the police officers from all over the country, the district attorneys from all over the country, the sheriffs from all over the country. Law enforcement officers, officials, literally called upon us, their Senators, to express their overwhelming support for the reauthorization of this program. So I extend every bit of appreciation possible to the Senator from Delaware for his persistence and also for his ability to energize law enforcement officials in this country. It is because of their interest and their trust in the Senator from Delaware that we have reached this point.

I have in my hand four pieces of paper filled with the names of cities and towns, Indian tribes, universities from all over the State of Nevada, that have received help from this program, from Bolder City in the far southern tip of Nevada to the Yomba Shoshone Tribe in the northern part of the State. They received grants of money and police officers to allow the State of Nevada to be a more peaceful place.

Hundreds of police officers are now patroling the streets all over the State of Nevada as a result of the legislation that was previously passed. It is very important we move forward.

I speak as someone who has been a police officer, someone who has been a prosecutor, someone who has defended people charged with crime. I am convinced there are many important ways to cut back on crime, but there is nothing more important than having a police officer seen on the street. A police officer who is known to be in the area certainly will deter crime.

This program is good. We are fortunate we are now having another opportunity to make sure this program goes forward.

Mr. FRIST. Mr. President, I am happy today to support continued funding for the Community Oriented Policing Services, or COPS program. During consideration of the Juvenile Justice Bill in May, I opposed Senator BIDEN's amendment which would have authorized the COPS Program for 5 more years. I took that position because I felt that Senator BIDEN's proposal, which would have cost taxpayers $7 billion, needed to be carefully scrutinized in the normal legislative process. His proposal would have more than doubled the current funding authorization, and did not address the serious problems that exist with the current program.

Today, however, I am happy to support continued funding of the COPS Program for FY 2000. Local law enforcement officers from across Tennessee have contacted me to let me know of their support for this program. Tennessee has benefitted from almost $120 million in Federal funds since the COPS Program began. Police Chief Jamie Dotson of Chattanooga told me that the COPS Program has assisted him in hiring an additional 76 police officers. The police chiefs of Memphis, Nashville and Knoxville all support the program.

I look forward to working with my colleagues on reauthorization of the COPS Program. I want to ensure that we build flexibility into the system, so that communities may use the Federal funds to best suit their needs, be they more policemen in schools, purchase of new technology, bullet proof vests, or overtime payments to keep policemen on our streets fighting crime. Additionally, I want to ensure that we carefully scrutinize the program to eliminate waste of scarce taxpayer resources. I am grateful that my colleagues have been able to work out a compromise so we can continue to fund this program, and I am proud to continue my support.

Mr. FEINGOLD. Mr. President, I rise today as a proud co-sponsor of the amendment offered by my distinguished colleague from Delaware, Senator BIDEN. Despite the proven track record of the Community Oriented Policing Services (COPS) Program and widespread support from the law enforcement community, the current version of the Commerce-Justice-State appropriations bill almost completely eliminates this important program. Senator BIDEN's amendment, however, corrects this terrible flaw in the bill. It would preserve the Office of Community Oriented Policing Services and fund the hiring of roughly 1,500 police officers through FY 2000.

Since its inception in 1994, the COPS Program has provided an unprecedented level of resources to communities across the nation in the fight against crime. The COPS Program has awarded $6 billion to 11,300 communities to fund the hiring of more than 100,000 police officers. The addition of 100,000 police officers represents a nearly 20% increase in the number of officers on the streets. And more cops on the streets means lower crime. Crime is at its lowest rate in 25 years and has declined for seven consecutive years. The COPS Program has a lot to do with that happy statistic.

What is community policing and how has it reduced crime? Community policing is a law enforcement strategy

that emphasizes establishing community partnerships, putting more officers on the street, decentralizing command functions, and promoting innovative, community-oriented strategies to prevent crime. With the recent wave of schoolhouse shootings like those that occurred in Littleton, Colorado and Jonesboro, Arkansas, there is a growing sense among Americans that we are no longer safe in our homes, in our schools, in our communities. One sure way to reduce crime and restore peace of mind is through community oriented policing. The COPS Program does just that.

COPS has had a positive, and very tangible, impact on communities throughout the country, including in my home state of Wisconsin, by putting more police officers on our streets and making our citizens safer. In the state of Wisconsin alone, the COPS Program has funded the equivalent of over 1,100 new officers and contributed roughly $70 million to communities to make it happen. The COPS Program has succeeded because it helps individual officers to be a friendly and familiar presence in their communities. They are building relationships with people from house to house, block to block, school to school. This community policing helps the police to do their job better, makes the neighborhoods and schools safer and, very importantly, gives residents peace of mind.

The current Commerce-Justice-State appropriations bill, however, threatens the progress in community policing and the reduction of crime our nation has seen in recent years. First, it eliminates the federal funding for local law enforcement to hire additional, needed officers. Second, it eliminates the COPS office and transfers the administration of technology and school resource officer grants to the Office of Justice Programs. This is absurd and ignores the success of the COPS Program.

As I travel through Wisconsin and talk to sheriffs, police chiefs and other law enforcement officers, I hear the same refrain, time after time: the COPS Program is vital to their work and has enabled them to get more officers out from behind their desks and onto the streets. I agree. The COPS Program has been a shining example of an effective partnership between local and Federal Governments. It provides federal assistance to meet local objectives. It does not interfere with local prerogatives. It does not impose mandates. The program provides funding to counties, towns and cities to enable communities to put more police on the street. Individual police and sheriff's departments have discretion over how those funds are used, because they know what problems their communities face and the places they need help most.

Mr. President, zero funding for hiring officers means fewer cops on the streets. Shutting down the COPS office means local law enforcement will lose the ability to participate closely in determining what funds they receive and how they are used. Senator BIDEN's amendment, however, would provide for continuing the much-lauded COPS Program to ensure that we have an additional roughly 1,500 police officers in our communities in Wisconsin and throughout the nation. I urge my colleagues to join me in supporting this amendment and continuing our drive to put more police officers on the streets and to reduce crime in our communities.

I yield the floor.

Ms. SNOWE. Mr. President, I rise today to thank the Chairman, Senator GREGG, and the Ranking Member, Senator HOLLINGS, for accepting the one year extension of the Community Oriented Policing Services Program. This extension, being offered by Senator BIDEN, with my support, will allow communities in Maine and across the country, to continue receiving assistance from this very successful program.

The COPS program was created in 1994, when President Clinton signed into law the Violent Crime Control and Law Enforcement Act. Not only does it provide grants that help communities hire additional police officers to help with the war on crime, the COPS Program also provides funds to acquire new technologies and equipment and provides police with opportunities to work with schools to address persistent school-related crime problems. This program is so worthwhile that one of Maine's police chiefs said it is one of the most innovative programs he has seen in his thirty-five years in police work.

Since its creation, COPS grants have been awarded to more than half the policing agencies in the country. In Maine there are an additional 258 police officers in 90 city and county police forces as a result of the COPS Program. All across my state, from the Androscoggin County Sheriff's Department to the Town of Ft. Kent and from the Kennebunk Police Department to the Washington County Sheriff's Department, I am proud that the State of Maine has been able to utilize almost $18 million in COPS program funding to hire these new police officers. These new police officers have helped reduce the amount of violent crime in Maine and across the country. In fact, since 1994, violent crime in America has fallen by 13%.

By restoring $495 million for Fiscal Year 2000, the Community Oriented Policing Services program will be able to fund the deployment of almost 4,000 more police officers. These new additions to the front lines of the war on crime will allow our communities to continue to reduce violent crime in America.

Again, Mr. President, I appreciate Senator GREGG's willingness to accept this amendment.

The PRESIDING OFFICER (Mr. VOINOVICH). The Senator from Delaware.

Mr. BIDEN. Mr. President, I will make a few brief comments, and I am prepared to yield the remainder of my time. I thank my friend from New Hampshire for accepting the amendment.

This was part of an original bill called the Biden crime bill at the time. At the time, when we introduced the notion of all these new cops partially being paid for by the Federal Government, I was told a couple of things. One, local authorities would not like it because they would have to come up with part of the funding. Two, it would be cumbersome to administer. Three, we would find ourselves in the position where it really wouldn't make much of an impact on the community.

I suggest the reason I wrote the bill the way I did originally was to take into consideration all three of those concerns. First of all, everyone will know, from their home States, that there is no redtape in this program. The day after we passed the crime bill in 1994 in my office, I sat with the Attorney General of the United States and her staff, and, to her chagrin, I said we must get this application down to one single page. They looked at me as if to say: What do you mean, one single page? That is not possible for a Federal program which is going to cost $30 billion. But that is what it is. It is a page. That is the reason why there is an infinitesimally small portion of this COPS Program and the crime bill program money being spent for administration.

The second thing was, I remember my friend from South Carolina telling me at the time: If you don't do this the right way, this is going to get hung up in every State. That is why we didn't send this money to Governors. The Presiding Officer is a former Governor. We love former Governors. But this doesn't go through State legislatures. The local police chief in Columbus, OH, does not have to convince anybody in your State capital they need more cops. They can go directly to the source.

From a little town in Massillon, OH, they can go straight to the source. They do not have to go to the legislature; they can go straight downtown after their city council in Dover, DE, Smyrna, DE, Wilmington DE. It enabled local law enforcement agencies to determine their own needs and thereby eliminate the waste. By the way, I got in trouble with Governors for writing it that way, for not sending it through State legislative bodies.

The third thing it does, and there was criticism of this when it was done, it says you do not get any money unless you have a certain kind of police department. What do you have to do? If you have 10 cops in your police department, you cannot fire two and apply for Federal money to hire them back. That is what was done under the

LEAA, the Law Enforcement Assistance Act, when I first got here. This program said there was a maintenance of effort. We would help you get the 11th cop, but you couldn't cut it to 9 to go back to 10.

We said: By the way, you have to have a community policing operation. Why is that important? Mayors and Governors do not want community policing. It is harder to do. It costs more money. The cops organizations—I love them all—didn't want it. It costs more money. If I am a cop in a tough district, I would rather be riding in a patrol car with another guy than I would be walking through by myself. So they did not want it. We said: No money unless this gets leveraged. If you have 10 cops and you want one of ours to raise your force to 11, all 11 have to be community cops. That is the key.

Why do I say this? If the Federal Government gets out of the business of helping here, it will not only be the loss of the money; I predict it will be the loss of the willingness to maintain community policing even though it works, even though every mayor knows it works and every county official knows it works. It is expensive and it is hard. Mark my words: The day the COPS Program ends, initially 5 percent, 10 percent of the communities in America will go away from community policing, and 10 years from now we will be back to where we were.

That leads to my second concluding point. People said back when the original bill was written: BIDEN, why are you only doing it for 5 years? I said, one of two things are going to happen. Maybe at the end of the 5 years those of us who support this concept are going to be right; it is going to be proven, as in the old expression, the proof of the pudding is in the eating. At the end of the 5 years, the pudding either tastes good or it tastes bad. If it tastes bad, all the king's horses and all the king's men will not keep the COPS Program going because it will be branded for what it is, a waste of time and money. But if the pudding tastes good, all the king's horses and all the kings's men cannot stop it from being reauthorized for another 5 years.

So far, the king's horses and king's men have stopped it from being authorized for another 5 years. It is a different issue. It is different than continuing it for this next year. But I want to say, I think the proof is in the eating. Our streets are safer. Go out and ask any of your mayors, any of your county executives, any of your town councils, any of your police departments. You come back and tell me anyone who said: Eliminate this program. They may have suggestions to make it better, and we should listen to them but not eliminate it.

This leads me to my exact last point. I am a Democrat. I take great pride in the fact that I wrote this bill. Originally, it was the Biden bill. When it passed and became law, I remember saying to President Clinton: Let's call it the Clinton bill.

We lost the Congress that year, and he thought we lost the Congress in part because of the gun amendments. He said: Keep it the Biden bill.

It started working really well, and now it is the Clinton bill. It is good it is the Clinton bill, but I want to make this the Republican bill, and I mean this sincerely. I want COPS to become like Social Security has become. Initially, Republicans hated Social Security and they were against it. Roosevelt came along, and Democrats supported it. Over the years, they have not only become politically committed, they are as committed as we are. They really understand how important it is, but for a long time it was not invented here.

This COPS bill was bipartisan in its inception. When the first so-called Biden crime bill that had this in it originally passed out of the Senate, it was called the Biden-Hatch crime bill until it got to the other side. Gingrich did not like the look of it politically, and even though it passed in the Senate with 97 votes originally—what passed the Senate originally was the same thing that ended up becoming law. It had 97 votes originally. It went over to the House of Representatives, and when it came back, I had to get seven Republicans to pass it. Only seven Republicans voted for it.

From that point on, the bad news about the crime bill has been: We Democrats beat our chests about how we did it, and the Republicans did not, which is literally true. And the Republicans have said: My Lord, we can't continue to support a program from which the Democrats are getting such benefit. Let's end this.

Let's go back and pretend this was part of the crime bill that passed out of here, which it did, with 97 votes. This is a bipartisan idea, and my plea is let continuing the program through its authorization period of the fiscal year 2000 be the first step, and the second step, that Republicans and Democrats join together and reauthorize for another 5 years this program and reauthorize for another 5 years, as my friend from New Hampshire has suggested, the trust fund.

It is time—and I know this sounds ridiculous in this atmosphere—to take the politics out of this. This is working. There is enough room for all of us to claim credit. There is enough room for everybody to say, look, listen to what Ronald Reagan used to say when he first became President: If it ain't broke, don't fix it. This ain't broke.

Now let's put a Republican stamp on it and a Democratic stamp on it—an American stamp—just as we do on Social Security. We will be doing the Nation a great favor, and maybe, just maybe, we will get back in the habit a little bit of cooperating as Democrats and Republicans.

I thank my friend from New Hampshire for being willing to accept the amendment. I appreciate his accommodation in allowing us to speak to it in spite of that, and I truly look forward to the possibility that in the coming months we will be able to move beyond this and have a bipartisan—a Republican amendment. I will sign on to a Republican amendment reauthorizing this and call it the Republican crime bill. I do not care what we call it. I sincerely mean that. But let's keep a good thing going.

I thank my friend, again, very much. I thank my friend from South Carolina who, when this bill was being written 5 years ago, was the major engine behind it. He was the one who allowed it to get through the committee in the first place.

I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, I yield myself such time as I may take on this. I appreciate the comments of the Senator from Delaware and his commitment to this program.

The committee's decision to end this program was based on a number of factors. The first factor was our allocation, which was so low. We had to simply apply resources where we thought they were most needed.

The second factor was basically, in our opinion, the administration had taken the money to fund the COPS Program from some other very important law enforcement initiatives. For example, the administration did not fund the additional 1,000 Border Patrol which we think is critical. They did not fund the expansion of strike team efforts by the DEA. They did not fund the Boys and Girls Clubs initiatives. They did not fund the juvenile block grants. They did not fund the local law enforcement block grants. They did not fund the interagency drug enforcement grants. The money which came out of those accounts was essentially used to expand the COPS Program.

The funding which this committee has made to the COPS Program has been extraordinary, and it has been strong over the years. In fact, the original program called for 100,000 cops. This committee has funded 105,000 cops over the years and with our final funding we had in place.

We also as a committee, with the support of the Senator from South Carolina, initiated aggressive programs of mentoring in schools using police officers. We think this is an important effort, and in our bill we expanded that amount. That is how we arrived at the number we did.

I am willing to look at the extension of the COPS Program, but I think we have to look at it in the context of the resources available to us. When the administration sent up a budget as they sent up and essentially played games with the other law enforcement accounts, things which have to be done, which we knew had to be done and they knew had to be done, and then they underfunded those accounts, that is what created the basic problem in the initial bill.

Working with the Senator from Delaware, we have been able to work out this resolution, which I think is a reasonable one and one with which I know the Senator from South Carolina agrees.

If there is no further debate, I urge adoption of the amendment.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, the Senator from Delaware has made an outstanding presentation. I join in the comments of my distinguished chairman. We are ready to accept the amendment.

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

The amendment (No. 1285) was agreed to.

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

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

The motion to lay on the table was agreed to.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

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

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

Mr. DASCHLE. Mr. President, before we take up the next amendment, let me just comment briefly on the amendment already agreed to, offered by the Senator from Delaware, Mr. BIDEN.

I am pleased to be a cosponsor of this amendment. I am very pleased with the action taken this afternoon by the Senate. The amendment certainly signals our continuing strong commitment to this innovative approach to crimefighting; that is, the COPS Program.

The crime rate in the United States has gone down for 6 consecutive years—the longest period of decline in 25 years. And we received even more good news recently. This year's National Crime Victimization Survey reports that the number of Americans who were victims of violent crimes dropped 7 percent between 1997 and 1998.

That is great news. Of course, no one claims we have won the war against crime, but we are certainly winning some important battles. The 100,000 officers placed on the beat since the COPS Program began in 1994 have been on the front lines of this vital effort.

Why would we jeopardize that success? The additional officers put on the beat since 1994 have revolutionized community policing, and the COPS Program has helped foster an unprecedented crime-fighting partnership between communities and Federal, State and local law enforcement. Why should we let something that has proven to be so effective wither on the vine?

We should instead build on the success of this program, which has been endorsed time and again by every major law enforcement organization.

I have seen firsthand how valuable the COPS Program has been in communities in my home State. South Dakota's law enforcement officials are among the most well-trained and capable public servants in the country.

South Dakota's crime rate is low, and its streets are safe, but, just as in more populated States, South Dakota families still worry about the safety of their streets and neighborhoods.

In my State, and in rural America in general, the COPS Program can double the size of some police or sheriff's departments by providing funding to hire just one or two additional officers. Many of the small towns and counties in my State are faced with tight budgets, limiting the amount of resources they can devote to law enforcement personnel. By providing those resources, the COPS Program has had a profound impact on these communities.

Law enforcement officers in South Dakota have described that impact to me.

They have testified about how the COPS Program has helped them.

Let me share just one of those stories, because I think that it provides a vivid example of how this program can truly make a difference.

In the days immediately following the Littleton, CO, tragedy, parents throughout the Nation were terrified by a rash of bomb threats and a fear of ''copycat'' crimes. In South Dakota, we had to deal with over 30 bomb scares.

One of those threats was called into Tri-Valley, a school in a rural community outside of Sioux Falls, SD. Fortunately, Tri-Valley has a police officer, called a ''school resource'' officer. His name is Deputy Preston Evans, and his position is funded by a COPS grant.

On the day of the bomb threat, as students were being evacuated from the school, a number of students came up to Deputy Evans and told him they knew who had made the threat. By the end of the day, two suspects had been arrested.

Those students were able to confide in Deputy Evans for one reason they trusted him. And they were able to trust him because they knew him—they had a relationship with him. How many acts of violence or mischief are deterred in schools like Tri-Valley because the students can confide in such a person, who might not be there without the COPS Program?

In a video conference yesterday, I spoke with some of the law enforcement leaders in South Dakota—Minnehaha County Sheriff Mike Milstead and Sioux Falls Police Chief Clark Quiring, and many others. They told me how the COPS Program has provided them the flexibility to increase their presence in schools.

They mentioned how important it is for students to feel secure. As Sheriff Milstead so eloquently noted, ''there is not a bigger barrier to learning—than fear.''

For his generation, the greatest fear was going home that afternoon with a bloody nose, he told us.

Littleton reminds us that kids today have a lot more to worry about than just a fist-fight with a school-yard bully.

But thanks to the COPS Program, children today have someone they can turn to.

Dr. Bill Smith, the Instructional Support Services Director for the Sioux Falls School District, joined the law enforcement leaders in yesterday's video conference and told me that we now have evidence that officers in schools are welcome and helpful.

When students throughout the Sioux Falls district were asked in a year-end survey whom they would go to if they had a problem, 44 percent said they would confide in their school resource officer before anyone else.

That is a remarkable statistic:

44 percent of the students said they would go to their school resource officer before they would turn to their teacher or principal. I can think of no more compelling evidence of how this program can make a real difference than that.

Today, the Senate will help ensure that the COPS Program, and officers like Deputy Evans, will continue to make a difference—in our schools, on our streets, and in our neighborhoods.

The action taken by the Senate just now is a tribute to the men and women across the country who risk their lives every day to make our communities safer.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

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

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

Mr. DURBIN. Mr. President, one of the important items contained in the Commerce-Justice-State appropriations bill is the appropriation for the Census Bureau.

I think we all agree, a fair and accurate census is a fundamental part of our representative democracy and good government. As required by the Constitution, census results will determine how many members of the House of Representatives will come from each of the states. Those results will also determine how many federal dollars, funding a wide array of important programs, will return back to the state. We're talking about over $180 billion that will go to state and local governments and the distribution of additional billions in state funds. This same data is a vital component in determining where to build roads, hospitals, schools; even your local Wal-Mart or McDonald's location is based on this same information.

The Census Bureau projects that the U.S. population will near 266 million in

2000. Cost estimates for administering Census 2000 were projected to be anywhere between $4 and $4.8 billion. Those projections were based on the assumption that ''sampling'' would be used to provide the fairest and most accurate count to date.

The U.S. Supreme Court, however, this last year ruled by a narrow 5–4 majority that the use of sampling was prohibited by law for the purpose of apportioning seats in the House of Representatives. Since the Court decided the case on statutory grounds, it found no need to decide whether the Constitution also barred the use of modern statistical methods for purposes of congressional apportionment. The Court went on to affirm that the law requires the Secretary of Commerce to use modern statistical methods, where feasible, for all other purposes.

As a result of the Court's decision, the Administration is required, if feasible, to release two sets of population figures in 2001: one set of adjusted, unsampled numbers to be used for apportioning seats to the States, and a second set of adjusted or sampled, numbers to be used for all other purposes. The Court's decision has added the potential of $1.7 billion to the cost of the census. These funds will be used to hire census takers to handle the 50% increase in the number of households that must be visited.

This includes $954 million for non-response follow-up. To get responses from all households that don't answer the mail survey, the Census Bureau will hire more enumerators and will expand follow-up to any unprecedented 10 weeks. Training will be increased to sustain quality with a larger workforce that will total over 800,000 employees.

The Census Bureau will need an additional $268 million for data collection infrastructure, $229 million for coverage improvement efforts, and $219 million for a variety of data collection operations, things like rural area data collection, the ''Be Counted Program,'' enumeration of soup kitchens, shelters, and redeliveries.

Every single dollar the Administration is asking for is necessary. Without it, we will have a highly inaccurate census count. I believe we're on the path to another census nightmare similar to the 1990 experience. Nationwide, we missed 8.4 million people, mostly inner city and shanty town minorities; they double counted 4.4 million Americans, most of whom were white college students. My home State of Illinois suffered the eighth highest undercount in 1990; in the city of Chicago alone, they somehow didn't count 2.4 percent of the population. If you said they counted 97.6 percent of the population, it sounds good. But missing 2.4 percent is crucial. That's an astonishing figure considering the national average for undercount hovers around 1.6 percent. That may not sound like a lot but that 0.8 percent differentiation equals almost 70,000 people. The city of Chicago estimates that the undercount was significantly higher: maybe as much as 250,000 people. The Census Bureau missed 114,000 folks for the whole state.

What does that mean for my constituents back home in Illinois? The city of Chicago did a study last year and, if you follow the premise that the Bureau missed 68,000 people, estimated revenue loss for the city of Chicago would have totaled just under $100 million. If you follow the 250,000 undercount figure, the city of Chicago would have lost over $327 million. Let me give some figures that show why we're trying to raise awareness about this topic.

Head Start in the city of Chicago, a program to provide early education for kids, lost over $28 million because of the census undercount. The Older Americans Act for senior citizens lost over $5 million. WIC funds, nutrition funds for children, lost over $2.5 million. Child care funding, we lost over $3 million. This is no small affair. We have to remedy the situation.

I have a letter, dated May 7, 1997, from my colleagues Senator LOTT, Senator NICKLES, then-Speaker Gingrich, and House Majority Leader ARMEY. In this letter, the Republican leadership in both Houses state:

> We are firmly committed to working with the House and Senate Budget Committees and Appropriations Committees to provide a level of funding sufficient to perform the entire range of constitutional census activities, with a particular emphasis on accurately enumerating all groups that had historically been undercounted.

Mr. President, I ask unanimous consent to have the letter printed in the RECORD.

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

CONGRESS OF THE UNITED STATES,
Washington, DC, May 7, 1997.

Dr. MARTHA FARNSWORTH RICHE,
Director, Bureau of the Census, Department of Commerce, Washington, DC.

DEAR DR. RICHE: We are writing about one of the most critical constitutional functions our government performs: the decennial census. Based on recent media reports, we are concerned that a misunderstanding of congressional priorities is driving the Census Bureau's plans for the 2000 census. Consequently, we fear that the Bureau is on the verge of formalizing plans that do not reflect the House and Senate's goal to perform the most accurate census possible that is consistent with the Constitution. We would like to take this opportunity to clarify the three main principles that comprise the congressional mandate for Census 2000 and which should guide the actions of both Congress and the Bureau as you finalize census preparations in coming months.

INCREASED ACCURACY

Accuracy and completeness are absolutely essential if the census is to provide the reliable data necessary to support the business of government. Despite criticism, the 1990 census was the most accurate in history. Still, we expect to improve on its success in 2000. To reach the level of accuracy we expect, to ensure that communities that have been undercounted in the past are fully and accurately counted in the future, we must physically count each and every American.

We cannot rely on statistical schemes that compromise accuracy for the sake of economy. Despite the Bureau's insistence that statistical estimation is more accurate than actually counting Americans, the fact remains that if statistical adjustment had been allowed in 1990, Pennsylvania would have erroneously lost a congressional seat to California. Voters should not be disenfranchised through the use of statistical guessing.

Census data must also be as valid at the census tract and block level as they are at the state and national levels. Under sampling, as the area gets smaller, the margin of error grows wider. Individuals who rely on accurate census data for reapportionment will receive census counts with a range of possible numbers to choose from in drawing lines for congressional, state and local elections. The result will be chaos in government, uncertainty for voters, lawsuits lasting for the better part of a decade, and worst of all, the further erosion of our citizens' confidence in their government's ability to do its job and do it right.

CONSTITUTIONALITY

Equally important is the constitutionality of Census methodology. Taxpayers are investing a minimum of $4.2 billion to conduct Census 2000. We must protect their investment by using only methods that are clearly and undisputably allowed by the Constitution. If the Census is conducted with methods that are later ruled unconstitutional, taxpayers will not only have lost their original investment in Census 2000, but will likely be asked to spend an additional $6 billion or $7 billion to do the entire census over again.

Legal experts who testified recently before the Senate Governmental Affairs Committee agreed that it would be calamitous if the Supreme Court were to declare Census 2000 unconstitutional. The Court has not addressed the constitutionality of statistical sampling in the Census, however the Constitution clearly states that the Census should be an ''actual Enumeration'' of the population, and Title 13 U.S.C., Section 195 states that sampling cannot be used for purposes of the apportionment of the U.S. House of Representatives. We strongly believe that the Bureau's proposed use of statistical sampling exposes taxpayers to the unacceptable risk of an invalid and unconstitutional census.

ALLOCATION OF SUFFICIENT RESOURCES TO CONDUCT AN ACCURATE AND CONSTITUTIONAL CENSUS

Recent news reports have quoted you and other Census Bureau officials as citing a congressional mandate to spend less money in the 2000 Census. While we certainly seek to promote economy and efficiency in all aspects of government, the constitutional requirements governing the census leave us no choice when it comes to cutting corners in order to save money; we cannot do it. On the contrary, the census must be funded at levels necessary to comply explicitly with the Constitution.

We are firmly committed to working with the House and Senate Budget Committees and Appropriations Committees to provide a level of funding that is sufficient to perform the entire range of constitutional census activities, with a particular emphasis on accurately enumerating all groups that have historically been undercounted. Towards this end we are eager to see aggressive and innovative promotion and outreach campaigns in hard-to-count communities, the hiring of enumerators within those localities, and maximizing Census employment opportunities for individuals seeking to make the transition from welfare to work.

We look forward to working with you on these and other issues to ensure that the 2000 decennial Census is the most accurate and

Constitutionally sound census ever conducted.

Sincerely,

NEWT GINGRICH,
Speaker of the House.
RICHARD K. ARMEY,
House Majority Leader.
TRENT LOTT,
Senate Majority Leader.
DON NICKLES,
Senate Assistant Majority Leader.

Mr. DURBIN. I thank the Chair.

Let me wrap up by saying that our goal is the most accurate census possible. The census has a real impact on the lives of real people. We have to do everything for a fair, accurate, and complete count.

It is my understanding that my colleagues, Senators GREGG and HOLLINGS, the chairman and ranking member of the Subcommittee on Commerce, Justice, State, and the Judiciary, will hold a hearing in the very near future on this issue of underfunding. I look forward to the resolution of this important issue.

I have spoken with the White House as well. They assure me that this issue will be resolved, and we won't repeat the disastrous census undercount of 1990 in the year 2000.

I thank the Chair, and I yield back the remainder of my time.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I was going to send an amendment to the desk. Might I ask my colleague from Indiana—I would like to hold my position on the floor, but I saw him—did he come to the floor with the intention of speaking or introducing an amendment?

Mr. LUGAR. If I may respond to my distinguished colleague, I came to the floor to offer an amendment to the bill.

Mr. WELLSTONE. Mr. President, if Senator LUGAR came with the intention of offering the amendment, I was just trying to help Senator GREGG and Senator HOLLINGS move this along.

So might I ask unanimous consent that I be allowed to follow Senator LUGAR with the next amendment?

Mr. GREGG. Mr. President, I think that makes a great deal of sense since we may be able to work something out on the Senator's amendment.

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

Mr. WELLSTONE. I thank my colleague.

The PRESIDING OFFICER. The Senator from Indiana is recognized.

AMENDMENT NO. 1289

(Purpose: To appropriate funds for the National Endowment for Democracy and to offset such appropriations with a reduction in the Capital Investment Fund)

Mr. LUGAR. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative assistant read as follows:

The Senator from Indiana [Mr. LUGAR], for himself, Mr. GRAHAM, Mr. MACK, Mr. HATCH, Mr. KERREY, and Mr. LIEBERMAN, proposes an amendment numbered 1289.

On page 78, between lines 8 and 0, inset the following:

NATIONAL ENDOWMENT FOR DEMOCRACY

For grants by the Department of State to the National Endowment for democracy as authorized by the National Endowment for Democracy Act, $30,000,000, to remain available until expended: *Provided,* That, in lieu of the dollar amount specified under the heading ''CAPITAL INVESTMENT FUND'' in this Act, the dollar amount under that heading shall be considered to be $50,000,000.

Mr. LUGAR. Mr. President, I wish to state the purpose of my amendment. The purpose of the amendment is to restore funding for the National Endowment for Democracy. I am pleased to be joined by Senator GRAHAM and Senator MACK, who serve with me as members of the Board of Advisors for the National Endowment for Democracy. We are proposing funding the NED at $30 million, which is $2 million below the President's request and $1 million less than this year's funding level. It is also $1 million below the authorization level that has already been approved by the Senate.

Our amendment proposes to shift $30 million from the Capital Investment Fund in the State Department title of the bill. I regret very much having to propose this shift because I, like the chairman of the subcommittee, believe the Capital Investment Fund is important to the effective operation of the Department of State and that the account is underfunded. But if we are successful in making the offset, I will work with the chairman and others to try to help find the moneys to help restore that funding to the Capital Investment Fund.

The problem the subcommittee faced was a serious problem. There is simply inadequate funding in the 150 function of the International Affairs Account. That scarcity of funds forced difficult choices about priorities and required much give and take. In my judgment, the National Endowment for Democracy must be a high priority. There is no funding for the National Endowment in the bill before us. That is why we are compelled to propose the amendment I have just introduced.

The reason for proposing the amendment is that the appropriations bill provided no funds—none at all—for the National Endowment. The Endowment did not even merit a mention in the bill; it is completely ignored. This zero-funding decision was made even though the Senate approved a straight-line funding level of $31 million in the State Department authorization bill, which we considered earlier this year, and even though successive administrations and successive Congresses have supported full, or near full, funding for the NED year after year.

It is a unique phenomenon perhaps that the NED has enjoyed strong bipartisan support since 1983 when it was created by the Reagan administration. The NED has consistently gained the support of both Republican and Democratic administrations since then and of every Republican and Democratic Congress over the past 15 years. But not in this bill.

The committee report accompanying the bill does recommend that funds for the NED be found among other divergent State Department accounts. This simply is not a good idea. Funding directly from the State Department would make the NED a grantee of the State Department and make it an arm of the Department. This would eliminate NED's line item, destroy its independence, and undermine its ability to gain access to grassroots organizations fighting for freedom and democracy in other countries all over this world—the very heart of NED's effectiveness.

For this reason, former Secretaries of State have written of the importance of retaining the independence of the NED in a 1995 letter. They wrote:

> We consider the nongovernmental character of the NED even more relevant today than it was at NED's founding twelve years ago.

NED's effectiveness comes in good part because it has an independent status, functions as a nongovernmental organization, and has a board that operates as an independent board of advisers. We have faced and confronted challenges to the NED numerous times in the past. The Senate has debated funding for the NED six times since 1993. Two years ago, we faced a comparable effort to slice and dice the NED. I proposed an amendment at that time to restore funding, and it was approved by the Senate by a vote of 73–27. A few weeks ago, in another challenge to NED, this time proposing a different manner by which NED allocates its internal grant-making funds among the four core institutes; the amendment was defeated by an almost identical vote of 73–26. That has been the pattern, fortunately, over the years.

Let me just say I am sympathetic to the extraordinary difficulty facing the managers of the bill. There are so many critical issues in the various titles of the appropriations measure, and the NED is a very small item by comparison. But this is just the point. The NED has been a very cost-effective vehicle for promoting democracy, human rights, and civic society around the world. Given its presence in some 90 countries, many on the threshold of democratic breakthroughs and others struggling with the transition to a more open society, NED's relatively small funding level is a genuine bargain. It is an exceptional investment in security for the United States of America.

We often speak in broad generalities about promoting democracy, expanding democratic values, and promoting human rights around the world. The point that must be made is that doing

so is very much in our national interest. These are not whimsical ideas. Securing strong democracies should be one of the most effective means of combating and deterring the spread of terrorism, coping with the proliferation of weapons of mass destruction, promoting market economic practices and principles and creating opportunities to expand our markets, supporting fair labor practices, and forestalling the destabilizing effects stemming from refugee flows.

None of these goals comes easily, and, as a Nation, we have decided it is in our national interest to encourage and to assist those in other countries who share the same ideals as we do in the United States. The NED is a key instrument in achieving these democratic goals and values.

Over the past 15 years, the NED and its four core institutes have worked openly with willing counterparts in other countries to spread the ethos of democracy around the world. The four core institutes working with the NED itself are each affiliated with domestic American institutions. They are: A, the International Republican Institute, the IRI, and B, the National Democratic Institute, the NDI, which help build political parties, help to ensure free and fair elections, and strengthen governing institutions and civic society. They are loosely affiliated with the Republican and Democratic Parties. Then, C, the Center for International Private Enterprise, CIPE, which promotes the growth of private enterprise in a democratic process, is affiliated with the Chamber of Commerce, and (d) the American Center for International Labor Solidarity, which has links to AFL–CIO and supports the development of independent trade unions. The Solidarity Movement in Poland was an early grantee, for example. The NED itself funds grassroots organizations that promote independent media, human rights, civic education and the rule of law in other countries.

Testimonials on behalf of the NED have poured in from former Presidents, former Secretaries of State and former national security advisors, from grantees and non-grantees alike. These testimonials represent a veritable Who's Who in the world movements for democracy and human rights. These names include His Holiness the Dalai Lama; Harry Wu, the Human Rights Activist; Elena Bonner, Russia civil rights advocate; Clement Nwankwo, Chairman of the Transition Monitoring Group in Nigeria; Vaclav Havel, President of the Czech Republic; Lech Walesa, leader of the Solidarity movement in Poland; and countless others from some 80 to 90 countries in every region of the world.

Mr. President, I had hoped to avoid a debate on this issue this year. I had hoped that some agreement or arrangement could be made so that we could move ahead without delaying this appropriation bill. That certainly has been my intent. I regret that this has not been possible.

The amendment is now before the Senate.

I simply say that in the early 1980's when clearly it was the intent of the United States to push for democracy and human rights that the means of doing that were not at all clear to President Reagan and our Secretary of State. As a matter of fact, many felt it was inappropriate that the President and the Secretary of State sought to intervene in the affairs of other countries around the world suggesting changes of government, although this is clearly what we wanted to see.

The changes in Eastern Europe could not have occurred without Lech Walesa, and Lech Walesa's movement which were heartily adopted by the AFL–CIO of this country. Through informal but very effective means of finance and organization, that fledgling labor movement in Poland was given not only strength but legitimacy throughout the world as a democratic movement of change, an alternative to a government which at the time seemed very solid.

At the same time, from my own recollection and experience, I recall the efforts of the Roman Catholic Church in Central America and in the Philippines, and of American businesses who were farsighted and who understood the interests of our country laying freedom for people and democracy in contract law and the rule of law—the same principles we debate now with regard to Russia, as we have worked with Russians.

How do you establish these situations, and do so without violation of diplomatic principles? Because our Nation, our President, our Secretary of State, must deal with leaders as they are constituted now and with their foreign ministers and defense ministers.

But a very unique organization came from these considerations. It was called the National Endowment for Democracy.

It included Republicans, Democrats, labor officials, Chamber of Commerce people, and a check and balance so that our own American view had four dimensions. This was not ideological, not official, but arose from the best grassroots leadership of this country. And it was effective.

The changes in the world we now take for granted—the celebration we had at the 50th anniversary of NATO, the accession of Poland, Hungary and the Czech Republic into NATO—we take for granted that democracy there came forward.

The point I am making is that it did not come forward because our State Department advocated that and brought it about, although clearly they support the shift to democratic systems. There was no official governmental way of bringing about those responses, which require money, fledgling newspapers, grassroots organizations, a how you print ballots, and how you register voters. All the nitty-gritty of politics we take for granted, but which could not be taken for granted in those countries which had not enjoyed those options.

The issue before the Senate, very frankly, is that some Members I suspect may have become weary of the democracy business. They may think that was important then and this is now.

I would just suggest that at the NED board meetings which I attend regularly there are routinely 80 to 100 proposals in which the National Endowment for Democracy and its core groups debate on these principles. We take seriously the idea of democracy and human rights. We think that is still a very important subject in this world. This is not routine. It is not freely dismissed as something that was lost in the budget. It was not mentioned, but the State Department might find if it came to their attention.

We believe that the statement by the Senate ought to be clear—that we stand for democracy and the National Endowment for Democracy is a very good way to achieve democracy, and to do so year by year in a systematic and effective way.

I point out that it is important, I suppose, to have this debate each year as a wake-up call. There may come a time when we become so blase and so routine about our functions that we forget human rights. But I hope that will never be the case.

I suspect that those who are still struggling in parts of southeastern Europe—certainly in many Asian countries—those who are considering democracy in China, those in Latin America and Africa and those who are still trying to make it work out in various provinces of Russia welcome our help. They welcome labor leaders and business leaders from this country. They welcome Senators like JOHN MCCAIN, who heads up the Republican Institute; or ORRIN HATCH, who was there at the beginning of the National Endowment.

Senator CONNIE MACK of Florida, one of our board members now, and Senator BOB GRAHAM of Florida, one of our board members now, have both been so effective in Latin America and Central America, and not just in the 1980's when we were all going down for inspection of elections, trying to help people find out how to campaign, and how to count votes successfully.

A lot of that heavy lifting still needs to be done.

Although this is a debate that I wish did not occur annually, but so be it. It is a time really for Senators to stand up and be counted on whether they feel passionately, as I do, and I think many of us do, about democracy and human rights and what we can do about it effectively.

I am simply making the point that the State Department cannot do that by force. We as American citizens working through grassroots organizations and through informal means can

get the money and the organization to make a difference, which ultimately our President can recognize and our Secretary of State can bless.

I point out, parenthetically, that the incumbent Secretary of State, Madeleine Albright, has served on the Board of the National Endowment for a number of years as has Zbigniew Brzezinski, as distinguished members of the Democratic Party. We now have Paul Wolfowitz, a distinguished American diplomat and scholar, as one of the Republicans, serving on the board.

This has been a case of people giving of their time and their substance in private life even as they go back and forth into the public sector and serve our country in that way.

I finally make the point that we are indebted to excellent editorials that appear in major newspapers in the last few days.

I simply quote a sentence from the New York Times editorial of yesterday in which they call for a vote for democracy abroad, a leading editorial. They say:

> It is hard to think of a dictatorship whose opponents have not benefited from the endowment.

That I think is an important point.

As you name the dictatorships of this world, they knew what hit them. In most cases it was the Endowment for Democracy and its advocates, and its supporters that made the difference.

There may be all sorts of theories why these governments rose and fell. But I suggest that those of us who suggest it through the ballot box initiative really had to have a horse to ride on, and the means at least of making those alternatives effective.

I cite, for example, the current discussion in Serbia where many persons believe—starting with our President—that President Milosevic would not be a suitable candidate for reelection or for a continuation. But the press keeps pointing out, What are the alternatives? How do habits change, if it is to occur in a democratic way?

Where are the fair procedures? In fact, where has the United States been in terms of actively boosting those who wanted freedom, who wanted a different kind of Serbia, who espouse those values in this country but had no effective vehicle?

Those are the missions that lie ahead. I hope we will be worthy of the task. I advocate the adoption of the amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. HUTCHINSON. Mr. President, I rise today to support restoring funding for the National Endowment for Democracy and commend Senator LUGAR for offering this amendment. As reported from the Appropriations Committee, the National Endowment would receive zero funding for fiscal year 2000 with the assumption that the Department of State would provide money from its democracy and human rights accounts.

Since its inception in 1983, NED has sought to maintain an ideological balance, with a bipartisan, multisectoral core structure, as well as a bipartisan board. Its status of being simultaneously public and private has provided insulation from shifts and tides in changing administrations, allowing NED to focus on long-term democracy development. This independent role would be compromised if NED were subjected to State Department control.

For almost 16 years, NED has been instrumental in building the foundations of democracy in over 80 countries, including peaceful transitions in Poland, Chile, and South Africa. Today NED continues to support a diverse portfolio of democracy building initiatives. In the Sudan, NED funds support human rights monitoring and reporting. In the Newly Independent States (NIS) and in Russia, NED has been supporting anti-corruption efforts, market-based reforms, independent media, and civic education. These programs lie in the long term interest of the U.S. because they will help to promote stability in a region plagued by instability. They will help these countries to emerge from the mire of communism.

NED programs are also important in the People's Republic of China. Mr. President, I think we are all aware of the egregious human rights abuses perpetrated by the authoritarian government in China. The insecure government controls pastors and church members through state apparatus, imprisons prodemocracy advocates for their activities, and suppresses the truth through propaganda instead of allowing open media. Thousands of political prisoners languish in prison, many sentenced after unfair trials, others without any trial whatsoever.

Under the totalitarian regime in China, the political system is a sealed door with no clear signs of opening. Many in the United States have placed their faith in economic progress to produce some sort of eventual political change in China. I do not believe that we can afford to make such a dangerous assumption. Even as the Chinese people suffer, so too will the advocates of ''trade at all costs'' under the current political system, because of the absence of the rule of law. When trying to conduct business in China, American companies must deal with bureaucrats rather than regulations, evasions rather than enforcement, and convolution rather than competition—because there is no judicious rule of law.

We all want to see democracy in China. But we cannot assume that it will happen by itself. Instead, we must take steps to foster democracy. That is exactly what NED is about. NED funds over twenty programs to promote human rights and democracy in China.

With money from NED, the International Republican Institute supports electoral and legal reform.

The National Democratic Institute monitors civil and political liberties in Hong Kong following its transfer to China.

The Laogai Research Foundation, run by former dissident and prisoner Harry Wu, conducts in-depth research into China's forced labor prison camps.

Another NED grantee is run by chairman Lie Qing, who spent eleven years in prison for his involvement in the Democracy Wall movement. This organization has been invaluable in monitoring human rights conditions in China and has been helping victims' families bring criminal charges against Chinese leaders responsible for the 1989 Tiananmen killings.

NED also supports VIP Reference, an organization that has taken advantage of the Internet to promote the free flow of information in China—news that has not been filtered or altered by the Chinese government. Besides opening this conduit to freedom, NED also supports research and publications on democracy and constitutionalism, symposia on private enterprise and market economics, and publications relevant to Tibet.

Mr. President, these organizations are not rich by any means. In many cases, their staff works on a volunteer basis, out of their conviction to see freedom in China. They rely on funding from NED to stay in operation because other sources of funding from Hong Kong and Taiwan are scarce. Those potential sources fear offending China. Private businesses often will not fund these groups because they consider it too great a risk in light of their business interests in China. Only Congress has remained committed to funding these advocates of democracy. Without NED funding, we will cripple these programs and remove a key fulcrum in the push for democracy in China.

Democracy building is not a quick fix for totalitarianism, nor will it produce instant change. But in the long run, these programs will produce a result worth far more than they cost today.

I commend Senator LUGAR for taking this leadership role, for offering this amendment. I believe it is critically important we support and pass this amendment, not just for China but for advocates of democracy all over this world.

I urge my colleagues to support a restoration in the National Endowment for Democracy's funding for fiscal year 2000.

I yield the floor.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, we have all heard the expression stand and be counted for democracy.

Come on, give me a break. No one really thinks a Senator obviously elected to office is against democracy. No one in his right mind could think that the Department of State is against democracy and is incapable.

What we have is a deficit. The Congressional Budget Office estimates at this particular moment we are spending over $100 billion more than we are

taking in this year. I didn't know this was coming up, but since I get questioned about there being no surplus for the year 1999, the Congressional Budget Office, as of June 30, estimated that we will spend this fiscal year, which ends at the end of September, $103 billion more than we take in.

The President's own document, the OMB projection, not only states we will have a deficit for the next 5 years, but the deficit and the debt will continue for a 15-year period, the debt going up from $5.6 trillion to $7.7 trillion. It is going up to 2.1 trillion bucks and everyone is running around talking about surplus, and we are getting 602(b) allocations at the Subcommittee on State, Justice, Commerce, of $1.3 billion less than we have this year. We are spending more than we are taking in, and otherwise trying to find $1.7 billion in the census.

Faced with those constrictions, I wonder where in the world do you find money for the Chamber of Commerce, the AFL-CIO, the Democratic Party and Republican Party—how do you justify it?

Back in the eighties we had Lech Walesa and they did have a wonderful labor movement and they did bring democracy there in Poland. But I don't know of the labor movement that is going on in the People's Republic of China. I have been there three times now and I have yet to meet a labor leader, much less the likes or ilk of Lech Walesa.

So, yes, we stand up to be counted for democracy. We are hoping to sustain the economic credibility of this particular republic by saying we have to make choices. I tried to pay for these programs. I have even introduced a value-added tax allocated to reducing the deficit and the debt and taking care of Social Security. But these friends who come to the floor and talk in fanciful terms about they are for democracy and independent movements for democracy—the inference being, of course, the State Department is not—on the contrary.

I hear about taking it from the Capital Investment Fund. I remember working some 4 years ago with Under Secretary Moose, Dick Moose, who used to be the director of our Foreign Relations Committee who the distinguished Senator from Indiana would remember well. Everybody is talking about security of the Embassies and facilities in the Department of State. The communications computerization of the Department of State and the Embassies overseas and around the world is in terrible shape. It is similar to the Pony Express. So 4 years ago we instituted the Capital Investment Fund to get Y2K compliance. The Chamber of Commerce, that crowd that was running all over the floor fixing the votes for Y2K—a problem that could not possibly happen for 6 months and everybody is beginning to comply and they wanted to upset 200 years of tort law back at the State level where they know how to administer it best—they came in to do that. And now they want to make darn sure the Department of State is not Y2K compliant.

Tell the Chamber of Commerce to look for democracy somewhere else and money somewhere else. The same for all these other entities that want to get NED, the National Endowment for Democracy. It is a political sop. It has been that for several years and everybody knows it.

We would like to give it all to desirable things. There have been some good things that happened under the National Endowment for Democracy years back, but they continue to embellish and run around with responsibilities they try to find, makeshift and otherwise, so they know it is going to be in trouble when they come to the floor. They get distinguished leadership to bring these amendments. I take it I will be in a minority, but I have gotten used to being a minority of the minority.

With that said, I hope we can save this amount of money somehow, the $30 million. It is not easy to get the moneys we need all over for the Department of State. I can tell you now, we are on course. To take $30 million from the telecommunications upgrades and computerization upgrades we are now about doing, and start cutting that back for the Chamber of Commerce of the United States, is out of the whole cloth for this Senator who stands here in the well for democracy.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, I join with the Senator from South Carolina in his views on this issue. I recognize we will lose this vote, but we have had our brief day in the Sun at least. The fact is NED's time has gone by. For all the arguments that have been made by the Senators who have spoken on this, the bottom line is this is a relic of the cold war. In a time when we have very limited resources, it is very hard to justify funding the Democratic National Committee, the Republican National Committee, AFL-CIO, and the Chamber of Commerce, all of whom have significantly more resources to put into this than we have available for us out of these very limited accounts.

Many of the things NED has done during the time of the cold war were wonderful. But now we have moved on 10 years from the fall of the Berlin Wall and it is time for us to say enough is enough. Unfortunately, in my opinion, some of the things NED is doing now are not. They end up being a substitute for initiatives which are both inappropriate and sometimes just simply junkets.

That being said, I am concerned, as is the Senator from South Carolina, this will take funds out of the capital budget of the State Department. We have worked hard on this budget. We have taken the State Department from getting a "D" in the area of Y2K compliance to now, just 2 years later, it is one of the agencies getting an "A." Two years ago when we started capital budget expansion, which we initiated in this committee—it did not come from the State Department; although they were very supportive of it, they could not find resources for it—a majority of the Embassies around the world were using rotary telephones. They were using Wang computers. They had no decent facsimile machines. We have radically upgraded the electronic capabilities of the State Department. But we have a long, long, long way to go. It all ties into the need to protect our citizens who are working for us out there and their families.

So when you hit this fund for $30 million, which represents about 30 percent of the money—and this fund was not increased this year; although I wanted to increase it, we simply could not find the money—you are going to do significant damage, I think, to the State Department's accounts. The State Department, for that reason, is very concerned about this amendment.

That being said, the Senator from South Carolina, being one of the best vote counters in the Senate, and I, being a marginal vote counter as chief whip, we recognize we are not going to win this one. I think we should vote on it and move on. If the Senator from Indiana is agreeable to that, I suggest we urge adoption.

Mr. LUGAR. Will the Senator yield?

Mr. GREGG. Yes.

Mr. LUGAR. I appreciate very much the words of the Senator and I appreciate the desire to move on with the bill. I want to recognize the distinguished Senator from Florida has arrived. He, likewise, shares our enthusiasm for passing the amendment.

Mr. GREGG. I am sure.

Mr. MACK. Mr. President, on this occasion of the almost annual debate on NED, the National Endowment for Democracy, we can and we must declare our commitment to promoting freedom in the world.

Freedom often exacts a price—it indeed is not free. Ronald Reagan understood this when he created NED, as have successive Presidents and Congresses who have consistently funded NED.

Freedom is sacred. It is to be honored, protected, and shared with the world. It is the core of all human progress, and therefore, the spread of freedom enriches us all.

But let us not forget, the price of freedom can be great. Just as we focus in this body these days on our abundance we must not forget those who have come before us; we must not forget in whose shoes we are walking. How many Americans have died; have put their lives on the line in the glorious pursuit of that sweetest of goals—emancipation from oppression and tyranny. We are the direct benefactors of the dedication, selflessness, and even the spilled blood, of countless people.

Should we be proud of those achievements? Of course, but we must also accept the weight—the responsibility—of this gift. The awesome responsibility which we have inherited. Because, when I said that freedom is not free, I was not only speaking of the cost to those currently suffering in the world to throw off the yoke of tyranny, but also the price to us, the benefactors of past actions.

We are once again on the floor of the Senate to defend the National Endowment for Democracy. The last time we fought this battle, 2 years ago, 72 Senators voted to restore the funding to NED after the subcommittee zeroed the account. We are here today facing the same circumstances. The good news with the regularity of this debate, if we look for the bright side, is that we know very well of the strong support in the Senate for NED. And let me explain why.

The history is important. In 1983, Ronald Reagan outlined an initiative for the United States to publicly lead the struggle for freedom around the world. A policy which I remember well as a young House Member and in many ways continues to influence my thinking about American foreign policy. A fundamental pillar of that policy was the National Endowment for Democracy.

Let me read to you from a letter by President Reagan, from July 4, 1993.

> On this 217th anniversary of our nation's independence, I am reminded that America's greatness lies not only in our success at home, but in the example of leadership that we provide the entire world.
>
> Our work, however, is not complete. As I look abroad, I see that the struggle between freedom and tyranny continues to be wages. Disappointly, in some places, it is autocracy, not freedom, that is winning the day. That is why I strongly support continued Congressional funding for the National Endowment for Democracy (NED). Ten years ago, at Westminster, you will recall that I outlined a new, bold initiative for our country to publicly lead the struggle for freedom abroad. As past of this effort, at my request, the National Endowment for Democracy was created.

Mr. President, let me point out a few fundamental things. First, NED is not a ''cold war relic,'' as some critics argue. You will note that President Reagan did not say that the purpose was to defeat communism, to defeat the Soviet Union, or to contain any particular ideology. He said that the mission of NED was to support America's efforts to ''lead the struggle for freedom.'' You should also note that the letter from which I read is dated July 4, 1993—2 years after the fall of the Soviet Union. So let me be clear: NED is not about the cold war and has never been exclusively about fighting communism or the Soviet Union. The National Endowment for Democracy is about freedom.

My second point is that the need for NED is as great today as it has ever been.

We opposed communism because the flawed ideology oppresses people and empowers tyrants. Communism has almost disappeared as a threat today; but tyranny has not—oppression has not. Indeed, tyranny and oppression continue to rule in far too many places around the globe. If you accept that we were right in the past to oppose freedom's foes, then we have the same task today, perhaps even more complicated than in the past.

This vote, therefore, comes down to a simple issue: does the struggle for freedom continue in the world and does the United States continue to have a role in the struggle for freedom abroad? Does tyranny still reign in far too many places on earth? The answer is quite obviously, ''yes.''

Let me address some critical questions others have raised.

Does NED work? NED works extremely well by providing resources to the freedom-activists throughout the world. NED identifies people struggling for economic, political, labor, press, and other reforms and gets them the resources necessary to fight against local oppression.

His Holiness the Dalai Lama of Tibet says the following about NED:

> The National Endowment for Democracy furthers the goals of your great nation and has provided moral and substantive support for oppressed peoples everywhere. Its unique independent mission has brought information and hope to people committed to peace and freedom, including the Tibetans. I sincerely hope that this institution will continue to receive support, because America's real strength comes not from its status as a 'superpower' but from the ideals and principles on which it was founded.

So the final question which someone may rightly put to this debate: why not the State Department? Isn't NED redundant?

To answer this question, I defer to some experts who understand the executive branch and State Department well. I turn to a bipartisan group of former Secretaries of State and National Security Advisors.

In a 1995 letter, former National Security Advisors Allen, Carlucci, Brzezinski, and Scowcroft state that NED:

> . . . operates in situations where direct government involvement is not appropriate. It is an exceptionally effective instrument in today's climate for reaching dedicated groups seeking to counter extreme nationalist and autocratic forces that are responsible for so much conflict and instability.

Let me emphasize that these National Security Advisors state that NED is operating where the U.S. government cannot.

I also have a letter from former Secretaries of State, including Secretaries Baker, Muskie, Eagleburger, Shultz, Haig, Vance, and Kissinger. This distinguished group states the following:

> During this period of international change and uncertainty, the work of NED continues to be an important bipartisan but non-governmental contributor to democratic reform and freedom. We consider the non-governmental character of the NED even more relevant today than it was at NED's founding.

Let me review the main arguments. First, NED's necessity did not end with the cold war, but remains an integral part of America's opposition to the enemies of freedom. Second, the world continues to need America's invaluable work in promoting freedom—perhaps even now more than ever. And finally, NED makes a unique contribution to America's initiative to ''lead the struggle for freedom abroad.''

Mr. KERREY. Mr. President, I rise today in support of the Lugar Amendment to restore funding to the National Endowment for Democracy.

One of the noblest characteristics of the American people is their desire to spread the promise of freedom and democracy throughout the world. In fact, the history of our nation is replete with examples of men and women who have put their own lives on the line in defense of other people's freedom.

The 9,386 U.S. soldiers buried at the Normandy American Cemetery in France are more than heroes. They are a testimony to the American willingness to defend democracy. Yet, they are just a few of the literally hundreds of thousands of Americans who have sacrificed their lives to secure democracy both at home and abroad.

However, the fight for freedom need not always be waged on the battlefield. Indeed, some of the greatest democratic victories have come, not as a result of our military might, but rather from the power of our ideas.

If you doubt this, ask Vaclav Havel how the irresistible pull of democratic values helped liberate the Czech people. Ask Nelson Mandela about how the persuasive power of American democracy helped encourage the struggle for freedom in South Africa's townships. Ask Kim Dae Jung about the decades of American sacrifice and the difference between life in a free South Korea and a totalitarian North Korea. Mr. President, each of these men have come before Congress to say that their freedom is due in no small part to the willingness of the American people to oppose despotism and to support nascent democratic movements in their country.

The transformation from totalitarianism to democracy that has swept much of the world in the last decade is nothing short of remarkable. Much of the success of this movement can be attributed to U.S. support for democratic movements, including the on-the-ground programs of the National Endowment for Democracy. This is a legacy of which we should be proud. It's a success story we should do a better job of explaining to the American people.

NED was established by Congress in 1983 as a non-profit, bi-partisan organization. It promotes democratic values by encouraging the development of democracy in a manner consistent with U.S. interests, assisting pro-democracy groups abroad, and strengthening electoral processes and democratic institutions. NED accomplishes these goals by providing funding to a wide variety of grantees that operate programs in

more than 80 countries throughout the world.

Mr. President, for over 15 years the National Endowment for Democracy has been at the center of our global democracy efforts. Critics have argued it is a relic of the Cold War. They insist NED's usefulness as an organization disappeared with the Soviet Union. This simply is not the case. As long as there are people still struggling to be free, there will be a need to support democratic reforms. The truth is, almost two-fifths of the world's population still live in un-democratic countries. In these countries, people are not given the ability to speak their minds, to practice their religious beliefs, or to unleash the power of their own enterprise.

NED grantees are in these countries and are working with pro-democracy groups. In Cuba, NED grantees are helping local dissidents use the world wide web to interconnect and to spread independent news. NED sponsors radio broadcasts into Burma in support of the democracy movement led by Aung San Suu Kyi. And in Iraq, NED provides support for the Free Iraq Foundation to disseminate human rights information from within Saddam Hussein's brutal regime.

Beyond extending the power of democracy to those people still toiling under despotic governments, NED is also actively engaged in the effort to solidify democratic progress. Democracy does not exist simply after the first free and fair election—democracy cannot be established solely by the ballot box. Instead, a true democratic society is based on the foundations of the rule of law, respect for the rights of all people, a free press, and civilian control of the military.

In countries around the world, NED grantees are involved in helping develop this broader concept of democracy. For example, in Russia NED grantees are supporting efforts to promote the rule of law and to establish legal guarantees for the ownership of land. In Nigeria, they have supported local pro-democracy groups who were instrumental in facilitating this year's historic elections. These are examples of the hundreds of programs NED and its grantees have been involved with in support of democratic reform.

Mr. President, I come to the floor today to argue that the fight for democracy is as important to U.S. national security today as it was at the height of the Cold War. It is for this reason that I will vote in favor of the Lugar amendment to restore funding for the National Endowment for Democracy. I recognize the tight discretionary spending limits the Chairman and Ranking Member of the Subcommittee were forced to work under. I understand very difficult decisions had to be made in preparing the piece of legislation. However, there are few priorities as great, and few programs as cost-effective, as our global democracy efforts.

I urge my colleagues to support freedom around the world by supporting the National Endowment for Democracy and the Lugar amendment.

Mr. President, I yield the floor.

Mr. GRAHAM. Mr. President, this amendment will restore $30 million in funding for the National Endowment for Democracy.

I understand that the State Department accounts are severely underfunded and there is no easy way to fund these programs, and I will work to ensure that all the State Department accounts are funded by the time this bill emerges from conference.

In spite of the unfortunate position we now find ourselves, it is nevertheless critical that we restore the funding for the National Endowment for Democracy.

Today we will debate the merits of the NED and the importance of its mission. This will be the seventh time in the last seven years that the Senate debates NED funding.

The last time this debate took place, in 1997, an effort to eliminate NED funding was reversed by a vote of 72–27.

I am hopeful that this current debate will reach a similar conclusion.

But this debate is really about much more than the National Endowment for Democracy.

What we are debating here today goes to the very fundamental nature of our democracy.

Are we to continue to be the beacon of freedom to which oppressed peoples around the world look to for guidance and support in their struggles to attain the same liberties and freedoms that we hold so dear?

Or are we going to shrink from that responsibility and abandon those who seek to change the fundamental character of their nations so that their people may enjoy the benefits of freedom?

Around the world, the NED is a vibrant and effective advocate for the ideals for which our fore fathers risked their lives and sacred honors.

It is our ambassador to the oppressed people of the world who are fighting and risking their lives for freedom.

But you don't need to take my word for this. Let me tell you about some others who believe that the NED is as important as I do.

In 1995, seven former Secretaries of State sent a letter to the congressional leadership that stated:

> During this period of international change and uncertainty, the work of the NED continues to be an important bi-partisan but non-governmental contributor to democratic reform and freedom.

Four Former National Security Advisors, Allen, Brzezinski, Carlucci, and Scowcroft, wrote that "the endowment remains a critical and cost-effective investment in a more secure America, and we support its work."

Just this week, the New York Times editorialized on the importance of the NED, and the Wall Street Journal printed a piece by former President Carter and Paul Wolfowitz, an official in the Reagan and Bush administrations, that did the same.

So many as champions of democracy have recognized the important contribution of NED to their own work.

These include Harry Wu, the Chinese human rights activist, His Holiness the Dalai Lama, Elena Bonner, the chairman of the Andrei Sakharov Foundation, and Vaclav Havel.

To some here in Congress, the NED is a target to undermine and defund.

But to those struggling to overcome oppression in some 80 or 90 countries around the world, NED is a helping hand in their fight for democracy.

I ask my colleagues to stand with freedom and democracy, to stand with those who have led democratic transitions, and to stand with those who continue to pursue the dream of democracy around the world.

I ask my colleagues to stand with the NED.

Mr. KYL. Mr. President, I rise today in strong support of the Lugar amendment, which will restore funding for the National Endowment for Democracy (NED). Since its inception in 1983, NED has been a cost-effective means of ensuring that American democratic principles have the opportunity to flourish around the world. NED works on a bipartisan basis in over 80 countries in every region of the world to help build stable, peaceful democracies. This, in turn, furthers America's national security interests, since working to support secure, strong democracies is one of the most effective means of combating the spread of weapons of mass destruction, terrorism, and destabilizing refugee problems.

NED enjoys strong, bipartisan support, receiving the support of each administration and the bipartisan congressional leadership since its inception. In a recent editorial in the Wall Street Journal, former President Jimmy Carter and Ambassador Paul Wolfowitz, President Bush's Under Secretary of Defense, wrote: "The creation of the NED in the 1980s reflected a bipartisan belief that the promotion of freedom is an enduring American interest and that nongovernmental representatives would best be able to help their counterparts build democracy in other countries."

NED has a strong track record, developed through involvement in virtually every critical struggle for democracy of the past decade-and-a-half. NED provided vital support to the movements that brought about peaceful transitions to democracy in Poland, Chile, and South Africa. Indeed, as a recent New York Times editorial noted: "It is hard to think of a dictatorship whose opponents have not benefited from the endowment."

NED uses its funds efficiently and effectively. A recent audit conducted by the U.S. Information Agency's Inspector General looked at fiscal years 1994–1999 and did not question a single cost related to the management of NED's grants.

NED's independence is the key to its success. Without the restoration of NED's funding as a separate, congressionally mandated line item, NED will have to be funded through the State Department's foreign aid process. This would undermine NED's independence, and therefore its effectiveness.

If NED were to be too closely associated with the Department of State, then NED might be seen as merely a mouthpiece for whatever administration currently occupies the White House. This would dilute its effectiveness.

NED must be allowed to continue to make decisions about where to provide its vital assistance without having first to clear those decisions through the State Department bureaucracy, which may not always share NED's agenda. The United States carries out high-level diplomatic relations with a number of nondemocratic regimes, such as China. The State Department might be tempted to scale back NED's democracy-building activities in such countries if the Department viewed those activities as interfering with the Department's diplomatic agenda. This must not be allowed to happen, and keeping NED independent is the only way to ensure that it does not.

The Lugar amendment restores funding for this vital organization while ensuring its independence. I urge my colleagues to support this amendment.

Mr. SARBANES. Mr. President, I rise to express my support for the amendment of the Senator from Indiana and am confident that it will be approved by a majority of my colleagues.

This is the second time in 3 years that funding for the National Endowment for Democracy has been eliminated in the Senate Commerce-Justice-State appropriations bill. And this is the second time this year that we are debating the NED issue on the floor of the Senate despite consistently overwhelming votes in favor of the NED.

I find it difficult to understand why we keep returning to this matter when the record is clear—there is a consensus of support for the endowment in the Senate. As my colleagues are aware, last month there was an effort on a different measure (State Department authorization bill) to seriously undermine and weaken the National Endowment for Democracy and the work of its core institutes. That amendment was soundly defeated on a vote of 76–23. In 1997, NED funding was restored by the Senate on a vote of 72–27.

Over the years, the NED and its core institutes have done some extremely effective work around the world in strengthening and assisting in the development of democratic institutions, and protecting individual rights and freedoms.

The relationship between NED and its core institutes has worked rather well. These four core entities, including the National Democratic Institute (NDI) and the International Republican Institute (IRI), represent key sectors of our democratic society: business and labor, and the two political parties which have formed a major part of the American democratic system.

Each sector offers a special expertise in helping develop fledgling democratic systems and has assisted grassroots and indigenous organizations, civic groups, and individuals across the globe in more than 90 countries.

Indeed, many individuals and groups, recognized in the Congress for having fought for human rights, freedom, and democracy, have received vital support from the NED family. They, in turn, have praised the NED because of the critical assistance which made it possible for them to pursue valuable efforts in their own countries.

I should note that the NED has provided support to Chinese dissidents since its establishment in 1983. In fact, the endowment's first grant in 1984 was for a Chinese-language journal edited in the United States and circulated in China.

The NED serves an important role because of the fact that it can operate as an entity independent from any government. And it can support nongovernmental groups which provide opportunities that would not otherwise be available if these activities were undertaken by a government, or governmental agency.

In fact, NED grants have been helpful in leveraging resources from the private sector and encouraging other international institutions to participate as well. And in-kind contributions, for example, come in the form of experts who offer their free time and efforts on a probono basis to conduct training seminars and to monitor elections worldwide.

The National Endowment for Democracy has enjoyed broad bipartisan support since it was established in 1983 under President Ronald Reagan. Former Secretaries of State, including Henry Kissinger, Cy Vance, Ed Muskie, George Shultz, and Jim Baker all have been very supportive of NED's work and its ''strong track record in assisting . . . significant democratic movements over the past decade.''

In a letter this week to my colleague from Florida, national security adviser Sandy Berger reaffirmed the President's and his administration's strong support for the NED. As he indicates, ''from supporting election monitoring in Indonesia, to promoting independent media in the Balkans, the NED represents and promotes the most fundamental of American values throughout the world. . . . The President remains one of the strongest champions of the endowment''.

The sweeping and profound changes resulting from the end of the cold war provide ample reason as to why we continue to need institutions like the NED which can operate in a cost-effective manner and, at the same time, promote our interests and values. Many of the new democratics which have emerged from the implosion of the Soviet Union, and the collapse of the Iron Curtain, have benefited from the assistance NED and its grantees have provided.

It is my hope that my colleagues will see the wisdom of continuing support for the NED.

Mr. HATCH. Mr. President, I rise today as a cosponsor of the LUGAR-Graham-Mack amendment to restore funding to the National Endowment for Democracy. I rise as an unwavering supporter of the Endowment since that day in 1982, when President Ronald Reagan announced his intent to create an institution to promote abroad the most fundamental of American political values —democracy.

Since the Endowment was instituted the following year, it has received overwhelming bipartisan support. On six occasions the Senate has debated funding for the NED; on all six occasions the Senate has reaffirmed its commitment. We most recently debated funding the Endowment in 1997 and reaffirmed our support for it in a vote of 72–27. I expect that today the Senate will once again go on record demonstrating support for this venerable institution.

Support for the NED goes beyond bipartisan politics. Rarely is there such near-unanimity in the so-called ''foreign policy establishment.'' But, in recent years, we have seen seven former Secretaries of State from both Republican and Democratic presidents—Secretaries Eagleburger, Baker, Haig, Kissinger, Muskie, Shultz and Vance—cosign a letter in support of the National Endowment for Democracy.

But the NED's support extends well beyond the Beltway into American society at large. For example, the U.S. Chamber of Commerce strongly supports the Endowment, recognizing that the promotion of democracy requires the rule of law, on which all fundamental, productive commercial activity rests. The AFL–CIO is also a principal supporter of the NED, recognizing the inseparable bond between the advancement of democracy and the protection of independent labor's right to organize.

Both of these organizations, along with the Republican and Democrat parties, form the core groups through which the NED coordinates programs currently active in over 80 countries of the world.

Further, support for the NED is widespread among our nation's media, editorialists and academics. How often, Mr. President, do we see editorials in support of an institution on the pages of liberal and conservative media? There has recently been editorial support for NED expressed by The Washington Post, New York Times, Wall Street Journal and The Washington Times. I ask unanimous consent that the editorials be added at the conclusion of my statement.

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

(See exhibit 1.)

Mr. HATCH. Mr. President, I often detect confusion in foreign policy debate between the concepts of ''interest'' and ''values.'' For example, the President, at the end of Operation Allied Force over Yugoslavia, declared it an operation in support of our values. I disagree: The NATO actions in Kosovo, which I supported, protected American interests, specifically our interests in a stable southeastern Europe.

The fact is that defining America's national interest is more fundamental than the promotion of democracy. But the reality is, Mr. President, that where we find democracy we are more likely to find it easier to protect our interests.

For this reason, the advancement of democracy as a foreign policy goal has by no means been diminished by the end of the Cold War. I supported the actions of the NED during the Cold War, along with members of both parties. I worked with the NED and International Labor Organization supporting the nascent Solidarity movement in the early 1980s and am deeply proud of the work done by NED's early grantees.

But the world is more complicated, with more challenges to U.S. interests, in the post-Cold War era. We need the NED more than ever. And if we look around this complicated globe, we see that NED's activities are complementing our foreign policy.

China is perhaps the most vexing challenge this country faces. We cannot determine the direction political evolution in China will take. We hope for the day when democracy spreads to the mainland.

Our dear friends in Taiwan, after all, have demonstrated that Chinese political culture is by no means alien to democracy. But on the mainland, the goals of political reform are murky. We don't know what the outcome will be in the next century—it may be democracy, it may be fascism, it may be something else.

There is evidence to be optimistic, as we see the increasing manifestations of grassroots democracy and openness. Unfortunately, there is also evidence to be skeptical, given official actions that imprison democratic activists, outlaw non-political organizations, and threaten aggression against us and our friends. My attitude has always been to plan for the worst, but work for the best possible outcome.

One of those ways to work for the best possible outcome is to support the NED, which has promoted democracy in China since its inception. A brief and incomplete list of NED's activities in China would include:

Supporting, as one of its first grants, a Chinese-language journal that circulated in China in the mid-1980s;

Supporting a New York-based human rights group, Human Rights in China, which assembled basic data on conditions in China;

Assisting Harry Wu's Laogai Research Foundation, which exposed the abhorrent abuses in China's prison labor system; and,

Contributing to the Tibetan Human Rights Foundation.

In addition, my colleagues who have read the fascinating reports by the International Republican Institute on their work advising on and monitoring village level elections in China will recognize a practical and profoundly significant activity funded by the Endowment. These are among many, many other programs supported by the NED in China.

The skeptics can say that NED's activities are small in comparison to Beijing's power to suppress. That is true. But my view is that it is always better to light a candle than curse the darkness, and the NED has been providing light and support to democrats in China, throughout Asia, and all around the world.

Indonesia just had its first free and open elections in over 40 years. Indonesia is the fourth most populous nation in the world after China, India and the United States.

As a result of this election, a country that has historically had good relations with us, a country that remains of great geostrategic importance, is now set to become the world's third largest democracy. Indonesia is a country with which we've had shared interests; those interests are now advanced because we now have shared political values. The ruling and opposition parties consulted with the NED throughout the period leading to these historic elections.

I could go on and on about NED's activities promoting democracy around the world. I will simply add one more example: Three weeks ago a remarkable conference on emerging democracies was held in Yemen. Yemen, my colleagues will recall, was divided until 1990—South Yemen was one of the most radical countries in the Arab world.

Since reunification in 1990, the NED has worked through its core institutes, the International Republican Institute and the National Democratic Institute, to support that country's transition to democracy. Yemen has had two parliamentary elections and is today one of the few Arab nations that has universal suffrage.

The government of Yemen deserves the credit for this remarkable political evolution and deserves the support of the United States. But we should be proud, very proud, of the efforts that the NED has expounded in assisting this political reform. And, three weeks ago, when representatives from around the world convened in Yemen to see that this nation of 18 million can enhance its culture and empower its people through democracy, it was appropriate that they saw the NED as a supporter of democracy there, and everywhere.

In recognition of these and other activities, brave democracy proponents around the world—individuals that Congress regularly lauds, that we regularly bring to the Hill for their perspectives on their parts of the world—these individuals have spoken of the need to preserve the NED.

Hong Kong's Martin Lee, Chinese human rights activist Harry Wu, Vietnamese human rights activist Vo Van Ai, his Eminence the Dalai Lama have all declared the fundamental and irreplaceable importance of the NED in trying to advance democratic values in China, in Asia, around the world.

I urge my colleagues to think of these individuals as they determine whether the Senate should continue to support funding for the National Endowment for Democracy.

In every region of the world where the U.S. has interests or is challenged—in Bosnia, Kosovo, Iraq—there are people striving and risking their lives for democratic expression. They see the United States as a role model.

The NED is actively working with all of these people, and in doing so, demonstrates America's—and Congress's—commitment to their causes. I urge my colleagues to continue their support for this important institution.

EXHIBIT 1

[From the New York Times, July 21, 1999]

A VOTE FOR DEMOCRACY ABROAD

In most repressive countries today, civic activists such as election monitors, labor organizers, independent journalists and human rights groups look to Washington for support. But the Senate may vote any day to end one of their most important lifelines. Judd Gregg, Republican of New Hampshire, has persuaded the Appropriations Committee to recommend that the National Endowment for Democracy's funding drop from $31 million to zero. The Senate should defy him and vote to preserve an organization whose mission is more vital than ever.

The endowment finances four international affairs institutes, run by the Republican and Democratic parties, the Chamber of Commerce and the A.F.L.-C.I.O. The endowment also gives money directly to organizations abroad that promote the rule of law and democracy. One of its strengths is that its budget is independent of the State Department.

It is hard to think of a dictatorship whose opponents have not benefited from the endowment. Among hundreds of other projects, it has provided money and advice for village elections and exposure of prison labor camps in China, human rights groups in Sudan, independent broadcasting in Serbia, families of political prisoners in Cuba and the underground labor movement in Myanmar. Augusto Pinochet might still be ruling Chile if the National Democratic Institute had not helped the opposition set up a parallel vote count during the 1988 plebiscite on his rule, which caught Mr. Pinochet's attempt to rig the outcome. The endowment has earned the right to remain healthy and independent.

[From the Wall Street Journal, July 21, 1999]

DON'T TAKE DEMOCRACY FOR GRANTED

(By Jimmy Carter and Paul Wolfowitz)

Last month Indonesia held its first free elections in more than 40 years. The balloting was overseen by a wide array of international observers, including an American delegation organized by the National Democratic Institute and the International Republican Institute. Their efforts have laid the groundwork for Indonesia to become the

world's third-largest democracy (after India and the U.S.) and a beacon of freedom for Asians and Muslims everywhere.

This is only the latest good work done by the two groups, loosely affiliated with the major U.S. political parties, which monitored an election in Nigeria earlier this year. Both groups are funded by a modest grant ($4 million each) provided by the National Endowment for Democracy.

Fifteen years ago President Reagan and Congress established the NED to spearhead America's nongovernmental efforts at assisting democratic movements around the world. The NED, which today has a budget of just $31 million, has been one of the most cost-effective investments our country has made to foster peace and democracy.

But last month a Senate subcommittee voted to discontinue funding for this vital program. The senators said they expect the State Department to fund the NED out of foreign-aid spending. This is an unlikely prospect, because the State Department hasn't made any provisions for the endowment.

Even if it did, that would undermine the NED's independence. The creation of the NED in the 1980s reflected a bipartisan belief that the promotion of freedom is an enduring American interest and that nongovernmental representatives would best be able to help their counterparts build democracy in other countries.

Today the full Senate is expected to consider an amendment sponsored by Sen. Richard Lugar (R., Ind.) to restore funding for the NED. It would be a tragic mistake if we took for granted the current democratic trend in world affairs and decided to reduce our support for these efforts.

Like Indonesia, many important countries that have conducted elections—among them Russia, Mexico and Nigeria—need the support of free nations in order to consolidate democratic gains. We must also help movements in Asia and the Middle East striving peacefully to democratize authoritarian countries. And we need to encourage free and fair elections as part of the reconstruction effort in the Balkans. Defunding the NED would undermine this important mission.

[From the Washington Post, June 25, 1999]

EXPORTING DEMOCRACY

The National Endowment for Democracy is one of the less known but, in the foreign policy universe, one of the more appreciated aspects of the Ronald Reagan legacy. Congressionally funded but largely independent in its operations, it mainly gives grants to the two political parties and leading business and labor groups to spread the word of civil societies, party development and election procedures, and democratic and human rights advocacy. Recognized abroad, it is scrutinized closely at home, which is fine but a bit unnerving to its supporters all the same.

This week, for instance, Sen. Russell Feingold (D-Wis), in an authorization bill, sought to strip the endowment of its favor for and reliance on the four ''core'' groups and to put the whole of the institution's $30 million budget up for competitive political bidding. It sounded like a reasonable, even democratic proposal, but three-quarters of the Senate wisely accepted the response that the endowment, with its support for the two parties and the AFL–CIO and Chamber of Commerce, already builds in a wholesome set of checks and balances true to the spirit of American democracy.

A lingering difficulty arises from Sen. Judd Gregg (R-NH). Making use of the deference enjoyed by Appropriations subcommittee chairmen, he has held up all funds sought for the endowment. He would prefer that the administration take the money out of the State Department, which, he points out, funds democracy promotion under its own budget.

Mr. Gregg is right that the Cold War is over. But considerations of strategy as well as sentiment require that the effort to sustain fledging democratic societies and initiatives ought to be a permanent part of American policy. To tuck the endowment into the State Department, moreover, would deprive it of precisely the independence wherein its chief value lies. Can you imagine, for instance, the ''engagement''-minded State Department sponsoring Chinese nongovernmental organizations?

In sum, the endowment is an experiment to exporting democracy that has been working openly, for 15 years. It has been tested in heavy political weather, some of it churned up by its own early misuses. There is reason to believe the Senate would support the appropriation if Sen. Gregg were to let it register its judgment. That would be the democratic thing for him to do.

[From the Washington Post, June 24, 1999]

LET THE NED LIVE

At a time when the United States and its allies are engaged in what could be a prolonged war of words with Serbian leader Slabodan Milosevic, it is nothing less than astounding that the U.S. Senate should see fit to zero out funding for one of the most important tools in the nation's ideological arsenal, the National Endowment for Democracy. Mr. Milosevic may have acknowledged military defeat, but he still clings to power with the tenacity of a badger. A major problem in removing Mr. Milosevic is the regrettable fact that he was in fact democratically elected by the Serbs, who therefore also carry responsibility for what happened to them. It will take some effort to persuade them to remove their leader again by democratic means.

This is where the National Endowment for Democracy comes in, and also the other U.S. services and international broadcasters devoted to spreading free and unfettered information and building democratic institutions. To dwell on Serbia for a moment, the state television channel is run by none other than Mr. Milosevic's daughter, a filial relationship replayed throughout the states of the former Soviet Union, where assorted family members routinely are placed in charge of the post-communist ''free'' media.

If we are concerned about spreading democracy, and we should be, institutions like the National Endowment for Democracy remains vital. What is also vital is that the NED be kept at arm's length from State Department interference, that it not be seen as simply a tool of American foreign policy, but an institution whose basic mission remains fixed.

This year, the Clinton administration has requested $32 million in funding for the NED for fiscal year 2000, hardly an exorbitant sum given that the NED has programs in 80 countries around the world. Though there is broad bipartisan support in the Senate for the NED, its funding has been zeroed out by the Appropriations subcommittee on Commerce, Justice, State, chaired by Sen. Judd Gregg. It has been suggested that funding ought to come out of the State Department's democracy fund, a bad idea both in principle and in practice—seeing that no such funding has been allocated. Last time the NED survived a frontal assault, it was two years ago when funding was restored on the Senate floor with overwhelming support. Another line of assault was blocked by the Senate yesterday by a 76–23 vote, as Sen. Russ Feingold tried to introduce an amendment to micromanage NED grants through State.

One might get the idea that the U.S. Senate does not consider the promotion of democracy a worthy cause in and of itself. No, it does not produce instant results, but the world's greatest democracy should be in this for the long haul.

Mr. LUGAR. Mr. President, I urge the question.

THE PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 1289) was agreed to.

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

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. FITZGERALD). The Senator from New Hampshire.

PRIVILEGE OF THE FLOOR

Mr. GREGG. Mr. President, I ask unanimous consent that Mai-Huong Nguyen, a fellow with Senator FRIST's office, be granted the privilege of the floor during the discussion on the Commerce-State-Justice appropriations bill.

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

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

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

AMENDMENT NO. 1291

(Purpose: To amend title III of the Family Violence Prevention and Services Act and title IV of the Elementary and Secondary Education Act of 1965 to limit the effects of domestic violence on the lives of children, and for other purposes)

Mr. WELLSTONE. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Minnesota [Mr. WELLSTONE], for himself and Mrs. MURRAY, proposes an amendment numbered 1291.

Mr. WELLSTONE. Mr. President, I ask unanimous consent 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. WELLSTONE. Mr. President, this amendment that I offer, with the support of Senator MURRAY, is an amendment which is really based upon a piece of legislation we have introduced titled ''Children Who Witness Domestic Violence Protection Act.''

We have come to the floor, Democrats and Republicans alike, and we have talked about the destructive effect of some of the violence that children see on television or children see at

the movies. Unfortunately, an awful lot of children see the most graphic violence in their homes, and they are affected by it.

It depends upon, really, whose study you put the most emphasis on, but somewhere between 3 million and 5 million children in our country all too often are essentially victims of violence in their homes. In about 50 percent of the cases, when a man batters a woman, the children are also battered. Just imagine, colleagues, what it would be like over and over and over again to see your mother beaten up, battered. Just think of the effect it would have on you.

Actually, this is an area in which I have tried to do a lot of work. I would say my wife Sheila has really been my teacher. She knows more than I do, and her education comes from what lots of people around the country who have worked in this area for a very long time have taught her.

But one of the missing pieces, which in no way, shape, or form takes away the emphasis on the effect of this violence on women—sometimes men; most all the time women—one of the missing pieces has been the effect of this violence in homes on the children. Let me give you some examples.

Julie is a 4-year-old girl. She was the only witness to her divorced mother's fatal stabbing. Several months earlier, at the time of the divorce, Julie's father had publicly threatened to kill his ex-wife. Although the father lacked an alibi for the night of the crime, there was no physical evidence linking him to the homicide.

In describing the event, Julie consistently placed her father at the scene and recounted her father's efforts to clean up prior to leaving. Only after the district attorney saw Julie stabbing a pillow, crying, ''Daddy pushed mommy down,'' did he become convinced that the father, indeed, was the murderer.

This is from the work of Jeff Edelson, who actually is a Minnesotan and does some of the most important work in the country. There is no more graphic example of: What do you think the effect on the child is from seeing this?

Dr. Okin and Alicia Lieberman at San Francisco General Hospital are currently treating a 6-year-old boy who observed his father fatally sever his mother's neck. At the beginning of the treatment, he was unable to speak.

Jason, who did not visually witness his parents fighting, described hearing fights this way: ''I really thought somebody got hurt. It sounded like it. And I almost started to cry. It felt really, I was thinking of calling, calling the cops or something because it was really getting, really big banging and stuff like that.''

These are voices of children in the country.

A lot of the work for this amendment comes from some people who have done very distinguished work in this country.

Betsy McAlster Groves at Boston Hospital is treating a 3-year-old girl, Sarah, who was brought in by her maternal grandmother. Sarah was having nightmares and was clinging and anxious during the day. Her mother had been fatally shot while Sarah was in the same room in their home.

A home is supposed to be a safe place for our children.

Betsy is also treating two boys, ages 5 and 7, whose mother brought them in after they witnessed their father's assault on her. The father was arrested over the weekend and was in jail. The mother was unable to tell the sons the truth, instead claiming that their father had taken a trip to Virginia.

What I am saying to you is that these children do not need to turn on the evening news. They do not need to see the violence in the movies or on television. It occurs right in their own homes.

What I am also saying is that this has a very destructive effect on many children, a profound effect, placing them at high risk for anxiety, depression, and, potentially, suicide. Furthermore, these children themselves may become more violent as they become older. Exposure to family violence, a good number of the experts in the country suggest, is the strongest predictor of violent, delinquent behavior among adolescents. It is estimated somewhere between 20 and 40 percent of chronically violent adolescents have witnessed extreme parental conflict.

It is an important point. When you talk to your judges, and they talk about some of the kids they are dealing with, they will tell you that in a very high percentage of the cases these children have come from homes where either they themselves have been beaten up or battered or they have seen it, they have witnessed it. Usually it is their mother they have seen beaten up.

Let me tell you about Tony and Sara from Minnesota. Tony is 10 years old and his sister Sara is 8. Tony and Sara were severely traumatized after seeing their father brutally attack their mother. They were forced to watch their father drag their mother out to the driveway, douse her with gasoline, and hold a flaming match inches from her.

Tony and Sara are not the only children in our country who are terrified by violence that they see on almost a daily basis.

This amendment, which is based upon work with Senator MURRAY, is a comprehensive first step toward confronting the impact of domestic violence on children. I just want to summarize it because it is my hope that there will be strong support for this on both sides of the aisle.

First of all, what we want to do, based upon, again, work we have seen in Minnesota, we have seen in Boston, we have seen in San Francisco, seen around the country, is we want to make sure we develop partnerships between the courts and the schools, the health care providers, the child protective services, and the battered women's programs.

When communities apply for funding, the first thing we are going to say is, yes, make this happen at the community level, but do not have different agencies with different mandates. You guys have to show us that you are focusing on these children and you are getting the support services to these children.

I say to my colleague from South Carolina, I have talked to many educators. They say one of the problems they have is that quite often they may have a child in school who is not doing well and they do not know what is going on with that child. And what they find out—and this is the second part of this amendment, training for school officials about domestic violence and its impact on children, making sure they have the training and the support services for the teachers and the counselors—many times these kids haven't slept at night. Many times these kids come to school terrified. Many times these kids act out themselves. Many times these kids are in trouble, and many times we don't know what is going on in their lives.

We have finally started to focus on this violence in homes, too much of it directed toward women. But if you talk to people around the country who are down in the trenches doing the best work, from the academics to the community activists, they will tell you the missing piece is we have not focused enough on the effects on the children. That is what this amendment does.

The third piece of this amendment addresses domestic violence and the people who work to protect our children from abuse and neglect. There is a significant overlap, obviously, between domestic violence and child abuse. In families where one form of family violence exists, there is a likelihood that the other does. In about 50 percent of the cases, if the mother is being battered, the child is being battered. So the problem is these child protective services and domestic violence organizations set up their own separate programs, yet few of them work together to see what is happening within families.

This amendment creates incentives for local governments to collaborate with domestic violence agencies in administering their child welfare programs. The funds will be awarded to States and local governments to work collaboratively with community-based domestic violence programs to provide training, to do screening, to assist child welfare service agencies in recognizing the overlap between domestic violence and child abuse, to develop protocols for screening, intake, assessment and investigation, and to increase the safety and well-being of the child witnesses of domestic violence.

I could go on for hours about this because, honest to God, it is a huge issue in our country. I wish it wasn't.

The second piece of this—and I will be through in 5 minutes—is supervised visitation centers. I have to explain this. Part of the problem is, even if you have a woman who has said: I am getting out of this home, or I am getting my husband out of this home; he is a batterer, and she finally is able to do it—it is not easy—and you have small children, the other parent, the noncustodial parent, usually the man, wants to see the children and should be able to under most circumstances. The problem is, at the time in which he comes to the home to pick up the children or drop the children off, the violence can occur again. There is no safety there. Or the problem is in some cases you are worried about what the father will do to the children. But a judge doesn't want to say: You can never see your children. And sometimes, as a result of that, the children are in real jeopardy. So the second part of this authorizes funding for supervised visitation centers.

These are visitation centers where there can be a safe exchange.

At the risk of being melodramatic, let me dedicate this amendment to 5-year-old Brandon and 4-year-old Alex, who were murdered by their father during an unsupervised visit in Minnesota. They were beautiful children. Their mother Angela was separated from Kurt Frank, the children's father. During her marriage, Angela was physically and emotionally abused by Frank, and Frank had hit Brandon and split open his lip when once he had stepped between the father and the mother to protect the mother. She had an order of protection—Shiela and I both know Angela; she is very courageous—against Kurt Frank, but during the custody hearings, her request for the husband to only receive supervised visits was rejected. Kurt Frank murdered his two sons, these two children, during an unsupervised visit, and then he killed himself.

Honest to God, when there is some question about the safety of these children, we can do better. These safe visitation centers work. It makes all the sense in the world. These children's lives could have been saved. The father could have seen them, but it would have been under some supervision. That is the second part.

Third, the amendment recognizes the importance of police officers. This amendment comes from input from the law enforcement community around the country. What they are saying is: Quite often we are the ones who find the traumatized children behind the doors, beneath the furniture, in the closets, when we go to the homes. We want to know what we can do for these children. We would like to have the training. That is what this amendment provides for.

Then, finally, for crisis nurseries, it is important. A family is in crisis. The mother has two children dealing with an abusive relationship, trying to end the relationship. There is lots of tension in the home. There is the potential for violence. She wants to be able to take her child somewhere or her two children somewhere where they can be safe for one night or 2 days or 3 days. That is what these crisis nurseries do. They work well.

We have talked about the violence in the media. We have talked about the violence in the video games. But we rarely have dealt with the millions of children each year who are witnessing real-life violence in their homes. I believe we have to figure out ways to get the funding to the communities that will provide the support.

Mr. DURBIN. Will the Senator from Minnesota yield for a question?

Mr. WELLSTONE. I am pleased to yield.

Mr. DURBIN. Mr. President, the Senate and the Nation are fortunate, indeed, to have the Senator from Minnesota. He continues to redirect our attention to the life and death struggles that families go through every single day. Oftentimes he is a lonely voice on the Senate floor, but he is a person of principle and value. If it meets with his permission, I ask unanimous consent to be added as a cosponsor to this important amendment.

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

Mr. DURBIN. I ask the Senator from Minnesota a question. I listened carefully to his presentation and asked for a copy of the amendment to read it more closely.

One of the things I have found in working with law enforcement officials—I think the Senator from Minnesota has highlighted it—is they come upon a scene where a violent crime, maybe a very serious violent crime has been committed, and among all of their concerns, preserving evidence, making certain, if possible, to save any victim who might be battered or injured, there is that tiny little person who has just witnessed this scene.

When I spoke to the International Association of Chiefs of Police, one of the things which we discussed was to put on each investigative report from a violent crime a section that would indicate that the police know that minor children witnessed the violent crime and perhaps a method, then, of providing confidential information to counselors or social workers who would know. Then there is a heads-up, there is a red flag, that there has been a child involved. That child may be so young as to be overlooked as part of the investigation report, and they have suggested—and I think it is valuable, and perhaps at some point we can make it part of this effort—that law enforcement officials would be looking for this because, as the Senator from Minnesota has so eloquently given to the Senate today in his presentation, these kids witnessing violence can have their lives changed dramatically. An intervention at that point could not only make things better for them but could ultimately save their lives.

I ask the Senator from Minnesota if he would be kind enough to consider that either as a suggestion as part of this legislation or in separate correspondence with those who would administer the programs he has suggested.

Mr. WELLSTONE. Mr. President, I wonder if we could do a modification right now—I will work it up in the next couple of minutes—where, as Senator DURBIN is saying, the police would automatically check off the observation that a child or the children are at home as a part of the form. Then, again, if you had it at the community level, that is where this has to happen—the real interface and cooperation with school officials, with child protective services, with health care, with law enforcement, with counselors in the school—the focus would be on the child. These children are falling between the cracks.

Mr. President, that would be an excellent idea. I will try to maybe work on a modification. I am sure my colleagues will allow me to do a technical correction later.

Altogether, this is an authorization for an appropriation, but it is authorization for $153 million a year for 3 years, which I think is not much to spend for what we can do. Later on, I know this gets resolved in the appropriations battle. I ask my colleagues whether they have a response. I can talk about this in more detail. I can go through the budget. I can talk about each specific program. But if you want to move along and you think this is something you can support, I would be very proud. I think it would be important.

Mr. GREGG. If the Senator from Minnesota will yield, this is a fairly extensive piece of legislation. It may take us a little while to take a look at it. I suggest we lay it aside for a moment and move on to whatever comes next and then come back to it, if the Senator doesn't mind.

Mr. WELLSTONE. Mr. President, I say to my colleague I am pleased to do that. That will give us a chance to add the suggestion of Senator DURBIN, and if we need to debate later on, I can give lots of examples and debate the need for this. If my colleagues support it, that will be great. Let's wait and see what you think. We will temporarily lay this amendment aside.

I yield the floor.

Mr. GRAHAM. Mr. President, I ask unanimous consent that the pending amendment be temporarily laid aside.

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

AMENDMENT NO. 1292

(Purpose: To clarify that nothing in the Act shall be construed to prevent the use of funds to recover Federal tobacco-related health costs from responsible third parties)

Mr. GRAHAM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Florida [Mr. GRAHAM], for himself, Mr. DURBIN, Mr. HARKIN, Mr. LAUTENBERG, Mr. CONRAD, Mr. REED, Mr. WELLSTONE, Mrs. MURRAY, and Mr. FEINGOLD, proposes an amendment numbered 1292.

At the appropriate place in title I, insert the following:

SEC. . AUTHORITY TO RECOVER TOBACCO-RELATED COSTS.

Nothing in this Act shall be construed to prohibit the Department of Justice from expending amounts made available under this title for tobacco-related litigation or for the payment of expert witnesses called to provide testimony in such litigation.

Mr. GRAHAM. Mr. President, I offer this amendment on behalf of myself, Senator DURBIN, and others, as a means of raising our strong objection to a provision that appeared in the report accompanying the Senate Commerce-State-Justice appropriations bill. That provision was on two pages.

On page 15 of the report, the last sentence in the first paragraph reads:

No funds are provided for tobacco litigation or the Joint Center for Strategic Environmental Enforcement.

Then on page 25, in the lower half of the page, this sentence appears:

No funds are provided for expert witnesses called to provide testimony in tobacco litigation.

My objection is that those two sentences have with them a clear inference that it is the policy of the Senate that the Department of Justice, in a rare instance, should be denied the investigative and prosecutorial discretion to determine whether it is in the interest of the United States and its people for the Federal Government to bring litigation against the tobacco industry and pursue that litigation in an effective manner.

Even more troubling is the sweeping nature of this language, which I believe could be reasonably interpreted to amount to a grant of immunity to the tobacco industry from Federal prosecution.

Further, if the Senate fails to strike this offending report language which grants immunity to the tobacco industry, we will be reversing the intent of a sense-of-the-Senate amendment we adopted less than 4 months ago by a unanimous vote, on March 25. The Senate clearly articulated not only that it was supportive of the Federal litigation but determined that the use of settlement dollars should be primarily to add to the strength of the Medicare trust fund on the basis that it is the Medicare trust fund that has been primarily affected by these excessive health care costs. I will discuss that in a moment.

While preparing a litigation strategy and while allowing the Department of Justice to exercise its traditional range of discretion, it is by no means a guarantee of success. Denying funds to the Department of Justice, tying their hands at the outset, precluding them from the ability to hire expert witnesses will only assure the failure of this important legal initiative.

We all know the tobacco industry is responsible for tens of billions of dollars of tobacco-related illnesses that the Federal Government spends to care for and treat individuals with lung cancer, emphysema, heart disease, and every other illness associated with tobacco use.

The most recent estimate for the costs incurred by the Federal Government for the treatment of tobacco-related illnesses totals $22.2 billion each year. This includes Medicare, $14.1 billion; Veterans' Administration, $4 billion; Federal Employees Health Benefit Program, $2.2 billion; Department of Defense, $1.6 billion; Indian Health Services, $300 million.

Put simply, a vote that retains this restrictive report language would, in essence, grant the tobacco industry immunity against Federal litigation.

I ask unanimous consent that a copy of an editorial from the Washington Post be printed in the RECORD immediately after my remarks.

(See Exhibit 1.)

Mr. GRAHAM. The Post editorial describes the stark implications of rejecting the amendment. The Post states:

It would be an amnesty for decades of misconduct and a retroactive taxpayer subsidy for that misconduct as well.

My second main objection to this language is that on May 20 of this year, the Congress, through a conference committee on the emergency supplemental bill, enacted a provision that denied the Federal Government access to some $250 billion which the States have secured through their tobacco settlement.

The original amendment, which was introduced by Senator HUTCHISON of Texas and myself, as well as Senator BAYH, Senator VOINOVICH, and other Members of the Senate, passed this Senate by a vote of 71–29. This body could not have spoken with more clarity: Uncle Sam, keep your hands off the States' money.

But in taking that vote, while we said to the Federal Government, ''Hands off,'' I and many of my colleagues, including Senator HOLLINGS and others, had argued that if the Federal Government wants its own money, then it should sue the tobacco industry for the recovery of funds spent for the treatment of tobacco-related illnesses in Federal programs, such as Medicare. If that sentiment was true just a few weeks ago, it is certainly true today.

My third objection is that this report language would be an abdication of our Federal responsibility to deny the Justice Department its most fundamental responsibility. What is that responsibility? It is the responsibility to locate and to investigate areas where individuals, organizations, entire industries, may in fact be liable and responsible for harming the people of the United States of America.

Evidence uncovered by the States in their successful legal efforts against the tobacco industry clearly implicates the tobacco industry in their complicity to cover up evidence of addiction and illness related to the product they produce and market. To allow the tobacco industry to escape responsibility for these practices and to not investigate it fully to determine whether the Federal Government can recoup funds—funds that come from the taxpayers of America, funds that have been paid out to treat tobacco-related illnesses—would be totally irresponsible and a surrender of our fiduciary responsibility to the taxpayers.

Finally, there are some parties to this litigation who have no alternative but to have the Federal Government litigate on their behalf.

In this instance, I am speaking about Native Americans.

I ask unanimous consent that the full text of this letter be printed in the RECORD at the conclusion of my remarks.

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

(See Exhibit 2.)

Mr. GRAHAM. Mr. President, I ask unanimous consent that I be given 4 additional minutes to conclude my remarks.

The PRESIDING OFFICER. Under the previous order, the Senate must now return to the Gregg amendment.

Mr. GRAHAM. I ask unanimous consent for 4 minutes to complete my remarks.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Florida.

Mr. GRAHAM. Mr. President, the letter from the National Congress of American Indians signed by its president, Mr. W. Ron Allen, states:

There are many Indian Nations, however, who do not possess the resources to bring individual suits and will, therefore, rely upon the DOJ to bring suit on their behalf.

I do not believe we should tolerate a situation in which a large number of our Native Americans are precluded from having their legal rights represented.

I urge my colleagues to vote to strike the offending report language. I urge my colleagues to allow the Justice Department to do its job, and to use its best professional judgment on how to proceed with its legal strategy against the tobacco industry.

Rather than giving the Marlboro Man and rather than giving Joe Camel another victim, let us vote to hold the tobacco companies accountable by the simple action of allowing the Department of Justice to do its responsible job as the Nation's investigator and litigator.

I ask unanimous consent that a letter from the Leadership Council of Aging Organizations, which represents organizations such as the AARP, the Historically Black Colleges and Universities, Families USA, National Senior Citizens Law Center, National Council on the Aging, the National Council of Senior Citizens, and many

other organizations representing older Americans which also support this language—support it particularly because they recognize the possibility of strengthening the Medicare program through funds derived from a successful prosecution of this litigation—be printed in the RECORD.

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

LEADERSHIP COUNCIL OF AGING ORGANIZATIONS

DEAR SENATOR: The undersigned members of the Leadership Council of Aging Organizations (LCAO) are writing because we are concerned about the Department of Justice (DOJ) appropriations bill (S. 1217) that will soon be taken up on the Senate floor. As you know, DOJ intends to sue the nation's tobacco companies to recover the billions of dollars Medicare, VA and other federal health care programs have spent on health care costs caused by tobacco use.

We have learned that the DOJ appropriations bill not only denies requested funding for this important, effort, but also includes language that may actually block the lawsuit. The states took action to hold the industry accountable for the related costs imposed on their state health programs. Given the success of the state suits, the federal government has an obligation to undertake similar action to protect Medicare and other federal health programs. We cannot understand why a successful course of action that was appropriate for 50 states and resulted in tobacco payments of over $240 billion could be considered inappropriate for the federal government to pursue. In addition, blocking the lawsuit would violate an agreement reached in the Budget Resolution.

The costs to Medicare and other federal health programs due to tobacco are even greater than costs imposed on state programs. Tobacco-caused health care costs in the United States exceed $70 billion each year and the federal government pays a large portion of those costs, including over $14 billion per year on tobacco-caused Medicare expenditures. Given this drain on Medicare and other federal health programs, the Senate should support the DOJ's efforts to recover these funds.

We expect Senator BOB GRAHAM and others to offer an amendment when S. 1217 is considered on the floor to clarify that DOJ should be permitted to move forward with litigation against the tobacco industry. We urge you to support the Graham amendment.

At a time when Congress is wrestling with how to strengthen and preserve the future of Medicare and prepare it for the retirement of the baby boom generation, Congress should take every opportunity to protect this essential program. Defending Medicare is more important than defending tobacco companies.

EXHIBIT I,

A NEW KIND OF TOBACCO TAX

As it now stands, the Senate version of the Justice Department's appropriation would restrict the department's authority to file suit against the tobacco companies. Unless the matter is resolved in last-minute negotiations, an amendment to fix this problem will be put forward on the Senate floor by Sen. Bob Graham (D–Fla.) when the bill is taken up. Whether by amendment or negotiation, the current restriction has to go.

The department contends that the tobacco industry has engaged in intentional wrongdoing over the past 50 years in order to cover up the addictive qualities of its product. Industry misconduct, the argument goes, has resulted in huge federal health care bills. Normally, when a company fraudulently exacts such a toll on the taxpayer, the Justice Department seeks to recover some of that money. And that is what the department plans. It has asked Congress for $20 million for a planned suit. But the Senate appropriations subcommittee chairman, Judd Gregg (R–N.H.), seems to have other ideas. He inserted language into a committee report specifying that no money may be used for such a suit. The language would at least complicate the Justice Department's efforts, and it could be read to forbid a federal suit altogether.

The decision on whom to sue is a quintessentially executive branch power in which Congress has no legitimate role. If senators want to protect the tobacco industry's ill-gotten gains, they are free to change the laws under which Janet Reno is contemplating action. But it is the attorney general's job to decide whose violations of the law merit federal action. Moreover, when the attorney general plans a civil action against companies she claims have bilked the taxpayers of billions of dollars, it is not the place of any senator to seek to prevent the recovery of money that, in the judgment of the executive branch, lawfully belongs to the American people.

The amendment would not give the department the $20 million it has requested, but it would clarify that other money can be used for the suit. There can be no misunderstanding a vote to reject such a change. It would be an amnesty for decades of misconduct and a retroactive taxpayer subsidy for that misconduct as well.

EXHIBIT 2

NATIONAL CONGRESS OF AMERICAN INDIANS,
Washington, DC, July 22, 1999.

Hon. BOB GRAHAM,
U.S. Senate,
Washington, DC.

DEAR SENATOR GRAHAM: The National Congress of American Indians (NCAI), the oldest and largest Indian advocacy organization is pleased to support your amendment to strike language in the Commerce, State, Justice appropriations bill (S. 1217) that would deny federal funds to be expended by the Department of Justice (DOJ) for Tobacco litigation, including expenses related to expert witnesses.

Indian Nations have been affected profoundly by the tobacco industry. To that end, NCAI acknowledges and respects the rights of Indian Nations to file individual suits against the tobacco industry to recover for tobacco related illnesses and believes that Indian Nations should be the beneficiaries of any funds recovered. There are many Indian Nations however, who do not possess the resources to bring individual suits and will therefore, rely upon the DOJ to bring suit on their behalf. NCAI would not want to foreclose that option to Indian Nations. Moreover, there are many unanswered questions regarding any suits that may be filed by the DOJ on behalf of Indian Nations. Until more questions have been answered, NCAI cannot support any language that would foreclose any options to Indian Nations.

Senator Graham, NCAI believes your floor amendment to strike said appropriation language will benefit a number of Indian Nations throughout Indian Country and we thank you for your efforts.

Sincerely,

W. RON ALLEN, *President.*

Please support the Graham amendment and deny the tobacco companies special legal protections.

AARP
AFSCME Retiree Program
Alliance for Aging Research
Alzheimer's Association
American Association of Homes and Services for the Aging
American Association for International Aging
American Geriatrics Society
American Society on Aging
Association for Gerontology and Human Development in Historically Black Colleges and Universities
Catholic Health Association
Eldercare America
Families USA
Meals on Wheels Association of America
National Academy of Elder Law Attorneys
National Asian Pacific Center on Aging
National Association of Area Agencies on Aging
National Caucus and Center on Black Aged
National Council on the Aging
National Council of Senior Citizens
National Osteoporosis Foundation
National Senior Citizens Law Center

AMENDMENT NO. 1272

The PRESIDING OFFICER. Who yields time?

Mr. GREGG. Mr. President, I understand we are back on the pending underlying GREGG amendment, and that the Senator from South Carolina has time.

The PRESIDING OFFICER (Mr. GORTON). The Senator is correct. The regular order now is the GREGG amendment with 10 minutes on each side.

Mr. GREGG. I ask unanimous consent that the time be reserved for the parties presently assigned to it, and I make a point of order that a quorum is not present.

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

The clerk will call the roll.

The legislative assistant proceeded to call the roll.

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

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

AMENDMENT NO. 1292, WITHDRAWN

Mr. GRAHAM. Mr. President, I ask that the amendment I had offered relative to prohibition on tobacco litigation be withdrawn.

The PRESIDING OFFICER. The Senator has that right. The amendment is withdrawn.

Mr. HARKIN. I would like to address a question to the chairman of the Subcommittee, the Senator from New Hampshire, regarding funding for the Civil Division of the Justice Department.

In his State of the Union Address, President Clinton announced that the Federal Government intended to sue the nation's tobacco companies to recover billions of dollars in smoking-related health care costs reimbursed by federal health care programs. The administration's FY 2000 budget requested $15 million in new resources for the Civil Division of the Justice Department and $5 million for the Fees and Expenses of Witnesses account support this litigation effort.

Unfortunately, we were unable to provide the additional resources requested by the administration for the

Civil Division to carry out this task. While I regret that the committee was unable to provide the new funds, it is my understanding that if the Justice Department deems this activity to be a high priority, base funding, including funds from the Fees and Expenses of Witnesses account, can be used for this purpose.

I ask the chairman and ranking member of the subcommittee if my understanding of the bill and the report language is correct?

Mr. GREGG. I agree with the Senator from Iowa. While the committee was unable to provide new funding as the administration requested, nothing in the bill or the report language prohibits the Department from using generally appropriated funds, including funds from the Fees and Expenses of Witnesses Account, to pursue this litigation if the Department concludes such litigation has merit under existing law.

Mr. HOLLINGS. I also agree with Senator HARKIN.

Mr. GRAHAM: I would like to address the chairman of the subcommittee. Does the chairman also agree to strike the language or page 15 and or page 25 of Senate Report 106–76 relating to funding for tobacco litigation.

Mr. GREGG. That is correct.

Mr. President, I yield to my colleague and cosponsor of the amendment, the Senator from Illinois.

Mr. DURBIN. Mr. President, I thank the Senator from Florida, and also Senator GREGG, Senator HOLLINGS, Senator HARKIN, and others who have been party to the establishment of this colloquy. I think the RECORD is eminently clear that the Department of Justice has the authority to move forward on tobacco litigation without any limitation whatsoever from this legislation.

I am glad we achieved that and did it in a bipartisan fashion. I thank Senator GRAHAM for his leadership. I was happy to join him on the amendment and to be part of this colloquy.

I yield the floor.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. KERRY. Mr. President, I ask unanimous consent that I be permitted to proceed as in morning business.

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

Mr. GREGG. Will the Senator yield? Is there a time limit?

Mr. KERRY. Ten minutes.

Mr. GREGG. I thank the Senator.

Mr. KERRY. I thank the Chair.

(The remarks of Mr. KERRY pertaining to the introduction of S. 1420 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. KERRY. Mr. President, I suggest the absence of a quorum. I withhold that request.

The PRESIDING OFFICER. The majority leader.

UNANIMOUS CONSENT REQUEST—H.R. 1501

Mr. LOTT. Mr. President, I have a unanimous consent request with regard to the appointment of conferees on the juvenile justice bill.

I ask unanimous consent that the Senate proceed to the consideration of H.R. 1501, the House juvenile justice bill, and all after the enacting clause be stricken, the text of S. 254, as passed by the Senate, except for the Feinstein amendment No. 343, as modified, be inserted in lieu thereof, the bill be advanced to third reading and passage occur, without any intervening action or debate.

I further ask unanimous consent that the Senate insist on its amendment, request a conference with the House, the conferees be instructed to include the above described amendment No. 343 in the conference report, and the Chair be authorized to appoint conferees on the part of the Senate.

The PRESIDING OFFICER. Is there objection?

Mr. SMITH of New Hampshire. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. LOTT. Mr. President, I regret the objection. I understand, though, the Senator's feeling on this. As a result of the objection, I have no other alternative than to move to proceed to H.R. 1501 and file a cloture motion on that motion to proceed. Having said that, this will be the first of many steps necessary to send this important juvenile justice bill to conference.

JUVENILE JUSTICE REFORM ACT OF 1999—MOTION TO PROCEED

Mr. LOTT. With that, I move to proceed to H.R. 1501 and send a cloture motion to the desk.

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

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on the motion to proceed to Calendar No. 165, H.R. 1501, the juvenile justice bill.

Trent Lott, Frank Murkowski, Chuck Hagel, Bill Frist, Jeff Sessions, Thad Cochran, Rick Santorum, Ben Nighthorse Campbell, Orrin Hatch, John Ashcroft, Robert F. Bennett, Pat Roberts, Jim Jeffords, Arlen Specter, Judd Gregg, and Christopher Bond.

CALL OF THE ROLL

Mr. LOTT. Mr. President, I remind Members that the vote will occur then on Monday, and I now ask unanimous consent that the mandatory quorum under rule XXII be waived and the vote occur at 5 p.m. on Monday.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. LOTT. I now withdraw the motion to proceed.

The PRESIDING OFFICER. The motion is withdrawn.

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

The PRESIDING OFFICER. The clerk will call the roll.

Mr. LOTT. Mr. President, I withhold on that. I see there are Senators ready to speak.

Ms. COLLINS addressed the Chair.

The PRESIDING OFFICER. The Senator from Maine.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY AND RELATED AGENCIES APPROPRIATIONS ACT, 2000—Continued

AMENDMENT NO. 1296

(Purpose: Relating to telephone area codes)

Ms. COLLINS. Mr. President, I ask unanimous consent that the pending amendment be set aside, and I send to the desk a sense-of-the-Senate amendment on behalf of myself and Senators GREGG, HOLLINGS, TORRICELLI, FEINGOLD, SMITH of New Hampshire, and LIEBERMAN.

The PRESIDING OFFICER. Is there objection?

Without objection, the pending amendment is set aside, and the clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Maine [Ms. COLLINS], for herself, Mr. GREGG, Mr. HOLLINGS, Mr. TORRICELLI, Mr. FEINGOLD, Mr. SMITH of New Hampshire, and Mr. LIEBERMAN proposes an amendment numbered 1296.

Ms. COLLINS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 111, between lines 7 and 8, insert the following:

SEC. 620 (a) FINDINGS.—The Senate makes the following findings:

(1) When telephone area codes were first introduced in 1947, 86 area codes covered all of North America. There are now more than 215 area codes, and an additional 70 area codes may be required in the next 2 years.

(2) The current system for allocating numbers to telecommunications carriers is woefully inefficient, leading to the exhaustion of a telephone area code long before all the telephone numbers covered by the area code are actually in use.

(3) The proliferation of new telephone area codes causes economic dislocation for businesses and unnecessary cost, confusion, and inconvenience for households.

(4) Principles and approaches exist that would increase the efficiency with which telecommunications carriers use telephone numbering resources.

(5) The May 27, 1999, rulemaking proceeding of the Federal Communications Commission

relating to numbering resource optimization seeks to address the growing problem of the exhaustion of telephone area codes.

(b) SENSE OF SENATE.—It is the sense of the Senate that—

(1) the Federal Communications Commission shall release its report and order on numbering resource optimization not later than December 31, 1999;

(2) such report and order should minimize any disruptions and costs to consumers and businesses associated with the implementation of such report and order; and

(3) such report and order should apply not only to large metropolitan areas but to all areas of the United States that are facing the problem of exhaustion of telephone numbers.

Ms. COLLINS. Mr. President, I am pleased to offer a sense-of-the-Senate amendment to address a growing problem in this country, and that is the needless proliferation of area codes.

As many of my colleagues have witnessed in their own States, new area codes are being imposed upon consumers and businesses at a dizzying pace. While the modern technology of faxes, cell phones, pagers, and computer modems has played a role in creating this problem, area code exhaustion stems largely from the woefully inefficient system for allocating numbers to local telephone companies. This leads to the exhaustion of an area code long before all of the telephone numbers covered by that code actually have been used.

My own home State of Maine dramatically illustrates this problem. We have a population in Maine of approximately 1.2 million people. Within our ''207'' area code, there are roughly 8 million usable numbers and some 5.7 million of these numbers are still unused. Incredibly enough, however, Maine has been notified that it will be forced to add a new area code by the year 2001.

This paradigm of inefficiency in the midst of America's telecommunications revolution might almost be amusing were it not for the fact that it causes real hardships for many small businesses, particularly small businesses in the tourism industry. Businesspeople throughout my State, particularly in the coastal communities, have contacted me to express their concern. I have heard from a gallery owner in Rockport, an innkeeper in Bar Harbor, and a schooner captain in Rockland, who have expressed to me their concern about the costs involved in updating brochures, business cards, and other promotional literature, all of which will be necessitated by the creation of a new area code—the needless creation of a new area code. As one innkeeper told me, it takes as long as 2 years to revise certain guidebooks, which are the principal means by which he communicates with potential customers.

Changing the area code could lead to a significant loss in business for many small tourism businesses as well as unneeded expense for these small companies. Moreover, along with the economic costs, a new area code creates tremendous disruption and confusion for consumers.

The Federal Communications Commission has initiated a rulemaking procedure to address this growing problem. But since time is of the essence in ensuring that Maine and many other States not be forced to add another unnecessary area code, my amendment requires that the FCC release its final report and order no later than March 31 of next year.

It also specifies that the order shall minimize costs and disruptions to consumers and businesses located in all areas of the country, not just in major cities. The FCC right now appears to be focusing mainly on the larger markets and ignoring the implications for rural areas.

It is my understanding that this amendment is acceptable to the distinguished chairman of the subcommittee as well as the distinguished ranking minority member. I thank them very much for their cooperation and assistance in drafting this amendment, as well as for their cosponsorship of it.

Mr. HOLLINGS. Mr. President, I thank the distinguished Senator from Maine. It is very important. We agree with it. We appreciate her leadership on this.

Mr. GREGG. I also commend the Senator from Maine. This is a serious problem, not only in Maine but across the border in New Hampshire where we have the same concern about area codes. So I congratulate her on this sense-of-the-Senate amendment and strongly support it. I believe we can accept it.

I ask unanimous consent that the amendment be agreed to.

The PRESIDING OFFICER. If there is no further debate, without objection, the amendment is agreed to.

The amendment (No. 1296) was agreed to.

Ms. COLLINS. I thank both Senators for their cooperation and assistance in this matter.

Mr. TORRICELLI. Mr. President, I rise today with my colleague from Maine, Senator COLLINS, to introduce an amendment regarding the issue of area code conservation. The rapid proliferation of area codes is a problem facing the citizens of New Jersey, as well as the rest of the nation.

The extraordinary growth of the telecommunications industry in recent years has created a unique new problem. In just the last four years, the number of area codes in the United States has increased almost 60 percent. Continued growth will require that even the newest area codes be split and replaced again in the near future.

This problem has been particularly acute in New Jersey. Prior to 1991, the state went almost thirty years without a new area code. But in the last eight years, four new area codes have been added in the state and more are on the way.

While this is not the most pressing problem this country faces; it is a serious one. The costs and inconvenience of introducing new area codes are real. Small businesses must pay to reprint stationery, advertising, and signs, and to inform customers of new numbers. Communities throughout New Jersey, such as Willingboro, Medford, and Monroe, have faced the possibility of being split between two area codes, requiring many residents to dial an area code just to call a neighbor across the street. These costs get even higher when new area codes are introduced repeatedly in the same area after only a few years, forcing residents and businesses to make the same adjustments all over again.

Many people blame the demand for new phone numbers as the sole cause of so many new area codes. But there is another cause. Each area code has 7.9 million potential phone numbers. Today, less than half of the potential phone numbers in existing area codes are being used, leaving a total of 1.3 billion unused phone numbers in the United States. The real problem is that new area codes are being created before old ones are exhausted.

The inefficient use of available phone numbers is a product of the outdated system by which numbers are distributed within each area code. Phone numbers are allotted to telecommunications companies in blocks of 10,000, regardless of whether those companies have the capacity to use every number. Undoubtedly, this system made sense when there was only one telephone company because it would, eventually, use every number available.

But, as we all know, the new era of telecommunications competition has introduced dozens of smaller companies. Today, there are over 100 such companies in New Jersey alone. Under the current allocation system, these companies still receive phone numbers in blocks of 10,000. Even if a company does not use its full allocation, unused numbers remain dormant while new area codes are being created.

This unnecessary nuisance can be alleviated relatively easily. All it requires is a little planning and foresight. Given the enormous demand for new phone numbers and the growth of smaller phone companies, we should overhaul the system for allocating phone numbers. The Federal Communication Commission is currently reviewing ways to do just that. But, while their efforts are encouraging, the process may not work fast enough to prevent the next round of needless new area codes in New Jersey.

The Amendment I have introduced with Senator COLLINS expresses the sense of the Senate that the Federal Communications Commission should complete its ongoing rulemaking regarding number resource optimization by March 31, 2000. This action will help ensure that the FCC rapidly implements practical number conservation measures.

New area codes are inevitable as the population and electronic communications continue to grow. But there are

reasonable, practical ways to soften the impact of these changes. Ensuring that new area codes are implemented only when current ones have been exhausted will save time, energy, and money for countless residents and businesses, in New Jersey and around the country.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent to set aside the pending amendment to offer two amendments that will be accepted.

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

AMENDMENT NO. 1297

Mrs. HUTCHISON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Texas [Mrs. HUTCHISON], for herself, Mr. KYL, and Mr. ABRAHAM, proposes an amendment numbered 1297.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 19, line 23, after the colon, insert the following: ''*Provided further*, That any Border Patrol agent classified in a GS–1896 position who completes a 1-year period of service at a GS–9 grade and whose current rating of record is fully successful or higher shall be classified at a GS–11 grade and receive pay at the minimum rate of basic pay for a GS–11 position.''

Mrs. HUTCHISON. Mr. President, this is an amendment which would mandate to the Immigration and Naturalization Service that Border Patrol agents who are in the field, who have experience, not be capped at a GS–9 pay level, as they currently are but go to a GS–11 level after they pass the test that the INS, of course, would have in their rating system.

I appreciate very much Senator GREGG's and Senator HOLLINGS' support for the efforts to increase the number of Border Patrol agents. But the problem is that recruitment has not been successful. One of the reasons the recruitment has not been successful is that we have capped the pay of Border Patrol agents at a lower level than Customs agents who are working side by side with our Border Patrol agents on the border. So it is no wonder people are going to Customs and DEA and other very good Government agencies and not coming to the Border Patrol.

This amendment will require that we go to the GS–11 level so that we can recruit and retain our best people for the Border Patrol and we can get on about the business of making sure the borders of our country are secure.

So, Mr. President, I urge that this amendment be accepted. Both sides of the aisle have looked at it. I ask unanimous consent that the amendment be agreed to.

Mr. HOLLINGS. Mr. President, it is acceptable on both sides, and we urge its adoption.

The PRESIDING OFFICER. If there is no further debate, without objection, the amendment is agreed to.

The amendment (No. 1297) was agreed to.

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

Mrs. HUTCHISON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mrs. HUTCHISON. I thank the Chair, and I thank the distinguished Senator from South Carolina. This will do more than anything we can possibly do to increase the retention and the recruitment of Border Patrol agents.

AMENDMENT NO. 1300

Mrs. HUTCHISON. Mr. President, I send an amendment to the desk on behalf of myself, Senator KYL, Senator ABRAHAM, Senator HATCH, and Senator LEAHY and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. BENNETT). The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Texas [Mrs. HUTCHISON], for herself, Mr. KYL, Mr. ABRAHAM, Mr. HATCH, and Mr. LEAHY, proposes an amendment numbered 1300.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 19, line 23, after the colon, insert the following: ''Provided further, That the Commissioner shall within 90 days develop a plan for coordinating and linking all relevant Immigration and Naturalization on Service databases with those of the Justice Department and other federal law enforcement agencies, to determine criminal history, fingerprint identification and record of prior deportation and, upon the approval of the Committees on the Judiciary and the Commerce-Justice-State Appropriations Subcommittees, shall implement the plan within FY 2000:''

Mrs. HUTCHISON. Mr. President, this is an amendment that is meant to close a gaping loophole we found in INS's sharing of information that allowed the serial killer, Rafael Resendez-Ramirez, whose real name is Angel Maturino Resendiz, to get through our borders, even though he already had a criminal record, because there was not enough communication in the identification system between the INS and the other Justice Department agencies. So we didn't catch this serial killer.

This is an amendment I have worked on with Senators KYL, ABRAHAM, HATCH, and LEAHY that would require the Commissioner of the INS, within 90 days, to develop a plan for coordinating and linking all relevant INS databases with those of the Justice Department and other Federal law enforcement agencies to determine the criminal history and the record of prior deportation and, upon the approval of the Judiciary Committee and Commerce, State, Justice Appropriations Subcommittee, will implement a plan by fiscal year 2000.

I am counting on the committees to come through on this because if we can get the plan in 90 days, we need to implement a plan that will identify criminal aliens in our country so when they try to enter again, they will be stopped.

I ask that the amendment be accepted and that we move forward to try to close this loophole that allowed this serial killer to fall through the cracks or slip through our fingers, however one wants to say it, and cause havoc in our country for about a month.

Mr. GREGG. Mr. President, was that a unanimous consent request?

Mrs. HUTCHISON. It was.

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

The amendment (No. 1300) was agreed to.

Mrs. HUTCHISON. I thank the Chair.

Mr. President, if it is in order, I will speak on the bill.

Mr. GREGG. If the Senator from Texas wouldn't mind suspending, I believe the majority leader has some points he wishes to raise.

The PRESIDING OFFICER. The majority leader.

Mr. GREGG. Mr. President, I am sorry. It would be fine if the Senator from Texas wanted to speak on the bill.

The PRESIDING OFFICER. The Senator from Texas.

Mrs. HUTCHISON. I thank the Chair. If there comes a time when the Senator from New Hampshire needs to break in, I will be happy to yield.

I rise in support of the bill that is before us. It has been a tough bill. It is more than $888 million less than the appropriations bill that we enacted in last year, but it does provide sufficient resources. I believe Senator GREGG and Senator HOLLINGS and their staffs have worked very hard to make sure we address the priorities for the Commerce, State, and Justice Departments and the very important issues with which they are dealing.

I have passed two amendments to the bill tonight. There will be another amendment that has already been accepted that will allow the INS Commissioner to provide a language proficiency bonus for people who are proficient in Spanish to be hired in the Border Patrol. Of course, if people are already proficient in Spanish, it will save the money it will take to train them in the second language. That amendment has been cleared on both sides. I appreciate it because I am looking for every way I can to increase the capability to recruit new Border Patrol agents who will be able to hit the ground running and help stop the influx of drugs and illegal immigration into our country.

I cannot imagine that we have continued to tell the INS that we want these Border Patrol agents to come on board, and we have not had the cooperation of the administration in either recruitment or retention. Certainly, I hope with this bill, which is

much more narrow in its requirements, the Border Patrol will do what the Congress has mandated they do, and that is recruit and retain more Border Patrol agents so we can stop the influx of drugs into this country. As a matter of fact, $10 billion in marijuana, heroin, cocaine, and methamphetamines crossed our border last year. How in the world can we say that we have a handle on the sovereignty of our borders when we have $10 billion of illegal drugs flowing in in 1 year?

I am very pleased that the chairman of the Appropriations Committee, Senator STEVENS, went to the Arizona border with Mexico during the Memorial Day recess. He was stunned at what he saw. I hope more Senators will go to the border so they will see the problem we are facing.

During the markup of the bill that is before us today, Senator STEVENS said: God forbid that the day comes when we have to have fences and walls between the United States and Mexico.

I share his view. Mexico is our neighbor. They are strong cultural and historic ties between our two nations. I seek a border that is as open as possible, allowing people, goods, and services to move across the 2,000-mile-shared border quickly and efficiently. I am committed to putting in place the infrastructure, the bridges, the facilities, and the inspection personnel necessary for this to happen. I wish the President and this administration would work with us.

The realities are otherwise, however. In Texas and along the border, we are witnessing a lawlessness that we have never seen since the days of the frontier. It is important to put the drug threat in its proper context and to understand its full dimensions.

On March 24, 1999, Administrator Thomas Constantine of the Drug Enforcement Administration testified before our subcommittee. He said:

> Most Americans are unaware of the vast damage that has been caused to their communities by international drug trafficking syndicates, most recently by organized crime groups headquartered in Mexico. At the current time, these traffickers pose the greatest threat to communities around the United States. Their impact is no longer limited to cities and towns on the border. Traffickers from Mexico are now routinely operating in the Midwest, the Southeast, the Northwest, and increasingly in the Northeastern portion of the United States.

Make no mistake: Drugs coming across the border are ending up on the streets of Manchester, NH; Columbia, SC; Baltimore, MD; and Denver, CO, and they are coming across in record numbers. In fiscal year 1998, there were 6,359 drug seizures along the Southwest border. The total value of these drug seizures was $1.28 billion, nearly $150 million more than last year. Nearly $1 billion of the drugs seized last year were on the Texas border, in the Border Patrol sectors there.

Drug-related violence along the Texas border continues to increase. Ranchers in Maverick County, 150 miles southwest of San Antonio, reported that armed traffickers in black, wearing camouflage clothing, passed through their properties after walking across the Rio Grande River. The situation is no better on the immigration side. More than 1.5 million illegal immigrants were apprehended along the Southwest border just last year.

Conservative estimates suggest that only one in four illegal aliens is apprehended. But the numbers hide the dark, evil side of this issue of alien smuggling, violent assault against migrating women, and other suffering.

I commend to my colleagues an article that appeared recently in the New York Times. Rick Lyman reported on a disturbing development where infants and young children, some possibly kidnapped and others who are rented, are used to trick border agents. INS has no facilities to house families, especially babies. So illegal aliens are simply released and asked to report for a later court date. The borrowed children are then shuffled back and forth across the border to be placed in the hands of others to make yet another treacherous, illegal crossing.

These examples highlight conditions along the border. They underscore that we have a moral obligation to provide the necessary resources to secure our border. That is why I find it incomprehensible that this administration has requested no new Border Patrol agents, Drug Enforcement Administration agents, or Customs agents in its budget recommendation to Congress this year. The 8,000 men and women serving in our Border Patrol are our Nation's first line of defense in the war on drugs and illegal immigration. Understanding this, Congress required, under the Illegal Immigration Act of 1996, that the Attorney General in each of the fiscal years 1997, 1998, 1999, 2000, and 2001, shall increase the Border Patrol by not less than 1,000 full-time active duty Border Patrol agents within the INS. Unfortunately, our Nation's top law enforcement officer, Janet Reno, and the President opted not to abide by the law and put these agents in their budget.

This is not the first time the administration has not complied with this law. In 1997, the administration only requested 500 new agents instead of a thousand. Thank heavens, Senator GREGG and Senator HOLLINGS have kept their commitment to secure our Nation's borders and provide $83 million in this year's budget to hire 1,000 agents.

Mr. President, this is so very important to fund these agencies. Again, Senator GREGG and Senator HOLLINGS have gone a long way to pushing INS toward getting the 1,000 new Border Patrol agents. I have heard from every Border Patrol chief along the Southwest border, and all have told me that, yes, they can use better equipment. Better equipment helps them and it gives them a range much longer than one of them can cover. But what they need most, first and foremost, is manpower. They cannot operate the equipment, they cannot get to the places they need to be if they don't have enough Border Patrol agents, and they are woefully short.

So after talking to our drug czar, General McCaffrey, it is clear that we need more Border Patrol agents. He has said we need 20,000 Border Patrol agents in order to stop the flow of drugs across our Southwest border.

A University of Texas study done last year indicates that 16,000 agents are needed to do this job, and we only have 8,000.

With only 200 to 400 likely to be hired this year, we are not even making progress in the right correction.

I call on this administration to stop the excuses on why they can't recruit more Border Patrol agents, to stop refusing to even put them in their budget, and to come forward and say our border is a priority.

That is what I am asking this administration to do—to say that our border has to stop letting in illegal drugs that are preying on our children in Seattle, WA, in Chicago, IL, and in Augusta, ME. We have to stop this. The only way we are going to do it is to make it a priority.

I appreciate the leadership of Senator GREGG and Senator HOLLINGS. They are making this a priority. The administration must come through and help us stop the sieve on our borders that is allowing drugs to come in.

I want to say in closing that Senator KYL has worked very closely with me on these issue. Senator KYL and I cosponsored the bill that would raise the pay of the Border Patrol agents so we could be in the recruitment game. He cosponsored my amendment on the floor today that would make this happen. He has been an important voice for effective law enforcement along the Southwest Border.

Mr. President, we cannot wait any longer. We must have action from this administration to beef up the Border Patrol, to beef up the Customs agents, to beef up the Drug Enforcement Agency, so that we can stop the influx of drugs into our country. We must get serious about it. That is what this bill does. But we must have the cooperation of this administration to do it.

Thank you, Mr. President.

I yield the floor.

UNANIMOUS CONSENT AGREEMENT

Mr. LOTT. Mr. President, I ask unanimous consent that the following amendments be the only first-degree amendments in order to the pending appropriations bill, and that they be subject to relevant second-degree amendments, and no motion to commit or recommit be in order. I submit the list of amendments to the desk. It includes the Democratic list of amendments and the Republican list of amendments as of 6:10.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Mr. President, reserving the right to object, I ask the majority

leader has this been circulated in the last 10 minutes or so?

Mr. LOTT. Over the past hour or so.

Mr. REID. We just got six more is the reason.

Mr. LOTT. Are they on the list?

Mr. WELLSTONE. Is there a copy we can look at?

Mr. LOTT. I have the list here. I believe the Senator from Minnesota is on here for four amendments—not one, not two, not three but four. We have the list.

Mr. WELLSTONE. I am an active legislator. I ask the majority leader or Senator GREGG, I assume these are in addition to the amendment that has been laid aside.

Mr. GREGG. The Senator's amendment is already in the queue.

Mr. WELLSTONE. I thank the Senator.

Mr. REID. If the majority leader would wait for just a brief minute, we are seeing what we can do here.

Mr. LOTT. Mr. President, the managers of this legislation have been working diligently throughout the day and have made a lot of progress in dealing with a number of amendments, accommodating those amendments. Senator DASCHLE and I have been working with Senators to find ways for Senators to perhaps have their legislation considered on other bills. We are trying to get a list of amendments outstanding so they will know exactly what they are dealing with.

Mr. REID. If the leader will yield, I have just spoken to the manager of the bill, Senator HOLLINGS. I want to make sure the list that has been submitted includes Senator TORRICELLI's FTC on marketing scams; a relevant Feinstein; a relevant one for Bob KERREY; a relevant by BOB GRAHAM dealing with NOAA; an additional one for Senator DURBIN, another relevant one; one for Senator LEAHY on the Sentencing Commission; another for Senator TORRICELLI; Senator LANDRIEU has three relevants.

Mr. LOTT. I repeat my unanimous consent request and ask that the amendments identified by Senator REID be included on the list.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The list of amendments is as follows:

DEMOCRAT AMENDMENTS

Harkin: Burn grants.
Harkin: Relevant.
Harkin: Relevant.
Kerry (MA): Relevant.
Kennedy/Wyden: Hate crimes.
Dorgan: Relevant.
Durbin: INS.
Durbin: Elder abuse.
Graham: Public aviation.
Graham: Elderly crimes study.
Graham: Relevant.
Reed (RI): Relevant.
Johnson: Bureau of Export Administration.
Bryan: Travel and tourism.
Bingaman: E-Commerce extension.
Bingaman: Relevant.
Murray: Tribal funding.
Wellstone: Prison litigation.
Wellstone: Sex trafficking.
Wellstone: Judicial training.
Wellstone: Relevant.
Dodd: Relevant.
Boxer: Tuna Commission.
Boxer: No gun sales to intoxicated persons.
Boxer: Criminal alien deportation.
Lautenberg: Anti-youth drinking.
Lautenberg: Women's health clinic protection.
Durbin: Elder abuse.
Durbin: INS.
Daschle: Relevant.
Hollings: Relevant.
Kerrey (NE): Relevant.
Schumer: State prison grants.
Torricelli: FTC marketing scams.
Torricelli: Trucks.
Torricelli: Police.
Torricelli: Relevant.
Landrieu: War crimes tribunal funding.
Landrieu: Abused women immigration status.
Landrieu: Relevant.
Landrieu: Relevant.
Landrieu: Relevant.
Feinstein: Relevant.
Leahy: Sentencing Commission.
Sarbanes: Diplomatic and consular funds.
Byrd: Consolidation of office in W.VA.
Levin/DeWine: Great Lakes Y2K compliance.

REPUBLICAN AMENDMENTS

Gorton: Salmon recovery.
Ashcroft: 2nd degree (object to any limit on 2nd degrees).
Nickles: Death penalty.
Nickles: Travel.
Nickles: Independent Counsel.
Snowe: Fisheries.
Snowe: Ground fish.
McCain: Patent/trade mark.
Brownback: FCC.
Brownback: Police funding.
Enzi: GAAT & FCC.
Enzi: BXA initiative/Cox report.
Warner: Relevant.
Domenici: Albuquerque Federal Building.
Coverdell: DEA.
Coverdell: Drug-free workplace.
Stevens: Pacific salmon treaty.
Stevens: Maritime Adm./Amer. Fisheries Act.
Lott: Funding for Advisory Commission.
Gregg Hollings: Managers amendment.

POSSIBLE AMENDMENTS FOR THE FLOOR

Abraham—$1 million for helicopter.
Abraham—Drug dealers powdered cocaine.
Abraham—Faith based drug treatment, Federal funding.
Biden—Jerusalem (MP2).
Bingaman—E-Commerce at NIST.
Bingaman—Guadalupe-Hidalgo land grant.
Boxer, Kennedy—Abortion clinic violence security, $4.5 million.
Burns—Bull trout (MP2).
Breaux—Lafayette Lab, authority to become a NOAA lab (MP2).
Brownback—Elimination of caps on spectrum.
Boxer—INS.
Boxer—NOAA.
Chafee—Narragansett Bay (MP2).
Cochran—Sense of the Senate.
Cochran—$2 million for NIJ.
Coverdell, John Kerry—Drug free workplace, $4 million.
Daschle—911 system (MP2).
Daschle—Change soft earmark for hard for Indian courts (no construction) (MP2).
DeWine—CITA name.
Durbin/Fitzgerald—INS constituent services.
Rod Grams—UN arrears $107 million, want legal authority to waive debt (MP2).
Graham—Report on abuse against the elderly.
Graham—BIO medical earmark to NOAA for sea turtles.
Gregg—Extension of internet moratorium.
Gregg—UN taxing the internet.
Gregg, Hollings—DOJ land border inspection fees.
Gregg, Hollings—Supreme Court.
Gregg, Hollings—SBA—Tech.
Gregg, Hollings—SBA—Tech.
Gregg, Hollings—SBA—Tech.
Harkin—Increase Byrne grant.
Hollings—State Department cannot sell property.
Hollings—OJP $500 K.
Hutchison—Border Patrol training.
Hutchison—Border Patrol pay raise.
Hutchison—Border Patrol serial killers identification.
Inouye—Coral reefs.
Kennedy—GTE waiver of Telecom Act.
Kennedy—Hate crimes—S. 622.
Kerrey—Teammates of Nebraska, $1 million via OJP.
Kerrey—Lincoln.
Kyl/Ashcroft—$100 million fenced for Jerusalem Embassy.
Ashcroft—Sense of Senate on Iran.
Lautenberg—Abortion clinics, law enforcement.
Levin—$390,000 upgrade water gauge stations.
Lott, Daschle, Conrad—J–1 visas for doctors.
McCain—50 percent funding cut for PTO building.
McCain—Internet filtering.
Mikulski, Sarbanes—NOAA research vessel, $1.5 million.
Hatch—Hate crimes.
Sessions—Civil rights and cops.
Murray—Salmon funding for tribes, $18 million for each state, $6 million for tribes.
Reed—Making Liberian language permanent.
Schumer—SEC report.
Schumer—State prison grant to go to local counties.
Schumer, Kohl—Project exile.
Sessions—Cops quota system.
Smith—Add vessel to AFA.
Snowe—Increase council membership.
Snowe—SEC.
Specter—Private right of action.
Specter—Reauthorize drug court program.
Stevens—Strike salmon authorization.
Stevens—Continue no year funds.
Thurmond, Thompson, Hatch—IG to use .02% of VCTF for audits.
Torricelli—Heavy trucks, cops technology $660,000.
Torricelli—FTC, marketing scams.
Coverdell—DEA.
Sessions—Audit review.
Lott—2M for Internet Commission.
Torriccelli—$190K for block grant.
Bryan—Sense of Senate.
Hatch/Leahy—Holding court in New York, West Virginia and Utah.
Lautenberg—Alcohol add campaign.
Leahy—Sentencing Commission.
Wellstone—International trafficking.
Wellstone—Prison litigation reform.
Hatch/Leahy/Hollings—Court in New York.

Mr. LOTT. With this agreement in place, it is my hope that the bill can be completed yet this evening. I believe we have amendments that are in order, and Senator LAUTENBERG has one he may be able to go forward with.

Work is still being done on the rule XVI issue. Additional votes will occur during this evening's session of the Senate. We usually can expect to go late into the evenings on Thursday. It looks as if that will be the case.

If we can work with the managers and get this work done, this would be a

very important achievement. And that, coupled with the fact that we know there is a memorial service tomorrow, we would not have to be in session tomorrow.

I urge the managers to keep working and my colleagues to please work with them.

The PRESIDING OFFICER. The Senator from New Hampshire.

UNANIMOUS CONSENT AGREEMENT

Mr. GREGG. Mr. President, I am going to propound two unanimous consent requests. One deals with Senator LAUTENBERG's amendment and one with Senator ENZI's amendment. The plan is as follows:

I ask unanimous consent that it be in order for Senator LAUTENBERG to offer an amendment regarding alcohol and there be 30 minutes of debate equally divided prior to the vote on or in relation to the amendment.

I further ask unanimous consent that no amendments be in order to the amendment prior to the vote.

I further ask unanimous consent that the previous consent relating to the pending GREGG amendment remain status quo to recur immediately following the LAUTENBERG vote.

I further ask unanimous consent that it be in order for Senator ENZI to offer an amendment regarding the FCC accounting principles and there be 30 minutes of debate equally divided prior to the vote on or in relation to the amendment.

I further ask unanimous consent that no amendments be in order prior to the vote.

I further ask unanimous consent that the previous consent relating to the pending GREGG amendment remain status quo to reoccur immediately following the vote on the ENZI amendment.

I further ask unanimous consent that the ENZI amendment and the LAUTENBERG amendment be voted on en bloc at the end of the ENZI debate time.

Mr. REID. Reserving the right to object, I apologize to the Republican manager of the bill. I was not listening when the consent request was first issued. Would the Senator tell us what it is.

Mr. GREGG. It actually means that Senator LAUTENBERG has 30 minutes on his amendment equally divided, Senator ENZI has 30 minutes on his amendment equally divided, and we go to a vote on those two amendments.

Mr. HARKIN. Reserving the right to object, what happens, I ask the chairman, after that?

Mr. GREGG. At that point we are back to the regular order, which is that Senator HOLLINGS is recognized for 10 minutes and I am recognized for 10 minutes. Then we have a vote on the majority leader's point of order. However, I expect that there will be further action on the bill at that point and we will get into an amendment process.

Mr. HARKIN. I have an amendment that is on the list. If I may, I would like to get a time line on that.

Mr. GREGG. I would like to talk to the Senator about his amendment. I am hopeful that we can work it out and that we won't have to have a vote on it. Maybe we can talk about it while this debate is going on and work something out.

Mr. HARKIN. All right. I will be back.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Under the order, the Senator from New Jersey is recognized.

Mr. LAUTENBERG. Thank you, Mr. President.

AMENDMENT NO. 1302

(Purpose: To fund a media campaign, from increases in the Department of Justice budget, to prevent underage drinking.)

Mr. LAUTENBERG. Mr. President, I assume that the pending GREGG amendment has been laid aside.

I send my amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Jersey (Mr. LAUTENBERG), for himself, Mr. HARKIN, and Mr. DORGAN, proposes an amendment numbered 1302.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 2, between lines 3 and 4, insert the following:

For carrying out a media campaign to prevent alcohol consumption by individuals in the United States who have not attained the age of 21, $25,000,000 which shall become available on October 1, 2000 and remain available through September 30, 2001

Mr. LAUTENBERG. Mr. President, I rise to offer an amendment to provide the Justice Department $25 million in fiscal year 2001 to develop and begin to implement a media campaign to discourage children from engaging in underage alcohol consumption.

We already have an ad campaign on national television that espouses the evils of drug use. But that campaign does not include alcohol. And when I tried to amend that ad campaign in the Treasury-Postal bill last month to include alcohol, some Senators said that they did not want to dilute the anti-drug message. But they did say that they would support a separate anti-underage drinking campaign.

I offer this amendment on behalf of myself and Senators HARKIN and DORGAN, who the last time I offered a similar amendment voted against it, but now has agreed that it is the right thing to do.

Right now, by running anti-drugs ads without also running anti-underage drinking ads, we are sending the wrong message to Ameria's children. It is the equivalent of telling kids: ''say 'no' to drugs. But this Bud's for you!''

Mr. President, consuming alcohol is illegal in all 50 States if you are under the age of 21, and among America's youth, underage alcohol consumption is just as big a problem as drug use.

The facts are daunting. If we look at this chart, we see that alcohol kills six times more children ages 12 to 20 than all the other ilegal drugs combined. It was a surprise to me, as I suspect it is a surprise to millions of other Americans as well.

Let me point out some more facts. According to the Department of Health and Human Services, the average age at which children start drinking is 13.

What's even worse, Mr. President, is that research shows that children who drink at age 13 have a 47-percent chance of becoming alcohol-dependent.

But if they waited until they were 21 to drink, they would have only a 10-percent chance of becoming dependent.

In all, Mr. President, there are nearly 4 million young people in this country who suffer from alcohol dependence, and they account for one-fifth of all alcohol-dependent Americans.

Not only is alcohol consumption widespread among children under the age of 21, but it is a ''gateway drug.'' And too often, it leads to the use of marijuana, cocaine, and heroin.

The drug czar, Geneal McCaffrey, had some things to say about this. He said, ''The most dangerous drug in America today is still alcohol.''

But for one reason or another, we don't get that message through.

He goes on to say that alcohol is ''the biggest drug abuse problem for adolescents, and it's linked to the use of other, illegal drugs.''

Mr. President, statistics support what General McCaffrey has been saying. According to the Center on Addiction and Substance Abuse at Columbia University, youth who drink alcohol are 7.5 times more likely to use any illegal drug and 50 times more likely to use cocaine, than young people who never drink alcohol.

General McCaffrey is not alone in his belief that attacking underage drinking is a key component of the war on drugs. Surgeon General Davis Satcher recently wrote a letter to General McCaffrey expressing his support for ''a powerful media campaign that will effectively deglamourize underage drinking.''

Surgeon General Satcher went on to say that he has established a Staff Working Group ''to create an effective campaign to curtail the incidence of underage and binge drinking.''

Finally, the Surgeon General

It is time to more effectively address the drug that children and teens tell us is their great concern and the drug we know is most likely to result in their injury or death.

If experts like General McCaffrey and Surgeon General Satcher agree that alcohol is a ''gateway drug,'' then it is clear that a well-planned ad campaign that targets underage drinking would increase the effectiveness of our war against drugs.

My amendment provides the Justice Department with $25 million in fiscal year 2001 to develop and begin to implement a media campaign to discourage

children under the age of 21 from drinking. The amendment allows plenty of time to conduct the necessary research and develop and test sample radio and television ads in order to launch an effective media campaign. Ad messages would be consistent with the antidrug messages in the drug czar's media campaign. There would also be funds to begin buying media time.

The Justice Department will coordinate the campaign with representatives of the Centers for Disease Control, the Surgeon General's office, and the National Institute on Alcohol Abuse and Alcoholism. With the help of these health institutions, the Justice Department also would put together a detailed 5-year funding plan for the campaign and its media ''buys'' to help Congress in the appropriations process.

Editorials have been written across this country supporting the need for an anti-underage drinking media campaign. Editorials have appeared in the Washington Post, New York Times, Christian Science Monitor, and Los Angeles Times. The concept of an anti-underage drinking media campaign is further supported by more than 80 organizations, including Mothers Against Drunk Driving, the American Medical Association, the American Academy of Pediatrics, the American Public Health Association, and the Center for Science in the Public Interest.

I am proud to have been the author some years ago, in 1984, that made 21 the drinking age in all 50 States. With the help of the National Transportation Safety Board, we have saved the lives of approximately 15,000 young people in the 15 years since the law has been in place. It was a real boon to those families who worried about their children drinking and the problems that result.

In 1995, Senator BYRD led the charge on zero tolerance for underage alcohol consumption by writing a law that says if you are under age 21, .02 blood alcohol level is legally drunk. So, as in the past, we need to continue to send a strong message to America's youth that neither underage alcohol consumption nor drug use is acceptable. And the only successful path to winning the war on drugs is the one paved by preventing underage drinking.

We must not accept underage drinking as a so-called rite of passage. It often is. It is a passage directly to illegal drugs such as marijuana, cocaine, and heroin. It is a passage to a life of alcohol dependency.

The bottom line is this: This is a simple up-or-down vote on whether you want to do something to prevent teen alcohol addiction. I urge my colleagues to support this amendment so that we can get a handle on that drug which is acknowledged to be the most dangerous among all drugs. And the fact that alcohol kills six times more children ages 12 to 20 than all other illegal drugs combined proves that.

I hope we get a positive vote on this. I understand this vote will be stacked with a vote of the Senator from Wyoming, is that correct?

Mr. GREGG. That is correct. We will have a vote on the amendment of the Senator from New Jersey and then the Senator from Wyoming.

I rise in opposition to this amendment for a number of reasons. With forward funding of an initiative, the $25 million for advanced appropriations next year, it makes it extremely difficult for the committee to function.

When the President presented his budget, he had included a large amount of funding which this committee did not accept because we did not want to put ourselves in that sort of a bind.

Independent of the equities of the argument relative to the initiative which was voted on once before in a form not exactly like this but similar to this on the Treasury-Postal bill, I believe very strongly this would set a very poor precedent if we began appropriating in the future on bills for this year.

It would avoid the entire budgetary process, which requires offsets. That is our fiscal discipline. Without offsets, we will have no fiscal discipline. Arguably, we could appropriate all of next year's budget on almost any subject that Members wish and create significant problems.

I don't support the amendment. I believe the amendment is inappropriate.

Mr. LAUTENBERG. Mr. President, I thank the chairman and the ranking member for permitting me to offer this amendment.

But this is not a precedent-setting amendment. We have done substantial forward funding in those programs that need it. And it will take a year to organize this program.

This is the time to get this program started by making certain that the message is clear, that it is out there. It says: Listen, kids, don't start drinking. It could lead you down a terrible path. It could create more dependence on alcohol, more introduction to other drugs. That is a poor way to give a child a sendoff.

The Senator from New Hampshire talks about appropriating next year's money at this time as being somewhat unusual. Fortunately, or unfortunately, it is not unusual. I have a list of accounts that have been forward funded. I ask unanimous consent to have these accounts printed in the RECORD.

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

DISCRETIONARY ADVANCE APPROPRIATIONS

[Budget authority by fiscal year, in millions of dollars]

	1998	1999	2000
Military pay and retirement	0	0	1,838
Denali Commission	0	0	8
Patent and Trademark Office	0	71	167
Legal activities & U.S. Marshals	0	31	0
SBA business loan program account	4	4	0
Federal Trade Commission	0	14	0
Securities & Exchange Commission	27	0	0
Employment and Training Administration	0	290	0
NIH, buildings and facilities	0	0	40
Low income home energy assistance program	1,000	1,100	1,100
Child care development block grant	937	1,000	1,183
Elementary & Secondary Ed (reading excellence)	0	210	0

DISCRETIONARY ADVANCE APPROPRIATIONS—Continued

[Budget authority by fiscal year, in millions of dollars]

	1998	1999	2000
Education for the disadvantaged	1,298	1,448	6,204
Corporation for Public Broadcasting	250	250	317
Payment to Postal Service	0	0	71
Defense vessel transfer program	0	0	31
NASA	365	0	0
Veterans, construction, major	32	0	0
Hazardous substance superfund	0	650	650
Total	3,913	5,068	11,609

Source: CBO, Scorekeeping Unit.

Mr. GREGG. If the Senator is willing to yield back, I am willing to yield back.

Mr. LAUTENBERG. I yield back my time.

Mr. GREGG. I yield back my time.

Mr. LAUTENBERG. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Wyoming.

AMENDMENT NO. 1301

(Purpose: To prohibit the Federal Communications Commission from requiring persons to use any accounting method that does not conform to Generally Accepted Accounting Principles)

Mr. ENZI. I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Wyoming [Mr. ENZI], for himself, Mr. BURNS, and Mr. FITZGERALD, proposes an amendment numbered 1301.

Mr. ENZI. I ask unanimous consent reading of the amendment be dispensed with.

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

The amendment is as follows:

At the appropriate place, insert:

SEC. —. PROHIBITION ON REQUIREMENT FOR USE OF ACCOUNTING METHOD NOT CONFORMING TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES.

(a) PROHIBITION.—No part of any appropriations contained in this Act shall be used by the Federal Communciations Commission to require any person subject to its jurisdiction under the Communications Act of 1934, as amended (47 U.S.C. 151 et seq) to utilize for any purpose any form or method of accounting that does not conform to Generally Accepted Accounting Principles established by the Financial Accounting Standards Board.

Mr. ENZI. Mr. President, I rise to offer an amendment to remove an unnecessary burdensome recordkeeping requirement on local telephone companies.

In 1935, the Federal Communications Commission developed an accounting system known as a uniform system of accounts to ensure the Commission had access to financial data used by AT&T to set local phone rates. This system of accounting requires that companies maintain detailed records and appreciate every asset they purchase, from paper clips to trucks. According to depreciation schedules that each company negotiates with the FCC, no other entity in the Nation has to do that.

I have seen some of these schedules. They require companies to depreciate assets over longer periods of time than either the Internal Revenue Service or the Securities and Exchange Commission. They require them to depreciate things that no other business has to depreciate. Many of these assets are high-technology items such as digital switches or fiber-optic cable that are often obsolete in a very short period of time. However, the FCC requires them to be depreciated over a much longer period of time.

This is not limited to depreciation. As an accountant, I happen to know a bit about generally accepted accounting principles. Yet even small businesses under the IRS have a dollar threshold over which they amortize assets—usually $25,000. For purchases under $25,000, the company would simply expense the item, meaning that they could charge the cost of the asset against the current year's revenues.

Under the FCC system, local telephone companies are required to amortize every asset they buy, from office supplies to digital switching equipment. There is no dollar value threshold for local companies. They have to keep detailed records and record assets in accounts specified by the FCC; negotiated individually with the FCC. These companies already maintain their records according to generally accepted accounting principles. Their standard is required by the IRS and FCC. Why should a third agency require companies to keep their books in a manner inconsistent with generally accepted accounting principles?

Now that AT&T has been broken up and competition is being allowed to take place, it is time to remove regulatory burdens that do nothing more than impose a requirement on one set of companies that their competitors do not have to comply with, information that is available to the competitors, information in detail available to the competitors, derived at great expense to the local telephone company?

The amendment I am proposing would prohibit the FCC from requiring any accounting system other than generally accepted accounting principles for 1 year. This would give companies time to transition to the generally accepted accounting principles—one set of books—and make provisions to take obsolete equipment out of service and change their internal accounting policies to conform with generally accepted accounting principles. This would also save the Government money, since the FCC would not have to maintain as big an Accounting Policy Division to negotiate and enforce these antiquated, detailed depreciation and expense rules.

According to the accounting firm of Arthur Anderson, this would save the small local telephone exchange companies—we are talking about the small companies in every State in this Nation—between $200,000 and $1 million a year. This is money that could be spent on bringing advanced services and technology to rural areas or reducing rates. I understand how expensive it is to maintain one set of business records, and anybody in business out there understands that. That is one set of business records according to the generally accepted accounting principles. Just imagine what it costs for two sets of books, and the second set of books has to be negotiated in detail, has to have far more accounts than the other. My amendment would eliminate this expensive requirement on local telephone companies and level the playing field between competitors, particularly with the huge long distance competitors.

My amendment is being supported by the United States Telephone Association and its members. The United States Telephone Association represents small rural telephone companies. They believe, as I do, that competition in the local phone market starts when all participants are bound by the same rules.

I ask unanimous consent to have printed in the RECORD a letter from the United States Telephone Association that goes into a bit more detail than I have time, in my allotted 15 minutes, to go into. Commissioner Harold Furchtgott-Roth, who serves on the Federal Communications Commission, made a statement on docket 99–253 that mentions:

> In today's increasingly competitive telecommunications marketplace, the Commission should be focusing its efforts on transitioning to a more competitive environment. The amount of detailed information and regulatory scrutiny required under our accounting and ARMIS rules is inordinate and should be reduced.

I ask that entire letter be printed in the RECORD.

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

UNITED STATES
TELEPHONE ASSOCIATION,
July 19, 1999.

Hon. MICHAEL ENZI,
U.S. Senate, Russell State Office Building, Washington, DC.

DEAR SENATOR ENZI: I am writing to commend you and thank you for your efforts to streamline the FCC's accounting requirements for local telephone companies. These requirements are vestiges of past regulatory schemes. They are burdensome, costly, and discriminatory, and they serve no useful purpose in today's telecommunications market. The 1,200 local telephone companies that comprise the United States Telephone Association appreciate your leadership on this issue.

As you know, these accounting rules, also known as the Uniform System of Accounts, were adopted more than a decade ago, when the local telephone market was for the most part closed, and local carriers were subject to cost-based, rate of return regulations. Since that time, the large incumbent local exchange companies have changed to price cap regulations, and the local telephone market has opened to competition. In short, the marketplace has changed, but these accounting rules have not.

Arthur Anderson estimates that these regulations cost the local phone industry up to $270 million every year. Ultimately, consumers suffer from these wasted resources. The capital the local phone companies spend meeting these requirements could be redeployed in ways that benefit consumers with lower prices, better services, more advanced technologies and more robust competition. Further, in today's telecommunications market, rapid advances in technology drive the introduction of new products and services at a breakneck pace. Costly and unnecessary regulations slow that pace and skew the competitive balance toward companies that are not subject to them.

Taxpayers suffer, as well. More than 70 people at the Federal Communications Commission are needed to maintain and audit these reports. These slots or their funding could be saved, or put to better use either elsewhere at the Commission, or elsewhere in government.

Senator Enzi, thank you again for your leadership on this issue. If we may be of assistance in any way, please let us know.

Sincerely,

ROY NOEL,
President and CEO,

STATEMENT OF COMMISSIONER HAROLD FURCHTGOTT-ROTH

Re: Comprehensive Review of the Accounting Requirements and ARMIS Reporting Requirements for Incumbent Local Exchange Carriers (CC Docket No. 99–253)

I support today's Order initiating ''Phase 1'' of a comprehensive review of the Commissioner's accounting and reporting requirements. While I believe that today's Order is a step in the right direction, it is, to my regret, a very small step down a very long road. I write separately because I continue to be concerned about the Commission's micro-management of all telecommunications carriers, including LECs.

In today's increasingly competitive telecommunications marketplace, the Commissioner should be focusing its efforts on transitioning to this more competitive environment. The amount of detailed information and regulatory scrutiny required under our current accounting and ARMIS rules is inordinate and should be reduced. I am becoming increasingly convinced that the current regulatory mechanisms—and certainly the level of detail—are no longer necessary in today's increasingly competitive marketplace. I believe the Commission must consider even further deregulation as these cumbersome regulations become unnecessary.

I wait anxiously for the commencement of Phase 2 of this review, which I hope follows today's small step with huge strides toward true regulatory reform.

Mr. ENZI. Mr. President, what we have is an issue where we have a lot of local, small, rural telephone companies who are coming under inordinate additional accounting requirements, additional accounting besides what is required by the other Federal agencies. This information has to be released to the competitors as well. Competitors, the big phone companies, do not have to give the same information to the little companies. So it is time we made this kind of change.

I ask for support on the amendment. I yield the floor and reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I have the greatest respect for the distinguished Senator and realize he is far more steeped in this particular discipline of accounting, of certified public accounting, than I am.

Yet having worked in the field and heard for the first time here in the last half hour of this particular amendment, it goes right to the heart of what has been going on. Specifically, we want to change an accounting system that has been on the books, agreed to, conformed with, never objected to, during the entire 4-year deliberation of the rewrite of the Telecommunications Act. I never heard anything about this need for a different system of accounting. Now, having adopted it, I am asking immediately: Wait a minute, what is going on here? We never heard of this or anything else like it. Then the giveaway is when my distinguished colleague says the United States Telephone Association, and so forth, little, little, little—little my eye. This is the Bell crowd.

I find out by telephone call they have had a recent audit and the auditors found billions of dollars of unaccounted-for equipment. They just had it on the books. They put it into the rate structure. And then they redeem those amounts into the rate-paying system. This, of course, affects the rates, it affects the amounts that go back to universal service, and everything else of that kind. So all of a sudden we really, rather than helping the little ones, are going to harm the little folks on a so-called accounting system change.

If anybody is intimately familiar with the rural telephone companies and the co-ops and everything else, this particular Senator is. The finest rural system there is is in the State of South Carolina. In fact, they have put in the Internet connections and everything else at all the public schools and what have you. Really, it is one of the finest rural groups. They never saw me about this or anything of this kind. This amendment definitely ought to be tabled.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Montana.

Mr. ENZI. Mr. President, I yield 3 minutes to the Senator from Montana.

Mr. BURNS. Mr. President, I thank my friend from Wyoming. I doubt I need 3 minutes.

When this accounting system was adopted in the telecommunications industry way back in 1935, and it evolved through the years, we did not foresee the advances of technology and the need to change equipment would happen in that area as fast as it is happening now. New technology is coming on line. If there is a holdup in the buildout of this technology, of maybe some of our locally owned companies—and some of our cooperatives as cooperatives, I doubt, will be affected by this —it is so we can get rid of some of this old equipment we carry on the books because it is not all depreciated out. It has not kept pace with the technology.

There was, a couple of years ago—it was more than that, 5 or 6 years ago, with then-Senator Brown from Colorado—offered an amendment to standardize accounting clear through the Government. We did not get that done. But nonetheless here is an old accounting system that is very important to the high-tech area when it comes to buildout in the rural area, so broadband technologies can be deployed and get rid of some of the old equipment still on the books.

This amendment needs passing. I yield the floor and thank my friend from Wyoming.

The PRESIDING OFFICER. Who yields time?

Mr. HOLLINGS. The distinguished Senator from Montana, the chairman of our Subcommittee on Communications, ought to be asking for a hearing on this one. Another phrase caught my attention, when they say ''historic cost.'' They could go all the way back to 1934, which they have already been rewarded for over the many years, 60 or 70 years. Otherwise that is exactly what they have earned as a monopoly. Yes, we are moving. Don't say they did not foresee it.

I have just been through a vigorous campaign and visited rural folks. I admire the new equipment they have. They are changing over. They know what it is. They know what competition is. The small ones, more or less, have been bringing about the competition.

It is the Bell companies that told this Senator and the committee time and again at hearings: We want to compete; we want to compete; we want to compete.

Please, my gracious, all they have done is combine. Southwest Bell has taken over Pacific Telesis. Now they want to take over Ameritech. Bell Atlantic has taken over NYNEX. Another one, we heard just the other day, is taking over U.S. West. They are all moving to combine and form more monopolies, and before long we will have Ma Bell all over again.

Then they have the audacity and unmitigated gall to come to the floor of the Senate and say let's just change the little accounting system so we can take care of all of these costs, when they have been caught short of unaccounted equipment that has been carried on the books over many years and they have long since been compensated for in their rates.

I can say the universal service to the small business in Wyoming and Montana when the Bell company puts this one over on the United Telephone Association—if they put this over, they are going to have to pay through the nose, I can tell you that right now. It is all going in. It is the big gobbling up the little ones.

There ought not to be any misunderstanding to all of a sudden changing their accounting systems because they have found unaccounted equipment on the books that have been kept over many years, for which they have long since been compensated, and for which they continue to charge over and over. That is what is at issue here; without a hearing and putting it on the commerce bill which has jurisdiction over the FCC and saying it is just a small thing, they just want to look out for people and want the same kind of report.

They want to get rid of the report that says you can carry all these expenses ad infinitum, back to 1934, and continue to charge the ratepayers for it. If that occurs, then universal service, the rates, and everything else with respect to the agreed-upon long distance and local rates is going totally out of kilter. The little boys are really going to suffer.

I am prepared, when all time has expired, to make a motion to table this amendment. It definitely ought to be tabled in behalf of all communications and, more particularly, on account of procedures in the Senate. We have a committee. The distinguished Senator is chairman of the subcommittee. The subject has never been mentioned, and, Heaven knows, I hear every day I am in the Senate: Please, call the Commission. We don't. Please write a letter to the Commission. All the downtown lawyers again and again want to try their cases politically when they cannot prevail administratively.

I know if it were a real problem, I would have long since heard about it. My rural people would have told me about it long ago. But bam, at 7 o'clock at night, they want to change the entire accounting system. It is the wrong procedure, if nothing else.

I reserve the remainder of my time.

Mr. ENZI. Mr. President, what we are trying to do is harmonize and unify the accounting system, not eliminate and drastically change it. We are talking about generally accepted accounting principles. This is what the accountants across the United States use day in and day out. We are trying to unify it within the telecommunications industry.

One reason you have not heard about this a lot is that we are talking about the small local exchange carriers. We are not talking about the big corporations that have all the lawyers in Washington. We are talking about the little guy out there who is trying to run a business and does not have as much time or expertise to run to Washington or know specifically to whom to take his case. We are talking about small businesses. And we are not talking about small money here. We are talking about them imposing extra regulations which cost them $200,000 to $1 million a year. That is money that could be put into new phone systems or reducing rates. These are the small rural carriers.

As far as whether enough data is available, of course, it is available. Corporations, big and small, across this Nation run and report under generally accepted accounting principles. This is not a new system. It is newer than the system we are talking about operating under which was instituted in 1935.

In 1935, when it was controlled by a monopoly, there needed to be more detailed accounting. Anything that needs to be accounted can still be accounted. It just has to follow generally accepted accounting principles instead of a multiple process of going to the FCC, negotiating into some new accounts which already number in the neighborhood of 500, and coming in with the output that is needed to make the decision, rather than a myriad of information.

How would you like to depreciate paper clips? It has gotten ridiculous. Those things have to be taken into consideration. There is no threshold of expenses.

There have been a lot of changes in the communications industry. One of them is divestiture of AT&T. There is a whole list of things that have happened. A big one is the passage in 1996 of the Telecommunications Act, of which the Senator was speaking, and the issuance of the resulting FCC orders implementing various sections of the act, including proceedings to implement local competition and interconnection, as well as universal service, access charge, and price cap reform.

There is not anything under generally accepted accounting principles that will not get the data that is needed to handle any of those issues. All of the service providers, with the exception of incumbent local exchange companies, have flexibility. The others already have the flexibility. AT&T has the flexibility to provide services priced on a competitive basis at rates dictated by the marketplace.

These service providers are not subject to the accounting and recordkeeping rules contained in part 32—the big companies are not subject to that—and associated monitoring and enforcement activities but are simply required to follow GAAP in producing their external reports. Prices no longer bear a direct relationship to cost.

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

Mr. ENZI. Yes.

Mr. ASHCROFT. I find this to be rather confounding. I just want to make sure I understand this clearly. These companies are required to maintain two sets of books?

Mr. ENZI. Yes.

Mr. ASHCROFT. Accounted different ways; is that correct?

Mr. ENZI. The Senator from Missouri is absolutely correct. They are required to carry multiple books.

Mr. ASHCROFT. And this adds as much as $20 million to $30 million to the cost of doing business?

Mr. ENZI. For the local companies, it would be $25 million to $30 million. We are talking about at least $300 million across the United States per year.

Mr. ASHCROFT. Some of these companies try to be competitive, not only nationally but internationally.

Mr. ENZI. They are, and we want them to be competitive without having to do all the mergers that were spoken of earlier.

Mr. ASHCROFT. Is it true these additional charges are eventually paid by consumers?

Mr. ENZI. Absolutely, they have to be paid by consumers.

Mr. ASHCROFT. What we are imposing is almost like a tax that the people of America are paying, $25 million or $30 million extra, that is really unnecessary in these companies now.

Mr. ENZI. The Senator from Missouri is absolutely correct. It is like a tax, and it is money that the rural telephone folks are having to pay.

Mr. ASHCROFT. And that is a substantial impairment on their capacity to do business?

Mr. ENZI. It is a substantial impairment on their ability to be competitive with the big national phone companies.

Mr. ASHCROFT. This one unique, idiosyncratic accounting method is a 1930s accounting system.

Mr. ENZI. That is correct.

Mr. ASHCROFT. That is still mandated in spite of the fact that for other purposes, to be competitive and to be successful in offering their stock and other things, they maintain a set of books that is generally accepted for accounting purposes.

Mr. ENZI. That is correct. We want the small companies able to do the same kind of accounting as the big companies.

Mr. ASHCROFT. The Senator's amendment is to basically say we want to relieve them of this duplicitous, inefficient demand which results in their consumers having to pay a lot more and reducing the competitiveness of these companies.

Mr. ENZI. The Senator is absolutely correct. We want to increase their competitiveness. We want the people in the rural areas to have the same accounting system, so they have lower costs, so they can pass that on to the consumer.

Mr. ASHCROFT. I thank the Senator for his amendment. I think it is good policy. It is the direction in which we should be going to be competitive. We need to move into the next century, not try to reinvent the last century.

I thank the Senator for his excellent work and for allowing me to interrupt his remarks to clarify this to make sure I understand clearly what the Senator from Wyoming said. He has made an outstanding contribution to the understanding of other Senators and to the people of the United States about an archaic system imposed by Government which costs us all resources and which makes competition difficult for our own companies.

Mr. ENZI. I thank the Senator from Missouri for his comments.

We have an opportunity to fix the system so it works the same for big companies and small companies so they all operate under generally accepted accounting principles, so the small rural guy is not doing all of the extra accounting that the big guys are not required to do.

The PRESIDING OFFICER (Mr. BROWNBACK). The Senator's time has expired.

Mr. HOLLINGS addressed the Chair.

Mr. ENZI. I ask for the yeas and nays.

The PRESIDING OFFICER. The Senator from South Carolina has 7 minutes 55 seconds.

Mr. HOLLINGS. I will use just a minute or two, Mr. President.

The word ''competitive'' intrigued this particular Senator. As they congratulate each other over there with respect to this particular attempted fix, let me remind the Senate that we are talking about monopolies. Monopolies do not have general accounting principles because they are not in the field of competition. They are monopolies. They are guaranteed a return. And extra accounting principles have been long since established for these companies and for small ones in that the independent, local exchange carriers—there are many small ones—they are monopolies, too. So these accounting methods and principles have been in force for a long time.

And here without a hearing, and just, bam, and to start talking about small—and there is a $30 million tax, and so forth, that is just spurious reasoning and fanciful notions, if I have ever heard them.

The opposite is true. We are trying, with respect to a monopoly, to make sure that it does not go to the ratepayer because the monopoly is guaranteed a return. So if any true costs are there, they are going to have to be reflected in their guaranteed rate of return.

So this amendment is totally out of order in the sense of procedures here in the Senate where we have a committee and we can have hearings on it and we can find out if there is any infringement with respect to the concern of the Senator from Wyoming. Because he knows all about accounting.

But I can tell you now, general accounting principles do not apply to monopolies—and should not apply to monopolies—because there is no competition. They are guaranteed that return, and that is why they have the special accounting system.

I thank the Chair. At the end of this, if my distinguished chairman would permit, I think we ought to move to table this one.

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

Mr. HOLLINGS. Yes, sir.

Mr. ENZI. Would you be willing to go with an amendment that would require AT&T and other companies to meet the same requirements as little companies?

Mr. HOLLINGS. Oh, yes. I think whatever accounting system they have, I do not find a difference in it. I would go with having a hearing and give you a definite return. We are not trying to delay or anything like that, but I would have a hearing before the subcommittee of the Senator from Montana, and the full committee, and we would be glad to report something out. But we never have had hearings, and you just say ''little and small.''

The United States Telephone Association, that is big. I know from hard experience that is big. That is a ''Big Bell'' company. In relation to the chairman of this so-called company that has the accounting system, and so forth, do you know what they reported in USA Today the other day? The chairman of Bell South made last year $55.9 million—either $56 or $57 million. Can you imagine the head of a monopoly guaranteed a return, with no competition, making $55 million? Come on. And you are talking about little things? Don't give me that. They are not little. In just agreeing to little and big, we have a different idea basically of what is big and what is little in this particular debate.

Mr. ENZI. You would agree they all ought to be on the same accounting system?

Mr. HOLLINGS. I don't know of a reason for a separate accounting system. If there is less of an accounting system for the smaller one, I tend in that direction.

I agree with the sentiment that you have to look out for the small so they are not gobbled up by the big. So I would almost agree to less of an accounting system for the small rather than the same required for the big. I am trying to go in your direction.

Mr. ENZI. I would love to work with you on that, but right now the big ones have the easier accounting system.

Mr. HOLLINGS. We can have hearings and find that out.

Mr. ENZI. Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second on the amendment.

They yeas and nays were ordered.

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

The PRESIDING OFFICER. Is there a sufficient second on the motion to table?

No, there is not a sufficient second on the motion to table.

There is a sufficient second on the motion to table.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on the motion to table. The clerk will call the roll.

Mr. GREGG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. I ask unanimous consent that the first vote be on the Lautenberg amendment.

The PRESIDING OFFICER. Without objection, it is so ordered. The yeas and nays have been ordered on the Lautenberg amendment. The clerk will call the roll.

Mr. HOLLINGS. I suggest the absence of a quorum for a second.

The PRESIDING OFFICER. The clerk will call the roll to ascertain the absence or the presence of a quorum.

The assistant legislative clerk proceeded to call the roll.

Mr. GREGG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded and that we have the regular order.

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

VOTE ON AMENDMENT NO. 1302

The PRESIDING OFFICER. The question is on agreeing to amendment No. 1302 by the Senator from New Jersey. The yeas and nays have been ordered. The clerk will call the roll.

The legislative assistant called the roll.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. MCCAIN) and the Senator from Alabama (Mr. SHELBY) are necessarily absent.

Mr. REID. I announce that the Senator from Massachusetts (Mr. KENNEDY) is necessarily absent.

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

The result was announced—yeas 43, nays 54, as follows:

[Rollcall Vote No. 217 Leg.]

YEAS—43

Baucus	Graham	Lincoln
Biden	Grassley	Mikulski
Bingaman	Harkin	Moynihan
Boxer	Hollings	Murray
Breaux	Hutchison	Reed
Bryan	Inouye	Reid
Byrd	Jeffords	Rockefeller
Cleland	Johnson	Roth
Conrad	Kerrey	Sarbanes
Daschle	Kerry	Schumer
Dodd	Landrieu	Specter
Dorgan	Lautenberg	Wellstone
Durbin	Leahy	Wyden
Edwards	Levin	
Feinstein	Lieberman	

NAYS—54

Abraham	Domenici	Mack
Akaka	Enzi	McConnell
Allard	Feingold	Murkowski
Ashcroft	Fitzgerald	Nickles
Bayh	Frist	Robb
Bennett	Gorton	Roberts
Bond	Gramm	Santorum
Brownback	Grams	Sessions
Bunning	Gregg	Smith (NH)
Burns	Hagel	Smith (OR)
Campbell	Hatch	Snowe
Chafee	Helms	Stevens
Cochran	Hutchinson	Thomas
Collins	Inhofe	Thompson
Coverdell	Kohl	Thurmond
Craig	Kyl	Torricelli
Crapo	Lott	Voinovich
DeWine	Lugar	Warner

NOT VOTING—3

Kennedy	McCain	Shelby

The amendment (No. 1302) was rejected.

VOTE ON AMENDMENT NO. 1301

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

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arizona (Mr. MCCAIN) and the Senator from Alabama (Mr. SHELBY) are necessarily absent.

Mr. REID. I announce that the Senator from Massachusetts (Mr. KENNEDY) is necessarily absent.

The result was announced—yeas 45, nays 52, as follows:

[Rollcall Vote No. 218 Leg.]

YEAS—45

Akaka	Edwards	Levin
Baucus	Feingold	Lincoln
Bayh	Feinstein	Mack
Biden	Graham	Mikulski
Bingaman	Hagel	Murray
Boxer	Harkin	Reid
Breaux	Hollings	Robb
Bryan	Inouye	Rockefeller
Byrd	Johnson	Sarbanes
Campbell	Kerrey	Schumer
Cleland	Kerry	Snowe
Conrad	Kohl	Stevens
Daschle	Landrieu	Torricelli
DeWine	Lautenberg	Wellstone
Dorgan	Leahy	Wyden

NAYS—52

Abraham	Fitzgerald	Moynihan
Allard	Frist	Murkowski
Ashcroft	Gorton	Nickles
Bennett	Gramm	Reed
Bond	Grams	Roberts
Brownback	Grassley	Roth
Bunning	Gregg	Santorum
Burns	Hatch	Sessions
Chafee	Helms	Smith (NH)
Cochran	Hutchinson	Smith (OR)
Collins	Hutchison	Specter
Coverdell	Inhofe	Thomas
Craig	Jeffords	Thompson
Crapo	Kyl	Thurmond
Dodd	Lieberman	Voinovich
Domenici	Lott	Warner
Durbin	Lugar	
Enzi	McConnell	

NOT VOTING—3

Kennedy	McCain	Shelby

The motion was rejected.

Several Senators addressed the Chair.

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

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

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

Mr. ENZI. Mr. President, in light of the last vote, I ask unanimous consent the yeas and nays be vitiated on the amendment.

The PRESIDING OFFICER. Is there objection?

Mr. REID. I could not hear the request.

The PRESIDING OFFICER. The Senator will repeat his request.

Mr. ENZI. In light of the last vote, I ask unanimous consent the yeas and nays be vitiated on the amendment.

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

Several Senators addressed the Chair.

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

The amendment (No. 1301) was agreed to.

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

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

The motion to lay on the table was agreed to.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, I have an amendment.

Mr. GREGG. Mr. President, regular order.

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

Mr. GREGG. Regular order.

Mr. HARKIN. I have an amendment on behalf of myself, Senator HATCH, Senator GRASSLEY, Senator BROWNBACK, Senator BINGAMAN, Senator BIDEN, Senator JOHNSON, Senator ROCKEFELLER, Senator MURRAY, Senator AKAKA, Senator FEINGOLD, Senator LAUTENBERG, and Senator BRYAN.

I ask for its immediate consideration.

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

The PRESIDING OFFICER. It will take unanimous consent to set aside the amendment.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

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

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

Mr. GREGG. Mr. President, I ask unanimous consent at this time Senator WELLSTONE be recognized to offer an amendment, and the time on that amendment be 30 minutes with the Senator from Minnesota controlling 20 minutes of that time and the Senator in opposition controlling 10.

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

The Senator from Minnesota is recognized.

AMENDMENT NO. 1303

(Purpose: To clarify the treatment of juveniles and the mentally ill by the Prison Litigation Reform Act of 1995)

Mr. WELLSTONE. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Minnesota [Mr. WELLSTONE] proposes an amendment numbered 1303.

Mr. WELLSTONE. 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 amendment is as follows:

On page 45, after line 9, insert the following:

SEC. . INAPPLICABILITY OF AMENDMENTS.

Section 3626 of title 18, United States Code, is amended by adding at the end the following:

''(h) INAPPLICABILITY OF AMENDMENTS.—A civil action that seeks to remedy conditions that pose a threat to the health of individuals who are juveniles or mentally ill shall be governed by the terms of this section, as in effect on the day before the date of enactment of the Prison Litigation Reform Act of 1995 and the amendments made by that Act (18 U.S.C. 3601 note).''.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. WELLSTONE. I thank the Chair.

Mr. President, I have had the opportunity to visit some detention facilities across our country and meet with correctional officers and also the incarcerated children and their parents. I am struck again and again by one fact: The mentally ill and the juveniles—the children, the kids—are particularly vulnerable to abuse and neglect in jails and prisons in our country. That is why I am offering this amendment that will give back to the Federal courts full authority to remedy abusive conditions but only under which the mentally ill and juveniles are being held.

Just 2 weeks ago, the Department of Justice released a report on the prevalence of mental illness among adult inmates in our jails and prisons. The Justice Department report merely confirms what many of us already know. The criminalization of mental illness is a national crisis.

Of particular concern to me have been the extraordinary problems children with mental illness and emotional disorders encounter in juvenile jails. That is why I introduced the Mental Health Juvenile Justice Act earlier this year. Of the 100,000 children who are arrested and incarcerated each year, as many as 50 percent suffer from a mental or emotional disturbance.

Jails and detention centers often find they are unprepared to deal with these kids. For instance, medication which should be given is not given; medication that should be properly monitored is not properly monitored; and guards may not even know how to respond to some of these kids.

Why do so many youth with mental illness end up in the juvenile justice system? The truth of the matter is, we ought to, on the front end, do a much better job of assessing the problems of these kids and, for those who should not be incarcerated—some should—but for those who should not be incarcerated, look to alternatives.

We have not invested as a country—you can talk to anybody down in the trenches doing this work—adequately in the service programs and community prevention programs that will reduce the need for incarceration. Therefore, many of these kids wind up in these facilities. They are incredibly vulnerable. They do not get the care they absolutely have to get, and the consequences are tragic.

Last year, as an example, I went with the National Mental Health Association to the Tallulah Correctional Center for Youth, a privately owned facility for over 600 youth in northeast Louisiana. I saw shocking civil rights violations which were cited by the U.S. Department of Justice. Basically what I am saying is, there were kids who were diagnosed with mental problems getting absolutely no treatment whatsoever.

The Justice Department has also exposed gross abuses in Georgia, Kentucky, and the juvenile facilities in Louisiana. Other States also experience similar problems. Investigators found cases of physical abuse and neglect of mental health needs, including unwarranted and prolonged isolation of suicidal children, hog-tie and chemical restraints used on youth with serious emotional disturbances, forced medication, and even denial of medication.

Children with extensive psychiatric histories who are prone to self-mutilation—cutting themselves with glass—never even saw a psychiatrist.

In some cases, abusive treatment of these children results directly from their being emotionally disturbed. Staff in the juvenile facilities fail to recognize the problem and, in fact, punish these children for the symptoms of their disorders. Children have been punished for requesting treatment or put in isolation when they refuse to accept treatment. One child in a boot camp was punished for making involuntary noises that were symptoms of Tourette's syndrome. Mental disorders are being handled almost solely through discipline, isolation, and restraints, according to investigations by the U.S. Department of Justice and human rights groups.

Nobody likes litigation, but sometimes lawsuits are necessary to protect the constitutional rights of our people, especially vulnerable, voiceless persons such as incarcerated children who suffer from mental illness. That is what this amendment is about.

Because juveniles and mentally ill persons are particularly vulnerable to abuse and neglect in State institutions, I am offering tonight an amendment which will give back to Federal courts the authority to remedy abusive conditions under which juveniles with mental illness are being held. Regrettably, the Congress has taken steps in recent years to limit the circumstances under which lawsuits challenging the constitutionality of prison conditions can be brought.

Three years ago, this Congress passed the Prison Litigation Reform Act. Its sponsors claimed that the bill would merely end frivolous lawsuits by prisoners, and we all agree with that goal. I certainly do. But the terms of the PLRA were much more sweeping. It deprived Federal courts of important legal tools to remedy brutal, unconstitutional conditions in juvenile detention facilities throughout our country.

For example, the PLRA limited the power of Federal courts to impose and retain injunctive relief to improve conditions in juvenile facilities. This means that parties can no longer settle these lawsuits by means of a consent decree—a court-enforceable injunction entered into with agreement by the parties without admission of liability by a defendant. That is very important. Also, any relief order must be terminated by the courts 2 years after it is issued unless the court holds another trial.

One of the most important judicial powers that the PLRA curtailed was the appointment of special masters. Quite often judges will appoint special masters who will come in, do the mediation, do the negotiation, but we have

so limited the compensation that we are not able to do that. The act limited the powers of special masters so they can no longer perform this task of mediating disputes and assisting the parties in reaching some compliance with court orders.

While the PLRA has made it much more difficult for courts to improve inhumane conditions in prisons generally, it has had a devastating impact on the conditions in which mentally ill and juvenile defenders are held. They are particularly vulnerable to abuse and neglect at State institutions, and precisely because of that fact, we must not be indifferent to their plight or ignore their need for protection.

Let me give some examples. Just consider some of these horrific conditions involving mentally ill juveniles that PLRA has made more difficult to remedy:

In Philadelphia, children with mental illness in a juvenile detention facility operating at 160 percent of capacity were regularly beaten by staff with chains and other objects. Santiago v. Philadelphia.

In Delaware, juveniles with mental illness were housed in living units the court found posed a serious fire hazard. Their food and clothing were inadequate. Children were routinely beaten, maced, and shackled. The medical and education programs they received were below minimally accepted standards. These are facts. This is what is going on. John A v. Castle.

In a Pennsylvania-run juvenile facility, children were routinely beaten by faculty staff, staff trafficking in illegal drugs was rampant, and sexual relations between staff and confined youth were commonplace. DB v. Commonwealth.

A severely depressed 17-year-old in an adult prison in Texas was raped and sodomized. His request to be placed in protective custody was denied. For the next several months, he was repeatedly beaten by older prisoners, forced to perform oral sex, robbed, and beaten again. Each time, his requests for protection were denied by the warden. He attempted suicide by hanging himself in his cell after a guard had ignored the warning letter he wrote. He was in a coma for 4 months, after which he died.

The purpose of the Prison Litigation Reform Act was to reduce or eliminate frivolous lawsuits by inmates. I am all for that, but as these examples make clear—and I have many other examples—the inmates I seek to protect with this amendment are not filing frivolous lawsuits. Or I should say, what is happening to them is not the stuff of a frivolous lawsuit. They are young; they are uneducated; they are suffering from mental illness that prevent them from functioning at the necessary level to file a lawsuit on their own. This is a population of uniquely vulnerable inmates who need representation in the legal system and are not receiving that representation, who need the protection that the Federal courts have historically provided.

Unfortunately, this Congress seems to be moving, at least on the House side—and I pray we do not do the same thing—in the opposite direction. Just last month, the House adopted an amendment offered by Congressman DELAY to the juvenile justice bill that would actually terminate all consent decrees entered into prior to the passage of the Prison Litigation Reform Act.

The DeLay amendment would say that even when prison conditions were horrible enough to warrant the continuation of the consent decree, that decree is going to be terminated by an act of Congress. No matter how many children will suffer, the Federal judge's hands will be tied.

I think it is unconstitutional. Let me give a couple of examples and conclude, because if this amendment is agreed to tonight, this will negate the DeLay amendment in the House of Representatives.

In Ironton, OH, a 15-year-old girl ran away from home over night, then returned to her parents but was put in the county jail by the juvenile court judge to ''teach her a lesson.'' On the fourth night of her confinement, she was sexually assaulted by a deputy jailer. More than 500 children had been incarcerated in the jail over the past 3 years, many for truancy and other status offenses. Under the consent decree, no children may be held in the jail. But with what is happening in the House of Representatives, that consent degree would not even apply.

In Portland, ME, a lawsuit was filed after a young boy held in the county jail was sexually assaulted by an older adolescent. In 1987, county officials agreed to stop holding children in the jail because of another decree.

In Clovis, NM, children were held in the county jail in unsanitary conditions, without adequate fire safety procedures, recreation or programming, or adequate separation from adult inmates. In 1983, local officials agreed to stop using the jail as a detention facility for children.

The DeLay amendment would automatically terminate these decrees even if judges disagreed. This amendment would deal with this problem.

In Tucson, AZ, children in the juvenile detention center were held in leather restraints, mail was censored, there were inadequate treatment programs, and the facility was overcrowded. Another consent decree provided for the protection of these children.

In Oklahoma, there was pervasive brutality in the operation of the State juvenile correctional institutions. Children were often handcuffed and hogtied, and institutional staff relied on physical force and intimidation to keep order. The ''punishment unit'' was dark and dungeonlike. Another consent decree took care of that.

Again, this amendment I offer tonight is an effort to make sure what was done in the House will essentially be negated.

Mr. President, I will conclude. My amendment would not repeal, I say to my colleagues, the Prison Litigation Reform Act or adversely affect the crackdown on frivolous lawsuits. It would say that in the case of the mentally ill and juveniles, we should try to protect them. My amendment would merely carve a narrow exception to the PLRA restrictions in limited circumstances involving children and those who struggle with mental illness.

Elie Wiesel once said: ''More than anything—more than hatred and torture—more than pain—do I fear indifference.'' We must be vigilant and we must not allow ourselves to be indifferent to children's misery, particularly those children who may be sick, difficult, and test our patience and our understanding. In that spirit, I ask my colleagues to support this modest and humane exception.

This amendment has the support of the Bazelon Center for Mental Health Law, the Children's Defense Fund, the Justice Policy Institute, the National Education Association, the National Network for Youth, The National Prison Project of the ACLU Foundation, The Shiloh Baptist Church, the Youth Law Center, and other organizations as well.

I yield the floor.

Mr. GREGG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, I have 10 minutes on this amendment available and note that what we hope to do is stack the vote on this amendment with a couple other votes later in the evening. I reserve the 10 minutes because Senator HATCH has asked to speak to this amendment, and I will allocate him that time.

I make a point of order that a quorum is not present.

Mr. LEAHY. Would the Senator withhold for a moment?

Mr. GREGG. I withhold for the Senator from Vermont.

Mr. LEAHY. For some of us who have been here—I know, through no fault of the distinguished chairman, we have had 5 hours of quorum calls today, approximately. This evening I know some of us would like to be with our families. I know it is a family-friendly Senate. But for those of us who have families and wish to be with our families—I know the Senator from New Hampshire feels the same way—can we get some idea when we might vote, so we can do that? If we had not had so many quorum calls, we would be done by now.

Mr. GREGG. You are absolutely right. We are working on an extensive list of amendments. We have it down to very few. My hope is that within the next hour we can get an agreement on which amendments still have to go forward. Hopefully, there will be virtually none, and then we can go to final passage. That is the game plan.

Mr. LEAHY. I was wondering if the distinguished manager would consider

going ahead with the vote on this amendment only because I know a lot of times you get everybody on the floor for a vote.

Mr. GREGG. I would like to do that, but I believe Senator HATCH wishes to speak on it. It is represented he is headed in this direction. This is his jurisdiction and your jurisdiction.

Mr. LEAHY. I understand. I do not object to that.

Mr. GREGG. As soon as Senator HATCH comes and speaks, maybe we can move to vote.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, first of all, I reserve the final 4 minutes of my time. I ask my colleague, I assume there are no second-degree amendments in order to this amendment; is that correct?

Mr. GREGG. That is correct.

Mr. WELLSTONE. I reserve the final 4 minutes of my time.

Mr. GREGG. I reserve our 10 minutes and ask unanimous consent that no time be credited against this amendment.

Mr. LEAHY. Reserving the right to object, I want to accommodate the distinguished chairman, but I have been sitting here having rearranged other things waiting for this vote. If I object, as a practical matter, the time on the amendment will run out under the unanimous consent, and we will have to have a vote.

Mr. GREGG. That is correct.

Mr. LEAHY. The distinguished Senator from New Hampshire says the distinguished Senator from Utah is on his way here.

Mr. GREGG. It has been represented by staff that they are in the process of asking him to appear, and it was represented he would be coming.

Mr. LEAHY. I also realize the distinguished Senator from New Hampshire could put in a quorum call, even though the time will run if the quorum call is not called off. We could take a long time doing that, but we would be right back to what happened earlier because that will protect him in that sense. I will object to the time not running. I say to the distinguished Senator from New Hampshire, the distinguished Senator from Utah is on the floor.

Mr. GREGG. This is good news for all of us.

Mr. LEAHY. Why don't we let him do that and go that way so we could have a vote in the next few minutes, I say to my distinguished friend from Utah.

Mr. GREGG. I think if we could go to a quorum call briefly, the Senator from Utah will be back and will be speaking in a brief period of time.

Mr. REID addressed the Chair.

The PRESIDING OFFICER (Mr. BURNS). The Senator from Nevada.

Mr. REID. I say to the managers of the bill, I have been working with my friend from South Carolina. We are doing——

Mr. GREGG. Mr. President, I ask unanimous consent that these colloquies not be debited to the amendment of the Senator from Minnesota.

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

Mr. REID. Mr. President, the Senator from Utah is on the floor. We have been working with our Members and have cleared most everything with the Senator from South Carolina. We only have a few more amendments——

Mr. GREGG. As do we.

Mr. REID. Requiring a very short period of time. I think if we can get past this, we would be in a position to give the Senator a finite number of amendments that still need to be debated and voted on.

Mr. GREGG. That is excellent news, obviously. We are also making good progress on our side. Hopefully, we can go to a vote and maybe make some more progress.

I yield to the Senator from Utah whatever remains of my 10 minutes.

Mr. HATCH. Mr. President, I won't take long. The amendment exempts juveniles and the mentally ill from the reforms accomplished by the Prison Litigation Reform Act, which was passed in 1996. This was my bill. This amendment would subject State prison systems to micromanagement by the Federal courts. Keep in mind, I am also the author of Civil Rights for Institutionalized Persons, which is to take care of a lot of these difficulties. I cast the deciding vote back in the late 1970s passing that bill.

Currently everyone whose Federal or constitutional rights have been violated retains the ability to bring suit and to have any violation of their rights remedied by a Federal court. All this Congress did in 1996 was to say courts could not go beyond remedying people's Federal rights to micromanage prison systems.

I am opposed to this amendment because of that. I know the distinguished Senator from Minnesota is trying to do something right, but basically it flies in the face of what the reform basically says. If true constitutional rights are being violated, they have a right to go to court under current legislation, both in the Civil Rights Act for Institutionalized Persons and the Prison Litigation Reform Act, which we passed in 1996.

I reluctantly have to oppose this amendment because I believe that basically the current law takes care of it. His amendment would allow micromanagement of the Federal courts.

I am happy to yield the floor. I hope my colleagues will vote with me on this, and I believe there will be a motion to table. I hope they will vote to table.

The PRESIDING OFFICER. Who yields time?

Mr. WELLSTONE. Mr. President, so Senator LEAHY can vote—I am very proud to have his support—I will add as an organization that supports this the National Alliance for the Mentally Ill, and I yield back the remainder of my time.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

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

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table amendment No. 1303. 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 Arizona (Mr. MCCAIN), the Senator from Alabama (Mr. SHELBY), and the Senator from Texas (Mr. GRAMM) are necessarily absent.

Mr. REID. I announce that the Senator from Massachusetts (Mr. KENNEDY) is necessarily absent.

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

The result was announced—yeas 56, nays 40, as follows:

[Rollcall Vote No. 219 Leg.]

YEAS—56

Abraham	Fitzgerald	McConnell
Allard	Frist	Murkowski
Ashcroft	Gorton	Nickles
Bennett	Grams	Reid
Bond	Grassley	Roberts
Brownback	Gregg	Roth
Bryan	Hagel	Santorum
Bunning	Hatch	Schumer
Burns	Helms	Sessions
Campbell	Hutchinson	Smith (NH)
Chafee	Hutchison	Smith (OR)
Cochran	Inhofe	Snowe
Collins	Jeffords	Stevens
Coverdell	Johnson	Thomas
Craig	Kyl	Thompson
Crapo	Lieberman	Thurmond
DeWine	Lott	Voinovich
Domenici	Lugar	Warner
Enzi	Mack	

NAYS—40

Akaka	Edwards	Lincoln
Baucus	Feingold	Mikulski
Bayh	Feinstein	Moynihan
Biden	Graham	Murray
Bingaman	Harkin	Reed
Boxer	Hollings	Robb
Breaux	Inouye	Rockefeller
Byrd	Kerrey	Sarbanes
Cleland	Kerry	Specter
Conrad	Kohl	Torricelli
Daschle	Landrieu	Wellstone
Dodd	Lautenberg	Wyden
Dorgan	Leahy	
Durbin	Levin	

NOT VOTING—4

Gramm	McCain
Kennedy	Shelby

The motion was agreed to.

Mr. LOTT. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

UNANIMOUS-CONSENT AGREEMENT—RULE XVI

Mr. LOTT. Mr. President, I have consulted with the Democratic leader on the unanimous-consent request I am fixing to propound. I think it is a reasonable solution to deal with a couple of very important issues.

I ask unanimous consent when the Senate convenes on Monday, July 26, it proceed to an original resolution, to be placed on the calendar by the majority leader immediately following the acceptance of this agreement, and the resolution be considered under the following restraints:

That the resolution be limited to 3 hours for each leader or his designee; that there be one amendment in order for the Democratic leader regarding restoring the point of order on exceeding the scope of conference, which debate time shall come out of the resolution time; and that final adoption of the resolution must occur prior to close of business of the Senate on Monday, July 26; Provided further that when the Senate considers the agricultural disaster relief amendment to be offered by Senator DASCHLE, or his designee, to the agriculture appropriations bill, no rule XVI point of order lie against the amendment.

Mr. HARKIN. Reserving the right to object, I tried to listen to all of the verbiage. I understand that Senator DASCHLE or his designee would be allowed to offer the emergency agriculture package without any rule XVI, but to what bill? To what measure would the Democratic leader be permitted to offer that?

Mr. LOTT. To the agricultural appropriations bill.

Mr. HARKIN. Agricultural appropriations. And that will come up before we leave in August?

Mr. LOTT. Right.

Mr. FEINGOLD. Reserving the right to object, I ask the leader a question. I assume a second-degree amendment to the first-degree concerning agriculture would be out of order under rule XVI?

Mr. LOTT. Amendments thereto would have to be protected in the same way in order for that to go forward. We can't have one amendment in order and not have amendments thereto be in order also.

Mr. FEINGOLD. Mr. President, I will have to object.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. LOTT. Mr. President, now I understand the reservation that the Senator from Wisconsin has, and we can clarify that.

Let me read the last paragraph again. I think it will make it clear:

Provided that when the Senate considers the agricultural disaster relief amendment to be offered by Senator DASCHLE, or his designee, to the agricultural appropriations bill, no rule XVI point of order lie against the amendment or amendments thereto relating to the same subject.

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

Mr. LOTT. Mr. President, if I could, this just provides for a fair opportunity for debate on the restoration of the rule XVI issue that we talked about earlier today which would allow Members to have a debate on that and a vote. If rule XVI is put back into place, of course, legislation on appropriations bills will be limited, unless there is a rule by the Chair and it gets 51 votes.

We also have to debate and vote on the question of scope issues coming back out of conference.

When we do bring up agriculture appropriations before the August recess, there will be one amendment relating to disaster relief by Senator DASCHLE or his designee, and we will have an opportunity to have our amendment on the same subject. It will not relate to dairy, I make that clear.

DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY AND RELATED AGENCIES APPROPRIATIONS ACT, 2000—Continued

Mr. LOTT. Mr. President, with regard to tonight, we need to just keep going forward. Senator REID, as usual, is doing good work. The managers, Senator JUDD GREGG and Senator HOLLINGS, have been working. I think if we will be serious—and I don't think a lot of Senators are on either side—in trying to get this completed, we still have a raft of amendments that either need to be accepted or withdrawn.

I tried to see if we could do the work in the daylight, and I tried to see if we could do it on Mondays or Fridays. None of that seems to suit the Senate. I think we ought to keep going as late as it takes to finish this legislation. That way, we can get it completed. So it is at your pleasure. I live on Capitol Hill, so I will be at home watching you all on TV and wishing you the best. When the votes are ready, I will come back and vote. It is up to the Senators. Do we get rid of this long list of amendments that Senator REID and Senator GREGG have been working on and keep going on into the night, or we can come in tomorrow. I am flexible either way. We have to get this bill done. I think we ought to keep going.

I hope Senators will get serious about getting rid of some of these amendments. There is no reason we shouldn't have another vote or two and final passage. I hope we can get that done. This is not aimed at one side or the other. It is on both sides. Let's get serious and complete this bill.

I yield the floor.

Mr. DASCHLE. Mr. President, I take a moment to thank the majority leader for his willingness to work with us and cooperate to the point that he has tonight to reach the agreement we have for Monday. I believe this is a fair compromise. We will have an opportunity to debate it, offer an amendment, and have the vote. We will also have the opportunity to have a good discussion about how we might proceed with agriculture disasters. I think this accommodates many of the concerns we have raised.

I also must share his hope that we can finish this bill at a reasonable hour. It is 9 o'clock. There is no reason within the next hour we couldn't finish this bill. I appreciate especially the deputy minority leader for all of the work he has done to get us to this point. We are down to a couple of amendments on our side. I am hopeful we can finish. There is no reason we can't do it reasonably soon.

I yield the floor.

Mr. HARKIN. Mr. President, first of all, what is the parliamentary situation right now on the floor?

The PRESIDING OFFICER. The pending amendment is the Gregg amendment, No. 1272.

Mr. HARKIN. I ask unanimous consent to set that amendment aside and call up an amendment.

Mr. REID. Reserving the right to object, the Senator from Iowa wants to discuss an amendment that has been agreed to for 6 minutes, is that so?

Mr. HARKIN. About 6 minutes. I want to call it up first.

Mr. GREGG. Is it necessary to call it up?

Mr. HARKIN. I would like to call up my amendment.

Mr. REID. We are going to put it in the managers' amendment.

The PRESIDING OFFICER. The Chair cannot hear. We have quite a lot of racket here in left field. If we could take those conversations to the Cloakroom, it would sure help us proceed with the business at hand.

The Senator from Iowa.

Mr. HARKIN. I was under the understanding I was going to bring up my amendment, I would talk for 5 minutes, they would accept it, and that would be the end of it.

Mr. GREGG. No objection.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

AMENDMENT NO. 1304

(Purpose: To provide $100,000,000 in Byrne grant funding offset by reducing funds for travel, supplies, and printing expenses in the bill by 5.8 percent and cutting funds for preliminary work on possible Supreme Court improvements)

Mr. HARKIN. I ask consent to set aside the pending amendment. I have

an amendment at the desk. I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Iowa [Mr. HARKIN], for himself and Mr. HATCH, Mr. GRASSLEY, Mr. BROWNBACK, Mr. BINGAMAN, Mr. BIDEN, Mr. JOHNSON, Mr. ROCKEFELLER, Mrs. MURRAY, Mr. AKAKA, Mr. FEINGOLD, Mr. LAUTENBERG, and Mr. BRYAN, proposes an amendment numbered 1304.

Mr. HARKIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 25, line 20, strike ''$452,100,000'' and insert ''$552,100,000''.

On page 66, line 20, strike ''$18,123,000'' and insert ''$9,652,000''.

On page 66, line 20, strike ''$15,222,000'' and insert ''$6,751,000''.

On page 111, after line 7, insert the following:

SEC. ___. (a) The total discretionary amount made available by this Act is reduced by $92,000,000: *Provided,* That the reduction pursuant to this subsection shall be taken pro rata from travel, supplies, and printing expenses made available to the agencies funded by this Act, except for activities related to the 2000 census.

(b) Not later than 30 days after the date of enactment of this Act, the Director of the Office of Management and Budget shall submit to the Committees on Appropriations of the House of Representatives and the Senate a listing of the amounts by account of the reductions made pursuant to the provisions of subsection (a).

Mr. HARKIN. Mr. President, I send this amendment to the desk on behalf of myself, Mr. HATCH, Mr. GRASSLEY, Mr. BROWNBACK, Mr. BINGAMAN, Mr. BIDEN, Mr. JOHNSON, Mr. ROCKEFELLER, Mrs. MURRAY, Mr. AKAKA, Mr. FEINGOLD, Mr. LAUTENBERG, and Mr. BRYAN. I thank the managers of the bill for their willingness to accept this.

What this amendment would do is restore the funding for the Edward Byrne Memorial Grant Program to the fiscal year 1999 level. In the bill before us, the Byrne grant was cut by $100 million from the fiscal year 1999 level; I might point out, on a bipartisan basis. This was cut first by the President. It was kept in as the bill came to the floor.

I am grateful they accepted this amendment because these grants go directly to local and State law enforcement. For fiscal year 1999, $552 million was distributed to State and local law enforcement agencies through Byrne grants. But for fiscal year 2000, the Byrne grant was cut by the White House and by the initial actions before we got to the floor by more than 18 percent. This amendment would restore the fiscal year 1999 funding level for the Byrne program.

The Byrne program is one of the most successful Federal anticrime programs ever. It pays for drug enforcement task forces, more cops on the streets, improved technology, and countless other valuable antidrug and anticrime efforts in local communities.

Restoring the Byrne funds is a top priority of law enforcement groups who know the impact the program has had on crime and drugs. The National Association of Police Organizations, the National Sheriffs' Association, and the International Association of Police Chiefs have all contacted me, urging full funding of this program.

I have received dozens of letters from Iowa police chiefs and sheriffs describing the kinds of setbacks they would suffer if these cuts go through. The Byrne grant provides critical staff and resources for Iowa's 24 drug enforcement task forces working to stem the methamphetamine epidemic in the region.

Iowa and the Midwest have made great strides in reducing methamphetamine production and supply over the last few years. The proposed cuts to the Byrne program would only set them back in their uphill battle.

Sgt. Tom Andrew, head of the Southeast Iowa Inter-Agency Drug Task Force that covers six rural counties, wrote me saying that his task force was made possible through the Byrne grant. Without it, most of the small agencies in that region would lack the manpower, funds, training, and technology necessary to combat the methamphetamine problem. Sergeant Andrew said:

A funding cut of this magnitude would have a detrimental effect on our program and would, in all probability, result in the elimination of the task force.

I have heard this story over and over again from my contacts in Iowa. These drug task forces are funded primarily by the Byrne grants, and they are desperately needed to fight our State's battles against methamphetamine use. I know this is the case in most States across the country.

We just cannot afford to have an 18-percent cut in the Byrne grants in our States next year. It makes no sense to cut such a successful program that directly benefits our local communities.

I thank the managers for accepting this amendment, and I trust we will keep the Byrne memorial grants at least at the same level next year as they were this year.

Again, I thank my colleague from Kansas also for his strong support of this program. I yield the floor.

The PRESIDING OFFICER (Mr. HAGEL). The Senator from Kansas.

Mr. BROWNBACK. Mr. President, I want to add my comments in support of this amendment that Senator HARKIN has put forward. I think it is a good way of doing it. Here is a program that puts money directly back to the States for law enforcement; lets them decide. We take this out of travel and office supplies over the rest of the bill. I think it is much better we spend the money back in Iowa, in Kansas, in our various States, rather than on travel and printing here in Washington. That is a good trade. That is a good way to go. That is why I supported this amendment, and I am glad to hear the managers are willing to accept it.

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

The amendment (No. 1304) was agreed to.

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

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from California.

AMENDMENT NO. 1305

(Purpose: To prohibit the transfer of a firearm or ammunition to an intoxicated person)

Mrs. BOXER. I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, the pending amendment is set aside. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from California [Mrs. BOXER] proposes an amendment numbered 1305.

Mrs. BOXER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 111, between lines 7 and 8, insert the following:

SEC. 6 . PROHIBITION OF TRANSFER OF A FIREARM TO AN INTOXICATED PERSON.

(a) PROHIBITION OF TRANSFER.—Section 922(d) of title 18, United States Code, is amended—

(1) by redesignating paragraphs (8) and (9) as paragraphs (9) and (10), respectively; and

(2) by inserting after paragraph (7) the following:

''(8) is intoxicated;''.

(b) DEFINITION OF INTOXICATED.—Section 921(a) of title 18, United States Code, is amended by adding at the end the following:

''(35) The term 'intoxicated', in reference to a person, means being in a mental or physical condition of impairment as a result of the presence of alcohol in the body of the person.''.

Mrs. BOXER. Mr. President, I am happy to make my remarks very brief because I understand this amendment will be accepted. I ask, if it is OK with the managers, if I can have 3 minutes to explain the amendment before it is accepted?

Mr. GREGG. I ask consent the Senator from California have 3 minutes and the Senator from Idaho have 3 minutes.

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

Mrs. BOXER. Mr. President, I am very relieved that we are seeing an acceptance of this amendment. It is so straightforward.

Under current Federal law, you cannot sell a gun to any person if the seller knows or has reason to believe any of the following, that the buyer is: a felon, a fugitive, an addict of a controlled substance, is mentally ill, is an illegal immigrant, has been dishonorably discharged from the military, has renounced his or her American citizenship, is subject to a court order on domestic violence or has been convicted of a domestic violence misdemeanor.

Already under current law anyone selling such a person a weapon, who knows, or has reason to believe this, cannot do that. All we are adding to this is: a person who is intoxicated. This is very simple. I am so pleased we are going to see this accepted. Senator CRAIG is going to make some comments.

But I want to talk about one case, a story about a woman named Deborah Kitchen, who is a quadriplegic, and she got that way because her ex-boyfriend shot her.

Tom Knapp consumed, by his own estimate, a fifth of whiskey and a case of beer. He went to K-mart in Florida to buy a .22-caliber rifle and a box of bullets. He was so intoxicated that the clerk had to help him fill out the Federal form required to purchase the gun, but he still bought the rifle, he shot his girlfriend, and left her a quadriplegic.

Let me tell you another story. This one is from Michigan. It involves an 18-year-old named Walter McKay, who had engaged in a day-long drinking spree and then went and bought ammunition for his shotgun. He was so intoxicated that he could not remember whether it was a man or woman who sold him the ammunition and could not identify what he purchased.

He took those shotgun shells, loaded his gun, and intended to shoot out of the back window of an acquaintance's truck. He was intoxicated. The shot missed, ricocheted off the wheel of the truck, and hit Anthony Buczkowski. Mr. Buczkowski had to have a finger amputated and his left wrist surgically fused.

To me, it flies in the face of common sense that someone who is intoxicated is able to buy a gun or ammunition. And it flies in the face of the evidence.

A 1997 study in the Journal of American Medical Association found that ''alcohol and illicit drug use appear to be associated with an increased risk of violent death.''

Yet, Mr. Knapp and Mr. McKay could buy a gun and ammunition because it is not—I repeat, not—against the law to sell a gun to someone who is intoxicated. Gun sales are largely regulated at the federal level. Gun sales involve Federal licenses and federal forms. This is a Federal responsibility, and there should be a Federal law that stops this outrage.

So, my amendment makes it against federal law to sell a firearm or ammunition if the seller knows or has reasonable cause to believe that the buyer is intoxicated.

I want to talk about for a minute about one of the items on the list. Notice that the current federal law includes a prohibition on the sale of a gun to a drug user.

In fact, the way the law is worded, you do not even need to be high on drugs at the time you buy the gun. If the seller knows or has reasonable cause to believe that you are a user or addict of an illegal drug—regardless of whether you are high at the moment the gun is purchased—he is not supposed to sell you a gun.

So, I say to my colleagues, if you cannot buy a gun when you are high on drugs, you should not be able to buy a gun when you are intoxicated on alcohol.

That is all my amendment does.

I want to make one more point. And that is about what an individual cannot do when he or she is intoxicated.

States and localities have all sorts of laws that prohibit intoxicated people from engaging in certain activities and buying certain things that are otherwise legal.

There are State laws that prohibit people from serving alcohol to someone who is intoxicated, selling fireworks to someone who is intoxicated, and renting an intoxicated person a car.

But in reviewing State laws, we could not find a single State that prohibited the sale of guns to intoxicated persons. So this amendment—which prohibits it under federal law—is really critical.

Guns and alcohol do not mix. And all I am saying with this amendment is that if you are intoxicated, you cannot buy a gun or ammunition. It is very reasonable, and it will save lives.

In many States in this Union, if you are drunk you cannot drive a car, operate a boat, operate a snowmobile, fly a plane, even get on a plane, operate an all-terrain vehicle, ride a bike, and in West Virginia you cannot even obtain a tattoo if you are drunk. But you can go in and buy a gun.

So I think this is a really important step forward as we try to pass sensible gun control legislation. It is common sense. I am very pleased it has been accepted, and I am happy to yield the floor.

Mr. CRAIG. Mr. President, at this time we are taking a close look at the Boxer amendment. I have visited with the Senator from California. She is being very straightforward with this amendment. No one out there wants to suggest that anybody in the legitimate business of selling guns in a legal fashion should sell one to an intoxicated person.

I am concerned about the section of the code she is amending as it relates to penalties. I certainly do not believe any of us would suggest that anybody in a retail business who sells guns within the context of the Federal law becomes an alcohol expert or has breathalyzer equipment or any of that kind of thing at the point of sale. We want to make sure that is clear, because that is asking a nonprofessional to make a professional determination that could ultimately put them in tremendous liability, up to 10 years in prison. We want to make sure that is perfectly clear.

I said to the Senator from California we will work with her to assure that going into conference, that section of the code is clarified so her amendment is as clear as, obviously, she intends it to be.

I yield the floor.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, I thank my friends and say that clearly we are not suggesting in any way, shape, or form that people who are in the retail business and sell guns should have a breathalyzer. We are merely adding to this list a person who is intoxicated.

Clearly, under current law, you do not have to be a psychiatrist or you do not have to have a psychiatrist on your staff at K Mart, if you sell guns, to determine if someone is mentally ill. The way 18 U.S.C. 922(d) reads is you have to know or have reasonable cause to believe. It is a pretty broad definition.

I hope Senator CRAIG, in working with us, will recognize we are not doing anything different than we do for all of these other problem areas. It is just going to make the law stronger and better. We will stop people, such as Thomas Knapp, from walking in and buying a gun dead drunk, flat-out drunk, going home, and injuring a perfectly innocent person, in this case a loving person. I yield the floor.

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

The amendment (No. 1305) was agreed to.

Mrs. BOXER. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 1306

(Purpose: To ensure that parties to the tuna convention pay their fair share of the expenses of the Inter-American Tropical Tuna Commission before they are allowed to export tuna to the United States)

Mrs. BOXER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from California [Mrs. BOXER] proposes an amendment numbered 1306.

Mrs. BOXER. 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 amendment is as follows:

On page 83, at the end of line 19, before the period insert the following: '': *Provided further*, That of the amounts made available for the Inter-American Tropical Tuna Commission in Fiscal Year 2000, not more than $2,350,000 may be obligated and expended: *Provided further*, That no tuna may be imported in any year from any High Contracting Party to the Convention establishing the Commission (TIAS 2044; 1 UST 231) unless the Party has paid a share of the joint expenses of the Commission proportionate to the share of the total catch from the previous year from the fisheries covered by the Convention which is utilized by that Party''.

Mr. REID. Mr. President, if the Senator will yield, we need to have a time agreement established on this amendment. The Senator from California has indicated she needs 30 minutes.

Mr. GREGG. I suggest, then, we have 45 minutes on this amendment: 30 minutes to the Senator from California, 15 minutes in opposition.

Mrs. BOXER. I say to my friend, I may not take the entire 30 minutes.

Mr. GREGG. It will be very helpful to a lot of people, I suspect, if we can move this amendment along.

Mrs. BOXER. I am hopeful we can get through this.

Mr. REID. Mr. President, I say to the Senator from California, I am in touch with the Senator from Delaware, and he is going to make a decision soon.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from California.

Mrs. BOXER. Mr. President, the reason I need a little time is that this is a complicated situation we are facing and it involves the whole issue of dolphin protection versus trade versus countries that owe money to the Tuna Commission and are not at this point paying their fair share. I will explain all of this.

All my amendment says is that until the Latin American countries pay their fair share to the Tuna Commission, they should not be allowed to export their tuna into this country.

The Inter-American Tropical Tuna Commission has set these laws. It says that each member country to the Commission must pay its required share to the Commission and makes it clear that if they do not pay as required by current law, they may not export tuna into the United States.

Right now in this appropriations bill—and I think this is very important—our contribution is way too large. We are picking up the contribution of the Latin American countries. The contribution of each country is supposed to be based on the percentage of the catch in the eastern tropical Pacific. Our catch at maximum has been 40 percent, and yet in this bill, we are paying 75 percent of the total cost of the Commission.

I do not mind being Uncle Sam, but I object to being Uncle Sucker, and that is what we are doing. We should not be picking up the tab for countries that want the privilege of exporting their tuna into our markets.

There are three principal benefits from this amendment which, by the way, is cosponsored by Senator BIDEN, Senator JOHN KERRY, Senator DURBIN, Senator FEINGOLD, and Senator REID.

One, the amendment forces countries to pay their fair share of expenses which they committed to do when they signed on to the Commission.

Two, the amendment will delay the importation of tuna that is caught by chasing and circling dolphins. It will stop that importation because we know that purse seining on dolphin hurts and harm the dolphin. There was a huge boycott in this country by the schoolchildren a long time ago because purse seining was seen by them and by many Americans as being wrong: harass the dolphin, chase the dolphin because they happen to swim over the tuna, then they encircle them, catch them in the net and a lot of them are harmed, some of them are killed. If we delay the importation of tuna that is caught in this fashion, we will be saving the dolphin.

Third, because we put a freeze on the amount of money that can be paid by the United States, or I should say be limited to $2.35 million, we are saving about $1 million, and that $1 million can go to a host of other places and commissions that deal with fisheries conservation.

It is important to note that the Tuna Commission is involved in many activities that affect all the member nations. Why should we be picking up the tab for them? There are costs associated with this commission, and the convention clearly indicated that each Nation should pay its fair share. It says the countries that fish more in this particular part of the ocean should pay more.

The convention states:

> The proportion of joint expenses to be paid by each High Contacting Party shall be related to the proportion of the total catch from the fisheries covered by this Convention * * *

This was decided in 1949, but it still makes sense. Countries are required to pay a share of expenses relative to their utilization of the fisheries.

The United States has always paid its fair share, but this year, for some unknown reason, we are paying the share of these other nations. We are not the largest beneficiary of tuna from the eastern tropical Pacific, and we should not be paying 75 percent of the cost. It must stop. Other countries should be carrying their own weight on this and, frankly, when we had our big debate over purse seining on dolphins and changing the label that goes on the tuna can—and many of us who really did not like this law went along with it—we went along with it in part because finally at least it recognized that these other countries have to pay their fair share, and now they are not doing it.

And these countries are purse seining the dolphin. They are harming the dolphin. We have seen a decline, since that tuna labeling bill went into effect, of 80,000 dolphin a year killed down to 5,000. Now, unfortunately, we lost that battle. This tuna that is caught in Latin American countries is going to come in, and these countries are not paying their fair share of the costs of the Commission.

So I think it is very important that we agree to this amendment. It isn't right that other countries are not paying their fair share. Frankly, it isn't right that other countries are encircling the dolphin, killing the dolphin, maiming the dolphin, and they want to come in to our market, and they want to come in without doing anything to pay their share.

Scientists, consumers, and tuna companies agree that chasing and netting is not safe for dolphins. The dolphin population in the eastern tropical Pacific are not recovering. And the harassment by these fishermen is a tremendous problem that is affecting dolphin reproduction. So what do we do? Instead of trying to encourage safe fishing methods, we say to the other countries: Just do not worry. Send this tuna in. We will even pay your share of the cost of the International Tuna Commission.

I understand that Senator BIDEN is on his way over, so I reserve the remainder of my time for him. I am happy to yield to the other side who is opposing us on this amendment.

Mr. GREGG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

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

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

Mr. BIDEN. Mr. President, my friend from California, the distinguished Senator, Mrs. BOXER, feels a sense of compassion about a number of things, one of which is this amendment, and the way in which she, for the past 15 years, has been fighting and successfully, for the most part.

I have been at her side to make sure we, quite frankly, keep dolphins from being killed unnecessarily. It sounds like a simplistic message, but it is as basic as that.

What happened is we got rolled last year by the administration and by the Senate because there are more votes here. We had the Dolphin Protection Act in place. I will not take the time to discuss it now. Actually, it was basically eviscerated by what took place.

I was not particularly pleased with Vice President GORE's position on this, the administration's position, nor the position of my distinguished friend whom I respect very much, Senator BREAUX, and the distinguished Senator from Alaska. That was a formidable array we faced, and we essentially lost.

What did we do last year? Last year, we did basically what the treaty said, and said: Look, we have this mechanism set up where everybody pays their fair share to make it work. The treaty says that. And I will again, in the interest of time, not recite the elements of the treaty which say that and point out how the following sentence can be distinguished that lays out the proportional requirement to participate in this.

But the bottom line is very simple. We made an agreement last year involving countries in question. They said they agreed, the administration promised, and the Senate said everybody will pay their fair share. Simple. Wrong.

We are paying 70 percent or more of the administration of this arrangement, and we should only be paying 40 percent. The distinguished Senator from California comes along and says: Hey, look, let's make it 50 percent. We will pay more than we should, but not this disproportionate amount. And if they do not pay as they promised, they should not get the benefits that flow from the agreement that encompasses their participation.

So it is real simple, I say to my distinguished friend from South Carolina, who asked me to be brief. I will be brief. This is not fair. The Senator from California is right. She is willing to have us pay more than our fair share but not essentially twice what our fair share is.

So I support the amendment, and I hope the managers of the bill may see fit, based on their sense of justice and their notion of fairness, to accept the amendment.

I yield the floor.

Mrs. BOXER addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. I thank my friend, Senator BIDEN. So many years ago we teamed up to make sure that the dolphin were protected. He has stuck with me through this battle, along with his daughter Ashley.

Senator HARRY REID would like to be added as a cosponsor. I ask unanimous consent that he be added as a cosponsor to my amendment.

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

Mrs. BOXER. I yield to my friend, Senator DURBIN.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. I thank the Senator from California for her leadership on this issue. It is late at night. People do not want to talk about this. They want to go home. Some of us will go home and eat tuna salad. And if you eat tuna in your household, you bear some responsibility. You hope that your children will have that opportunity, and you hope that the fisheries around the world are going to be handled responsibly.

We passed a law here in 1997 and said: We are going to do what we can to conserve the dolphin which have become victims of those who are fishing for tuna—international convention, international agreement, dolphin conservation. And we said: If you happen to be one of the countries fishing for tuna that may endanger the dolphin, we are going to make you participate, spend some money to make sure this program works based on the percentage of your catch. That is a very reasonable program, conserving the dolphin, saying to each country: Pay your fair share based on what you catch.

I live in the Midwest. I do not live near an ocean. But I get it. I understand this. I just cannot understand why in this bill—before the amendment by the Senator from California—that we are suggesting the United States should pay more than its share.

There are countries here, for example, that are paying nothing.

Mrs. BOXER. Exactly.

Mr. DURBIN. Costa Rica, 7.6 percent of the catch, proportion of payments, zero; Venezuela, 16.2 percent of the catch, proportion of payments, zero; Ecuador, 26.3 percent of the catch, proportion of payments, zero.

Why aren't these countries paying their fair share, their fishery industry fishing for tuna, signatories to this agreement? They should be paying their share instead of being subsidized by the United States.

I think we should take the money saved by the Senator from California and dedicate it to a lot of other international fishery efforts that are listed within this legislation. I am happy to support her amendment. I think it is eminently fair. I hope those listening to the debate will join us in making certain that every country lives up to its obligation.

Mrs. BOXER. Mr. President, I thank all my friends tonight for helping this through. I know when it gets this late, people get upset with you for trying to pass amendments and continuing to work because everyone is exhausted. I am, too.

I want to be clear for the RECORD, I was willing to debate this on Friday and put off the vote until Monday night, but we were unable to reach that kind of agreement.

I ask unanimous consent to have printed in the RECORD the list of the countries and what they have been paying.

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

TUNA/DOLPHIN AMENDMENT TO CJS APPROPRIATIONS BILL

Question 1. How much were we intending to pay according to the State Department budget request?

Answer. $3.4 million.

Question 2. What is the total proposed budget for the IATTC?

Answer. $4.7 million.

Question 3. What proportion of the IATTC budget is the State Department request? What is the U.S. proportion of tuna utilization?

Answer. U.S. proposed proportion of the budget is 72%; U.S. tuna utilization is approximately 40%.

Question 4. How many nations are members of the IATTC and who are they?

Answer. 11 members: Costa Rica, Panama, Japan, France, Nicaragua, Vanuatu, Venezuela, El Salvador, Ecuador, Mexico and the United States.

Question 5. What is the estimated utilization of each nation and how much to they pay?

Answer. The most recent data that has been compiled on utilization is from 1996. According to those figures, the breakdown is as follows:

Country	Proportion of utilization (percent)	Proportion of payments (percent)
United States	39.6	91.4
France	1	9
Japan	9	7.7
Nicaragua	0	0
Panama	0	.01
Costa Rica	7.6	0
Vanuatu	0	.01
Venezuela	16.2	0
Ecuador	26.3	0
El Salvador	0	0

Mrs. BOXER. The United States portion of its catch and utilization is less than 40 percent, yet it has been paying 91 percent of the cost of the Commission. As my friend pointed out, there are nations here—Ecuador is catching 26 percent, and they are paying nothing. So what are we doing here?

I know these countries are our friends, but the taxpayers are our friends, too, besides which, these countries are purse seining on dolphin, and they are hurting those beautiful creatures. So why are we in such a rush to cover their payments and let them bring in this tuna?

My last point is another point my friend from Illinois made. He usually hits the nail on the head; he has done it again. Here are some of the other commissions that could benefit from the $1 million we are saving in this amendment: the Great Lakes Fishery Commission, Pacific Salmon Commission, International Pacific Halibut Commission, International Whaling Commission—it goes on and on—North Atlantic Salmon Conservation Organization, North Pacific Marine Science Organization, Inter-American Sea Turtle Convention Commission, Commission for the Conservation of Highly Migratory Species in the Western and Central Pacific Ocean.

Here we see that what we are doing is taking money from our taxpayers to pay for the Latin American countries that are going to get away with not paying their bill, and still they are allowed, unless we pass this Boxer-Biden-Kerry amendment, to export their tuna into this country—I want to underscore—unlike the American companies, that are really good to the dolphin and use safe fishing practices. They will bring their tuna in after purse seining dolphin, harassing the dolphin, killing them, maiming them, harming them, hurting their reproductive capacity.

With this amendment, I think we do a lot of good things. We save money, we help other commissions, and we stand up to our friends in Latin America and say: Pay the bills.

I yield to my friend from South Carolina.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I ask the distinguished Senator from California—I think she makes an outstanding case—as I remember it, isn't this the compromise agreement made with the opposition, that these amounts would be paid by these countries, some 2 years ago?

Mrs. BOXER. Yes.

Mr. HOLLINGS. This is the compromise we agreed to back 2 years ago.

What you are trying to do by your amendment is merely to enforce the compromise with those opposed to us in the first instance.

Mrs. BOXER. My friend is exactly on target. When we reached this compromise, which wasn't a happy compromise for us, one of the clear understandings was that as these countries sought to export their tuna, which has been banned from this country, as my friend knows, for a long time, because of their fishing methods which are so cruel to the dolphin, we said: If you have to bring this tuna in, then pay your fair share of the commission.

Essentially, if you look at the public law that we did pass, you will find it exactly here. In order for them to export, such nation, the section says, ''is meeting the obligation of the International Dolphin Conservation Program and the obligations of membership, including all financial obligations.''

This is the law Senator STEVENS agreed to, Senator BREAUX agreed to, Senator GREGG agreed to, and all of us—sad that we were that we didn't win what we wanted—agreed to. Now they are not paying their fair share, and they still say, well, let them export their tuna. This is wrong.

Mr. HOLLINGS. That is the reason I wanted to make the point. I understand a motion to table may be made. I hope we won't table it. The Senator from California is only making real the compromise agreement entered into some 2 years ago with the opposition.

I thank the Senator for her leadership.

Mrs. BOXER. Mr. President, I am happy to yield back the remainder of my time. I think we have made our point.

What we are doing is essentially, with this amendment, enforcing the agreement that everyone agreed to. If they don't come on board on this, I think it makes this agreement and this public law completely worthless. I hope people will support this amendment. It is good for taxpayers, and it is good for the dolphin.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, at this time I move to table the Boxer amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

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

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

AMENDMENT NO. 1307, WITHDRAWN

(Purpose: To reduce amounts appropriated by the bill and make available funds for the international criminal tribunals for the former Yugoslavia and Rwanda)

Ms. LANDRIEU. Mr. President, I send an amendment to the desk. I have discussed this with the manager.

The PRESIDING OFFICER. That will take unanimous consent.

Mr. REID. Mr. President, the Senator from Louisiana wants to discuss the amendment.

Ms. LANDRIEU. Mr. President, I ask unanimous consent for 30 seconds.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Louisiana.

Ms. LANDRIEU. I thank the Chair.

I will not ask for a vote tonight on this. I have discussed this with the manager, but I want to call it to the attention of the Senate. It is something Senator SPECTER and I have worked on, along with many others on both sides, dealing with monies to properly fund the War Crimes Tribunal.

It has come to our attention that even though we were successful in putting some additional funding into the War Crimes Tribunal for all the situations occurring in Kosovo, some of the money, sort of the standard amount of money that we spend on war crimes, is not present in the current bill we are discussing.

I wanted to offer an amendment to restore it. Given the late hour, given the tight constraints, I have talked with the Senator, and he said they will try to work this out at conference. I bring it to the attention of the Senate to thank him for his consideration.

At this time I will withdraw the amendment.

The PRESIDING OFFICER. The clerk will report the amendment by number.

The legislative clerk read as follows:

The Senator from Louisiana [Ms. LANDRIEU] proposes an amendment numbered 1307.

The amendment is as follows:

On page 89, between lines 8 and 9, insert the following:

SEC. 408. (a) Each of the amounts appropriated by this Act (other than the accounts specified in subsection (b)) shall be reduced by the percentage that results in a total reduction in appropriations under this Act of $20,000,000.

(b) In addition to the amounts appropriated by this Act under the following accounts, there are hereby appropriated under such accounts, out of any money in the Treasury not otherwise appropriated, the following amounts for the following purposes:

(1) Fro ''Contributions to International Organizations'', $7,000,000, which amount shall be available only for contributions to the International Criminal Tribunal for the former Yugoslavia and the International Criminal Tribunal for Rwanda.

(2) For ''Contributions for International Peacekeeping Activities'', $13,000,000, which amount shall be available only for contributions to the International Criminal Tribunal for the former Yugoslavia and the International Criminal Tribunal for Rwanda.

Mr. GREGG. Mr. President, I ask unanimous consent that that amendment be withdrawn.

The PRESIDING OFFICER. The amendment is withdrawn.

The Senator from New Hampshire.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

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

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

AMENDMENTS NOS. 1308 THROUGH 1341, EN BLOC

Mr. GREGG. Mr. President, there are at the desk 34 amendments that are in order under a previous unanimous consent agreement. These 34 amendments have been cleared. I ask unanimous consent that they be recorded separately and agreed to.

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

The amendments (Nos. 1308 through 1341), en bloc, were agreed to.

The amendments are as follows:

AMENDMENT NO. 1308

On page 8, line 13, strike ''$25,000,000'' and insert $27,000,000''.

On page 8, line 23, insert before the period: ''; and of which $1,000,000 shall be for the task force coordinated by the Office of the United States Attorney for the Eastern District of Wisconsin, and $1,000,000 shall be for the task forces coordinated by the Office of the United States Attorney for the Western District of New York and task forces coordinated by the Office of the United States Attorney for the Northern District of New York''.

On page 19, line 23, after the colon, insert the following: ''*Provided further*, That any Border Patrol agent classified in a GS–1896 position who completes a one-year period of service at a GS–9 grade and whose current rating of record is fully successful or higher shall be classified at a GS–11 grade and receive pay at the minimum rate of basic pay for a GS–11 position: *Provided further*, That the Commissioner shall have the authority to provide a language proficiency bonus, as a recruitment incentive, to graduates of the Border Patrol Academy from funds otherwise provided for language training: [*Provided further*, the Commissioner shall fully coordinate and link all Immigration and Naturalization Service databases, including IDENT, with databases of the Department of Justice and other federal law enforcement agencies containing information on criminal histories and records of prior deportations:] *Provided further*, That the Immigration and Naturalization Service shall only accept cash or a cashier's check when receiving or processing applications for benefits under the Immigration and Nationality Act:''.

On page 27, line 15, after ''Initiative,'' insert the following: ''of which $500,000 is available for a new truck safety initiative in the State of New Jersey,''.

On page 27, line 15, after ''Initiative,'' insert the following: ''of which $100,000 shall be used to award a grant to Charles Mix County, South Dakota, to upgrade the 911 emergency telephone system,''.

On page 29, line 16, before the semicolon, insert the following: '', of which $300,000 shall be used to award a grant to the Wakpa Sica Historical Society''.

On page 32, line 23, strike '':'' and insert the following: '', of which $500,000 shall be made available for the Youth Advocacy Program:''.

At the end of title I, insert the following:

''Sec. __. No funds provided in this Act may be used by the Office of Justice Programs to support a grant to pay for State and local law enforcement overtime in extraordinary, emergency situations unless the Appropriations Committees of both Houses of Congress are notified in accordance with the procedures contained in Section 605 of this Act.''.

At the end of title I, insert the following:

''Sec. __. Hereafter, notwithstanding any other provision of law, the Attorney General shall grant a national interest waiver under section 203(b)(2)(B) of the Immigration and Nationality Act (8 U.S.C. 1153(b)(2)(B)) on behalf of any alien physician with respect to whom a petition for preference classification has been filed under section 203(b)(2)(A) of such Act (8 U.S.C. 1153(b)(2)(A)) if—

(1) the alien physician seeks to work in an area designated by the Secretary of Health and Human Services as having a shortage of health care professionals or at a health care facility under the jurisdiction of the Department of Veterans Affairs; and

(2) a Federal agency or a State department of public health has previously determined that the alien physician's work in such an area or at such facility was in the public interest.''.

On page 57, line 16, delete ''$1,776,728,000'' and insert in lieu thereof: ''$1,782,728,000''; and

On page 57, line 17, before the colon, insert '', of which $6,000,000 shall be used by the National Ocean Service as response and restoration funding for coral reef assessment, monitoring, and restoration, and from available funds, $1,000,000 shall be made available for essential fish habitat activities, and $250,000 shall be made available for a bull trout habitat conservation plan''.

On page 58, line 20, before the period, insert the following: '': *Provided further*, That the Secretary may proceed as he deems necessary to have the National Oceanic and Atmospheric Administration occupy and operate its research facilities which are located at Lafayette, Louisiana''.

On page 66, line 15, delete ''$34,759,000'' and insert in lieu thereof: ''$35,903,000''.

On page 66, line 20, delete ''$18,123,000'' and insert in lieu thereof: ''$8,002,000''.

On page 66, line 20, delete ''$15,222,000'' and insert in lieu thereof: ''$5,101,000''.

On page 73, line 6, insert before the period: '': *Provided*, That $9,611,000 is appropriated for salary adjustments pursuant to this section and such funds shall be transferred to and merged with appropriations in Title III of this Act.''

On page 88, line 17, strike ''may'' and insert ''should''.

On page 98, line 24 delete ''$251,300,000'' and insert in lieu thereof: ''$246,300,000''.

On page 100, line 2, strike ''(d)'' and insert in lieu thereof: ''(e)''.

On page 100, line 9, strike ''.'', insert the following:

'': *Provided further*, That during fiscal year 2000, debentures guaranteed under Title III of the Small Business Investment Act of 1958, as amended, shall not exceed the amount authorized under section 20(e)(1)(C)(ii).''.

AMENDMENT NO. 1309

(Purpose: To provide for security for certain federal personnel)

At an appropriate place in the bill, add the following new section:

SEC. . For fiscal year 2000, the Director of the United States Marshals Service shall, within available funds, provide a magnetometer and not less than one qualified guard at each unsecured entrance to the real property (including offices, buildings, and related grounds and facilities) that is leased to the United States as a place of employment for Federal employees at 625 Silver, S.W., in Albuquerque, New Mexico.

AMENDMENT NO. 1310

(Purpose: To provide funds to carry out the drug-free workplace demonstration program)

On page 99, line 9, insert before the period the following: ''*Provided further*, That $1,800,000 shall be made available to carry out the drug-free workplace demonstration program under section 27 of the Small Business Act (15 U.S.C. 654)''.

Mr. COVERDELL. Mr. President, my amendment ensures the Small Business Administration's Drug-Free Workplace demonstration moves forward. I want to thank Senators KYL, SESSIONS, ABRAHAM, DEWINE and SNOWE for joining me in this effort. I also want to express my sincere appreciation to Senators BOND, GREGG, and HOLLINGS, as well as their staffs for their cooperation.

Last year, the Drug Free Workplace Act received broad bipartisan support when it was enacted. The House passed it 402–9, and the Senate Committee on Small Business endorsed it without opposition. We see this program as a critical opportunity to assist small businesses who are grappling with the hardships of drug abuse in the workplace.

The funding included in the FY2000 Commerce, Justice, State Appropriations bill, will enable these demonstrations to go forward. The Small Business Administration's initial grant applications indicate there is tremendous need for drug-free workplace programs. It has been reported that no less than 146 qualified grant applications were submitted to SBA for FY1999 funding, but no more than 30 will be funded. At least 116 of these qualified potential drug-free workplace demonstration programs will go unfunded leaving $12 million in unmet need.

Again, I look forward to working with my colleagues to ensure the Drug-Free Workplace demonstration continues to receive the support of Congress.

I ask unanimous consent that letters demonstrating my point be printed in the RECORD.

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

DRUG FREE AMERICA FOUNDATION, INC.,
July 8, 1999.

Hon. JON L. KYL,
U.S. Senate, Washington, DC.

DEAR SENATOR KYL: It is my understanding that you and Senator COVERDELL intend to offer an amendment to the Commerce, Justice, State Appropriations Bill that would earmark the $6 million necessary to complete the Drug-Free Workplace Demonstration. I would like to commend both of you for your efforts on this issue.

Having worked with you ongoing on the drug issue, I know how important it is to you to fight this problem on every front possible. The workplace is truly a significant front where the battle can be waged. If you consider what makes up a community, you will note that most segments are a workplace of some type. We have schools, churches, social services, law enforcement, private industry, and the public sector—all of which are workplaces. These workplaces provide the perfect opportunity, through drug-free workplace programs, to access our adult population and educate them on the problems associated with drug and alcohol abuse, to intervene on those with problems, and to provide needed treatment to those already addicted.

Over the last ten years, employers have made tremendous progress in addressing drug and alcohol abuse in the workplace. Back in 1986, when I owned a drug testing company, I found the positive drug rate in the workplaces of some communities to be as high as 38 percent. That rate has fallen significantly to below 10 percent. I know from personal testimonies of employees that many casual users ceased to use illicit drugs when their employers began drug testing because they valued their jobs. These individuals, of course, will not become addicted to drugs because they have ceased to use. Their employers' drug-free workplace programs did indeed serve as an effective deterrent to drug use. I also know many employees who have received treatment for drug and alcohol addictions as a result of drug-free workplace programs.

There is a concern, however, for small employers. While the larger companies have implemented very effective, proactive drug-free workplace programs, many small employers have not done so due to financial limitations. I fear that this has resulted in many drug users, who cannot work in the larger companies due to being subject to testing, going to work in smaller companies that do not address the problem of drugs. Having been a small business owner, I know what a struggle it can be to manage a small business and keep it financially afloat. Since drug abusers typically are involved in more accidents, file more workers' compensation claims, are absent more often, and use more leave, they surely take an unnecessary financial toll on our small employers.

The Drug-Free Workplace Demonstration grant monies are greatly needed in order to assist small employers in implementing and maintaining proper drug-free workplace programs to minimize the probability of having drug-using employees. An additional benefit would, of course, be the family members of these employees. When an employee has a drug or alcohol problem, it negatively affects the entire family. If an employer can deter or detect and correct the problem with an employee, everyone benefits.

Please consider me a resource and let me know what I can do to support your proposed amendment.

Regards,

CALVINA L. FAY.

ARIZONANS FOR A DRUG-FREE WORKPLACE,
Tucson, AZ, June 25, 1999.

As a drug-free workplace initiative, representing a coalition of over 3,000 businesses, the majority of which are small businesses, we are requesting your help for the drug-free workplace demonstration project.

We are asking that you support funding the remaining $6 million of appropriated funds for the Small Business Administration in support of this very important drug-free workplace demonstration program.

The need and demand for drug-free workplace resources is growing, while the available resources are shrinking. It is business, and small business in particular, that contributes greatly and supports the economy of this country. It is time for these small businesses to get the help needed to stop the high costs brought about by substance abuse in the workplace. You have an opportunity to make drug-free workplace a reality for many small businesses in this country.

Thank you for your attention to this matter.

Regards,

ELIZABETH EDWARDS,
Executive Director.

THE COUNCIL ON ALCOHOL AND DRUGS,
Houston, TX, June 28, 1999.

Re. Support for Continued Drug-Free Workplace Funding.

I am writing to request your support for continued funding for the 1998 Drug-Free Workplace demonstration project. The remaining $6 million of appropriated funds for this project is critical if we are to continue to provide assistance to our small business community to help them eliminate substance abuse in the workplace. As you know, small businesses employ over 50% of the nation's workforce. These businesses are at increased risk for on the job accidents, absenteeism, turnover, and many other factors related to substance abuse in the workplace.

The Drug-Free Business Alliance represents a coalition of over 1,000 businesses, the majority of which are small businesses. For the past fifteen years we have been providing education and assistance to small businesses in the Houston community to help them reduce the risks and costs associated with on the job substance abuse. There are still thousands of small businesses in need of our services. The $6 million in remaining funding is critical if drug-free workplace coalitions are to continue to provide services to the thousands of small businesses in need of drug-free workplace services.

Sincerely,

BECKY VANCE,
Director, Drug-Free Business Alliance.

I am writing to seek your support for the continuation of funding for the 1998 Drug Free Workplace Act which provides for funds for demonstration grants.

Drug Free Pennsylvania has operated a drug-free workplace initiative since 1993 called the Drugs Don't Work Here program. We have helped hundreds of employees adopt a drug-free workplace program and provide them with the technical assistance and training. Our program is one of the most successful and strongest in the nation. Our success is due to the strength of our board members and the services which we offer to small employers including policy development, a drug testing consortium, an employee assistance consortium, training and technical assistance for supervisors, and education materials for employees.

Unfortunately, in the past, the problem of substance abusing employees was overlooked to fund other youth-targeted programs. The Drug-Free Workplace Act of 1998 raises the drug-free workplace component on the federal government radar screen and should not be compromised by a funding cut in this budget cycle. I would urge you to continue to funding of the Drug Free Workplace Act of 1998 at or above the funding level originally intended for this program. The resources to assist small business needs to come from non-profit organizations such as ours and should not be set aside after only one year of funding.

As I am sure you know, over 70 percent of drug abuses are employed and over 73 percent of heavy alcohol users are working. Clearly, the biggest burden it borne by employers who hire these individuals in term of lost productivity, increased accidents and workers' compensation costs, and higher absenteeism and tardiness. The problem of substance abuse is compounded by the low unemployment rate where small employers are faced with hiring employees who test positive or not filling a position. Accordingly, the demand for drug-free workplace programs is increasing in a time where programs such as ours are facing severe funding cuts. It is thus imperative that the funding not cease for this invaluable program.

If I can be of assistance to you, please contact me. Thank you for your attention to this matter.

Sincerely,

Beth Winters.

GOLDEN EAGLE DISTRIBUTORS, INC.,
EXECUTIVE OFFICES,
Tucson, AZ, June 28, 1999.

Your help would be appreciated in support of the $6 million appropriation for the S.B.A. drug-free workplace program,

These funds are certainly needed for small business to keep drugs out of the workplace.

Sincerely,

JACK BRADDOCK,
Vice President.

AAA LANDSCAPE,
June 29, 1999.

Re: DFW Funding

As an office manager of a mid-sized landscape company in Tucson, Arizona, I have a request to make of you.

Please support funding the remaining $6 million of appropriated funds for the Small Business Administration in support of the very important drug-free workplace demonstration program.

The need and demand for drug-free workplace resources is growing, while the available resource are shrinking. With unemployment at an almost unheard of low, the need for able-bodied, able-minded workers is desperate. Drug usage, both within the current work force and among the unemployed, is an enormous problem. This demonstration program, even in its infancy, is beginning to make a real difference. We must give it a fair chance.

Please advise Senator Kerry that to kill the second-year funding of $6 million for the Drug-Free Workplace demonstration program would be a huge injustice to small business owners all over America.

Thank you for your time and attention.

Sincerely,

JEANE FEARSON,
Office Manager.

PIMA COUNTY, SHERIFF'S DEPARTMENT,
Tuscon, AZ, June 28, 1999.

With the extra trillion-dollar budget surplus announced today in Washington, it seems to me that $6 million to conclude a vital drug-free workplace demonstration project is a mere drop in the federal bucket.

I serve as chairman of Arizonans For A Drug-Free Workplace, and active member of a national drug-free workplace initiative that represents a coalition of more than 3,000 businesses, the majority of which are small businesses, We seek your help in obtaining funding for the remaining $6 million of appropriated monies for the Small Business Administration in support of the demonstration project.

As you are aware, the need, and demand for drug-free workplace resources have been increasing, while available resources have been skrinking—an obvious contradiction in view of today's fiscal revelation. Doesn't Congress understand that it is business—and small business, in particular—that contributes mightily to the strength of this country's economy.

We in the drug-free workplace initiative believe it is time for these small businesses to receive the help needed to stop the high costs brought about my substance abuse in the workplace. You have the opportunity to make a drug-free workplace a reality for many small businesses across our land.

Sincerely,

ASA BUSHNELL,
Community Relations Manager.

CONCRETE DESIGNS INC.,
Tucson, AZ, June 29, 1999.

As a small business manager, I want to express my concern regarding Senator Kerry's move to kill the Drug-Free Workplace funding. The drug issue in the work force is a growing problem in the United States and businesses have little support to help deal with this. Last week alone, I sent five applicants to take a pre-employment drug screen and only one went and tested negative for drugs. This ratio has been typical over the past year. In addition, we continue to lose employees through our random testing program.

You are in the position to help change this trend. Please support the funding of the appropriated funds.

Sincerely,

DEBY WIEST,
President, General Manager.

NATIONAL DRUG-FREE
WORKPLACE ALLIANCE,
MILWAUKEE, WI, JUNE 29, 1999.

It has recently come to my attention that there may be a move afoot to abolish to second year funding for the Drug-Free Workplace Act of 1999. This is of paramount concern as these dollars are aimed at developing drug-free workplace demonstration programs for small business nationwide.

Drug-free workplace programs began, historically, with the country's largest corporations and over the years, have inadvertently, squeezed substance abusers toward smaller business. The tragedy is that most small businesses do not have the resources to develop programs to protect their employees as well as the quality of their products and services, to say nothing of the end users.

It is well documented that drug-free workplace programs are extremely effective at reducing absenteeism, workplace injuries and theft, to name just a few. Furthermore, it is also well documented that these programs are terrific case finding entities in that they provide incentive as well as vehicles for employees to access Employee Assistance Programs or treatment options to assist in their recovery process. Of course the recovery, or lack of it, has a tremendous impact on families and coworkers as well as the above cited issues as well.

Our Alliance represents drug-free workplace initiatives in nearly thirty states and we see the benefits of these programs, with thousands of employers, on a daily basis. We believe that the wisdom of these programs was recognized when this legislation was initially passed and would ask for your assistance in protecting this valuable pilot that can have a far reaching impact not only at a business level but at a social level as well.

If I or the other Alliance members may be a resource to you, please do not hesitate to call.

Sincerely,

JEROME L. HOUFEK,
President.

MOUNTAIN POWER
Tucson, AZ, June 30, 1999.

Mountain Power Electrical Contractor, Inc. is a small business dedicated to providing a safe working environment for our employees, clientele, and the public. Part of our safety culture includes striving to maintain a drug free workplace.

The U.S. war against drugs is loosing ground. According to the reports issued by the Community Epidemiology Work Group

(CEWG), the percentage of drug users is on the rise in various categories, including heroin, marijuana, cocaine, and methamphetamines.

It is imperative that our political leaders, businesses, and the public at large support education and prevention in order to win the war against drugs. Dealing with the aftermath of our nation's drug problem in America is proving senseless and useless.

Therefore, our firm is requesting your assistance for the drug-free workplace demonstration project. We are asking that you support funding the remaining $6 million of appropriated funds for the SBA in support of this very important drug-free workplace demonstration program. This program directly provides and assists small businesses with education, literature, and resources to maintain a drug free workplace and keep abreast of local ordinances, as well as legislative issues.

Thank you for your support and assistance in making the drug-free workplace a reality for small businesses in this country.

Sincerely,

DEBRA GRAHAM-GARCIA,
Business Development Specialist.

TUCSON AIRPORT AUTHORITY,
Tucson, AZ, June 29, 1999.

As a Board member of Arizonans For A Drug-Free Workplace, and the Director of Personnel for the Tucson Airport Authority I am requesting that you support the second year funding of $6 million for the Drug-Free Workplace demonstration program authorized under last year's Drug-Free Workplace Act of 1998.

The current funding level for year-one at $3 million for the demonstration will only fund thirty or less programs, hardly enough time or money to conduct a proper demonstration period. The $6 million second-year funding will provide a much better opportunity for all of the drug-programs to prove that a drug free workplace can truly make a difference.

Without the appropriated funding drug-free workplace programs will have to close their doors or modify their existence to survive. This is an alarming trend that is already occurring in our country. The need for drug-free workplace funds is increasing while the available resources are decreasing. Substance abuse in the workplace as well as in the home comes at a very high cost to our society.

Thank you in advance for your sensitive consideration to this issue.

Sincerely,

RACHEL INGEGNERI,
Director of Personnel.

TUCSON AIRPORT AUTHORITY,
Tucson, AZ, June 29, 1999.

As a Board member of Arizonans For a Drug-Free Workplace, and the Director of personnel for the Tucson Airport Authority I am requesting that you support the second year funding of $6 million for the Drug-Free Workplace demonstration program authorized under last year's Drug-Free Workplace Act of 1998.

The current funding level for year-one at $3 million for the demonstration will only fund thirty or less programs, hardly enough time or money to conduct a proper demonstration period. The $6 million second-year funding will provide a much better opportunity for all of the drug-free programs to prove that a drug-free workplace can truly make a difference.

Without the appropriated funding drug-free workplace programs will have to close their doors or modify their existence to survive. This is an alarming trend that is already occurring in our country. The need for drug-free workplace funds is increasing while the available resources are decreasing. Substance Abuse in the workplace as well as in the home comes at a very high cost to our society.

Thank you in advance for your sensitive consideration to this issue.

Sincerely,

RACHEL INGEGNERI,
Director of Personnel.

Mr. KYL. Mr. President, I am proud that S. 1217, the Commerce, Justice, and State Appropriations Bill contains an amendment by Senator COVERDELL and me, securing $1.8 million for drug-free workplace programs. It has been a pleasure to have worked with Senator COVERDELL in obtaining funding for this critical program.

Our amendment is a victory for business and the fight against drugs.

Last year Senator COVERDELL and I authored the Drug-Free Workplace Act, which became law. It provided grants to organizations in order to assist small businesses in starting drug-free workplace programs. The Act was designed to encourage partnerships between small businesses and organizations that have experience in tackling the problem of drugs in the workplace. Many small business are reluctant to implement drug testing or employee-assistance programs, because they lack expertise in crafting such programs.

As we all know, sustaining a competent, able work force hinges on our ability to keep drugs out of the workplace. Funding was needed to continue this instrumental program. Securing $1.8 million for FY 2000 is a victory, considering the Administration chose to not fund this effort at all.

Statistics confirm that drug-free workplaces are more productive and efficient than those where some employees abuse drugs. For instance, 47 percent of workplace accidents are drug-related. Moreover, U.S. businesses lose $176 billion annually to substance abuse for costs due to accidents, absenteeism, and increased health care costs. Drug and alcohol abusers utilize 300 percent more medical benefits than non-abusers.

This amendment will enable small businesses to combat an evil that plagues their work forces, drug abuse.

AMENDMENT NO. 1311

(Purpose: To amend provisions relating to the implementation of the June 3, 1999 Agreement of the United States and Canada on the Treaty Between the Government of the United States of America and the Government of Canada Concerning Pacific Salmon and for other purposes)

S. 1217 is amended as follows:

At page 59, line 12 strike "$20,000,000" and insert in lieu thereof "$18,000,000".

At page 59, line 14 strike "Alaska" and insert in lieu thereof "$20,000,000 is made available as a direct payment to the State of Alaska".

At page 59, lines 22 and 23 strike the comma and the phrase "subject to express authorization".

At page 60, lines 2 and 3 strike the comma and the phrase "subject to express authorization".

At page 76, line 11 strike the comma and the phrase "subject to express authorization".

At the appropriate place in "TITLE VI—GENERAL PROVISIONS" insert the following new section:

"SEC. ____. (a) To implement the June 3, 1999 Agreement of the United States and Canada on the Treaty Between the Government of the United States of America and the Government of Canada Concerning Pacific Salmon (the "1999 Agreement") $140,000,000 is authorized only for use and expenditure as described in subsection (b).

(b)(1) $75,000,000 for grants to provide the initial capital for a Northern Boundary and Transboundary Rivers Restoration and Enhancement Fund to be held by the Pacific Salmon Commission and administered jointly by the Pacific Salmon Commission Commissioner for the State of Alaska with Canada according to a trust agreement to be entered into by the United States and Canada for the purposes of research, habitat restoration, and fish enhancement to promote abundance-based, conservation-oriented fishing regimes.

(2) $65,000,000 for grants to provide the initial capital for a Southern Boundary and Transboundary Rivers Restoration and Enhancement Fund to be held by the Pacific Salmon Commission and administered jointly with Canada by the Pacific Salmon Commission Commissioners for the States of Washington, Oregon, and California according to a trust agreement to be entered into by the United States and Canada for the purposes of research, habitat restoration, and fish enhancement to promote abundance-based, conservation-oriented fishing regimes.

(3)(i) Amounts provided by grants under paragraphs (1) and (2) may be held in interest-bearing accounts prior to the disbursement of such funds for program purposes, and any interest earned may be retained for program purposes without further appropriation by Congress.

(ii) the Northern Boundary and Transboundary Rivers Restoration and Enhancement Fund and Southern Boundary and Transboundary Rivers Restoration and Enhancement Fund are subject to the laws governing federal appropriations and funds and to unrescinded circulars of the Office of Management and Budget, including the audit requirements of Office of Management and Budget Circular Nos. A–110, A–122 and A–133; and

(iii) Recipients of funds from the Northern Boundary and Transboundary Rivers Restoration and Enhancement Fund and Southern Boundary and Transboundary Rivers Restoration and Enhancement Fund, which for the purposes of this subparagraph shall include interest earned pursuant to subparagraph (i), shall keep separate accounts and such records as may be reasonably necessary to disclose the use of the funds as well as facilitate effective audits.

(c) The President shall submit a request for funds to implement this section as part of his official budget request for the Fiscal Year 2001."

AMENDMENT NO. 1312

(Purpose: To amend certain provisions for appropriations for costs associated with the implementation of the American Fisheries Act vessel documentation activities)

S. 1217 is amended as follows:

At the appropriate place in "Title VI—GENERAL PROVISIONS" insert the following new section:

"SEC. ____. Funds made available under Public Law 105–277 for costs associated with implementation of the American Fisheries Act of 1998 (Division C, title II, of Public Law 105–277) for vessel documentation activities shall remain available until expended."

AMENDMENT NO. 1313

(Purpose: To provide funding for the Narragansett Bay cooperative study conducted by the Rhode Island Department of Environmental Management in cooperation with the Federal Government)

On page 57, line 17, before the colon, insert the following: '', of which $112,520,000 shall be used for resource information activities of the National Marine Fisheries Service and $806,000 shall be used for the Narragansett Bay cooperative study conducted by the Rhode Island Department of Environmental Management in cooperation with the Federal Government''.

AMENDMENT NO. 1314

(Purpose: To provide funding for research in addictive disorders and their connection to youth violence)

On page 25, line 5, before ''and'' insert ''of which $2,000,000 shall be made available to the Department of Psychiatry and Human Behavior at the University of Mississippi School of Medicine for research in addictive disorders and their connection to youth violence''.

AMENDMENT NO. 1315

(Purpose: To make an amendment with respect to the Crime Identification Technology Act of 1998)

''On page 27, lines 14 and 15, strike ''for the Crime Identification Technology Initiative'' and insert ''to carry out section 102 of the Crime Identification Technology Act of 1998 (42 U.S.C. 14601), including for grants for law enforcement equipment for discretionary grants to States, Local units of Government, and Indian Tribes''

AMENDMENT NO. 1316

(Purpose: To credit reimbursements owed by the United Nations to the United States to reduce United States arrearage to the United Nations)

On page 81, line 25, insert the following after ''reforms'' '': *Provided further*, That any additional amount provided, not to exceed $107 million, which is owed by the United Nations to the United States as a reimbursement, including any reimbursement under the Foreign Assistance Act of 1961 or the United Nations Participation act of 1945, that was owned to the United States before the date of enactment of this Act shall be applied or used, without fiscal year limitation, to reduce any amount owned by the United States to the United Nations, except that any such reduction pursuant to the authority in this paragraph shall not be made unless expressly authorized by the enactment of a separate Act that makes payment of arrearages contingent upon United Nations reform''.

AMENDMENT NO. 1317

At the end of title IV, insert the following:

SEC. ____. None of the funds appropriated or otherwise made available in this Act for the United Nations may be used by the United Nations for the promulgation or enforcement of any treaty, resolution, or regulation authorizing the United Nations, or any of its specialized agencies or affiliated organizations, to tax any aspect of the Internet.

AMENDMENT NO. 1318

At the end of title I, insert the following:

''SEC. ____. Section 286(q)(1)(A) of the Immigration and Nationality Act of 1953 (8 U.S.C. 1356(q)(1)(A)), as amended, is further amended—

(a) by deleting clause (ii);

(2) by renumbering clause (iii) as (ii); and

(3) by striking '', until September 30, 2000,'' in clause (iv) and renumbering that clause as (iii)''.

AMENDMENT NO. 1319

(Purpose: Expressing the sense of the Senate regarding Iran)

On page 111, between lines 7 and 8, insert the following:

SEC. 620. (a) FINDINGS.—The Senate makes the following findings:

(1) Iran has been designated as a state sponsor of terrorism by the Secretary of State and continues to be among the most active supporters of terrorism in the world.

(2) According to the State Department's annual report entitled ''Patterns of Global Terrorism'', Iran supports Hizballah, Hamas, and the Palestinian Islamic Jihad, terrorist organizations which oppose the Middle East peace process, continue to work for the destruction of Israel, and have killed United States citizens.

(3) A United States district court ruled in March 1998 that Iran should pay $247,000,000 to the family of Alisa Flatow, a United States citizen killed in a bomb attack orchestrated by the Palestinian Islamic Jihad in Gaza in April 1995.

(4) The Government of Iran continues to maintain a repressive political regime in which the civil liberties of the people of Iran are denied.

(5) The State Department Country Report on Human Rights states that the human rights record of the Government of Iran remains poor, including ''extra judicial killings and summary executions; disappearances; widespread use of torture and other degrading treatment; harsh prison conditions; arbitrary arrest and detention; lack of due process; unfair trials; infringement on citizen's privacy; and restrictions on freedom of speech, press, assembly, association, religion, and movement''.

(6) Religious minorities in Iran have been persecuted solely because of their faith, and the Government of Iran has detained 13 members of Iran's Jewish community without charge.

(7) Recent student-led protests in Iran were repressed by force, with possibly five students losing their lives and hundreds more being imprisoned.

(8) The Government of Iran is pursuing an aggressive ballistic missile program with foreign assistance and is seeking to develop weapons of mass destruction which threaten United States allies and interests.

(9) Despite the continuation by the Government of Iran of repressive activities in Iran and efforts to threaten United States allies and interests in the Near East and South Asia, the President waived provisions of the Iran and Libya Sanctions Act of 1996 (Public Law 104–172; 50 U.S.C. 1701 note) intended to impede development of the energy sector in Iran.

(b) SENSE OF SENATE.—It is the sense of the Senate that—

(1) the President should condemn in the strongest possible terms the failure of the Government of Iran to implement genuine political reforms and protect the civil liberties of the people of Iran, which failure was most recently demonstrated in the violent repression of student-led protests in Teheran and other cities by the Government of Iran;

(2) the President should support democratic opposition groups in Iran more aggressively;

(3) the detention of 13 members of the Iranian Jewish community by the Government of Iran is a deplorable violation of due process and a clear example of the policies of the Government of Iran to persecute religious minorities; and

(4) the decision of the President to waive provisions of the Iran and Libya Sanctions Act of 1996 intended to impede development of the energy sector in Iran was regrettable and should be reversed as long as Iran continues to threaten United States interests and allies in the Near East and South Asia through state sponsorship of terrorism and efforts to acquire weapons of mass destruction and the missiles to deliver such weapons.

AMENDMENT NO. 1320

(Purpose: To provide additional funding for law enforcement programs regarding hate crimes)

SECTION 1. HATE CRIMES.

(a) DECLARATIONS.—Congress declares that—

(1) further efforts must be taken at all levels of government to respond to the staggering brutality of hate crimes that have riveted public attention and shocked the Nation;

(2) hate crimes are prompted by bias and are committed to send a message of hate to targeted communities, usually defined on the basis of immutable traits;

(3) the prominent characteristic of a hate crime is that it devastates not just the actual victim and the victim's family and friends, but frequently savages the community sharing the traits that caused the victim to be selected;

(4) any efforts undertaken by the Federal Government to combat hate crimes must respect the primacy that States and local officials have traditionally been accorded in the criminal prosecution of acts constituting hate crimes; and

(5) an overly broad reaction by the Federal Government to this serious problem might ultimately diminish the accountability of State and local officials in responding to hate crimes and transgress the constitutional limitations on the powers vested in Congress under the Constitution.

(b) STUDIES.—

(1) COLLECTION OF DATA.—

(A) DEFINITION OF HATE CRIME.—In this paragraph, the term ''hate crime'' means—

(i) a crime described in subsection (b)(1) of the first section of the Hate Crime Statistics Act (28 U.S.C. 534 note); and

(ii) a crime that manifests evidence of prejudice based on gender or age.

(B) COLLECTION FROM CROSS-SECTION OF STATES.—Not later than 120 days after the date of enactment of this Act, the Comptroller General of the United States, in consultation with the National Governors' Association, shall select 10 jurisdictions with laws classifying certain types of crimes as hate crimes and 10 jurisdictions without such laws from which to collect data described in subparagraph (C) over a 12-month period.

(C) DATA TO BE COLLECTED.—The data to be collected are—

(i) the number of hate crimes that are reported and investigated;

(ii) the percentage of hate crimes that are prosecuted and the percentage that result in conviction;

(iii) the length of the sentences imposed for crimes classified as hate crimes within a jurisdiction, compared with the length of sentences imposed for similar crimes committed in jurisdictions with no hate crime laws; and

(iv) references to and descriptions of the laws under which the offenders were punished.

(D) COSTS.—Participating jurisdictions shall be reimbursed for the reasonable and necessary costs of compiling data under this paragraph.

(2) STUDY OF TRENDS.—

(A) IN GENERAL.—Not later than 18 months after the date of enactment of this Act, the Comptroller General of the United States and the General Accounting Office shall complete a study that analyzes the data collected under paragraph (1) and under the Hate Crime Statistics Act of 1990 to determine the extent of hate crime activity throughout the country and the success of State and local officials in combating that activity.

(B) IDENTIFICATION OF TRENDS.—In the study conducted under subparagraph (A), the Comptroller General of the United States and the General Accounting Office shall identify any trends in the commission of hate crimes specifically by—

(i) geographic region;

(ii) type of crime committed; and

(iii) the number of hate crimes that are prosecuted and the number for which convictions are obtained.

(c) MODEL STATUTE.—

(1) IN GENERAL.—To encourage the identification and prosecution of hate crimes throughout the country, the Attorney General shall, through the National Conference of Commissioners on Uniform State Laws of the American Law Institute or another appropriate forum, and in consultation with the States, develop a model statute to carry out the goals described in subsection (a) and criminalize acts classified as hate crimes.

(2) REQUIREMENTS.—In developing the model statute, the Attorney General shall—

(A) include in the model statute crimes that manifest evidence of prejudice; and

(B) prepare an analysis of all reasons why any crime motivated by prejudice based on any traits of a victim should or should not be included.

(d) SUPPORT FOR CRIMINAL INVESTIGATIONS AND PROSECUTIONS BY STATE AND LOCAL LAW ENFORCEMENT OFFICIALS.—

(1) ASSISTANCE OTHER THAN FINANCIAL ASSISTANCE.—

(A) IN GENERAL.—At the request of a law enforcement official of a State or a political subdivision of a State, the Attorney General, acting through the Director of the Federal Bureau of Investigation, shall provide technical, forensic, prosecutorial, or any other form of assistance in the criminal investigation or prosecution of any crime that—

(i) constitutes a crime of violence (as defined in section 16 of title 18, United States Code);

(ii) constitutes a felony under the laws of the State; and

(iii) is motivated by prejudice based on the victim's race, ethnicity, or religion or is a violation of the State's hate crime law.

(B) PRIORITY.—In providing assistance under subparagraph (A), the Attorney General shall give priority to crimes committed by offenders who have committed crimes in more than 1 State.

(2) GRANTS.—

(A) IN GENERAL.—There is established a grant program within the Department of Justice to assist State and local officials in the investigation and prosecution of hate crimes.

(B) ELIGIBILITY.—A State or political subdivision of a State applying for assistance under this paragraph shall—

(i) describe the purposes for which the grant is needed; and

(ii) certify that the State or political subdivision lacks the resources necessary to investigate or prosecute the hate crime.

(C) DEADLINE.—An application for a grant under this paragraph shall be approved or disapproved by the Attorney General not later than 24 hours after the application is submitted.

(D) GRANT AMOUNT.—A grant under this paragraph shall not exceed $100,000 for any single case.

(E) REPORT.—Not later than December 31, 2001, the Attorney General, in consultation with the National Governors' Association, shall submit to Congress a report describing the applications made for grants under this paragraph, the award of such grants, and the effectiveness of the grant funds awarded.

(F) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this paragraph $5,000,000 for each of fiscal years 2000 and 2001.

(e) INTERSTATE TRAVEL TO COMMIT HATE CRIME.—

(1) IN GENERAL.—Chapter 13 of title 18, United States Code, is amended by adding at the end the following:

"§ 249. Interstate travel to commit hate crime

"(a) IN GENERAL.—A person, whether or not acting under color of law, who—

"(1) travels across a State line or enters or leaves Indian country in order, by force or threat of force, to willfully injure, intimidate, or interfere with, or by force or threat of force to attempt to injure, intimidate, or interfere with, any person because of the person's race, color, religion, or national origin; and

"(2) by force or threat of force, willfully injures, intimidates, or interferes with, or by force or threat of force attempts to willfully injure, intimidate, or interfere with any person because of the person's race, color, religion, or national origin,

shall be subject to a penalty under subsection (b).

"(b) PENALTIES.—A person described in subsection (a) who is subject to a penalty under this subsection—

"(1) shall be fined under this title, imprisoned not more than 1 year, or both;

"(2) if bodily injury results or if the violation includes the use, attempted use, or threatened use of a dangerous weapon, explosives, or fire, shall be fined under this title, imprisoned not more than 10 years, or both; or

"(3) if death results or if the violation includes kidnapping or an attempt to kidnap, aggravated sexual abuse or an attempt to commit aggravated sexual abuse, or an attempt to kill—

"(A) shall be fined under this title, imprisoned for any term of years or for life, or both; or

"(B) may be sentenced to death.".

(2) TECHNICAL AMENDMENT.—The analysis for chapter 13 of title 18, United States Code, is amended by adding at the end the following:

"249. Interstate travel to commit hate crime.".

AMENDMENT NO. 1321

(Purpose: To improve fishery management)

At the appropriate place, insert the following:

SEC. . NEW ENGLAND FISHERY MANAGEMENT COUNCIL.

Section 302(a)(1)(A) of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1852(a)(1)(A)) is amended—

(1) by striking "17" and inserting "18"; and

(2) by striking "11" and inserting "12".

AMENDMENT NO. 1322

(Purpose: To authorize a place for holding court in New York, to authorize the consolidation of clerks offices in West Virginia, and to direct the provision of space for a senior judge's chambers in Utah)

At the appropriate place in the bill, insert:

SEC. . PLACE OF HOLDING COURT AT CENTRAL ISLIP, NEW YORK.

The second paragraph of Section 112(c) of title 28, United States Code is amended to read—

"Court for the Eastern District shall be held at Brooklyn, Hauppauge, Hempstead (including the village of Uniondale), and Central Islip."

SEC. . WEST VIRGINIA CLERK CONSOLIDATION APPROVAL.

Pursuant to the requirements of Section 156(d) of title 28, United States Code, Congress hereby approves the consolidation of the office of the bankruptcy clerk with the office of the district clerk of court in the Southern District of West Virginia.

SEC. . SENIOR JUDGE'S CHAMBERS IN PROVO, UTAH.

The Internal Revenue Service is directed to vacate sufficient space in the Federal Building in Provo, Utah as soon as practicable to provide space for a senior judge's chambers in that building. The General Services Administration is directed to provide interim space for a senior judge's chambers in Provo, Utah and to complete a permanent senior judge's chambers in the Federal Building located in that city as soon as practicable.

AMENDMENT NO. 1323

(Purpose: To increase funding for SBA Microloan Technical Assistance)

In the Salaries and Expense Account of the Small Business Administration, insert at the end of the paragraph:

"Provided further, That $23,200,000 shall be available to fund grants for Microloan Technical Assistance as authorized by section 7(m) of the Small Business Act."

AMENDMENT NO. 1324

(Purpose: To enhance Federal enforcement of hate crimes, and for other purposes.)

At the appropriate place, insert the following:

TITLE ____—HATE CRIMES PREVENTION

SEC. ____01. SHORT TITLE.

This title may be cited as the "Hate Crimes Prevention Act of 1999".

SEC. ____02. FINDINGS.

Congress finds that—

(1) the incidence of violence motivated by the actual or perceived race, color, national origin, religion, sexual orientation, gender, or disability of the victim poses a serious national problem;

(2) such violence disrupts the tranquility and safety of communities and is deeply divisive;

(3) existing Federal law is inadequate to address this problem;

(4) such violence affects interstate commerce in many ways, including—

(A) by impeding the movement of members of targeted groups and forcing such members to move across State lines to escape the incidence or risk of such violence; and

(B) by preventing members of targeted groups from purchasing goods and services, obtaining or sustaining employment or participating in other commercial activity;

(5) perpetrators cross State lines to commit such violence;

(6) instrumentalities of interstate commerce are used to facilitate the commission of such violence;

(7) such violence is committed using articles that have traveled in interstate commerce;

(8) violence motivated by bias that is a relic of slavery can constitute badges and incidents of slavery;

(9) although many State and local authorities are now and will continue to be responsible for prosecuting the overwhelming majority of violent crimes in the United States,

including violent crimes motivated by bias, Federal jurisdiction over certain violent crimes motivated by bias is necessary to supplement State and local jurisdiction and ensure that justice is achieved in each case;

(10) Federal jurisdiction over certain violent crimes motivated by bias enables Federal, State, and local authorities to work together as partners in the investigation and prosecution of such crimes;

(11) the problem of hate crime is sufficiently serious, widespread, and interstate in nature as to warrant Federal assistance to States and local jurisdictions; and

(12) freedom of speech and association are fundamental values protected by the first amendment to the Constitution of the United States, and it is the purpose of this title to criminalize acts of violence, and threats of violence, carried out because of the actual or perceived race, color, religion, national origin, gender, sexual orientation, or disability of the victim, not to criminalize beliefs in the abstract.

SEC. ___03. DEFINITION OF HATE CRIME.

In this title, the term ''hate crime'' has the same meaning as in section 280003(a) of the Violent Crime Control and Law Enforcement Act of 1994 (28 U.S.C. 994 note).

SEC. ___04. PROHIBITION OF CERTAIN ACTS OF VIOLENCE.

Section 245 of title 18, United States Code, is amended—

(1) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

(2) by inserting after subsection (b) the following:

''(c)(1) Whoever, whether or not acting under color of law, willfully causes bodily injury to any person or, through the use of fire, a firearm, or an explosive device, attempts to cause bodily injury to any person, because of the actual or perceived race, color, religion, or national origin of any person—

''(A) shall be imprisoned not more than 10 years, or fined in accordance with this title, or both; and

''(B) shall be imprisoned for any term of years or for life, or fined in accordance with this title, or both if—

''(i) death results from the acts committed in violation of this paragraph; or

''(ii) the acts committed in violation of this paragraph include kidnapping or an attempt to kidnap, aggravated sexual abuse or an attempt to commit aggravated sexual abuse, or an attempt to kill.

''(2)(A) Whoever, whether or not acting under color of law, in any circumstance described in subparagraph (B), willfully causes bodily injury to any person or, through the use of fire, a firearm, or an explosive device, attempts to cause bodily injury to any person, because of the actual or perceived religion, gender, sexual orientation, or disability of any person—

''(i) shall be imprisoned not more than 10 years, or fined in accordance with this title, or both; and

''(ii) shall be imprisoned for any term of years or for life, or fined in accordance with this title, or both, if—

''(I) death results from the acts committed in violation of this paragraph; or

''(II) the acts committed in violation of this paragraph include kidnapping or an attempt to kidnap, aggravated sexual abuse or an attempt to commit aggravated sexual abuse, or an attempt to kill.

''(B) For purposes of subparagraph (A), the circumstances described in this subparagraph are that—

''(i) in connection with the offense, the defendant or the victim travels in interstate or foreign commerce, uses a facility or instrumentality of interstate or foreign commerce, or engages in any activity affecting interstate or foreign commerce; or

''(ii) the offense is in or affects interstate or foreign commerce.

''(3) No prosecution of any offense described in this subsection may be undertaken by the United States, except upon the certification in writing of the Attorney General, the Deputy Attorney General, the Associate Attorney General, or any Assistant Attorney General specially designated by the Attorney General that—

''(A) he or she has reasonable cause to believe that the actual or perceived race, color, national origin, religion, sexual orientation, gender, or disability of any person was a motivating factor underlying the alleged conduct of the defendant; and

''(B) that he or his designee or she or her designee has consulted with State or local law enforcement officials regarding the prosecution and determined that—

''(i) the State does not have jurisdiction or refuses to assume jurisdiction;

''(ii) the State has requested that the Federal Government assume jurisdiction; or

''(iii) actions by State and local law enforcement officials have or are likely to leave demonstratively unvindicated the Federal interest in eradicating bias-motivated violence.''.

SEC. ___05. DUTIES OF FEDERAL SENTENCING COMMISSION.

(a) AMENDMENT OF FEDERAL SENTENCING GUIDELINES.—Pursuant to its authority under section 994 of title 28, United States Code, the United States Sentencing Commission shall study the issue of adult recruitment of juveniles to commit hate crimes and shall, if appropriate, amend the Federal sentencing guidelines to provide sentencing enhancements (in addition to the sentencing enhancement provided for the use of a minor during the commission of an offense) for adult defendants who recruit juveniles to assist in the commission of hate crimes.

(b) CONSISTENCY WITH OTHER GUIDELINES.—In carrying out this section, the United States Sentencing Commission shall—

(1) ensure that there is reasonable consistency with other Federal sentencing guidelines; and

(2) avoid duplicative punishments for substantially the same offense.

SEC. ___06. GRANT PROGRAM.

(a) AUTHORITY TO MAKE GRANTS.—The Office of Justice Programs of the Department of Justice shall make grants, in accordance with such regulations as the Attorney General may prescribe, to State and local programs designed to combat hate crimes committed by juveniles, including programs to train local law enforcement officers in investigating, prosecuting, and preventing hate crimes.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

SEC. ___07. AUTHORIZATION FOR ADDITIONAL PERSONNEL TO ASSIST STATE AND LOCAL LAW ENFORCEMENT.

There are authorized to be appropriated to the Department of the Treasury and the Department of Justice, including the Community Relations Service, for fiscal years 2000, 2001, and 2002 such sums as are necessary to increase the number of personnel to prevent and respond to alleged violations of section 245 of title 18, United States Code (as amended by this title).

SEC. ___08. SEVERABILITY.

If any provision of this title, an amendment made by this title, or the application of such provision or amendment to any person or circumstance is held to be unconstitutional, the remainder of this title, the amendments made by this title, and the application of the provisions of such to any person or circumstance shall not be affected thereby.

Mr. HATCH. Mr. President, I am committed in my view that the Senate must lead and speak against hate crimes.

Many of America's greatest strides in civil rights progress took place during recent generations—from Congress' protection of Americans from employment discrimination on the basis of race, sex, color, religion and national origin with the passage of the Civil Rights Act of 1964, to the protection of the disabled with the passage of the Americans with Disabilities Act in 1990, and many other important pieces of legislation.

However, while America's elected officials have striven mightily through the passage of such measures to stop discrimination in the workplace, or to the hands of government actors, what remains tragically unaddressed in large part is discrimination against peoples' own security—that most fundamental right to be free from physical harm.

Despite our best efforts, discrimination continues to persist in many forms in this country, but most sadly in the rudimentary and malicious form of violence against individuals because of their identities.

As much as we condemn all crime, hate crime can be more sinister than non-hate crime. A crime committed not just to harm an individual, but out of the motive of sending a message of hatred to an entire community—oftentimes a community defined on the basis of immutable traits—is appropriately punished more harshly, or in a different manner, than other crimes. Moreover, hate crimes are more likely to provoke retaliatory crimes; they inflict deep, lasting and distinct injuries—some of which never heal—on victims and their family members; they incite community unrest; and, ultimately, they are downright un-American.

I am resolute in my view that the federal government can play a valuable role in responding to hate crime. One example here is my sponsorship of the Hate Crime Statistics Act of 1990, another is the passage in 1996 of the Church Arson Protection Act.

Given the seriousness of our objective to eradicate hate crime, it is imperative that any measure abide by the constitutional limitations imposed on Congress, and be cognizant of the limitations on Congress' enumerated powers that are routinely enforced by the courts. This is more true today than it would have been even a mere decade ago, given the significant revival by the U.S. Supreme Court of the federalism doctrine in a string of decisions beginning in 1992.

I have therefore proposed a response to hate crimes that is not only as effective as possible, but that carefully navigates the rocky shoals of these

court decisions. To that end, I have prepared a measure that I believe will be not only an effective one, but one that would avoid altogether the constitutional risks that attach to other possible federal responses that have been raised.

There are four principal components to my approach:

First, it creates a meaningful partnership between the federal government and the states in combating hate crime, by establishing within the Justice Department a fund to assist state and local authorities in investigating and prosecuting hate crime. Much of the cited justification given by those who advocate broad federal jurisdiction over hate crimes is a lack of adequate resources at the state and local level.

Accordingly, before we take the step of making every criminal offense motivated by a hatred of someone's immutable traits a federal offense, it is imperative that we equip states and localities with the resources necessary so that they can undertake these criminal investigations and prosecutions on their own.

Second, my approach undertakes a comprehensive analysis of the raw data that has been collected pursuant to the 1990 Hate Crime Statistics Act, including a comparison of the records of different jurisdictions—some with hate crime laws, others without—to determine whether there is, in fact, a problem in certain states' prosecution of those criminal acts constituting hate crimes.

Third, my approach directs an appropriate, neutral forum to develop a model hate crimes statute that would enable states to evaluate their own laws, and adopt—in whole or in part from the model statute—hate crime legislation at the state level.

One of the arguments cited for a federalization of enforcement is the varying scope and punitive force of state laws. Yet there are many areas of grave national concern—such as drank driving, by way of example—that are appropriately left to the states for criminal enforcement and punishment.

Before we make all hate crimes federal offenses, I believe we should pursue avenues that advance consistency among the states through the voluntary efforts of their legislatures. Perhaps, upon completion of this model hate crime law, Congress will review its recommendation and consider additional ways to promote uniformity among the states.

Fourth, my proposal makes a long-overdue modification of our existing federal hate crime law (passed in 1969) to allow for the prosecution by federal authorities of those hate crimes that are classically within federal jurisdiction—that is, hate crimes in which state lines have been crossed.

I believe that passage of this comprehensive measure will prove a strong antidote to the scourge of hate crimes.

It is no answer for the Senate to sit by silently while these crimes are being committed. The ugly, bigoted, and violent underside of some in our country that is reflected by the commission of hate crimes must be combated at all levels of government.

For some, federal leadership necessitates federal control. I do not subscribe to this view, especially when it comes to this problem. It has been proposed by some that to combat hate crime Congress should enact a new tier of far-reaching federal criminal legislation. That approach strays from the foundations of our constitutional structure—namely, the first principles of federalism that for more than two centuries have vested states with primary responsibility for prosecuting crimes committed within their boundaries.

As important as this issue is, there is little evidence such a step is warranted, or that it will do any more than what I have proposed. In fact, one could argue that national enforcement of hate crime could decrease if states are told the federal government has assumed primary responsibility over hate crime enforcement.

Accordingly, we must lead—but lead responsibly—recognizing that we live in a country of governments of shared and divided responsibilities.

I encourage this body to question the dogma that federal leadership must include federal control, and I encourage this body to act anew by supporting a proposal that is far-reaching in its efforts to stem hate crime, and that is at the same time respectful of the primacy states have traditionally enjoyed in prosecuting crimes committed within their boundaries.

My proposal should unite all of us on the one point about which we should most fervently agree—that the Senate must speak firmly and meaningfully in denouncing as wrong in all respects those actions we have increasingly come to know as hate crimes. Our continued progress in fighting to protect Americans' civil rights demands no less.

I take note that there are now two different hate crime measures that have been accepted by the Senate. It is my hope that the conference will consider the Hatch amendment's approach to be the wiser and the more responsible, and accordingly adopt it. Alternatively, however, it is my hope that some accord might be reached between the two versions that respects the constitutional and federalism boundaries I have discussed, and to the extent it is not, I may choose to pursue adoption of my measure through the Judiciary Committee.

Mr. SMITH of Oregon. Mr. President, as a member of the Foreign Relations Committee I have spoken out against hate crimes of many kinds and in many lands. For that reason I cannot be silent at home. I believe that government's first duty is to defend its citizens. To defend them against the harms that come out of hate. To defend them regardless of their status, be they female, disabled or gay. The Hate Crimes Prevention Act is now a symbol that can become substance. By changing this law we can change hearts and minds as well.

The law is a teacher and we should teach our fellow citizens that all crime is hateful. But we can also teach that some crime is so odious that an extra measure of prosecution is demanded by us, so that it will never again be repeated among us.

Never again should we in the federal government withhold our help or stand idly by when a Matthew Shepard is tied to a fence, beaten and left to die because he is gay. Never again should we defer to others when one James Byrd, Jr. is dragged to his death because he is black. No, in these cases and in too many more, the Federal Government must have the power to persuade, to pursue and to prosecute when hate is the motive of violence against American victims, no matter their state, no matter their minority or vulnerability.

Mrs. MURRAY. Mr. President, I rise today in support of the amendment to protect Americans from hate crimes. It is unfortunate that the amendment's chief sponsor, Senator TED KENNEDY, couldn't be here to take part in this debate. Senator KENNEDY has worked tirelessly to enact this crucial piece of legislation. He has my heartfelt appreciation for his work on this and my sympathy for the loss of his nephew. I can't possibly match his passion and eloquence on this issue, but I am here today to discuss and support his amendment on hate crimes prevention.

Hate crime is real. Despite great gains in equality and civil rights over the later part of this century, hate crimes are still being committed. Those who commit these heinous crimes must be punished.

We all remember Matthew Shepard. He was a young man who just last fall was viciously struck down in the prime of his life. Tragically, he is now a reminder of what happens when he do not stand up to hate and bigotry. We must treat hate crimes as the deadly threat they are and do more to prevent them. These are not simply assaults. They are violent crimes motivated by hate and bigotry.

Passing this amendment gives us more tools to fight hate. I am pleased to join with many of my colleagues as a co-sponsor of this important legislation. The amendment would expand the definition of a hate crime and improve prosecution of those who act out their hate with violence. If someone harms another because of the victim's race, gender, color, religion, disability or sexual orientation, they will be punished. No longer will the activity of the victim matter, but the actions and motivations of the perpetrator will be the focus. It is important to note that the prosecutor would still have to convince a jury beyond a reasonable doubt that the criminal act was motivated by prejudice.

No one can beat a person to death and leave them to die without being

motivated by a deep sense of hate. In the case of Matthew Shepard, it was no simply robbery. The motive was hate.

I know some of my colleagues argue that the states are doing an adequate job of handling hate crimes on their own. I commend them for their efforts, but I believe the federal government has a further role in this as well. We already prosecute at the federal level many crimes that are motivated by prejudice. We need to strengthen these federal hate crimes laws and increase the role of the federal government in ending this violence. It wasn't that many years ago that we stood up for equality and justice by forcing the states and private citizens to end segregation and discrimination. Now we must do the same for hate crimes against any of our citizens.

I ask that my statement appear in the RECORD immediately following the text of the hate crimes amendment.

Mrs. FEINSTEIN. Mr. President, I join with my colleagues in expressing my strong support for the Hate Crimes Prevention Amendment, legislation of which I am a cosponsor.

The Hate Crimes Prevention Amendment is urgently needed to compensate for two limitations in the current law. First, the current federal hate crimes law covers only crimes motivated by bias on the basis of race, color, religion or national origin. As a result, federal authorities cannot prosecute individuals who commit violent crimes against others because of their sexual orientation, gender, or disability.

In addition, current law limits federal hate crime prosecutions to instances in which the victims was targeted because he or she was exercising one of six narrowly defined federally-protected activities (such as serving on a jury, attending a public school, eating at a restaurant or lodging at a hotel). As a result, the law does not reach many cases where individuals kill or injure others because of racial or religious hatred.

The Hate Crimes Amendment would remedy the glaring gaps and inadequacy of the current law by broadening the federal jurisdiction to cover all violent crimes motivated by racial or religious hatred, regardless of whether the victim was exercising a federally protected right. It would also include sexual orientation, gender and disability to the list of protected categories within current federal hate crime law, provided there is a sufficient connection with interstate commerce.

At the same time, federal involvement would only come into play if the Attorney General certifies that a federal prosecution is necessary to secure substantial justice. In recent years, the existing federal hate crimes law has been used only in carefully selected cases where the state criminal justice system did not achieve a just result.

What does this mean? It means that crimes based on race, color, religion or national origin would be covered under the federal hate crimes law whenever the defendant causes bodily injury, or through the use of fire, a firearm, or an explosive, attempts to case injury.

Crimes based on sexual orientation, gender or disability would be limited to the same types of violent crimes, but only if the crime has a sufficient connection with interstate commerce.

In all cases, the prosecution would have to show that the crime was motivated in part by the actual or perceived sexual orientation, gender, or disability of the victim—and this would be a matter for the jury to determine.

As would be the case for every element of a criminal offense, federal prosecutors would have to prove motivation beyond a reasonable doubt. In all cases, these prosecutions would present evidence that a motivating factor in the crime was bias against a particular group.

Hate crimes in these cases would carry a heavy penalty. Persons who cause bodily injury to another, or, through the use of fire, firearms, or explosives, attempts to cause bodily injury in the furtherance of a hate crime would face imprisonment up to 10 years. If the hate crime results in death or the offense included kidnapping, aggravated sexual abuse or an attempt to kill, the convicted offender could face life imprisonment.

Mr. President, for many years I have been deeply concerned about hate crimes and the immeasurable impact they have on victims, their families and our communities. In 1993, I sponsored the Hate Crimes Sentencing Enhancement Act, which was signed into law in 1994 as a part of the Violent Crime Control and Law Enforcement Act of 1994. The Act increased the penalties for hate crimes directed at individuals because of their perceived race, color, religion, national origin, gender, disability or sexual orientation.

Today, I believe the Hate Crimes Prevention Amendment, builds on this effort by modifying the current law to allow the federal government to provide the vital assistance to states in investigating of crimes of this magnitude.

This legislation is long overdue, Mr. President. The brutal murders last year of an African American, James Byrd, in Texas; a gay man, Matthew Shepard, in Wyoming; and the murderous rampage in Littleton, Colorado earlier this year vividly portray why this legislation is so urgently needed.

Just recently, our nation awakened to the news of drive-by shooting attacks on Jews, and African-American, and Asian-Americans in Chicago, Illinois. These shootings were the despicable acts of virulent hatred. Undoubtedly these crimes have affected so many lives beyond its immediate victims.

Two weeks before the shootings, three synagogues were torched in Sacramento, California, sending shock waves throughout the Jewish community in America.

Sadly, hate crimes are becoming too commonplace in America. According to the U.S. Department of Justice, in 1997, the last year for which we have statistics, 8,049 hate crime incidents were reported in the United States. That is almost one such crime per hour. Within these incidents, there were 10,255 victims of these crimes.

Of that total, 4,710 or 58.5% of the crime were committed on account of the victim's race. Of these reported crimes, there were almost 1,300 victims of anti-black crimes; 649 victims of anti-Hispanic crimes; and 466 victims of anti-Asian crimes.

In that same year, 1,385 or roughly 17% of the victims were targeted because of their religious affiliation. The number of anti-Jewish incidents is second only to those against blacks and far exceeds offenses against all other religious groups combined. Moreover, while by most accounts anti-Semitism in America has declined dramatically over the years, the level of violence is escalating.

The FBI reports that crimes against gays, lesbians and bisexuals ranked third in reported hate crimes in 1997, registering 1,102 or 13.7% of reported incidents. And, gender-motivated violence occurs in our country at alarming rates. According to the Leadership Conference on Civil Rights, ''society is beginning to realize that many assaults against women are not 'random' acts of violence but are actually bias-related crimes.''

In addition, according to the California Attorney General, more than 1,800 of the 8,000 hate crimes reported by the FBI were committed in California. That's a shocking number when one considers the motivation behind a hate crime. These are truly among the ugliest of crimes, in which the perpetrator thinks the victim is less of a human being because of his or her gender, skin color, religion, sexual orientation or disability.

By enacting this legislation, federal prosecutors will be able to work in full partnership with their state counterparts. In Wyoming, despite clear evidence that the killing of Matthew Shepard was motivated by bigotry against homosexuals, federal authorities lacked jurisdiction to assist state and local authorities in investigating the case.

It is imperative, therefore, that Congress move swiftly to address this situation and enact this legislation. Although the Byrd and Shepard, as well as the Littleton and Chicago atrocities, all have shocked the conscience of our nation, many hate crimes happen daily in our communities and do not receive national exposure and universal condemnation.

For example, an 18-year-old San Francisco youth was savagely attacked and beaten after a recent athletic event between St. Ignatius College Preparatory School and Sacred Heart Cathedral Preparatory School. During the beating, his attackers yelled racial

slurs at him. Just a few days later, a 17-year-old senior at San Marin High School was beaten outside his school in Novato, a derogatory word regarding his presumed sexual orientation was etched into his arm with a pen.

And, in an especially disturbing case in Ventura, California, four skinheads attacked a Latino couple and an African-American couple returning from a high school homecoming date. Singing, and then shouting racial epithets, the skinheads followed the two couples and threw a brick at the head of the African-American teenager. When the students tried to drive away, the skinheads kicked the car and beat it with a baseball bat, causing $2,000 in damage.

These recent cases show far more vividly than I can express here today why we need this legislation now more than ever.

This amendment does not create any ''special interests.'' Hate crimes are not just the concern of any one race, one gender, or one segment of society. The victims of these types of attacks are black and white, young and old, gay and straight, mother and son, father and daughter. Most importantly, they are all human beings whom other human beings loved and depended on. No one, no matter where he lives or to what group she belongs can be certain who will suffer from senseless acts of violence sparked by bigotry, hatred and prejudice.

History is replete with instances in which mindless fear, ignorance and prejudice propel unspeakable acts of inhumanity. There is a great monument to this in this very city: the Holocaust Museum. The Holocaust Museum serves as a stark and cogent reminder of how unchecked hatred can spiral into the genocide of countless millions of Jews and others who were singled out by Nazi Germany for no other reason than that they were different.

Unfortunately, Mr. President, as recent events suggest, we do not have to look back sixty years to find example of inhumanity fostered by hate. We can look across the oceans to Kosovo, where the consequences of ''ethnic cleansing,'' mass rapes, and rampant crime, all point to the utter disregard for life and human dignity.

Mr. President, American values do not include attacking those who are ''different'' or those with whom we disagree. No one here can reasonably argue that violently attacking a person because of his or her race, gender, disability, or sexual orientation is an acceptable form of behavior.

No one here can reasonably argue that protecting American values should not include protecting women, disabled persons, or gays and lesbians from hate crimes.

And no one here today need fear a breakdown of society simply because we extend Federal protection from acts of violent prejudice to those members of our society who currently face such an extraordinary threat of hate violence.

Instead, as Americans, we value the freedom to be individuals. We value the freedom to express ourselves peacefully. And, above all, Mr. President, we value freedom from fear and tyranny.

And, what we must take from the experience of World War II and Kosovo is that our nation must never sit still and permit acts of hatred to go unpunished and undeterred.

That is why, if we truly want to defend American values, we should work to give our citizens protection from those who would do them harm simply based upon their race, gender, disability or sexual orientation.

And, the Hate Crimes Prevention Amendment aims to send a message to our nation and the world that the singling out of an individual because of race, religion, sexual orientation, gender or disability will not go unnoticed or unpunished.

The Hate Crimes Prevention Amendment will make certain that those who commit violent acts because someone is of the ''wrong gender, religion, race, sexual orientation, or disability'' will be prosecuted because everyone, I repeat, everyone has a right to be free from violence and fear when they are going to school, work, travel, or doing something as simple as going to a movie.

Mr. President, I urge adoption of the Hate Crimes Prevention Amendment, which includes this important measure. I also urge the conferees on the Commerce, Justice, States appropriations bill to maintain this position during the conference. All Americans, and our future generations, deserve no less.

Mr. SCHUMER. When we passed the first Hate Crimes Law there were those who said that it was unnecessary and that hate crimes were overblown.

Then came the news of James Byrd in Texas, Matthew Shepard in Wyoming, William Gaither in Alabama, Gary Matson and Scott Mowder in California—young men who were victims of crimes that desecrate America.

Today's debate goes back to our original fight. Does this Congress believe that there are those in America who are motivated by hate? Does this Congress believe that there is more that can be done to condemn, prosecute and prevent violent hate? Or do we believe—even after James Byrd, even after Matthew Shepard, even after William Gaither, even after Gary Matson and Scott Mowder—that Hate Crimes are overblown?

Since we started keeping statistics in 1991 the FBI has documented over 50,000 hate crimes. But they could prosecute only 37 because the current law is too narrow.

The Kennedy bill completes the law. It gives it teeth. The Kennedy bill adds sexual orientation to hate crimes, an omission that has sent a message to those who feed off hate, that bigotry against gays and lesbians is somehow less wrong than bigotry against blacks, latinos and Jews.

It removes the civil rights test which gives prosecutors the chance to put violent bigots behind bars.

As a nation, we have divergent political views but we are bound by our commitment to punish acts of bigotry against African Americans, Latinos, Jews, and yes—lesbians and gays.

This is a bill that will bring this nation together. This is a bill that will make people proud.

The only people who need fear the Kennedy bill are those whose private hatreds manifests itself in violent rage against the innocent.

Mr. LEVIN. Mr. President, over the Fourth of July weekend, the nation was stunned by the actions of a single young man on a racially motivated killing spree. The man's name was Benjamin Smith, and it seems clear, he spent his short life consumed by hatred. Because of this hatred, the nation mourns the death of a former University of Detroit and Western Michigan University basketball coach Ricky Byrdsong and doctoral student Won-Joon Yoon, both the victims of hate crime.

Benjamin Smith was just one of many who unleashed his hate onto others through violence. According to FBI statistics, at least one hate crime occurs every hour in the United States. That means at least one violent crime each hour is motivated by bias. Hate crimes have no place in a society founded on tolerance and equality. There must be a clear message to hatemongers like Benjamin Smith, that the federal government will do everything in its power so that the perpetrators of bias crimes will be investigated, prosecuted and punished as quickly as possible. But the federal government is limited to a certain extent in its ability to assist state and local prosecutors in their investigations of hate crime.

That's why I am pleased to be an original cosponsor of the Hate Crimes Protection Act, a bill which would amend the existing federal hate crimes law and expand the federal government's role in the investigation and prosecution of bias-inspired conduct. The federal government has always had a special role in stifling violence and discriminatory treatment. This Act continues in that tradition by strengthening federal authority to ensure that racially-motivated criminals are prosecuted to the full extent of the law.

This amendment would also expand the definition of hate crime, which now only pertains to the victim's race, color, religion and natural origin, to include discrimination based on sexual orientation, gender, and disability. By expanding the definition of hate crime, the nation sends a clear message that it will not tolerate any violent crime, especially targeted at those who have traditionally been more vulnerable to violence.

The Hate Crimes Prevention Act has the support of over 100 civil rights and law enforcement organizations, as well

as a broad range of state and local government associations, and state Attorneys General. These groups, who work with the victims of hate crimes on a daily basis, understand that violent hate crimes, not only affect the victim's family, but are injurious to the entire community. Because hate crimes have a such a deep impact on society, these civil rights and law enforcement organizations support the Hate Crimes Prevention Act, and the role it gives the federal government in ensuring that perpetrators of bias crime are subject to enhanced prosecutions and penalties.

I am pleased to join a distinguished list of cosponsors on this amendment and I urge my colleagues to support the passage of this Act and take a stand against hate crime.

Mr. JEFFORDS. Mr. President, I rise today in support of the Hate Crimes Prevention Act as an amendment to the Commerce, Justice, State and Judiciary Fiscal Year 2000 bill.

This legislation will provide the Federal Government a needed tool to combat the destructive impact of hate crimes on our society. The amendment also recognizes that hate crimes are not just limited to crimes committed because of race, color, religion, or national origin, but are also directed at individuals because of their gender, sexual orientation or disability.

Mr. President, any crime hurts our society, but crimes motivated by hate are especially harmful. This amendment would take two important steps to strengthen existing Federal hate crimes law.

First, the amendment would expand the situations when the Department of Justice can prosecute defendants for violent crimes based on race, color, religion or national origin. Second, the amendment would authorize the Department of Justice to prosecute individuals who commit violent crimes against others because of a victim's disability, gender, or sexual orientation provided there is a sufficient connection with interstate commerce.

Many states, including my state of Vermont, have already passed strong hate crimes laws, and I applaud them in this endeavor. An important principle of this amendment is that it allows for Federal prosecution of hate crimes without impeding the rights of states to prosecute these crimes.

Federal prosecutions under this amendment would still be subject to the current provision of law that requires the Attorney General or another senior official of the Justice Department to certify that a federal prosecution is necessary to secure substantial justice. Mr. President, such a requirement under current law has ensured that states are the primary adjudicators of the perpetrators of hate crimes, not the Federal government.

This has meant that in recent years the existing Federal hate crimes law has been used only in carefully selected cases. For example, there have been an average of only 5.2 prosecutions per year under current law from Fiscal Year 1990 through Fiscal Year 1996.

Additionally, Federal authorities will consult with State and Local law enforcement officials before initiating an investigation or prosecution. Both of these are important provisions to ensure that we are not infringing on the rights of States to prosecute crimes.

Mr. President, the Senate has an opportunity today to take a strong stand against hate crimes, and I urge them to do so by supporting this important legislation.

Mr. WYDEN. Mr. President, the amendment seeks to deter violent crime borne out of prejudice and hatred. Since 1991, almost 50,000 hate crimes have been voluntarily reported to the FBI. More than 8,000 were reported in 1997 alone, and many more probably occurred.

I am of the view that violent hate crimes stain our national greatness. This amendment cannot erase the stain entirely, but it is a step toward removing the immunity from prosecution that perpetrators have enjoyed for too long.

The amendment will close the loopholes in current federal hate crimes law and remove the straightjacket from local law enforcement so they can get federal help when they need it.

The amendment does three things:

First, it would remove restrictions on the types of situations in which the Justice Department can prosecute defendants for violent crimes based on race, color, religion or national origin.

Second, it would assure that crimes targeted against victims because of disability, gender or sexual orientation that cause death or bodily injury can be prosecuted if there is a sufficient connection to interstate commerce.

Third, it would require the Attorney General to certify in writing that she had consulted with State and local law enforcement and that they had asked for federal help, or did not have jurisdiction or, as in current law, that federal prosecution is necessary to secure substantial justice in eradicating hate-based crimes.

Under current law, the Justice Department can prosecute crimes motivated by race, religion and ethnicity only if two tests are satisfied. First, DoJ must prove bias was the motive. Second, DoJ must prove the perpetrator intended to prevent the individual from doing certain federally protected things, such as serving on a jury, enrolling or attending a public school, or applying for or enjoying employment.

Motive for the crime is a matter for the jury to determine. And, as is the case for every element of a criminal offense, DoJ would have to prove motive beyond a reasonable doubt. Motive plays the same rule under federal and state anti-discrimination laws as it does under the current federal hate crimes law. My amendment does not affect this.

It is the second test which has prevented the law from reaching many cases where individuals kill or injure others because of racial or religious hatred. In 1994, a jury acquitted 3 white supremacists who had assaulted 3 African-Americans. Jurors revealed after the trial that they felt racial animus had been established but not that the defendants intended to prevent the victims from participating in a federally protected activity. My amendment addresses this limitation.

Under my amendment, DoJ would still have to satisfy the first test and prove beyond a reasonable doubt that bias was involved. But in cases of crimes motivated by race, religion and ethnicity, DoJ would no longer be limited to those situations where the victim was engaged in or enjoying a federally protected activity.

In 1996, 88 current members of the Senate voted to support a similar provision in the Church Arson Prevention Act.

Under my amendment, federal involvement in prosecuting crimes based on sexual orientation, disability or gender AND where bodily injury or death result would be limited to those instances where the violent crime has a sufficient connection with interstate commerce.

This provision is critical for the 28 states that have no authority to prosecute bias-motivated crimes based on disability or sexual orientation, and for the 29 states that have no authority to prosecute bias-motivated crimes based on gender, like the Son of Sam serial killings in New York.

The amendment would provide two levels of penalties in all cases of hate crimes:

1. Imprisonment up to 10 years for persons who cause bodily injury, or through the use of fire, firearms or explosives, attempts to cause bodily injury; and

2. Imprisonment up to life if death results or if the offense includes kidnaping, aggravated sexual abuse or an attempt to commit aggravated sexual abuse, or an attempt to kill.

Some believe that every crime is a hate crime. Every crime is tragic, but not all crime is based on hate. A hate crime occurs when the perpetrator intentionally chooses the victim because of who the victim is. A hate crime affects not only the victim but an entire community or group of people.

Some believe this amendment would provide special protection to certain groups. But it is perpetrators who intentionally single out victims because of who they are in an attempt to send a chilling message to society or others in that group of people.

Some argue that hate crimes laws threaten free speech. Hate crimes laws punish violent acts, not beliefs or thoughts, no matter how violent those thoughts or beliefs might be. Nothing in this amendment would prohibit or deny the lawful expression of one's deeply held religious beliefs. However,

causing or attempting to cause bodily injury is clearly not protected speech.

Some have expressed concern that this amendment would federalize crimes that are better left to the states to address. Today, there is overlapping jurisdiction in the case of many homicides, bank robberies, kidnaping and fraud. Like these areas, when both federal and state hate crimes statutes apply, there will be no need for federal prosecution in the vast majority of cases.

The amendment will not invite a tsunami of new cases. In no one year since the first hate crime law was enacted in 1968 has there been more than 10 indictments. In fact, from 1992 to 1997, federal officials prosecuted only 33 cases, or an average of fewer than 6 hate crimes cases a year. Mr. Eric Holder testified that this amendment will only lead to ''a modest increase in the number of cases.'' The significance of this amendment is to backstop state and local law enforcement by giving them extra tools to fight hate crime, not to open the floodgates to frivolous cases.

Even in states with broad hate crimes laws, the higher penalties available under federal statute, the complexity of the investigation, the procedural advantages of a federal prosecution, or the failure of a state prosecution may make federal prosecution desirable.

All but 8 states have hate crimes statutes, but only 21 cover sexual orientation, 22 cover gender and 21 cover disability. Despite the clear evidence that last year's brutal murder of Matthew Shepard was motivated by hatred of gays, federal authorities were unable to assist state and local authorities in investigating the case because Wyoming had no hate crime law and federal agencies lacked the authority.

Evidence indicates that hate crimes are under reported, but FBI statistics show that since 1991 hate crimes have nearly doubled, with more than 8,000 reported in 1997. Race-related hate crimes were by far the most common, accounting for 60%. Hate crime based on religion accounted for 17%, and hate crimes against gays and lesbians, which jumped by 8% last year, accounted for 14% of all hate crimes reported.

The federal government has a long history in combating hate crimes:

In addition to the landmark civil rights laws of the 1960s,

In 1990, Congress passed the Hate Crime Statistics Act to keep track of hate crimes;

In 1994, Congress enacted the Hate Crimes Sentencing Enhancement Act to allow for increased sentences for offenses found beyond a reasonable doubt to be hate crimes; in 1994 Congress passed the Violence Against Women Act; and in 1996 Congress enacted the Church Arson Prevention Act.

Under the able leadership of Senator HATCH, the Judiciary Committee has held several hearings on the problem of hate crimes. In my view the record overwhelmingly established the need for this legislation.

As if we need any further evidence, we need only look to the Fourth of July weekend headlines describing brutal acts of violence aimed at Orthodox Jews, Asian-Americans, African-Americans and a gay couple in California.

We must correct the deficiencies in current law. Today, a crime motivated by race, religion or ethnic origin can be prosecuted by federal authorities because it occurred on a public sidewalk but not if it took place in the private parking lot across the street. This is wrong. I believe Congress must focus the full force of the federal government on investigating and prosecuting hate crimes.

The vote on this amendment will be a referendum on whether members will continue to tolerate violent acts borne of prejudice.

In closing, I would say to my colleagues that this is not a problem that needs further study. The evidence is in, and it is clear. We need to send a strong and unequivocal message that hate crimes will no longer be tolerated; that the full force of federal law enforcement will be brought to bear in prosecuting these violent acts.

I hope my colleagues will ask themselves the following question. If they have a child or know of a child who has a disability, a child who is gay, or who is a girl, and that child suffers bodily injury or worse, death, simply because of who he or she is, do you want that child to be just another statistic that is studied, or do you want the perpetrator to be prosecuted to the fullest extent allowed by the Hate Crimes Prevention Act?

AMENDMENT NO. 1325

(Purpose: To provide for a study on older individuals and crime)

At the end of title I, add the following:

SEC. . (a) In this section:

(1) The term ''hate crime'' has the meaning given the term in section 280003(a) of the Violent Crime Control and Law Enforcement Act of 1994 (28 U.S.C. 994 note).

(2) The term ''older individual'' means an individual who is age 65 or older.

(b) The Attorney General shall conduct a study concerning—

(1) whether an order individual is more likely than the average individual to be the target of a crime;

(2) the extent of crimes committed against older individuals; and

(3) the extent to which crimes committed against older individuals are hate crimes.

(c) Not later than 180 days after the date of enactment of this Act, the Attorney General shall submit to Congress a report containing the results of the study.

Mr. GRAHAM. My amendment would require the Attorney General to conduct a study on crimes against older individuals no later than 180 days after the date of enactment of this legislation.

The population aged 65 years or older numbered 34.1 million in 1997 and will continue to grow as the baby boomer generation ages. These individuals are particularly vulnerable to crime.

Because they have made the determination that our large elderly population is susceptible to monetary scams and physical acts of intimidation, criminals defraud the elderly in areas ranging from telemarketing to health care fraud to securities and insurance.

Federal prosecutors and law enforcement officials throughout Florida are spending more and more of their time in efforts against the cheats, fly-by-night operators, and other criminals who are targeting the elderly for financial profit.

The losses suffered as a result of these crimes not only affect the elderly and their families but also squander resources for programs that provide services to millions of needy elderly Americans.

Mr. President, we can and must do better.

My amendment will require the Justice Department study to examine two vital issues: (1) whether an individual over 65 is more likely than the average individual to be the target of a crime; and (2) the extent of crimes committed against individuals over 65.

This amendment gives the Senate the opportunity to express its determination to protect this important segment of American society from criminals.

In his national bestseller, ''The Greatest Generation,'' NBC news anchor Tom Brokaw discusses the heroics of the World War II generation and how they saved the world from tyranny. It would be a shame if the generation that protected us in its youth was allowed to become victims of scam artists and violent criminals in its later years.

Mr. President, this study will be a first step toward freeing older Americans from the threat of crime. I urge all of my colleagues to support this important measure.

AMENDMENT NO. 1326

(Purpose: To extend temporary protected status for certain nationals of Liberia)

At the appropriate place in the bill, insert the following:

SEC. ___. EXTENSION OF TEMPORARY PROTECTED STATUS FOR CERTAIN NATIONALS OF LIBERIA.

(a) CONTINUATION OF STATUS.—Notwithstanding any other provision of law, any alien described in subsection (b) who, as of the date of enactment of this Act, is registered for temporary protected status in the United States under section 244(c)(1)(A)(iv) of the Immigration and Nationality Act (8 U.S.C. 1254a(c)(1)(A)(iv)), or any predecessor law, order, or regulation, shall be entitled to maintain that status through September 30, 2000.

(b) COVERED ALIENS.—An alien referred to in subsection (a) is a national of Liberia or an alien who has no nationality and who last habitually resided in Liberia.

AMENDMENT NO. 1327

(Purpose: To express the sense of the Senate with respect to promoting travel and tourism)

At the appropriate place in title II, insert the following:

SEC. 2___. SENSE OF SENATE WITH RESPECT TO PROMOTING TRAVEL AND TOURISM.

(a) FINDINGS.—Congress finds that—

(1) an effective public-private partnership of Federal, State, and local governments and the travel and tourism industry can successfully market the United States as the premiere international tourist destination in the world;

(2) the private sector, States, and cities currently spend more than $1,000,000,000 annually to promote particular destinations within the United States to international visitors;

(3) other nations are spending hundreds of millions of dollars annually to promote the visits of international tourists to their countries, and the United States will miss a major marketing opportunity if it fails to aggressively compete for an increased share of international tourism expenditures as they continue to increase over the next decade;

(4) a well-funded, well-coordinated international marketing effort, combined with additional public and private sector efforts, would help small and large businesses, as well as State and local governments, share in the anticipated growth of the international travel and tourism market in the 21st century; and

(5) a long-term marketing effort should be supported to promote increased travel to the United States for the benefit of every sector of the economy.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that Congress should enact this year, with adequate funding from available resources, legislation that would support international promotional activities by the United States National Tourism Organization to help brand, position, and promote the United States as the premiere travel and tourism destination in the world.

AMENDMENT NO. 1328

(Purpose: To study the benefits of establishing an electronic commerce extension program at the Department of Commerce.)

On page 65, after line 25, add the following:

SEC. 209. STUDY A GENERAL ELECTRONIC EXTENSION PROGRAM.

Not later than six months after the enactment of this Act, the Secretary of Commerce shall report to Congress on possible benefits from a general electronic commerce extension program to help small businesses, not limited to manufacturers, in all parts of the nation identify and adopt electronic commerce technology and techniques, so that such businesses can fully participate in electronic commerce. Such a general extension service would be analogous to the Manufacturing Extension Program managed by the National Institute of Standards and Technology, and the Cooperative Extension Service managed by the Department of Agriculture. The report shall address, at a minimum, the following—

(a) the need for or opportunity presented by such a program;

(b) some of the specific services that such a program should provide and to whom;

(c) how such a program would serve firms in rural or isolated areas;

(d) how such a program should be established, organized, and managed;

(e) the estimated costs of such a program; and

(f) the potential benefits of such a program to both small businesses and the economy as a whole.

AMENDMENT NO. 1329

At page 59, line 14 after the colon insert the following ?

''*Provided further*, That of the amounts provided, $6,000,000 shall be made available to Pacific Coastal tribes (as defined by the Secretary of Commerce) through the Department of Commerce, which shall allocate the funds to tribes in California and Oregon, and to tribes in Washington after consultation with the Washington State Salmon Recovery Funding Board; *provided further* that the Secretary ensure the aforementioned $6 million be used for restoration of Pacific Salmon populations listed under the Endangered Species Act; *provided further that* funds to tribes in Washington shall be used only for grants for planning (not to exceed 10% of grant), physical design, and completion of restoration projects; and *provided further*, that each tribe receiving a grant in Washington State derived from the aforementioned $6 million provide a report on the specific use and effectiveness of such recovery project grant in restoring listed Pacific Salmon populations, which report shall be made public and shall be provided to the Committees on appropriatioins in the U.S. House of Representatives and the U.S. Senate through the Salmon Recovery Funding Board by December 1, 2000.

Mrs. MURRAY. Mr. President, my amendment will provide the Pacific coastal tribes of Washington, Oregon, and California with salmon recovery funding.

I would like to start by expressing my deep appreciation to Subcommittee Chairman GREGG and subcommittee ranking member, Senator HOLLLINGS, for including in the Commerce, Justice, State appropriations bill, $80 million for the Pacific coastal salmon recovery account. Given the fiscal constraints I am pleased the money was made available.

The Pacific coastal salmon initiative was proposed by the Administration to help address the rash of endangered species listings of salmon along the coast. The Administration's initiative called for the funding of $100 million with up to 10% of that money going to the Pacific coastal tribes. Another portion of the initiative called for increased personnel for the National Marine Fisheries Service in order to handle a higher workload brought about by new ESA listings around the nation. The NMFS received some funding in the bill to undertake this initial work.

The only party to this initiative that did not receive funding was the tribes. I do not know why this decision was made, but I believe it sends the wrong message and we must remedy the situation. My amendment directs funds to Pacific coastal tribes to participate in the salmon recovery process. We need them to make this process work.

I would like to recognize that my amendment to ensure tribal participation is cosponsored by Senators INOUYE, BOXER, FEINSTEIN, and WYDEN. I would also like to recognize the support of Governor Gary Locke of Washington and Governor John Kitzhaber of Oregon. Lastly, I appreciate the support of King County Executive Ron Sims, Pierce County Executive Doug Sutherland, and Snohomish County Executive Bob Drewel.

The reason all these people are supporting this amendment is that they know the tribes are a vital partner in the coordinated effort to recover salmon. Successful recovery is going to require all parties working as a team. Leaving the tribes out of the equation is not a way to build the team.

Some may suggest that my amendment is unnecessary because the tribes can apply to the states for a portion of the money being provided to the states. However, tribes should not have to receive these funds through a state grant process or via any other mechanism that might diminish their roles as sovereign governments. It is Congress that can do the right thing at this stage to respect the rights of the Tribes to be self-governing and join their counterpart governments in this vital partnership.

I appreciate the cooperation of the Chairman and my colleagues in agreeing to the adoption of my amendment to make the Pacific coastal tribes true partners in our effort to recover threatened and endangered salmon runs.

AMENDMENT NO. 1330

(Purpose: To improve the process for deporting criminal aliens)

On page 45, between lines 9 and 10, insert the following:

SEC. . (a) In implementing the Institutional Hearing Program and the Institutional Removal Program of the Immigration and Naturalization Service, the Attorney General shall give priority to—

(1) those aliens serving a prison sentence for a serious violent felony, as defined in section 3559(c)(2)(F) of title 18, United Stats Code; and

(2) those aliens arrested by the Border Patrol and subsequently incarcerated for drug violations.

(b) Not later than March 31, 2000, the Attorney General shall submit a report to Congress describing the steps taken to carry out subsection (a).

AMENDMENT NO. 1331

(Purpose: To require Congressional notification prior to the sale of properties that have been used as U.S. embassies, U.S. Consulates or the residences of the U.S. Ambassador, Chief of Mission or Consuls General)

At the appropriate place in the bill add the following:

SEC._. NOTIFICATION OF INTENT TO SELL CERTAIN U.S. PROPERTIES.

Consistent with the regular notification procedures established pursuant to Section 34 of the State Department Basic Authorities Act of 1956, the Secretary of State shall notify in writing the Committees on Foreign Relations and Appropriations in the Senate and the committees on International Relations and Appropriations in the House of Representatives sixty days in advance of any action taken by the Department of enter into any contract for the final sale of properties owned by the United States that have served as United States Embassies, Consulates General, or residences for United States Ambassadors, Chief of Missions, or Consuls General.

AMENDMENT NO. 1332

(Purpose: To earmark funds for a new truck safety initiative)

On page 27, line 15, after ''Initiative,'' insert ''of which $500,000 is available for a new truck safety initiative, in the state of New Jersey.''.

AMENDMENT NO. 1333

(Purpose: To allow the City of Camden to retain funding from a fiscal year 1996 law enforcement grant)

On page 45, after line 9, insert the following:

SEC. . Notwithstanding any other provision of law, $190,000 of funds granted to the City of Camden, New Jersey, in 1996 as a part of a Federal local law enforcement block grant may be retained by Camden and spent for the purposes permitted by the grant through the end of fiscal year 2000.

AMENDMENT NO. 1334

(Purpose: To amend the Federal Property and Administrative Services Act of 1949 to continue and extend authority for transfers to State and local governments of certain property for law enforcement, public safety, and emergency response purposes)

On page 111, insert between lines 7 and 8 the following:

SEC. 620. Section 203(p)(1)(B) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(p)(1)(B)) is amended—

(1) by striking clause (ii);

(2) by inserting ''or public safety'' after ''law enforcement'';

(3) by striking ''(i)'';

(4) by striking ''(I)'' and inserting ''(i)''; and

(5) by striking ''(II)'' and inserting ''(ii)''.

AMENDMENT NO. 1335

On page 15, after line 2, insert:

''HIGH INTENSITY INTERSTATE GANG ACTIVITY AREAS PROGRAM

''For expenses necessary to establish and implement the High Intensity Interstate Gang Activity Areas Program (including grants, contracts, cooperative agreements and other assistance) pursuant to Section 205 of S. 254 as passed by the Senate on May 20, 1999, and consistent with the funding proportions established therein, $20,000,000.''

On page 21, line 16, strike ''3,156,895,000'' and insert ''3,136,895,000.''

AMENDMENT NO. 1336

(Purpose: To provide funding to the National Oceanic and Atmospheric Administration to upgrade Great Lakes water gauging stations in order to ensure compliance with Year 2000 (Y2K) computer date processing requirements)

On page 57, line 16, strike ''$1,776,728,000'' and insert ''$1,777,118,000''.

On page 57, line 17, before the colon, insert the following: ''; of which $390,000 shall be used by the National Ocean Service to upgrade an additional 13 Great Lakes water gauging stations in order to ensure compliance with Year 2000 (Y2K) computer date processing requirements''.

Mr. LEVIN. Mr. President, I thank Senators GREGG and HOLLINGS and REID for their efforts in helping an amendment be added to the managers' package which Senator DEWINE and I offered relative to Great Lakes stations and measuring stations for water levels. It is an important amendment for the Great Lakes.

I ask unanimous consent that a letter that I and Senator DEWINE wrote to Senators GREGG and HOLLINGS dated June 24 be printed in the RECORD.

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

U.S. SENATE,
Washington, DC, June 24, 1999.

Hon. JUDD GREGG,
Chair, Subcommittee on Commerce, Justice, State, Committee on Appropriations, U.S. Senate, Washington, DC.

DEAR COLLEAGUES: We are writing to request that our amendment providing $390,000 for upgrades to 13 Great Lakes gauging stations be included in the managers' amendment to the Commerce, Justice, State Appropriations bill. It has only recently come to our attention that NOAA/NOS was proposing to close rather than upgrade these 13 stations due primarily to budget consideration. Upgrades to the stations supported by the one-time appropriation in amendment will cut the long-term operating expenses for the stations by half or more while ensuring timely transfer of the essential data to the end users in the private sector and other Federal agencies. Because the old technology employed in these stations is not Y2K compliant, it is essential that the upgrades be provided this year.

Many of the 13 stations slated for closure are of particular importance to the monitoring network. Three of the stations have been in operation since the turn of the last century (1899–1901), forming a central part of the long term record for Great Lakes water levels. Their closure represents a grave loss to the continuity of the data. Six of the gauging stations are located in connecting channels, geographic locations for which water levels are nearly impossible to accurately interpolate from other sites and which are essential to determining flow rates between the lakes. Closure of these connecting channel stations will critically injure our ability to determine flow of water, contaminants, and other substances among the Great Lakes.

Furthermore, the proposed reduction in gauging capability comes at a time when such capability is needed most. Great Lakes jurisdictions at the federal, state, provincial and binational levels are confronting a series of complex issues associated with water withdrawal, consumptive use and removal, including export. The Great Lakes system is currently experiencing dramatic declines in water levels compared with just last year, ranging from an 8″ drop in Lake Superior to 30″ in Lake Ontario. Overall, water levels have changed from extreme highs to levels nearly a foot below the long-term averages. This water level reduction has already had profound impacts on commercial navigation and recreational boating. Lake level regulation, dredging needs, and other priorities also are set based on the expectations of water level fluctuations. All of these issues have one thing in common: they are fundamentally dependent upon the accurate and comprehensive data provided by the 49 long-term Great Lakes stations in the National Water Level Observation Network. Federal, state and local decision makers in the Great Lakes region rely upon this network to make informed decisions regarding resource management and policy.

We believe that the funding level requested is both modest and justifiable given the importance of the water level gauging network to the Great Lakes region and the long-term cost savings that will be realized.

Sincerely,

MIKE DEWINE.
CARL LEVIN.

AMENDMENT NO. 1337

On page 34, line 25, after ''title'', insert the following: ''*Provided further,* That of the total amount appropriated not to exceed $550,000 shall be available to the Lincoln Action Program's Youth Violence Alternative Project.''

AMENDMENT NO. 1338

On page 26 of S. 1217, line 2 after the word ''Programs'', strike the period and insert the following:

Provided further, That of the total amount appropriated, not to exceed $1,000,000 shall be available to the TeamMates of Nebraska project.

AMENDMENT NO. 1339

(Purpose: To provide for an analysis by the Securities Exchange Commission of the effects of electronic communications networks and night trading on securities markets)

On page 98, line 16, before the period, insert the following: '': *Provided further,* That the Commission shall conduct a study on the effects of electronic communications networks and extended trading hours on securities markets, including effects on market volatility, market liquidity, and best execution practices''.

AMENDMENT NO. 1340

(Purpose: To provide funding for task forces coordinated by the United States Attorney's Office for the Eastern District of Wisconsin and the Western and Northern Districts of New York)

On page 8, line 13, strike ''$25,000,000'' and insert ''$27,000,000''.

On page 8, line 23, insert before the period ''; and of which $1,000,000 shall be for the task force coordinated by the Office of the United States Attorney for the Eastern District of Wisconsin, and $1,000,000 shall be for task forces coordinated by the Office of the United States Attorney for the Western District of New York and task forces coordinated by the Office of the United States Attorney for the Northern District of New York.''.

AMENDMENT NO. 1341

(Purpose: To allocate funds for Tibetan Exchange Program)

On page 78, line 8, before the period insert the following: *Provided further,* That of the amount appropriated under this heading for the Fulbright program, such sums as may be available may be used for the Tibetan Exchange Program''.

UNANIMOUS-CONSENT AGREEMENT

Mr. GREGG. Mr. President, I ask unanimous consent that when the Senate completes all action on S. 1217, it not be engrossed and be held at the desk. I further ask that when the House of Representatives companion measure is received in the Senate, the Senate immediately proceed to its consideration; that all after the enacting clause of the House bill be stricken and the text of S. 1217, as passed, be inserted in lieu thereof; that the House bill, as amended, be read for a third time and passed; that the Senate insist on its amendment, request a conference with the House on the disagreeing votes of the two Houses thereon, and the Chair be authorized to appoint conferees on the part of the Senate; and that the foregoing occur without any intervening action or debate.

I further ask unanimous consent that upon passage by the Senate of the House companion measure, as amended, the passage of S. 1217 be vitiated and the bill be indefinitely postponed.

The PRESIDING OFFICER. Is there objection?

Mr. HOLLINGS. Mr. President, this is a wind-up unanimous consent request. I wonder if the distinguished manager would agree that we would

have a voice vote on final passage, which would then cause this Boxer amendment vote to be the last vote tonight.

Mr. GREGG. That is the intention, and we hope that is the desire of the Senate. Therefore, the Boxer amendment will be the last vote tonight.

Mr. HOLLINGS. I ask unanimous consent that there be a voice vote on final passage.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Mr. President, reserving the right to object—and I will not—do we all agree that when the conference report returns, we will have the vote on that?

Mr. GREGG. That is correct.

Mr. HOLLINGS. Definitely.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. GREGG. Mr. President, I ask for the regular order.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the Boxer amendment.

The yeas and nays have been ordered.

The clerk will call the roll.

The legislative assistant called the roll.

Mr. NICKLES. I announce that the Senator from Alabama (Mr. SHELBY) and the Senator from Arizona (Mr. MCCAIN) are necessarily absent.

Mr. REID. I announce that the Senator from Massachusetts (Mr. KENNEDY) and the Senator from Vermont (Mr. LEAHY) are necessarily absent.

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

The result was announced—yeas 35, nays 61, as follows:

[Rollcall Vote No. 220 Leg.]

YEAS—35

Ashcroft	Enzi	Lott
Bennett	Gorton	Lugar
Bond	Gramm	McConnell
Breaux	Grams	Murkowski
Brownback	Gregg	Nickles
Bunning	Hagel	Roberts
Campbell	Hatch	Sessions
Cochran	Helms	Stevens
Coverdell	Hutchinson	Thompson
Craig	Hutchison	Voinovich
Crapo	Kyl	Warner
Domenici	Landrieu	

NAYS—61

Abraham	Feingold	Moynihan
Akaka	Feinstein	Murray
Allard	Fitzgerald	Reed
Baucus	Frist	Reid
Bayh	Graham	Robb
Biden	Grassley	Rockefeller
Bingaman	Harkin	Roth
Boxer	Hollings	Santorum
Bryan	Inhofe	Sarbanes
Burns	Inouye	Schumer
Byrd	Jeffords	Smith (NH)
Chafee	Johnson	Smith (OR)
Cleland	Kerrey	Snowe
Collins	Kerry	Specter
Conrad	Kohl	Thomas
Daschle	Lautenberg	Thurmond
DeWine	Levin	Torricelli
Dodd	Lieberman	Wellstone
Dorgan	Lincoln	Wyden
Durbin	Mack	
Edwards	Mikulski	

NOT VOTING—4

Kennedy	McCain
Leahy	Shelby

The motion was rejected.

Mrs. BOXER. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 1306

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

The amendment (No. 1306) was agreed to.

Mr. HOLLINGS. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 1271, AS MODIFIED

(Purpose: To improve the bill)

Mr. GREGG. I ask unanimous consent to modify amendment No. 1271, a previously adopted amendment. I send it to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Hampshire [Mr. GREGG], for himself and Mr. HOLLINGS, proposes an amendment numbered 1271, as modified.

The amendment, as modified, is as follows:

On page 6, line 14, strike ''any other provision of law'' and insert ''31 U.S.C. 3302(b)''.

On page 6, line 18, strike ''(15 U.S.C. 18(a))'' and insert ''(15 U.S.C. 18a)''.

On page 25, line 23, insert after ''(106 Stat. 3524)'', ''of which $5,000,000 shall be available to the National Institute of Justice for a national evaluation of the Byrne program,''.

On page 30, line 17, strike after ''1999'', ''of which $12,000,000 shall be available for the Office of Justice Programs' Global Information Integration Initiative,''.

On page 50, line 6, insert before the period: ''to be made available until expended''.

On page 73, between lines 12 and 13, insert the following:

''SEC. 306. Section 604(a)(5) of title 28, United States Code, is amended by adding before the semicolon at the end thereof the following: ', and, notwithstanding any other provision of law, pay on behalf of justices and judges of the United States appointed to hold office during good behavior, aged 65 or over, any increases in the cost of Federal Employees' Group Life Insurance imposed after April 24, 1999, including any expenses generated by such payments, as authorized by the Judicial Conference of the United States.' ''.

On page 75, line 15, insert the following after ''period''; '', unless the Secretary of State determines that a detail for a period more than a total of 2 years during any 5 year period would further the interests of the Department of State''.

On page 75, line 21, insert the following after ''detail'': '', unless the Secretary of State determines that the extension of the detail would further the interests of the Department of State''.

On page 76, line 11, insert before the period: '': *Provided further*. That of the amount made available under this heading, not less than $11,000,000 shall be available for the Office of Defense Trade Controls''.

On page 110, strike lines 15 through 23 and insert in lieu thereof:

''(ii) Notwithstanding otherwise applicable law, for each license or construction permit issued by the Commission under this subsection for which a debt or other monetary obligation is owed to the Federal Communications Commission or to the United States, the Commission shall be deemed to have a perfected, first priority security interest in such license or permit, and in the proceeds of sale of such license or permit, to the extent of the outstanding balance of such a debt or other obligation.''.

On page 111, insert after the end of Sec. 619:

''Sec. 620. (a) DEFINITIONS—For the purposes of this section—

(1) the term ''agency'' means the Federal Communications Commission.

(2) the term ''employee'' means an employee (as defined by section 2105 of title 5, United States Code) who is serving under an appointment without time limitation, and has been currently employed by such agency for a continuous period of at least 3 years; but does not include—

(A) a reemployed annuitant under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, or another retirement system for employees of the Government.

(B) an employee having a disability on the basis of which such employee is or would be eligible for disability retirement under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, or another retirement system for employees of the Government.

(C) an employee who has been duly notified that he or she is to be involuntarily separated for misconduct or unacceptable performance;

(D) an employee who has previously received any voluntary separation incentive payment from the Federal Government under this section or any other authority;

(E) an employee covered by statutory reemployment rights who is on transfer to another organization; or

(F) any employee who, during the twenty-four month period preceding the date of separation, has received a recruitment or relocation bonus under section 5753 of title 5, United States Code, or who, within the twelve month period preceding the date of separation, received a retention allowance under section 5754 of that title.

(3) The term ''Chairman'' means the Chairman of the Federal Communications Commission.

(b) AGENCY PLAN—

(1) IN GENERAL—The Chairman, prior to obligating any resources for voluntary separation incentive payments, shall simultaneously submit to the authorizing and appropriating Committees of the House and the Senate and to the Office of Management and Budget a strategic plan outlining the intended use of such incentive payments and a proposed organizational chart for the agency once such incentive payments have been completed.

(2) CONTENTS—The agency's plan shall include—

(A) the positions and functions to be reduced, eliminated, and increased, as appropriate, identified by organizational unit, geographic location, occupational category and grade level;

(B) the time period during which incentives may be paid;

(C) the number and amounts of voluntary separation incentive payments to be offered; and

(D) a description of how the agency will operate without the eliminated positions and functions and with any increased or changed occupational skill mix.

(3) CONSULTATION—The Director of the Office of Management and Budget shall review

the agency's plan and may make appropriate recommendations for the plan with respect to the coverage of incentives as described under paragraph (2)(A), and with respect to the matters described in paragraph (2)(B)-(C). Any such recommendations shall be submitted simultaneously to the authorizing and appropriating committees of the House and the Senate.

(c) AUTHORITY TO PROVIDE VOLUNTARY SEPARATION INCENTIVE PAYMENTS—The Chairman shall implement the next agency plan without prior written notification to the chairman of each authorizing and appropriating committee of the House and the Senate at least fifteen days in advance of such implementation.

(1) IN GENERAL—A voluntary separation incentive payment under this section may be paid by the Chairman to any employee only to the extent necessary to eliminate the positions and functions identified by the strategic plan.

(2) AMOUNT AND TREATMENT OF PAYMENTS—A voluntary incentive payment

(A) shall be paid in a lump sum, after the employee's separation

(B) shall be equal to the lesser of—

(i) an amount equal to the amount the employee would be entitled to receive under section 5595(c) of title 5, United States Code (without adjustment for any previous payments made) or

(ii) an amount determined by the Chairman not to exceed $25,000.

(C) may not be made except in the case of any qualifying employee who voluntarily separates (whether by retirement or resignation) under the provisions of this section by not later than September 30, 2001;

(D) shall not be a basis for payment, and shall not be included in the computation, of any other type of Government benefit; and

(E) shall not be taken into account in determining the amount of any severance pay to which the employee may be entitled under section 5595 of title 5, United States Code, based on any other separation.

(d) ADDITIONAL AGENCY CONTRIBUTIONS TO THE RETIREMENT FUND—

(1) IN GENERAL—In addition to any other payments which it is required to make under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, the agency shall remit to the Office of Personnel Management for deposit in the Treasury of the United States to the credit of the Civil Service Retirement and Disability Fund an amount equal to 15 percent of the final base pay of each employee of the agency who is covered under subchapter III of chapter 83 or chapter 84 of title 5, United States code, to whom a voluntary separation incentive has been paid under this Act.

(2) DEFINITION—For the purpose of paragraph (1), the term ''final basic pay,'' with respect to an employee, means the total amount of basic pay which would be payable for a year of service by such employee, computed using the employee's final rate of basic pay, and, if last serving or other than a full-time basis, with appropriate adjustment therefor.

(e) EFFECT OF SUBSEQUENT EMPLOYMENT WITH THE GOVERNMENT—

(1) An individual who has received a voluntary separation incentive payment from the agency under this section and accepts any employment for compensation with the Government of the United States, or who works for any agency of the United States Government through a personal service contract, within 5 years after the date of the separation on which the payment is based shall be required to pay, prior to the individual's first day of employment, the entire amount of the lump sum incentive payment to the agency.

(2) If the employment under paragraph (1) is with an Executive agency (as defined by section 105 of title 5, United States Code), the United States Postal Service or the Postal Rate Commission, the Director of the Office of Personnel Management may, at the request of the head of the agency, waive the repayment if the individual involved possesses unique abilities and is the only qualified applicant available for the position.

(3) If the employment under paragraph (1) is with an entity in the legislative branch, the head of the entity or the appointing official may waive the repayment if the individual involved possesses unique abilities and is the only qualified applicant available for the position.

(4) If the employment under paragraph (1) is with the judicial branch, the Director of the Administrative Office of the United States Courts may waive the repayment if the individual involved possesses unique abilities and is the only qualified applicant for the position.

(f) INTENDED EFFECT ON AGENCY EMPLOYMENT LEVELS—

(1) IN GENERAL—Voluntary separations under this section are not intended necessarily to reduce the total number of full-time equivalent positions in the Federal Communications Commission. The agency may redeploy or use the full-time equivalent positions vacated by voluntary separations under this section to make other positions available to more critical locations or more critical occupations.

(2) ENFORCEMENT—The president, through the office of Management and Budget, shall monitor the agency and take any action necessary to ensure that the requirements of this subsection are met.

(g) REGULATIONS—The Office of Personnel Management may prescribe such regulations as may be necessary to implement this section.

(h) EFFECTIVE DATE—This section shall take effect on the date of enactment. (Departments of Commerce, Justice, and State, the Judiciary and Related Agencies Appropriations Act, 1999, as included in Public Law 105–277, section 101(b).''

At the end of title VI, insert the following:

''SEC. 621. The Secretary of Commerce (hereinafter the ''Secretary'') is hereby authorized and directed to create an ''Interagency Task Force on Indian Arts and Crafts Enforcement'' to be composed of representatives of the U.S. Trade Representative, the Department of Commerce, the Department of Interior, the Department of Justice, the Department of Treasury, the International Trade Administration, and representatives of other agencies and departments in the discretion of the Secretary to devise and implement a coordinated enforcement response to prevent the sale or distribution of any product or goods sold in or shipped to the United States that is not in compliance with the Indian Arts and Crafts Act of 1935, as amended.''.

Mr. GREGG. This technical amendment has been cleared on both sides. I ask for its adoption.

The PRESIDING OFFICER. The question is on agreeing to the amendment, as modified.

The amendment (No. 1271), as modified, was agreed to.

AMENDMENT NO. 1272 WITHDRAWN

Mr. GREGG. I ask unanimous consent to withdraw the amendment numbered 1272.

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

AMENDMENT NO. 1291

(Purpose: To amend title III of the Family Violence Prevention and Services Act and title IV of the Secondary Education Act of 1965 to limit the effects of domestic violence on the lives of children, and for other purposes)

Mr. GREGG. I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Hampshire [Mr. GREGG], for Mr. WELLSTONE and Mrs. MURRAY, proposes an amendment numbered 1291.

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

Mr. GREGG. I ask unanimous consent we accept amendment No. 1291.

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

The amendment (No. 1291) was agreed to.

AMENDMENT NO. 1342

(Purpose: To express the sense of the Senate with respect to hush kits)

Mr. GREGG. Mr. President, I send a sense of the Senate to the desk and ask unanimous consent it be accepted.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Hampshire [Mr. GREGG], for Mr. GORTON, for himself, Mr. DODD, Mr. MCCAIN, Mr. HOLLINGS, and Mr. ROCKEFELLER, proposes an amendment numbered 1342.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. . SENSE OF THE SENATE REGARDING THE EUROPEAN COUNCIL NOISE RULE AFFECTING HUSHKITTED AND REENGINED AIRCRAFT.

(a) FINDINGS.—The Senate finds that—

(1) For more than 50 years, the International Civil Aviation Organization (ICAO) has been the single entity vested with the authority to establish international noise and emissions standard; through OCAOs efforts, aircraft noise has decreased by an average of 40 percent since 1970;

(2) ICAO is currently working on an expedited basis on even more stringent international noise standards, taking into account economic reasonableness, technical feasibility and environmental benefits;

(3) International noise and emissions standards are critical to maintaining U.S. aeronautical industries' economic viability and to obtaining their on going commitment to progressively more stringent noise reduction efforts;

(4) European Council (EO) Regulation No. 925/1999 banning certain aircraft meeting the highest internationally recognized noise standards from flying in Europe, undermines the integrity of the ICAO process and undercuts the likelihood that new Stage 4 standards can be developed;

(5) While no regional standard is acceptable, this regulation is particularly offensive, there is no scientific basis for the regulation and it has been carefully crafted to protect European aviation interests while imposing arbitrary, substantial and unfounded cost burdens on United States' aeronautical industries;

(6) The vast majority of aircraft that will be affected by EC Regulation No. 925/1999 are operated by U.S. flag carriers; and

(7) The implementation of EC Regulation No. 925/1999 will result in a loss of jobs in the United States and may cost the U.S. aviation industry in excess of $2,000,000,000.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) EC Regulation No. 925/1999 should be rescinded by the EC at the earliest possible time;

(2) that if it is not done, the Department of State should file a petition regarding EC on Regulation No. 925/1999 with ICAO pursuant to Article 84 of the Chicago Convention; and

(3) the Departments of Commerce and Transportation and the United States Trade Representative should use all reasonable means available to them to ensure that the goal of having the rule repealed is achieved.

Mr. DODD. Mr. President, this amendment expresses the Sense of the Senate with respect to the discriminatory European trade practices being perpetrated against certain American products in the guise of promulgating regulations on noise emissions.

Last year the European Union began to restrict the use of so called hushkitted or reengined U.S. aircraft in the European community. These aircraft had been specifically modified to meet U.S. Stage 3 quiet noise standards. Ironically, the United States is several years ahead of Europe in urging U.S. aircraft to be reengined to comply with such standards.

EC Regulation No. 925/1999 has been crafted in such a way as a noise standard to effectively prohibit U.S. aircraft that have been hushkitted from flying in European airspace even though these aircraft are actually quieter than many European aircraft and engines. The standard is written in such a clever way that it touches only U.S. products. That in and of itself should make anyone suspicious as to whether the motive is noise abatement or a clearly disguised technical barrier to trade.

At the moment the EU has delayed implementation of the regulation but it has not been formally rescinded. That means that anyone thinking about buying U.S. aircraft that have been hushkitted, which most older aircraft have been to meet U.S. standards, would have to make some judgement as to whether this regulation is likely to resurface again. If the judgement is yes then a potential buyer would refuse to buy U.S. aircraft if they would be contemplated for use on European routes.

For more than fifty years, the International Civil Aviation Organization (ICAO) has been the single entity vested with the authority to establish international noise and emission standards, and thanks to its efforts aircraft noise has been decreased by forty percent. Moreover, ICAO is working as we speak to tighten international noise standards even further. For the European Council to arbitrarily seek to preempt the efforts of the ICAO is extremely unhelpful and patently discriminatory against U.S. aircrafts and engines.

The amendment I have offered today calls upon the U.S. Department of State to seek international relief from this discriminatory regulation by partitioning the ICAO under existing relevant international conventions. It also calls upon other relevant U.S. agencies with jurisdiction over trade and transportation matters to work to resolve this matter.

Mr. President, there are clearly binding amendments that could be offered to deal with this problem. I do not support such an effort at this time. This is a matter for the Departments of State and Transportation together with the Office of the United States Trade Representative to work out with their European counterparts. I strongly urge them to do so on an expeditious basis.

Mr. HOLLINGS. Mr. President, I rise today in support of a sense of the Senate regarding the European Council noise rule affecting hushkitted and reengined aircraft. Under the guise of an environmental regulation, the European Union is engaged in a blatant effort to lock out the U.S. industry. Once again the EU is dragging its feet rather than finding a balanced resolution to this issue. It is time that we turned up the heat on the EU and roll back this patently protectionist measure.

Mr. GREGG. I ask unanimous consent the amendment be accepted.

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

The amendment (No. 1342) was agreed to.

FCC FUNDS

Mr. GREGG. I would like to clarify the intent of the Committee regarding the funds appropriated in this bill for the Federal Communications Commission (FCC). The Committee's intent is that none of the funds provided for the agency in this bill are to be used by the FCC to reimburse the General Services Administration for the cost of the agency's relocation to the Portals site. I would ask the Ranking Democrat of the Subcommittee if that is his understanding as well.

Mr. HOLLINGS. The Subcommittee Chairman has accurately stated the intent of the Committee with regard to this issue.

SCHOOL SAFETY INITIATIVE

Mr. GREGG. Mr. President, I would like to engage in a colloquy with my colleague from South Carolina, Senator HOLLINGS, the ranking member of the Appropriations Subcommittee on Commerce, Justice, State and Judiciary (CJS), about an innovative program recently started by the State of Virginia, which I believe falls within the allowable use of funds within the Safe Schools Initiative, a line item that appears in the FY 2000 CJS Appropriations Bill.

Senator HOLLINGS, it has recently come to my attention that the State of Virginia has begun implementing a new program to reduce crime in its schools called ''4 Safe VA.'' This program is a public/private partnership, which includes online reporting of school crime, a toll-free statewide hotline, and an extensive training program.

Before school begins again in the fall, Virginia will train nearly 3,000 teachers, law enforcement, school resource officers, and other school personnel in school safety procedures. There will be four separate training programs, which are as follows: (1) a training program for school resource officers to prepare them to act as ''first responders'' in crisis situations, such as that which occurred in Littleton, Colorado; (2) a training program for school staff and local law enforcement in communities where there are no school resource officers to prepare them for responding to crisis situations; (3) a training program for 60 Virginia State Troopers to prepare them to support localities should a crisis situation occur; and (4) a training program for custodians, cafeteria workers, and other support staff, who know the students and who are often the ''eyes and ears'' of the school, to prepare them to assist in emergencies.

I have looked at Virginia's program plan and have found it to be innovative and thoughtful. I consider it to be the type of program for which we set aside $38 million for community planning and prevention activities under the Safe Schools Initiative line item. It is my hope that the Office of Juvenile Justice and Delinquency Prevention, which will be administering these grants, will give careful thought to providing the State of Virginia with funds to continue to enhance the 4 Safe VA project.

Mr. HOLLINGS. I agree with you, Senator GREGG, that the 4 Safe VA project is a creative and solid approach to preventing and reacting to possible school crises in the State of Virginia. I agree that this is the type of program that should be funded under the Safe Schools Initiative. I also hope that the Office of Juvenile Justice and Delinquency Prevention give full consideration to funding this program.

Mr. GREGG. Mr. President, I very much thank the Senator from South Carolina for supporting me and engaging in this colloquy. I look forward to working with him in the future on ensuring that our nation's schools are safe.

CENSUS 2000

Mr. STEVENS. I understand my colleague from New Hampshire, the Manager of this bill, Senator GREGG is interested in making comments on the conduct of the 2000 Census as it regards Alaska Natives.

Mr. GREGG. Yes, I would like to join you in remarking on the 2000 Census and Alaska.

Mr. STEVENS. I would like to start by referencing a letter received from the Alaska Governor, Tony Knowles, which relates certain Government Accounting Office findings on the 1990 census. Governor Knowles reports that the Alaska Native population was undercounted by 11,000, resulting in an annual loss of federal funding of $162 million over ten years.

Mr. GREGG. It is important to bring this statistic to the Senate's attention

to underscore the significance of reform proposals the Senator from Alaska will raise here today.

Mr. STEVENS. Mr. President, I've often noted on this floor that the awesome size of Alaska makes for unique problems in rendering federal services. The 2000 Census count is no exception. The sheer physical separation of neighboring communities makes communication and coordination of planning difficult. The population is dispersed and also remote from the hub cities where resources are often concentrated. Competing forces and policies demand both centralization and decentralization of services.

Mr. GREGG. My staff and myself have traveled to Alaska at your invitation and agree that the distances between communities are a challenge in implementing federal programs and directives.

Mr. STEVENS. The situation is complicated by the diverse ad varied social and political institutions set up in localities and at the regional level. Alaska Natives by traditional or necessity have chosen to organize in various ways to address different circumstances. Often federal agencies chose among these groups and are satisfied that they have covered their bases with Alaska Natives. I urge the Census to take a hard look at the expertise and advice of all Native entities, including Alaska Native Claims Settlement Act corporations which by virtue of their day-to-day business responsibilities and duties to shareholders also have a vigorous pool of human resources to assist in public education and input.

Mr. GREGG. I agree that expediency should not compromise the thorough study and development of local and regional solutions to Census 2000 issues.

Mr. STEVENS. A necessary first step to addressing these issues, is for senior-staff oversight of the Alaska Native Census in Washington, DC. I also urge the staffing and funding of an Alaska office of the Census.

Mr. GREGG. I would support this measure.

Mr. STEVENS. The State of Alaska can do its part. For example, the State could set up an Alaska advisory committee on the Census. This committee could include representatives of rural area, urban areas, Alaska Natives, the military, and municipal and state government.

But I hope Census officials understand that certain agency decisions already being pursued need to be reviewed right now before an advisory committee can be organized. For example, sub-regional hubs like Dillingham are subject only to an update, not a full enumeration under the 2000 Census. Also, reportedly, there are no focus groups for the many and varied Alaska Native voices to be heard; and it is my understanding that groups classified by the federal government as minorities have been provided this opportunity in other states. I urge the Census to develop a public education campaign that will communicate to rural and urban residents the importance of being counted.

Mr. GREGG. I agree these are important issues.

Mr. STEVENS. A specific issue that should be addressed in some manner is the highly mobile urban-rural population of Alaska Natives. We see many families coming to Anchorage on a periodic or seasonal basis, sharing common quarters in the city but considering themselves rural residents. Likewise, commercial fishermen will split the year between two or more residences within the state, and do some subsistence fishing at a traditional fish camp for some part of the year near the village of their birth. The proper enumeration of Alaska Natives would benefit from an effort to reconcile these migration patterns with the fixed residency standards used in a number of federal programs and formulas.

Mr. GREGG. I appreciate the comments of the Senator from Alaska and will work with him to address his concerns.

Mr. STEVENS. I thank my colleague and ask unanimous consent that the letter I referenced earlier be printed in the RECORD.

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

STATE OF ALASKA,
OFFICE OF THE GOVERNOR,
Juneau, AK, April 14, 1999.

Hon. TED STEVENS,
U.S. Senator, Washington, DC.

DEAR SENATOR STEVENS: I am concerned about an issue critical to our state—the upcoming year 2000 census. When you consider this issue in Congress, I urge you to defend the plan submitted by the experts at the Census Bureau to obtain the fairest and most accurate population counts for use over the next decade.

As you know, any possible undercount of our population means the loss of vital federal funding for Alaska. In a recent U.S. General Accounting Office report, Alaska in 1990 was undercounted by more than 11,000 people with a 10-year fiscal impact of $160 million.

We have common goals of obtaining our state's fair share of federal resources to help fund our investments in Alaska. We should not let partisan differences over census methodology impact the accuracy of census data and its use in revenue sharing and funding formulas.

The 1990 Census was the first to be less accurate than its predecessor. I am hopeful Congress will fund the Bureau of Census at a level appropriate to meet U.S. Supreme Court decisions and other mandates necessary to ensure timely completion of the next census. I urge you to do all possible to ensure Alaska receives its fair share of federal funds and to support the efforts to make the 2000 Census as accurate as possible.

Sincerely,

TONY KNOWLES,
Governor.

NATIONAL CORAL REEF INSTITUTE/NOAA NATIONAL OCEAN SERVICE

Mr. MACK. Mr. President, I would like to take a moment to engage the distinguished chairman and ranking member of the subcommittee in a colloquy. First let me begin by thanking my friends for ensuring the committee report included $2 million under the National Ocean Service account to support scientific research and coral reef studies. It is my understanding this money is to be divided equally between the National Coral Reef Institute in Ft. Lauderdale, FL, and the University of Hawaii. This research is critical to our understanding of the factors at work in the degradation of reef ecosystems around the world and I appreciate all my colleagues did in Committee to support this effort.

I say to my colleagues, it is my understanding the Chairman's amendment contains additional funding for this account. Is it correct to say these funds are in addition to the $2 million currently provided by the Committee to the National Coral Reef Institute and the University of Hawaii?

Mr. GREGG. The Senator from Florida is correct. The funds included in the Chairman's amendment are in addition to the $2 million provided to the two institutions you mentioned. Senator HOLLINGS, is this also your understanding?

Mr. HOLLINGS. Yes, the Chairman is correct.

Mr. MACK. I thank my colleagues for this clarification and for their support of coral reef research.

NOAA ACTIVITIES IN FLORIDA

Mr. MACK. Mr. President, I ask the distinguished chairman of the subcommittee if he would consent to discuss with me for a moment two issues of concern to me with respect to NOAA activities in Florida.

Mr. GREGG. I am pleased to join my colleague from Florida in a colloquy.

Mr. MACK. First, let me say I appreciate my friend from New Hampshire's hard work for the strong support he's given to the State of Florida in the bill before us today. But I would like to bring to the Chairman's attention an initiative undertaken by Florida's top three research universities: the University of Florida, Florida State University and the University of Miami. These three institutions came together to ensure their extensive capabilities in the areas of marine, atmosphere and climate prediction research were focused on the needs of the entire Southeast region. They have especially come together to study the El Nino phenomenon. Their effort has been recognized by NOAA and they have become one of the agency's first regional assessment centers.

My concern, Mr. President, is about the possibility that NOAA may reduce resources available to Florida and this valuable research initiative. Clearly, Florida and the Southeast region are significantly impacted by climatic developments. A strong and continued investment in Florida and the region—along with a balanced investment in the regional assessment centers—is essential. I would ask the support of the Committee to continue the base level funding of this important collaborative

effort. The institutions had been receiving approximately $500,000 per year through the Office of Global Programs, and I would like the Chairman's assurances that this level of funding should and will be continued during the next fiscal year.

Mr. GREGG. I know how important this initiative has been to the Senator from Florida. I can assure the Senator that it is the Committee's intent that the base-level funding you indicated be preserved in the next fiscal year. Did the Senator from Florida have an additional concern?

Mr. MACK. Yes. I know the chairman is aware of the Florida Congressional delegation's strong commitment to the restoration of the Everglades and Florida Bay. I have heard some concern, however, that internal reallocations within NOAA could result in at least a $1 million reduction in South Florida based Florida Bay activities. The administration asked for significant funding of the Everglades-Florida Bay initiative in both FY 99 and FY 2000 through the Coastal Ocean Science Program. But the concern I'm hearing from Florida indicates that NOAA may reallocate funds away from this initiative and toward other programs and purposes. I would like the Chairman to join me in stressing to the agency that funds in this bill currently allocated for critical Florida Bay initiatives not be depleted. I would like the Chairman to join me in working to ensure the NOAA contribution to the interagency program for Florida and adjacent coastal marine waters is continued at the current levels.

Mr. GREGG. I appreciate the Senator from Florida's comments. The Committee supports and shares your commitment to Everglades and Florida Bay restoration; specifically with respect to the funds allocated to the initiative funded by the Coastal Ocean Science Program.

Mr. MACK. I appreciate my friend's comments with respect to these two issues. I thank him again for his continued support of Florida priorities.

THE LAS VEGAS SPECIAL POLICE ENFORCEMENT AND ERADICATION PROGRAM

Mr. REID. Mr. President. I take this opportunity to thank Chairman GREGG and Senator HOLLINGS for their consideration of my request to provide $1 million in funds to the Las Vegas Special Police Enforcement and Eradication Program. Methamphetamine manufacturing, use and trafficking is a serious problem that deserves the highest priority, and I appreciate the leadership of the Chairman and the Ranking Member in this effort.

At this time, I would like to make a technical clarification of my request. I ask the Chairman and the Ranking Member, if, in making this appropriation, it is their understanding that of the $1 million provided, $500,000 is to be directed to the Las Vegas Police Department to be used for their Methamphetamine Eradication Initiative, while $500,000 is to be directed to the North Las Vegas Police Department for their Methamphetamine Eradication Initiative?

Mr. GREGG. The senior Senator from Nevada is correct. Of the $1 million provided, $500,000 is to be directed to the Las Vegas Police Department to be used for their Methamphetamine Eradication Initiative, and $500,000 is to be directed to the North Las Vegas Police Department for their Methamphetamine Eradication Initiative.

Mr. HOLLINGS. I concur with the Chairman.

Mr. REID. I thank the chairman and ranking member.

WOMEN'S BUSINESS CENTER PROGRAM AT THE SMALL BUSINESS ADMINISTRATION

Mr. DOMENICI. Mr. President, I would like to engage the distinguished Senator from New Hampshire, the Chairman of the Subcommittee, in a colloquy.

I want to begin by commending you, Senator GREGG, and your Ranking Member, Senator HOLLINGS, for the hard work you have done in crafting this Commerce, Justice, State and the Judiciary appropriations bill. You have done a great job in funding the priorities identified by the Committee in this bill. You have been particularly helpful to me in my efforts to curb the trafficking of Mexican black tar heroin in my home state of New Mexico.

A separate issue of particular importance in my home state is the Women's Business Center program at the Small Business Administration. In this bill, you have funded the Administration's request of $9 million for this program, and I applaud you for meeting the President's request.

Unfortunately, the President's request fails to address an important issue for the future of the Women's Business Center program. Particularly, the President's request does not take into account the need to allow existing WBCs to re-compete for federal funds once their initial five-year funding stream expires. So, many existing centers with outstanding track records of facilitating the growth of women-owned businesses and providing technical assistance to fledgling companies will go unfunded, while the SBA allows new, untested centers to open in other areas. Sacrificing the successful, existing centers to replace them with new, untested ones seems like bad policy. I think we need to open more new Women's Business Centers, but we also need to help the existing ones continue their work.

Senator BOND, the distinguished Chairman of the Small Business Committee, Senator KERRY and I, along with a group of 25 bi-partisan co-sponsors, have introduced S. 791, the Women's Business Center Sustainability Act. This bill would increase the authorization for the Women's Business Center program to $12 million and allow existing centers to re-compete for up to 40 percent of the federal funds available under the program. Is the Chairman of the Subcommittee aware of this bill?

Mr. GREGG. I am aware of this effort and am told that the Small Business Committee will work to report the bill to the full Senate, with the hope that the bill will pass later this year.

Mr. DOMENICI. As the Chairman may know, an additional $2 million in funding this year would be critical to the effort to allow existing centers to re-compete for federal assistance. Without this additional funding, many existing centers will be forced to close their doors. Assuming that S. 791 passes both houses of Congress and is signed by the President later this year, I hope that the Chairman will be willing to find a way to provide this additional $2 million for the program once this bill gets to conference.

Mr. GREGG. I share your concerns about allowing existing Women's Business Centers to re-compete for federal funds. If the Small Business Committee and the Senate approve S. 791 before the conference on this bill, I will make every effort to provide the additional funding you have requested.

Mr. DOMENICI. I thank the distinguished Chairman, and I yield the floor.

SHORELINE MAPPING

Ms. MIKULSKI. Mr. President, I would like to engage in a colloquy with my friend, the chairman of the subcommittee, on shoreline mapping.

Mr. GREGG. I am more than happy to.

Ms. MIKULSKI. Mr. President, the issue, which I wish to discuss, is the mapping of our country's shoreline. As the chairman knows, the National Ocean Service runs a Coastal Mapping Project which is responsible for mapping the nearly 95,000 miles of the US shoreline in an accurate, consistent, tide-coordinated, and up-to-date manner.

I'm concerned that nearly 30 percent of the US shoreline has not been mapped. In addition, one-quarter of what has been mapped as mapped prior to 1970 with severely outdated technology. Since this data is used as the official shoreline on NOAA's nautical charts and is used by the government and the private sectors, it is important to keep up with the changes that result from coastal development and natural processes, which can be drastic.

This year, there was an increase over both FY99 funding levels and the administration's FY00 request within the Committee's recommendation for the ''Mapping and Charting'' account. Would you agree, Mr. Chairman, that it is the recommendation of the Committee that $2 million of those funds can be used for shoreline mapping within the Coastal Mapping Project.

Mr. GREGG. I do agree with my esteemed colleague from Maryland that $2 million of the funds within the ''Mapping and Charting'' account can be used for shoreline mapping.

ANTI-METHAMPHETAMINE FUNDING

Mr. HOLLINGS. Mr. President, I rise for the purpose of entering into a colloquy with the senior Senator from

Wisconsin, Senator KOHL, regarding the $1 million appropriation for the Western Wisconsin Methamphetamine Law Enforcement Initiative in S. 1217.

As the Senator from Wisconsin knows, the domestic manufacture and importation of Methamphetamine, also know as Meth, has become a continuing public health threat to the United States and most recently to the Midwest. Senate KOHL, what is the extent of the Meth problem within the State of Wisconsin? Also, would you please describe how the proposed $1 million will be used to address the problem?

Mr. KOHL. Mr. President, I thank the Senator from South Carolina for his questions, his acknowledgment of the severity of the Meth problem faced by rural communities and cities in the Midwest and throughout our country, and his active support for increased funding to combat Meth. In my own State of Wisconsin, criminal justice officials recognized early on that we had to develop a strategy and consolidate our enforcement and prevention efforts to limit the spread of the Meth epidemic that has been invading our Western Wisconsin borders from Minnesota and Iowa since the mid 1990's. Today, the number of Meth-related incidents is increasing. The Wisconsin State Laboratory reported increases of Meth analysis from 42 examinations in 1996 to 112 examinations in 1998. In 1998 alone, the Wisconsin Department of Narcotics Enforcement opened 90 investigations regarding Meth and prosecuted 40 individuals. In Wisconsin, Meth users generally range from 18 to 25, and recently there was even a disturbing report of Meth trafficking in a rural high school.

With the escalation of Meth trafficking, in February 1997 Wisconsin law enforcement officials organized a coordinated enforcement and prevention initiative among local, state, and federal law enforcement partners to target Meth traffickers. This major effort also addressed the need for training to prevent the potential health threat from toxic and flammable chemicals in clandestine Meth labs. Funding for this continuing intiative has been raised from a variety of sources, including the Wisconsin Office of Justice Assistance and the State Attorney General.

Recently, representatives from Wisconsin agricultural associations have reached out to their members and communities to educate the public about the dangers of Anhydrous ammonia, a precursor used in the crude production of Meth. These associations are now working with law enforcement as well.

And this May, the State Attorney General and the U.S. Attorney for the Western District of Wisconsin sponsored three Meth symposiums to educate and train members of the criminal justice system.

The $1 million appropriated for the Western Wisconsin Methamphetamine Initiative will help build on these efforts and promote more coordination of anti-Meth activities. It will be used jointly by the Office of Attorney General (through the Division of Narcotics Enforcement) and the Office of Justice Assistance (under the direction of the Governor) to support a plan developed in coordination with each other to continue combatting Meth production, distribution and use and for policing initiatives in ''hot spots'' of Meth trafficking activity. Part of this funding will also be used for community and school-based Meth education and prevention awareness programs.

Again, I thank the distinguished Senator from South Carolina—and our Chairman, the distinguished Senator from New Hampshire, Senator GREGG—for their commitment to addressing the Meth problem.

Mr. HOLLINGS. I thank the distinguished Senator from Wisconsin for this fame and effort in this very significant issue.

FUNDING FOR DEA

Mr. GRASSLEY. Mr. President, I would like to enter into a colloquy with Senator GREGG on funding for the Drug Enforcement Agency and on national issues concerning local law enforcement training skills to combat methamphetamine abuse in rural communities, small cities, mid-size communities and on activities to alleviate the growing financial burden resulting from the cleanup of clandestine laboratories and other drug-related hazardous waste.

I say to Senators STEVENS and GREGG that Senators KYLE, DEWINE, KOHL, HAGEL, and I have offered a bill, the Rural Methamphetamine Use Response Act of 1999, that would provide additional funding to combat methamphetamine production and abuse, and for other purposes.

Mr. GREGG. I am aware of the bill.

Mr. GRASSLEY. As the Senator knows, we have been working on this bill and on others to ensure adequate funding for our nation's counter narcotics efforts. I appreciate the committee's funding efforts to specifically address the national methamphetamine issue and to combat methamphetamine production, distribution, and use. I am also aware that we face tough budget decisions and we need to balance many program needs within a balanced budget.

Mr. GREGG. We have had to make a lot of tough decisions in this bill while trying to ensure that we meet the needs of many critical programs. The subcommittee has worked earnestly to be fair, and we have had to make tough choices.

Mr. GRASSLEY. I appreciate their efforts. I know that the subcommittee has allotted the Drug Enforcement Agency the tools it needs to properly wage the war on illegal drugs. I also know that the subcommittee has added personnel and resources to the western and central regions of the United States to focus primarily on the methamphetamine problems in those geographic regions of the country. However, as you may know, methamphetamine abuse and production across the United States has forced law enforcement agencies to address challenges that exceed the many years of experience of the State and local law enforcement personnel within such agencies. Methamphetamine affects smaller communities and rural areas disproportionately. In many cases, these communities lack the investigative and technical skills, and resources to confront major criminal gangs or the environmental hazards caused by meth product.

Mr. GREGG. I am aware of the training challenges state and local law enforcement personnel have had regarding methamphetamine production and handling of these explosive chemicals involved in the methamphetamine production process and Senator HOLLINGS and I have worked to address those needs.

Mr. GRASSLEY. Since the Senator from New Hampshire is aware of the training challenges of state and local law enforcement agencies, the financial burden of meth cleanup, and the volatile properties of meth, from the funding provided to DEA for methamphetamine initiatives, I hope, where possible, that funding be set aside within the final bill directing DEA to establish a select cadre of Special Agents with Spanish language capabilities to work with local law enforcement agencies across the United States on matters relating to combating methamphetamine-related drug trafficking. I also ask within the funding allotment for methamphetamine training initiatives, funding for DEA staffing at appropriate training facilities for purposes of providing coherent, essential, and sustained clandestine laboratory training to State and local law enforcement personnel, and if possible, funding for DEA to provide these personnel with the skills necessary for clandestine laboratory recertification.

Mr. GREGG. I share in the Senators' concerns for the need for sustained and adequate funding nationally to combat methamphetamine abuse. I will work to ensure, where possible within the funding allotments for methamphetamine initiatives, that the final bill will support the concerns you have raised.

Mr. GRASSLEY. I thank Senators GREGG and HOLLINGS for their willingness to work with me and my colleagues on funding this needed request.

Mr. BOND. I thank my colleague from New Hampshire for recognizing the needs of Missouri law enforcement in this bill. As he knows well, the State of Missouri is experiencing a law enforcement crisis of epidemic proportions as the methamphetamine trade has exploded in recent years. My colleague, Senator GREGG, as seen to it that the DEA has increased resources to assist state and local law enforcement as they take on these drug dealers.

Mr. ASHCROFT. I too thank the Senator from New Hampshire for his attention to this problem. I would like to

bring a matter to the attention of the Chairman. Under the Violent Crime Control Trust Fund section of this bill, the Chairman has included $6 million for the Midwest Methamphetamine Initiative. The language states that the funding is to be used by the Drug Enforcement Administration to train state and local officers on the proper recognition, collection, removal and destruction of methamphetamine and materials seized in clandestine labs. Is my colleague familiar with the title?

Mr. GREGG. Yes, I am.

Mr. ASHCROFT. I have heard repeatedly from local law enforcement officers, as has Senator BOND, that DEA provides excellent training and prepares well officers to raid, bust and clean up these labs. I know that the Chairman is also aware of the funding required for the DEA to assist state and local law enforcement with the clean up of these labs after they have been busted.

Mr. GREGG. I am aware that resources are necessary so that these sites can be cleaned up adequately.

Mr. ASHCROFT. It is my understanding from local law enforcement officers that DEA funds are needed not only in the training of state and local law enforcement officers, but also in the removal and destruction of the materials seized in the labs. Is it the Chairman's understanding that the resources made available to the Midwest Methamphetamine Initiative will also be available for the DEA to assist state and local law enforcement in the clean up methamphetamine labs?

Mr. GREGG. Yes, I am aware that the needs to combat the growing meth problem are pressing and that funds made available to the DEA may be used not only to train state and local officers on the proper recognition and collection of meth labs, but also in the removal destruction of the materials seized in the labs.

Mr. ASHCROFT. I thank the Chairman for his assistance.

Mr. BOND. I too thank the Chairman for his assistance in this matter. DEA's participation in fighting the methampetamine epidemic is essential to state and local law enforcement. As my colleague stated, the DEA provides training for local officers that well prepares them to handle and dispose of the toxic material that they encounter while busting clandestine methamphetamine labs. The DEA also has an important role in the clean up process. There were over 800 clandestine methamphetetamine labs seized in the State of Missouri last year. Most of the labs were busted in rural areas and smaller towns. These towns have police forces and sheriffs offices of a very limited sizes. DEA's presence and help in rural areas is essential to ensure that these communities are not overwhelmed by the drug and the havoc in this wake. If this menace is to be brought under control, local law enforcement must have the assistance of the DEA. The Senator from New Hampshire has been a good friend to Missouri law enforcement as he has worked closely with us in recent years to ensure that the DEA has the resources to focus on this problem and I appreciate him clarifying the use of those designated funds.

Mr. COVERDELL. Mr. President, as Chairman of the Senate Foreign Relations Subcommittee on Western Hemisphere, I have spent years addressing the drug problem that confronts our nation. I personally have visited drug source and transit countries throughout the region with the objective of searching for ways to resolve and overcome this escalating problem. As a result of many hearings and meetings on this important matter, last year Senator DEWINE and I introduced the Western Hemisphere Drug Elimination Act, a $2.7 billion—3 year authorization for enhanced drug eradication and interdiction efforts. We were successful in getting this legislation passed into law and providing a $800 million down payment for this bill. We must continue to fund this important law.

Recognizing that US government resources are limited, it is important to fund agencies that can get a huge return on a small investment. the Drug Enforcement Administration indeed is an agency that demonstrates this objective on a daily basis. With limited funding, the DEA is a vital source not only for our law enforcement activities, but for other nations as well. Relying primarily on manpower, the DEA has demonstrated how effective an agency with limited funding can produce significant results. Last year, the DEA seized more drugs and arrested more traffickers than ever before. They play an integral part in training foreign law enforcement officials overseas to help them help us keep drugs out of our country. they do a great service to our nation.

This past March, Senators DEWINE and I sent a letter to the Chairman and Ranking Member of the Commerce, State, Justice Subcommittee, calling for building on this year's investment in the DEA and requesting additional funding for 300 new DEA agent, analysts and support personnel, and for other DEA initiatives. This request is consistent with DEA initiatives outlined in the Western Hemisphere Drug Elimination Act. Specifically, 16 senators—both Republicans and Democrats—co-signed the letter to the Chairman and Ranking Member.

I thank the Subcommittee for addressing our needs in our request. The Subcommittee earmarked $17.5 million for new hires for DEA agents, analysts, and support staff. I recognize this was a difficult task given the tight budget caps confronting this Subcommittee and the other Appropriations subcommittees. While I appreciate the tremendous efforts made by the Subcommittee and their staff to earmark money for new DEA hires within their account, I am concerned that there isn't any additional funding for the DEA. The DEA will have to sacrifice other important and necessary programs for these new hires.

I realize that the Chairman and Ranking Member of the Commerce, Justice, State Subcommittee are trying to complete the bill this evening. I had intended to offer an amendment to request $24 million in additional DEA funding for new agents, analysts and support staff hires. After talking to the Subcommittee leadership, however, I have instead agreed not to offer my amendment and would commit to working with the Commerce, Justice, State Subcommittee to help find a way to provide additional funding to the DEA during conference of this bill.

Mr. President, I see Senator DEWINE on the floor and understand that he too would like to say a few words on this matter. I yield the floor to my distinguished colleague from Ohio.

Mr. DEWINE. Mr. President, I thank my distinguished colleague from Georgia for yielding the floor. I commend him for all his tireless efforts in finding ways to combat the drug war. Mr. President, I previously gave a floor statement on the importance of the role of the Drug Enforcement Administration in keeping drugs off our streets. I have traveled with the DEA to various countries throughout the hemisphere and have seen them first hand in action. the DEA does a tremendous service to our country both inside and outside our border and should be commended. I agree with Senator COVERDELL on the need for additional funding for the DEA. I too believe that the DEA is underfunded and should receive increased funding, particularly if there are additional resources available at a later date.

Mr. President, I see the Chairman of the Commerce, State, Justice Subcommittee on the floor. I speak for Senator COVERDELL when I say that it is my hope that we can work together with the Subcommittee leadership to help provide additional funding for the DEA during conference, or in the future even that there may be additional available funding.

Mr. GREGG. I thank Senator COVERDELL and Senator DEWINE for their statements. I have listened very carefully to their remarks, and I commend them for his tireless efforts in supporting anti-drug efforts, here in the United States and throughout the world. I would like to assure both Senator COVERDELL and Senator DEWINE that I will give every possible consideration to their request when we go to conference and in the event that additional funding may become available for FY 2000 in the future.

Mr. DEWINE. I thank my distinguished friend from New Hampshire and I yield the floor.

Mr. COVERDELL. I too thank my distinguished friend from New Hampshire, and I yield the floor.

DEFINITION OF PUBLIC AIRCRAFT

Mr. GRAHAM. Mr. President, I am prepared to offer an amendment with

my distinguished colleague Senator DEWINE to the Commerce, State, Justice appropriations bill that will help law enforcement officers in their efforts to protect our citizens. We believe that after the Congress passed Public Law 103–411, it had unintended consequences that have imposed unnecessary costs on state and local governments. Under this law, aircraft belonging to law enforcement agencies are considered ''commercial'' if costs incurred from flying missions to support neighboring jurisdictions are reimbursed. Multiple governmental agencies have recognized this problem, with the support of the Federal Aviation Administration, they have jointly drafted corrective language for this problem. Before proceeding, however, I would like to inquire as to the plans for consideration of this issue by the Commerce Committee this year. I wonder if my distinguished colleagues from the state of Arizona and South Carolina—the Chairman and ranking member of the Senate Committee on Commerce, which has oversight on these matters—could engage Senator DEWINE and me in a discussion regarding this matter.

Mr. MCCAIN. Mr. President, I would be pleased to engage in a discussion with the distinguished Senators from Florida and Ohio on the substance of this matter.

Mr. DEWINE. Mr. President, I thank the Senator for his time. In the state of Ohio the Bureau of Criminal Justice Services uses aircraft for drug eradication efforts. Under current law Ohio is forced to use private planes for this mission at a considerable cost, rather than their own surplus aircraft. Mr. Chairman is it your assessment that current law defining public aircraft places unnecessary restrictions and costly burdens on law enforcement agencies who operate public aircraft?

Mr. MCCAIN. I would agree that as the current law is written a number of our law enforcement agencies that operate public aircraft are faced with burdens in being reimbursed for the costs associated from flying missions in support of neighboring jurisdictions. The Senate Commerce Committee intends to act to review the matter and work to develop legislation that will help law enforcement.

Mr. GRAHAM. Will the Senators from Arizona and South Carolina agree to review this matter on the FAA reauthorization bill and by the end of year?

Mr. MCCAIN. As I have indicated to my colleague, I will as the Chairman of the Commerce Committee review this matter by the end of the year and work with my colleague from South Carolina, Senator HOLLINGS, in a good faith effort to resolve this issue by the end of the year.

Mr. HOLLINGS. I agree with my distinguished colleague from Arizona and look forward to working with him on this issue this year.

Mr. DEWINE. I want to thank Senators MCCAIN and HOLLINGS for their support on this issue. I look forward to working with them on this issue.

Mr. GRAHAM. I also want to thank Senators MCCAIN and HOLLINGS for their support on this issue. I should also thank the law enforcement organizations that have strongly supported this amendment. Specifically, the National Sheriff's Association, Airborne Law Enforcement Association, International Association of Chiefs Of Police, Florida Sheriff's Association, and the California State Sheriff's Associations. Mr. President, in light of what the distinguished Chairman and ranking member have said, I withdraw my amendment.

Mr. FEINGOLD. Mr. President, I rise today to join my distinguished colleagues, Senators GRAHAM and DEWINE, to support an amendment to the Commerce-Justice-State appropriations bill that will assist our local law enforcement agencies to respond in a timely fashion to life or death situations.

Sheriffs and police chiefs in my state and around this country have found that their hands are tied when it comes to sharing helicopters or other public aircraft with neighboring jurisdictions. The Milwaukee County Sheriff's Department recently became the first local law enforcement agency in Wisconsin to acquire a helicopter. Neighboring jurisdictions would like to borrow that helicopter and reimburse the Milwaukee County Sheriff for the cost of their use of that helicopter. The Milwaukee County Sheriff's Department is perfectly willing, indeed eager, to share its helicopter but it can't easily do so. Under current law, in order for the assisting agency to receive a cost reimbursement from the neighboring jurisdiction, the neighboring sheriff or police chief must first exhaust the possibility that a private commercial helicopter is available. Even when the neighboring law enforcement agency is faced with a serious imminent threat to life or property, the law requires the neighboring sheriff or police chief to first determine whether a privately operated helicopter is available. Mr. President, this law is absurd and puts everyone's safety at risk.

Law enforcement agencies use helicopters for a variety of reasons—to chase a suspect fleeing the scene of a crime, in search and rescue missions, to observe crowds in public gatherings, to transport prisoners, and to detect marijuana fields. Current law, however, stands in the way of cooperation between agencies to carry out these important law enforcement functions. Cooperation between law enforcement agencies is good. It saves time, money, resources and maybe even lives. We should do all we can to promote law enforcement cooperation.

Saving lives and maintaining law and order is delayed if we require sheriffs and police chiefs to determine first whether they can find a private helicopter. Public safety is also jeopardized because private commercial pilots are likely not trained law enforcement personnel with experience in sensitive and sometimes dangerous situations. In addition, a commercial helicopter is most likely not equipped with the instrumentation and tools needed by law enforcement officers to do their job. But if we allow sheriffs and police chiefs to share their aircraft with neighboring jurisdictions without first exhausting private avenues, law enforcement response is far more likely to be swift and sure.

Current law effectively prevents law enforcement from borrowing a helicopter or other aircraft from a neighboring agency. The law must be changed and this amendment does the job. This amendment modifies the definition of ''public aircraft'' so that law enforcement agencies no longer need to make an attempt to find a private helicopter operator before using a neighboring jurisdiction's helicopter. This amendment is supported by the National Sheriffs' Association, as well as numerous police chiefs and sheriffs across the country.

I would like to thank my colleagues, Senators MCCAIN and HOLLINGS, for working with us on this issue. They raised some concerns, but, as described in the colloquy, they have given us assurances that they will work to resolve the urgent needs of law enforcement either on the Federal Aviation Administration appropriations bill or by the end of the year. I welcome their recognition of the magnitude of this problem to law enforcement and their willingness to work with us on this issue.

Mr. President, we demand that law enforcement act quickly and professionally to life or death situations, but we're not always giving them the tools they need to do their job. We must do our part. I urge my colleagues to join in this bipartisan effort to change the law and give the sheriffs and police chiefs in Wisconsin and across this country the tools they need to keep our communities safe and secure.

I yield the floor.

BARRY UNIVERSITY INTERCULTURAL CENTER

Mr. MACK. Mr. President, I would like to engage the Chairman of the subcommittee in a brief colloquy regarding Barry University in Miami Shores, Florida. Barry University has a strong history of addressing important Miami community issues like urbanization, ethnic diversity, community development and cultural understanding. Recently the University announced the planning of an Intercultural Community Center which is designed to promote necessary neighborhood and small business revitalization. The facility will provide conference space, meeting rooms, executive seminars and continuing education courses related to international business and commerce.

It is my understanding Barry University will be requesting an Economic Development Administration grant for this project from the Department of Commerce during the next fiscal year. I would appreciate the Chairman's support in recommending the Department of Commerce give strong consideration

to the merits of University's grant application.

Mr. GREGG. I thank the Senator from Florida for bringing this issue to my attention. The Committee is aware of Barry University's efforts and I would strongly urge the Economic Development Administration to consider its application within applicable procedures and guidelines and provide a grant if warranted.

Mr. MACK. I appreciate my friend from New Hampshire's comments on this important initiative and for all he and the Senator from South Carolina have done in this bill for the citizens of Florida.

EPSCOT PROGRAM

Mr. BREAUX. Mr. President, I would like to ask the distinguished Subcommittee Chairman, Senator GREGG, to engage in a colloquy on a matter of extreme importance to my State and a number of others, and that is the need for more funding for the Experimental Program to Stimulate Competitive Technology, a program of the Department of Commerce's Technology Administration.

Mr. GREGG. Mr. President, I would be happy to yield to the Senator from Louisiana and engage in a colloquy.

Mr. BREAUX. Mr. President, as you know, technology is fueling the tremendous economic growth the nation is currently experiencing. However, as is frequently the case, rural states are struggling to participate in this new economy. The EPSCoT program is a competitive matching grants program that reaches beyond the traditional recipients of federal research and development funding. This pioneering initiative brings together the interest of economic development, science and technology, university research, and private business. Although the program is only a couple of years old, it has met with very high enthusiasm in areas such as Louisiana and New Hampshire.

Mr. President, there is important work being done through the EPSCoT program. This is a flexible program designed to assist states. Applications may be submitted by state, local, or Indian tribal governments, community colleges, universities, non-profit organizations, private organizations, technology business centers, industry councils or any combination of these entities from the eligible states. The eligible states are those that have received less in federal research and development funding than the majority of the states. Therefore, the program is carefully designed to benefit those states that need more assistance in developing a high-tech economy.

Mr. President, the National Institute of Standards and Technology, also a part of the Department of Commerce's Technology Administration, runs the Advanced Technology Program. The ATP provides matching funds for high-risk research with broad economic benefits. As a part of the program, grants occasionally are reclaimed by the ATP due to business failures and other such circumstances. These reclaimed monies are used by the ATP to fund new awards. The Committee has provided in the bill that the ATP may use these ''carry over'' funds for new awards in Fiscal Year 2000.

Does the Senator from New Hampshire concur that it is the intent of the committee to direct $2.0 million in funds provided to NIST for new ATP awards under the provisions dealing with the use of carry-over funds be used for new grants under the Technology Administration's EPSCoT program?

Mr. GREGG. It is the intent of the Committee to direct $2.0 million in carry-over funds for the ATP be used for new grants under the Technology Administration's EPSCoT program. I look forward to working with the Senator from Louisiana to ensure that the $2.0 million in ATP carry-over funds are provided to the EPSCoT program for new grants in Fiscal Year 2000.

Mr. BREAUX. Mr. President, does the Senator from South Carolina concur?

Mr. HOLLINGS. Yes, it is the Committee's intent that $2.0 million in ATP carry-over funds be provided to the EPSCoT program for FY 2000 grants.

DISTRIBUTION OF TECHNOLOGY FUNDS TO BURLINGTON, RUTLAND, AND SAINT JOHNSBURY

Mr. JEFFORDS. Mr. President, I would first like to thank Senator GREGG for all his work on crafting the Commerce, Justice, State, and Judiciary Fiscal Year 2000 appropriations bill. In this time of tight budgetary caps, and with the many requests by members, Senator GREGG has worked hard to get the bill through the Appropriations Committee and to the floor of the Senate.

I would especially like to thank Senator GREGG for recognizing the need of three Vermont towns to upgrade, modernize and acquire technology for their police departments. Allowing these police departments to improve their technology will permit them to increase the efficiency and effectiveness of the services they provide. Reflecting the needs of the police departments, the $1.5 million should be divided on the following basis: one-half ($750,000) to the Burlington Police Department, one-third ($500,000) to the Rutland Police Department, and one-sixth ($250,000) to the St. Johnsbury Police Department. Again, I appreciate Senator GREGG's help to address the technology problems these town's police departments are facing, and I look forward to working with him to get this important appropriations bill signed into law.

Mr. GREGG. Mr. President, I appreciate Senator JEFFORDS bringing the needs of these three police departments to my attention, and will work with him to ensure that the money for technology grants to these three Vermont towns are distributed in the way he has described.

INTERNATIONAL WAR CRIMES TRIBUNALS

Ms. MIKULSKI. Mr. President, I would like to engage the Chairman of the Commerce, Justice, State Subcommittee in a colloquy.

I am deeply concerned that the Subcommittee bill does not include the full Administration request for funding of the International War Crimes Tribunals.

We are all horrified by the crimes against humanity that occurred in Kosovo. Recent reports state that as many as 10,000 people were murdered. An untold number of women were raped. Hundreds of thousands of people were driven from their homes. The War Crimes Tribunal needs adequate funding to gather evidence, to pursue and to try those who are responsible for these crimes against humanity.

Congress provided additional funding for the War Crimes Tribunals in the Supplemental Appropriations bill. These funds were necessary to provide emergency assistance to the War Crimes Tribunal for the former Yugoslavia. Before we provided this funding, Chief Justice Louise Arbour said that she had only seven investigators available for Kosovo. However, full funding for the War Crimes Tribunal is necessary for fiscal year 2000, if we are to continue ongoing investigations in Bosnia or Rwanda.

The Chairman of the Commerce, Justice, State Appropriations Committee is a strong supporter of law enforcement—both in the United States and abroad. I ask him to join me in supporting the full request for funding of the International War Crimes Tribunals during the Conference on the Commerce, Justice and State Department Appropriations bill.

Mr. GREGG. I share the Senator's strong support for the work of the International War Crimes Tribunals. The Subcommittee, with the Senators help, provided more than $40 million for the War Crimes Tribunals in the fiscal year 1999 bill. The full committee, again with the Senator's assistance, made an additional $28 million available to the tribunals as part of the fiscal year 1999 emergency supplemental that passed in May. Just two weeks ago, the Subcommittee approved yet another $2 million for FBI forensic teams investigating massacre sites in Kosovo under the tribunal's direction. I look forward to working with the Senator during the Conference on this bill to ensure that full funding is provided.

CHILD ABUSE PREVENTION PROGRAM

Mr. JEFFORDS. Mr. President, I again thank Senator GREGG and his staff for working with me to provide funding for two important initiatives in my home State of Vermont. It is my understanding that within funds provided to Department of Justice of Juvenile Justice Programs, the FY 2000 Commerce, Justice, State, the Judiciary and Related Agencies Appropriation Bill provides $100,000 for the establishment of a teen center in Colchester, Vermont and $100,000 to Prevent Child Abuse-VT to evaluate the SAFE–T program, a comprehensive child abuse prevention program for middle school communities.

There is a great need for a community center with a focus on youth in the Town of Colchester. Currently after school gathering places for Colchester youth are limited to local restaurants and supermarkets. This project has strong local support. Last October, a group of local citizens formed a non-profit organization called the ''Colchester Community Youth Project'' and purchased an available property in the town for use as a teen center. The Town of Colchester hopes to buy the building from the non-profit, and then plans to renovate the 4,500 square foot main building to house a youth center/multi use space, offices, and a branch of the local public library.

For over four years, Prevent Child Abuse-VT has funded, developed and piloted SAFE–T, a comprehensive health education and abuse prevention program for middle school communities. Students learn victim an victimizer prevention, build healthy relationship skills and experience personal and social change. Parents, guardians, school staff and service providers participate in training, dialog assignments, classroom presentations and school community change projects. SAFE–T research-based and classroom tested with over 500 students.

More work, however, needs to be done to evaluate the success of the SAFE–T program. Dr. David Finkelhor, Co-Director of the Family Violence Research Laboratory at the University of New Hampshire, plans to embark shortly on a three-year scientific evaluation of the SAFE–T program. I am very pleased that this appropriation will enable this evaluation to move forward.

The sexual abuse of and by children is now at epidemic proportions in America. The SAFE–T Program is an excellent resource in helping early adolescents develop the skills they need to grow safe, free of abuse. This program offers great promise as a national model for comprehensive abuse prevention programs. A thorough scientific evaluation will ensure that this research-based initiative can be proven effective and disseminated properly.

Mr. GREGG. Mr. President, I applaud Senator JEFFORDS' work on these important issues. He is correct that the FY 2000 Commerce, Justice, State, the Judiciary and Related Agencies Appropriation Bill provides $100,000 for the establishment of a teen center in Colchester, Vermont and $100,000 to Prevent Child Abuse-VT to evaluate the SAFE–T program, a comprehensive child abuse prevention program for middle school communities.

DEPARTMENT OF JUSTICE FUNDING

Mr. HARKIN. I would like to address a question to the Chairman of the Subcommittee, the Senator from New Hampshire, regarding funding for the Civil Division of the Justice Department.

In his State of the Union Address, President Clinton announced that the Federal Government intended to sue the Nation's tobacco companies to recover billions of dollars in smoking-related health care costs reimbursed by federal heatlh care programs. The Administration's FY 2000 budget requested $15 million in new resources for the Civil Division of the Justice Department and $5 million for the Fees and Expenses of Witnesses account to support this litigation effort.

Unfortunately, we were unable to provide the additional resources requested by the Administration for the Civil Division to carry out this task. While I regret that the Committee was unable to provide the new funds, it is my understanding that if the Justice Department deems this activity to be a high priority, base funding, including funds from the Fees and Expenses of Witnesses account, can be used for this purpose.

I ask the Chairman and Ranking Member of the Subcommittee if my understanding of the bill and the report language is correct?

Mr. GREGG. I agree with the Senator from Iowa. While the Committee was unable to provide new funding as the Administration requested, nothing in the bill or the report language prohibits the Department from using generally appropriated funds, including funds from the Fees and Expenses of Witnesses Account, to pursue this litigation if the Department concludes such litigation has merit under existing law.

Mr. HOLLINGS. I also agree with Senator HARKIN.

Mr. GRAHAM. I would like to address the Chairman of the Subcommittee. Does the Chairman also agree to strike the language on page 15 and on page 25 of Senate Report 106–76 relating to funding for tobacco litigation?

Mr. GREGG. That is correct.

COMMUNITY-BASED HABITAT RESTORATION PROGRAM

Mr. CHAFEE. Mr. President, with the indulgence of my distinguished colleagues from New Hampshire and South Carolina, I would like to bring to their attention one of the Federal government's most successful restoration programs for marine and estuarine habitats—the Community-Based Habitat Restoration Program started by the National Marine Fisheries Service in 1995. This program promotes restoration of fisheries habitats around the country through voluntary partnerships among state and local governments, the conservation community, industry and businesses, and the academic community. Since its inception, more than 60 projects have been funded. There is a minimum one-to-one match required, but non-Federal parties typically contribute three dollars, and often as much as ten dollars, for every one spent by NMFS. Indeed, over the life of the program, Federal funding totaled $1.2 million, with $6.1 million raised in non-Federal funds.

Mr. GREGG. I am aware of the program and agree with the Senator from Rhode Island. It is an excellent program that supports worthwhile projects with limited funding. Last year, $450,000 was appropriated for the program.

Mr. CHAFEE. Unfortunately, S. 1217, as approved by the Committee, did not provide any funding for the program for FY 2000.

Mr. GREGG. That is correct. The Administration's budget proposal included the program as part of a larger and new initiative that did not receive any funds.

Mr. CHAFEE. I would like to request that the distinguished manager of the bill provide some funding for the program for FY 2000, so that it can continue to build on its past success. Numerous groups, in particular the National Fish and Wildlife Foundation and the FishAmerica Foundation, rely on grants from the program for their restoration efforts, and they would be hardpressed to continue these efforts if the program were not funded. As it is, about 145 projects in 1999 alone are going unfunded due to lack of funds, of which seven are in my own state of Rhode Island.

Mr. GREGG. I am pleased to consider the request of the Senator for Rhode Island. I have discussed this with my distinguished colleague from South Carolina, and we have agreed to a provision in the manager's amendment that directs NMFS to take $1 million from available funds within its budget and apply it to the Community-Based Habitat Restoration Program.

Mr. HOLLINGS. I agree with my distinguished colleagues from Rhode Island and New Hampshire, and am pleased to support the program. The manager's amendment ensures that the program will not only be continued, but will receive some additional funding.

Mr. CHAFEE. I wholeheartedly thank my colleagues from New Hampshire and South Carolina. It is always a pleasure working with them, especially on a worthwhile endeavor such as this.

ARMS CONTROL TREATY VERIFICATION

Mr. CRAIG. Mr. President, I rise to engage in a colloquy with my colleague, the Subcommittee Chairman, regarding a specific funding provision in this bill within arms control treaty verification. I have been concerned for some time that our arms control efforts have been focused on treaty negotiation at the expense of treaty verification. The Committee report expressed the same concern. As a result, technological advances in arms control verification made at the national laboratories are not being fully applied or exploited. Accordingly, this bill provides $10,000,000 for this purpose. I want to be absolutely precise about what the Committee has directed in this area so I will quote from the Committee's report accompanying this bill. The report states the following: ''the Committee recommendation provides a $10,000,000 increase over fiscal year 1999 for verification technology.''

Mr. President, I think the plain meaning of this language could not be any clearer and I think my colleague the Subcommittee Chairman would agree with me. That is why I was puzzled to hear from my staff that, in informal conversations, State Department personnel have expressed confusion over how to interpret this language. If my understanding is correct, some in the State Department have expressed their belief that the $10,000,000 increase is intended to be applied first to the President's priorities for increased funding—costing approximately $8,000,000—and that only the remaining $2,000,000, left over after the President's priorities are funded, would be applied to the treaty verification work.

Mr. President, I certainly hope that the information I have about the interpretation of agency officials is incorrect. I certainly hope that the State Department would not disregard the abundantly clear direction provided by the Committee. I ask my colleague if my interpretation of the Committee's direction comports with his own, as Chairman of the Subcommittee.

Mr. GREGG. My colleague from Idaho is correct. In setting the funding priorities for the Bureau of Arms Control, within the State Department, the Committee has clearly directed that the $10,000,000 provided be used for the purpose of verification technology. The Committee further specifies that verification technology will include systemization of promising non-intrusive nuclear topographic techniques including the Fission Assay tomography System and the Gamma Neutron Assay Technique, which together will provide the ability to detect and characterize special nuclear materials while at the same time ensuring that design information is not revealed. The President's budget request is just that—a request for the Committee's consideration—but Congress, within its prerogatives, sets agency funding levels, and sets priorities within those levels.

Mr. CRAIG. I thank the distinguished Subcommittee Chairman. I am assured that his understanding of the Committee's intent for these funds is the same as mine.

FUNDING FOR THE SBA OFFICE OF ADVOCACY

Mr. BOND. Mr. President, I commend my colleagues, Senator GREGG and Senator HOLLINGS, for their initiative to allocate $2.5 million in the Fiscal Year 2000 Commerce-Justice-State Appropriations bill to fund the research function of the Office of Advocacy at the Small Business Administration. This is an increase of $1.1 million over the amount in the President's FY 2000 budget request for SBA.

The Office of Advocacy, which is headed by the Chief Counsel for Advocacy, performs an essential role acting as the eyes, ears, and voice from within the Federal bureaucracy on behalf of the small business community. One key responsibility carried out by the Office of Advocacy is the research it conducts on issues critical to small businesses. It is our understanding that $500,000 of the additional funds for the Advocacy research function are targeted toward the review of interpretative regulations issued by the Internal Revenue Service of the Department of the Treasury and rules issued by the Mine Safety and Health Administration of the Department of Labor.

Mr. KERRY. Mr. President, I join my colleague and friend from Missouri, Senator BOND, in supporting the additional funding for the Office of Advocacy. This is a substantial increase over FY 1999 funding, which I believe is important for the ability of the Office of Advocacy to carry out its important mission on behalf of small business. Among others, those responsibilities include conducting research on a number of issues that are critical to small minority-owned and women-owned firms, and the cost of Federal regulations. I commend my colleagues, Senator GREGG and Senator HOLLINGS, for their initiative in providing this increase.

We are also very concerned about the current staffing needs of the Office of Advocacy, which has declined significantly in recent years. In FY 1990, there were 70 full-time employees assigned to the Office of Advocacy. During the current fiscal year, it is my understanding the SBA Administrator has allocated 49 full-time staff for the Office of Advocacy.

Mr. BOND. Mr. President, I agree with the Senator KERRY about the failure of SBA to allocate adequate staff to the Office of Advocacy. This shortfall has placed an enormous burden on the ability of the Office to fulfill its mission. While I would encourage the SBA Administrator to allocate staff for the Office of Advocacy at the 1990 level, I realize they may not be able to make such an large increase in one year. Therefore, I would like my colleagues on the Commerce-Justice-State Appropriations Subcommittee, Senator GREGG and Senator HOLLINGS, to clarify their intent for the increase in the FY 2000 budget for the Office of Advocacy.

Mr. GREGG. I appreciate the time and effort spent by Senator BOND and Senator KERRY working with the Subcommittee in developing the FY 2000 budget for SBA. The Subcommittee approved the increase in the budget for the Office of Advocacy to enable it to assess the economic contributions made by small businesses, to determine the impact of federal regulations and tax policies on small businesses, to dedicate sufficient resources to help carry out its responsibilities under the Regulatory Flexibility Act, and to undertake reviews of interpretative regulations issued by the Internal Revenue Service of the Department of the Treasury and rules issued by the Mine Safety and Health Administration of the Department of Labor.

It was further our intention to direct SBA to add 5 full-time equivalent employees to the Office of Advocacy for a total of 54 full-time employees for FY 2000. It is our belief this number of full-time staff is reasonable to address the burgeoning responsibilities of this important office.

Mr. HOLLINGS. I concur with my good friend and colleague from the New Hampshire on the use of the increased funds for the Office of Advocacy. In addition, it was our intent to add 5 full-time equivalent employees in the Office of Advocacy bringing the total for FY 2000 to 54 full-time employees.

Mr. GREGG. I want to make one further clarification regarding the $2.5 million earmarked for research by the Office of Advocacy. It was our intention that this amount be spent on research contracts and other initiatives by the Office of Advocacy. The Subcommittee did not intend that any of these funds would be transferred to the general operating account for the Agency nor would any of these funds be used to pay the costs of maintaining the full-tme staff of the Office of Advocacy.

Mr. HOLLINGS. I concur with the statement by Senator GREGG.

THE BUNKER HILL SITE

Mr. CRAIG. Mr. President, I would like to engage in a discussion with the Senator from New Hampshire, the distinguished Chairman of the Commerce, Justice, State and Judiciary Appropriations Subcommittee concerning a situation that exists in my home state of Idaho.

Mr. GREGG. I would be pleased to engage in such a discussion with my friend the senior Senator from Idaho.

Mr. CRAIG. this past weekend Senator CRAPO, Congresswoman CHENOWETH and I conducted a public meeting in Coeur d'Alene, Idaho where federal, state, local, tribal officials and citizens give statements and responded to questions concerning the federal, tribal and state governments' involvement in a Superfund site in North Idaho known as the Bunker Hill site.

To date there has been approximately $200 million spent on cleanup. Significant progress has been made, but there is a great deal of debate going on between the parties concerning what other areas in the Basin need to be included in the cleanup. I believe the State of Idaho, the Coeur d'Alene Tribe and the federal agencies can work out these questions and resolve the conflicts that have gone on over this issue in the Coeur d'Alene Basin for over a decade.

I feel the Department of Justice, Idaho and the Nation as a whole would be well served if the DOJ and the other parties involved in litigation were to work among themselves parties to resolve the issues rather than to continue to litigate.

Mr. GREGG. The Senator raises excellent points. The resources of the National are better served in working to resolve these types of problems rather than to continue in a litigation strategy for years and years. All parties should work to resolve the problems in

the Coeur d'Alene Basin and the Committee will work with the Senator from Idaho to see if further direction is appropriate in the Conference Report.

DEVELOPMENT OF A HABITAT CONSERVATION PLAN

Mr. BURNS. The Senate is accepting my amendment to allocate $250,000 for the development of a Habitat Conservation Plan as part of the Idaho and Montana Coldwater Fishery Enhancement Program. This funding is imperative in the preparation of a voluntary Habitat Conservation Plan aimed at saving our native fish populations in the two states. As you know, we are at the upper end of the Columbia River drainage and the impacts seen on salmon in that drainage are interrelated to our native trout as well.

As the debate raged on about what exactly was impacting the native fish populations in the lower Columbia system, those of us in the upper reaches of the system were doing our best to ensure that enough water was sent downstream at the appropriate time to help the native fish as much as possible. What we have learned from this practice is that the health of our bull trout population is linked to that of the salmon. Fewer salmon returning from the ocean to spawn placed concern on the health of the entire river system, and the traditional actions taken to help one species sometimes had negative impacts on others. As is commonly the case with these types of issues, we didn't always realize the interrelation until some negative impacts had already taken place.

Making these funds available for the Idaho and Montana Coldwater Fishery Enhancement Program will help us address more of the survival needs of native fish species in the Columbia Basin. Stabilizing the bull trout population and developing this plan will allow us more flexibility in helping the salmon populations recover as well. Senator, I hope you will join me in clarifying where this money is to be directed and to reaffirm the value of developing a state-led voluntary Habitat Conservation Plan for bull trout in Idaho and Montana.

Mr. GREGG. The Idaho and Montana Coldwater Fishery Enhancement Program is an important element in the concerted effort to help native fish throughout the Pacific Northwest. This year's appropriations bills place a priority on stabilizing the native fish populations throughout the region, and this program fills a niche previously left unmet by other recovery efforts.

SCAAP FUNDING

Mrs. FEINSTEIN. Mr. President, I would like to inquire of my friend, the Senator from New Hampshire, about funding in this measure for the State Criminal Alien Assistance Program, popularly known as the SCAAP.

As the Senator knows, states and localities, especially those such as California with high immigrant populations, face extraordinary costs in incarcerating illegal aliens who have committed serious crimes in the United States and sentenced for their felony offenses.

The burden on states and localities which incarcerate criminal aliens continues to grow. In California, for example, during February 1997, there were 17,904 criminal alien inmates with INS holds on them. This rose to 19,355 in 1998. At the end of February, 1999, there were 21,792 alien inmates in the California state correctional system who have INS holds.

Congress appropriated $585 million for SCAAP in fiscal year 1999 to help reimburse state and local governments for the costs of incarcerating illegal aliens.

Given the increasing numbers of illegal aliens that California and other states must incarcerate, one would reasonably expect that funding for this important program would be increased in fiscal year 2000.

But it is my understanding, Mr. President, that the bill reported by the committee actually makes dramatic cuts in federal funding for SCAAP, reducing the level of funding by more than 80 percent to only $100 million.

Given the urgency of the need and the fact that all 50 states, the District of Columbia, two territories and 244 localities received SCAAP funding in the most recent reimbursement period, I would like to inquire of my friend from New Hampshire if there is something that can be done to increase funding in this bill for SCAAP to a more appropriate level.

Mr. KYL. Mr. President, I wish to associate myself with the excellent comments of my good friend, the Senator from California, and also look forward to working with the chairman and ranking member of the subcommittee to resolve the funding disparity in the State Criminal Alien Assistance Program (SCAAP).

Before I begin my comments about this important program and the level of funding in the Senate Commerce-Justice-State Appropriations bill, I want to state my full support for what I have been told will be a $585 million funding level for SCAAP in the House FY 2000 bill. I would also like to insert for the record a copy of a letter from the U.S./Mexico Border Counties Coalition (which consists of 18 county governments located on the Southwestern border) that describes why an adequate funding level for SCAAP is so important to these border ares, many of which are facing very difficult fiscal situations.

Through the Crime Control Act of 1994, the Congress created SCAAP to reimburse states and localities for the costs they incur incarcerating criminal illegal aliens. Such costs, it has been made clear, are the responsibility of the federal government. SCAAP is authorized at $650 million, although total expenditures of the states exceed $2 billion per year. Though the financial burden of criminal illegal aliens overwhelms the criminal justice budget of many states and localities, SCAAP has never even been allocated its full authorization. In 1996 and 1997, SCAAP was allocated $500 million and last year, states and localities received a total of $585 million.

Frankly, the Congress would be fully justified in increasing the authorization level to $2 billion annually. In 1998, the taxpayers of Arizona spent $38 million incarcerating criminal illegal aliens, including $26.8 million in state facilities, $406,000 in Cochise County, $9 million in Maricopa County, $136,000 in Mohave County, $534,000 in Pinal County, $450,000 in Santa Cruz County, and $401,000 in Yuma County. In turn, the state received a reimbursement of $15.1 million in SCAAP funds—less than half of what Arizona should have gotten, and that was when SCAAP was funded at $585 million overall.

To reduce the total 1999 SCAAP fund by more than 80 percent for fiscal year 2000, to $100 million, is absolutely unacceptable. Should funding be reduced to $100 million, all 50 states, D.C., and the 244 local jurisdictions, which currently receive 39 cents on the dollar, would be reimbursed a mere seven cents on the dollar, even though such costs are a clear federal responsibility. This situation is especially disturbing, considering incarceration is only one component of the overwhelming cost incurred by states and localities when processing criminal illegal aliens—and one for which the federal government promised to provide reimbursement in the Crime Control Act of 1994.

In Santa Cruz County, Arizona, the overall costs of both processing and incarcerating illegal criminal aliens takes up 39 percent of the county's criminal justice budget. And that is just one county in my state. The combined costs to jurisdictions all over the country are staggering, and the SCAAP program only reimburses states for the incarceration portion of these onerous costs. Unless Congress appropriates sufficient funds for SCAAP, at the very least, Arizona and other state and local governments will continue to shoulder billions of dollars of the expense of incarcerating and processing criminal illegal aliens.

Mr. President, I very much hope that Senators GREGG, HOLLINGS, FEINSTEIN and I can work to resolve these issues before this bill is signed into law.

Mr. SCHUMER. Mr. President, I would like to associate myself with the comments expressed by my friends, the Senator from California and the Senator from Arizona, and commend them for their efforts on the extremely important issue.

The State Criminal Alien Assistance Program provides much needed financial assistance to New York State and many of our great state's cities and counties, as they try to grapple with the significant costs of incarcerating criminal aliens. In fiscal year 1998, New York and its localities received a total of $96.4 million in SCAAP funding—

with New York City securing the largest single grant for a locality in the nation.

I am very disappointed and disturbed that the bill reported by the committee would reduce SCAAP funding to $100 million for fiscal year 2000, This could translate to a $80 million cut in assistance for New York: a $46 million cut for the state itself, $27.7 million for New York City, 4 million for Nassau County, $1 million for Suffolk County, $800,000 for Westchester County, $32,000 for Montgomery County, $25,500 for Albany County, $19,500 for Putnam County, and smaller amounts for Cortland County.

Cuts of this magnitude would leave New York to assume a difficult and heavy burden for what is very much a federal responsibility. I join my friends from California and Arizona in asking our friend from New Hampshire whether something could be done to restore SCAAP funding to a more acceptable level.

Mr. GREGG. Mr. President, I thank my friends from California, Arizona, and New York for their excellent observations. I know that they have been tireless in their efforts to secure both an end to illegal immigration and to ensure that the federal government assume a share of the financial responsibility for its inability to control illegal immigration.

I know, as well, that the senator from California and the senator from Arizona were two of the principal authors of the SCAAP program when it was created by the 1994 Crime bill, and that they both worked very hard to help secure the $585 million which was appropriated last year and in fiscal year 1998 for this important program.

Knowing of the great need for adequate funding for SCAAP, it pains me that the Committee was unable to fund it at the level it deserves. I assure the senators that I will make it a high priority during the conference between the House and Senate to secure adequate funding for this program, that does so much for all of our states that are burdened by the costs of incarcerating illegal aliens.

Mr. HOLLINGS. I concur with my colleague from New Hampshire. I understand the importance of this funding for states impacted by high rates of criminal alien incarceration and I am hopeful we can provide an adequate funding level for SCAAP during conference.

Mrs. FEINSTEIN. I thank the Chairman and Ranking Member for their encouraging words. As I am sure they know, the SCAAP reimbursements provided in prior years did not nearly cover the costs states and localities incurred to incarcerate illegal aliens in their jurisdictions.

In fiscal year 1998, the last year for which such cost figures are available, the cost for states and localities amounted to $1.7 billion. Thus, last year's funding level covered only 30 percent of actual costs.

A cut along the magnitude of that which is included in the Committee bill would be absolutely devastating. I understand the House CJS Subcommittee is recommending an FY00 SCAAP funding level of $585 million. I will work closely with the Chairman and Ranking Member and others in both bodies during the weeks to come to assure that the conference on this bill adequately funds this program.

Mrs. HUTCHISON. I would like to associate myself with the remarks of my colleagues with regard to the issue of funding for the State Criminal Alien Assistance Program (SCAAP). SCAAP is a vital reimbursement program for states like mine that assists in the significant cost of incarcerating criminal aliens.

Although securing the border is the responsibility of the federal government, states and localities have had to bear the costs associated with incarcerating aliens should they enter the criminal justice system. In previous years, Congress has recognized their burden and worked to secure as much as $585 million for this critical program. Even at that level, less than 40% of Texas' costs of criminal alien incarceration have been reimbursed. Cutting SCAAP by over 80% as proposed in this measure would result in a reimbursement of only about 7% of the total cost to the State of Texas. It is estimated that the State of Texas would receive less than $7 million, and Texas counties would share in less than $3 million. Dallas County would receive less than $200,000 despite enduring costs of over $2.5 million; the County of El Paso, with costs exceeding $2.6 million, would be reimbursed only about $200,000; and Harris County, with costs nearing $14 million, would receive less than $1 million. Mr. President, this is the same Harris County that last week took custody in its county jail of the accused railway murderer, Angel Maturino-Resendez. In this case, Harris County is forced to assume the costs of detaining Maturino-Resendez, who is alleged to have repeatedly entered this country illegally and further alleged to have committed a string of stunningly violent murders across the United States. There could not be a more graphic illustration of why we need to support the State Criminal Alien Assistance Program, so that our cities, counties and States are not left alone to pay the costs of the Federal government's failure to protect the border.

I pledge to work with the chairman to see that adequate funding can be restored to this vital program and appreciate the Senator from California bringing this important matter to the floor.

THE HARBOR GARDENS ECONOMIC DEVELOPMENT PROJECT

Mr. SANTORUM. Mr. President, I have sought recognition to express my support for the Harbor Gardens economic development project. I have requested funding in the Economic Development Administration (EDA) account for this worthwhile initiative in the Manchester neighborhood of Pittsburgh.

The mission of Harbor Gardens is to continue to help in rebuilding the economic, physical, social, human, and cultural infrastructure of one of Pittsburgh's most distressed communities. The project consists of a state-of-the-art urban greenhouse for the benefit of students and city residents. Horticulture is the fastest growing segment of agri-business, and therefore, the skills which program participants gain can translate into well-paying jobs. The project will ensure the education of its graduates in the horticultural industry, including advance greenhouse production technology and landscaping techniques. The Business and Industrial Development Corporation is partnering with the Pennsylvania State University, the School District of Pittsburgh, Pittsburgh Civic Garden Center, Phipps Conservatory and Botanical Center, Zuma Canyon Orchids, and Pittsburgh Cut Flowers. Rare plants will be grown to be purchased for resale, and tours, seminars, plant auctions, and festivals will all contribute to maximizing revenues.

Federal funding crucial to the completion of this innovative approach to economic development, and an EDA grant will play an important role in meeting that federal commitment.

I look forward to working with the Chairman of the Subcommittee, Senator GREGG, to ensure that this project receives funding.

Mr. GREGG. I welcome the comments by the Senator from Pennsylvania and look forward to continuing to work with him on this request. I am well aware of the importance he places on the Harbor Gardens project. I would strongly urge the EDA to consider a proposal by the Business and Industrial Development Corporation within applicable procedures and guidelines and provide a grant if warranted.

THE BYRNE GRANT

Mr. KYL. Mr. President, I rise to enter into a colloquy with the distinguished Chairman of the subcommittee, Senator GREGG, regarding the importance of the Byrne Grant.

Mr. GREGG. I understand the Senator's interest in this area.

Mr. KYL. I thank Senator GREGG for entering this colloquy with me about a program which is particularly vital to the law enforcement personnel in my own state of Arizona. As you know, the Byrne Grant is a key source of federal financial assistance for state and local drug law enforcement efforts. It funds a wide variety of activities ranging from task forces and drug education to apprehension and prosecution. In Arizona, numerous counties and agencies rely on Byrne Grant funds to pay the salaries of nearly 300 law enforcement and prosecution personnel; rural counties especially benefit from Bryne Grant funds for their law enforcement activities.

Mr. GREGG. I am aware of the Byrne grant program and its importance, as

well as the fact that the Administration's budget cut Byrne by over $90 million, not to mention the Administration's ''zero-funding'' of the Local Law Enforcement Block Grant—which this Subcommittee funded at $400 million. As Chairman of the subcommittee that provides funds for law enforcement, I am intimately familiar with the need to fund effective and successful law enforcement programs. I join with the Senator from Arizona in recognizing the importance of the Byrne Grant. As this bill moves to conference, I look forward to working with you to address your concerns.

Mr. KYL. Once again, I thank the distinguished Chairman.

WARDEN OFFENDER NOMITORING SYSTEM

Mr. SESSIONS. I thank Senator GREGG and his staff for their tireless efforts on this legislation. I believe this legislation contains some important steps in a number of areas, including law enforcement. At this time, I would like to engage the Chairman in a discussion with regard to a new technology developed by Capstone Technologies, a company located in my state of Alabama. I think it is essential that we explore new areas of technology that can increase the effectiveness of law enforcement.

Mr. GREGG. I thank the Senator from Alabama for his interest in this legislation and in improving our law enforcement efforts. I agree that we should explore new techniques that can improve the capabilities of the law enforcement community.

Mr. SESSIONS. Capstone Technologies developed the Warden Offender Monitoring System to aid in monitoring offenders that have been put under residential detention. The Warden is a biometric, three dimensional monitoring system using voice verification, personal history inquiry and voice recording. The Warden uses computer voice verification to identify offenders placed on residential detention. The Warden monitors the offender using a touch-tone phone, with no new equipment to install or maintain. Random calls are made by the computer to the home of the offender during the hours sanctioned by the court. The system uses the ''voiceprint'', which is recorded initially, to identify the offender on the phone. All calls are monitored and all violations identified by the computer are followed by a personal call from the staff to ensure that there are no false violations recorded. The Warden can also detect when an offender is under the influence of alcohol or other drugs. If the computer detects certain characteristics of intoxication it will report a violation immediately to the supervisor with a recommendation to conduct a sobriety test. I believe this technology could be an extremely useful tool for law enforcement. One specific area in which the Warden system might be very helpful would be in monitoring juveniles. By implementing a versatile residential detention system, we can avoid having to place our youth in jail, and possibly help parents and the individual gain control of his life before it's too late.

Mr. GREGG. I agree that this technology could have useful applications to our law enforcement system. I look forward to working with the Senator from Alabama in the future as we explore technological developments and other useful tools that can aid our law enforcement community.

Mr. SESSIONS. I thank the Chairman again for his leadership and for his interest in this important issue. I look forward to working with him on this new technology in the months to come.

THE ECONOMIC DEVELOPMENT ADMINISTRATION OF THE DEPARTMENT OF COMMERCE

Mr. ASHCROFT. Mr. President, I thank the distinguished Senator from New Hampshire, Chairman of the Commerce, Justice, State, and Judiciary Appropriations Subcommittee, for joining me to discuss the urgent need to provide funding for defense conversion in the greater St. Louis area. Over 7,000 Missourians are in danger of losing their jobs if the F–15 production line shuts down at the Boeing plant in St. Louis. These are high-paying, high-skilled jobs, and I am committed to doing everything I can to help these hard-working Missourians find other sources of employment in the greater St. Louis area.

These workers have helped keep America strong through their work on the F–15 and other military systems that are so integral to our national security. Their skill and knowledge are a national asset—a national asset which I think should be preserved through keeping the F–15 line open. I have worked toward that end, and Senator BOND and I successfully secured funding for additional F–15 purchases in the Defense Appropriations bill last month. But hundreds of F–15 workers will lose their jobs even with additional purchases of the plane, and those workers should be assisted in the transition process.

The distinguished Senator from New Hampshire is well aware of the Economic Development Administration (EDA) and the good work EDA does to facilitate economic adjustment in so many parts of the country.

Mr. GREGG. I am well aware of the EDA and the economic adjustment programs it funds, including substantial work in areas of the country impacted by defense downsizing.

Mr. ASHCROFT. I appreciate the Senator's reference to the defense conversion work performed by the EDA. In fact, EDA has assisted St. Louis before, as the regional economy has adjusted from defense layoffs over the past decade. St. Louis has one of the most effective and highly respected economic adjustment offices in the country, as the Defense and Commerce Departments would attest. The city has a demonstrated track record of using federal dollars effectively and is well-prepared to use EDA funding to meet the current, pressing needs of these F–15 workers. I would like to ask the distinguished Senator from New Hampshire if he will work with me in the coming months to address the defense conversion needs in the St. Louis area.

Mr. GREGG. I am aware of the good work St. Louis has done in the past when defense downsizing has affected the city's economy. As Chairman of the Appropriations Subcommittee overseeing funding for the Commerce Department and the EDA, I will work with the distinguished Senator from Missouri to assist the city.

Mr. ASHCROFT. I thank the Senator for his kind remarks and his willingness to work with me to address this important matter in Missouri.

RAPID RESPONSE SYSTEM FOR YOUNG CHILDREN EXPOSED TO VIOLENCE

Ms. COLLINS. Mr. President, I want to bring to the attention of the Senate Maine's Community Alliance to End Violence Against Children. The Alliance, which includes the Maine State Police, Catholic Charities Maine, and the Passamaquoddy Tribe at Pleasant Point, will improve and expand the coordination of services for preventing and reducing the negative impact that exposure to violence has on young children. As my distinguished colleague from New Hampshire is aware, rural regions have unique problems coordinating and delivering services to children exposed to violence.

Mr. GREGG. I am pleased the Appropriations Subcommittee on Commerce, Justice, State, and the Judiciary directed the Office of Juvenile Justice and Delinquency Prevention to examine the proposal for a Rapid Response Program for children living in Hancock and Washington Counties and to provide a grant for the program if warranted.

Ms. COLLINS. Downeast Maine is particularly in need of help. Washington County, for example, is a large rural area in which chronic poverty, unemployment, substance abuse and domestic violence result in far too many children being exposed to violence. Currently there is no program in these counties that offers adequate intervention and treatment to address the harmful aftereffects of exposure to violence. The Alliance will develop a system through which existing resources can be coordinated to provide appropriate and timely responses to the emotionally and physically damaging situations children often face. There is strong evidence that a rapid response team, intervening on behalf of children in crisis situations, can mitigate the long term consequences of trauma.

Mr. GREGG. I thank the Senator from Maine for her efforts to address this problem. Data from urban areas have shown that a rapid response to trauma in children does reduce the development of anti-social behavior in the long term. However, there are no data from rural communities. The demonstration project that the Alliance proposes can be a model for service delivery in other rural areas and

appears to be an excellent candidate for Department of Justice funds.

Ms. COLLINS. I am sure that many rural communities will benefit from the work of the Maine Alliance. Its plan has been inspired by the work of Dr. Carl Bell, President of the Community Mental Health Council in Chicago, Illinois. Dr. Bell's analysis of the effects of trauma and the needs of African-American youth in Chicago can be applied to the predominantly white and Native-American youth in eastern, rural Maine and ultimately youth in any rural area.

Mr. GREGG. I want to assure the Senator from Maine that I understand the importance of the work of the Maine Community Alliance to End Violence Against Children and its potential significance as a model for rural areas across the nation.

Ms. COLLINS. I thank the Chairman and the Subcommittee for their support and look forward to working with you to implement this project.

CONSOLIDATION OF ALL FIRST RESPONDER TRAINING AT THE CDP

Mr. SESSIONS. Mr. President, I would like to engage the distinguished Senator from New Hampshire in a brief colloquy to discuss the merits of consolidating training for our Nation's First Responders.

Would the Senator agree consolidation of all Department of Justice first responder training under the Center for domestic Preparedness at Fort McClellan, Alabama would significantly improve the quality and level of first responder domestic preparedness training?

Mr. GREGG. Is Consolidation of training in one organization really necessary?

Mr. SESSIONS. Yes. Stakeholders have repeatedly stated the need for a single authoritarian point of contact for training information. Also the June 2, 1999 Report to Congress specifically recognized the requirement: ''A centrally coordinated and standardized national training program is needed to ensure an effective, integrated response and to minimize redundancy in training programs.''

Mr. GREGG. What would be the advantage of this consolidation?

Mr. SESSIONS. OSLDPS approach to responder training is somewhat fragmented. The CDP currently oversees most DoJ training. However, in October, 2000, DoD will transfer responsibility for its Nunn-Lugar City Training program to DoJ. Current plans are to manage this new program out of OSLDPS in Washington, DC office. Consolidation of all DoJ training at the CDP would centralize all training in one organization providing a more effective, efficient use of resources.

Mr. GREGG. How much City Training will remain once the programs transfers to DoJ?

Mr. SESSIONS. Of the original 120 cities scheduled to receive training, only 25 will be completely finished by October 2000. Approximately 65 cities will be in some phase of training. This is a very large and complex training program requiring extensive coordination and attention to detail.

Mr. GREGG. Does the CDP have the expertise to execute such a large training program?

Mr. SESSIONS. Yes. The CDP Director and his key staff have extensive experience in planning, coordinating and executing large training programs with DoJ, DoD and other agencies. The staff also has expertise in the first responder disciplines, such as fire, law enforcement and emergency medical. The CDP is also closer and perhaps, more attuned to first responder issues.

Mr. GREGG. What is the relative experience of the OSLDPS key staff?

Mr. SESSIONS. While they have some experience in coordinating programs within the interagency arena, their primary experience has been in the area of grant formulation and execution. no one on the OSLDPS staff currently has any experience in executing a training program this large.

Mr. GREGG. Are there other advantages to consolidating DoJ first responder training at CDP?

Mr. SESSIONS. Yes. Placing one organization in charge of all DoJ training has several advantages:

It centralizes all training and course development, curriculum standardization, assessment and instructor certification in one organization;

It provides more effective oversight of training and related programs;

Eliminates course overlap and course redundancy;

It facilitates coordination of training issues in the interagency community; and

It provides a single point of contact ''one stop shopping'' for state and local responders for all training issues.

Mr. GREGG. Will this consolidation save money and manpower?

Mr. SESSIONS. Dual-hatting the Director of the CDP as the OSLDPS Director of Training will eliminate the need for a large training coordination and oversight function/staff in Washington, DC.

Mr. GREGG. Why is this so important?

Mr. SESSIONS. Consolidation of all training at the CDP is important because it will provide a single authoritative source for training and related technical assistance and information. To this end, I am convinced that the National Guard should establish its central distance learning facility at Fort McClellan to leverage these training requirements for the 11 million First Responders in America.

Mr. GREGG. I would like to say to my good friend from Alabama that I agree with his views on training consolidation at the Center for Domestic Preparedness, and I appreciate his time and attention to this important issue. I look forward to working with him to fully explore this issue with Justice Department officials in the coming months. I would hope they will move aggressively to implement a National Training Strategy.

Mr. SESSIONS. Mr. President, I thank my colleague for participating in this colloquy and for his support on this issue. I, too, look forward to working with my friend from New Hampshire and other colleagues on this important issue.

THE REPEAL OF SECTION 110 OF THE 1996 IMMIGRATION LAW

Ms. COLLINS. Mr. President, I rise today to discuss the important issue of a visa entry-exit control system with the Senator from Michigan, Mr. ABRAHAM, the Chairman of the Immigration Subcommittee, and Senator GREGG, the Chairman of the Commerce-Justice-State Appropriations Subcommittee.

Senator ABRAHAM, you and I and other Members who represent the Northern regions of our country have been working for over 3 years now to repeal Section 110 of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (P.L. 104–208). Section 110 of this 1996 Immigration law would require a recording and identification system to be implemented to document the arrival and departure of all non-U.S. citizens at all ports of entry in the U.S., including those entry points along the U.S. border with Canada.

Mr. ABRAHAM. The Senator is correct. Those of us who represent states bordering Canada know well the immense volume of tourism and trade that passes through our states from our neighbor to the North. The implementation of Section 110 would cause gross delays to all those crossing the Northern border from Canada, and ultimately have a disastrous impact on the Northern economy as critical trade and travel routes are slowed. It would also harm states along the Southern border as well.

Ms. COLLINS. In my State of Maine, this new border policy would have the most immediate impact on border communities such as Calais, Houlton, Madawaska, and Jackman. Businesses in these communities rely on Canadian consumers to stay in business. Moreover, the impact on trade, including lumber and tourism, would extend beyond these communities and reverberate across Maine and through the Northern economy as a whole.

Those of us who represent states along the Canadian border know intimately how deep the shared ties between the U.S. and Canada truly are. Our relationship has included disagreements over the years, but our Canadian neighbors are part of our family—a fact that is literally and figuratively true for many Mainers whose extended families live across the border in Canada.

Mr. ABRAHAM. Our border policy with Canada has served us well, and is a symbol of the close relationship between our two countries. The border with Canada is the longest continuous open border in the world, and our close friendship should not be clouded by a needless bureaucratic exercise. Moreover, numerous jobs, jobs held by

Americans in Michigan and elsewhere, would be lost if Section 110 is implemented. The effect on tourism and on just-in-time deliveries would inhibit the flow of goods and people in a way that would hurt the economics of many states.

Ms. COLLINS. Largely because of your efforts, Senator ABRAHAM, Section 110 has yet to be substantively implemented at land borders and sea ports of entry. Last year, the FY99 Omnibus Emergency Supplemental Appropriations Act (105–277) delayed the implementation of Section 110 on land and sea ports of entry until March 31, 2001, and included language stating that the entry/exit control system must ''not significantly disrupt trade, tourism, or other legitimate cross-border traffic at land border points of entry''. And in today's Commerce-Justice-State Appropriations bill, Section 110 is repealed outright. I salute your efforts on behalf of this very important measure which will benefit both of our states and the northern economy as a whole.

Mr. ABRAHAM. I thank the Senator from Maine for her remarks, and for the important work she has done to repeal this measure. As the overwhelming vote nearly one year ago illustrates, there is near unanimity in the Senate on this issue, and I salute the Senator from New Hampshire for his outstanding ongoing support, and his willingness to insert provisions addressing this problem into the underlying Commerce-Justice-State Appropriations Bill.

Mr. GREGG. I am pleased to support the measure to repeal Section 110 of the 1996 Immigration bill. I too believe strongly that the border policy we currently enjoy with the country of Canada should not be disturbed. I will continue to work in Conference to see that this matter is finally put to rest.

Mr. ABRAHAM. Thank you, Senator GREGG, your efforts are deeply appreciated by the American people.

Ms. COLLINS. Thank you to both Senators for their leadership on this issue, and for joining me in this colloquy.

DRUG ENFORCEMENT ADMINISTRATION

Mr. DEWINE. Mr. President, as the Senate reaches the conclusion of the Commerce-Justice-State Appropriations bill, I would like to speak a moment about an important US law enforcement agency funded in this bill—an agency dedicated to keeping drugs off our streets. I am specifically talking about the Drug Enforcement Administration.

Mr. President, in 1998, the DEA seized more drugs and arrested more traffickers than ever before. With limited funding, and unlimited hard work and dedication, DEA human resources are a vital source not just for our law enforcement activities, but for other nations as well. The DEA does its job without a heavy reliance on big ticket items like ships and aircraft. On the contrary, this agency relies primarily on manpower. Their manpower and skill are what makes them such an effective organization both inside and outside our borders.

Fortunately after 2 years of almost stagnant funding levels, the Republican Congress has been working to increase its investment in the DEA. Last year Congress provided the DEA with $1.4 billion in Fiscal Year 1999, an increase of roughly $60 million. This increase was possible largely through legislation Senator COVERDELL and I introduced and Congress passed last year—the Western Hemisphere Drug Elimination Act. However, we need to do more.

Congress should continue its support of the DEA. Increasing our investment in DEA, which will in turn increase the strength and ability of our counter-narcotics strategy, is the only way to continue to increase the numbers of drug arrests and seizures.

Let me give you some examples of where more DEA resources have and can continue to make a difference. Mr. President, I have visited Haiti numerous times and have visited the Dominican Republic as well. It is truly unfortunate that roughly twenty per cent of the drugs entering the United States travel through these two countries. The Haiti-Dominican Republic transit route has become increasingly popular for drug traffickers because both governments do not present a real threat to drug traffickers. What makes matters worse is that our resources devoted to preventing drugs from reaching this island have been minimal at best.

When I visited Haiti back in March 1998, I was astonished to find out that there was only one DEA agent stationed in Haiti. When I visited the Dominican Republic on the same trip, I was disappointed to find out there were only two DEA agents stationed there. How can our government keep drugs from entering our country if we do not make a commitment to seize drugs along a major international route on the drug trafficking highway? When I returned from that trip, I worked with the DEA and the Attorney General to get additional agents assigned to both countries. I received a commitment to station seven DEA agents in Haiti and six agents in the Dominican Republic. The process has been slow in getting the agents to Haiti—because of language training in particular—but the increase in agents has already made a tremendous difference.

Since that trip back in March 1998, I have returned to Haiti and the Dominican Republic, and visited with the DEA agents stationed there. As a result of our increased DEA presence on the island, the DEA, in conjunction with the US Customs and with the Haiti and Dominican governments, has pursued several counter-drug operations. Their presence also has helped increase cooperation between the two nations.

I had the opportunity to visit the Haitian-Dominican border last November to observe a DEA-Customs counter-drug initiative called Operation Genesis. Until that time, there was virtually no cooperation between the two nations at the border. This lack of cooperation is a major reason why the island became a popular drug trafficking route. The objective of Operation Genesis was to help both countries better coordinate and cooperate with each other to prevent drugs from transiting the border.

The enhanced Haitian-Dominican cooperation through overall DEA efforts has proven successful. For example, last February, the Haitian National Police in coordination with the DEA, arrested relatives of the Coneo family—a well known Colombian drug trafficking family with connections in Haiti and the Dominican Republic. Heriberto Coneo's wife, son and his brother-in-law were arrested in Haiti for carrying false Dominican passports. Haiti later expelled them to the Dominican Republic, where they were arrested and placed in prison. This was a major victory.

Another example of this enhanced cooperation was the recent arrest of a Haitian National Police Division Chief who had fled to the Dominican Republic after his involvement in the deaths of more than 11 Haitians. The coordinated efforts by the DEA with these two countries resulted in the Dominicans arresting the police official and expelling him to Haiti.

The DEA also has helped train the Haitian National Police counter-drug unit. With DEA assistance, our Embassy in Port-au-Prince reports that the Haitian police has seized more than $1 million in money being smuggled out of the country in large sums.

I also have seen the DEA in action in South America, specifically in Peru and in Colombia. I walked through poppy fields in Neiva, Colombia where I saw first hand the source of the serious heroin problem plaguing our country today. We were in a region only 20 miles from the Colombian demilitarized zone. The DEA has been instrumental in working and training the Colombian National Police to seize drugs and arrest drug lords.

While, I have described a few success stories, I need to remind my colleagues that the DEA is producing incredible returns on a very small investment.

Imagine what more the DEA could do if they had more personnel. The fact is the DEA simply does not have the resources to meet their demanding and necessary tasks. With more resources, border initiatives like the one in Haiti and the Dominican Republic could be expanded, allowing for a greater reduction in the heavy trafficking that occurs between the two countries. With more resources, additional DEA agents can be sent overseas to assist law enforcement officials in learning ways to stop drug trafficking. That kind of investment—to build anti-drug operations in other countries—will build even more barriers to drugs outside our borders.

Mr. President, last March, Senator COVERDELL and I, along with a number of our colleagues—Republican and Democrat—sent a letter to the Chairman and Ranking Member of the Commerce-Justice-State Appropriations Subcommittee, Senator GREGG and Senator HOLLINGS, calling for building on this year's investment in the DEA and requesting additional funding for 300 additional DEA agents, analysts and support personnel, and for other DEA initiatives. This request would enable the DEA to carry out specific initiatives outlined in the Western Hemisphere Drug Elimination Act, a three year initiative for enhanced international drug eradication and interdiction efforts.

I recognize the serious budget challenges facing this Subcommittee and other Appropriations subcommittees as well. Chairman GREGG and Senator HOLLINGS were extremely gracious in accommodating our request. Specifically, the Subcommittee earmarked $17.5 million for new DEA agents, analysts, and support staff for both international and domestic posts.

Mr. President, this is an important first step. It is my hope that as this bill moves to a conference with the House, the conferees will work to increase our overall investment in the DEA, so that specific priority requirements are not funded at the expense of other important DEA programs.

Again, Mr. President, since 1995 Congress has made great progress last year to increase our investment to revive our international counter narcotics strategy. Last year's passage of the Western Hemisphere Drug Elimination Act was the latest example of this progress. Not only did Congress pass legislation, but we also provided an $800 million down payment for the bill.

Unfortunately, the Clinton Administration is not showing a similar commitment. The President's Budget for Fiscal Year 2000 provided zero funding for provisions outlined in the Western Hemisphere Drug Elimination Act. In fact, it calls for more than $100 million less than our total anti-drug funding for 1999. The Coast Guard received zero funding for the acquisition of air/maritime assets; the Drug Enforcement Agency received zero funding for new agents; our Customs Service received zero funding for procurement of maritime/air assets and zero increases for U.S. Customs inspectors. This Administration has not demonstrated a commitment to fund a real, coherent international counter-drug strategy. What good is it to have tough drug laws here at home and a tough international counter narcotics policy at and beyond the border if you do not have the resources to enforce them?

Mr. President, I have repeatedly expressed my concerns that the Administration has not been doing enough in the fight against drugs. When the Clinton Administration took over, the DEA workforce dropped from 7,277 in 1992 to 7,066 in 1994. However, since the Republican takeover of Congress in 1994, we have fought to boost the workforce from 7,066 to more than 9,000. The Administration's latest action, or lack of action, only reinforces my belief that more can be done. There has been an increasing number of reports of outrageous amounts of drugs being distributed throughout our country that originates internationally and domestically. Why is that? Only the federal government can devote the resources to seize drugs outside our country. It is unfortunate that the Clinton Administration continues to fail to fully support this exclusive federal responsibility.

With increased DEA funding, we have the opportunity to eliminate one of the most glaring omissions in the President's budget. It is my hope that we will continue to search for additional funding to the DEA so that they can hire these new agents, analysts, and support personnel without having to sacrifice other important programs. These agents would work hand-in-hand with international law enforcement authorities to provide the intelligence, expertise, and even the manpower required to arrest the drug traffickers.

Mr. President, I have seen the DEA at work throughout the region. The agency is a group of hard-working dedicated individuals who risk their lives to create a healthy environment for democracies to flourish, while at the same time get the drugs off the streets of America. They do so much good with the limited resources they have. It is now time for us to pass this amendment, give the DEA additional resources and once again watch the number of arrests and seizures increase causing the flow of narcotics into our country to sharply decrease.

Mr. President, it is time to renew drug interdiction efforts; time to provide the necessary personnel and equipment to our drug-enforcement agencies, and time to make the issue a national priority once again.

Thank you, Mr. President. I yield the floor.

Mr. MCCAIN. Mr. President, I want to thank the managers of this bill for their hard work in putting forth annual legislation which provides federal funding for numerous vital programs. The Senate will soon vote to adopt the Commerce, Justice, State Appropriations Bill for the Fiscal Year 2000. I intend to support this measure because it provides funding for fighting crime, enhancing drug enforcement, and responding to threats of terrorism. This further addresses the shortcomings of the immigration process, funds the operation of the judicial system, facilitates commerce throughout the United States, and fulfills the needs of the State Department and various other agencies.

For many years, I have tried to cut wasteful and unnecessary spending from the annual appropriations bills—with only limited success, I must admit. Nonetheless, I will continue my fight to curb wasteful pork-barrel spending, and I regret that I must again come forward this year to object to the millions of unrequested, low-priority, wasteful spending in this bill and its accompanying report. This year's bill has over $1 billion in pork-barrel spending. This is a disgracefully huge increase over last year's FY 99 Commerce, Justice, State Appropriations Bill, which contained $361 million in pork-barrel spending. $1.2 billion is an unacceptable amount of money to spend on low-priority, unrequested, wasteful projects. In short, Congress must curb its appetite for such unbridled spending.

CBO projects that we will have close to a trillion dollar budget surplus over the next 10 years. However, if we continue with our current levels of wasteful spending, these budget surpluses may not occur. Pork-barrel spending today not only robs well-deserving programs of much needed funds, it also jeopardizes social security reform, potential tax cuts, and our fiscal well-being into the next century.

The multitude of unrequested earmarks buried in this proposal will undoubtedly further burden the American taxpayers. While the amounts associated with each individual earmark may not seem extravagant, taken together, they represent a serious diversion of taxpayers' hard-earned dollars to low priority programs at the expense of numerous programs that have undergone the appropriate merit-based selection process. Congress and the American public must be made aware of the magnitude of wasteful spending endorsed by this body.

I have compiled a lengthy list of the numerous add-ons, earmarks, and special exemptions provided to individual projects in this bill. It would take a substantial amount of time to recite this list to you. Instead, I will ask unanimous consent to include this list in the RECORD.

Mr. President, because of our nation's robust economy, we now have a balanced budget. But we cannot continue to bear the financial burden of servicing a $5.6 trillion national debt. We need to continue to work to cut unnecessary and wasteful spending so we can begin to pay down our debt and save billions in interest payments.

As I mentioned earlier, CBO recently projected that we will have close to a trillion dollar budget surplus over the next 10 years. These are projections and not real dollars until they materialize. Further, these surplus projections are all contingent on Congress maintaining the spending caps. Unfortunately, I already hear the grumbling to break these caps even as we have only deliberated on a small number of appropriations bills.

Simply because we can fund programs of questionable merit within the spending caps does not mean that we should. There is no room for pork-barreling when we are so close to breaking the caps. Last year alone, I uncovered

over $14 billion of wasteful spending in the appropriations bills. $14 billion funds a lot of worthy programs.

As a matter of simple fairness, we have an obligation to ensure that Congress spends taxpayers' hard-earned dollars prudently to protect our balanced budget and to protect the projected budget surpluses. The American public cannot understand why we continue to earmark these huge amounts of money to locality specific special interests at a time when we are trying to cut the cost of government and return more dollars to the people. Pork barrel spending cannot be justified in an environment where our highest fiscal priorities should be to save Social Security, and provide much needed tax relief such as: increasing the number of tax payers in the 15% tax bracket, elimination of the marriage penalty; reduced taxation of savings and investment income; repeal of the estate and gift tax; repeal of the Social Security Earnings Test; increasing the contribution level for 410(k), and 457 retirement plans; and increasing the contribution level for the traditional IRA to $5,000.

Let me say very frankly that I do not generally like the idea of griping year after year regarding Congress' appetite for wasteful pork-barrel spending. But it is a sad commentary on the state of politics today that the Congress cannot curb its appetite to earmark funds for programs that are obviously wasteful, unnecessary, or unfair. Unfortunately, however, Members of Congress have demonstrated time and again their willingness to fund programs that serve their narrowly tailored interest at the expense of the national interest.

I ask unanimous consent the list be printed in the RECORD.

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

OBJECTIONABLE PROVISIONS CONTAINED IN S. 1217 THE DEPARTMENTS OF COMMERCE, JUSTICE, AND STATE, THE JUDICIARY, AND RELATED AGENCIES APPROPRIATIONS BILL

Bill Language

DEPARTMENT OF JUSTICE

$2,500,000 for the operation of the National Advocacy Center at the University of south Carolina

$5,000,000 for a task force in each of the paired locations of Philadelphia, Pennsylvania, and Camden, New Jersey; Las Cruces, New Mexico, and Albuquerque, New Mexico; Savannah, Georgia, and Charleston, South Carolina; Baltimore, Maryland, and Prince Georges County, Maryland; and Denver, Colorado, and Salt Lake City, Utah

An earmark for funding for the care and housing of Federal detainees held in the joint Immigration and Naturalization Service and United States Marshals Service's Buffalo Detention Facility

Funding for planning, acquisition of sites and construction of new facilities; and for leasing the Oklahoma City Airport Trust Facility

$50,000,000 for the Boys and Girls Clubs in public housing facilities and other areas in cooperation with State and local law enforcement

$3,000,000 for the National Institute of Justice to develop school safety technologies

$5,200,000 to the National Institute of Justice for research and evaluation of violence against women

JUDICIARY

$2,700,000 to the ''Courts of Appeals, District Courts, and Other Judicial Services'' for the Institute at Saint Anselm College and the New Hampshire State Library

A $500,000 earmark for the National Law Center for Inter-American Free Trade in Tucson, Arizona

$13,500,000 for the East-West Center in Hawaii

$125,000 for the Maui Pacific Center in Hawaii

$12,500,000 earmarked for the Center of Cultural and Technical Interchange Between East and West in the State of Hawaii

Language providing that all equipment and products purchased with funds made available in this Act should be American-made

Report Language

DEPARTMENT OF JUSTICE

A $30,000,000 earmark for the creation of two counterterrorism laboratories at the site of the Oklahoma City bombing and at Dartmouth College, for research of new technologies and threat reduction for chemical and biological weapons as well as cyber-warfare.

$2,300,000 to expand the multi-agency task forces in Richmond and Boston, which are designed to keep firearms out of the hands of criminals by enforcing Federal gun laws, by implementing these programs in Philadelphia and Camden.

$25,000,000 is earmarked for expansion of the existing ''Exile program'' in Philadelphia, PA and Camden, NJ and to create new task forces in the following four crime corridors: Las Cruces—Albuquerque, NM; Savannah, GA—Charleston, SC; Denver, CO—Salt Lake City, UT; and Baltimore—Prince George's County, MD.

$2,612,000 for a courtroom technology pilot program involving 10 districts, including Colorado, the northern district of Mississippi, Montana, New Mexico, South Carolina, and Vermont.

$500,000 to establish a Bankruptcy Training Center at the National Advocacy Center at the University of South Carolina

A $13,750,000 earmark for courthouse security equipment to outfit newly opening courthouses in the following locations: Omaha, NE; Hammond, IN; Covington, KY; Charleston, WV; Montgomery, AL; Tucson, AZ; Phoenix, AZ; Charleston, SC; Albany, NY; Los Angeles, CA; Sioux City, IA; Pocatello, ID; Agana, Guam; Islip, NY; St. Louis, MO; Kansas City, MO; Las Vegas, NV; Albuquerque, NM; Riverside, CA; Corpus Christi, TX.

$500,000 for the acquisition and installation of videoconferencing equipment in the following locations: Leavenworth, KS; Dawson County, NE; Las Vegas, NV; Charlotte, NC; and high-volume jail locations to be determined in New Mexico and elsewhere.

Earmarks for courtoom construction at the following locations: Fairbanks, AK; Prescott, AZ; Atlanta, GA; Moscow, ID; Chicago, IL; Rockford, IL; Louisville, KY; Detroit, MI; Las Cruces, NM; Greensboro, NC; Muskogee, OK; Pittsburgh, PA; Florence, SC; Spartanburg, SC; Columbia, TN; Beaumont, TX; Sherman, TX; Cheyenne, WY. Not only are these amounts earmarked for particular locations, but the total earmark is $800 above low tax budget requests.

$25,392,000 for the National Infrastructure Protection Center, of which $1,250,000 is for a national program for infrastructure assurance developed in cooperation with the Thayer School of Engineering.

Language addressing the need for a focused response to illegal drug trafficking in northern New Mexico and an expectation that the FBI will devote sufficient resources to this problem in cooperation with other federal law enforcement agencies.

Language addressing the need for a focused response to illegal drug trafficking in northern New Mexico and an expectation that the DEA will devote sufficient resources to this problem in cooperation with other Federal law enforcement agencies.

A $222,000 earmark for the Iowa Division of Narcotics Enforcement to support the overtime, travel, and related expenses of 11 additional narcotics enforcement personnel.

$178,000 for an Iowa methamphetamine education mobile learning center.

Funding provided, within the amount made available for legal proceedings, to increase by not less than two the number of attorneys assigned to the district office in Alaska.

$250,000 for office space for the special agent on Kodiak Island.

$3,000,000 for the Law Enforcement Support Center. Report language assumes Louisiana, Mississippi, and South Carolina will be added to the system.

$1,500,000 for equipment, modifications, and manning for a Secure Electronic Network for Traveler's Rapid Inspection lane at San Luis, AZ, port of entry.

Report language directing the Immigration and Naturalization Service to give full consideration to the Etowah County Detention Center in Alabama should it seek to expand available bed space in the region, as long as the county facility remains cost competitive.

An earmark of $49,968,000 for new Border Patrol construction as follows: $1,000,000 in Alcan, AK for POE Housing; $1,000,000 in Skagway, AK for POE Housing; $6,500,000 in Chula Vista, CA for a Border Patrol Station; $5,000,000 in El Centro, CA for Sector HQ; $7,850,000 in Santa Teresa, NM for a Border Patrol Station; $4,000,000 in Alpine, TX for a Border Patrol Station; $1,200,000 in Brownsville, TX for a Border Patrol Station; $4,300,000 in Del Rio, TX for Border Patrol Sector HQ; $5,118,000 in Presidio, TX for Border Patrol Housing; and $14,000,000 in Charleston, SC for a Border Patrol Academy.

$8,148,000 for Border Patrol planning, site acquisition, and design as follows: $600,000 in Campo, CA for a Border Patrol Station; $307,000 in El Cajon, CA for a Border Patrol Station; $447,000 in Temecula, CA for a Border Patrol Station; $300,000 in Douglas, AZ for a Border Patrol Station; $1,330,000 in Tucson, AZ for a Border Patrol Station; $687,000 in Yuma, AZ for a Border Patrol Station; $173,000 in Del Rio, TX for Checkpoints; $934,000 in Eagle Pass, TX for a Border Patrol Station; $865,000 in El Paso, TX for a Border Patrol Station; $128,000 in Laredo, TX for Checkpoints; $954,000 in McAllen, TX for Sector HQ; $685,000 in McAllen, TX for a Border Patrol Station; $500,000 in Port Isabel, TX for a Border Patrol Station; and $238,000 in Sanderson, TX for a Border Patrol Station.

$11,000,000 is earmarked for new construction of a Border Patrol Service Processing Center in Port Isabel, TX.

$9,500,000 for new construction of a Border Patrol Service Processing Center in Krome, FL.

$2,000,000 for Border Patrol planning, site acquisition, and design of Service Processing Centers in the following locations: $1,000,000 in El Centro, CA; $800,000 in Florence, AZ; and $200,000 in El Paso, TX.

$2,000,000 for housing at the remote Alcan and Skagway ports of entry in Alaska.

$367,000 for a fence in Santa Teresa, NM.

Funding for five new prisons: one minimum security facility in Forrest City, AR; a medium and minimum security facility in Victorville, CA; and detention centers in Houston, TX, Brooklyn, NY, and Philadelphia, PA.

An earmark of $101,633,000 to begin or complete activation of the following facilities: $7,500,000 in Butner, NC; $5,422,000 in Fort Devens, MA; $1,902,000 in Loretto, PA; $4,585,000 in Forrest City, AR; $25,230,000 in Victorville, CA; $19,384,000 in Houston, TX; $22,258,000 in Brooklyn, NY; $15,352,000 in Philadelphia, PA.

$221,000,000 to complete construction of the Northern Mid-Atlantic penitentiary and the South Carolina facility.

$94,000,000 earmarked for construction of a Federal Correctional Institution at Yazoo City, Mississippi.

Recommended bill language which allows for leasing a facility in Oklahoma City, OK.

$50,948,000 for the National Institute of Justice for fiscal year 2000 to expand the Adam Program.

The National Institute of Justice is directed to provide $2,100,000 to the School Crime Prevention and Security Technology Center.

The National Institute of Justice is further directed to provide $1,025,000 to the Criminal Imaging Response Center, at the Institute of Forensic Imaging, Indianapolis, Indiana, to conduct research; $300,000 to the United States Mexico Coalition to determine costs to border counties to process criminal illegal immigrants; $1,500,000 to the University of Connecticut Health Center to establish a prison health research center; and $2,500,000 for the National Center for Rural Law Enforcement in Arkansas to establish a school violence research center.

Funding for the Office of Justice Programs to expand training activities at the Fort McClellan Center for Domestic Preparedness and to enter into training agreements with the New Mexico Institute of Mining and Technology, Louisiana State University, Texas A&M University, and the Nevada Test site to develop and implement first responder preparedness training curricula.

$30,000,000 for the creation of two counterterrorism laboratories for research on chemical and biological weapons as well as cyberwarfare, to be located at the site of the Oklahoma City bombing and at Dartmouth College.

$3,500,000 for a Consolidated Advanced Technologies for the Law Enforcement Program at the University of New Hampshire and the New Hampshire Department of Safety.

$2,000,000 for continued support for the expansion of Search Group, Inc. and the National Technical Assistance and Training Program to assist States, such as West Virginia, to accelerate the automation of fingerprint identification processes.

$1,500,000 for project Return in New Orleans, LA.

$1,500,000 to the New Hampshire Department of Safety to support Operation Streetsweeper.

A $973,900 earmark to allow the Utah State Olympic Public Safety Command to continue to develop and support a public safety master plan for the 2002 Winter Olympics.

$400,000 is earmarked for the Western Missouri Public Safety Training Institute for classroom and training equipment to facilitate the training of public safety officers.

$1,000,000 for the Nevada National Judicial College.

$2,000,000 for the Alaska Native Justice Center.

$800,000 is earmarked for the San Bernardino, CA, Night Light Program to provide five probation officers and five police officers 24 hours a day, 7 days a week.

$250,000 to Gallantin County, Montana, for the planning and needs assessment for a new detention facility;

$3,000,000 for the National Center for Innovation at the University of Mississippi School of Law to sponsor research and produce judicial education seminars and training.

An earmark of $1,200,000 to the Haymarket Center's Alternatives to Incarceration Program, Chicago, Illinois.

$330,000 to the city of Oakland, California, for Project Exile.

$50,000,000 for the Boys and Girls Clubs of America, to include a pilot program for Internet education directed toward the states of Alaska, Missouri, Montana, New Hampshire, South Carolina, Wisconsin, and Arizona.

Report language indicating that the Office of Justice Programs should consider the needs of the Wapka Sica Historical Society of South Dakota and award a grant, if warranted.

$350,000 to establish the Sarpy County Drug Treatment Court in Nebraska.

$500,000 to the Family Protection Unit in Oceanside, California.

$290,000 to the Alaska Family Violence Project.

$1,750,000 is earmarked for the Las Vegas victims of domestic violence program.

$250,000 for the Legal Aid Society of Hawaii Navigator Project.

An earmark of $7,500,000 to the Utah Communications Agency Network for enhancements and upgrades of security and communications infrastructure to assist with the law enforcement needs arising from the 2002 Winter Olympics;

$7,500,000 to the Utah Communications Agency Network (UCAN) for enhancements and upgrades of security and communications infrastructure to assist with the law enforcement needs arising from the 2002 Winter Olympics.

$2,500,000 to the Missouri State Court Administrator for the Juvenile Justice Information System to enhance communication and collaboration between juvenile courts, law enforcement, schools, and other agencies.

$550,000 to the City of Santa Monica's automated Mobile Field Reporting System to place new computers in patrol cars.

$1,200,000 to Yellowstone County, Montana, to place Mobile Data Systems in patrol cars.

$650,000 to Yellowstone County, Montana, for a driving simulator to assist them with law enforcement driver training needs.

$1,333,200 to the city of Jackson, Mississippi, for public safety and automated systems.

$60,000 for Delta State University, Cleveland, Mississippi, for public safety and automated system technologies to improve campus law enforcement security.

$10,000,000 for the South Dakota Bureau of Information and Telecommunications to enhance their emergency communication system.

$2,000,000 to the Alameda County, California, Sheriff's Department for a regionwide voice communications system.

$2,500,000 for the North Carolina Criminal Justice Information Network to implement J-Net.

$390,112 to Racine County, Wisconsin, for a countywide integrated Computer Aided Dispatch management system and mobile data computer system.

$200,000 to the Vermont Department of Public Safety for a mobile command center.

$350,000 to the Birmingham, Alabama, Police Department for a mobile emergency command unit.

$1,000,000 to Fairbanks, Alaska, for police radios and telecommunications equipment.

$90,000 to Fairbanks, Alaska, for thermal imaging helmet mounted rescue goggles.

$200,000 for Mobile Data Computer System in Logan, Utah.

$106,980 for public safety and automated system technologies, Ocean Springs, Mississippi.

$3,000,000 to the Low Country Tri-County Police initiative.

$350,000 to the Union County, SC, Sheriff's Office for technology upgrades.

$430,000 to the Greenwood County, SC, Sheriff's Office for technology upgrades.

$1,500,000 to the St. Johnsbury, Rutland, and Burlington, VT, technology programs.

$6,000,000 to the Vermont Public Safety Communications Program.

$400,000 to the Kauai County Police Department in Hawaii, to enhance their emergency communications systems.

$400,000 to the Maui County Police Department in Hawaii, to enhance their emergency communications systems.

$110,000 for the Scotts Bluff Emergency Response System.

$2,000,000 for the Rock County Law Enforcement Consortium.

$100,000 for Mineral County, Nevada, technology program.

$28,000 for Nenana, Alaska's, mobile video and communications equipment.

$500,000 to the New Jersey State police for new firearms.

$2,000,000 to the Seattle Police Technology Program.

$2,000,000 to the South Dakota Training Center [LET] for technology upgrades.

$9,000,000 to the Southwest Border States Anti-Drug Information Systems [SWBSADIS] for technology upgrades.

$3,000,000 to the New Hampshire State Police VHF trunked digital radio system; and

An earmark of $1,700,000 for the Circle of Nations, North Dakota, Juvenile Detention Center to serve high risk American Indian youth.

Report language recommending that the Office of Justice Programs provide a $2,000,000 grant to Marshall University Forensic Science Program; $5,000,000 to the West Virginia University Forensic Identification Program; $500,000 for the Southeast Missouri Crime Laboratory; $660,760 to the Wisconsin Laboratory to upgrade DNA technology and training; $1,250,000 for Alaska's crime identification program; $1,200,000 to the South Carolina Law Enforcement Division to update their forensic laboratory.

$6,000,000 is earmarked for the Midwest (Missouri) Methamphetamine Initiative to train local and state law enforcement officers on the proper recognition, collection, removal, and destruction of methamphetamine.

$1,200,000 for the Iowa methamphetamine law enforcement initiative.

$1,000,000 for the Rocky Mountain, Colorado, Methamphetamine Initiative.

$1,000,000 for the Illinois State Police to combat methamphetamine and to train officers in those types of investigations.

$1,000,000 for the Western Wisconsin Methamphetamine Law Enforcement Initiative.

$1,000,000 for the Northern Utah Methamphetamine Initiative.

$525,000 is earmarked for the Nebraska Clandestine Laboratory Team.

$1,000,000 to the Las Vegas Special Police Enforcement and Eradication Program to be equally divided between the Las Vegas Police Department and the North Las Vegas Police Department.

$50,000 for the Grass Valley Methamphetamine Initiative.

A $1,000,000 earmark for the Arizona methamphetamine initiative.

Report language directing the Office of Justice Programs to review requests from Washington State and award grants if warranted.

Report language directing the Weed and Seed Office to provide $600,000 to the Kids With a Promise Program, Bushkill, PA and $300,000 to the Gospel Rescue Ministries.

A $3,500,000 earmark for the Hamilton Fish National Institute on School and Community Violence.

$2,000,000 to expand the Milwaukee Safe and Sound Program to other Wisconsin cities such as Green Bay and Eu Claire.

$1,000,000 through the University of Montana to create a juvenile after-school program based on the study of Northwest Native Americans in relation to the Lewis and Clark expedition.

$750,000 is earmarked for the Rio Arriba County, New Mexico, After School Program.

$200,000 for an evaluation of the Vermont SAFE–T and Colchester Community Youth Project.

$200,000 for the Vermont Association of Court Diversion Programs to help prevent and treat teen alcohol abuse.

Report language directing the Office of Juvenile Justice and Delinquency Prevention to provide $1,000,000 to Utah State University for a pilot mentoring program that focuses on the entire family and $1,000,000 to the Tom Osborne Mentoring Program.

$1,000,000 to the Sam Houston State University and Mothers Against Drunk Driving to establish a National Institute for Victims Studies.

$165,000 to the Inglewood California, Graffiti Removal Project to combat and clean up graffiti in the Inglewood schools.

$500,000 to the San Bernardino County, California, Home Run Program for five probation officers to be placed in schools.

$540,767 to the Milwaukee Public Schools Summer Stars Program.

$425,000 is earmarked for the Montana Juvenile Justice System Teleconferencing Equipment.

$500,000 for the University of Louisville School Safety Project.

$250,000 for the Alaska Community in School Program.

DEPARTMENT OF COMMERCE AND RELATED AGENCIES

$117,500,000 is earmarked for the National Technical Information Service's ''Construction of research facilities'' account, which includes $10,000,000 for a cooperative agreement with the Medical University of South Carolina and $10,000,000 for a cooperative agreement with Dartmouth College.

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

National Ocean Service

Report earmarks the following projects:

$500,000 to continue the South Carolina geodetic survey.

$3,000,000 for the joint hydrographic center for the evaluation of innovative equipment and techniques for the acquisition of survey data at the University of New Hampshire.

$1,566,000 for a data survey of Naragansett Bay, RI to be conducted in conjunction with the Rhode Island Coastal Resources Management Council.

$1,000,000 for the South Carolina Task Group on Toxic Algae for research and response activities.

$1,400,000 for the South Florida Ecosystem.

$100,000 above the request level for the Coastal Vulnerability Reduction Program for the Community Sustainability Center, in Charleston, SC.

$5,800,000 for the cooperative Institute for Coastal and Estuarine Environmental Technology (located at the Univ. Of New Hampshire—UNH not specified in report). p. 89.

$1,250,000 for a Pacific Coastal Services Center in Hawaii.

$2,000,000 for the Joint Institute for Coastal Habitat at Louisiana State University.

$2,000,000 for the National Coral Reef Institute and to continue Hawaiian coral reef monitoring and assessment by the University of Hawaii.

$6,825,000 for the Great Lakes Environmental Research Laboratory (FY 99 appropriated level).

Report directs the Coastal Ocean Program (a NOAA office) to work with and continue its current levels of support for the Baruch Institute's (SC) research and monitoring of small, high-salinity estuaries.

National Marine Fisheries Service

The bill report earmarks the following projects:

$500,000 for the Hawaiian Community Development Program and fishery demonstration projects for native fisheries development.

$3,000,000 for PACFIN, the Pacific fishery information network, and directs that Hawaii receive an appropriate share of PACFIN resources. (same level as FY 99)

$3,000,000 for AKFIN, the new Alaskan fishery information network. (A new line item)

$3,900,000 for RecFIN, the recreational fishery information network program. Report further directs that the Pacific, Atlantic, and Gulf States each receive one-third of these funds with funding for inshore recreational species assessment and tagging efforts in South Carolina.

$2,400,000 for continued operations of the NOAA vessel the Gordon Gunter, homeported in Mississippi.

$250,000 for the harvest technology unit of the National Warmwater Aquaculture Research Center at Stoneville.

For information collection and analyses resource information programs:

$3,500,000 for implementation of the Magnuson-Stevens Act off the coast of Alaska;

$2,500,000 for the Gulf of Mexico Stock enhancement consortium;

$500,000 for the Hawaii stock enhancement plan;

$300,000 for Hawaiian sea turtles;

$200,000 to conduct sampling of lobster population in State waters in New England;

$400,000 to continue research on shrimp pathogens in the southeastern U.S.;

$300,000 to continue a study of the status and trends of southeastern sea turtles;

$300,000 for research on the Charleston bump, an offshore bottom feature which attracts large numbers of fish;

$1,500,000 for the Chesapeake Bay multispecies management strategy;

$1,050,000 for Hawaiian monk seals.

$1,000,000 for the Xiphophorus Genetic Stock Center at Southwest Texas State University for fish genetics and evolution;

$1,500,000 for Chesapeake oyster research.

$6,325,000 for Alaska groundfish monitoring, including $300,000 for the Berin Sea Fisherman's Association, $225,000 for the Gulf of Alaska Coastal Communities Coalition.

$1,250,000 for the State of Alaska to develop commercial fisheries near shore, including dive fisheries fur urchins, and groundfish fisheries for cod, rockfish, skates, and dogfish.

$4,000,000 for Stellar sea lion recovery off of Alaska, including $1,100,000, for the State of Alaska, $1,000,000 for the Alaska SeaLife Center, and $800,000 for the North Pacific Marine Mammal Consortium.

an $800,000 increase over the FY 99 appropriated level of $700,000 for the Yukon River Drainage Fisheries Association for habitat restoration and monitoring projects.

$200,000 for the Northeast Fisheries Science Center for the Virginia Institute for Marine Science to begin participation in the Cooperative Marine Education and Research Program.

$850,000 to continue the Marine Resources Monitoring Assessment and Prediction Program carried out by the South Carolina Division of Marine Resources.

$2,000,000 for maintenance of the Sandy Hook, NJ NMFS facility lease.

$300,000 for maintenance of the Santa Cruz Lab.

$1,500,000 for maintenance of the Kodiak facility.

Report earmarks funding for the following commissions in Alaska:

$400,000 for the Alaska Eskimo Whaling Commission

$250,000 for the Beluga Whale Committee

$100,000 for Bristol Bay Native Association

$200,000 for Aleut Marine Mammal Commission

Report earmarks the following:

$500,000 for swordfish research at the NMFS Honolulu laboratory.

$6,000,000 for the implementation of the American Fisheries Act, including $750,000 for the State of Alaska (a $20 million taxpayer funded fishing industry buy-out attached to the Omnibus bill last year)

$8,000,000 for NMFS to spend on the Gulf of Maine groundfish fishery (includes MA–NH–ME), including $2,820,000 for the Northeast Consortium to conduct cooperative research and development.

$800,000 to the State of Alaska to conduct harbor seal research.

$6,200,000 for California sea lions.

$250,000 for the State of Alaska for technical support of proposed salmon recovery plans.

$425,000 for the North Pacific Fishery Observer Training Center.

$750,000 for the Hawaiian Fisheries Development Program.

$300,000 for a New England Safe Seafood Program.

$300,000 for the Alaska Fisheries Development Foundation.

Oceanic and Atmospheric Research

Report earmarks the following projects:

$1,000,000 for Southeast Atlantic marine monitoring and prediction at the University of North Carolina;

$1,500,000 for a tsunami warning and environmental observatory at Shumigan Islands;

$1,200,000 for ballast water research and small boat portage zebra mussel dispersion problems in the Chesapeake Bay and Great Lakes, including Lake Champlain;

$250,000 for South Carolina Division of Marine Resources Research on Coastal Urbanization Impacts;

$240,000 for the Muskegon (MI) Lake Center;

$200,000 for the New England airshed pollution study;

$500,000 for the Gulf Coast Study on severe weather impacts;

$300,000 for the Lake Champlain study; and

$1,000,000 for the Gulf of Mexico oyster initiative.

NOAA Facilities

Report earmarks $10,000,000 for conversion of two surplus Navy Yard Torpedo Test vessels. One to be a replacement in Charleston, SC for the research vessel Farrel, and one to be located with and used by CICEET and the Joint Hydrography Center at the Univ. Of New Hampshire.

Procurement, Acquisition, and Construction

Report earmarks $14,500,000 for Alaska facilities (of which $1 million is for Juneau, $5 million is for Ship Creek, and $8.5 million is for SeaLife Center.)

THE JUDICIARY

An earmark of $2,000,000 for the Bureau of Consular Affairs Visa Office for planning, developing, and implementing and information technology solution, the Olympic Visa Issuance Database.

$100,000 for the Montana Tech. Foreign Exchange Program.

$1,000,000 for planning activities for the Paralympics and Winter OIympic Games to be held in 2002.

A $5,000,000 earmark for costs associated with hosting the World Trade Organization conference in Seattle, WA.

$9,353,000 for the Great Lakes Fishery Commission, which includes $8,724,000 for the sea lamprey operations and research program, of which not less than $200,000 shall be used to treat Lake Champlain.

$921,000 to replace an aerostat at Cudjoe Key, Florida that was decommissioned in June, 1998.

$10,000,000 for two rotatable transmitting antennas at the IBB transmitting site in Greenville, NC.

Mr. HATCH. Mr. President, I rise to address the funding for the Judicial Branch for fiscal year 2000. The Appropriations Committee that worked on this budget has done an outstanding job with limited resources and very demanding budget requests. Senators STEVENS, GREGG, BYRD, and HOLLINGS, and their staffs, are to be commended for doing a very difficult job in a professional manner that does credit to the Senate.

As chairman of the Judiciary Committee, I have a special interest in this budget. And I agree with most of the Senate bill. The Senate bill fully funds compensation for judges. This is required by the Constitution.

The Senate bill fully funds judges' staffs. This is appropriate because judges cannot operate without their law clerks and secretaries.

The Senate bill fully funds the rental costs of court facilities leased from the General Services Administration. This is appropriate because we must have courtrooms for judges and their staffs to work in.

Further, the Senate bill appropriately reduces funding for certain expenditure requests that were not critically needed.

However, the Senate bill underfunds court support staff and operating expenses for the circuit and district courts by a net 257 million dollars.

The Judiciary's budget request was for maintaining the current level of services by support staff. The support staff is needed to handle high levels of criminal cases, bankruptcy cases, pretrial services, and supervised release services. These duties are not going away. The Judiciary is required by law to continue to address each of these areas. Moreover, I note that the Judiciary's budget request does not even take into account the increased workload that new legislation, like the Juvenile Crime Bill, will place on the federal courts.

The Judiciary cannot maintain the current level of services in the Courts of Appeal and District Courts without some portion of the 257 million dollar shortfall being replaced.

I request that over the next few months we work together to provide the Judiciary with additional funding for support staff on the Courts of Appeal and the District Courts.

I am also concerned about a deeper problem that exists with the budget process for the Judiciary.

Current law requires the Executive Branch to submit the Judiciary's annual budget request to Congress ''without change.'' Nonetheless, the Administration's Office of Management and Budget indirectly decreases the Judiciary's budget request through the use of negative allowances.

The Judicial Branch should be required to be responsible in its budget requests, and I believe they are. But, the Judicial Branch's budget should not be subject to reductions by the Executive Branch to fund the political priorities of the President. Current law prohibits such reductions, but the Administration does not follow this law. This is a systemic problem that I hope we can address in the future along with the Judiciary's current-year budget needs.

As legislators, it is our duty under Article I of the Constitution to provide sufficient funds so that the federal courts established under Article III of the Constitution are effective and federal law is upheld. I look forward to working with my colleagues on both sides of the aisle to address these issues in the next few months.

Mr. DEWINE. Mr. President, I would like to take a few moments to thank Senator GREGG, the Chairman of the Commerce, State, Justice Appropriations Committee, as well as Senator HOLLINGS, for their full support of the Crime Identification Technology Act in this appropriations bill. Their support represents a strong commitment to anti-crime measures that really work to reduce crime.

This Act is a bipartisan law that Congress passed unanimously last year. The Crime Identification Technology Act is based on the recognition that technology is the key to the future of police work. We can no longer continue to ask law enforcement to fight increasingly mobile and sophisticated criminals with outmoded twentieth-century Technology.

The Crime Identification Technology Act will help state and local justice systems update and integrate their anti-crime technology systems and support their overburdened forensic crime laboratories. CITA authorizes $250 million to states and local governments each year, for five years, for crime technology. This effort is fully funded in this appropriation bill.

State and local governments are at a crucial juncture in the development and integration of their criminal justice technology. This bill provides for system integration, permitting all components of the criminal justice system to share information and communicate more effectively, on a real-time basis.

This is one of the wisest investments we could possibly make. I would like to emphasize three reasons for this. First, crime technology, in itself, is crucial to making significant reductions in the crime rates in our communities. Second, we can use this opportunity to leverage the Federal Government's investments in national anti-crime systems that require state participation, such as the Integrated Automated Fingerprint Identification System, the National Criminal Information Center 2000, and the National Integrated Ballistics Information Network. We have literally invested billions of dollars in national systems. That is a key reason why so many organizations have applauded the appropriators' support of anti-crime technology, including the International Association of Police Chiefs, National Governor's Association, National League of Cities, American Society of Crime Laboratory Directors, the American Academy of Forensic Sciences, and our states' information repository directors in the National Consortium of Justice & Information Statistics.

Third, but certainly not last, there is a tremendous need to consolidate the patchwork of Federal programs, which have funded specific areas of anti-crime technology to the exclusion of others. A recent GAO report identified more than $1.2 billion in direct and indirect support to state and local governments; however, the absence of coordination and integration of both systems and funding means that if we continue the current system of disparate funding streams, there will never be enough money or integration. Too many existing Federal programs mandate specific technology spending, instead of allowing states the flexibility to meet their respective anti-crime technology needs within the type of broad framework which the Crime Identification Technology Act. CITA offers a dedicated, coordinated stream of funding to help states develop and upgrade their anti-crime technology from the patchwork of existing programs, and utilize the technical assistance of agencies who have developed technological expertise. I believe that this will greatly increase accountability and efficiency.

The bottom line for me, based on my more than 25 years in law enforcement, is that fully employing our anti-crime technology today will help law enforcement solve more crime, more rapidly, and pursue increasingly sophisticated, mobile criminals.

Again, I want to thank Chairman GREGG, and Senator LEAHY and Senator HATCH for their strong support of the Crime Identification Technology Act and its appropriation. I would also like to extend my personal thanks to Senator GREGG's staff, particularly Jim Morhard and Eric Harnschteger for making the best of a very difficult funding situation.

I thank the Chair and I yield the floor.

ECONOMIC DEVELOPMENT ADMINISTRATION

Mr. HUTCHINSON. Mr. President, I rise today along with Senator SNOWE to voice my deep concerns regarding the substantial cut to the economic Development Administration's Fiscal Year 2000 budget. The FY 2000 Commerce, Justice, State appropriations bill being considered by the Senate cuts EDA's budget by $164.1 million—from $392.4 million in FY 1999 to $228.3 million for FY 2000. This represents a

42 percent cut. Clearly, this reduction will have a dramatic affect on the EDA's ability to serve distressed rural and urban communities in states like Arkansas, New Hampshire, Maine, Alaska, New Mexico, Kentucky, and Colorado.

My colleagues will remember that last November we passed the Economic Development Administration Reform Act of 1998. In response, the EDA has become a more efficient and effective agency by reducing regulations by 60 percent; they have trimmed the period of processing applications to 60 days; and they are now requiring applicants to demonstrate both eligibility and need at the time of application. I firmly believe that these achievements will only strengthen the EDA's history of providing critical assistance to distressed areas.

In its 34 years of service to Americans, the EDA has created 2.9 million private sector jobs; investing $16.8 billion in distressed communities. Currently, every $1 invested by the EDA generates $3 in outside investment. With an administrative overhead of less than 8%, more Americans in economically distressed areas benefit from their tax dollars.

This is good news for my home state. As a rural state with many economically distressed communities, Arkansas relies heavily on the EDA and their invaluable services. Sam Spearman, who heads EDA in Arkansas, is a true servant and a great asset to my constituents. From the tornadoes that tore through northeast and central Arkansas this January, to the Levi-Strauss and Arrow Automotive closing in Morrilton, Arkansas, the EDA is helping communities stay alive. To help grow the economies in some depressed areas, the EDA has been assisting in planning and developing intermodal facilities in Marion and West Memphis.

My state was not immune to BRAC in the early 1990s. A Strategic Air Command bomber base in Blytheville and an Army training facility in Fort Smith were closed. As a member of the Senate Armed Services Committee, I am happy to report to my colleagues that both communities are slowly recovering, but not without ongoing assistance from EDA.

Again, last November we passed legislation to restructure and reform the EDA. I believe that they have responded well to Congressional direction, however, reducing their funding by 42% greatly limits their ability to implement the changes we thought were necessary. I thank my colleagues and hope that they will support increasing funding to EDA in FY 2000.

CALLING OF THE BANKROLL

Mr. FEINGOLD. Mr. President, I promised that from time to time when I participate in debates on legislation I would point out the role of special interest money in our legislative process, an effort I have entitled the Calling of the Bankroll. When I Call the Bankroll I will describe how much money the various interests lobbying on a particular bill have spent on campaign contributions to influence our decisions here in this chamber.

Of course I embarked on this effort with the hope of exposing the corruption of our current campaign finance system, and in particular how wealthy donors exploit the soft money loophole.

When I began this effort, I never worried that I would lack for opportunities to Call the Bankroll, and as I've demonstrated over the past few months, there are countless opportunities to Call the Bankroll about efforts to influence legislation before this body.

For example, so far I have talked about the contributions of special interests working to influence the debate over the Patients' Bill of Rights, I have discussed the contributions of the high tech industry and trial lawyers lobby during debate on the Y2K legislation, and I have pointed out the contributions of gun makers and gun control advocates during the juvenile justice debate, just to name a few.

And now we have before this body the Commerce, State, Justice appropriations bill.

During his state of the union address last January, the President called for the Justice Department to prepare a ''litigation plan'' against the tobacco companies to reclaim hundreds of billions of taxpayer dollars spent through federal health-care programs such as Medicare to treat smoking-related illnesses.

But this bill does something quite different. The language in the committee report on the Commerce, State, Justice Bill attempts to grant immunity to the tobacco industry from any federal litigation. Instead of a litigation plan, this bill would create a protection plan for the tobacco companies.

I hope my colleagues in this body would agree that the Justice Department must be able to pursue litigation based on the law, and that we should do everything in our power to enable the department to enforce the law.

But the language currently in the committee report prevents the Justice Department from enforcing the law. So instead of a huge federal lawsuit, the tobacco industry will have immunity from federal litigation. It looks like the tobacco companies have really gotten what they wanted in this bill, Mr. President.

It's a fortunate turn of events for the tobacco companies, but based on the tobacco industry's track record of political donations and political clout, I can't say that it's surprising.

The nation's tobacco companies are some of the most generous political donors around today, Mr. President, including Philip Morris, which reigns as the largest single soft money donor of all time. During the 1997–1998 election cycle the tobacco companies, including Philip Morris, RJR Nabisco, Brown and Williamson, US Tobacco and the industry's lobbying arm, the Tobacco Institute, gave a combined $5.5 million dollars in soft money to the parties, and another $2.3 million in PAC money contributions to candidates.

I offer this information to my colleagues and to the public to paint a clearer picture of who is trying to influence the bill before us, and how they are using the campaign finance system—very successfully, I might add—to get what they want from this bill and this Congress.

Mr. DOMENICI. Mr. President, I rise in support of S. 1217, the Commerce, Justice, State, and the Judiciary Appropriations Bill for 2000.

This bill provides new budget authority of $34 billion and new outlays of $23.1 billion to finance the programs of the Departments of Commerce, Justice, and State, and the federal judiciary.

I congratulate the Chairman and Ranking Member for producing a bill that complies with the Subcommittee's 302(b) allocation. This is one of the most difficult bills to manage with its varied programs and challenging allocation, but I think the bill meets most of the demands made of it while not exceeding its budget. So I commend my friend, the chairman, for his efforts and leadership.

When outlays from prior-year BA and other adjustments are taken into account, the bill totals $34.1 billion in BA and $34 billion in outlays. For general purpose activities as well as crime funding, the bill is at the Senate subcommittee's 302(b) allocation for both budget authority and outlays.

I ask members of the Senate to refrain from offering amendments which would cause the subcommittee to exceed its budget allocation and urge the speedy adoption of this bill.

Mr. President, I ask unanimous consent that a table displaying the Budget Committee scoring of the bill be printed in the RECORD.

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

S. 1217, COMMERCE-JUSTICE APPROPRIATIONS, 2000—SPENDING COMPARISONS—SENATE-REPORTED BILL

[Fiscal year 2000, in millions of dollars]

	General purpose	Crime	Mandatory	Total
Senate-Reported Bill:				
Budget authority	29,460	4,150	523	34,133
Outlays	28,214	5,271	529	34,014
Senate 302(b) allocation:				
Budget authority	29,460	4,150	523	34,133
Outlays	28,214	5,271	529	34,014
1999 level:				
Budget authority	27,165	5,509	523	33,197
Outlays	26,364	4,369	529	31,262
President's request:				
Budget authority	32,347	4,216	523	37,086
Outlays	31,327	4,538	529	36,394
House-passed bill:				
Budget authority	.....	.....	.....	.....
Outlays	.....	.....	.....	.....
SENATE-REPORTED BILL COMPARED TO:				
Senate 302(b) allocation:				
Budget authority	.....	.....	.....	.....
Outlays	.....	.....	.....	.....
1999 level:				
Budget authority	2,295	(1,359)	.....	936
Outlays	1,850	902	.....	2,752
President's request:				
Budget authority	(2,887)	(66)	.....	(2,953)
Outlays	(3,113)	733	.....	(2,380)

S. 1217, COMMERCE-JUSTICE APPROPRIATIONS, 2000—SPENDING COMPARISONS—SENATE-REPORTED BILL—Continued

[Fiscal year 2000, in millions of dollars]

	General purpose	Crime	Mandatory	Total
House-passed bill:				
Budget authority	29,460	4,150	523	34,133
Outlays	28,214	5,271	529	34,014

Note: Details may not add to totals due to rounding. Totals adjusted for consistency with scorekeeping conventions.

The PRESIDING OFFICER. Under the previous order, the bill will be read the third time and passed.

The bill S. 1217, as amended, was read the third time, and passed.

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

Mr. HOLLINGS. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

MORNING BUSINESS

Mr. GREGG. I ask unanimous consent the Senate proceed to a period of morning business, with Senators permitted to speak for up to 10 minutes each.

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

THE MILLENNIUM DIGITAL COMMERCE ACT

Mr. LOTT. Mr. President, I rise to address the need for prompt action on S. 761, the Millennium Digital Commerce Act. Senator ABRAHAM has crafted a solid legislative measure that will promote continued growth in electronic commerce.

The Millennium Digital Commerce Act has 11 cosponsors including Senators WYDEN, TORRICELLI, MCCAIN, BURNS, FRIST, GORTON, BROWNBACK, ALLARD, GRAMS, HAGEL, and myself.

Mr. President, on June 23, almost one month ago, the Senate Commerce Committee unanimously approved and ordered S. 761 reported with an amendment in the nature of a substitute. This substitute is widely supported by the States, industry, and the administration. In fact, on June 22, the day before the mark-up, the Commerce Department issued a formal letter of support for this bipartisan measure.

Mr. President, I ask unanimous consent to have printed in the RECORD the Administration's letter.

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

GENERAL COUNSEL OF THE
U.S. DEPARTMENT OF COMMERCE,
Washington, DC, June 22, 1999.

Hon. JOHN MCCAIN,
Chairman, Committee on Commerce, Science, and Transportation, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: This letter conveys the views of the Department of Commerce on the substitute version of S. 761, the ''Millennium Digital Signature Act,'' that we understand will be marked-up by the Senate Commerce Committee. A copy of the substitute that serves as the basis for these views is attached to this letter.

In July 1997 the Administration issued the Framework for Global Electronic Commerce, wherein President Clinton and Vice President Gore recognized the importance of developing a predictable, minimalist legal environment in order to promote electronic commerce. President Clinton directed Secretary Daley ''to work with the private sector, State and local governments, and foreign governments to support the development, both domestically and internationally, of a uniform commercial legal framework that recognizes, facilitates, and enforces electronic transactions worldwide.''

Since July 1997, we have been consulting with countries to encourage their adoption of an approach to electronic authentication that will assure parties that their transactions will be recognized and enforced globally. Under this approach, countries would: (1) eliminate paper-based legal barriers to electronic transactions by implementing the relevant provisions of the 1996 UNCITRAL Model Law on Electronic Commerce; (2) reaffirm the rights of parties to determine for themselves the appropriate technological means of authenticating their transactions; (3) ensure any party the opportunity to prove in court that a particular authentication technique is sufficient to create a legally binding agreement; and (4) state that governments should treat technologies and providers of authentication services from other countries in a non-discriminatory manner.

The principles set out in section 5 of S. 761 mirror those advocated by the Administration in international fora, and we support their adoption in federal legislation. In October 1998, the OECD Ministers approved a Declaration on Authentication for Electronic Commerce affirming these principles. In addition, these principles have also been incorporated into joint statements between the United States and Japan, Australia, France, the United Kingdom and South Korea. Congressional endorsement of the principles would greatly assist in developing the full potential of electronic commerce as was envisioned by the President and Vice President Gore in The Framework for Global Electronic Commerce.

On the domestic front, the National Conference of Commissioners of Uniform State Law (NCCUSL) has been working since early 1997 to craft a uniform law for consideration by State legislatures that would adapt standards governing private commercial transactions to cyberspace. This model law is entitled the ''Uniform Electronic Transactions Act'' (UETA), and I understand that it will receive final consideration at the NCCUSL Annual Meeting at the end of July. In the view of the Administration, the current UETA draft adheres to the minimalist ''enabling'' framework advocated by the Administration, and we believe that UETA will provide an excellent domestic legal model for electronic transactions, as well as a strong model for the rest of the world.

Section 6 of the substitute (''Interstate Contract Certainty'') addresses the concern that several years will elapse before the UETA is enacted by the states. It fills that gap temporarily with federal legal standards, but ultimately leaves the issue to be resolved by each state as it considers the UETA.

With regard to commercial transactions affecting interstate commerce, this section eliminates statutory rules requiring paper contracts, recognizes the validity of electronic signatures as a substitute for paper signatures, and provides that parties may decide for themselves, should they so choose, what method of electronic signature to use.

Another important aspect of the substitute is that it would provide for the termination of any federal preemption as to the law of any state that adopts the UETA (including any of the variations that the UETA may allow) and maintains it in effect. We note that this provision would impose no overarching requirement that the UETA or individual state laws be ''consistent'' with the specific terms of this Act; this provision, and its potential effect, will be closely monitored by the Administration as the legislation progresses. There is every reason to believe that the States will continue to move, as they consistently have moved, toward adopting and maintaining an ''enabling'' approach to electronic commerce consistent with the principles stated in this Act. We therefore believe that any preemption that may ultimately result from this legislation can safely be allowed to ''sunset'' for any state upon its adoption of the eventual uniform electronic transactions legislation developed by the states.

We also support limiting the scope of this Act to commercial transactions, which is consistent with the current approach of the draft UETA, and utilizing definitions in the Act that mirror those of the current draft UETA, which we consider appropriate in light of the expert effort that has been directed to the development of the UETA provisions under the procedures of NCCUSL.

With regard to section 7(a), the Administration requests that the Committee delete the reference to the Office of Management and Budget (''OMB''); there is no need for agencies to file duplicate reports. The report that the Secretary of Commerce is directed to prepare pursuant to section 7(b) will, of course, be coordinated with OMB.

The substitute version of S. 761 would in our view provide an excellent framework for the speedy development of uniform electronic transactions legislation in an environment of partnership between the Federal Government and the states. We look forward to working with the Committee on the bill as it proceeds through the legislative process.

The Office of Management and Budget advises that there is no objection to the transmittal of this report from the standpoint of the Administration's program.

Sincerely,

ANDREW J. PINCUS.

Mr. LOTT. Mr. President, the Millennium Digital Commerce Act provides a baseline national framework for conducting online business to business transactions. It is vital to interstate electronic commerce because it would provide legal standing for electronic signatures on contracts and other business transactions.

This common sense and timely legislation will help promote continued growth in electronic commerce. It is good for business, consumers, and the overall American economy.

While more than forty States have laws on the books concerning the use of authentication technology such as electronic signatures, the States have not yet chosen to adopt the same approach. This hodgepodge of State laws will undoubtedly have a chilling effect on e-commerce.

This Congress cannot and should not sit by and wait until the States coordinate this milieu of laws on electronic signatures. This delay would unnecessarily restrain the growth of our Nation's economic well-being.

The Millennium Digital Commerce Act is an interim step that will help facilitate interstate and international commerce. It is a necessary precursor to state-by-state adoption of the Uniform Electronic Transactions Act (UETA).

Mr. President, my colleagues on both sides of the aisle strongly agree that it is now time to move S. 761 to the floor.

It has broad support and I hope we can work together to move this bipartisan pro-technology, pro-electronic commerce legislation forward as soon as possible.

MARY MCGRORY ON JOHN F. KENNEDY, JR.

Mr. MOYNIHAN. Mr. President, it happens I was in the White House, in what was then Ralph Dungan's southwest office just down the hall from the Oval Office—where they were cleaning the carpet, the President's furniture having been moved to the outside corridor with his rocking chair atop the clutter—when word came from Dallas that the President was dead. A few moments later Hubert H. Humphrey burst in, embraced Dungan and let out: ''My God, what have they done to us.'' By ''they'' of course he meant the political right wing in Texas. Later we learned that the Dallas police had arrested a man associated with Fair Play for Cuba. What indeed had been done to us, what were we doing to ourselves?

That evening a group of us who lived on Macomb Street, out Connecticut Avenue, drifted over to Mary McGrory's. We sat about, saying little. At length Mary, with the feeling only she can put into words, announced: ''We'll never laugh again.'' ''Heavens, Mary,'' I replied, ''we'll laugh again. It's just that we will never be young again.''

In this morning's Washington Post, her column ''A Death in the Family'' describes in poignant detail the history from then to now, now being of course the death of John F. KENNEDY, Jr., so much on our minds in those slow-paced days of mourning so many years ago, now himself gone, along with his wife Carolyn and his sister-in-law Lauren Bessette.

I ask unanimous consent that her reflections be reprinted in the RECORD in full following my statement.

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

[From the Washington Post, July 22, 1999]

A DEATH IN THE FAMILY

(By Mary McGrory)

To understand the round-the-clock coverage of John Kennedy's death, the unending talk about it, and the makeshift memorials, it helps to remember what the country felt about his parents. His father, John Fitzgerald Kennedy, handsome and dashing, came out of Boston insisting on being our first Catholic president—and was assassinated on Nov. 22, 1963.

His beautiful mother, Jacqueline Bouvier, once dismissed as a social butterfly, stepped forward and held the country together. She arranged a funeral that was majestic and moved through it like a queen. She saw to every detail from the kilted Irish pipers to the eternal flame.

When it was over, she summoned the most famous political scribe of his time, Theodore H. White, and put a name on her husband's time in office, Camelot. The country has been emotionally involved with the Kennedy's ever since. They are numerous, good looking and always up to something. They have provided a pageant of smiles, tears and scandals.

When John Kennedy's single-engine plane, with him at the controls, fell off the radar at the Martha's Vineyard airport, the nation once again went to its post by the television to keep vigil with the Kennedys.

In the five days that followed, the dread and dismay were laced with indignation. This was not supposed to happen. This was entirely gratuitous. The crown prince had been exempt from ''the curse of the Kennedys''—a phrase coined by Uncle Teddy during the Chappaquiddick crisis. Had not Jackie Kennedy sequestered her children from the turbulence at the Kennedy compound in Hyannis Port, as Bobby Kennedy's fatherless sons wrestled with various demons? She took John and Caroline over the water to Martha's Vineyard.

John had not followed in his father's footsteps. He was his mother's son. She brought him up not to be a Kennedy, but to be himself. He shared her detachment about politics. When asked a while back how, in the light of his father's posthumously revealed promiscuity, Jack Kennedy would have tolerated today's fierce press scrutiny, John Kennedy said coolly he thought his father might have chosen to go into another line of work.

John Kennedy died like his father violently and too soon. His blond wife, Carolyn Bessette, and his sister-in-law Lauren Bessette died with him. At 38, he left more unfulfilled promise than performance. He was strikingly handsome and unexpectedly nice for one of his looks and station. He was courteous to all, even the paparazzi who dogged him from the age of 3 when he broke the nation's heart by saluting his father's coffin.

The tabs called him ''The Hunk'' and People magazine said he was ''the sexiest man alive.'' If the grief seems disproportionate to his life, it is easily explained. He was measured by who he was, not what he did.

His mother vetoed his first choice of a career, the theater. He went into the law, but not for long. He founded a magazine he called ''George.'' It was to be a glossy, trendy monthly that treated politics as entertainment.

He courted publicity for ''George'' by sometimes doing odd things: He posed nude for an illustration to accompany a critique of his Kennedy cousins' behavior. More recently, he visited Mike Tyson, the convicted rapist, in prison; he invited pornographer Larry Flynt to the White House correspondents' dinner. Like his mother, he never explained his actions. He was a free spirit. His father, despite his private excesses, was decorous in his public life, having a politician's perpetual concern about what the neighbors will think. Jack Kennedy was witty, sometimes in the mordant Irish way; his son was whimsical. Politics does not allow for whimsy.

John's love life was of aching, international interest. He courted a string of gorgeous girls and then married one. He married willowy Carolyn Bessette at a secret wedding on an island off Georgia. He was terribly proud of his coup against the press. He released one picture. It was of him kissing his bride's hand. It was drop-dead romantic.

The country spent the last weekend soaking up every detail, watching hour after hour of Jack's funeral, Bobby's funeral, touch football, prayers at Arlington. The context was pure, incredible Kennedy. The clan had gathered at Hyannis Port to celebrate the wedding of Rory Kennedy. A huge tent had been set up on Ethel's lawn. It was the one mercy of the grim weekend. The Kennedys, who derive such solace from each other, were together. The wedding was postponed. The family mourned.

Washington talked of nothing else. Arguments broke out over ''the curse of the Kennedys''—was it really the rashness of its members? ''Where was God in all this?'' one man demanded to know at a subdued Saturday party.

All agreed on one point: It was a shame.

CALIFORNIA'S GUN CONTROL LAWS

Mr. LEVIN. Mr. President, earlier this week, California Governor Gray Davis signed into law two of the strictest gun control measures in the country. One of these laws is the nation's most comprehensive ban on assault weapons, and the other prohibits the purchase of more than one handgun a month.

California residents support these common sense safety measures designed to take lethal, semiautomatic weapons off the streets, and reduce illegal gun trafficking. Californians feel strongly about ending the easy accessibility of guns because of their history with gun violence over this last decade. In 1989, Americans were shocked when a madman walked into a schoolyard in Stockton, CA, with a rapid-firing AK–47 and shot off 50 rounds a minute for 2 minutes, killing 5 children and wounding 30. Californians were again struck by tragedy in a 1993 massacre at a San Francisco law firm in which 8 people died and 6 were wounded, and again in 1997, when a high profile armed bank robbery spilled out on to the streets of North Hollywood.

As always, NRA lobbyists were working to undermine the effort of the California state legislature. But because gun violence has held such a prominent and tragic place in the minds and hearts of Californians, the legislature was able to defy the NRA and pass these responsible gun control measures. So many families in California have been torn apart by gun violence, and so many people have been affected by the weak gun control laws in this nation, that the NRA failed in the California state legislature.

I hope that other states will follow the lead of the California state legislature and pass responsible gun control measures. I pray that they learn from the tragedies in California, rather than wait for a decade of tragedies to occur in their own states, before passing responsible safety measures. I also make an appeal to my Congressional colleagues to pass sensible gun control legislation now. Although in this case, the debate on gun violence has moved to the state legislature, Congress has not been absolved of its responsibility.

We must end the plague of gun violence that claims so many innocent lives.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Wednesday, July 21, 1999, the Federal debt stood at $5,630,350,182,425.20 (Five trillion, six hundred thirty billion, three hundred fifty million, one hundred eighty-two thousand, four hundred twenty-five dollars and twenty cents).

One year ago, July 21, 1998, the Federal debt stood at $5,535,209,000,000 (Five trillion, five hundred thirty-five billion, two hundred nine million).

Five years ago, July 21, 1994, the Federal debt stood at $4,628,452,000,000 (Four trillion, six hundred twenty-eight billion, four hundred fifty-two million).

Ten years ago, July 21, 1989, the Federal debt stood at $2,802,628,000,000 (Two trillion, eight hundred two billion, six hundred twenty-eight million) which reflects a debt increase of almost $3 trillion—$2,827,722,182,425.20 (Two trillion, eight hundred twenty-seven billion, seven hundred twenty-two million, one hundred eighty-two thousand, four hundred twenty-five dollars and twenty cents) during the past 10 years.

OKLAHOMA CITY NATIONAL MEMORIAL INSTITUTE FOR THE PREVENTION OF TERRORISM

Mr. INHOFE. Mr. President, I am pleased to rise today to lend my support for the inclusion of $15,000,000 million for the Oklahoma City National Memorial Institute for the Prevention of Terrorism. This important funding brings to completion the creation of the Oklahoma City National Memorial Trust as specified by PL. 104–58.

During the 104th Congress, we created the Oklahoma City National Memorial Trust to commemorate the bombing of the Alfred P. Murrah Federal Building in Oklahoma City. The Oklahoma City National Memorial will consist of three components: the actual Memorial, an interactive learning museum, and the Memorial Institute now funded in this legislation.

Fundraising for the symbolic Memorial and the Memorial Center is nearly complete and construction for the symbolic Memorial is complete. With the funding provided in this legislation, the Memorial Institute is one step closer to a reality. Already, an implementation plan for the Memorial Institute is complete and work has begun to prepare for the construction.

In preparation, the Oklahoma City National Memorial Foundation and the Oklahoma City Memorial Trust have entered into a partnership with the Oklahoma Alliance for Public Policy Research to establish an operational relationship for the Memorial Institute. The Alliance consists of all of Oklahoma's research universities (Oklahoma State, University of Oklahoma, and Tulsa University), while the University of Oklahoma Health Sciences Center will perform the administrative and functional duties as directed by the Institute's management team.

The Alliance meets the joint public-private partnership arrangement provided for in the Oklahoma City National Memorial Trust Act. This joint partnership is both prudent and necessary as Oklahoma and the nation begins to consider the broader implications of domestic terrorism.

The Memorial Institute will be the only institute of its kind in the nation dedicated to understanding, deterring, and mitigating against terrorism. Naturally, it is only fitting that such a center is located in Oklahoma given our close, personal relationship with domestic terrorism. Yet this Memorial Institute will go beyond being just another reminder of the tragic event that struck Oklahoma and the nation early in the morning of April 19, 1995.

The Memorial Institute will also provide a collaboration and exchange of knowledge between public and private, Federal and state, and military and civilian efforts to counter terrorism. Another important issue that will be researched at the Memorial Institute is how to better coordinate and integrate health care and medical efforts associated with our response to terrorism. This collaborative research on emerging counter-terrorism projects will lend key insights to ensuring that the events of April 19 never occur again.

Mr. President, I thank the Chairman, Senator GREGG, and the Ranking Member, Senator HOLLINGS, for efforts to secure this important funding for the Memorial Institute. Their efforts will long be remembered by the researchers who spend time at the Memorial Institute and the American public who stand to gain countless benefits from their research. Oklahoma and the Nation thank them.

COMMENDING A NAVAL AVIATOR

Mr. ALLARD. Mr. President, I would like to take this opportunity to commend a constituent of mine from Fort Collins, Colorado—Lieutenant Commander Carl Oesterle, an F–18 pilot on the air craft carrier U.S.S. *Constellation*. Colorado is a state blessed with a large number of dedicated active duty personnel and retired military, and as a member of the Armed Services Committee I like to take the opportunity to commend our personnel when they conduct themselves in a top notch manner.

I am sure that LCDR Oesterle would insist that he was doing nothing more than his duty on June 23, while participating in a night training mission in the Pacific. But his actions in salvaging his seriously disabled fighter by conducting an emergency landing on the Constellation demonstrate the excellent training and dedication of our nation's fighter pilots. The episode is outlined very well in a July 9, article in the Washington Times and I ask unanimous consent that this article be printed in the RECORD.

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

[From the Washington Times, July 9, 1999]

INSIDE THE RING—NAVY HEROICS

(By Bill Gertz and Rowan Scarborough)

The Navy aviation community is buzzing over the heroics of an F–18C pilot on the carrier USS Constellation, or ''Connie'' to her friends.

On June 23, as the pilot catapulted off the deck in the Pacific for a night mission, he experienced twin engine problems blamed on the dreaded ingestion of foreign objects, such as a metal washer or shirt button, that sometimes miss detection on deck, according to a Navy source.

The $35 million strike fighter was so crippled, aviators on the Connie thought the pilot would quickly bail out.

But instead of taking the easy way, the pilot stuck with the plane, coaxing its altitude up to 80 feet, then 150 as he jettisoned fuel.

Meanwhile, the ship's crew scurried to erect netting, called a barricade, to trap the aircraft if the pilot could achieve enough speed and altitude to manhandle it into landing position.

His first pass was high. On a second try, as tension grew and the landing signal officer barked commands via radio, the pilot hit the barricade dead center. the ship erupted in cheers.

''Everyone on the platform was hugging and almost in tears,'' said an officer who helped the pilot to safety. ''Our prayer was definitely answered as Oyster (the pilot's nickname) popped open the canopy and hopped out of the jet.''

What motivated the pilot to risk his life to save the plane?

A naval pilot in Washington offered this: ''It's long been a question in flying circles on when to make the determination it's time to eject. With today's zero-defect-mentality and second-guessing. There's tremendous pressure for a guy to stay with the airplane. It's a tough call.''

Cmdr. Dave Koontz, a Navy spokesman in San Diego, could not confirm that the pilot encountered double engine problems. He said one engine failed and the Navy has started an inquiry to find out why.

''You're trained to handle emergencies and there is a variety of emergencies that come up,'' said Cmdr. Koontz, a former helicopter pilot who served on the Constellation. ''I personally think what he did was pretty heroic.''

MESSAGES FROM THE HOUSE

At 3:52 p.m., a message from the House of Representatives, delivered by Mr. Berry, 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. 1995. An act to amend the Elementary and Secondary Education Act of 1965 to empower teachers, improve student achievement through high-quality professional development for teachers, reauthorize the Reading Excellence Act, and for other purposes.

The message also announced that the House has passed the following bills, with amendments, in which it requests the concurrence of the Senate.

S. 880. An act to amend the Clean Air Act to remove flammable fuels from the list of

substances with respect to which reporting and other activities are required under risk management plan program.

S. 900. An act to enhance competition in the financial services industry by providing a prudential framework for the affiliation of banks, securities firms, insurance companies, and other financial service providers, and for other purposes.

The message further announced that the House disagrees to the amendment of the Senate to the bill (H.R. 2465) making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 2000, 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. HOBSON, Mr. PORTER, Mr. WICKER, Mr. TIAHRT, Mr. WALSH, Mr. MILLER of Florida, Mr. ADERHOLT, Ms. GRANGER, Mr. YOUNG of Florida, Mr. OLVER, Mr. EDWARDS, Mr. FARR of California, Mr. BOYD, Mr. DICKS, and Mr. OBEY, as the managers of the conference on the part of the House.

The message also announced that the House disagrees to the amendment of the Senate to the bill (H.R. 2490) 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, 2000, 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. KILDEE, Mr. WOLF, Mrs. NORTHUP, Mrs. EMERSON, Mr. SUNUNU, Mr. PETERSON of Pennsylvania, Mr. BLUNT, Mr. YOUNG of Florida, Mr. HOYER, Mrs. MEEK of Florida, Mr. PRICE of North Carolina, Ms. ROYBAL-ALLARD, and Mr. OBEY, as managers of the conference on the part of the House.

ENROLLED BILLS SIGNED

The message further announced that the Speaker has signed the following enrolled bills:

S. 361. An act to direct the Secretary of the Interior to transfer John R. and Margaret J. Lowe of Big Horn County, Wyoming, certain land so as to correct an error in the patent issued to the their predecessors in interest.

S. 449. An act to direct the Secretary of the Interior to transfer to the personal representative of the estate of Fred Steffens of big Horn County, Wyoming, certain land comprising the Steffens family property.

The enrolled bills were signed subsequently by the president pro tempore (Mr. THURMOND).

MEASURES REFERRED

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

H.R. 1995. An act to amend the Elementary and Secondary Education Act of 1965 to empower teachers, improve student achievement through high-quality professional development for teachers, reauthorize the Reading Excellence Act, and for other purposes, to the Committee on Health, Education, Labor and Resources.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on July 22, 1999, he had presented to the President of the United States, the following enrolled bills:

S. 361. An act to direct the Secretary of the Interior to transfer to John R. and Margaret J. Lowe of Big Horn County, Wyoming, certain land so as to correct an error in the patent issued to their predecessors in interest.

S. 449. An act to direct the Secretary of the Interior to transfer to the personal representative of the estate of Fred Steffens of Big Horn County, Wyoming, certain land comprising the Steffens family property.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LUGAR, from the Committee on Agriculture, Nutrition, and Forestry, without amendment:

S. Res. 159: An original resolution authorizing expenditures by the Committee on Agriculture, Nutrition, and Forestry.

By Mr. STEVENS, from the Committee on Appropriations:

Special Report entitled ''Further Revised Allocation to Subcommittees of Budget Totals for Fiscal Year 2000'' (Rept. No. 106–118).

By Mr. ROTH, from the Committee on Finance:

Report to accompany the bill (S. 1386) to amend the Trade Act of 1974 to extend the authorization for trade adjustment assistance (Rept. No. 106–119).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. WARNER, for the Committee on Armed Services:

F. Whitten Peters, of the District of Columbia, to be Secretary of the Air Force.

Arthur L. Money, of Virginia, to be an Assistant Secretary of Defense.

By Mr. MURKOWSKI, for the Committee on Energy and Natural Resources:

Curt Hebert, Jr., of Mississippi, to be a Member of the Federal Energy Regulatory Commission for the term expiring June 30, 2004. (Reappointment)

Earl E. Devaney, of Massachusetts, to be Inspector General, Department of the Interior.

(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.)

By Mr. HATCH, for the Committee on the Judiciary:

Charles R. Wilson, of Florida, to be United States Circuit Judge for the Eleventh Circuit.

Ronnie L. White, of Missouri, to be United States District Judge for the Eastern District of Missouri.

Adalberto Jose Jordan, of Florida, to be United States District Judge for the Southern District of Florida.

William Haskell Alsup, of California, to be United States District Judge for the Northern District of California.

Marsha J. Pechman, of Washington, to be United States District Judge for the Western District of Washington.

(The above nominations were reported with the recommendation that they be confirmed.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

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

By Ms. COLLINS (for herself, Mr. DEWINE, and Mr. SMITH of Oregon):

S. 1412. A bill to amend the Internal Revenue Code of 1986 to limit the reporting requirements regarding higher education tuition and related expenses, and for other purposes; to the Committee on Finance.

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

S. 1413. A bill to amend the Internal Revenue Code of 1986 to increase the deduction from the estate tax for family-owned business interest; to the Committee on Finance.

By Mr. MACK:

S. 1414. A bill to amend title XVIII of the Social Security Act to restore access to home health services covered under the Medicare program, and to protect the Medicare program from financial loss while preserving the due process rights of home health agencies; to the Committee on Finance.

By Mr. HATCH:

S. 1415. A bill to amend the Internal Revenue Code of 1986 to provide for S corporation reform, and for other purposes; to the Committee on Finance.

By Mr. FEINGOLD (for himself and Mr. KOHL):

S. 1416. A bill to amend the Agricultural Marketing Agreement of 1937 to allow a modified bloc voting by cooperative associations of milk producers in connection with the scheduled August referendum on Federal Milk Marketing Order reform; to the Committee on Agriculture, Nutrition, and Forestry.

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

S. 1417. A bill to amend title XIX of the Social Security Act to extend the authority of State Medicaid fraud control units to investigate and prosecute fraud in connection with Federal health care programs and abuse of residents of board and care facilities; to the Committee on Finance.

By Mr. COCHRAN:

S. 1418. A bill to provide for the holding of court at Natchez, Mississippi in the same manner as court is held at Vicksburg, Mississippi, and for other purposes; to the Committee on the Judiciary.

By Mr. MCCAIN:

S. 1419. A bill to amend title 36, United States Code, to designate May as ''National Military Appreciation Month''; to the Committee on the Judiciary.

By Mr. KERRY (for himself, Mr. HOLLINGS, Mr. BREAUX, Mr. INOUYE, Mrs. BOXER, Mrs. FEINSTEIN, and Mr. KENNEDY):

S. 1420. A bill to establish a fund for the restoration and protection of ocean and coastal resources, to amend and reauthorize the Coastal Zone Management Act of 1972, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. DURBIN:

S. 1421. A bill to impose restrictions on the sale of cigars; to the Committee on Commerce, Science, and Transportation.

By Mr. SCHUMER:

S. 1422. A bill to amend the Elementary and Secondary Education Act of 1965 to improve the quality of education and raise student achievement by strengthening accountability, raising standards for teachers, rewarding success, and providing better information to parents; to the Committee on Health, Education, Labor, and Pensions.

S. 1423. A bill to amend the Internal Revenue Code of 1986 to exclude from income $40,000 of the salary of certain teachers who teach high-poverty schools; to the Committee on Finance.

By Mr. EDWARDS (for himself and Mrs. HUTCHISON):

S. 1424. A bill to amend the Internal Revenue Code of 1986 to provide the same tax treatment for special pay as for combat pay; to the Committee on Finance.

By Mr. SPECTER:

S. 1425. A bill to amend the Internal Revenue Code of 1986 to allow a 10 percent biotechnology investment tax credit and to reauthorize the Research and Development tax credit for ten years; to the Committee on Finance.

By Mr. HARKIN (for himself, Mr. DASCHLE, Mr. LEAHY, Mr. KERREY, Mr. CONRAD, and Mr. JOHNSON):

S. 1426. A bill to amend the Food Security Act of 1985 to promote the conservation of soil and related resources, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. THOMPSON:

S. 1427. A bill to authorize the Attorney General to appoint a special counsel to investigate or prosecute a person for a possible violation of criminal law when the Attorney General determines that the appointment of a special counsel is in the public interest; read the first time.

By Mr. HATCH (for himself, Mrs. FEINSTEIN, Mr. DEWINE, Mr. BIDEN, Mr. THURMOND, Mr. BOND, Mr. SMITH of Oregon, Mr. HELMS, Mr. REID, and Mr. BRYAN):

S. 1428. A bill to amend the Controlled Substances Act and the Controlled Substances Import and Export Act relating to the manufacture, traffic, import, and export of amphetamine and methamphetamine, and for other purposes; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

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

By Mr. LUGAR:

S. Res. 159. An original resolution authorizing expenditures by the Committee on Agriculture, Nutrition, and Forestry; from the Committee on Agriculture, Nutrition, and Forestry; to the Committee on Energy and Natural Resources.

By Mr. LOTT:

S. Res. 160. A resolution to restore enforcement of Rule 16.

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

S. Res. 161. A resolution to authorize the printing of ''Memorial Tributes to John Fitzgerald Kennedy, Jr.; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Ms. COLLINS (for herself, Mr. DEWINE, and Mr. SMITH of Oregon):

S. 1412. A bill to amend the Internal Revenue Code of 1986 to limit the reporting requirements regarding higher education tuition and related expenses, and for other purposes; to the Committee on Finance.

HIGHER EDUCATION REPORTING RELIEF ACT

Ms. COLLINS. Mr. President, today I rise to introduce The Higher Education Reporting Relief Act of 1999, which will reduce the burdensome reporting requirements placed on educational institutions by the Hope Scholarship and Lifetime Learning Tax Credits. I am pleased to be joined by my principal cosponsor, Senator DEWINE, who has been a leader on this and many other education issues, and by one colleague Senator GORDON SMITH, who shares our concern for the reporting burden we are placing on our institutions of higher education.

When Congress created the Hope Scholarship and the Lifetime Learning Tax Credits, it unfortunately imposed a burdensome and costly reporting requirement on our universities, colleges and proprietary schools. If implemented, the regulations will require schools to provide the IRS with information on their students that is difficult to obtain, including the taxpayer identification number of the individual who will actually claim the tax credit generated by the student. In many cases, this individual will not be the student but rather his or her parent or parents.

In the words of the President of the University of Maine at Farmington:

> At a time when we are working to increase access and to contain college costs, new government reporting requirements are working against us. We will need to add personnel, not in support of our educational functions but to comply with new IRS regulations. This is not sensible and it is definitely not in the interests of the people we are here to serve.

I think that her words say it very well.

Already, the University of Maine System has been forced to spend $112,000 to meet the Hope Scholarship reporting requirement, and the most burdensome requirements have not yet become mandatory. In total, these reporting requirements are estimated to cost America's postsecondary educational institutions as much as $125 million. This burden does not make sense.

Last year, by passing the Collins-DeWine amendment to the Internal Revenue Service Restructuring and Reform Act, the Senate eliminated one of the most difficult reporting requirements. Our amendment freed schools from the requirement to report financial aid received by a student from a third party and held them responsible for only informing the IRS about financial aid that a school actually administered. In addition, the conference report on the act recognized the problem faced by schools and deferred the implementation of full reporting requirements until the IRS had issued final guidelines. Since the final reporting requirements have not been issued, this deferral remains in effect for tax year 1999.

The conference report further urged the IRS to modernize its computer systems to include the capacity to match a dependent student's taxpayer identification number with the return of the person claiming the student as a dependent. This is the true answer to this problem. Unfortunately, this has not yet been done. If this step is not taken, institutions of higher education will be required to provide this burdensome & costly information to the IRS—a very difficult process.

The legislation we introduce today will defer the implementation of the reporting requirements for three years—through tax year 2001. Further, it will require the IRS to upgrade its data processing systems along the lines recommended by the conference report. Today, as I mention, the IRS has not done this. The IRS will be required to make this change in time for processing tax returns for the year 2002. We have included this delay to give the IRS 2 years after it has been completed dealing with any data processing problems caused by the year 2000 problem.

The rationale for the Hope and the Lifetime Learning credits is to make postsecondary education more affordable and therefore more accessible. What Congress has given with one hand it has taken away in part with its regulatory hand. The cost of conforming to the regulatory requirements will inevitably result in increases in tuition, chipping away at the benefit of the tax credits. We need to correct this problem. The $112,000 that the University of Maine has already been forced to spend to comply with the law clearly is going to be passed on to the students in increased tuitions.

Last year, Senator DEWINE and I introduced the Higher Education Reporting Relief Act that would have completely repealed the reporting requirements imposed on educational institutions. Because of the cost of that approach, we have reworked last year's bill in a way that will accomplish its most important objectives while substantially reducing its potential costs to the Treasury. Our legislation would still leave a reporting burden on the schools but a much more modest and reasonable one that takes into account who is best equipped to report the information that the IRS needs to administer the law.

I hope our colleagues will join us in supporting the Higher Education Reporting Relief Act of 1999.

I yield the reminder of my time to Senator DEWINE.

The PRESIDING OFFICER. The distinguished Senator from Ohio is recognized.

Mr. DEWINE. I am delighted to again join with my distinguished colleague from the State of Maine to try to give some relief to colleges and universities. As she has pointed out, this burden placed by Congress was unintended. I

seriously doubt if anyone thought that aspect of the legislation through or fully understood what kind of costs this would impose on our colleges.

The Senator has indicated that Maine, for example, has already been hit with over $100,000 in costs. We could multiply that around the country for every university and every college. This ultimately, of course, will go where all costs go, to the students and the parents.

This is something we should deal with and we should deal with very quickly. I join this morning with my colleague from Maine to introduce the Higher Education Reporting Relief Act. As she has indicated, this is the second time she and I have introduced legislation to provide some very much needed paperwork relief for the colleges and universities of our country.

A compromise version of the legislation we introduced last year was passed by Congress as part of the IRS reform bill. Senator COLLINS and I are here today to complete that very important work and to do what has remained undone from last year.

As my colleague from Maine has indicated, what prompted the need for this legislation was the Hope scholarship and the Lifetime Learning tax credit. This legislation required colleges and universities to comply with very burdensome and costly regulations. Schools were required to issue annual reports to students and the Internal Revenue Service detailing the students' tuition payments. The IRS planned to use the reports to monitor the eligibility of students who apply for the education tax credits. These reporting requirements require colleges and universities to spend millions of dollars to implement and maintain.

The legislation Senator COLLINS and I were able to pass last year eliminated many of the most burdensome reporting requirements, yet there are burdensome requirements that still remain law. It is time, we believe, to finish the job we started last year.

Our bill will further reduce the reporting requirements by making two very commonsense changes to our Tax Code. First, the IRS will be prohibited from imposing any new reporting requirements on colleges and universities prior to the year 2002. No school of higher education should have additional IRS requirements imposed while it is still developing its reporting system.

Second, the IRS will be required to update its computer system by the end of 2002. The IRS computer system would be updated to make it capable of matching the IRS taxpayer identification number of the student with the person claiming this child as a dependent. This update would greatly reduce the reporting burden of the Hope scholarship.

After this update, when a parent uses the Hope scholarship, the IRS will be able to electronically verify that a family was qualified to use this deduction. This process will eliminate a great deal of costly and time-consuming paperwork for the colleges and universities of our Nation. This legislation brings a simple, fair, commonsense solution to the unintentional barriers created by the reporting requirements of the Hope scholarship and the Lifetime Learning tax credit. It would represent significant savings to our colleges and to our universities.

I certainly hope the Senator from Maine and I will once again be successful this year, as we were last year, in bringing relief to institutions of higher education. I invite my colleagues in the Senate to join as cosponsors.

I, once again, thank my colleague from Maine for her leadership on this legislation. She is a true leader in the area of education and has done a great deal of work in this area. This bill is one more example of her true understanding of how the real world works—what happens in our home States when Congress takes actions that, frankly, result in unintended consequences. The unintended consequences in this case are added burdens on our colleges, costs that our colleges have to bear, costs that our colleges then have to turn around and impose on parents and students.

Again, I thank my colleague from Maine for once again being a true leader in this area.

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

S. 1413. A bill to amend the Internal Revenue Code of 1986 to increase the deduction from the estate tax for family-owned business interest; to the Committee on Finance.

FAMILY-OWNED BUSINESS ESTATE TAX RELIEF ACT

Mr. DURBIN. Mr. President, I am pleased to be joined by Senator DORGAN today introducing legislation which would make it easier for a family to hold onto a small business or farm when the head of the family passes away. I am especially pleased to be joined by Senator DORGAN on this bill as he has been a good friend and colleague for almost two decades and a real leader on small business issues since his election to Congress in 1980.

Mr. President, ownership is a powerful force. Anyone who has gone from renting to owning a home will tell you how much more work you put in as an owner. Suddenly, problems with the plumbing or the roof that used to be the landlord's problems are now your problems. Developments in the neighborhood take on new meaning and you tend to spend more time working with neighbors to figure out ways to make your community stronger.

The trade-off for all this work is that whatever improvements we make to our homes and our communities, they're ours. And if our homes increase in value, we get to keep the difference.

The same is true for small businesses and family farms. Most people who have gone from being an employee to owning a small business or farm will tell you that they work harder as an owner, save more, and take more pride in their work. As with homeowners, small businesspeople and farmers are willing to put in the extra work it takes to run a business because they know it will come back to them in the form of more customers and higher profits. It is this industrious spirit that has defined our nation for more than two centuries and allowed us to enjoy a level of prosperity unknown in any other part of the world, in any other era of human history.

The bill we are introducing today makes a simple change in the tax code that will help families pass down the legacy of business ownership from one generation to the next.

Mr. President, the federal estate tax is one of the most controversial provisions of the tax code. Whatever the merits or shortcomings of the estate tax, I believe most of my colleagues would agree that a family should not have to sell a small business or family farm just because the head of the family passes away. Unfortunately, small business owners face a very real concern that the estate tax may force their families to do just that, particularly families whose business' principal assets consist of machinery, real estate, equipment, and inventory . Those families fortunate enough to avoid selling their business or farm are often frustrated by having to finance their estate tax burden at the expense of needed investments in the business.

Recognizing this problem, Congress worked on a bipartisan basis in 1997 to include provisions in the Taxpayer Relief Act which provide targeted assistance to estates with family-owned businesses and farms. Among its provisions, the Taxpayer Relief Act provided an immediate increase in the estate tax exemption from $600,000 to $1.3 million for estates with businesses that are kept in the family, and improved the terms for installment payments made by estates with businesses by reducing the interest rate from 4 percent to 2 percent for the first $1 million in taxable value of the business in excess of the $1.3 million exemption.

The bill that Senator DORGAN and I are introducing today builds on the 1997 Taxpayer Relief Act by simply doubling the $1.3 million exemption for family-owned businesses and farms to $2.6 million. This new level would mean that a typical business with up to 25 employees would face no estate tax liability if the business is kept in the family after the owner dies. Somewhat larger businesses would enjoy a significant reduction in their estate tax burden.

Mr. President, we should be doing what we can to promote small business and farm ownership in America. This bill does just that by simply making it easier for families to continue their tradition of small business ownership. I urge all my colleagues to join Senator DORGAN and me in supporting this legislation.

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

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

S. 1413

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

SECTIOIN 1. INCREASE IN ESTATE TAX DEDUCTION FOR FAMILY-OWNED BUSINESS INTEREST.

(a) IN GENERAL.—Section 2057(a)(2) of the Internal Revenue Code of 1986 (relating to maximum deduction) is amended by striking ''$675,000'' and inserting ''$1,975,000''.

(b) CONFORMING AMENDMENTS.—Section 2057(a)(3)(B) of the Internal Revenue Code of 1986 (relating to coordination with unified credit) is amended by striking ''$675,000'' each place it appears in the text and heading and inserting ''$1,975,000''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to estates of decedents dying after the date of the enactment of this Act.

Mr. DORGAN. Mr. President, today I'm pleased to join Senator DURBIN in introducing estate tax relief legislation to boost immediately to $2.6 million the amount of family business assets that can be transferred to the next generation without loading up that family business with a large tax debt. I feel strongly that we must prevent our estate tax laws from hindering the transfer of family farms, ranches and other small businesses to the next generation of family members who would continue to operate them. We made some important changes to the estate tax laws in the last Congress to make it easier for children to take over a family business when a parent dies and keep the business going. But these changes did not go far enough.

Family-owned enterprises are a source of social stability and cohesion in this country. They generate jobs and wealth. Yet in far too many cases, the estate tax laws exert pressure on the children and grandchildren who inherit a modestly-sized family business to sell it, or a large part of it, to pay off those taxes. Our tax laws should encourage enterprises to stay in family ownership, with all the benefits that brings to our communities and to the nation. Yet frequently today the estate tax laws do the opposite.

Congress took some steps in a major tax bill in 1997, which I supported, to enable family farms, ranches, and other small family businesses to be passed along to the next generation without being loaded up with massive estate tax debt. The 1997 bill changes estate taxes in two basic ways. First, the legislation increased the unified estate and gift tax exemption from $600,000 to $1 million over a period of years. Second, it provided a new exemption from estate taxes for qualifying family businesses, valued up to $1.3 million, that are passed down to the children and grandchildren who will operate the farm or business. This new exclusion is the result of a bipartisan effort in Congress to encourage business enterprise that is based on the family unit.

However, Senator DURBIN and I believe that the $1.3 million family business exclusion needs to be substantially increased, and we suspect that a number of our colleagues in the Senate share this view. We are proposing such an increase today.

Our legislation is simple and straightforward. It doubles the dollar value from $1.3 million to $2.6 million of a family business that may be transferred to inheriting family members without an estate tax obligation. This will be a great help to families that want to pass along a small business, which might have been the family's major asset for decades, to the kids to operate following the death of a parent.

Estate tax relief for family businesses is not a partisan issue. It is important for the survival of our nation's family businesses, and it should be a priority for any tax cuts that Congress enacts.

This is not however a proposal to reduce estate taxes for every rich person in America. We see no need to enact a big new benefit for the nation's trust fund babies. It should go to where the need is greatest, and where the economic and social benefits will be greatest as well. That means small family businesses.

In the end, we hope that some additional estate tax relief will be enacted to sustain family-owned businesses and farms, which make up the backbone of our economy. We believe that our approach takes a large step in that direction. We urge our colleagues to cosponsor this much-needed legislation.

By Mr. MACK:

S. 1414. A bill to amend title XVIII of the Social Security Act to restore access to home health services covered under the Medicare Program, and to protect the Medicare Program from financial loss while preserving the due process rights of home health agencies to the Committee on Finance.

MEDICARE HOME HEALTH BENEFICIARY EQUITY AND PAYMENT SIMPLIFICATION ACT OF 1999

Mr. MACK. Mr. President today I am pleased to join my colleague, Mr. BREAUX, in sponsoring The Medicare Home Health Beneficiary Equity and Payment Simplification Act of 1999.

This legislation sets forth a fully developed prospective payment system for Medicare home health benefits that can be implemented easily using currently available data and can be accurately monitored to prevent fraud and abuse. Most importantly, the bill restores access to covered services for the sickest, most frail Medicare beneficiaries while providing incentives for efficient treatment of all patients regardless of the acuity of their medical condition.

The bill provides for a simple four-category prospective payment system for home health services (similar to the four-category system which has been in place for hospice services since 1983) which is based on data from a 1997 study conducted by the Kaiser Family Foundation on characteristics of Medicare patients in need of covered home health services. The Kaiser Foundation study found that Medicare patients in need of home health services historically have fallen into one of the following categories:

1. Post-hospital, short stay beneficiaries
2. Medically stable, long-stay beneficiaries
3. Medically complex, long-stay beneficiaries
4. Medically unstable and complex, extremely high use beneficiaries

Beneficiaries who meet all eligibility and coverage requirements for Medicare will be assigned to the appropriate category by a physician who does not have a prohibited relationship with the home health agency as defined in the ''Stark II'' law. Beneficiaries who do not clearly fit in one of the four categories will be placed in the first, lowest rate category.

Payment rates for each of the categories is the average cost of treating patients in that category in 1994 as determined by the Kaiser Foundation study. Those rates are adjusted for wage variations in different parts of the country and updated by the home health market basket for each fiscal year. The Secretary of HHS is given the authority to provide additional payments to certain agencies that have higher costs due to reasons beyond their control.

The bill would eliminate the 15% cut in Medicare home health reimbursement which is scheduled to go into effect on October 1, 2000. The bill would also simplify the reimbursement system by making payments based on the location of the agency rather than the residence of the patient. The bill is intended to provide a ''fail safe'' prospective payment mechanism in the event that HCFA falls behind in its schedule to implement a prospective payment system by October 1, 2000 that can be administered efficiently and monitored effectively.

I urge my colleagues to join us in cosponsoring this important piece of legislation.

Mr. President, I ask unanimous consent that a copy of the legislation be printed in the RECORD.

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

S. 1414

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 ''Medicare Home Health Beneficiary Equity and Payment Simplification Act of 1999''.

SEC. 2. FINDINGS.

Congress finds the following:

(1) Research has shown that medicare beneficiaries who are in need of home health services that are covered under the medicare program generally fall into 1 of the 4 following categories:

(A) Post-hospital, short-stay beneficiaries.

(B) Medically stable, long-stay beneficiaries.

(C) Medically complex, long-stay beneficiaries.

(D) Medically unstable and complex, extremely high-use beneficiaries.

(2) The interim payment system for home health services under the medicare program, enacted as part of the Balanced Budget Act of 1997 and amended by title V of the Tax and Trade Relief Extension Act of 1998 (contained in Division J of Public Law 105–277), is having the following unintended consequences:

(A) The sickest, most frail medicare beneficiaries are losing access to medically necessary home health services that are otherwise covered under the medicare program.

(B) Many high quality, cost-effective home health agencies have had per beneficiary limits under the interim payment system set so low that such agencies are finding it impossible to continue to provide home health services under the medicare program.

(C) Many home health agencies are being subjected to aggregate per beneficiary limits under the interim payment system that do not accurately reflect the current patient mix of such agencies, thereby making it impossible for such agencies to compete with similarly situated home health agencies.

(D) Medicare beneficiaries that reside in certain States and regions of the country have far less access to home health services under the medicare program than individuals who have identical medical conditions but reside in other States or regions of the country.

(E) The health status of home health beneficiaries varies significantly in different regions of the country, creating differing needs for home health services.

SEC. 3. PAYMENTS TO HOME HEALTH AGENCIES UNDER MEDICARE.

(a) REVISION OF PROSPECTIVE PAYMENT SYSTEM.—

(1) IN GENERAL.—Section 1895 of the Social Security Act (42 U.S.C. 1395fff) (as amended by section 5101 of the Tax and Trade Relief Extension Act of 1998 (contained in Division J of Public Law 105–277)) is amended—

(A) in subsection (a), by striking ''for portions of cost reporting periods occurring on or after October 1, 2000'' and inserting ''for cost reporting periods beginning on or after October 1, 1999''; and

(B) in subsection (b), by striking the last sentence of paragraph (1) and all that follows and inserting the following:

''(2) PAYMENT BASIS.—

''(A) IN GENERAL.—The prospective payment amount to be paid to a home health agency under this section for all of the home health services (including medical supplies) provided to a beneficiary under this title during the 12-month period beginning on the date that such services are first provided by such agency to such beneficiary pursuant to a plan for furnishing such services (and for each subsequent 12-month period that services are provided under such plan) shall be an amount equal to the applicable amount specified in subparagraph (B) for the fiscal year in which the 12-month period begins.

''(B) APPLICABLE AMOUNT.—Subject to subparagraphs (C), (D), and (E) and paragraph (5), for purposes of this subsection, the applicable amount is equal to—

''(i) $2,603 for a beneficiary described in subparagraphs (A) and (E) of paragraph (3);

''(ii) $3,335 for a beneficiary described in paragraph (3)(B);

''(iii) $4,228 for a beneficiary described in paragraph (3)(C); and

''(iv) $21,864 for a beneficiary described in paragraph (3)(D).

''(C) ANNUAL UPDATE.—

''(i) IN GENERAL.—The applicable amount specified in subparagraph (B) shall be adjusted for each fiscal year (beginning with fiscal year 2001) in a prospective manner specified by the Secretary by the home health market basket percentage increase applicable to the fiscal year involved.

''(ii) HOME HEALTH MARKET BASKET PERCENTAGE INCREASE.—For purposes of clause (i), the term 'home health market basket percentage increase' means, with respect to a fiscal year, a percentage (estimated by the Secretary before the beginning of the fiscal year) determined and applied with respect to the mix of goods and services included in home health services in the same manner as the market basket percentage increase under section 1886(b)(3)(B)(iii) is determined and applied to the mix of goods and services comprising inpatient hospital services for the fiscal year.

''(D) AREA WAGE ADJUSTMENT.—

''(i) IN GENERAL.—The portion of the applicable amount specified in subparagraph (B) (as updated under subparagraph (C)) that the Secretary estimates to be attributable to wages and wage-related costs shall be adjusted for geographic differences in such costs by an area wage adjustment factor for the area in which the home health agency is located.

''(ii) ESTABLISHMENT OF AREA WAGE ADJUSTMENT FACTORS.—The Secretary shall establish area wage adjustment factors that reflect the relative level of wages and wage-related costs applicable to the furnishing of home health services in a geographic area compared to the national average applicable level. Such factors may be the factors used by the Secretary for purposes of section 1886(d)(3)(E).

''(E) MEDICAL SUPPLIES.—The applicable amount specified in subparagraph (B) shall be adjusted for each fiscal year (beginning with fiscal year 2001) in a prospective manner specified by the Secretary by the percentage increase (as determined by the Secretary) in the average costs of medical supplies (as described in section 1861(m)(5)) for the fiscal year involved.

''(3) DESCRIPTION OF BENEFICIARIES.—

''(A) POST-HOSPITAL, SHORT-STAY BENEFICIARY.—A beneficiary described in this subparagraph is a beneficiary under this title who—

''(i) has experienced at least one 24-hour hospitalization within the 14-day period immediately preceding the date that the beneficiary is first provided services by the home health agency;

''(ii) suffers from 1 or more illnesses or injuries which are post-operative or post-trauma; and

''(iii) has a prognosis of a prompt and substantial recovery.

''(B) MEDICALLY STABLE, LONG-STAY BENEFICIARY.—A beneficiary described in this subparagraph is a beneficiary under this title who—

''(i) has not been admitted to a hospital within the 6-month period immediately preceding the date that the beneficiary is first provided services by the home health agency;

''(ii) suffers from 1 or more illnesses or injuries requiring acute medical treatment or management in the home; and

''(iii) is experiencing 1 or more impairments in activities of daily living.

''(C) MEDICALLY COMPLEX, LONG-STAY BENEFICIARY.—A beneficiary described in this subparagraph is a beneficiary under this title who—

''(i) has experienced 2 or more hospitalizations or admissions to skilled nursing facilities within the 12-month period immediately preceding the date that the beneficiary is first provided services by the home health agency;

''(ii) suffers from 1 or more illnesses or injuries requiring acute medical treatment or management in the home; and

''(iii) is experiencing 1 or more impairments in activities of daily living.

''(D) MEDICALLY UNSTABLE AND COMPLEX, EXTREMELY HIGH-USE BENEFICIARIES.—A beneficiary described in this subparagraph is a beneficiary under this title who—

''(i) has experienced 2 or more hospitalizations or admissions to skilled nursing facilities within the 6-month period immediately preceding the date that the beneficiary is first provided services by the home health agency;

''(ii) suffers from 1 or more illnesses or injuries requiring acute medical treatment or management in the home; and

''(iii) is experiencing 2 or more impairments in activities of daily living.

''(E) OTHER BENEFICIARIES.—A beneficiary described in this subparagraph is a beneficiary under this title who is not otherwise described in subparagraphs (A) through (D).

''(4) DETERMINATION.—

''(A) IN GENERAL.—The determination of which of the subparagraphs under paragraph (3) applies to a beneficiary under this title shall be based on the diagnosis and assessment of a physician who shall have no financial relationship with the home health agency that is receiving payments under this title for the provision of home health services to such beneficiary. For purposes of the preceding sentence, any financial relationship shall be determined under rules similar to the rules with respect to referrals under section 1877.

''(B) REGULATIONS.—The Secretary shall issues regulations to assist physicians in making the determination described in subparagraph (A).

''(5) ADDITIONAL PAYMENT AMOUNT.—The Secretary may increase the applicable amount specified in paragraph (2)(B) to be paid to a home health agency if the Secretary determines that such agency is—

''(A) experiencing higher than average costs for providing home health services as compared to other similarly situated home health agencies; or

''(B) providing home health services that are not reflected in the determination of the applicable amount.

''(6) NOTICE OF PROSPECTIVE PAYMENT RATE.—Not later than July 1 of each year (beginning in 2000), the Secretary shall publish in the Federal Register the applicable amount to be paid to home health agencies for home health services provided to a beneficiary under this title during the fiscal year beginning October 1 of the year.

''(7) PRORATION OF PROSPECTIVE PAYMENT AMOUNTS.—If a beneficiary elects to transfer to, or receive services from, another home health agency within the period covered by the prospective payment amount, the payment shall be prorated between the home health agencies involved.''.

(2) CONFORMING AMENDMENTS.—Section 1895 of the Social Security Act (42 U.S.C. 1395fff) (as amended by section 5101 of the Tax and Trade Relief Extension Act of 1998 (contained in Division J of Public Law 105–277)) is amended—

(A) by amending subsection (c) to read as follows:

''(c) REQUIREMENT FOR PAYMENT INFORMATION.—With respect to home health services furnished on or after October 1, 1998, no claim for such a service may be paid under this title unless the claim has the unique identifier (provided under section 1842(r)) for the physician who prescribed the services or made the certification described in section 1814(a)(2) or 1835(a)(2)(A).''; and

(B) by striking subsection (d).

(3) CHANGE IN EFFECTIVE DATE.—Section 4603(d) of the Balanced Budget Act of 1997 (42 U.S.C. 1395fff note) (as amended by section 5101(c)(2) of the Tax and Trade Relief Extension Act of 1998 (contained in Division J of Public Law 105–277)) is amended by striking ''October 1, 2000'' and inserting ''October 1, 1999''.

(4) ELIMINATION OF CONTINGENCY 15 PERCENT REDUCTION.—Subsection (e) of section 4603 of the Balanced Budget Act of 1997 (42 U.S.C. 1395fff note) is repealed.

(5) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on the date of enactment of this Act.

(b) PAYMENT RATES BASED ON LOCATION OF HOME HEALTH AGENCY RATHER THAN PATIENT.—

(1) CONDITIONS OF PARTICIPATION.—Section 1891 of the Social Security Act (42 U.S.C. 1395bbb) is amended by striking subsection (g).

(2) WAGE ADJUSTMENT.—Section 1861(v)(1)(L)(iii) (42 U.S.C. 1395x(v)(1)(L)(iii)) is amended by striking ''service is furnished'' and inserting ''agency is located''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to services provided on or after October 1, 1999.

By Mr. HATCH:

S. 1415. A bill to amend the Internal Revenue Code of 1986 to provide for S corporation reform, and for other purposes; to the Committee on Finance.

Mr. HATCH. Mr. President, today I am introducing legislation that would provide critical and direct improvements to the competitiveness of the over 2.1 million S corporations nationwide. The vast majority of S corporations operate as small businesses. By 1995, they comprised 48 percent of all corporations. In my home state of Utah, S corporations make up half of the 21,600 corporations in the state.

Despite the reforms that were enacted in 1996 and in previous years, the tax laws that currently govern S corporations remain too restrictive, complex, and burdensome, particularly in comparison with the laws that are imposed on other entities. As a result, Mr. President, many of these small businesses are unable to attract sufficient capital and to grow to their full potential.

For example, the inability to issue preferred stock denies S corporations access to badly needed senior equity. Capital is also eliminated by a requirement that prevents straight debt from being converted into stock. Substantial reforms need to be enacted to ensure better competition for small businesses in today's increasingly sophisticated and global economy.

Mr. President, the current law is threatening the multi-generational family business in our country. Law allows only for 75 shareholders under an S corporation, and each member of a family is currently treated as a single, distinct shareholder. In addition, nonresident aliens are not allowed as shareholders. This ban on nonresident alien shareholders is an outmoded restriction dating back to the creation of Subchapter S. Since that time, partnerships have been allowed to involve nonresidential aliens. And, as the economy becomes more global, S corporations will be at a disadvantage relative to the more flexible partnerships. Mr. President, this bill would eliminate these outdated provisions and allow for all family members to be counted as one shareholder for purposes of S corporation eligibility, as well as permitting nonresident aliens to be shareholders.

Mr. President, I urge my colleagues to review and support the Subchapter S Revision Act. This legislation will help American families pass their businesses from one generation to the next and to create a level playing field for small business. We should not allow the more than 10,000 S corporations in my home state, as well as the many others across the country, to be subject to rules and regulations that limit their competitiveness. I am looking forward to working with my fellow members of the Finance Committee in enacting this bill.

I ask that a description of the bill's provisions be in included in the RECORD.

The description follows:

TITLE 1—SUBCHAPTER S EXPANSION

SUBTITLE A—ELIGIBLE SHAREHOLDERS OF AN S CORPORATION

Sec. 101. Members of a family treated as one shareholder—All family members within seven generations who own stock could elect to be treated as one shareholder. The election would be made available to only one family per corporation, must be made with the consent of all shareholders of the corporation and would remain in effect until terminated. This provision is intended to keep S corporations within families that might span several generations.

Sec. 102. Nonresident Aliens—This section would provide the opportunity for aliens to invest in domestic S corporations and S corporations to operate abroad with a foreign shareholder by allowing nonresident aliens to own S corporation stock.

SUBTITLE B—QUALIFICATIONS AND ELIGIBILITY REQUIREMENTS OF S CORPORATIONS

Sec. 111. Issuance of preferred stock permitted—An S corporation would be allowed to issue either convertible or plain vanilla preferred stock. Holders of preferred stock would not be treated as shareholders; thus, ineligible shareholders like corporations or partnerships could own preferred stock interests in S corporations. Subchapter S corporations would receive the same recapitalization treatment as family-owned C corporations. This provision would afford S corporations and their shareholders badly needed access to senior equity.

Sec. 112. Safe harbor expanded to include convertible debt—An S corporation is not considered to have more than one class of stock if outstanding debt obligations to shareholders meet the ''straight debt'' safe harbor. Currently, the safe harbor provides that straight debt cannot be convertible into stock. The legislation would permit a convertibility provision so long as that provision is substantially the same as one that could have been obtained by a person not related to the S corporation or S corporation shareholders.

Sec. 113. Repeal of excessive passive investment income as a termination event: This provision would repeal the current rule that terminates S corporation status for certain corporations that have both Subchapter C earnings and profits and that derive more than 25 percent of their gross receipts from passive sources for three consecutive years.

Sec. 114. Repeal passive income capital gain category—The legislation would retain the rule that imposes a tax on those corporations possessing excess net passive investment income, but, to conform to the general treatment of capital gains, it would exclude capital gains from classification as passive income. Thus, such capital gains would be subject to a maximum 20 percent rate at the shareholder level in keeping with the 1997 tax law change. Excluding capital gains also parallels their treatment under the PHC rules.

Sec. 115. Allowance of charitable contributions of inventory and scientific property—This provision would allow the same deduction for charitable contributions of inventory and scientific property used to care for the ill, needy, or infants for Subchapter S as for Subchapter C corporations. In addition, S corporations would no longer be disqualified from making ''qualified research contributions'' (charitable contributions of inventory property to educational institutions or scientific research organizations) for use in research or experimentation.

Sec. 116. C corporation rules to apply for fringe benefit purposes—The current rule that limits the ability of ''more-than-two-percent'' S corporation shareholder-employees to exclude certain fringe benefits from wages would be repealed for benefits other than health insurance.

SUBTITLE C—TAXATION OF S CORPORATION SHAREHOLDERS

Sec. 120. Treatment of losses to shareholders—A loss recognized by a shareholder in complete liquidation of an S corporation would be treated as an ordinary loss to the extent the shareholder's adjusted basis in the S corporation stock is attributable to ordinary income that was recognized as a result of the liquidation. Suspended passive activity losses from C corporation years would be allowed as deductions when and to the extent they would be allowed to C corporations.

SUBTITLE D—EFFECTIVE DATE

Sec. 130. Effective Date—Except as otherwise provided, the amendments made by this legislation shall apply to taxable years beginning after December 31, 1999.●

By Mr. FEINGOLD (for himself and Mr. KOHL):

S. 1416. A bill to amend the Agricultural Marketing Agreement of 1937 to allow a modified bloc voting by cooperative associations of milk producers in connection with the scheduled August referendum on Federal Milk Marketing Order reform; to the Committee on Agriculture, Nutrition, and Forestry.

DEMOCRACY FOR DAIRY PRODUCERS ACT OF 1999

● Mr. FEINGOLD. Mr. President, I rise to introduce a measure that will begin to restore to many dairy farmers throughout the nation, part of the market power they have lost in recent years.

Mr. President, on March 31 of this year, Secretary Glickman put forth the Department of Agriculture's final rule on the Federal Milk Marketing Order system. As many of you know, that proposal consolidated federal orders and made changes to various pricing formulas in current law.

As mandated in last year's Omnibus Appropriations bill, this new federal policy is scheduled to take effect no later than October 1, 1999. However, prior to October, this nation's farmers will put USDA's proposal to a referendum. Farmers will have the opportunity to vote on their futures. Or at least that is what is supposed to happen.

Mr. President, most farmers in the country won't actually get to vote on this, the most significant change in dairy policy in sixty years. Their dairy marketing cooperatives will cast their votes for them.

This procedure is called bloc voting and it is used all the time. Basically, a Cooperative's Board of Directors decides that, in the interest of time, bloc voting will be implemented for that particular vote. In the interest of time, but not always in the interest of their producer owner-members.

Mr. President, I do think that bloc voting can be a useful tool in some circumstances, but I have serious concerns about its use in the August referendum on USDA's plan. Farmers in Wisconsin and in other states tell me that they do not agree with their Cooperative's view on the upcoming vote. Yet, they have no way to preserve their right to make their single vote count.

After speaking to farmers and officials at USDA, I have learned that if a Cooperative bloc votes, individual members simply have no opportunity to voice opinions separately. That seems unfair when you consider what a monumental issue is at stake. Coops and their members do not always have identical interests. We shouldn't ask farmers to ignore that fact.

Mr. President, the Democracy for Dairy Producers Act of 1999 is simple and fair. It provides that a cooperative cannot deny any of its members a ballot if one or two or ten or all of the members chose to vote on their own.

This will in no way slow down the process at USDA; implementation of the final rule will proceed on schedule. Also, I do not expect that this would change the final outcome of the vote. Coops could still cast votes for their members who do not exercise their right to vote individually. And to the extent that coops represent farmers interest, farmers are likely to vote along with the coops, but whether they join the coops or not, farmers deserve the right to vote according to their own views.

I urge my colleagues to return just a little bit of power to America's farmers, and a little bit of pure democracy to the vote on the USDA plan which is sure to have such an impact on their future.

I urge my colleagues to support the Democracy for Dairy Producers Act, a dairy bill without regional bias.●

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

S. 1417. A bill to amend title XIX of the Social Security Act to extend the authority of State Medicaid fraud control units to investigate and prosecute fraud in connection with Federal health care programs and abuse of residents of board and care facilities; to the Committee on Finance.

HEALTH CARE FRAUD CONTROL ACT OF 1999

Mr. GRASSLEY. Mr. President, I am joined today by Senator BREAUX in introducing the Health Care Fraud Control Act of 1999. This bill is an effective, efficient and economical way to fight fraud, waste and abuse in publicly funded health care programs. It takes a system that is successful in combating Medicaid fraud and expands its authority to pursue investigations in other federal programs when investigators uncover or suspect fraudulent or abusive activities. This bill is common sense.

State Medicaid Fraud Control Units have long been at the forefront of health care fraud enforcement. The Health Care Fraud Control Act would give these units the authority needed to investigate other fraud and abuse cases, including Medicare cases, at the same time as Medicaid cases. This bill, which will be introduced by Rep. RICK LAZIO (R–N.Y.) in the House, would streamline the enforcement process for anti-fraud agents, cutting down on bureaucracy and allowing investigators to pursue anti-fraud cases more efficiently. This bill is an important weapon in the war against health care fraud in the Medicaid and Medicare programs.

The streamlined effort would be especially effective in fighting nursing home fraud and neglect. Many times seniors are eligible for both Medicare and Medicaid payments. Combined, these two programs cover the bulk of the cost of nursing home care in our country. When a nursing home receives both Medicare and Medicaid payments, the potential for fraud is much too high. As the law stands, even if a fraud control unit establishes a strong case showing Medicaid fraud and uncovers Medicare fraud at the same time, it must wait while various federal agencies investigate the Medicare side before the case can be prosecuted.

Any effort to combat fraud is critical. Medicaid's annual budget is $178 billion, and fraud cases can involve significant amounts of money. Meanwhile, improper payments through Medicare were $12.6 billion in Fiscal Year 1998.

Expanding the Medicaid anti-fraud units' jurisdiction will help us erode health care fraud. With billions of tax dollars wasted each year, we need every weapon we can find in the anti-fraud arsenal. We can't afford to waste a single health care dollar.

By Mr. MCCAIN:

S. 1419. A bill to amend title 36, United States Code, to designate May as ''National Military Appreciation Month''; to the Committee on the Judiciary.

NATIONAL MILITARY APPRECIATION MONTH

Mr. MCCAIN. Mr. President, I rise today to introduce a bill to designate the month of May National Military Appreciation Month. As my colleagues may recall, I had sponsored a resolution earlier in the year, cosponsored by 61 Senators, designating May 1999 as National Military Appreciation Month. That resolution, S. Res. 33, passed by a vote of 93–0 on April 30. The new bill will make that designation permanent.

The introduction of an All-Volunteer Army was an outgrowth of the disenchantment many Americans felt in the wake of the Vietnam War. The end of conscription and the transition to the All-Volunteer concept has been criticized by some for not adequately reflecting socioeconomic divisions within our country. In point of fact, however, with the requisite attention and care, it produced the finest armed forces in history. How far we had come since the tumultuous times of the 1970s when military readiness descended to abysmal levels was evident for all the world to see in the overwhelming victory over Iraqi forces during Operation Desert Storm. But that success has been taken for granted too long. Over 15 years of declining military budgets, combined with record high levels of deployments, have stretched the military to precarious levels.

The end of conscription had another, more far-reaching and subtle implication: it diminished the percentage of the public, including its elected officials, with military experience. This is not a criticism of those who did not serve; on the contrary, as a strong supporter of the All-Volunteer Army, I remain committed to its survival and success. This gradual diminishment in the shared experience of having served in uniform, however, makes it increasingly important that the public reflect every year on the enormous role their armed forces have on preserving freedom.

As thousands of American soldiers move into position in Kosovo, while others continue to serve in Bosnia as well as on the demilitarized zone in Korea and around the world, it is imperative that our men and women in uniform know of the strong continuing support of their country for their dedication and service to this country. Whether we individually agree with each and every deployment or not, we have learned to separate our support every deployment or not, we have learned to separate our support for the armed forces from our differences over the policies that sent them into harm's way. Dedicating one month every year to express our appreciation for the armed forces, the same month in which we recognize Victory in Europe Day, Military Spouse Day, Armed Forces Day, and, most importantly, Memorial Day, is an appropriate measure that I hope will have the support of all my colleagues in Congress.

Mr. President, I generally take a somewhat dim view of celebratory resolutions. But those who fought on the battlefields of Lexington, Gettysburg, Normandy, in the Ardennes and on

Okinawa, in Hue and at Khe Sanh, in the deserts of the Persian Gulf and the dusty streets of Mogadish, in the skies over Kosovo and who stand a lonely vigil on the DMZ, must not be forgotten. Too much blood has been spilled in defense of liberty. We owe to those who perished and those who survived, to devote one month out of the year to reflect on the sacrifices of those who have worn their nation's uniform throughout its history.

Mr. President, I ask unanimous consent that the bill, the attached correspondence in support of S. Res. 33 from the Secretary of the Air Force and Air Force Chief of Staff, as well as a letter from retired General Gordon Sullivan, president of the Association of the United States Army, be printed in the RECORD.

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

S. 1419

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

SECTION 1. NATIONAL MILITARY APPRECIATION MONTH.

(a) FINDINGS.—Congress makes the following findings:

(1) The freedom and security that citizens of the United States enjoy today are direct results of the vigilance of the United States Armed Forces.

(2) Recognizing contributions made by members of the United States Armed Forces will increase national awareness of the sacrifices that such members have made to preserve the freedoms and liberties that enrich this Nation.

(3) It is important to preserve and foster admiration and respect for the service provided by members of the United States Armed Forces.

(4) It is vital for youth in the United States to understand that the service provided by members of the United States Armed Forces has secured and protected the freedoms that United States citizens enjoy today.

(5) Recognizing the unfailing support that families of members of the United States Armed Forces have provided to such members during their service and how such support strengthens the vitality of our Nation is important.

(6) Recognizing the role that the United States Armed Forces plays in maintaining the superiority of the United States as a nation and in contributing to world peace will increase awareness of all contributions made by such Forces.

(7) It is appropriate to recognize the importance of maintaining a strong, equipped, well-educated, well-trained military for the United States to safeguard freedoms, humanitarianism, and peacekeeping efforts around the world.

(8) It is proper to foster and cultivate the honor and pride that citizens of the United States feel towards members of the United States Armed Forces for the protection and service that such members provide.

(9) Recognizing the many sacrifices made by members of the United States Armed Forces is important.

(10) It is proper to recognize and honor the dedication and commitment of members of the United States Armed Forces, and to show appreciation for all contributions made by such members since the inception of such Forces.

(b) NATIONAL MILITARY APPRECIATION MONTH.—Chapter 1 of part A of subtitle I of title 36, United States Code, is amended by adding at the end the following:

"§ 144. National Military Appreciation Month.

"The President shall issue each year a proclamation—

"(1) designating May as 'National Military Appreciation Month'; and

"(2) calling on the people of the United States to honor the dedicated service provided by the members of the United States Armed Forces and to observe the month with appropriate ceremonies and activities.".

(c) TABLE OF CONTENTS.—The table of contents in chapter 1 of part A of subtitle I of title 36, United States Code, is amended by inserting after the item relating to section 143 the following new item:

"144. National Military Appreciation Month.".

ASSOCIATION OF THE U.S. ARMY,
Arlington, VA, April 2, 1999.

Hon. JOHN MCCAIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR MCCAIN: On behalf of the 100,000 members of the Association of the United States Army, I applaud your introduction of Senate Resolution 33, which would designate May, 1999, as National Military Appreciation Month.

AUSA agrees that Americans should reflect more often on the sacrifices of our military personnel throughout history. Designating a month in which we observe Victory in Europe Day, Armed Forces Week, Military Spouse Day, and Memorial Day, is particularly fitting.

AUSA supports your efforts and recommends that the resolution be amended to make the observance of National Military Appreciation Month an annual event.

Sincerely,

GORDON R. SULLIVAN,
General, USA Retired.

DEPARTMENT OF DEFENSE,
SECRETARY OF THE AIR FORCE,
Washington, DC, May 6, 1999.

Hon. JOHN MCCAIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR MCCAIN: On behalf of the men and women of the United States Air Force, we thank you and the Senate for designating May 1999 as National Military Appreciation Month. As you well know, our airmen are not only engaged in the Balkan operations, but all around the world, with over 100,000 people either forward stationed or deployed. We are proud of the personal sacrifice and tremendous service they give our great nation, and it is heartwarming to see the Senate recognize their efforts. Thank you for your gracious show of support.

MICHAEL E. RYAN,
General, USAF, Chief of Staff.

F. WHITTEN PETERS,
Acting Secretary of the Air Force.

By Mr. KERRY (for himself, Mr. HOLLINGS, Mr. BREAUX, Mr. INOUYE, Mrs. BOXER, Mrs. FEINSTEIN, and Mr. KENNEDY):

S. 1420. A bill to establish a fund for the restoration and protection of ocean and coastal resources, to amend and reauthorize the Coastal Zone Management Act of 1972, and for other purposes; to the Committee on Commerce, Science, and Transportation.

COASTAL STEWARDSHIP ACT

Mr. KERRY. Mr. President, I will shortly be sending to the desk for appropriate referral the Coastal Stewardship Act which I am introducing today, along with Senators HOLLINGS, BREAUX, INOUYE, BOXER, FEINSTEIN and KENNEDY. The goal of the Coastal Stewardship Act is to significantly strengthen our national commitment to and capacity to protect the coastal communities and all of our coastal and ocean environment.

Our coasts—I know the Chair knows this because he represents a State that has enormous fishing interests—our coasts and our oceans are increasingly fragile environments, and they are increasingly threatened. Their health depends on a very complex chain of ecosystems that includes rainwater runoff from inland, estuaries, wetlands, flood plains, tidal basins, coral reefs, our fisheries and the whole deal more. Damage to any one of those ecosystems can wind up degrading and damaging the others, and they can cause severe cultural and economic impact for all of our coastal communities.

Moreover, as our coastal population grows and as coastal development increases, as it has been almost every year for the last 50 years, we are placing more and more stress on these fragile and increasingly unique and interconnecting ecosystems.

Since 1960, the coastal population in the United States has increased by over 50 percent, and that trend is expected to continue. Indeed, it is predicted that over the course of the next 10 years or so, well over 75 percent of the American population will live within 50 miles of coastline of one kind or another. In the next decade alone, an additional 14 million Americans are expected to settle in coastal areas.

The impact is very clear. On the Atlantic coast, we have had toxic outbreaks of pfiesteria. In the Gulf of Mexico, we have a dead zone that has formed that harms shrimp stocks and kills off other species. Our Nation has lost more than 89 million acres of coastal wetlands, and our commercial fisheries are depleted from a combination of mismanagement and also ecosystem impacts. Parts of the Great Lakes have suffered from nutrient enrichment which is destructive to those ecosystems. Finally, even urban areas along our coasts face a unique challenge as they work to clean up polluted industrial sites and bring their waterfronts back to life.

The Coastal Stewardship Act creates the Ocean and Coast Conservation Fund to receive permanent funding from Federal oil and gas leasing on the Outer Continental Shelf. The fund would accrue 10 percent, or a minimum of $250 million of OCS revenues each year.

The CSA uses funds from the Ocean and Coast Conservation Fund and general revenues to support the restoration and preservation of our coastal and marine resources. The specific investments include the following:

First, the CSA provides increased support to the Coastal Zone Management Act. The CZMA is a highly flexible program that allows States to prioritize, design, and implement management plans, meeting broad national objectives for coastal environmental protection and economic development.

Second, the CSA establishes a new highly flexible program within the Department of Commerce to fund coastal habitat, restoration, and preservation projects. With these block grants for conservation, States set priorities and decide how and when projects proceed within broad national goals.

Third, it enhances the Federal commitment to the National Marine Sanctuary Program, a very successful program that designates unique ocean habitat for protection and research. Our 12 national marine sanctuaries restore and rebuild marine habitats to their natural condition and monitor and maintain already healthy areas.

Four, the CSA creates a coral reef restoration and conservation program at the Department of Commerce. The legislation recognizes the importance of maintaining the health and stability of coral reefs for their environmental and economic value, and it builds on the work of the U.S. Coral Reef Task Force.

Five, one of the most difficult challenges to overcome in developing sound policy for U.S. fisheries has been the lack of high-quality information. The CSA establishes a comprehensive program to improve the quality and quantity of fisheries information available to evaluate stock status, design control measures, and monitor effectiveness of those control measures.

Six, the CSA increases Federal support of State and local enforcement by expanding existing cooperative enforcement agreements. These joint ventures allow States and local governments to tailor enforcement procedures to fit the local needs and available resources, and also allow for collaboration between State and local enforcement agencies and Federal agencies.

I will close my comments, Mr. President, by saying to my colleagues that some have expressed concern that somehow this broader effort might have an impact on reauthorization of coastal zone management and national marine sanctuaries, et cetera.

I assure my colleagues this legislation is in addition to and supportive of and supplementary to each of those other efforts which I have personally had the privilege of leading in the past years when I was chairman of the committee. We have reauthorized those in past years, and always we have found that a comprehensive approach has been a far more effective and a, frankly, far more needed approach. But nothing will stand in the way, I am confident, of our efforts to cooperate on each and every one of those efforts.

We need to better meet the needs of our coastal communities, and it is absolutely essential that we look in this country at this issue, not as individual pieces that come at us one by one, but as the sum total of the parts they represent. We need a national policy to reflect that sum total.

I say to Senator BOXER and Senator LANDRIEU, who have legislation of their own regarding the Outer Continental Shelf, that I am proud to be an original cosponsor of Senator BOXER's Resources 2000 effort, and I look forward to working with them to try to address all the concerns we share regarding these issues.

Finally, I am very pleased my colleagues on the Commerce Committee have joined in this. As the Senate knows, the Commerce Committee has primary jurisdiction over our Nation's major coastal programs, and Senators HOLLINGS, BREAUX, INOUYE, and others bring very valuable experience to these issues. I am pleased to include their efforts in this legislation.

By Mr. SCHUMER:

S. 1422. A bill to amend the Elementary and Secondary Education Act of 1965 to improve the quality of education and raise student achievement by strengthening accountability, raising standards for teachers, rewarding success, and providing better information to parents; to the Committee on Health, Education, Labor, and Pensions.

SCHOOL QUALITY COUNTS ACT

By Mr. SCHUMER:

S. 1423. A bill to amend the Internal Revenue Code of 1986 to exclude from income $40,000 of the salary of certain teachers who teach high-poverty schools; to the Committee on Finance.

TEACHER TAX RELIEF ACT OF 1999

Mr. SCHUMER. Mr. President, I rise today to introduce the School Quality Counts Act and the Teacher Tax Relief Act of 1999. Mr. President, the National Center for Education Statistics estimates that our nation will require two million teachers over the next decade. In New York State this problem is particularly acute: 40,000 new teachers will be needed over the next four years. In New York City, where there are 10,000 emergency-certified teachers overwhelmingly concentrated in the highest poverty schools, there is virtually no incentive for qualified professionals to teach at the highest poverty schools and as a result there exists an uneven distribution of well trained teachers.

Across the nation, many school districts are experiencing both geographic and subject area teacher shortages. In many instances, school districts with lower tax bases are forced to compete with districts that can afford to pay their teachers higher salaries thus creating a drain on the pool of experienced and qualified teachers in lower income school districts. Attracting and retaining well-qualified teachers, and compensating them appropriately, is critical to raising student achievement.

Mr. President, the School Quality Counts Act deals directly with the teacher quality issue in three ways: First, the bill strengthens state and local accountability for student results by requiring that school districts take specific steps to improve teacher quality within two years of the bill's enactment; second, the legislation would empower parents and taxpayers by providing information on student and school performance through the issuance of school report cards; third, the bill would provide ''achievement awards'' to those schools that demonstrate continuous student improvement.

In addition to these steps, Mr. President, one of the most concrete and important steps we can take now is to create real financial incentives for qualified individuals to teach in high-poverty schools. The Teacher Tax Relief Act of 1999 would create these incentives by exempting the first $40,000 of a teacher's salary from federal income tax for qualified individuals teaching academic subjects in schools where at least 50 percent of the students qualify for the free or reduced price lunch programs. In order to qualify for the exemption, the teacher must be qualified to provide instruction in each and every academic course they teach. No individual who is teaching under an ''emergency'' designation is eligible for the exemption and no teacher whose gross family income exceeds $120,000 is eligible for the exemption. Mr. President, this legislation would increase take-home pay for a teacher earning $40,000 by over $5,000 and would steer high quality teachers to underperforming school districts in addition to providing middle class tax relief. I ask for unanimous consent that the text of both bills be printed in the RECORD.

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

S. 1422

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 ''School Quality Counts Act''.

TITLE I—STATE PLANS FOR IMPROVING BASIC PROGRAMS OPERATED BY STATE AND LOCAL EDUCATIONAL AGENCIES.

SEC. 101. ACCOUNTABILITY.

(a) IN GENERAL.—Section 1111(b)(2) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(2)) is amended—

(1) in subparagraph (A)—

(A) by striking ''and'' at the end of clause (i);

(B) by striking the period at the end of clause (ii) and inserting ''; and''; and

(C) by adding at the end the following:

''(iii) the State toward enabling all children in schools receiving assistance under this part to meet the State's student performance standards.'';

(2) in subparagraph (B), by striking clauses (i) and (ii) and inserting the following:

''(i) that establishes a single high standard of performance for all students;

''(ii) that takes into account the progress of all students of each local educational agency and school served under section 1114 or 1115;

''(iii) that compares the proportions of students who are 'not proficient', 'partially proficient', 'proficient', and 'advanced' at the grade levels at which assessments are conducted with the proportions of students in each of the 4 categories at the same grade level in the previous school year;

''(iv) that considers separately, within each State, local educational agency, and school, the performance and progress of students by gender, by each major ethnic and racial group, by English proficiency status, by migrant status, by students with disabilities as compared to nondisabled students, and by economically disadvantaged students as compared to students who are not economically disadvantaged (except that such disaggregation shall not be required in a case where the number of students in a category is insufficient to yield statistically reliable information or the results would reveal individually identifiable information about an individual student); and

''(v) that includes annual numerical goals for improving the performance of all groups specified in clause (iv) and narrowing gaps in performance between these groups.''; and

(3) by adding at the end the following:

''(C) The Secretary shall collect and review the information from States on the adequate yearly progress of schools and local educational agencies required under subparagraphs (A) and (B) for the purpose of determining State and local compliance with section 1116.''.

(b) REGULATIONS.—The Secretary shall promulgate regulations and amendments to regulations to carry out the amendments made by subsection (a) not later than 6 months after the date of the enactment of this Act and shall review State plans submitted under section 1111 of the Elementary and Secondary Education Act of 1965 before such date to determine their compliance with the regulations. The Secretary shall require States to revise their plans if necessary to satisfy the requirements of the regulations. Such revised plans shall be submitted to the Secretary for approval not later than 1 year after the date of enactment of this Act.

SEC. 102. SCHOOL REPORT CARDS.

Section 1111(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)) is amended—

(1) by amending the subsection heading to read as follows: ''(b) STANDARDS, ASSESSMENTS, AND ACCOUNTABILITY.—''

(2) by redesignating paragraphs (4) through (8) as paragraphs (6) through (10), respectively; and

(3) by inserting after paragraph (3) the following:

''(4) DISSEMINATION OF RESULTS TO PARENTS.—Each State plan shall contain assurances that, beginning in the 2001–2002 school year, and annually thereafter, all schools served under this part shall—

''(A) report the results of all assessments described in paragraph (3) used to measure the performance of a student attending the school to each parent or legal guardian of the student;

''(B) report the results in a uniform and understandable format;

''(C) ensure that the reports are based on the same assessments described in paragraph (3);

''(D) include in the reports a description of whether the student has demonstrated 'advanced', 'proficient', 'partially proficient', or 'not proficient' levels of performance in each subject area;

''(E) include in the reports—

''(i) a comparison of the proportions of students enrolled in that school, in the local educational agency, and in the State who are 'not proficient', 'partially proficient', 'proficient', and 'advanced' in each subject area, for each grade level at which assessments are conducted, with proportions in each of the same 4 categories at the same grade levels in the previous school year;

''(ii) the percentage of students in the school on which the results in clause (i) are based; and

''(iii) information, in the aggregate, on the qualifications of classroom teachers in the student's school, including—

''(I) the percentage of classroom teachers in the school who meet all State and local requirements to teach at all grade levels and in all subject areas in which they provide instruction;

''(II) in middle and secondary schools, the percentage of classes taught by teachers who do not have a college major, or who have not passed a rigorous subject area test, in the subject being taught; and

''(III) the percentage of classroom teachers in the school teaching under 'emergency' or other provisional credentials.

''(5) DISSEMINATION OF RESULTS TO THE PUBLIC.—Each State plan shall contain assurances that, beginning in the 2001–2002 school year, and annually thereafter, each State shall—

''(A) ensure that overall student performance data on all assessments described in paragraph (3) are compiled, published, and disseminated widely to the general public;

''(B) ensure that the data includes a comparison of the proportions of students who are 'not proficient', 'partially proficient', 'proficient', and 'advanced' at the grade levels at which assessments are conducted with proportions in each of the same 4 categories at the same grade levels in the previous school year;

''(C) ensure that the data is disaggregated within the State, local educational agency, and school by gender, by each major racial and ethnic group, by English proficiency status, by migrant status, by students with disabilities as compared to nondisabled students, and by economically disadvantaged students as compared to students who are not economically disadvantaged (except that such disaggregation shall not be required in a case where the number of students in any category is insufficient to yield statistically reliable information or the results would reveal individually identifiable information about an individual student);

''(D) ensure that the reports are—

''(i) distributed to local print and broadcast media; and

''(ii) posted on a web site on the Internet.''.

SEC. 103. TEACHER QUALITY.

Section 1111 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311) is amended—

(1) by redesignating subsections (c) through (g) as subsections (e) through (i), respectively; and

(2) by inserting after subsection (b) the following:

''(c) TEACHER QUALITY.—

''(1) DISSEMINATION TO PARENTS.—Each State plan shall contain assurances that all schools served under this part make available to each parent, in a uniform and understandable format, information on the qualifications of their child's classroom teachers with regard to the subject areas and grade levels in which the teacher provides instruction. Such information shall include—

''(A) whether the teacher has met all State qualification and licensing criteria for the grade levels and subject areas in which the teacher provides instruction;

''(B) whether the teacher is teaching under 'emergency' or other provisional status;

''(C) the college major of the teacher and any other graduate certification or degree held by the teacher, and the field or discipline of each certification or degree.

''(2) SPECIAL PARENTAL NOTIFICATION.—Each State plan shall contain assurances that—

''(A) the State shall ensure that all schools served under this part notify in writing the parents or guardians of any student who is receiving academic instruction from a teacher who has not fully met all State requirements to provide instruction at the grade level at which, and in the subject areas in which, the teacher is providing instruction to the student;

''(B) the notification required under subparagraph (A) shall be made—

''(i) to parents or guardians of any student who is receiving instruction from a teacher who has been exempted from State qualification and licensing criteria or for whom State qualification or licensing criteria have been waived under 'emergency', 'provisional', or other similar procedures;

''(ii) not more than 15 days after the student has been assigned to a teacher described in the subparagraph; and

''(C) before being allowed to accept a teaching assignment in the State, a teacher who has not fully met all State requirements to provide instruction at a grade level or in a subject area in which the teacher is to provide instruction is informed of the notification requirement under this paragraph.

''(3) PUBLIC REPORTING.—Each State plan shall contain assurances that the State shall compile, aggregate, publish, distribute to major print and broadcast media outlets throughout the State and post on a web site on the Internet the information described in paragraph (1) for each school, local educational agency, and the State.

''(4) QUALIFICATIONS OF CERTAIN INSTRUCTIONAL STAFF.—

''(A) Each State plan shall contain assurances that, not later than 2 years after the date of the enactment of the School Quality Counts Act—

''(i) all instructional staff who provide services to students under section 1114 or 1115 have demonstrated the subject matter knowledge, teaching knowledge, and teaching skill necessary to teach effectively in the content area or areas in which they provide instruction, according to the criteria described in this paragraph;

''(ii) except as provided in subparagraph (F), funds under this part may not be used to support instructional staff who provide services to students under section 1114 or 1115 for whom State qualification or licensing requirements have been waived or who are teaching under an 'emergency' or other provisional credential.

''(B) For purposes of subparagraph (A), instructional staff who teach elementary school students are required, at a minimum, to hold a bachelors's degree and demonstrate general knowledge, teaching skill, and subject matter knowledge required to teach effectively in reading, writing, mathematics, social studies, science, and other elements of a liberal arts education.

''(C) For purposes of subparagraph (A), instructional staff who teach in middle schools and secondary schools are required, at a minimum, to hold a bachelor's degree or higher and demonstrate a high level of competence in all subject areas in which they teach through—

''(i) a high level of performance on rigorous academic subject area tests; or

''(ii) completion of an academic major in each of the subject areas in which they provide instruction and at least a B average.

''(D) For purposes of subparagraph (A) funds under this part may be used to employ teacher aides or other paraprofessionals who

do not meet the requirements under subparagraphs (B) and (C) only if such aides or paraprofessionals—

''(i) provide instruction only when under the direct and immediate supervision, and in the immediate presence, of instructional staff who meet the criteria of this paragraph; and

''(ii) possess particular skills necessary to assist instructional staff in providing services to students served under this Act.

''(E) Each State plan shall contain assurances that beginning on the date of the enactment of the School Quality Counts Act, no school served under this part may use funds received under this Act to hire instructional staff who do not fully meet all the criteria for instructional staff described in this paragraph.

''(F) Each State plan shall contain assurances that not later than 6 months after the date of the enactment of the School Quality Counts Act, and annually thereafter, the principal of each school served under this part shall, in writing, attest to the fact that all members of their instructional staff meet the requirements of this paragraph. In a case in which there are instructional staff who have yet to meet all requirements to provide instruction in each of the subject areas and at each of the grade levels to which they are assigned to teach, the principal shall submit, in writing, a plan for ensuring that not later than 2 years after the date of the enactment of the School Quality Counts Act all instructional staff will either meet all requirements under this paragraph or will no longer provide instruction to students served under this part.

''(G) For purposes of this paragraph, the term 'instructional staff' includes any individual who has responsibility for providing any student or group of students with instruction in any of the core academic subject areas, including reading, writing, language arts, mathematics, science, and social studies.

''(d) Each State plan shall describe how the State educational agency will help each local educational agency and school develop the capacity to comply with the requirements of this section.''.

SEC. 104. QUALIFIED TEACHER IN EVERY CLASSROOM.

(a) IN GENERAL.—Title I of the Elementary and Secondary Education Act of 1965 is amended by inserting after section 1119 the following new section:

''SEC. 1119A. A QUALIFIED TEACHER IN EVERY CLASSROOM.

''(a) USES OF FUNDS.—In order to meet the goal under section 1111(c)(4) of ensuring that all instructional staff have the subject matter knowledge, teaching knowledge, and teaching skill necessary to teach effectively in the content area or areas in which they provide instruction, local educational agencies may, notwithstanding any other provision of law, use funds received under title II, title VI, and section 307 of the Department of Education Appropriations Act, 1999, the Higher Education Act of 1965, or the Goals 2000: Educate America Act—

''(1) to recruit fully qualified teachers, including through the use of signing bonuses or other financial incentives;

''(2) to collaborate with programs that recruit, place, and train qualified teachers; or

''(3) to provide the necessary education and training, including paying the costs of college tuition and other student fees (for programs that meet the criteria under section 203(2)(A)(i) of the Higher Education Amendments of 1998), to help current teachers or other school personnel who do not meet these criteria attain the necessary qualifications and licensing requirements, except that in order to qualify for college tuition payments under this clause, an individual must be within 2 years of completing an undergraduate degree and must agree to teach for at least 2 subsequent years after receiving such degree in a school that—

''(A) is located in a local educational agency that is eligible in that academic year for assistance under this title; and

''(B) for that academic year, has been determined by the Secretary to be a school in which the enrollment of children counted under section 1124(c) exceeds 50 percent of the total enrollment of that school.

''(b) CORRECTIVE ACTION.—The State educational agency shall take corrective action consistent with section 1116(c)(5)(B)(i), with the goal of meeting the requirements under this paragraph, against any local educational agency that does not make sufficient effort to comply with section 103 within the time specified. Such corrective action shall be taken regardless of the conditions set forth in section 1116(c)(5)(B)(ii). In a case in which the State fails to take corrective action, the Secretary shall withhold funds from such State up to an amount equal to that reserved under sections 1003(a) and 1603(c).''.

(b) INSTRUCTIONAL AIDES.—Section 1119 of Elementary and Secondary Education Act of 1965 is amended by striking subsection (i).

(c) CLERICAL AMENDMENT.—The table of sections for the Elementary and Secondary Education Act of 1965 is amended by inserting after the item relating to section 1119 the following new item:

''Sec. 1119A. A qualified teacher in every classroom.''.

SEC. 105. LIMITATION.

Part E of title XIV of the Elementary and Secondary Education Act of 1965 is amended by adding at the end the following:

''SEC. 14515. PROHIBITION REGARDING PROFESSIONAL DEVELOPMENT SERVICES.

''None of the funds provided under this Act may be used for any professional development services for a teacher that are not directly related to the curriculum and content areas in which the teacher provides instruction.''.

TITLE II—ACADEMIC ACHIEVEMENT AWARDS PROGRAM

SEC. 201. ACADEMIC ACHIEVEMENT AWARDS.

Subpart 1 of part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311–6323) is amended—

(1) by redesignating sections 1120, 1120A, and 1120B as sections 1120A, 1120B, and 1120C, respectively; and

(2) by inserting after section 1119A, as added by section 104 of this Act, the following:

''SEC. 1120. ACADEMIC ACHIEVEMENT AWARDS.

''(a) ESTABLISHMENT OF PROGRAMS.—Each State receiving a grant under this title shall establish an Academic Achievement Awards Program to recognize and reward—

''(1) local educational agencies and schools that operate programs under section 1114 or 1115 and that demonstrate outstanding yearly progress, consistent with section 1111(b)(2)(A), for 2 or more consecutive years; and

''(2) teachers who provide instruction in such programs.

''(b) RESERVATION.—Each State receiving a grant under this title shall reserve, from the amount (if any) by which the funds received by the State under this title for the fiscal year exceed the amount received by the State in the preceding fiscal year, 25 percent of such additional amount (plus any additional amount the State may find necessary to address a demonstrated need for an academic achievement award program), for awards to local educational agencies, schools, and teachers of classes that demonstrate outstanding yearly progress (consistent with section 1111(b)(2)(B)) for 2 or more consecutive years.

''(c) TYPES OF AWARDS.—Each State shall use funds reserved under this section to present financial awards to—

''(1) the schools and local educational agencies that the State determines have demonstrated the greatest progress in improving student achievement (consistent with section 1111(b)(2)(B)); and

''(2) teachers who demonstrate the ability to consistently help students make significant achievement gains, consistent with section 1111(b)(2)(B), in the subject areas in which the teacher provides instruction.

''(d) CALCULATION OF AWARD AMOUNTS.—Award amounts to local educational agencies and schools shall be proportionate to the amount of aid such local educational agency or school received under this part for the preceding fiscal year. The amount awarded to a teacher that qualifies for an award under this section shall be uniform throughout the State.

''(e) SPECIAL RULE.—Each State shall allocate not less than 85 percent of funds reserved under subsection (b) to schools that—

''(1) reside in a local educational agency that is eligible in that academic year for assistance under section 1124; and

''(2) for that academic year, have been determined by the Secretary to be a school in which the enrollment of children counted under section 1124(c) exceeds 50 percent of the total enrollment of that school,

or to teachers providing instruction within such schools.

''(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such additional sums as may be necessary to supplement the academic achievement awards program. Such funds shall be allocated to a State in an amount proportionate to the amount of aid such State received under this part for the preceding fiscal year.''.

TITLE III—CONFORMING AMENDMENTS; EFFECTIVE DATE

SEC. 301. CONFORMING AMENDMENTS.

(a) SECTION 102 CONFORMING AMENDMENTS.—

(1) STANDARDS AND ASSESSMENTS.—Section 1111(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)) is amended—

(A) in paragraph (1)(C), by striking ''paragraph (6)'' and inserting ''paragraph (8)''; and

(B) in paragraph (7)(A), by striking ''paragraph (6)(B)'' and inserting ''paragraph (8)(B)''.

(2) SCHOOL IMPROVEMENT.—Section 1116(c)(1)(C) of such Act (20 U.S.C. 6317(c)(1)(C)) is amended by striking ''section 1111(b)(7)(B)'' and inserting ''section 1111(b)(9)(B)''.

(3) STATE REVIEW AND LOCAL EDUCATIONAL AGENCY IMPROVEMENT.—Section 1116(d)(3)(A)(ii) of such Act (20 U.S.C. 6317(d)(3)(A)) is amended by striking ''section 1111(b)(7)(B)'' and inserting ''section 1111(b)(9)(B)''.

(4) BUILDING CAPACITY FOR INVOLVEMENT.—Section 1118(e)(1) of such Act (20 U.S.C. 6319(e)(1)) is amended by striking ''section 1111(b)(8)'' and inserting ''section 1111(b)(10)''.

(b) SECTION 103 CONFORMING AMENDMENTS.—Section 1111(d)(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(d)(1)) is amended—

(1) in subparagraphs (C) and (E)(ii), by striking ''and (c)'' and inserting ''and (e)''; and

(2) in subparagraph (D), by striking ''or (c)'' and inserting ''or (d)''.

(c) SECTION 201 CONFORMING AMENDMENTS.—

(1) AUTHORIZATION OF APPROPRIATIONS.—Section 1002 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6302) is amended—

(A) in subsection (a), by striking ''section 1120(e)'' and inserting ''section 1120A(e)''; and

(B) in subsection (e), by striking ''section 1120(e)'' and inserting ''section 1120A(e)''.

(2) ADDITIONAL STATE ALLOCATIONS FOR SCHOOL IMPROVEMENT.—Section 1003(b) of such Act (20 U.S.C. 6303(b)) is amended by striking ''section 1120(e)'' both places it appears and inserting ''section 1120A(e)''.

(3) ASSURANCES.—Section 1112(c)(1)(F) of such Act (20 U.S.C. 6312(c)(1)(F)) is amended by striking ''section 1120'' and inserting ''section 1120A''.

(4) LOCAL EDUCATIONAL AGENCY DISCRETION.—Section 1113(b)(1)(C)(i) of such Act (20 U.S.C. 6313(b)(1)(C)(i)) is amended by striking ''section 1120A(c)'' and inserting ''section 1120B(c)''.

(5) ASSURANCES.—Section 1304(c)(2) of such Act (20 U.S.C. 6394(c)(2)) is amended—

(A) by striking ''section 1120'' and inserting ''section 1120A''; and

(B) by striking ''section 1120A'' and inserting ''section 1120B''.

(6) PROGRAMS AND PROJECTS.—Section 1415(a)(2)(C) of such Act (20 U.S.C. 6435(a)(2)(C)) is amended by striking ''section 1120A'' and inserting ''section 1120B''.

(7) SUPPLEMENT, NOT SUPPLANT.—Section 1415(b) of such Act (20 U.S.C. 6435(b)) is amended by striking ''section 1120A'' and inserting ''section 1120B''.

SEC. 302. EFFECTIVE DATE.

Except as otherwise provided, the amendments made by this Act shall take effect on the date of the enactment of this Act.

S. 1423

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 ''Teacher Tax Relief Act of 1999''.

SEC. 2. EXCLUSION FROM GROSS INCOME OF WAGES OF CERTAIN TEACHERS IN HIGH-POVERTY SCHOOLS.

(a) IN GENERAL.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to items specifically excluded from gross income) is amended by redesignating section 138 as section 139 and by inserting after section 137 the following new section:

''SEC. 138. WAGES OF TEACHERS IN HIGH-POVERTY SCHOOLS.

''(a) IN GENERAL.—Gross income does not include amounts received as wages by a qualified teacher employed at a high-poverty school.

''(b) LIMITATIONS.—

''(1) AMOUNT OF EXCLUSION.—The amount excluded under subsection (a) for any taxable year shall not exceed $40,000.

''(2) ADJUSTED GROSS INCOME.—The exclusion under subsection (a) shall not apply to any taxpayer whose adjusted gross income for the taxable year exceeds $120,000.

''(c) QUALIFIED TEACHER DEFINED.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified teacher' means an academic teacher, a special education teacher, or a bilingual teacher. The term does not include an individual teaching under an emergency or other provisional status in which any State teaching qualification or licensing criteria have been waived.

''(2) ACADEMIC TEACHER.—The term 'academic teacher' means an individual who meets all of the following criteria:

''(A) The teacher has performed at a high level on academic subject matter tests, or has a bachelor's degree or higher with an academic major in each of the subjects taught by the teacher.

''(B) The principal of the school where the teacher is assigned asserts that the teacher is qualified to provide instruction in each academic course and in each grade level taught at the school.

''(C) In the case of a teacher of students in elementary school, the teacher must have demonstrated the teaching skill and general subject matter knowledge required to teach effectively in reading, writing, mathematics, social studies, science, and other elements of a liberal arts education.

''(D) In the case of a teacher of students in middle school or secondary school, the teacher must have demonstrated a high level of teaching skill and subject matter knowledge in all of the subject areas that they teach.

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

''(1) ACADEMIC SUBJECTS.—The term 'academic subjects' includes English, language arts, social studies, history, mathematics, science, and related subjects.

''(2) HIGH-POVERTY SCHOOL.—The term 'high-poverty school' means a school in which at least 50 percent of the students attending such school are eligible for free or reduced-cost lunches under the school lunch program established under the National School Lunch Act.

''(3) SCHOOL.—The term 'school' means any public school which provides elementary education or secondary education (through grade 12), as determined under State law.

''(4) WAGES.—The term 'wages' has the meaning provided by section 3401(a).''.

(b) CLERICAL AMENDMENT.—The table of sections for part III of subchapter B of chapter 1 of such Code is amended by striking the item relating to section 139 and inserting the following:

''Sec. 138. Wages of teachers in high-poverty schools.

''Sec. 139. Cross references to other Acts.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts received in taxable years beginning after December 31, 1999.

By Mr. EDWARDS (for himself and Mrs. HUTCHISON):

S. 1424. A bill to amend the Internal Revenue Code of 1986 to provide the same tax treatment for special pay as for combat pay; to the Committee on Finance.

TAX EXEMPT MILITARY PAY ORDERS (TEMPO) ACT

Mr. EDWARDS. Mr. President, I rise to introduce with my colleague KAY BAILEY HUTCHISON the Tax Exempt Military Pay Orders (TEMPO) Act. This measure will not only correct an inequity in the way we treat our deployed armed forces, but it also will help let our soldiers know that we recognize and appreciate the sacrifices they and their families make.

Our proposal would provide that income received by a member of the Armed Forces of the United States, while receiving special pay, should be tax exempt. Currently, members of the U.S. Armed Forces who serve in a Presidentially designated ''combat zone'' receive special tax exemptions. I think we all recall that this exemption was in effect during Kosovo. During Kosovo, soldiers did not have to pay excise taxes on phone calls that they make from the combat zone. Nor did they have to pay income taxes on the money earned while in that zone.

The measure we introduce today provides that these same tax exemptions would be triggered when the Secretary of Defense designates his employees as eligible for ''special pay'' based on hostile conditions. Under current law, members of the Armed Forces receive special pay when: subject to hostile fire; on duty in which he, or others with him, are in imminent danger of such fire; were killed, injured or wounded by hostile fire or were on duty in a foreign area in which he was subject to the threat of physical harm or imminent danger on the basis of civil insurrection, civil war, terrorism, or wartime conditions. In the last few years soldiers in Somalia and Haiti have received special pay.

Let me explain why I believe we need to change the tax treatment of special pay. The original tax exemption for combat pay was put in place during the Korean war. From that time until the fall of the Berlin Wall, the employment of U.S. forces almost always was in combat zones. But since the end of the cold war, as we all know, our Armed Forces have been deployed more often, and in a wider variety of circumstances. Today, a soldier with the 82nd Airborne from North Carolina may be sent on a mission that is as dangerous as any combat mission, but because it is not precisely in a combat zone, he cannot receive any tax benefits.

Given the current uses of our Armed Forces, I believe the measure we propose today makes a great deal of sense. I also believe that making this change in the tax code would correct an inequity. Now, I think it is only right that soldiers in the Kosovo engagement are receiving tax exemptions. But during a recent visit to Fort Bragg, many soldiers and their families commented that the same benefits should have been extended to the soldiers who served in Somalia and Haiti. I have to say that I agreed with them.

And so, this bill addresses the new realities of the post-code-war world. As the Senate knows all too well, the end of the cold war brought with it a significant drawdown in the size of our armed forces. Additionally, we shifted from an overseas-based force to one based primarily in the United States. Almost concurrently, our national security strategy has lead us into an era of seemingly continuous deployments. In the 40 years between 1950 and 1990, elements of the U.S. Army were deployed 10 times. In the less than 10 years since the fall of the Berlin Wall, elements of the Army have been deployed 34 times. The Navy's responses have doubled in the 90's. The Air Force has seen its deployed forces rise 400% while its active duty personnel dropped 33%. Some of these deployments are a few months in duration; some are part

of a continuous presence—such as our forces in the Sinai. All work hardship on both the members deployed and their families, particularly when there are repeated or back-to-back deployments.

These demands contribute to both recruitment and retention problems. In recognition of these demands and of the likelihood that we will continue to see more of these deployments, this bill recognizes that we need to bring our tax code up to date so that it acknowledges these new realities.

Mr. President, let me tell you more about what this proposal would do. As I previously said, members of the military who receive combat pay get certain tax exemptions. For example:

The income of the soldier while in the combat zone is tax exempt. So is the income of a soldier while hospitalized for injuries received in the combat zone and that portion of a pension or retirement acquired while in a combat zone. In addition, pay received while a prisoner of war as a result of service in the combat zone is tax exempt.

Special tax rates apply for the surviving spouse of a soldier who is missing in action (or presumed dead) in a combat zone.

All taxes are eliminated for the years the soldier served in the combat zone if he is killed in the combat zone.

There are other exemptions, and I ask unanimous consent that this copy of the relevant exemptions be printed in the RECORD.

My bill would give those exact same exemptions to soldiers who receive special pay.

Mr. President, as we close out this century and address the realities of the new century, I ask the Senate approve this measure as a means of acknowledging the sacrifices being demanded of our service members and their families.

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

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

SECTION 1: SHORT TITLE.

This Act may be cited as the ''Tax Exempt Military Pay Orders (TEMPO) Act''.

S. 1424

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

SEC. 2. TAX TREATMENT OF SPECIAL PAY FOR MEMSERS OF THE ARMED FORCES.

(a) IN GENERAL.—Subchapter C of chapter 80 of the Internal Revenue Code of 1986 (relating to provisions affecting more than one subtitle) is amended by adding at the end the following:

''SEC. 7874. TREATMENT OF SPECIAL PAY FOR MEMBERS OF THE ARMED FORCES.

''(a) GENERAL RULE.—For purposes of the following provisions, a special pay area shall be treated in the same manner as if it were a combat zone (as determined under section 112):

''(1) Section 2(a)(3) (relating to special rule where deceased spouse was in missing status.—

''(2) Section 112 relating to the exclusion of certain combat pay of members of the Armed Forces.

''(3) Section 692 (relating to income taxes of members of Armed Forces on death).

''(4) Section 2201 (relating to members of the Armed Forces dying in combat zone or by reason of combat-zone-incurred wounds, etc.).

''(5) Section 3401(a)(1) (defining wages relating to combat pay for members of the Armed Forces).

''(6) Section 4253(d) (relating to the taxation of phone service originating from a combat zone from members of the Armed Forces).

''(7) Section 6013(f)(1) (relating to joint return where individual is in missing status).

''(8) Some 7508 (relating to time for performing certain acts postponed by reason of service in combat zone).

''(b) SPECIAL PAY AREA.—For purposes of this section, the term 'special pay area' means any area in which an individual receives special pay under section 310 of title 37, United States Code, for services performed in such area.''

''(b) CONFORMING AMENDMENT.—The table of sections of subchapter C of chapter 80 of the Internal Revenue Code of 1986 is amended by adding at the end the following:

''Sec. 7874. Treatment of special pay.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to remuneration paid to taxable years ending after the date of the enactment of this Act.

CURRENT TAX EXEMPTIONS IN EFFECT FOR COMBAT PAY

Under current law, these exemptions are in effect for members of the Armed Services who receive combat pay:

The income of the soldier while in the combat zone is tax exempt. So is the income of a soldier while hospitalized for injuries received in the combat zone and that portion of a pension or retirement acquired while in a combat zone. In addition, pay received while a prisoner of war as a result of service in the combat zone is tax exempt. (26 U.S.C. § 112)

Special tax rates apply for the surviving spouse of a soldier who is missing in action (or presumed dead) in a combat zone. (26 U.S.C. § 2(a)(3))

All taxes are eliminated for the years the soldier served in the combat zone if he is killed in the combat zone. (27 U.S.C. § 692)

If the soldier is killed in the combat zone, his survivors are entitled to a lower estate tax. (26 U.S.C. § 2201)

While in the combat zone, the soldier does not have to pay certain federal excise taxes on phone calls. (26 U.S.C. § 4253(d))

The surviving spouse of a soldier who is missing in action gets the option of filing a joint tax return for up to two years after the termination of the combat zone. (26 U.S.C. § 6013(f)(1))

Certain tax deadlines and liabilities while in the combat zone are defeated. (26 U.S.C. § 7508)

Mrs. HUTCHISON. Mr. President, I am pleased to join Senator EDWARDS of North Carolina to offer legislation very important to those members of our Armed Forces who are deployed in defense of our nation's interests around the world. Our bill will provide for federal tax exemption to those serving in hostile areas not officially designated as combat zones. The current restrictions on this exemption to formally designated combat zones—which do not include many of our peacekeepers who face daily threats to their lives—are a half-century old relic of the Korean War that do not address the realities of the military missions in our post-cold-war world.

Today there are two combat zones as designated by the President in Executive Orders. One is in the Middle East, including the Persian Gulf, the Red Sea, the Gulf of Oman, the Gulf of Aden, as well as Iraq, Kuwait, Saudi Arabia, Oman, Bahrain, Qatar, and the United Arab Emirates. This area has been a combat zone since January 1991. The other combat zone is the Kosovo Area of Operations including the Federal Republic of Yugoslvia (Serbia/Montenegro), Albania, the Adriatic Sea, and the Ionian Sea. This combat zone has been in effect since March 1999. Members serving in those areas get a tax exemption.

Yet, today there are 17 areas considered so dangerous that our troops there get a special allowance known as Imminent Danger Pay that do not receive the same tax relief that those in a designated combat zone get. In fact, combat zone tax provisions did not apply to our troops in Somalia, where we lost 18 Rangers in one bloody gunfight.

Our bill argues, in effect, that if a location is dangerous enough to earn the allowance reserved for imminent danger, then it's dangerous enough to get favorable tax treatment, too. This would include troops that are in some of the most dangerous parts of the world, including Algeria, Burundi, Pakistan, Sudan, and Yemen.

When our troops are deployed in harm's way anywhere, there should not be a discrepancy in tax benefits from one location to another. This is an administrative distinction that matters little to the brave young Americans who are out there defending us. These determinations are made after careful study by the Secretary of Defense, based on the inherent dangers in a foreign area.

The Senate expressed its support for addressing this inequity in a resolution we passed as part of the FY2000 Defense Authorization Bill. Not only is this the right and fair thing to do, but during these times of increased deployments and personnel shortages, it is in our national interest to continue to show our dedicated service members that we appreciate their sacrifice and commitment.

I commend the Senator from North Carolina for his leadership on this issue and urge other Senators to join us in this effort.

By Mr. SPECTER:

S. 1425. A bill to amend the Internal Revenue Code of 1986 to allow a 10 percent biotechnology investment tax credit and to reauthorize the Research and Development tax credit for ten years; to the Committee on Finance.

BIOTECHNOLOGY TAX CREDIT ACT OF 1999

Mr. SPECTER. Mr. President, we are faced today with the unique challenges brought by the extraordinary biological, technological, and medical advances of this decade. We have seen miraculous breakthroughs in the fight

against communicable diseases: the complete eradication of small pox, the near global eradication of polio, vaccines for ailments such as measles, rubella, and even the flu. Revolutionary new drugs and improved surgical techniques allow us all to lead longer, more productive lives. But past success is not a guarantee of future progress and science does not bear fruit overnight. Breaking the code for complex problems takes a steady and sustained commitment of people and money. As we enter the next century, we have a responsibility to perpetuate and improve upon our enormous capacity to prevent, detect, treat, and cure diseases of all types.

The Congress continues to be gravely concerned with rising health care costs, as demonstrated by contentious debate as recently as last week during consideration of the Patients' Bill of Rights. According to the Health Care Financing Administration (HCFA), health care spending in this country had risen to $1.1 trillion in 1997, or an average of just under $4,000 per person. Private sources paid for a little over half of that, about $585 billion, with the remainder coming from public programs like Medicare and Medicaid. HCFA further predicts that public spending on health will nearly double over the next decade, reaching $2.1 trillion in 2007.

I disagree with the premise that this is simply a dollars and cents problem. I believe science holds our best chance for both combating disease and controlling the ever-spiraling costs it imposes on society. For victims of cancer and heart disease, scientific research represents their only hope for new drugs and medical treatments that can add years to life. Research can produce miracle vaccines that save the lives of children stricken with deadly diseases like leukemia. And for growing numbers of elderly, research holds the key to stopping the ruinous effects of Alzheimer's disease, stroke and arthritis—all very expensive ailments to treat. To me, the equation is a simple one: less disease and illness mean less human suffering and lower health care costs.

Over the next three decades, the number of Americans over age 65 will double. My state of Pennsylvania houses the second highest elderly population, currently totaling nearly 2 million citizens. Mr. President, unless science finds cures and effective treatments for disease and illness, our society will face even higher costs and our hospitals and nursing facilities will be strained to the breaking point.

As Chairman of the Appropriations Subcommittee on Labor, Health and Human Services, and Education, I have said many times that I firmly believe that the National Institutes of Health (NIH) is the crown jewel of the Federal government, and substantial investment is crucial to allow the continuation of the breakthrough research into the next decade. In 1981, NIH funding was less than $3.6 billion. For the past three years, NIH funding has increased by 6.8 percent in fiscal year 1997, 7.1 percent in fiscal year 1998, and 15 percent in fiscal year 1999, for a total of $15.7 billion. I am continuing to fight to double the NIH budget, a sentiment which was unanimously supported in the United States Senate during the 105th Congress. Further, on January 19th of this year, I joined my colleagues, Senators MACK, FRIST and HARKIN in introducing S. Res. 19, a Sense of the Senate resolution to increase biomedical research funding by $2 billion for fiscal year 2000.

Mr. President, I cite continued efforts to increase the Federal investment in biomedical research in order to highlight the public policy importance of scientific investment. I believe that the Federal government also has the responsibility to provide an economic environment that promotes Research and Development in biomedical research in the private sector as well. To make good business decisions, particularly relating to investment in R&D, biomedical and ''biotech'' firms need to have reliable and well defined tax laws. Today I am introducing legislation that would establish a 10 percent tax credit for investment in biomedical research, and would extend the R & D tax credit to 10 years.

The purpose of the investment tax credit is to encourage biomedical research and to stimulate the economy, as well as to enhance our long-term competitiveness in the global biomedical arena. The investment tax credit would provide a 10 percent tax credit for purchases of capital equipment, instruments and supplies used in a laboratory setting by a biotechnology company. Without this tax credit, American companies will be competing with one hand tied behind their backs.

The R & D tax credit has proven to be critical to the U.S. biomedical research industry. The credit has allowed for many successes in U.S. scientific research and innovation, such as rapid progress in finding cures for life threatening diseases such as AIDS, cancer, and multiple sclerosis. My Subcommittee has held hearings on the state of affairs in biomedical research, and I understand from many scientists that we are on the cusp of breakthroughs many of today's most complex diseases—Alzheimer's, AIDS, heart disease, diabetes, and arthritis, to name a few. But, the scientists caution, it will only be through sustained investment, both public and private, that we will reap the rewards of biomedical research. If we cut investment in medical progress today, the consequence may be irrevocable and society may rue that decision for years to come.

As we prepare for the 21st century, we must remain committed to providing an environment that fosters technological investment, scientific exploration, and global competitiveness. Future economic growth and the prosperity of all Americans depends on continued R&D in all sectors of our nation.

Mr. President, we must act now to extend the R&D credit and send the right signal to our nation's researchers. Failure to act will not only jeopardize our research efforts, but it will also threaten the United States's world leadership in R&D and perpetuate the rising health care costs we so desperately have tried to contain. It should be noted that everything that is good and desirable is not necessarily worthy of a tax credit, but targeted tax credits are particularly appropriate where an activity engaged in by one company or individual provides such considerable benefits to society at large.

We must constantly remind ourselves that medical innovation is the most viable, long-term solution for cost-effective quality care. Our task in Congress should be to assure that the path of innovation remains open, unobstructed and attractive to both public and private investors.

For me, creating a better atmosphere for investment in medical research is more than a symbolic goal. It is a recognition that expanding our base of scientific knowledge inevitably leads to better health, lower health care costs, and an improved quality of life for all Americans. Mr. President, I urge my colleagues to support this important legislation, and urge its swift adoption.

In my capacity as chairman of the Appropriations Subcommittee for Labor, Health, Human Services and Education, our subcommittee has the responsibility for funding the National Institutes of Health. The Senate passed a resolution targeting a doubling of National Institutes of Health funding over a 5-year period. That requires an enormous increase.

Last year, with the cooperation of my distinguished ranking member, Senator HARKIN, we increased NIH funding by $2 billion. The year before the Senate voted an increase of some $950 million, which was conferenced out at $907 million.

This year the subcommittee faces a 302(b) allocation—if anyone is listening on C-Span II, that's how much money the subcommittee is allotted under the budget—that is some $12 billion under the President's request, about $12 billion under any logical sum of money to fund those three departments: The Department of Labor, the Department of Health and Human Services, and the Department of Education. We are struggling to try to find the funds to match last year's $2 billion increase. If we were to reach the goal set by the sense-of-the-Senate resolution we would have to come up with $2.3 billion.

In talking to the people in the biotech industry, they are very much interested in having an investment tax credit. An investment tax credit of 10 percent would provide a real tax incentive to induce biotech companies to do

research. We are on the brink of some phenomenal advances as a result of what happened with stem cell research late last year. Stem cell research has the potential to be a veritable fountain of youth, to tackle ailments like Alzheimer's or Parkinson's, or perhaps heart disease or cancer.

There is a controversy on that question, as to whether embryos may appropriately be used for research. So far the Department of Health and Human Services and their legal counsel concluded that the current limitation on research would not apply to research on stem cells after they are extracted from embryos. Realistically, there ought to be no limitation at all, because in dealing with embryos we are not dealing with an entity which could produce life. These are discarded embryos from in vitro fertilization.

This controversy is very similar to the controversy which existed with respect to fetal tissue, where arguments were made that using fetal tissue would lead to induced abortions where the fact of the matter was the fetal tissue was discarded fetal tissue, did not induce abortions.

But the opportunities for phenomenal advances in medical research are virtually unlimited. In the absence of the ability of the Congress, given budget limitations, to meet the doubling goal within 5 years, an investment tax credit would be an enormous help in stimulating investments by the biotech companies.

The research and development tax credit has been extended year by year, and a firm statement by Congress extending it for 10 years again would be an inducement for biotech.

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

S. 1425

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 ''Biotechnology Tax Credit Act of 1999''.

SEC. 2. TEN YEAR EXTENSION OF THE RESEARCH AND DEVELOPMENT TAX CREDIT.

(a) IN GENERAL.—Section 41 of the Internal Revenue Code of 1986 (relating to credit for increasing research activities) is amended by striking subsection (h) and in its place, insert the following new section:

''(h) IN GENERAL.—This section shall not apply to any amount paid or incurred after June 30, 2009.''

(b) CONFORMING AMENDMENT.—Paragraph (1) of section 45C(b) of such Code is amended by striking subparagraph (D).

SEC. 3. BIOTECHNOLOGY INVESTMENT TAX CREDIT.

(a) ALLOWANCE OF CREDIT.—Section 46(a) of the Internal Revenue Code of 1986 (relating to amount of investment credit) is amended by striking ''and'' at the end of paragraph (2), by striking the period at the end of paragraph (3) and inserting '', and'', and by adding at the end thereof the following new paragraph:

''(4) the biotechnology investment credit.''

(b) AMOUNT OF CREDIT.—Section 48 of such Code is amended by adding at the end thereof the following new subsection:

''(c) BIOTECHNOLOGY INVESTMENT CREDIT.—

''(1) IN GENERAL.—For purposes of section 46, the biotechnology investment credit for any taxable year is an amount equal to 10 percent of the qualified investment for such taxable year.

''(2) QUALIFIED INVESTMENT.—

''(A) IN GENERAL.—For purposes of paragraph (1), the qualified investment for any taxable year is the aggregate of—

''(i) the applicable percentage of the basis of each new biotechnology property placed in service by the taxpayer during such taxable year, plus

''(ii) the applicable percentage of the cost of each used biotechnology property placed in service by the taxpayer during such taxable year.

''(B) APPLICABLE PERCENTAGE.—For purposes of subparagraph (A), the applicable percentage for any property shall be determined under paragraphs (2) and (7) of section 46(c) (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990).

''(C) CERTAIN RULES MADE APPLICABLE.—The provisions of subsections (b) and (c) of section 48 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990) shall apply for purposes of this paragraph.

''(3) DEFINITIONS.—For purposes of this section:

''(A) 'Biotechnology Property' means capital equipment, instruments and supplies used in a laboratory setting by a biotechnology company. These items would include but would not be limited to microscopes, various laboratory machines, glassware, chemical reagents, and technical books and manuals purchased by a manufacturer for research purposes. Also included are computers and software used primarily to develop data for research and development.

''(B) 'Biotechnology Company' is an organization that deals with the application of technologies, such as recombinant DNA techniques, biochemistry, molecular and cellular biology, genetics and genetic engineering, biological cell fusion techniques, and new bioprocesses, using living organisms, or parts of organisms, to produce or modify products, to develop microorganisms for specific uses, to identify targets for small molecular pharmaceutical development, to transform biological systems into useful processes and products or to develop microorganisms for specific uses. Potential endpoints for these products, developments and uses shall be for societal benefit through improving human healthcare.''

''(4) COORDINATION WITH OTHER CREDITS.—This subsection shall not apply to any property to which the energy credit or rehabilitation credit would apply unless the taxpayer elects to waive the application of such credits to such property.

''(5) CERTAIN PROGRESS EXPENDITURE RULES MADE APPLICABLE.—Rules similar to rules of subsection (c)(4) and (d) of section 46 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990 shall apply for purposes of this subsection.''

(c) TECHNICAL AMENDMENTS.—

(1) Subparagraph (C) of section 49(a)(1) of such code is amended by striking 'and' at the end of clause (ii), by striking the period at the end of clause (iii) and inserting ,'and', and by adding at the end thereof the following new clause:

''(iv) the basis of any new biotechnology property and the cost of any used biotechnology property.''

(2) Subparagraph (E) of section 50(a)(2) of such Code is amended by striking 'section 48(a)(5)(A)' and inserting 'section 48(a)(5) or 48(c)(5)'.

(3) Paragraph (5) of section 50(a) of such Code is amended by adding at the end thereof the following new subparagraph:

''(D) SPECIAL RULES FOR CERTAIN PROPERTY.—In the case of any biotechnology property which is 3-year property (within the meaning of section 168(e))—

''(i) the percentage set forth in clause (ii) of the table contained in paragraph (1)(B) shall be 66 percent,

''(ii) the percentage set forth in clause (iii) of such table shall be 33 percent, and

''(iii) clauses (iv) and (v) of such table shall not apply.'

(4)(A) The section heading for section 48 of such Code is amended to read as follows:

"Section 48: OTHER CREDITS."

(B) The table of sections for subpart E of part IV of subchapter A of chapter 1 of such Code is amended by striking the item relating to section 48 and inserting the following:

''SEC. 48. Other Credits.''

SEC. 4. EFFECTIVE DATE.

The amendments made by this bill shall apply to amounts paid or incurred after June 30, 1999.

By Mr. HARKIN (for himself, Mr. DASCHLE, Mr. LEAHY, Mr. KERREY, Mr. CONRAD, and Mr. JOHNSON):

S. 1426. A bill to amend the Food Security Act of 1985 to promote the conservation of soil and related resources, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

THE CONSERVATION SECURITY ACT OF 1999

Mr. HARKIN. Mr. President, I will take a few minutes to talk about America's farmers and ranchers and the promise they hold for us and the future for our environment, for production of bountiful, safe, and nourishing food for us and for the population around the globe.

Specifically on the issue of conservation, it became a national priority in the days of the Dust Bowl, leading to the creation in the 1930s of the Soil Conservation Service at the Department of Agriculture, which is now the Natural Resources Conservation Service. With the very foundation of our food supply at risk, the Government stepped forward with billions of dollars in assistance to help farmers preserve their precious soils.

Since that time, Federal spending on conservation has steadily declined. Yet today agriculture faces a wide range of environmental challenges, from overgrazing and manure management to fertilizer runoff and water pollution. Urban and rural citizens alike are increasingly concerned about the environmental impact of agriculture.

Farmers and ranchers pride themselves on being good stewards of the land, and there are farm-based solutions to these problems being implemented all over the country. But every dollar spent on constructing a filter strip or developing a nutrient management plan is a dollar that farmers don't have in hard times like these. And even in better times, there is a lot of competition for that dollar.

So who benefits from conservation on farm lands? As much or more than the

farmer, it is the rest of us, who depend on the careful stewardship of the water that travels across fields and pastures before reaching rivers, streams, and our groundwater. Farmers and ranchers tend not only to their crops and animals, but also to our public resources.

Since we all share in these benefits, it is only right that we share in their costs. It is time to enter into a true conservation partnership with our farmers and ranchers to help ensure that conservation is not a luxury that comes and goes but an essential and permanent part of sustainable agricultural production nationwide.

In the 1985 farm bill, we required that farmers who wanted to participate in USDA farm programs develop soil conservation plans for their highly erodible land. This provision helped put new conservation plans in place for our most fragile farmlands. In the most recent farm bill, we streamlined conservation programs and established new cost-share and incentive payments for certain practices.

Today I am introducing the Conservation Security Act of 1999, proposed legislation that builds on our past successes and takes a bold step forward in farm and conservation policy.

My bill would establish a universal and voluntary incentive payment program to support and encourage conservation activities by all farmers and ranchers. Under this program, farmers and ranchers could receive up to $50,000 per year in conservation payments. Under this conservation security program, farmers would enter into 3- to 5-year contracts with USDA and choose from one of three classes of conservation practices for which they would receive a payment based on the number of acres covered and the county rental rate for those acres.

This program is directed toward conservation on working lands. It is not a set-aside. It is not an easement program. It is not a conservation reserve program. It is a conservation program so that we farm in the best way possible to conserve our resources and to prevent pollution.

For implementing a basic set of practices, farmers would receive an annual payment of 10 percent of the rental rate of the land covered. I call this basic category class I, and it would include such practices as nutrient management, conservation tillage, and runoff and drainage control.

There would be a class II under which farmers could receive up to 20 percent of the rental rate, where farmers would add to their class I practices by choosing from a menu of class II practices that would be established by the USDA—such things as nutrient management, composting, intensive grazing, partial field practices such as buffer strips and windbreaks, wetland restoration, and wildlife habitat enhancement.

Then the third class, farmers who wanted to do class III conservation practices would enroll their whole farm under a total resource management plan that addresses all aspects of air, land, water, and wildlife. For that, the farmers would receive a 40-percent payment, 40 percent of the rental rate of land in that county.

This bill also provides an incentive for livestock producers. In payment for preparing and adopting comprehensive manure management plans, producers raising under 1,000 animal units at any given time—that would be 2,500 hogs, 1,000 beef cattle, 700 dairy cattle, 55,000 turkeys, or 100,000 chickens—they would be given a per animal incentive payment equal to 10 percent of the 5-year average market price.

This program would not replace or otherwise affect any other conservation program, not at all, this is to add on, except that a farmer could not receive incentive payments under this program in addition to incentive payments under another program in addition to incentive payments for land already enrolled in a program such as the Conservation Reserve Program. In other words, you couldn't have your land in the Conservation Reserve Program and then enter this program with that same land.

Again, I emphasize, the Conservation Security Program would be totally voluntary. It would be up to the farmer to decide if they want to do it. If they do, then they would get additional payments. A lot of these practices farmers are already doing now, for which they receive little or no support.

Again, these practices don't just benefit the farmer; in fact, a lot of times it may burden the farmer. That farmer may have to do extra work, require a little extra time. Maybe some equipment for these kinds of conservation practices. The beneficiaries of this are all of us. We all will benefit from cleaner air, cleaner streams and rivers, protecting our groundwater, wildlife habitats for those of us who like to hunt and fish.

Our private lands are a national resource, and conservation on farm and ranchlands provides environmental benefits that are just as important as the production of abundant and safe food. I am introducing the Conservation Security Act because I believe it will help secure both the economic future of our farmers, help them a little bit with the safety net, and it will be a cornerstone, I think, of our national farm policy and the environmental future of agriculture.

I am introducing this bill for myself, Senator DASCHLE, Senator LEAHY, Senator KERREY of Nebraska, Senator CONRAD, and Senator JOHNSON.

I ask other Senators who are interested to contact my staff. We are now actively seeking cosponsors for this new voluntary conservation program.

I thank the Chair.

By Mr. HATCH (for himself, Mrs. FEINSTEIN, Mr. DEWINE, Mr. BIDEN, Mr. THURMOND, Mr. BOND, Mr. SMITH of Oregon, Mr. HELMS, Mr. REID, and Mr. BRYAN):

S. 1428. A bill to amend the Controlled Substances Act and the Controlled Substances Import and Export Act relating to the manufacture, traffick, import and export of amphetamine and methamphetamine, and for other purposes; to the Committee on the Judiciary.

METHAMPHETAMINE ANTI-PROLIFERATION ACT OF 1999

Mr. HATCH. Mr. President, I rise to day to introduce the Methamphetamine Anti-Proliferation Act of 1999, a very important piece of legislation in America's on-going war on drugs. Three years ago I introduced the Comprehensive Methamphetamine Act of 1999, which this body passed, to address the frightening and very real problem of methamphetamine abuse in this country. That legislation has provided law enforcement with necessary tools to combat methamphetamine and has helped us track and slow the proliferation of methamphetamine manufacturing and abuse. However, there remain too many people in this country who are determined to undermine our drug laws and turn America into one colossal metamphetamine laboratory. For this reason, I, along with Senators FEINSTEIN, DEWINE, BOND, THURMOND, BIDEN, BRYAN, and REID, are introducing this bipartisan bill that seeks to shield America against the proliferation of methamphetamine Manufacturing.

The methamphetamine threat differs in kind from the threat of other illegal drugs because methamphetamine can be made from readily available and legal chemicals and substances, and because it poses serious dangers to both human life and to the environment. America's history of fighting illegal drugs has been long and tiring but with so many young Americans still being exposed to so many destructive drugs, now is not the time to give up—it is a time to fight smarter and harder. The provisions of this bill will provide law enforcement with several effective tools that will help us turn the tide of proliferation of methamphetamine manufacturing in America.

Traditionally, the overwhelming majority of illegal drugs consumed in America has been manufactured outside of our borders and then illegally smuggled into America. The rapid spread and growing use of methamphetamine threatens to change the future of where drugs are manufactured. Drug pushers are threatening to turn America into a producing country of a drug that affects the lives of every American because it not only destroys the lives of those who use the drug, but also can have devastating effects on people situated around lab sites, on law enforcement officials that have to clean the labs, and on the environment.

According to a report prepared by the Community Epidemiology Work Group, which is part of the National Institute

on Drug Abuse, methamphetamine ''abuse levels remain high . . . and there is strong evidence to suggest this drug will continue to be a problem in West Coast areas and to spread to other areas of the United States.'' the reasons given for the ominous prediction are that methamphetamine can be produced easily in small, clandestine labs and the chemicals used to make methamphetamine are readily available.

This threat is real and immediate, and the numbers are telling. According to the Drug Enforcement Administration, the DEA, the number of labs cleaned up by the Administration has almost doubled each year since 1995. Last year 5,786 amphetamine and methamphetamine labs were seized by DEA and State and local law enforcement officials, and millions of dollars were spent on cleaning up the pollutants and toxins created and left behind by operators of these labs. In Utah alone, there were 266 lab seizures last year, a number which elevated Utah to the unenviable position of being ranked third among all states for higher per capita clan lab seizures. The problem with the high number of manufacturing labs is compounded by the fact that the chemicals and substances utilized in the manufacturing process are unstable, volatile, and highly combustible. The smallest amounts of these chemicals, when mixed improperly, can cause explosions and fires. And of course, those operating these labs are not scientists, but rather unskilled, ignorant, criminals and fly-by-nights who are completely apathetic to the destructive powers that are inherent in the manufacturing process. This fact is even more frightening when you consider that most of these labs are situated in residences, motels, trailers, and vans.

Let me take a moment to highlight some of the provisions of this bill that will assist Federal, State, and local law enforcement in preventing the proliferation of methamphetamine manufacturing in America.

First, the bill will bolster the DEA's ability to combat the manufacturing and trafficking of methamphetamine and other drugs by authorizing the hiring of new agents to carry out a variety of anti-drug initiatives. Agents will be hired to assist State and local law enforcement officials in small and mid-sized communities in all phases of methamphetamine manufacturing investigations. Due to the large number of manufacturers and traffickers that are setting up shop in small and rural cities, law enforcement agencies located in these areas are in dire need of the DEA's expert guidance and knowledge of methamphetamine investigations, including assistance in interrogating suspects, conducting surveillance operations, and collecting evidence to build a case. This bill also authorizes the expansion of the number of DEA resident offices and posts-of-duty, which are smaller DEA offices often set up in small and rural cities that are overwhelmed by methamphetamine manufacturing and trafficking.

Another way this legislation will help the DEA assist State and local officials is to provide for the training of State and local law enforcement personnel in techniques used in methamphetamine investigations and to provide them with certification training in handling the dangerously-volatile and toxic wastes produced by methamphetamine labs. It also provides for the creation of another DEA program that will enable certain State and local law enforcement officials to recertify other law enforcement in their regions. These programs are authorized for a three year period and designed to pass on the DEA's knowledge and expertise to State and local officials so that they can become more independent of the DEA and thereafter rely rather on each other in combating the scourge of methamphetamine manufacturing.

This bill contains many references to the drug amphetamine, a lesser known, but equally dangerous drug. Because the process of manufacturing amphetamine is as dangerous as manufacturing methamphetamine, this bill seeks to equalize the punishment for manufacturing the two drugs. Other than being slightly less potent, amphetamine is manufactured, sold, and used in the same manner as methamphetamine. In fact, many times a person can set out to manufacture a batch of methamphetamine and end up with amphetamine if just one precursor chemical is used in place of another. When this happens, drug dealers sell amphetamine as methamphetamine and users buy and use it thinking it is methamphetamine. The dangers posed to the environment are also the same. Amphetamine labs have the same destructing and polluting ability as methamphetamine labs. Every law enforcement officer with whom I have spoken, including federal and State prosecutors and federal and State law enforcement officials, agreed that the penalties for amphetamine should be the same as those for methamphetamine.

Another important section of this bill will assist in preventing the manufacture of methamphetamine and other illegal drugs by banning the dissemination of drug ''recipes'' and other demonstrative information relating to the manufacturing and use of controlled substances. The dissemination of this type of information is prohibited if the intent of the person disseminating the information is for it to be used for, or in furtherance of, a federal crime or if the person disseminating the information has knowledge that the person receiving the information intends to use the information for, or in furtherance, of a federal crime. Currently, there are hundreds of sites on the Internet that instruct how to manufacture methamphetamine and other illegal drugs, including what ingredients are required, what instruments or equipment is needed, and how to combine precisely the ingredients. These step-by-step instructions will be illegal under this bill if the person posting the information or the person receiving the information intends to engage in activity that violates our drug laws.

I was shocked to discover that those who embrace the drug counter-culture these days are using the Internet to promote, advertise, and sell illegal drugs and drug paraphernalia. In 1992, Congress passed a law that made it illegal for anyone to sell or offer for sale drug paraphernalia. This law resulted in the closings of numerous ''head shops,'' yet, now the out-of-business store owners are selling their illegal drug paraphernalia on the Internet. This bill will amend the anti-drug paraphernalia statute to clarify that advertisements for sale include the use of any communication facility, including the Internet, to post or publicize in any way any matter, including a telephone number or electronic or mail address, knowing that such matter is designed to be used to buy, distribute, or otherwise facilitate a transaction in drug paraphernalia. This will not only prevent web sites from advertising drug paraphernalia for sale, but it will also prohibit web sites that do not sell drug paraphernalia from allowing other sites that do from advertising on its web site. Currently, anyone can log on to the Internet, go to one of the numerous pro-drug sites, and purchase illegal drug paraphernalia, such bongs, water pipes, ''Toke'' bottles and ''High Again'' bottles, along with descriptions of how these devices can assist in getting a better ''high'' from smoking marijuana. There are even web sites that advertise for sale marijuana and poppy seeds, along with growing and nurturing instructions. This type of behavior is not only reprehensible, but it is also illegal, and this clarifying provision can help stop this behavior from continuing over the Internet.

Finally, this legislation seeks to impose harsher penalties on manufacturers of illegal drugs when their actions create a substantial risk of harm to human life or to the environment. The inherent dangers of killing innocent bystanders and, at the same time, contaminating the environment during the methamphetamine manufacturing process warrant a punitive penalty that will deter some from engaging in the activity.

Mr. President, many people have grown increasingly more skeptical as to whether America can ever rid our nation of the dreadful plague of illegal drug use. I say to all those skeptics that now is not the time to take a defeatist attitude. Too many bright young people are depending on us to do what is right. Sure, some measures taken in the past have not been as helpful as some may have hoped, but that just means we need to keep persevering to find the right answers. I believe that this bill contains many of

the right answers and will help in one of our nation's most difficult struggles. We can defeat the drug dealers and traffickers. We must fight back for the sake of our children and grandchildren. I hope that Senators will join me in this fight and support this very important piece of legislation. Mr. President, I ask unanimous consent that a copy of this legislation and a summary be printed in the RECORD.

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

S. 1428

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 ''Methamphetamine Anti-Proliferation Act of 1999''.

SEC. 2. MANUFACTURING AND DISTRIBUTION OF AMPHETAMINE.

(a) MANUFACTURE OR DISTRIBUTION OF SUBSTANTIAL QUANTITIES OF AMPHETAMINE.—Subparagraph (A) of section 401(b)(1) of the Controlled Substances Act (21 U.S.C. 841(b)(1)) is amended—

(1) by striking ''or'' at the end of clause (vii);

(2) by adding ''or'' at the end of clause (viii); and

(3) by inserting after clause (viii) the following new clause:

''(ix) 50 grams or more of amphetamine, its salts, optical isomers, and salts of its optical isomers or 500 grams or more of a mixture or substance containing a detectable amount of amphetamine, its salts, optical isomers, or salts of its optical isomers;''.

(b) MANUFACTURE OR DISTRIBUTION OF LESSER QUANTITIES OF AMPHETAMINE.—Subparagraph (B) of such section 401(b)(1) is amended—

(1) by striking ''or'' at the end of clause (vii);

(2) by adding ''or'' at the end of clause (viii); and

(3) by inserting after clause (viii) the following new clause:

''(ix) 5 grams or more of amphetamine, its salts, optical isomers, and salts of its optical isomers or 50 grams or more of a mixture or substance containing a detectable amount of amphetamine, its salts, optical isomers, or salts of its optical isomers;''.

SEC. 3. IMPORT AND EXPORT OF AMPHETAMINE.

(a) IMPORT OR EXPORT OF SUBSTANTIAL QUANTITIES OF AMPHETAMINE.—Paragraph (1) of section 1010(b) of the Controlled Substances Import and Export Act (21 U.S.C. 960(b)) is amended—

(1) by striking ''or'' at the end of subparagraph (G);

(2) by striking the period at the end of subparagraph (H) and inserting ''; or''; and

(3) by inserting after subparagraph (H) the following new subparagraph:

''(I) 50 grams or more of amphetamine, its salts, optical isomers, and salts of its optical isomers or 500 grams or more of a mixture or substance containing a detectable amount of amphetamine, its salts, optical isomers, or salts of its optical isomers;''.

(b) IMPORT OR EXPORT OF LESSER QUANTITIES OF AMPHETAMINE.—Paragraph (2) of such section 1010(b) is amended—

(1) by striking ''or'' at the end of subparagraph (G);

(2) by striking the period at the end of subparagraph (H) and inserting ''; or''; and

(3) by inserting after subparagraph (H) the following new subparagraph:

''(I) 5 grams or more of amphetamine, its salts, optical isomers, and salts of its optical isomers or 50 grams or more of a mixture or substance containing a detectable amount of amphetamine, its salts, optical isomers, or salts of its optical isomers;''.

SEC. 4. ENHANCED PUNISHMENT OF METHAMPHETAMINE AND AMPHETAMINE LABORATORY OPERATORS.

(a) FEDERAL SENTENCING GUIDELINES.—

(1) IN GENERAL.—Pursuant to its authority under section 994(p) of title 28, United States Code, the United States Sentencing Commission shall amend the Federal sentencing guidelines in accordance with paragraph (2) with respect to any offense relating to the manufacture, import, export, or traffick in amphetamine or methamphetamine (including an attempt or conspiracy to do any of the foregoing) in violation of—

(A) the Controlled Substances Act (21 U.S.C. 801 et seq.);

(B) the Controlled Substances Import and Export Act (21 U.S.C. 951 et seq.); or

(C) the Maritime Drug Law Enforcement Act (46 U.S.C. App. 1901 et seq.).

(2) REQUIREMENTS.—In carrying out this subsection, the United States Sentencing Commission shall, with respect to each offense described in paragraph (1)—

(A) increase the base offense level for the offense so that the base offense level is the same as the base offense level applicable to an identical amount of methamphetamine; or

(B) if the offense created a substantial risk of danger to the health and safety of a minor or incompetent, increase the base offense level for the offense by not less than 6 offense levels above the level established under subparagraph (A).

(3) EMERGENCY AUTHORITY TO SENTENCING COMMISSION.—The United States Sentencing Commission shall promulgate amendments pursuant to this subsection as soon as practicable after the date of the enactment of this Act in accordance with the procedure set forth in section 21(a) of the Sentencing Act of 1987 (Public Law 100–182), as though the authority under that Act had not expired.

(b) EFFECTIVE DATE.—The amendments made pursuant to this section shall apply with respect to any offense occurring on or after the date that is 60 days after the date of the enactment of this Act.

SEC. 5. ADVERTISEMENTS FOR DRUG PARAPHERNALIA AND SCHEDULE I CONTROLLED SUBSTANCES.

(a) DRUG PARAPHERNALIA.—Section 422 of the Controlled Substances Act (21 U.S.C. 863) is amended—

(1) in subsection (a)(1), by inserting '', directly or indirectly advertise for sale,'' after ''sell''; and

(2) by adding at the end the following:

''(g) In this section, the term 'directly or indirectly advertise for sale' includes the use of any communication facility (as that term is defined in section 403(b)) to post, publicize, transmit, publish, link to, broadcast, or otherwise advertise any matter (including a telephone number or electronic or mail address) knowing that such matter has the purpose of seeking or offering, or is designed to be used, to receive, buy, distribute, or otherwise facilitate a transaction in.''.

(b) SCHEDULE I CONTROLLED SUBSTANCES.—Section 403(c) of such Act (21 U.S.C. 843(c)) is amended—

(1) in the first sentence, by inserting before the period the following: '', or to directly or indirectly advertise for sale (as that term is defined in section 422(g)) any Schedule I controlled substance''; and

(2) in the second sentence, by striking ''term 'advertisement' '' and inserting ''term 'written advertisement' ''.

SEC. 6. CONTINUING CRIMINAL ENTERPRISES.

Section 408 of the Controlled Substances Act of (21 U.S.C. 848) is amended—

(1) in subsection (c)(2)—

(A) in the matter preceding subparagraph (A), by striking ''violations of'' and inserting ''3 or more acts made punishable by''; and

(B) in subparagraph (A), by striking ''are'' and inserting ''series is''; and

(2) by inserting after subsection (e) the following new subsection:

''(f) This section may not be construed to require, in any trial before a jury, unanimity as to the identities of—

''(1) the predicate acts specified in subsection (c)(2); or

''(2) the other persons specified in subsection (c)(2)(A).''.

SEC. 7. MANDATORY RESTITUTION FOR VIOLATIONS OF CONTROLLED SUBSTANCES ACT AND CONTROLLED SUBSTANCES IMPORT AND EXPORT ACT RELATING TO AMPHETAMINE AND METHAMPHETAMINE.

(a) MANDATORY RESTITUTION.—Section 413(q) of the Controlled Substances Act (21 U.S.C. 853(q)) is amended—

(1) in the matter preceding paragraph (1), by striking ''may'' and inserting ''shall'';

(2) by inserting ''amphetamine or'' before ''methamphetamine'' each place it appears; and

(3) in paragraph (2)—

(A) by inserting '', the State or local government concerned, or both the United States and the State or local government concerned'' after ''United States'' the first place it appears; and

(B) by inserting ''or the State or local government concerned, as the case may be,'' after ''United States'' the second place it appears.

(b) DEPOSIT OF AMOUNTS IN DEPARTMENT OF JUSTICE ASSETS FORFEITURE FUND.—Section 524(c)(4) of title 28, United States Code, is amended—

(1) by striking ''and'' at the end of subparagraph (B);

(2) by striking the period at the end of subparagraph (C) and inserting ''; and''; and

(3) by adding at the end the following:

''(D) all amounts collected—

''(i) by the United States pursuant to a reimbursement order under paragraph (2) of section 413(q) of the Controlled Substances Act (21 U.S.C. 853(q)); and

''(ii) pursuant to a restitution order under paragraph (1) or (3) of section 413(q) of the Controlled Substances Act for injuries to the United States.''.

SEC. 8. ENDANGERING HUMAN LIFE OR THE ENVIRONMENT WHILE ILLEGALLY MANUFACTURING CONTROLLED SUBSTANCES.

(a) HARM TO THE ENVIRONMENT.—(1) Section 417 of the Controlled Substances Act (21 U.S.C. 858) is amended by inserting ''or the environment'' after ''to human life''.

(2) The table of contents for that Act is amended in the item relating to section 417 by inserting ''or the environment'' after ''to human life''.

(b) ENHANCED PENALTY FOR ESTABLISHMENT OF MANUFACTURING OPERATION.—That section is further amended—

(1) by inserting ''(a)'' before ''Whoever'';

(2) in subsection (a), as so designated—

(A) by inserting ''or violating section 416,'' after ''to do so,'' the first place it appears; and

(B) by striking ''shall be fined'' and all that follows and inserting ''shall be imprisoned not less than 10 years nor more than 40 years, and, in addition, may be fined in accordance with title 18, United States Code.''; and

(3) by adding at the end the following:

''(b) Any penalty under subsection (a) for a violation that is also a violation of section 416 shall be in addition to any penalty under section 416 for such violation.''.

(c) NATURE OF PARTICULAR CONDUCT.—That section is further amended by adding at the end the following:

''(c) In any case where the conduct at issue is, relates to, or involves the manufacture of amphetamine or methamphetamine, such conduct shall, by itself, be rebuttably presumed to constitute the creation of a substantial risk of harm to human life or the environment within the meaning of subsection (a).''.

SEC. 9. CRIMINAL PROHIBITION ON DISTRIBUTION OF CERTAIN INFORMATION RELATING TO THE MANUFACTURE OF CONTROLLED SUBSTANCES.

(a) IN GENERAL.—Part I of title 18, United States Code, is amended by inserting after chapter 21 the following new chapter:

''CHAPTER 22—CONTROLLED SUBSTANCES

''Sec.

''421. Distribution of information relating to manufacture of controlled substances.

''§ 421. Distribution of information relating to manufacture of controlled substances

''(a) PROHIBITION ON DISTRIBUTION OF INFORMATION RELATING TO MANUFACTURE OF CONTROLLED SUBSTANCES.—

''(1) CONTROLLED SUBSTANCE DEFINED.—In this subsection, the term 'controlled substance' has the meaning given that term in section 102(6) of the Controlled Substances Act (21 U.S.C. 802(6)).

''(2) PROHIBITION.—It shall be unlawful for any person—

''(A) to teach or demonstrate the manufacture of a controlled substance, or to distribute by any means information pertaining to, in whole or in part, the manufacture or use of a controlled substance, with the intent that the teaching, demonstration, or information be used for, or in furtherance of, an activity that constitutes a Federal crime; or

''(B) to teach or demonstrate to any person the manufacture of a controlled substance, or to distribute to any person, by any means, information pertaining to, in whole or in part, the manufacture or use of a controlled substance, knowing that such person intends to use the teaching, demonstration, or information for, or in furtherance of, an activity that constitutes a Federal crime.

''(b) PENALTY.—Any person who violates subsection (a) shall be fined under this title, imprisoned not more than 10 years, or both.''.

(b) CLERICAL AMENDMENT.—The table of chapters at the beginning of part I of title 18, United States Code, is amended by inserting after the item relating to chapter 21 the following new item:

''22. Controlled Substances ..... 421''.

SEC. 10. NOTICE; CLARIFICATION.

(a) NOTICE OF ISSUANCE.—Section 3103a of title 18, United States Code, is amended by adding at the end the following new sentence: ''With respect to any issuance under this section or any other provision of law (including section 3117 and any rule), any notice required, or that may be required, to be given may be delayed pursuant to the standards, terms, and conditions set forth in section 2705, unless otherwise expressly provided by statute.''.

(b) CLARIFICATION.—(1) Section 2(e) of Public Law 95–78 (91 Stat. 320) is amended by adding at the end the following:

''Subdivision (d) of such rule, as in effect on this date, is amended by inserting 'tangible' before 'property' each place it occurs.''.

(2) The amendment made by paragraph (1) shall take effect on the date of the enactment of this Act.

SEC. 11. TRAINING FOR DRUG ENFORCEMENT ADMINISTRATION AND STATE AND LOCAL LAW ENFORCEMENT PERSONNEL RELATING TO CLANDESTINE LABORATORIES.

(a) IN GENERAL.—

(1) REQUIREMENT.—The Administrator of the Drug Enforcement Administration shall carry out the programs described in subsection (b).

(2) DURATION.—The duration of any program under that subsection may not exceed 3 years.

(b) COVERED PROGRAMS.—The programs described in this subsection are as follows:

(1) ADVANCED MOBILE CLANDESTINE LABORATORY TRAINING TEAMS.—A program of advanced mobile clandestine laboratory training teams, which shall provide information and training to State and local law enforcement personnel in techniques utilized in conducting undercover investigations and conspiracy cases, and other information designed to assist in the investigation of the illegal manufacturing and trafficking of amphetamine and methamphetamine.

(2) BASIC CLANDESTINE LABORATORY CERTIFICATION TRAINING.—A program of basic clandestine laboratory certification training, which shall provide information and training—

(A) to Drug Enforcement Administration personnel and State and local law enforcement personnel for purposes of enabling such personnel to meet any certification requirements under law with respect to the handling of wastes created by illegal amphetamine and methamphetamine laboratories; and

(B) to State and local law enforcement personnel for purposes of enabling such personnel to provide the information and training covered by subparagraph (A) to other State and local law enforcement personnel.

(3) CLANDESTINE LABORATORY RECERTIFICATION AND AWARENESS TRAINING.—A program of clandestine laboratory recertification and awareness training, which shall provide information and training to State and local law enforcement personnel for purposes of enabling such personnel to provide recertification and awareness training relating to clandestine laboratories to additional State and local law enforcement personnel.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for each of fiscal years 2000, 2001, and 2002 amounts as follows:

(1) $1,500,000 to carry out the program described in subsection (b)(1).

(2) $3,000,000 to carry out the program described in subsection (b)(2).

(3) $1,000,000 to carry out the program described in subsection (b)(3).

SEC. 12. COMBATTING METHAMPHETAMINE AND AMPHETAMINE IN HIGH INTENSITY DRUG TRAFFICKING AREAS.

(a) IN GENERAL.—

(1) IN GENERAL.—The Director of National Drug Control Policy shall use amounts available under this section to combat the trafficking of methamphetamine and amphetamine in areas designated by the Director as high intensity drug trafficking areas.

(2) ACTIVITIES.—In meeting the requirement in paragraph (1), the Director shall—

(A) employ additional Federal law enforcement personnel, or facilitate the employment of additional State and local law enforcement personnel, including agents, investigators, prosecutors, laboratory technicians, and chemists; and

(B) carry out such other activities as the Director considers appropriate.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section—

(1) $5,000,000 for fiscal year 2000; and

(2) such sums as may be necessary for each of fiscal years 2001 through 2004.

(c) APPORTIONMENT OF FUNDS.—

(1) FACTORS IN APPORTIONMENT.—The Director shall apportion amounts appropriated for a fiscal year pursuant to the authorization of appropriations in subsection (b) for activities under subsection (a) among and within areas designated by the Director as high intensity drug trafficking areas based on the following factors:

(A) The number of methamphetamine manufacturing facilities and amphetamine manufacturing facilities discovered by Federal, State, or local law enforcement officials in the previous fiscal year.

(B) The number of methamphetamine prosecutions and amphetamine prosecutions in Federal, State, or local courts in the previous fiscal year.

(C) The number of methamphetamine arrests and amphetamine arrests by Federal, State, or local law enforcement officials in the previous fiscal year.

(D) The amounts of methamphetamine, amphetamine, or listed chemicals (as that term is defined in section 102(33) of the Controlled Substances Act (21 U.S.C. 802(33)) seized by Federal, State, or local law enforcement officials in the previous fiscal year.

(E) Intelligence data from the Drug Enforcement Administration showing trafficking and transportation patterns in methamphetamine, amphetamine, and listed chemicals (as that term is so defined).

(2) CERTIFICATION.—Before the Director apportions any funds under this subsection to a high intensity drug trafficking area, the Director shall certify that the law enforcement entities responsible for clandestine methamphetamine and amphetamine laboratory seizures in that area are providing laboratory seizure data to the national clandestine laboratory database at the El Paso Intelligence Center.

(d) LIMITATION ON ADMINISTRATIVE COSTS.—Not more than 5 percent of the amount appropriated in a fiscal year pursuant to the authorization of appropriations for that fiscal year in subsection (b) may be available in that fiscal year for administrative costs associated with activities under subsection (a).

SEC. 13. COMBATING AMPHETAMINE AND METHAMPHETAMINE MANUFACTURING AND TRAFFICKING.

(a) ACTIVITIES.—In order to combat the illegal manufacturing and trafficking in amphetamine and methamphetamine, the Administrator of the Drug Enforcement Administration may—

(1) assist State and local law enforcement in small and mid-sized communities in all phases of investigations related to such manufacturing and trafficking;

(2) staff additional regional enforcement and mobile enforcement teams related to such manufacturing and trafficking;

(3) establish additional resident offices and posts of duty to assist State and local law enforcement in rural areas in combating such manufacturing and trafficking;

(4) provide the Special Operations Division of the Administration with additional agents and staff to collect, evaluate, interpret, and disseminate critical intelligence targeting the command and control operations of major amphetamine and methamphetamine manufacturing and trafficking organizations; and

(5) carry out such other activities as the Administrator considers appropriate.

(b) ADDITIONAL POSITIONS AND PERSONNEL.—In carrying out activities under subsection (a), the Administrator may establish in the Administration not more than 50 full-time positions, including not more than

31 special-agent positions, and may appoint personnel to such positions.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for the Drug Enforcement Administration for each fiscal year after fiscal year 1999, $6,500,000 for purposes of carrying out the activities authorized by subsection (a) and employing personnel in positions established under subsection (b).

SEC. 14. ENVIRONMENTAL HAZARDS ASSOCIATED WITH ILLEGAL MANUFACTURE OF AMPHETAMINE AND METHAMPHETAMINE.

(a) USE OF AMOUNTS OR DEPARTMENT OF JUSTICE ASSETS FORFEITURE FUND.—Section 524(c)(1)(E) of title 28, United States Code, is amended—

(1) by inserting ''(i) for'' before ''disbursements'';

(2) by inserting ''and'' after the semicolon; and

(3) by adding at the end the following:

''(ii) for payment for—

''(I) costs incurred by or on behalf of the Drug Enforcement Administration in connection with the removal of any hazardous substance or pollutant or contaminant associated with the illegal manufacture of amphetamine or methamphetamine; and

''(II) costs incurred by or on behalf of a State or local government in connection with such removal in any case in which such State or local government has assisted in a Federal prosecution relating to amphetamine or methamphetamine;''.

(b) GRANTS UNDER DRUG CONTROL AND SYSTEM IMPROVEMENT GRANT PROGRAM.—Section 501(b)(3) of the Omnibus Crime Control and Safe Streets Act of 1968 is amended by inserting before the semicolon the following: ''and to remove any hazardous substance or pollutant or contaminant associated with the illegal manufacture of amphetamine or methamphetamine''.

(c) AMOUNTS SUPPLEMENT AND NOT SUPPLANT.—

(1) ASSETS FORFEITURE FUND.—Any amounts made available from the Department of Justice Assets Forfeiture Fund in a fiscal year by reason of the amendment made by subsection (a) shall supplement, and not supplant, any other amounts made available to the Drug Enforcement Administration in such fiscal year for payment of costs described in section 524(c)(1)(E)(ii) of title 28, United States Code, as so amended.

(2) GRANT PROGRAM.—Any amounts made available in a fiscal year under the grant program under section 501(b)(3) of the Omnibus Crime Control and Safe Streets Act of 1968 for the removal of hazardous substances or pollutants or contaminants associated with the illegal manufacture of amphetamine or methamphetamine by reason of the amendment made by subsection (b) shall supplement, and not supplant, any other amounts made available in such fiscal year for such removal.

SEC. 15. ANTIDRUG MESSAGES ON FEDERAL GOVERNMENT INTERNET WEBSITES.

Not later than 90 days after the date of the enactment of this Act, the head of each department, agency, and establishment of the Federal Government shall, in consultation with the Director of the Office of National Drug Control Policy, place antidrug messages on appropriate Internet websites controlled by such department, agency, or establishment which messages shall, where appropriate, contain an electronic hyperlink to the Internet website, if any, of the Office.

SEC. 16. MAIL ORDER REQUIREMENTS.

Section 310(b)(3) of the Controlled Substances Act (21 U.S.C. 830(b)(3)) is amended—

(1) by redesignating subparagraphs (A) and (B) as subparagraphs (B) and (C), respectively;

(2) by inserting before subparagraph (B), as so redesignated, the following new subparagraph (A):

''(A) As used in this paragraph:

''(i) The term 'drug product' means an active ingredient in dosage form that has been approved or otherwise may be lawfully marketed under the Food, Drug, and Cosmetic Act for distribution in the United States.

''(ii) The term 'valid prescription' means a prescription which is issued for a legitimate medical purpose by an individual practitioner licensed by law to administer and prescribe the drugs concerned and acting in the usual course of the practitioner's professional practice.'';

(3) in subparagraph (B), as so redesignated, by inserting ''or who engages in an export transaction'' after ''nonregulated person''; and

(4) adding at the end the following:

''(D) Except as provided in subparagraph (E), the following distributions to a nonregulated person, and the following export transactions, shall not be subject to the reporting requirement in subparagraph (B):

''(i) Distributions of sample packages of drug products when such packages contain not more than 2 solid dosage units or the equivalent of 2 dosage units in liquid form, not to exceed 10 milliliters of liquid per package, and not more than one package is distributed to an individual or residential address in any 30-day period.

''(ii) Distributions of drug products by retail distributors to the extent that such distributions are consistent with the activities authorized for a retail distributor as specified in section 102(46).

''(iii) Distributions of drug products to a resident of a long term care facility (as that term is defined in regulations prescribed by the Attorney General) or distributions of drug products to a long term care facility for dispensing to or for use by a resident of that facility.

''(iv) Distributions of drug products pursuant to a valid prescription.

''(v) Exports which have been reported to the Attorney General pursuant to section 1004 or 1018 or which are subject to a waiver granted under section 1018(e)(2).

''(vi) Any quantity, method, or type of distribution or any quantity, method, or type of distribution of a specific listed chemical (including specific formulations or drug products) or of a group of listed chemicals (including specific formulations or drug products) which the Attorney General has excluded by regulation from such reporting requirement on the basis that such reporting is not necessary for the enforcement of this title or title III.

''(E) The Attorney General may revoke any or all of the exemptions listed in subparagraph (D) for an individual regulated person if he finds that drug products distributed by the regulated person are being used in violation of this title or title III. The regulated person shall be notified of the revocation, which will be effective upon receipt by the person of such notice, as provided in section 1018(c)(1), and shall have the right to an expedited hearing as provided in section 1018(c)(2).''.

SUMMARY OF THE METHAMPHETAMINE ANTI-PROLIFERATION ACT OF 1999

Sec. 1. Short Title.

Methamphetamine Anti-Proliferation Act of 1999

Sec. 2. Manufacture and Distribution of Amphetamine and Methamphetamine.

Section 1 amends title 21 U.S.C. 841(b)(1) to make the statutory punishment for the manufacture and distribution of amphetamine the same as that of methamphetamine.

Sec. 3. Import and Export of Amphetamine and Methamphetamine.

Section 2 amends the Import and Export Act (21 U.S.C. 960(b)) to make the statutory punishment for amphetamine the same as that of methamphetamine.

Sec. 4. Sentencing Guidelines.

Section 3 amends the Sentencing Guidelines to adjust the penalty for amphetamine to meet the penalty for methamphetamine. It also provides for a 6 level enhancement if the manufacturing either meth or amphetamine created a substantial risk of danger to the health and safety of a minor or incompetent.

Sec. 5. Advertisements For Drug Paraphernalia and Schedule I Controlled Substances.

Section 8 amends 21 U.S.C. 863 (drug paraphernalia statute) to prohibit direct or indirect advertisements for the sale of paraphernalia. It defines advertisements for sale to include the use of any communication facility to post or publicize in any way any matter, including a telephone number or electronic or mail address, knowing that such matter has the purpose of seeking or offering, or is designed to be used, to receive, buy, distribute, or otherwise facilitate a transaction.

It also amends 21 U.S.C. 843(c) to prohibit direct or indirect advertising for the sale of a Schedule I Controlled Substance. The current statute arguably only prohibited the direct advertising of a schedule I drug in the print media.

Sec. 6. Continuing Criminal Enterprise.

Section 11 amends the Continuing Criminal Enterprise statute (21 U.S.C. 848) by replacing the phrase ''continuing series of violations of'' with the phrase ''continuing series of 3 or more acts made punishable by.'' This change is in response to the recent Supreme Court case *Richardson* v. *United States* (decided June 1, 1999) where the Court held that a jury in a CCE case must unanimously agree not only that the defendant committed some ''continuing series of violations,'' but also about which specific ''violations'' make up that ''continuing series.'' There was previously a split among the circuits (the 4th Circuit and the D.C. Circuit both had ruled unanimity with respect to particular ''violations'' was not required).

Sec. 7. Mandatory Restitution for Meth Lab Clean-Up.

Section 7 makes reimbursement for the costs incurred by the U.S. or State and local governments for the cleanup associated with the manufacture of amphetamine or methamphetamine mandatory. It also provides that the restitution money will go to the Asset Forfeiture Fund instead of the treasury.

Sec. 8. Endangering Human Life or the Environment While Illegally Manufacturing Amphetamine or Methamphetamine.

Section 8 increases the penalty under 21 U.S.C. 858 to not less than 10 years for manufacturing or trafficking a controlled substance that creates a substantial risk of harm to human life or the environment. It creates a rebuttable presumption that the manufacturing of amphetamine or methamphetamine constitutes the creation of a substantial risk of harm to human life and the environment.

Sec. 9. Criminal Prohibition on Distribution of Certain Information Relating to the Manufacture of Controlled Substances.

Section 9 prohibits teaching or demonstrating the manufacture or use of a Controlled Substance or distributing by any means information pertaining to the manufacture or use of a Controlled Substance (1) with the intent that this information be used for, or in furtherance of, an activity that constitutes a federal crime; or (2) knowing

that such person intends to use this information for, or in furtherance of, an activity that constitutes a federal crime. The penalty for violation is not more than 10 years in prison.

Sec. 10. Notice; Clarification.

This section amends 18 U.S.C. 3103a to allow for the delay of any notice that is, or may be, required pursuant to the issuance of a warrant under this section or any other law.

Sec. 11. Training for Drug Enforcement Administration and State and Local Law Enforcement Personnel Relating to Clandestine Laboratories.

Section 11 authorizes $5.5 million in funding for DEA training programs designed to (1) train State and local law enforcement in techniques used in meth investigations; (2) provide a certification program for State and local law enforcement enabling them to meet requirements with respect to the handling of wastes created by meth labs; (3) create a certification program that enables certain State and local law enforcement to recertify other law enforcement in their regions; and (4) staff mobile training teams which provide State and local law enforcement with advanced training in conducting clan lab investigations and with training that enables them to recertify other law enforcement personnel. The training programs are authorized for 3 years after which the States, either alone or in consultation/combination with other States, will be responsible for training their own personnel. The States will be required to submit a report detailing what measures they are taking to ensure that they have programs in place to take over the responsibility after the three year federal program expires.

Sec. 12. Combating Methamphetamine in High Intensity Drug Trafficking Areas.

This section authorizes $5 million a year for fiscal years 2000–2004 to be appropriated to ONDCP to combat trafficking of methamphetamine in designated HIDTA's by hiring new federal, State, and local law enforcement personnel, including agents, investigators, prosecutors, lab technicians and chemists. It provides that the funds shall be apportioned among the HIDTA's based on the following factors: (1) number of Meth labs discovered in the previous year; (2) number of Meth prosecutions in the previous year; (3) number of Meth arrests in the previous year; (4) the amounts of Meth seized in the previous year; and (5) intelligence data from the DEA showing trafficking and transportation patterns in methamphetamine, amphetamine and listed chemicals. Before apportioning any funds, the Director must certify that the law enforcement entities responsible for clan lab seizures are providing lab seizure data to the national clandestine laboratory database at the El Paso Intelligence Center. It also provides that not more than five percent of the appropriated amount may be used for administrative costs.

Sec. 13. Combating Amphetamine and Methamphetamine Manufacturing and Trafficking.

This section authorizes $6.5 million to be appropriated for the hiring of new agents to (1) assist State and local law enforcement in small and mid-sized communities in all phases of drug investigations; (2) staff additional regional enforcement and mobile enforcement teams; (3) establish additional resident offices and posts of duty to assist State and local law enforcement in rural areas; and (4) provide the Special Operations Division with additional agents for intelligence and investigative operations.

Sec. 14. Environmental Hazards Associated With Illegal Manufacture of Amphetamine and Methamphetamine.

Authorizes the DEA to receive money from the Asset Forfeiture Fund to pay for cleanup costs associated with the illegal manufacture of amphetamine or methamphetamine. It also allows for reimbursements to State and local entities for cleanup costs when they assist in a federal prosecution on amphetamine or methamphetamine related charges.

Sec. 15. Antidrug Messages on Federal Government Internet Websites.

Requires all federal departments and agencies, in consultation with ONDCP, to place antidrug messages on their Internet websites and an electronic hyperlink to ONDCP's website. Numerous government agencies have children's websites, including the Social Security Administration.

Sec. 16. Mail Order Requirements.

This section represents changes to the reporting requirements of 21 U.S.C. 830(b)(3) worked out between the DEA and industry. Reporting will no longer be required for valid prescriptions, limited distributions of sample packages, distributions by retail distributors if consistent with authorized activities, distributions to long term care facilities, and any product which has been exempted by the AG. It also allows the AG to revoke an exemption if he finds the drug product being distributed is being used in violation of the Controlled Substances Act.

Mr. BIDEN. Mr. President, 3 years ago this week I joined with my distinguished friend and colleague, Senator HATCH, to introduce the ''Hatch-Biden Methamphetamine Control Act'' to address the growing threat of methamphetamine use in our country before it was too late.

Our failure to foresee and prevent the crack cocaine epidemic is one of the most significant public policy mistakes in recent history. Despite the warning signs of an outbreak, few took action until it was too late. But we did learn an important lesson from that mistake. When we began to see similar warning signs with methamphetamine, we acted swiftly to make sure that history would not repeat itself.

That Act provided crucial tools that we needed to stay ahead of the methamphetamine epidemic and avoid the mistakes made during the early stages of the crack epidemic. We increased penalties for possessing and trafficking in methamphetamine and the precursor chemicals and equipment used to manufacture the drug. We tightened the reporting requirements and restrictions on the legitimate sales of products containing precursor chemicals to prevent their diversion, and imposed even greater requirements on firms that sell those products by mail. We ensured that meth manufacturers who endanger the life of any individual or endanger the environment while making this drug receive enhanced prison sentences. And finally, we created a national working group of law enforcement and public health officials to monitor any growth in the methamphetamine epidemic.

I have no doubt that our 1996 legislation slowed this epidemic significantly. But we are up against a powerful and highly addictive drug. Meth stimulates the central nervous system, making the user feel energetic, clever and powerful. Unlike crack, whose effects sometimes last only a matter of minutes, a meth high lasts for hours.

Last year in my home State of Delaware law enforcement officers busted what was described as ''the largest and most sophisticated drug lab in the Northeast,'' seizing 50 pounds of meth and meth base. This was only one of the 5,786 reported clandestine laboratory seizures in the United States last year.

We have countless heart wrenching stories of violence and families being tragically ripped apart by methamphetamine use, sadly reminiscent of what we saw with crack cocaine. A recent news story reported that a woman in California has been charged with the murder of her infant son. High on meth, she left him in a sealed car in the summer heat while she and her boyfriend slept in an air-conditioned motel room nearby. The innocent infant died a tragic and senseless death.

Unfortunately, this unspeakable tragedy is not an isolated incident. It is not unusual for a meth user to remain awake for days. And as the high begins to wane, the user is likely to be violent, delusional and paranoid. Not surprisingly, this behavior often leads to crime. In areas like San Diego where the meth epidemic rages, more than 33 percent of people arrested in 1998 tested positive for the drug.

On top of the violence associated with methamphetamine users, there is also the enormous problem of violence among methamphetamine traffickers and the environmental and life-threatening conditions endemic in the clandestine labs where the drug is produced.

But perhaps the most frightening fact of all is that despite all of the evidence that methamphetamine is a horribly destructive substance, the percentage of kids who perceive it as a harmful drug is on the decline.

And that I why I am joining my friend from Utah once again —along with Senators DEWINE, FEINSTEIN and BOND—to build on the 1996 methamphetamine legislation and continue to fight this pernicious drug.

Our Methamphetamine Anti-Proliferation Act, first and foremost, addresses the growing problem of amphetamines as a meth substitute by making the penalties for manufacturing, importing, exporting or trafficking amphetamine equivalent to those established for methamphetamine in our 1996 law. The two drugs are nearly identical —they differ by only one chemical. Whereas methamphetamine is made with ephedrine, a substance found in some over-the-counter cold remedies, amphetamine is produced with phenylpropanolamine, a chemical found in over-the-counter diet pills. The two drugs are produced in the same dangerous clandestine labs and are often sold interchangeably on the streets; the penalties for dealing in both substances should be the same.

This legislation also provides the Drug Enforcement Administration with much needed funding to clean up clandestine labs after they are seized

as well as to train state and local law enforcement officers to handle the hazardous wastes produced in the meth labs. Methamphetamine is made from an array of hazardous substances—battery acid, lye, ammonia gas, hydrochloric acid, just to name a few—that produce toxic fumes and often lead to fires or explosions when mixed. I am revealing nothing by naming some of these chemical ingredients. Anyone with access to the Internet can download a detailed meth recipe with a few simple keystrokes. Our legislation would make such postings illegal.

This bill also tightens the restrictions on direct and indirect advertising of illegal drug paraphernalia and Schedule I drugs. Under this legislation, it would be illegal for on-line magazines and other websites to post advertisements for such illegal material or provide ''links'' to websites that do. We crafted this language carefully so that we restrict the sale of drug paraphernalia without restricting the First Amendment.

Finally, the bill provides more money for law enforcement. This includes hiring more Drug Enforcement Administration agents to assist state and local law enforcement in small and mid-size cities and rural areas and providing more money to combat meth in places designated as High Intensity Drug Trafficking Areas.

While I clearly support the goals of this legislation, I want to make it clear that I think we may need to tweak it as it goes through the process to ensure that we do not stymie a good idea with the fine print. Specifically, I have concerns about how we fund meth lab clean up. As written, some of the money would come from the asset forfeiture fund, a most important resource for law enforcement. We are now struggling with reforming the overall structure of asset forfeiture in this country and I would hope we could find an alternative pot of money to tap to do the important work of cleaning up meth lab sites.

That being said, I am confident that any concerns I may have at this time will be resolved during the committee process.

I want to commend Senator HATCH for his continued leadership on this issue. I urge all my colleagues to join us in protecting our children and our society from the devastations of methamphetamine by supporting this vital legislation.

ADDITIONAL COSPONSORS

S. 71

At the request of Ms. SNOWE, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 71, a bill to amend title 38, United States Code, to establish a presumption of service-connection for certain veterans with Hepatitis C, and for other purposes.

S. 296

At the request of Ms. COLLINS, her name was added as a cosponsor of S. 296, a bill to provide for continuation of the Federal research investment in a fiscally sustainable way, and for other purposes.

S. 313

At the request of Mr. GRAMM, the name of the Senator from Idaho (Mr. CRAPO) was added as a cosponsor of S. 313, a bill to repeal the Public Utility Holding Company Act of 1935, to enact the Public Utility Holding Company Act of 1999, and for other purposes.

S. 376

At the request of Mr. BURNS, the name of the Senator from Maryland (Mr. SARBANES) was added as a cosponsor of S. 376, a bill to amend the Communications Satellite Act of 1962 to promote competition and privatization in satellite communications, and for other purposes.

S. 542

At the request of Mr. ABRAHAM, the name of the Senator from Iowa (Mr. HARKIN) was added as a cosponsor of S. 542, a bill to amend the Internal Revenue Code of 1986 to expand the deduction for computer donations to schools and allow a tax credit for donated computers.

S. 632

At the request of Mr. DEWINE, the name of the Senator from Tennessee (Mr. FRIST) was added as a cosponsor of S. 632, a bill to provide assistance for poison prevention and to stabilize the funding of regional poison control centers.

S. 680

At the request of Mr. HATCH, the name of the Senator from Illinois (Mr. FITZGERALD) was added as a cosponsor of S. 680, a bill to amend the Internal Revenue Code of 1986 to permanently extend the research credit, and for other purposes.

S. 745

At the request of Mr. ABRAHAM, the name of the Senator from Virginia (Mr. ROBB) was added as a cosponsor of S. 745, a bill to amend the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 to modify the requirements for implementation of an entry-exit control system.

S. 792

At the request of Mr. MOYNIHAN, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 792, a bill to amend title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 to provide States with the option to allow legal immigrant pregnant women, children, and blind or disabled medically needy individuals to be eligible for medical assistance under the medicaid program, and for other purposes.

S. 894

At the request of Mr. CLELAND, the name of the Senator from New Jersey (Mr. TORRICELLI) was added as a cosponsor of S. 894, a bill to amend title 5, United States Code, to provide for the establishment of a program under which long-term care insurance is made available to Federal employees and annuitants, and for other purposes.

S. 922

At the request of Mr. ABRAHAM, the names of the Senator from Alabama (Mr. SESSIONS), the Senator from Pennsylvania (Mr. SANTORUM), the Senator from Massachusetts (Mr. KERRY), and the Senator from Wisconsin (Mr. KOHL) were added as cosponsors of S. 922, a bill to prohibit the use of the ''Made in the USA'' label on products of the Commonwealth of the Northern Mariana Islands and to deny such products duty-free and quota-free treatment.

S. 1044

At the request of Mr. KENNEDY, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 1044, a bill to require coverage for colorectal cancer screenings.

S. 1053

At the request of Mr. BOND, the name of the Senator from Alabama (Mr. SESSIONS) was added as a cosponsor of S. 1053, a bill to amend the Clean Air Act to incorporate certain provisions of the transportation conformity regulations, as in effect on March 1, 1999.

S. 1109

At the request of Mr. MCCONNELL, the name of the Senator from North Carolina (Mr. EDWARDS) was added as a cosponsor of S. 1109, a bill to conserve global bear populations by prohibiting the importation, exportation, and interstate trade of bear viscera and items, products, or substances containing, or labeled or advertised as containing, bear viscera, and for other purposes.

S. 1244

At the request of Mr. THOMPSON, the name of the Senator from Virginia (Mr. ROBB) was added as a cosponsor of S. 1244, a bill to establish a 3-year pilot project for the General Accounting Office to report to Congress on economically significant rules of Federal agencies, and for other purposes.

S. 1277

At the request of Mr. GRASSLEY, the names of the Senator from Hawaii (Mr. AKAKA) and the Senator from Vermont (Mr. JEFFORDS) were added as cosponsors of S. 1277, a bill to amend title XIX of the Social Security Act to establish a new prospective payment system for Federally-qualified health centers and rural health clinics.

S. 1334

At the request of Mr. AKAKA, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 1334, a bill to amend chapter 63 of title 5, United States Code, to increase the amount of leave time available to a Federal employee in any year in connection with serving as an organ donor, and for other purposes.

S. 1381

At the request of Mr. COCHRAN, the name of the Senator from Illinois (Mr. FITZGERALD) was added as a cosponsor of S. 1381, a bill to amend the Internal

Revenue Code of 1986 to establish a 5-year recovery period for petroleum storage facilities.

S. 1396

At the request of Mr. JEFFORDS, the name of the Senator from Rhode Island (Mr. REED) was added as a cosponsor of S. 1396, a bill to amend section 4532 of title 10, United States Code, to provide for the coverage and treatment of overhead costs of United States factories and arsenals when not making supplies for the Army, and for other purposes.

SENATE CONCURRENT RESOLUTION 9

At the request of Ms. SNOWE, the names of the Senator from South Carolina (Mr. HOLLINGS) and the Senator from Michigan (Mr. LEVIN) were added as cosponsors of Senate Concurrent Resolution 9, a concurrent resolution calling for a United States effort to end restrictions on the freedoms and human rights of the enclaved people in the occupied area of Cyprus.

SENATE RESOLUTION 92

At the request of Mrs. BOXER, the name of the Senator from Florida (Mr. GRAHAM) was added as a cosponsor of Senate Resolution 92, a resolution expressing the sense of the Senate that funding for prostate cancer research should be increased substantially.

SENATE RESOLUTION 95

At the request of Mr. THURMOND, the names of the Senator from Kentucky (Mr. BUNNING), the Senator from Maryland (Mr. SARBANES), and the Senator from Oklahoma (Mr. NICKLES) were added as cosponsors of Senate Resolution 95, a resolution designating August 16, 1999, as ''National Airborne Day.''

SENATE RESOLUTION 128

At the request of Mr. COCHRAN, the name of the Senator from Ohio (Mr. DEWINE) was added as a cosponsor of Senate Resolution 128, a resolution designating March 2000, as ''Arts Education Month.''

SENATE RESOLUTION 159—AUTHORIZING EXPENDITURES BY THE COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. LUGAR, from the Committee on Agriculture, Nutrition, and Forestry, reported the following original resolution; which was referred to the Committee on Rules and Administration:

S. RES. 159

Resolved, that, in carrying out its powers, duties, and functions under the Standing Rules of the Senate, in accordance with its jurisdiction under rule XXV of such rules, including holding hearings, reporting such hearings, and making investigations as authorized by paragraphs 1 and 8 of rule XXVI of the Standing Rules of the Senate, the Committee on Agriculture, Nutrition and Forestry is authorized from October 1, 1999, through September 30, 2000, and October 1, 2000, through February 28, 2001, in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to employ personnel, and (3) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable or non-reimbursable basis the services of personnel of any such department or agency.

SEC. 2. (a) In order to comply with the Grams Resolution, which requires that subcommittee staff positions be funded, the expenses of the committee for the period October 1, 1999, through September 30, 2000, under this resolution shall not exceed $2,118,150 of which amount (1) not to exceed $4000 may be expended for the procurement of the services of individual consultations, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended) and (2) not to exceed $4000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

(b) In order to comply with the Grams Resolution, which requires that subcommittee staff positions be funded, the expenses of the committee under this resolution, for the period of October 1, 2000, through February 28, 2001, shall not exceed $903,523, of which amount (1) not to exceed $4000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $4000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

(c) Should the Committee on Rules and Administration determine that the Committee on Agriculture, Nutrition and Forestry not comply with the Grams Resolution, the expenses of the Committee on Agriculture, Nutrition and Forestry under this resolution for the period October 1, 1999, through September 30, 2000, shall not exceed $1,933,796 of which amount (1) not to exceed $4000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $4000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

(d) Should the Committee on Rules and Administration determine that the Committee on Agriculture, Nutrition and Forestry not comply with the Grams Resolution, the expenses of the Committee on Agriculture, Nutrition and Forestry under this resolution for the period of October 1, 2000, through February 28, 2001, shall not exceed $824,772, of which amount (1) not to exceed $4000 may be expended for the procurement of the services of individual consultants, or organizations thereof (as authorized by section 202(i) of the Legislative Reorganization Act of 1946, as amended), and (2) not to exceed $4000 may be expended for the training of the professional staff of such committee (under procedures specified by section 202(j) of the Legislative Reorganization Act of 1946).

SEC. 3. The committee shall report its findings, together with such recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than February 29, 2000, and February 28, 2001, respectively.

SEC. 4. Expenses of the committee under this resolution shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, except that vouchers shall not be required (1) for the disbursement of salaries of employees paid at an annual rate, or (2) for the payment of telecommunications provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (3) for the payment of stationery supplies purchased through the Keeper of the Stationery, United States Senate, or (4) for payments to the Postmaster, United States Senate, or (5) for the payment of metered charges on copying equipment provided by the Office of the Sergeant at Arms and Doorkeeper, United States Senate, or (6) for the payment of Senate Recording and Photographic Services, or (7) for payment of franked and mass mail costs by the Sergeant at Arms and Doorkeeper, United States Senate.

SEC. 5. There are authorized such sums as may be necessary for agency contributions related to the compensation of employees of the committee from October 1, 1999, through September 30, 2000, and October 1, 2000, through February 28, 2001, to be paid from the Appropriation account for ''Expenses of Inquiries and Investigations.''

SENATE RESOLUTION 160—TO RESTORE ENFORCEMENT OF RULE 16

Mr. LOTT submitted the following resolution; which was ordered placed on the calendar:

S. RES. 160

Resolved, That the presiding officer of the Senate should apply all precedents of the Senate under Rule 16, in effect at the conclusion of the 103d Congress.

SENATE RESOLUTION 161—TO AUTHORIZE THE PRINTING OF ''MEMORIAL TRIBUTES TO JOHN FITZGERALD KENNEDY, JR.

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

S. RES. 161

Whereas John Fitzgerald Kennedy, Jr. was a notable and influential public figure who was born into and lived his life in the public sphere;

Whereas John Fitzgerald Kennedy, Jr. comported himself with modesty and dignity, consistently displaying an admirable grace under pressure and a genuine concern for the well-being of other persons, in the grand tradition of his family;

Whereas John Fitzgerald Kennedy, Jr. was a significant figure who ably represented a family dedicated to public service, and who personally won a place in the heart of the American people;

Whereas the nation mourns the tragic loss of John Fitzgerald Kennedy, Jr., his wife, Carolyn Bessette Kennedy, and her sister, Lauren Bessette; and

Whereas on July 19, 1999, the Senate expressed its condolences to the Kennedy and Bessette families: Now, therefore, be it

Resolved,

SECTION 1. PRINTING OF THE ''MEMORIAL TRIBUTES TO JOHN FITZGERALD KENNEDY, JR.''.

(a) IN GENERAL.—There shall be printed as a Senate Document, the book entitled ''Memorial Tributes to John Fitzgerald Kennedy, Jr.'', prepared under the supervision of the Secretary of the Senate.

(b) SPECIFICATIONS.—The document described in subsection (a) shall include illustrations and shall be in such style, form, manner, and binding as is directed by the Joint Committee on Printing after consultation with the Secretary of the Senate.

AMENDMENTS SUBMITTED

DEPARTMENTS OF COMMERCE, JUSTICE AND STATE, AND RELATED AGENCIES APPROPRIATIONS ACT, 2000

THOMAS (AND ENZI) AMENDMENTS NO. 1273

(Ordered to lie on the table.)

Mr. THOMAS (for himself and Mr. ENZI) submitted an amendment intended to be proposed by them to the bill (S. 1217) making appropriations for the Department of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 2000, and for other purposes; as follows:

At the appropriate place in the bill, insert the following new section and renumber the remaining sections accordingly:

SEC. . PROHIBITION ON THE RETURN OF VETERANS MEMORIAL OBJECTS TO FOREIGN NATIONS WITHOUT SPECIFIC AUTHORIZATION IN LAW.

(a) PROHIBITION.—Notwithstanding section 2572 of title 10, United States Code, or any other provision of law, the President may not transfer a veterans memorial object to a foreign country or entity controlled by a foreign government, or otherwise transfer or convey such object to any person or entity for purposes of the ultimate transfer or conveyance of such object to a foreign country or entity controlled by a foreign government, unless specifically authorized by law.

(b) DEFINITIONS.—In this section:

(1) ENTITY CONTROLLED BY A FOREIGN GOVERNMENT.—The term ''entity controlled by a foreign government'' has the meaning given that term in section 2536(c)(1) of title 10, United States Code.

(2) VETERANS MEMORIAL OBJECT.—The term ''veterans memorial object'' means any object, including a physical structure or portion thereof, that—

(A) is located at a cemetery of the National Cemetery System, war memorial, or military installation in the United States;

(B) is dedicated to, or otherwise memorializes, the death in combat or combat-related duties of members of the United States Armed Forces; and

(C) was brought to the United States from abroad as a memorial of combat abroad.

DEWINE (AND LEVIN) AMENDMENT NO. 1274

(Ordered to lie on the table.)

Mr DEWINE (for himself and Mr. LEVIN) submitted an amendment intended to be proposed by them to the bill, S. 1217, supra; as follows:

On page 57, line 16, strike ''$1,776,728,000'' and insert ''$1,777,118,000''.

On page 57, line 17, before the colon, insert the following: ''; of which $390,000 shall be used by the National Ocean Service to upgrade an additional 13 Great Lakes water gauging stations in order to ensure compliance with year 2000 (Y2K) computer date processing requirements''.

BYRD AMENDMENT NO. 1275

(Ordered to lie on the table.)

Mr. BYRD submitted an amendment intended to be proposed by him to the bill, S. 1217, supra; as follows:

On page 73, insert between lines 12 and 13 the following:

SEC. 306. Pursuant to the requirements of section 156(d) of title 28, United States Code, Congress approves the consolidation of the office of the bankruptcy clerk of court with the office of the district clerk of court in the southern district of West Virginia.

GRAMS AMENDMENT NO. 1276

(Ordered to lie on the table.)

Mr. GRAMS submitted an amendment intended to be proposed by him to the bill, S. 1217, supra; as follows:

On page 81, line 25, insert the following after ''reforms''; '':*Provided further*, That any additional amount provided, not to exceed $107 million, which is owed by the United Nations to the United States as a reimbursement, including any reimbursement under the Foreign Assistance Act of 1961 or the United Nations Participation Act of 1945, that was owed to the United States before the date of enactment of this Act shall be applied or used, without fiscal year limitation, to reduce any amount owed by the United States to the United Nations, except that any such reduction pursuant to the authority in this paragraph shall not be made unless expressly authorized by the enactment of a separate Act that makes payment of arrearages contingent upon United Nations reform''.

LUGAR AMENDMENT NO. 1277

(Ordered to lie on the table.)

Mr. LUGAR submitted an amendment intended to be proposed by him to this bill. S. 1217, supra; as follows:

On page 78, between lines 8 and 9, insert the following:

NATIONAL ENDOWMENT FOR DEMOCRACY

For grants by the Department of State to the National Endowment for Democracy as authorized by the National Endowment for Democracy Act, $30,000,000, to remain available until expended: *Provided*, That, in lieu of the dollar amount specified under the heading ''CAPITAL INVESTMENT FUND'' in this Act, the dollar amount under that heading shall be considered to be $50,000,000.

GRAHAM AMENDMENT NOS. 1278–1280

(Ordered to lie on the table.)

Mr. GRAHAM submitted three amendments intended to be proposed by him to the bill. S. 1217, supra; as follows:

AMENDMENT NO. 1278

At the appropriate place in title I, insert the following:

SEC. ___. AUTHORITY TO RECOVER TOBACCO-RELATED COSTS.

Nothing in this Act shall be construed to prohibit the Department of Justice from expending amounts made available under this title for tobacco-related litigation or for the payment of expert witnesses called to provide testimony in such litigation.

AMENDMENT NO. 1279

At the appropriate place in title VI, insert the following:

SEC. 6___. PUBLIC AIRCRAFT.

The flush sentence following subparagraph (B)(ii) of section 40102(37) of title 49, United States Code, is amended by striking ''if the unit of government on whose behalf the operation is conducted certifies to the Administrator of the Federal Aviation Administration that the operation was necessary to respond to a significant and imminent threat to life or property (including natural resources) and that no service by a private operator was reasonably available to meet the threat'' and inserting ''if the operation is conducted for law enforcement, search and rescue, or responding to an imminent threat to life, property, or natural resources''.

AMENDMENT NO. 1280

At the end of title I, add the following:

SEC. ____. (a) In this section:

(1) The term ''hate crime'' has the meaning given the term in section 280003(a) of the Violent Crime Control and Law Enforcement Act of 1994 (28 U.S.C. 994 note).

(2) The term ''older individual'' means an individual who is age 65 or older.

(b) The Attorney General shall conduct a study concerning—

(1) whether an older individual is more likely than the average individual to be the target of a crime;

(2) the extent of crimes committed against older individuals; and

(3) the extent to which crimes committed against older individuals are hate crimes.

(c) Not later than 180 days after the date of enactment of this Act, the Attorney General shall submit to Congress a report containing the results of the study.

SARBANES (AND SMITH) AMENDMENT NO. 1281

(Ordered to lie on the table.)

Mr. SARBANES (for himself and Mr. SMITH of Oregon) submitted an amendment intended to be proposed by them to the bill, S. 1217, supra; as follows:

On page 74, line 15, strike ''$2,671,429,000'' and insert ''$2,837,772,000''.

On page 77, line 8, strike ''$80,000,000'' and insert ''$90,000,000''.

On page 79, line 5, strike ''$583,496,000'' and insert ''$747,683,000''.

On page 79, line 19, strike ''$7,000,000'' and insert ''$17,000,000''.

On page 80, beginning on line 24, strike ''$943,308,000'' and all that follows through ''$107,000,000'' on line 25 and insert ''$1,177,308,000, of which not to exceed $214,000,000''.

On page 81, beginning on line 16, strike ''280,925,000'' and all that follows through ''$137,000,000'' on line 18 and insert ''$265,000,000, of which not to exceed $26,500,000 shall remain available until September 30, 2001, and of which not to exceed $30,000,000''.

On page 80, between lines 17 and 18, insert the following:

NATIONAL ENDOWMENT FOR DEMOCRACY.

For a grant to the National Endowment for Democracy, as authorized by the National Endowment for Democracy Act, $32,000,000, to remain available until expended, as authorized by section 24(c) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2696(c)).

PAYMENT TO THE ASIA FOUNDATION.

For a grant to The Asia Foundation, as authorized by section 501 of Public Law 101–246, $15,000,000, to remain available until expended, as authorized by section 24(c) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2696(c)).

FEINSTEIN AMENDMENT NO. 1282

(Ordered to lie on the table.)

Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill, S. 1217, supra; as follows:

On page 15, after line 2, insert:

HIGH INTENSITY INTERSTATE GANG ACTIVITY AREAS PROGRAM

For expenses necessary to establish and implement the High Intensity Interstate Gang Activity Areas Program (including grants, contracts, cooperative agreements and other assistance) pursuant to Section 205 of S. 254 as passed by the Senate on May 20, 1999, and consistent with the funding proportions established therein, $20,000,000.

On page 21, line 16, strike ''3,156,895,000'' and insert ''3,136,895,000.''

MACK (AND GRAHAM) AMENDMENT NO. 1283

(Ordered to lie on the table.)

Mr. MACK (for himself and Mr. GRAHAM) submitted an amendment intended to be proposed by them to the bill, S. 1217, supra; as follows:

On page 57, line 16, strike the numeral ''$1,776,728,000'' and insert in lieu therein the number ''$1,777,228,000''.

On page 58,line 20, after the word 'authorization' but before the period (.) add the following new proviso: '': *Provided further*, That of the amount made available under this heading for the National Marine Fisheries Service, Conservation and Management Operations, $500,000 is appropriated to initiate the establishment of a Center for Sustainable Use Resources in Ft. Pierce, FL.''

On page 61, line 16, strike the numeral '$34,046,000' and insert in lieu thereof the numeral ''$33,546,000''.

FITZGERALD (AND OTHERS) AMENDMENT NO. 1284

(Ordered to lie on the table.)

Mr. FITZGERALD (for himself, Mr. ASHCROFT, Mr. ENZI, Mr. BROWNBACK, Mr. BURNS and Mr. ROBERTS) submitted an amendment intended to be proposed by them to the bill, S. 1217, supra; as follows:

On page 65, after line 25, insert the following:

SEC. 2___. SENSE OF SENATE ON AGRICULTURAL TRADE NEGOTIATIONS.—(a) FINDINGS.—The Senate finds that—

(1) the United States is the world's largest exporter of agricultural commodities and products;

(2) 96 percent of the world's consumers live outside the United States;

(3) the profitability of the United States agricultural sector is dependent on a healthy export market; and

(4) the next round of multilateral trade negotiations is scheduled to begin on November 30, 1999.

(b) SENSE OF SENATE.—The Senate supports and strongly encourages the President to adopt the following trade negotiating objectives:

(1) The initiation of a comprehensive round of multilateral trade negotiations that—

(A) covers all goods and services;

(B) continues to reform agricultural and food trade policy;

(C) promotes global food security through open trade; and

(D) increases trade liberalization in agriculture and food.

(2) The simultaneous conclusion of the negotiations for all sectors.

(3) The adoption of the framework established under the Uruguay Round Agreements for the agricultural negotiations conducted in 1999 to ensure that there are no product or policy exceptions.

(4) The establishment of a 3-year goal for the conclusion of the negotiations by December 2002.

(5) The elimination of all export subsidies and tightening of rules for circumvention of export subsidies.

(6) The elimination of all nontariff barriers to trade.

(7) The transition of domestic agricultural support programs to a form decoupled from agricultural production, as the United States has already done under the Agricultural Market Transition Act (7 U.S.C. 7201 et seq.).

(8) The commercially meaningful reduction or elimination of bound and applied tariffs, and the mutual elimination of restrictive tariff barriers, on an accelerated basis.

(9) The improved administration of tariff rate quotas.

(10)(A) The elimination of state trading enterprises; or

(B) the adoption of policies that ensure operational transparency, the end of discriminatory pricing practices, and competition for state trading enterprises.

(11) The maintenance of sound science and risk assessment for sanitary and phytosanitary measures.

(12) The assurance of market access for biotechnology products, with the regulation of the products based solely on sound science.

(13) The accelerated resolution of trade disputes and prompt enforcement of dispute panels of the World Trade Organization.

(14) The provision of food security for importing nations by ensuring access to supplies through a commitment by World Trade Organization member countries not to restrict or prohibit the export of agricultural products.

(15) The resolution of labor and environmental issues in a manner that facilitates, rather than restricts, agricultural trade.

(16) The establishment of World Trade Organization rules that will allow developing countries to graduate, using objective economic criteria, to full participation in, and obligations under, the World Trade Organization.

• Mr. FITZGERALD. Mr. President, I rise today along with my colleagues, Senators ASHCROFT, ENZI, BROWNBACK, and BURNS, to offer an amendment expressing the sense of the Senate regarding the next round of agricultural trade negotiations. As a member of the Senate Agriculture Committee, I am very concerned about U.S. agriculture's position in the next round of negotiations. This resolution establishes clear direction to the Administration as it enters the Seattle negotiations this November.

These process and procedural guidelines have been developed through a consensus process of the Seattle Round Agricultural Committee (SRAC). SRAC represents over 70 agricultural organizations—from the Farm Bureau to the National Oilseed Processors Association to Kraft Foods. This diverse group of agriculturalists have spent many hours developing these principles too ensure that our international agriculture markets remain strong, open and fair for our nation's farmers.

The U.S. agricultural sector is one of the only segments of our economy that consistently produces a trade surplus. In fact, our agricultural surplus totaled $27.2 billion in 1996. However, we must not rest on our laurels; the United States Department of Agriculture projects that our agricultural trade surplus in 1999 will dwindle to approximately $12 billion. We must not let this trend continue.

Free and open international markets are vital to my home state. Illinois' 76,000 farms cover more than 28 million acres—nearly 80 percent of Illinois. Our farm product sales generate nine billion dollars annually and Illinois ranks third in agricultural exports. In fiscal year 1997 alone, Illinois agricultural exports totaled $3.7 billion and created 57,000 jobs for our state. Needless to say, agriculture makes up a significant portion of my state's economy, and a healthy export market for these products is important to my constituents.

As you know, farm commodity prices have recently been in a severe slump. This situation makes open debate on agricultural trade and the Seattle round even more timely and necessary. While the average tariff assessed by the United States on agricultural products is less than five percent, the average agricultural tariff assessed by other World Trade Organization members exceeds 40 percent. This situation is clearly unfair and certainly depresses U.S. agricultural commodity prices. Accordingly, this issue must be addressed in the next round.

I look forward to working with my colleagues on policies to tear down international trade barriers and ensure that our agricultural trade surplus expands and remains strong. This resolution is the first step toward ensuring that agriculture is a top priority of the Administration during the next round of multilateral trade negotiations.

With the Seattle round expected to initiate on November 30th of this year, the American farmer cannot wait for action on this resolution. While I would like to pass this sense of the Senate as a free standing resolution, action on this resolution simply cannot wait. The Commerce, State, Justice Appropriations bill, which contains funding for the United States Trade Representatives Office, provides the perfect vehicle for this trade resolution. I hope my colleagues will give it the consideration it deserves.

I want to recognize and commend my colleagues, Senators ASHCROFT, ENZI, BROWNBACK, and BURNS, for joining me as original co-sponsors of this resolution. This resolution should enjoy bipartisan support, and I urge my colleagues to join me in supporting this legislation important to our nation's farmers. Mr. President, I ask that a list of supporters of this resolution and a letter from Dean Kleeker, president of the American Farm Bureau Federation be printed in the RECORD.

The material follows:

SUPPORTERS OF SEATTLE ROUND AGRICULTURAL COMMITTEE (SRAC) 1999 WTO POLICY STATEMENT

Ag Processing Inc.
Agricultural Retailers Association.
American Crop Protection Association.
American Farm Bureau Federation.
American Feed Industry Association.
American Soybean Association.
American Sugar Alliance.
Animal Health Institute.

Archer Daniels Midland Company.
Biotechnology Industry Organization.
Bryant Christie Inc.
Bunge Corporation.
CF Industries, Inc.
Cargill, Incorporated.
Chocolate Manufacturers Association.
Coalition for a Competitive Food and Agricultural System.
ConAgra, Inc.
Continental Grain Company.
Corn Refiners Association.
Distilled Spirits Council of the ISA.
Farmland Industries, Inc.
Florida Phosphate Council.
Food Distributors International Association.
Gold Kist, Inc.
Grocery Manufacturers of America.
Independent Community Bankers of America.
International Dairy Foods Association.
Kraft Foods.
Louis Dreyfus Corporation.
Monsanto Company.
National Association of Animal Breeders.
National Association of State Departments of Agriculture.
National Association of Wheat Growers.
National Barley Growers Association.
National Cattleman's Beef Association.
National Chicken Council.
National Confectioner's Association of the U.S.
National Corn Grower's Association.
National Council of Farmer Cooperatives.
National Cotton Council of America.
National Food Processors Association.
National Grain and Feed Association.
National Grain and Sorghum Producers Association.
National Grain Trade Council.
National Grange.
National Milk Producers Federation.
National Oilseed Processors Association.
National Pork Producers Council.
National Renderers Association.
National Sunflower Association.
North American Export Grain Association.
North American Millers' Association.
Northwest Horticulture Council.
Pacific Northwest Grain and Feed.
Pet Food Institute.
Pioneer Hi-Bred International, Inc.
Ralston Purina Company.
Sunkist Growers.
Sweetener Users Association.
The Fertilizer Institute.
The IAMS Company.
Transportation, Elevator, & Grain Merchants Association.
USA Poultry and Egg Export Council.
USA Rice Federation.
U.S. Apple Association.
U.S. Dairy Export Council.
U.S. Meat Export Federation.
U.S. Poultry and Egg Association.
U.S. Rice Producers Association.
U.S. Wheat Associates, Inc.
United Egg Association.
United Egg Producers.
World Perspectives Inc.

AMERICAN FARM BUREAU FEDERATION,
Park Ridge, IL, June 18, 1999.

Hon. SPENCER ABRAHAM,
U.S. Senate, Washington, DC.

DEAR SENATOR ABRAHAM: The American Farm Bureau Federation strongly supports S. Res. 101, expressing the sense of the Senate establishing agriculture as a top priority of this Administration during the next round of multilateral trade negotiations. We ask you to support and cosponsor this resolution. Exports are agriculture's source of future growth in sales and income.

As the host of the 1999 World Trade Organization (WTO) Ministerial, the United States has a tremendous opportunity to influence the agenda for the next round of WTO negotiations. The U.S. also has the most to gain from the next round. The United States is the largest, most dynamic economy in the world. Further trade liberalization is needed to open new market opportunities for the ever-increasing output of U.S. agriculture. America's farmers and ranchers must have the freedom to compete in the international marketplace, and with the help of strong leadership by U.S. trade negotiators in Seattle later this year, that goal can begin to be realized.

S. Res. 101 embodies the procedure and policy developed through a consensus process by the Seattle Round Agricultural Committee (SRAC). The SRAC represents over 70 agricultural organizations, agribusinesses, and food processors, supporting the new round of multilateral trade negotiations under the auspices of the WTO. The fact is that 96 percent of the world's consumers live outside the U.S. and in many developing countries the demand for food and agricultural products is growing as income and population increase.

We are counting on this administration and Congress to ensure that U.S. farmers and ranchers have a significant place at the negotiating table, and are armed with the tools they need to be successful. The 1999 WTO Negotiations is the best opportunity for the U.S. agriculture to achieve more open and freer global markets.

Sincerely,

DEAN KLECKNER,
President.

BIDEN (AND OTHERS) AMENDMENT NO. 1285

Mr. BIDEN (for himself, Mr. SCHUMER, Mr. ROBB, Mr. DASCHLE, Mr. REID, Mr. HARKIN, Mr. LEAHY, Mr. AKAKA, Mr. BINGAMAN, Mr. DURBIN, Mr. GRAHAM, Mr. LIEBERMAN, Mr. HOLLINGS, Mr. JOHNSON, Mr. KENNEDY, Mr. KERRY, Mr. KOHL, Mr. LAUTENBERG, Mr. LEVIN, Mrs. LINCOLN, Mrs. MURRAY, Mr. REED, Mr. WELLSTONE, Mr. BREAUX, Mr. MOYNIHAN, Mr. BAYH, Mr. DORGAN, Mr. BRYAN, Mr. KERRY, Mr. CLELAND, Mr. SARBANES, Mr. ROCKEFELLER, Mr. DODD, Mrs. BOXER, Ms. LANDRIEU, Ms. MIKULSKI, Mr. FEINGOLD, Mr. BYRD, Mr. SPECTER, Ms. COLLINS, Ms. SNOWE, Mr. TORRICELLI, Mr. JEFFORDS, and Mr. EDWARDS) proposed an amendment to the bill, S. 1217, supra; as follows:

On page 32, after line 7, insert the following:

COMMUNITY ORIENTED POLICING SERVICES

VIOLENT CRIME REDUCTION PROGRAMS

For activities authorized by the Violent Crime Control and Law Enforcement Act of 1994 (Public Law 104–322) (referred to under this heading as the ''1994 Act''), including administrative costs, $325,000,000 to remain available until expended for Public Safety and Community Policing Grants pursuant to title I of the 1994 Act, of which $140,000,000 shall be derived from the Violent Crime Reduction Trust Fund: *Provided*, That $180,000,000 shall be available for school resource officers: *Provided further*, That not to exceed $17,325,000 shall be expended for program management and administration: *Provided further*, That of the unobligated balances available in this program, $170,000,000 shall be used for innovative community policing programs, of which $90,000,000 shall be used for the Crime Identification Technology Initiative, $25,000,000 shall be used for the Bulletproof Vest Program, and $25,000,000 shall be used for the Methamphetamine Program.

Provided further, That the funds made available under this heading for the Methamphetamine Program shall be expended as directed in Senate Report 106–76: *Provided further*, That of the funds made available under this heading for school resource officers, $900,000 shall be for a grant to King County, Washington.

On page 21, line 16, strike ''$3,156,895,000'' and insert ''$3,151,895,000''.

On page 26, line 13, strike ''$1,547,450,000'' and insert ''$1,407,450,000''.

On page 27, line 13, strike ''$350,000,000'' and insert ''$260,000,000''.

On page 30, line 21, strike all after ''Initiative'' through ''Program'' on line 23.

On page 35, line 1, strike ''$218,000,000'' and insert ''$38,000,000''.

COCHRAN AMENDMENTS NOS. 1286–1288

(Ordered to lie on the table.)

Mr. COCHRAN submitted three amendments intended to be proposed by him to the bill, S. 1217, supra; as follows:

AMENDMENT NO. 1286

On page 111, between lines 7 and 8, insert the following:

SEC. ___. SENSE OF THE SENATE REGARDING MEDICARE.

(a) FINDINGS.—The Senate finds the following:

(1) The Balanced Budget Act of 1997 (BBA) ushered in the single largest change to the medicare program under title XVIII of the Social Security Act since the program's inception in 1965.

(2) As a result of the Balanced Budget Act of 1997, hospitals in all parts of the country, both in urban and rural areas, are beginning to reduce health care services as hospitals implement the provisions of such Act.

(3) Beginning 5 years after the date of enactment of the Balanced Budget Act of 1997, total medicare margins for all hospitals will be negative 4.4 percent, and such margins for rural hospitals will be negative 7.1 percent.

(4) The Congressional Budget Office estimated immediately prior to the enactment of the Balanced Budget Act of 1997 that the provisions of such Act would result in $53,000,000,000 of savings to the medicare program because of payment cuts to hospitals; but

(5) Actual savings to the medicare program as a result of such cuts will be more in the range of $71,000,000,000, an $18,000,000,000 increase in the estimate described in paragraph (4).

(6) The Congressional Budget Office now projects that the provisions of the Balanced Budget Act of 1997 will result in a total $206,000,000,000 of savings to the medicare program, double the level of estimated savings when such Act was enacted 18 months ago.

(7) The passage and implementation of the Balanced Budget Act of 1997 has proved especially devastating to rural hospitals, as their patient base is typically older, poorer, and sicker, than non-rural hospitals and their most important payment source is the medicare program.

(8) The provisions of the Balanced Budget Act of 1997 have strained the resources of even the most fiscally healthy of these facilities, as rural hospitals are no longer able to recruit and retain qualified health care professionals, including physicians, and such hospitals no longer have access to capital for equipment replacement, maintenance, or repair.

(9) Rural hospitals are now being forced to severely limit, or even eliminate, the type and scope of health care services they provide, limiting access to health care and forcing patients to travel long distances.

(10) Rural hospitals are often the largest employers for many miles, and the only employer of highly skilled workers in the community.

(11) The systematic reduction of health care delivery prompted by the passage of the Balanced Budget Act of 1997 has the potential to deal a severe blow to the economic well being of many of our Nation's small towns.

(12) The concurrent resolution on the budget for fiscal year 2000 recognized the problems associated with the provisions of the Balanced Budget Act of 1997 and set aside funding to address the unintended consequences associated with the implementation of such provisions.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that Congress and the President work expeditiously to develop proposals that would—

(1) reject—

(A) further reductions in the medicare program under title XVIII of the Social Security Act; and

(B) extensions of the provisions of the Balanced Budget Act of 1997; and

(2) target new resources from the onbudget surplus, as set forth in the concurrent resolution on the budget for fiscal year 2000, for the medicare program in order to address the unintended consequences that the Balanced Budget Act of 1997 has had on hospitals, and especially on hospitals located in rural areas.

AMENDMENT NO. 1287

On page 27, line 9, after the colon insert ''*Provided further*, That $1,000,000 shall be available to the National Institute of Justice for research and development of next generation backscatter X-ray personnel scanning devices to assist in the dectection of illegal drugs and narcotics.''.

AMENDMENT NO. 1288

On page 25, line 5, before ''and'' insert ''of which $2,000,000 shall be made available to the Department of Psychiatry and Human Behavior at the University of Mississippi School of Medicine for research in addictive disorders and their connection to youth violence''.

LUGAR (AND OTHERS) AMENDMENT NO. 1289

Mr. LUGAR (for himself, Mr. GRAHAM, Mr. MACK, Mr. HATCH, Mr. KERREY, and Mr. LIEBERMAN) proposed an amendment to the bill, S. 1217, supra; as follows:

On page 78, between lines 8 and 9, insert the following:

NATIONAL ENDOWMENT FOR DEMOCRACY

For grants by the Department of State to the National Endowment for Democracy as authorized by the National Endowment for Democracy Act, $30,000,000, to remain available until expended: *Provided*, That, in lieu of the dollar amount specified under the heading ''CAPITAL INVESTMENT FUND'' in this Act, the dollar amount under that heading shall be considered to be $50,000,000.

DURBIN (AND OTHERS) AMENDMENT NO. 1290

(Ordered to lie on the table.)

Mr. DURBIN (for himself, Ms. COLLINS, Mrs. MURRAY, Mr. KOHL, Ms. MIKULSKI, Mr. REID, and Mr. JEFFORDS) submitted an amendment intended to be proposed by them to the bill, S. 1217, supra; as follows:

At the appropriate place, insert the following:

SEC. ___. PROTECTION OF SENIORS AND THE DISABLED IN FEDERAL FAMILY VIOLENCE PREVENTION PROGRAMS.

(a) FINDINGS.—Congress finds that—

(1) of the estimated more than 1,000,000 persons age 65 and over who are victims of family violence each year, at least ⅔ are women;

(2) national statistics are not available on the incidence of domestic or family violence and sexual assault against disabled women, although several studies indicate that abuse of disabled women is of a longer duration compared to abuse suffered by women who are not disabled;

(3) in almost 9 out of 10 incidents of domestic elder abuse and neglect, the perpetrator is a family member, and adult children of the victims are the largest category of perpetrators and spouses are the second largest category of perpetrators;

(4) the number of reports of elder abuse in the United States increased by 150 percent between 1986 and 1996 and is expected to continue increasing;

(5) it is estimated that at least 5 percent of the Nation's elderly are victims of moderate to severe abuse and that the rate for all forms of abuse may be as high as 10 percent;

(6) elder abuse is severely underreported, with 1 in 5 cases being reported in 1980 and only 1 in 8 cases being reported today;

(7) many older and disabled women fail to report abuse because of shame or as a result of prior unsatisfactory experiences with individual agencies or others who lack sensitivity to the concerns or needs of older or disabled individuals;

(8) many older or disabled individuals also fail to report abuse because they are dependent on their abusers and fear being abandoned or institutionalized;

(9) disabled women may fear reporting abuse because they are fearful of losing their children in a custody case;

(10) public and professional awareness and identification of violence against older or disabled Americans may be difficult because these persons are not integrated into many social networks (such as schools or jobs), and may become isolated in their homes, which can increase the risk of domestic abuse; and

(11) older and disabled Americans would greatly benefit from policies that develop, strengthen, and implement programs for the prevention of abuse, including neglect and exploitation, and provide related assistance for victims.

(b) IN GENERAL.—Part T of title I of the Omnibus Crime Control and Safe Streets Act of 1968 is amended—

(1) in section 2001 (42 U.S.C. 3796gg)—

(A) in subsection (a)—

(i) by inserting '', including older women and women with a disability'' after ''combat violent crimes against women''; and

(ii) by inserting '', including older women and women with a disability'' before the period; and

(B) in subsection (b)—

(i) in the matter preceding paragraph (1), by inserting '', including older women and women with a disability'' after ''against women'';

(ii) in paragraph (6), by striking ''and'' after the semicolon;

(iii) in paragraph (7), by striking the period and inserting ''; and''; and

(iv) by adding at the end the following:

''(8) developing a curriculum to train and assist law enforcement officers, prosecutors, and relevant officers of the Federal, State, tribal, and local courts in identifying and responding to crimes of domestic violence and sexual assault against older individuals and individuals with a disability and implementing that training and assistance.'';

(2) in section 2002(c)(2) (42 U.S.C. 3796gg–1) by inserting ''and service programs tailored to the needs of older and disabled victims of domestic violence and sexual assault'' before the semicolon; and

(3) in section 2003 (42 U.S.C. 3796gg–2)—

(A) in paragraph (7), by striking ''and'' after the semicolon;

(B) in paragraph (8), by striking the period and inserting ''; and''; and

(C) by adding at the end the following:

''(9) both the term 'elder' and the term 'older individual' have the meaning given the term 'older individual' in section 102 of the Older Americans Act of 1965 (42 U.S.C. 3002); and

''(10) the term 'disability' has the meaning given the term in section 3(3) of the Americans with Disabilities Act of 1990 (42 U.S.C. 12102(3)).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to any grant made beginning with fiscal year 2000.

WELLSTONE (AND OTHERS) AMENDMENT NO. 1291

Mr. WELLSTONE (for himself, Mrs. MURRAY, and Mr. DURBIN) proposed an amendment to the bill, S. 1217, supra; as follows:

At the end of the bill, add the following title:

TITLE ___—CHILDREN WHO WITNESS DOMESTIC VIOLENCE PROTECTION ACT

SEC. ___01. SHORT TITLE.

This title may be cited as the ''Children Who Witness Domestic Violence Protection Act''.

SEC. ___02. FINDINGS.

Congress finds the following:

(1) Witnessing domestic violence has a devastating impact on children, placing the children at high risk for anxiety, depression, and, potentially, suicide. Many children who witness domestic violence exhibit more aggressive, antisocial, fearful, and inhibited behaviors.

(2) Children exposed to domestic violence have a high risk of experiencing learning difficulties and school failure. Research finds that children residing in domestic violence shelters exhibit significantly lower verbal and quantitative skills when compared to a national sample of children.

(3) Domestic violence is strongly correlated with child abuse. Studies have found that between 50 and 70 percent of men who abuse their female partners also abuse their children. In homes in which domestic violence occurs, children are physically abused and neglected at a rate 15 times higher than the national average.

(4) Men who witnessed parental abuse during their childhood have a higher risk of becoming physically aggressive in dating and marital relationships.

(5) Exposure to domestic violence is a strong predictor of violent delinquent behavior among adolescents. It is estimated that between 20 percent and 40 percent of chronically violent adolescents have witnessed extreme parental conflict.

(6) Women have an increased risk of experiencing battering after separation from an abusive partner. Children also have an increased risk of suffering harm during separation.

(7) Child visitation disputes are more frequent when families have histories of domestic violence, and the need for supervised visitation centers far exceeds the number of

available programs providing those centers, because courts therefore—

(A) order unsupervised visitation and endanger parents and children; or

(B) prohibit visitation altogether.

(8) Recent studies have demonstrated that up to 50 percent of children who appear before juvenile courts in matters involving allegations of abuse and neglect have been exposed to domestic violence in their homes.

SEC. ___03. DEFINITIONS.

In this title:

(1) DOMESTIC VIOLENCE.—The term ''domestic violence'' includes an act or threat of violence, not including an act of self defense, committed by a current or former spouse of the victim, by a person with whom the victim shares a child in common, by a person who is cohabiting with or has cohabited with the victim, by a person who is or has been in a social relationship of a romantic or intimate nature with the victim, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction of the victim, or by any other person against a victim who is protected from that person's act under the domestic or family violence laws of the jurisdiction.

(2) INDIAN TRIBAL GOVERNMENT.—The term ''Indian tribal government'' has the meaning given the term ''tribal organization'' in section 102 of the Older Americans Act of 1965 (42 U.S.C. 3002).

(3) STATE.—The term ''State'' means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(4) WITNESS DOMESTIC VIOLENCE.—

(A) IN GENERAL.—The term ''witness domestic violence'' means to witness—

(i) an act of domestic violence that constitutes actual or attempted physical assault; or

(ii) a threat or other action that places the victim in fear of domestic violence.

(B) WITNESS.—In subparagraph (A), the term ''witness'' means to—

(i) directly observe an act, threat, or action described in subparagraph (A), or the aftermath of that act, threat, or action; or

(ii) be within earshot of an act, threat, or action described in subparagraph (A), or the aftermath of that act, threat, or action.

SEC. ___04. GRANTS TO ADDRESS THE NEEDS OF CHILDREN WHO WITNESS DOMESTIC VIOLENCE.

(a) IN GENERAL.—The Family Violence Prevention and Services Act (42 U.S.C. 10401 et seq.) is amended by adding at the end the following:

''SEC. 319. MULTISYSTEM INTERVENTIONS FOR CHILDREN WHO WITNESS DOMESTIC VIOLENCE.

''(a) GRANTS AUTHORIZED.—

''(1) AUTHORITY.—The Secretary, acting through the Director of Community Services, in the Administration for Children and Families, is authorized to award grants to eligible entities to conduct programs to encourage the use of domestic violence intervention models using multisystem partnerships to address the needs of children who witness domestic violence.

''(2) TERM AND AMOUNT.—Each grant awarded under this section shall be awarded for a term of 3 years and in an amount of not more than $500,000 for each such year.

''(3) ELIGIBLE ENTITIES.—To be eligible to receive a grant under this section, an entity shall—

''(A) be a nonprofit private organization;

''(B)(i) demonstrate recognized expertise in the area of domestic violence and the impact of domestic violence on children; or

''(ii) enter into a memorandum of understanding regarding the intervention program that—

''(I) is entered into with the State or tribal domestic violence coalition and entities carrying out domestic violence programs that provide shelter or related assistance in the locality in which the intervention program will be operated; and

''(II) demonstrates collaboration on the intervention program with the coalition and entities and the support of the coalition and entities for the intervention program; and

''(C) demonstrate a history of providing advocacy, health care, mental health, or other crisis-related services to children.

''(b) USE OF FUNDS.—An entity that receives a grant under this section shall use amounts provided through the grant to conduct a program to design or replicate, and implement, domestic violence intervention models that use multisystem partners to respond to the needs of children who witness domestic violence. Such a program shall—

''(1)(A) involve collaborative partnerships with—

''(i) local entities carrying out domestic violence programs that provide shelter or related assistance; and

''(ii) partners that are courts, schools, social service providers, health care providers, police, early childhood agencies, entities carrying out Head Start programs under the Head Start Act (42 U.S.C. 9831 et seq.), or entities carrying out child protection, welfare, job training, housing, battered women's service, or children's mental health programs; and

''(B) be carried out to design and implement protocols and systems to identify, refer, and appropriately respond to the needs of, children who witness domestic violence and who participate in programs administered by the partners;

''(2) include guidelines to evaluate the needs of a child and make appropriate intervention recommendations;

''(3) include institutionalized procedures to enhance or ensure the safety and security of a battered parent, and as a result, the child of the parent;

''(4) provide direct counseling and advocacy for adult victims of domestic violence and their children who witness domestic violence;

''(5) include the development or replication of a mental health treatment model to meet the needs of children for whom such treatment has been identified as appropriate;

''(6) include policies and protocols for maintaining the confidentiality of the battered parent and child;

''(7) provide community outreach and training to enhance the capacity of professionals who work with children to appropriately identify and respond to the needs of children who witness domestic violence;

''(8) include procedures for documenting interventions used for each child and family; and

''(9) include plans to perform a systematic outcome evaluation to evaluate the effectiveness of the interventions.

''(c) APPLICATION.—To be eligible to receive a grant under this section, an entity shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

''(d) TECHNICAL ASSISTANCE.—Not later than 90 days after the date of enactment of this section, the Secretary shall identify successful programs providing multisystem and mental health interventions to address the needs of children who witness domestic violence. Not later than 60 days before the Secretary solicits applications for grants under this section, the Secretary shall enter into an agreement with 1 or more entities carrying out the identified programs to provide technical assistance to the applicants and recipients of the grants. The Secretary may use not more than 5 percent of the amount appropriated for a fiscal year under subsection (e) to provide the technical assistance.

''(e) AUTHORIZATION OF APPROPRIATIONS.—

''(1) IN GENERAL.—There is authorized to be appropriated to carry out this section $5,000,000 for each of fiscal years 2000 through 2002.

''(2) AVAILABILITY.—Amounts appropriated under paragraph (1) shall remain available until expended.

''(f) DEFINITIONS.—In this section, the terms 'domestic violence' and 'witness domestic violence' have the meanings given the terms in section ___03 of the Children Who Witness Domestic Violence Prevention Act.''.

(b) ADMINISTRATION.—Section 305(a) of the Family Violence Prevention and Services Act (42 U.S.C. 10404(a)) is amended—

(1) by striking ''an employee'' and inserting ''1 or more employees''; and

(2) by striking ''The individual'' and inserting ''Each individual''.

SEC. ___05. COMBATTING THE IMPACT OF EXPERIENCING OR WITNESSING DOMESTIC VIOLENCE ON ELEMENTARY AND SECONDARY SCHOOL CHILDREN.

(a) AMENDMENT.—Subpart 2 of part A of title IV of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7131 et seq.) is amended by adding at the end the following:

''SEC. 4124. GRANTS TO COMBAT THE IMPACT OF EXPERIENCING OR WITNESSING DOMESTIC VIOLENCE ON ELEMENTARY AND SECONDARY SCHOOL CHILDREN.

''(a) GRANTS AUTHORIZED.—

''(1) AUTHORITY.—The Secretary is authorized to award grants to and enter into contracts with elementary schools and secondary schools that work with experts described in paragraph (2), to enable the schools—

''(A) to provide training to school administrators, faculty, and staff, with respect to issues concerning children experiencing domestic violence in dating relationships and witnessing domestic violence, and the impact of the violence described in this subparagraph on children;

''(B) to provide educational programing to students regarding domestic violence and the impact of experiencing or witnessing domestic violence on children;

''(C) to provide support services for students and school personnel for the purpose of developing and strengthening effective prevention and intervention strategies with respect to issues concerning children experiencing domestic violence in dating relationships and witnessing domestic violence, and the impact of the violence described in this subparagraph on children; and

''(D) to develop and implement school system policies regarding identification and referral procedures for students who are experiencing or witnessing domestic violence.

''(2) EXPERTS.—The experts referred to in paragraph (1) are experts on domestic violence from the educational, legal, youth, mental health, substance abuse, and victim advocacy fields, and State and local domestic violence coalitions and community-based youth organizations.

''(3) AWARD BASIS.—The Secretary shall award grants and contracts under this section on a competitive basis.

''(4) POLICY DISSEMINATION.—The Secretary shall disseminate to elementary schools and secondary schools any Department of Education policy guidance regarding preventing

domestic violence and the impact of experiencing or witnessing domestic violence on children.

''(b) USES OF FUNDS.—Funds provided under this section may be used for the following purposes:

''(1) To provide training for school administrators, faculty, and staff that addresses issues concerning children experiencing domestic violence in dating relationships and witnessing domestic violence, and the impact of the violence described in this paragraph on children.

''(2) To provide education programs for students that are developmentally appropriate for the students' grade levels and are designed to meet any unique cultural and language needs of the particular student populations.

''(3) To develop and implement school system policies regarding identification and referral procedures for students who are experiencing or witnessing domestic violence.

''(4) To provide the necessary human resources to respond to the needs of students and school personnel when faced with the issue of domestic violence, such as a resource person who is either on-site or on-call, and who is an expert in domestic violence as described in subsection (a)(2).

''(5) To provide media center materials and educational materials to schools that address issues concerning children experiencing domestic violence in dating relationships and witnessing domestic violence, and the impact of the violence described in this paragraph on children.

''(6) To conduct evaluations to assess the impact of programs assisted under this section in order to enhance the development of the programs.

''(c) CONFIDENTIALITY.—Policies, programs, training materials, and evaluations developed and implemented under subsection (b) shall address issues of victim safety and confidentiality that are consistent with applicable Federal and State laws.

''(d) APPLICATION.—

''(1) IN GENERAL.—To be eligible to be awarded a grant or contract under this section for any fiscal year, an elementary school or secondary school, in consultation with an expert described in subsection (a)(2), shall submit an application to the Secretary at such time and in such manner as the Secretary shall prescribe.

''(2) CONTENTS.—Each application submitted under paragraph (1) shall—

''(A) describe the need for funds provided under the grant or contract and the plan for implementation of any of the uses described in subsection (b);

''(B) describe how the domestic violence experts described in subsection (a)(2) shall work in consultation and collaboration with the elementary school or secondary school; and

''(C) provide measurable goals and expected results from the use of the funds provided under the grant or contract.

''(e) DEFINITIONS.—In this section, the terms 'domestic violence' and 'witness domestic violence' have the meanings given the terms in section ___03 of the Children Who Witness Domestic Violence Protection Act.

''(f) APPLICABILITY.—The provisions of this part (other than this section) shall not apply to this section.''.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 4004 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7104) is amended—

(1) in paragraph (1), by striking ''and'' after the semicolon;

(2) in paragraph (2) by striking the period and inserting ''; and ''; and

(3) by adding at the end the following:

''(3) $5,000,000 for each of the fiscal years 2000 through 2002 to carry out section 4124.''.

SEC. ___06. CHILD WELFARE WORKER TRAINING ON DOMESTIC VIOLENCE.

(a) DEFINITIONS.—In this section:

(1) GRANTEE.—The term ''grantee'' means a recipient of a grant under this section.

(2) SECRETARY.—The term ''Secretary'' means the Secretary of Health and Human Services.

(b) GRANTS AUTHORIZED.—

(1) AUTHORITY.—The Attorney General and the Secretary are authorized to jointly award grants to eligible States, Indian tribal governments, and units of local government, in order to encourage agencies and entities within the jurisdiction of the States, organizations, and units to recognize and treat, as part of their ongoing child welfare responsibilities, domestic violence as a serious problem threatening the safety and well-being of both children and adults.

(2) TERM AND AMOUNT.—Each grant awarded under this section shall be awarded for a term of 3 years and in an amount of not less than $250,000.

(c) USE OF FUNDS.—Funds provided under this section may be used to support child welfare service agencies in carrying out, with the assistance of entities carrying out community-based domestic violence programs, activities to achieve the following purposes:

(1) To provide training to the staff of child welfare service agencies and domestic violence programs with respect to the issue of domestic violence and the impact of the violence on children and their nonabusive parents, which training shall—

(A) include training for staff, supervisors, and administrators, including staff responsible for screening, intake, assessment, and investigation of reports of child abuse and neglect; and

(B) be conducted in collaboration with child welfare experts, domestic violence experts, entities carrying out community-based domestic violence programs, relevant law enforcement agencies, probation officers, prosecutors, and judges.

(2) To provide assistance in the modification of policies, procedures, programs, and practices of child welfare service agencies and domestic violence programs in order to ensure that the agencies—

(A) recognize the overlap between child abuse and domestic violence in families, the dangers posed to both child and adult victims of domestic violence, and the physical, emotional, and developmental impact of domestic violence on children;

(B) develop relevant protocols for screening, intake, assessment, and investigation of and followup to reports of child abuse and neglect, that—

(i) address the dynamics of domestic violence and the relationship between child abuse and domestic violence; and

(ii) enable the agencies to assess the danger to child and adult victims of domestic violence;

(C) identify and assess the presence of domestic violence in child protection cases, in a manner that ensures the safety of all individuals involved and the protection of confidential information;

(D) increase the safety and well-being of children who witness domestic violence, including increasing the safety of nonabusive parents of the children;

(E) develop appropriate responses in cases of domestic violence, including safety plans and appropriate services for both the child and adult victims of domestic violence;

(F) establish and enforce procedures to ensure the confidentiality of information relating to families that is shared between child welfare service agencies and community-based domestic violence programs, consistent with law (including regulations) and guidelines;

(G) provide appropriate supervision to agency staffs who work with families in which there has been domestic violence, including supervision concerning issues regarding—

(i) promoting staff safety; and

(ii) protecting the confidentiality of child and adult victims of domestic violence; and

(H) develop protocols with law enforcement, probation, and other justice agencies in order to ensure that justice system interventions and protections are readily available for victims of domestic violence served by the social service agency.

(d) APPLICATION.—

(1) IN GENERAL.—To be eligible to receive a grant under this section, a State, Indian tribal government, or unit of local government shall submit an application to the Attorney General and the Secretary at such time and in such manner as the Attorney General and the Secretary shall prescribe.

(2) CONTENTS.—Each application submitted under paragraph (1) shall contain information that—

(A) describes the specific activities that will be undertaken to achieve 1 or more of the purposes described in subsection (c);

(B) lists the child welfare service agencies and domestic violence service agencies in the jurisdiction of the applicant that will be responsible for carrying out the activities; and

(C) provides documentation from 1 or more community-based domestic violence programs that the entities carrying out such programs—

(i) have been involved in the development of the application; and

(ii) will assist in carrying out the specific activities described in subparagraph (A), which may include assisting as subcontractors.

(e) PRIORITY.—In awarding grants under this section, the Attorney General and the Secretary shall give priority to applicants who demonstrate that entities that carry out domestic violence programs will be substantially involved in carrying out the specific activities described in subsection (d)(2)(A), and to applicants who demonstrate a commitment to educate the staff of child welfare service agencies about—

(1) the impact of domestic violence on children;

(2) the special risks of child abuse and neglect; and

(3) appropriate services and interventions for protecting both the child and adult victims of domestic violence.

(f) EVALUATION, REPORTING, AND DISSEMINATION.—

(1) EVALUATION AND REPORTING.—Each grantee shall annually submit to the Attorney General and the Secretary a report, which shall include—

(A) an evaluation of the effectiveness of activities funded with a grant awarded under this section; and

(B) such additional information as the Attorney General and the Secretary may require.

(2) DISSEMINATION.—Not later than 6 months after the expiration of the 3-year period beginning on the initial date on which grants are awarded under this section, the Attorney General and the Secretary shall distribute to each State child welfare service agency and each State domestic violence coalition, and to Congress, a summary of information on—

(A) the activities funded with grants under this section; and

(B) any related initiatives undertaken by the Attorney General or the Secretary to

promote attention by the staff of child welfare service agencies and community-based domestic violence programs to domestic violence and the impact of domestic violence on child and adult victims of domestic violence.

(g) TECHNICAL ASSISTANCE.—

(1) IDENTIFICATION OF SUCCESSFUL PROGRAMS.—Not later than 90 days after the date of enactment of this section, the Secretary shall identify successful programs providing training to child welfare and domestic violence programs to address the needs of children who witness domestic violence.

(2) AGREEMENT.—Not later than 60 days before the Secretary solicits applications for grants under this section, the Secretary shall enter into an agreement with 1 or more entities carrying out the training programs identified under paragraph (1) to provide technical assistance to the applicants and recipients of the grants.

(3) FUNDING.—The Secretary may use not more than 5 percent of the amount appropriated for a fiscal year under subsection (h) to provide technical assistance pursuant to the agreement under paragraph (2).

(h) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There is authorized to be appropriated to carry out this section $5,000,000 for each of fiscal years 2000 through 2002.

(2) AVAILABILITY.—Amounts appropriated under paragraph (1) shall remain available until expended.

SEC. ___07. SAFE HAVENS FOR CHILDREN.

(a) GRANTS AUTHORIZED.—The Attorney General may award grants to States (including State courts) and Indian tribal governments in order to enable them to enter into contracts and cooperative agreements with public or private nonprofit entities (including tribal organizations and nonprofit organizations operating within the boundaries of an Indian reservation) to assist those entities in establishing and operating supervised visitation centers for purposes of facilitating supervised visitation and visitation exchange of children by and between parents. Not less than 50 percent of the total amount awarded to a State or Indian tribal government under this subsection for any fiscal year shall be used to enter into contracts and cooperative agreements with private nonprofit entities.

(b) CONSIDERATIONS.—In awarding grants under subsection (a), the Attorney General shall consider—

(1) the number of families to be served by the proposed visitation center;

(2) the extent to which the proposed supervised visitation center will serve underserved populations (as defined in section 2003 of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796gg–2));

(3) with respect to an applicant for a contract or cooperative agreement, the extent to which the applicant demonstrates cooperation and collaboration with nonprofit, nongovernmental entities in the local community served, including the State or tribal domestic violence coalition, State or tribal sexual assault coalition, local shelters, and programs for domestic violence and sexual assault victims;

(4) the extent to which the applicant demonstrates coordination and collaboration with State, tribal, and local court systems, including mechanisms for communication and referral; and

(5) the extent to which the applicant demonstrates implementation of domestic violence and sexual assault training for all staff members.

(c) USE OF FUNDS.—Amounts provided under a grant, contract, or cooperative agreement awarded under this section may be used only to establish and operate supervised visitation centers.

(d) APPLICATION.—

(1) IN GENERAL.—The Attorney General shall award grants for contracts and cooperative agreements under this section in accordance with such regulations as the Attorney General may establish by regulation, which regulations shall establish a multiyear grant process.

(2) CONTENTS.—Each application submitted under paragraph (1) shall—

(A) demonstrate recognized expertise in the area of domestic violence and a record of high quality service to victims of domestic violence or sexual assault;

(B) demonstrate collaboration with and support of the State or tribal domestic violence coalition, State or tribal sexual assault coalition, or local domestic violence shelter, program, or rape crisis center in the locality in which the supervised visitation center will be operated;

(C) provide supervised visitation and visitation exchange services over the duration of a court order to promote continuity and stability;

(D) ensure that any fees charged to individuals for use of services are based on an individual's income;

(E) demonstrate that adequate security measures, including adequate facilities, procedures, and personnel capable of preventing violence, are in place for the operation of supervised visitation; and

(F) describe standards by which the supervised visitation center will operate.

(3) PRIORITY.—In awarding grants for contracts and cooperative agreements under this section, the Attorney General shall give priority to States that, in making a custody determination—

(A) consider domestic violence; and

(B) require findings on the record.

(e) ANNUAL REPORT.—Not later than 120 days after the last day of each fiscal year, the Attorney General shall submit to Congress a report that includes information concerning—

(1) the total number of individuals served and the total number of individuals turned away from services (categorized by State), the number of individuals from underserved populations served and the number turned away from services, and the factors that necessitate the supervised visitation or visitation exchange, such as domestic violence, child abuse, sexual assault, and emotional or other physical abuse, or any combination of such factors;

(2) the number of supervised visitations or visitation exchanges ordered during custody determinations under a separation or divorce decree or protection order, through child protection services or other social services agencies, or by any other order of a civil, criminal, juvenile, or family court;

(3) the process by which children or abused partners are protected during visitations, temporary custody transfers, and other activities for which the supervised visitation centers are established under this section;

(4) safety and security problems occurring during the reporting period during supervised visitations or at visitation centers including the number of parental abduction cases;

(5) the number of parental abduction cases in a judicial district using supervised visitation services, both as identified in criminal prosecutions and in custody violations; and

(6) program standards for operating supervised visitation centers established throughout the United States.

(f) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There is authorized to be appropriated from the Violent Crime Reduction Trust Fund established under section 310001 of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 14211) to carry out this section $20,000,000 for each of fiscal years 2000 through 2002.

(2) AVAILABILITY.—Amounts made available under paragraph (1) shall remain available until expended.

(3) DISTRIBUTION.—Not less than 95 percent of the total amount made available to carry out this section for each fiscal year shall be used to award grants, contracts, or cooperative agreements.

(4) ALLOTMENT FOR INDIAN TRIBES.—

(A) IN GENERAL.—Subject to subparagraph (B), not less than 5 percent of the total amount made available to carry out this section for each fiscal year shall be available for grants to, or contracts or cooperative agreements with, tribal organizations and nonprofit organizations operating within the boundaries of an Indian reservation.

(B) REALLOTMENT OF FUNDS.—If, beginning 9 months after the first day of any fiscal year for which amounts are made available under this paragraph, any amount made available under this paragraph remains unobligated, the unobligated amount may be allocated without regard to subparagraph (A).

SEC. ___08. LAW ENFORCEMENT OFFICER TRAINING.

(a) GRANTS AUTHORIZED.—The Attorney General shall award grants to nonprofit domestic violence programs, shelters, or organizations in collaboration with local police departments, for purposes of training local police officers regarding appropriate treatment of children who have witnessed domestic violence.

(b) USE OF FUNDS.—A domestic violence agency working in collaboration with a local police department may use amounts provided under a grant under this section—

(1) to train police officers in child development and issues related to witnessing domestic violence so they may appropriately—

(A) apply child development principles to their work in domestic violence cases;

(B) recognize the needs of children who witness domestic violence;

(C) meet children's immediate needs at the scene of domestic violence;

(D) call for immediate therapeutic attention to be provided to the child by an advocate from the collaborating domestic violence program, shelter, or organization; and

(E) refer children for followup services; and

(2) to establish a collaborative working relationship between police officers and local domestic violence programs, shelters, and organizations.

(c) APPLICATION.—

(1) IN GENERAL.—To be eligible to be awarded a grant under this section for any fiscal year, a local domestic violence program, shelter, or organization, in collaboration with a local police department, shall submit an application to the Attorney General at such time and in such manner as the Attorney General shall prescribe.

(2) CONTENTS.—Each application submitted under paragraph (1) shall—

(A) describe the need for amounts provided under the grant and the plan for implementation of the uses described in subsection (c);

(B) describe the manner in which the local domestic violence program, shelter, or organization shall work in collaboration with the local police department; and

(C) provide measurable goals and expected results from the use of amounts provided under the grant.

(d) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There is authorized to be appropriated from the Violent Crime Reduction Trust Fund established under section 310001 of the Violent Crime Control & Law Enforcement Act of 1994 (42 U.S.C. 14211) to carry out this section $3,000,000 for each of fiscal years 2000 through 2002.

(2) AVAILABILITY.—Amounts made available under paragraph (1) shall remain available until expended.

SEC. ___09. REAUTHORIZATION OF CRISIS NURSERIES.

(a) AUTHORITY TO ESTABLISH DEMONSTRATION GRANT PROGRAMS.—The Secretary of Health and Human Services may establish demonstration programs under which grants are awarded to States to assist private and public agencies and organizations in providing crisis nurseries for children who are abused and neglected, are at risk of abuse or neglect, are witnessing domestic violence, or are in families receiving child protective services.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $15,000,000 for each of fiscal years 2000 through 2002.

GRAHAM (AND OTHERS) AMENDMENT NO. 1292

Mr. GRAHAM (for himself, Mr. DURBIN, Mr. HARKIN, Mr. LAUTENBERG, Mr. CONRAD, Mr. REED, Mr. WELLSTONE, Mrs. MURRAY, Mr. FEINGOLD, and Mr. JOHNSON) proposed an amendment to the bill, S. 1217, supra; as follows:

At the appropriate place in title I, insert the following:

SEC. . AUTHORITY TO RECOVER TOBACCO-RELATED COSTS.

Nothing in this Act shall be construed to prohibit the Department of Justice from expending amounts made available under this title for tobacco-related litigation or for the payment of expert witnesses called to provide testimony in such litigation.

DURBIN (AND FITZGERALD) AMENDMENT NO. 1293

(Ordered to lie on the table.)

Mr. DURBIN (for himself and Mr. FITZGERALD) submitted an amendment intended to be proposed by them to the bill, S. 1217, supra; as follows:

At the appropriate place in the bill, insert the following:

SEC. ___. INS GOVERNMENTAL LIAISON FUNCTIONS.

(a) ALLOCATION OF FUNDS.—Of the funds appropriated by this Act under the heading ''Immigration and Naturalization Service, Salaries and Expenses'' and available to the Office of the Commissioner of Immigration and Naturalization, $10,000,000 shall be made available for additional staff and necessary support in the various regional offices and service centers of the INS, who shall carry out their functions under procedures that—

(1) require INS governmental liaisons to work exclusively and directly with offices of Congress or Federal agencies other than INS, with no other responsibilities, and respond to telephone governmental inquiries within three days and written governmental inquiries within 30 days;

(2) set a national standard for customer service and treat customers with respect, including a plan to avoid long delays at INS information booths or offices and busy signals on information lines;

(3) require mandatory employee sensitivity training;

(4) provide clear, concise guidelines for how, when, and where governmental offices are to submit casework inquiries and any special procedures for each form or application; and

(5) provide for the scheduling of quarterly meetings between the INS district director (or designee) and the State or district director of the Member of Congress to discuss outstanding cases and other relevant issues.

(b) BIANNUAL REPORTS.—Not later than 6 months after the date of enactment of this Act, and every 6 months thereafter, the Commissioner of Immigration and Naturalization shall submit a report to Congress setting forth the status of responding to written governmental inquiries that are pending as of the date of the report. The contents of such report shall be itemized by congressional district.

(c) DISCIPLINARY ACTIONS.—

(1) IN GENERAL.—The Attorney General, acting through the Commissioner of Immigration and Naturalization, shall by regulation establish a system of disciplinary actions that may be taken against any INS district director or local service manager who does not demonstrate progress in responding to written governmental inquiries within the 30-day period specified in that subsection.

(2) HEARING.—In any case in which administrative review is conducted to determine whether to take a disciplinary action against an individual under paragraph (1), the review shall include an opportunity for the individual to be heard.

(d) DEFINITIONS.—In this section:

(1) GOVERNMENTAL INQUIRY.—The term ''governmental inquiry'' means an inquiry from the office of a Member of Congress or Federal agency other than INS with respect to the status of any case INS is adjudicating regarding an alien.

(2) GOVERNMENTAL LIAISON.—The term ''governmental liaison'' means an individual whose responsibility is to respond to any office of a Member of Congress or Federal agency other than INS on any casework or other inquiry of INS and who has the authority and access to obtain the information necessary for such response from other INS employees or offices.

(3) INS.—The term ''INS'' means the Immigration and Naturalization Service.

BROWNBACK AMENDMENT NO. 1294

(Ordered to lie on the table.)

Mr. BROWNBACK submitted an amendment intended to be proposed by him to the bill, S. 1217, supra; as follows:

At the appropriate place, insert the following:

SEC. . REPEAL OF FCC GENERAL REGULATORY AUTHORITY.

The Communications Act of 1934 (47 U.S.C. 151 et seq.) is amended—

(1) by striking subsection (i) of section 4 (47 U.S.C. 154) and redesignating subsections (j) through (o) as subsections (i) through (n);

(2) by striking the last sentence of section 201(b) (47 U.S.C. 201(b)); and

(3) by striking subsection (r) of section 303 (47 U.S.C. 303) and redesignating subsections (s) through (y) as (r) through (x).

SMITH (AND WYDEN) AMENDMENT NO. 1295

(Ordered to lie on the table.)

Mr. SMITH of Oregon (for himself and Mr. WYDEN) submitted an amendment intended to be proposed by them to the bill, S. 1217, supra; as follows:

At the appropriate place, insert the following:

SEC. ___. TREATMENT OF VESSEL AS AN ELIGIBLE VESSEL.

Notwithstanding paragraphs (1) through (3) of section 208(a) of the American Fisheries Act (title II of division C of the Omnibus Consolidated and Emergency Supplemental Appropriations Act of 1999 (Public Law 105–277)), the catcher vessel HAZEL LORRAINE (United States Official Number 592211) shall be considered to be a vessel that is eligible to harvest the directed fishing allowance under section 206(b)(1) of that Act pursuant to a federal fishing permit in the same manner as, and subject to the same requirements and limitations on that harvesting as apply to, catcher vessels that are eligible to harvest that directed fishing allowance under section 208(a) of that Act.

COLLINS (AND OTHERS) AMENDMENT NO. 1296

Ms. COLLINS (for herself, Mr. GREGG, Mr. HOLLINGS, Mr. TORRICELLI, Mr. FEINGOLD, Mr. SMITH of New Hampshire, and Mr. LIEBERMAN) proposed an amendment to the bill, S. 1217, supra; as follows:

On page 111, between lines 7 and 8, insert the following:

SEC. 620 (a) FINDINGS.—The Senate makes the following findings:

(1) When telephone area codes were first introduced in 1947, 86 area codes covered all of North America. There are now more than 215 area codes, and an additional 70 area codes may be required in the next 2 years.

(2) The current system for allocating numbers to telecommunications carriers is woefully inefficient, leading to the exhaustion of a telephone area code long before all the telephone numbers covered by the area code are actually in use.

(3) The proliferation of new telephone area codes causes economic dislocation for businesses and unnecessary cost, confusion, and inconvenience for households.

(4) Principles and approaches exist that would increase the efficiency with which telecommunications carriers use telephone numbering resources.

(5) The May 27, 1999, rulemaking proceeding of the Federal Communications Commission relating to numbering resource optimization seeks to address the growing problem of the exhaustion of telephone area codes.

(b) SENSE OF SENATE.—It is the sense of the Senate that—

(1) the Federal Communications Commission shall release its report and order on numbering resource optimization not later than December 31, 1999;

(2) such report and order should minimize any disruptions and costs to consumers and businesses associated with the implementation of such report and order; and

(3) such report and order should apply not only to large metropolitan areas but to all areas of the United States that are facing the problem of exhaustion of telephone numbers.

HUTCHISON (AND OTHERS) AMENDMENT NO. 1297

Mrs. HUTCHISON (for herself, Mr. KYL, and Mr. ABRAHAM) proposed an amendment to the bill, S. 1217, supra; as follows:

On page 19, line 23, after the colon, insert the following: ''*Provided further,* That any Border Patrol agent classified in a GS–1896 position who completes a 1-year period of service at a GS–9 grade and whose current rating of record is fully successful or higher shall be classified at a GS–11 grade and receive pay at the minimum rate of basic pay for a GS–11 position.''

COVERDELL (AND DEWINE) AMENDMENT NO. 1298

(Ordered to lie on the table.)

Mr. COVERDELL (for himself and Mr. DEWINE) submitted an amendment intended to be proposed by them to the bill, S. 1217, supra; as follows:

On page 17, line 16, strike ''$798,187,000'' and insert the following: ''$822,187,000, of which not to exceed $24,000,000 shall be used to carry out section 851(a)(5) of the Western Hemisphere Drug Elimination Act''.

On page 98, line 24, strike ''$251,300,000'' and insert ''$227,300,000''.

MURRAY (AND OTHERS) AMENDMENT NO. 1299

(Ordered to lie on the table.)

Mrs. MURRAY (for herself, Mr. INOUYE, Mrs. FEINSTEIN, Mrs. BOXER, and Mr. WYDEN) submitted an amendment intended to be proposed by them to the bill, S. 1217, supra; as follows:

On page 59, line 12, strike ''$20,000,000'' and insert ''$18,000,000''.

On page 59, line 14, after ''Alaska:'' insert the following: ''*Provided further,* That of the amounts provided, $8,000,000 shall be made available to Pacific coastal tribes (as defined by the Secretary of Commerce) through the Department of Commerce.''.

HUTCHISON (AND OTHERS) AMENDMENT NO. 1300

Mrs. HUTCHISON (for herself, Mr. KYL, Mr. ABRAHAM, Mr. HATCH, and Mr. LEAHY) proposed an amendment to the bill, S. 1217, supra; as follows:

On page 19, line 23, after the colon, insert the following: ''*Provided further,* that the Commissioner shall within 90 days develop a plan for coordinating and linking all relevant Immigration and Naturalization Service data bases with those of the Justice Department and other federal law enforcement agencies, to determine criminal history, fingerprint identification, and record of prior deportation and, upon the approval of the Committees on the Judiciary and the Commerce-Justice-State Appropriations Subcommittees, shall implement the plan within FY 2000:''.

ENZI (AND OTHERS) AMENDMENT NO. 1301

Mr. ENZI (for himself, Mr. BURNS, and Mr. FITZGERALD) proposed an amendment to the bill, S. 1217, supra; as follows:

At the appropriate place, insert:

SEC. . PROHIBITION ON REQUIREMENT FOR USE OF ACCOUNTING METHOD NOT CONFORMING TO GENERALLY ACCEPTED ACCOUNTING PRINCIPLES.

(a) PROHIBITION.—No part of any appropriations contained in this Act shall be used by the Federal Communications Commission to require any person subject to its jurisdiction under the Communications Act of 1934, as amended (47 U.S.C. 151 et seq.) to utilize for any purpose any form or method of accounting that does not conform to Generally Accepted Accounting Principles established by the Financial Accounting Standards Board.

LAUTENBERG (AND OTHERS) AMENDMENT NO. 1302

Mr. LAUTENBERG (for himself, Mr. HARKIN, Mr. BIDEN, and Mr. DORGAN) proposed an amendment to the bill, S. 1217, supra; as follows:

On page 2, between lines 3 and 4, insert the following:

For carrying out a media campaign to prevent alcohol consumption by individuals in the United States who have not attained the age of 21, $25,000,000 which shall become available on October 1, 2000 and remain available through September 30, 2001.

WELLSTONE AMENDMENT NO. 1303

Mr. WELLSTONE proposed an amendment to the bill, S. 1217, supra; as follows:

On page 45, after line 9, insert the following:

SEC. ___. INAPPLICABILITY OF AMENDMENTS.

Section 3626 of title 18, United States Code, is amended by adding at the end the following:

''(h) INAPPLICABILITY OF AMENDMENTS.—A civil action that seeks to remedy conditions that pose a threat to the health of individuals who are juveniles or mentally ill shall be governed by the terms of this section, as in effect on the day before the date of enactment of the Prison Litigation Reform Act of 1995 and the amendments made by that Act (18 U.S.C. 3601 note).''.

HARKIN (AND OTHERS) AMENDMENT NO. 1304

Mr. HARKIN (for himself, Mr. HATCH, Mr. GRASSLEY, Mr. BROWNBACK, Mr. BINGAMAN, Mr. BIDEN, Mr. JOHNSON, Mr. ROCKEFELLER, Mrs. MURRAY, Mr. AKAKA, Mr. FEINGOLD, Mr. LAUTENBERG, and Mr. BRYAN) proposed an amendment to the bill, S. 1217, supra; as follows:

On page 25, line 20, strike ''$452,100,000'' and insert ''$552,100,000''.

On page 66, line 20, strike ''$18,123,000'' and insert ''$9,652,000''.

On page 66, line 20, strike ''$15,222,000'' and insert ''$6,751,000''.

On page 111, after line 7, insert the following:

SEC. ___. (a) The total discretionary amount made available by this Act is reduced by $92,000,000: *Provided,* That the reduction pursuant to this subsection shall be taken pro rata from travel, supplies, and printing expenses made available to the agencies funded by this Act, except for activities related to the 2000 census.

(b) Not later than 30 days after the date of enactment of this Act, the Director of the Office of Management and Budget shall submit to the Committees on Appropriations of the House of Representatives and the Senate a listing of the amounts by account of the reductions made pursuant to the provisions of subsection (a).

BOXER AMENDMENT NO. 1305

Mrs. BOXER proposed an amendment to the bill, S. 1217, supra; as follows:

On page 111, between lines 7 and 8, insert the following:

SEC. 6 . PROHIBITION OF TRANSFER OF A FIREARM TO AN INTOXICATED PERSON.

(a) PROHIBITION OF TRANSFER.—Section 922(d) of title 18, United States Code, is amended—

(1) by redesignating paragraphs (8) and (9) as paragraphs (9) and (10), respectively; and

(2) by inserting after paragraph (7) the following:

''(8) is intoxicated;''.

(b) DEFINITION OF INTOXICATED.—Section 921(a) of title 18, United States Code, is amended by adding at the end the following:

''(35) The term 'intoxicated', in reference to a person, means being in a mental or physical condition of impairment as a result of the presence of alcohol in the body of the person.''.

BOXER (AND OTHERS) AMENDMENT NO. 1306

Mrs. BOXER (for herself, Mr. BIDEN, Mr. KERRY, Mr. DURBIN, Mr. FEINGOLD, and Mr. REID) proposed an amendment to the bill, S. 1217, supra; as follows:

On page 83, at the end of line 19, before the period insert the following: '': *Provided further,* that of the amounts made available for the Inter-American Tropical Tuna Commission in Fiscal Year 2000, not more than $2,350,000 may be obligated and expended: *Provided further,* that no tuna may be imported in any year from any High Contracting Party to the Convention establishing the Commission (TIAS 2044; 1 UST 231) unless the Party has paid a share of the joint expenses of the Commission proportionate to the share of the total catch from the previous year from the fisheries covered by the Convention which is utilized by that Party''.

LANDRIEU AMENDMENT NO. 1307

Ms. LANDRIEU proposed an amendment to the bill, S. 1217, supra; as follows:

On page 89, between lines 8 and 9, insert the following:

SEC. 408. (a) Each of the amounts appropriated by this Act (other than the accounts specified in subsection (b)) shall be reduced by the percentage that results in a total reduction in appropriations under this Act of $20,000,000.

(b) In addition to the amounts appropriated by this Act under the following accounts, there are hereby appropriated under such accounts, out of any money in the Treasury not otherwise appropriated, the following amounts for the following purposes:

(1) For ''Contributions to International Organizations'', $7,000,000, which amount shall be available only for contributions to the International Criminal Tribunal for the former Yugoslavia and the International Criminal Tribunal for Rwanda.

(2) For ''Contributions for International Peacekeeping Activities'', $13,000,000, which amount shall be available only or contributions to the International Criminal Tribunal for the former Yugoslavia and the International Criminal Tribunal for Rwanda.

GREGG (AND HOLLINGS) AMENDMENT NO. 1308

Mr. GREGG (for himself and Mr. HOLLINGS) proposed an amendment to the bill, S. 1217, supra; as follows:

On page 8, line 13, strike ''$25,000,000'' and insert ''$27,000,000''.

On page 8, line 23, insert before the period: ''; and of which $1,000,000 shall be for the task force coordinated by the Office of the United States Attorney for the Eastern District of Wisconsin, and $1,000,000 shall be for the task forces coordinated by the Office of the United States Attorney for the Western District of New York and task forces coordinated by the Office of the United States Attorney for the Northern District of New York''.

On page 19, line 23, after the colon, insert the following: ''*Provided further,* That any Border Patrol agent classified in a GS–1896 position who completes a one-year period of service at a GS–9 grade and whose current rating of record is fully successful or higher shall be classified at a GS–11 grade and receive pay at the minimum rate of basic pay

for a GS–11 position: *Provided further*, That the Commissioner shall have the authority to provide a language proficiency bonus, as a recruitment incentive, to graduates of the Border Patrol Academy from funds otherwise provided for language training: [*Provided further*, the Commissioner shall fully coordinate and link all Immigration and Naturalization Service databases, including IDENT, with databases of the Department of Justice and other federal law enforcement agencies containing information on criminal histories and records of prior deportations:] *Provided further*, That the Immigration and Naturalization Service shall only accept cash or a cashier's check when receiving or processing applications for benefits under the Immigration and Nationality Act:''.

On page 27, line 15, after ''Initiative,'' insert the following: ''of which $500,000 is available for a new truck safety initiative in the State of new Jersey,''.

On page 27, line 15, after ''Initiative,'' insert the following: ''of which $100,000 shall be used to award a grant to Charles Mix County, South Dakota, to upgrade the 911 emergency telephone system,''.

On page 29, line 16, before the semicolon, insert the following: '', of which $300,000 shall be used to award a grant to the Wakpa Sica Historical Society''.

On page 32, line 23, strike '':'' and insert the following: '', of which $500,000 shall be made available for the Youth Advocacy Program:''.

At the end of title I, insert the following:

''SEC. . No funds provided in this Act may be used by the Office of Justice Programs to support a grant to pay for State and local law enforcement overtime in extraordinary, emergency situations unless the Appropriations Committees of both Houses of Congress are notified in accordance with the procedures contained in Section 605 of this Act.''

At the end of title I, insert the following:

''SEC. . Hereafter, notwithstanding any other provision of law, the Attorney General shall grant a national interest waiver under section 203(b)(2)(B) of the Immigration and Nationality Act (8 U.S.C. 1153(b)(2)(B)) on behalf of any alien physician with respect to whom a petition for preference classification has been filed under section 203(b)(2)(A) of such Act (8 U.S.C. 1153(b)(2)(A) if—

(1) the alien physician seeks to work in an area designated by the Secretary of Health and Human Services as having a shortage of health care professionals or at a health care facility under the jurisdiction of the Department of Veterans Affairs; and

(2) a Federal agency or a State department of public health has previously determined that the alien physician's work in such an area or at such facility was in the public interest.''.

On page 57, line 16, delete ''$1,776,728,000'' and insert in lieu thereof: ''$1,782,728,000''; and

On page 57, line 17, before the colon, insert '', of which $6,000,000 shall be used by the National Ocean Service as response and restoration funding for coral reef assessment, monitoring, and restoration, and from available funds, $1,000,000 shall be made available for essential fish habitat activities, and $250,000 shall be made available for a bull trout habitat conservation plan''.

On page 58, line 20, before the period, insert the following: '': *Provided further*, That the Secretary may proceed as he deems necessary to have the National Oceanic and Atmospheric Administration occupy and operate its research facilities which are located at Lafayette, Louisiana''.

On page 66, line 15, delete ''$34,759,000'' and insert in lieu thereof ''$35,903,000''.

On page 66, line 20, delete ''$18,123,000'' and insert in lieu thereof: ''$8,002,000''.

On page 66, line 20, delete ''$15,222,000'' and insert in lieu thereof: ''5,101,000''.

On page 73, line 6, insert before the period: '': *Provided*, That $9,611,000 is appropriated for salary adjustments pursuant to this section and such funds shall be transferred to and merged with appropriations in Title III of this Act''.

On page 88, line 17, strike ''may'' and insert ''should''.

On page 98, line 24 delete ''$251,300,000'' and insert in lieu thereof: ''$246,300,000''.

On page 100, line 2, strike ''(d)'' and insert in lieu thereof: ''(e)''.

On page 100, line 9, strike ''.'', insert the following: '': *Provided further*, That during fiscal year 2000, debentures guaranteed under Title III of the Small Business Investment Act of 1958, as amended, shall not exceed the amount authorized under section 20(e)(1)(C)(ii).''.

DOMENICI AMENDMENT NO. 1309

Mr. GREGG (for Mr. DOMENICI) proposed an amendment to the bill, S. 1217, supra; as follows:

At an appropriate place in the bill, add the following new section:

SEC. . For fiscal year 2000, the Director of the United States Marshals Service shall, within available funds, provide a magnetometer and not less than one qualified guard at each unsecured entrance to the real property (including offices, buildings, and related grounds and facilities) that is leased to the United States as a place of employment for Federal employees at 625 Silver, S.W., in Albuquerque, New Mexico.

COVERDELL (AND OTHERS) AMENDMENT NO. 1310

Mr. GREGG (for Mr. COVERDELL (for himself, Mr. KYL, Mr. SESSIONS, Mr. ABRAHAM, Mr. DEWINE, and Mrs. SNOWE)) proposed an amendment to the bill, S. 1217, supra; as follows:

On page 99, line 9, insert before the period the following: ''*Provided further*, That $1,800,000 shall be made available to carry out the drug-free workplace demonstration program under section 27 of the Small Business Act (15 U.S.C. 654)''.

STEVENS AMENDMENT NO. 1311

Mr. GREGG (for Mr. STEVENS) proposed an amendment to the bill, S. 1217, supra; as follows:

S. 1217 is amended as follows:

At page 59, line 12 strike ''$20,000,000'' and insert in lieu thereof ''$18,000,000''

At page 59, line 14 strike ''Alaska'' and insert in lieu thereof ''$20,000,000 is made available as a direct payment to the State of Alaska''

At page 59, lines 22 and 23 strike the comma and the phrase ''subject to express authorization''

At page 60, lines 2 and 3 strike the comma and the phrase ''subject to express authorization''

At page 76, line 11 strike the comma and the phrase ''subject to express authorization''

At the appropriate place in ''TITLE VI—GENERAL PROVISIONS'' insert the following new section:

''SEC. . (a) To implement the June 3, 1999 Agreement of the United States and Canada on the Treaty Between the Government of the United States of America and the Government of Canada Concerning Pacific Salmon (the ''1999 Agreement'') $140,000,000 is authorized only for use and expenditure as described in subsection (b).

(b)(1) $75,000,000 for grants to provide the initial capital for a Northern Boundary and Transboundary Rivers Restoration and Enhancement Fund to be held by the Pacific Salmon Commission and administered jointly by the Pacific Salmon Commission Commissioner for the State of Alaska with Canada according to a trust agreement to be entered into by the United States and Canada for the purposes of research, habitat restoration, and fish enhancement to promote abundance-based, conservation-oriented fishing regimes.

(2) $65,000,000 for grants to provide the initial capital for a Southern Boundary and Transboundary Rivers Restoration and Enhancement Fund to be held by the Pacific Salmon Commission and administered jointly with Canada by the Pacific Salmon Commission Commissioners for the States of Washington, Oregon, and California according to a trust agreement to be entered into by the United States and Canada for the purposes of research, habitat restoration, and fish enhancement to promote abundance-based, conservation-oriented fishing regimes.

(3)(i) Amounts provided by grants under paragraphs (1) and (2) may be held in interest-bearing accounts prior to the disbursement of such funds for programs purposes, and any interest earned by be retained for program purposes without further appropriation by Congress;

(ii) the Northern Boundary and Transboundary Rivers Restoration and Enhancement Fund and Southern Boundary and Transboundary Rivers Restoration and Enhancement Fund are subject to the laws governing federal appropriations and funds and to unrescinded circulars of the Office of Management and Budget, including the audit requirements of Office of Management and Budget Circular Nos. A–110, A–122 and A–133; and

(iii) Recipients of funds from the Northern Boundary and Transboundary Rivers Restoration and Enhancement Fund and Southern Boundary and Transboundary Rivers Restoration and Enhancement Fund, which for the purposes of this subparagraph shall include interest earned pursuant to subparagraph (i), shall keep separate accounts and such records as may be reasonably necessary to disclose the use of the funds as well as facilitate effective audits.

(c) The President shall submit a request for funds to implement this section as part of this official budget request for the Fiscal Year 2001.''

STEVENS AMENDMENT NO. 1312

Mr. GREGG (for Mr. STEVENS) proposed an amendment to the bill, S. 1217, supra; as follows:

S. 1217 is amended as follows:

At the appropriate place in ''TITLE VI—GENERAL PROVISIONS'' insert the following new section:

''SEC. . Funds made available under Public Law 105–277 for costs associated with implementation of the American Fisheries Act of 1998 (Division C, title II, of Public Law 105–277) for vessel documentation activities shall remain available until expended.''

CHAFEE AMENDMENT NO. 1313

Mr. GREGG (for Mr. CHAFEE) proposed an amendment to the bill, S. 1217, supra; as follows:

On page 57, line 17, before the colon, insert the following: '', of which $112,520,000 shall be used for resource information activities of the National Marine Fisheries Service and $806,000 shall be used for the Narragansett Bay cooperative study conducted by the

Rhode Island Department of Environmental Management in cooperation with the Federal Government.''

COCHRAN AMENDMENT NO. 1314

Mr. GREGG (for Mr. COCHRAN) proposed an amendment to the bill, S. 1217, supra; as follows:

On page 25, line 5, before ''and'' insert ''of which $2,000,000 shall be made available to the Department of Psychiatry and Human Behavior at the University of Mississippi School of Medicine for research in addictive disorders and their connection to youth violence''.

DeWINE (AND LEAHY) AMENDMENT NO. 1315

Mr. GREGG (for Mr. DEWINE (for himself and Mr. LEAHY)) proposed an amendment to the bill, S. 1217, supra; as follows:

''On page 27, lines 14 and 15, strike ''for the Crime Identification Technology Initiative'' and insert ''to carry out section 102 of the Crime Identification Technology Act of 1998 (42 U.S.C. 14601), including for grants for law enforcement equipment for discretionary grants to States, Local units of Government, and Indian Tribes''.

GRAMS (AND OTHERS) AMENDMENT NO. 1316

Mr. GREGG (for Mr. GRAMS (for himself, Mrs. BOXER, and Mr. DURBIN)) proposed an amendment to the bill, S. 1217, supra; as follows:

On page 81, line 25, insert the following after ''reforms'': '':*Provided further*, That any additional amount provided, not to exceed $107 million, which is owed by the United Nations to the United States as a reimbursement, including any reimbursement under the Foreign Assistance Act of 1961 or the United Nations Participation Act of 1945, that was owed to the United States before the date of enactment of this Act shall be applied or used, without fiscal year limitation, to reduce any amount owed by the United States to the United Nations, except that any such reduction pursuant to the authority in this paragraph shall not be made unless expressly authorized by the enactment of a separate Act that makes payment of arrearages contingent upon United Nations reform''.

GREGG AMENDMENT NO. 1317

Mr. GREGG proposed an amendment to the bill, S. 1217, supra; as follows:

At the end of title IV, insert the following:

SEC. . None of the funds appropriated or otherwise made available in this Act for the United Nations may be used by the United Nations for the promulgation or enforcement of any treaty, resolution, or regulation authorizing the United Nations, or any of its specialized agencies or affiliated organizations, to tax any aspect of the Internet.

GREGG (AND HOLLINGS) AMENDMENT NO. 1318

Mr. GREGG (for himself and Mr. HOLLINGS) proposed an amendment to the bill, S. 1217, supra; as follows:

At the end of title I, insert the following:

''SEC. . Section 286(q)(1)(A) of the Immigration and Nationality Act of 1953 (8 U.S.C. 1356(q)(1)(A)), as amended, is further amended—

(1) by deleting clause (ii);

(2) by renumbering clause (iii) as (ii); and

(3) by striking '', until September 30, 2000,'' in clause (iv) and renumbering that clause as (iii)''.

ASHCROFT AMENDMENT NO. 1319

Mr. GREGG (for Mr. ASHCROFT) proposed an amendment to the bill, S. 1217, supra; as follows:

On page 111, between lines 7 and 8, insert the following:

SEC. 620. (a) FINDINGS.—The Senate makes the following findings:

(1) Iran has been designated as a state sponsor of terrorism by the Secretary of State and continues to be among the most active supporters of terrorism in the world.

(2) According to the State Department's annual report entitled ''Patterns of Global Terrorism'', Iran supports Hizballah, Hamas, and the Palestinian Islamic Jihad, terrorist organizations which oppose the Middle East peace process, continue to work for the destruction of Israel, and have killed United States citizens.

(3) A United States district court ruled in March 1998 that Iran should pay $247,000,000 to the family of Alisa Flatow, a United States citizen killed in a bomb attack orchestrated by the Palestinian Islamic Jihad in Gaza in April 1995.

(4) The Government of Iran continues to maintain a repressive political regime in which the civil liberties of the people of Iran are denied.

(5) The State Department Country Report on Human Rights states that the human rights record of the Government of Iran remains poor, including ''extra judicial killings and summary executions; disappearances; widespread use of torture and other degrading treatment; harsh prison conditions; arbitrary arrest and detention; lack of due process; unfair trials; infringement on citizen's privacy; and restrictions on freedom of speech, press, assembly, association, religion, and movement''.

(6) Religious minorities in Iran have been persecuted solely because of their faith, and the Government of Iran has detained 13 members of Iran's Jewish community without charge.

(7) Recent student-led protests in Iran were repressed by force, with possibly five students losing their lives and hundreds more being imprisoned.

(8) The Government of Iran is pursuing an aggressive ballistic missile program with foreign assistance and is seeking to develop weapons of mass destruction which threaten United States allies and interests.

(9) Despite the continuation by the Government of Iran of repressive activities in Iran and efforts to threaten United States allies and interests in the Near East and South Asia, the President waived provisions of the Iran and Libya Sanctions Act of 1996 (Public Law 104–172; 50 U.S.C. 1701 note) intended to impede development of the energy sector in Iran.

(b) SENSE OF SENATE.—It is the sense of the Senate that—

(1) the President should condemn in the strongest possible terms the failure of the Government of Iran to implement genuine political reforms and protect the civil liberties of the people of Iran, which failure was most recently demonstrated in the violent repression of student-led protests in Teheran and other cities by the Government of Iran;

(2) the President should support democratic opposition groups in Iran more aggressively;

(3) the detention of 13 members of the Iranian Jewish community by the Government of Iran is a deplorable violation of due process and a clear example of the policies of the Government of Iran to persecute religious minorities; and

(4) the decision of the President to waive provisions of the Iran and Libya Sanctions Act of 1996 intended to impede development of the energy sector in Iran was regrettable and should be reversed as long as Iran continues to threaten United States interests and allies in the Near East and South Asia through state sponsorship of terrorism and efforts to acquire weapons of mass destruction and the missiles to deliver such weapons.

HATCH AMENDMENT NO. 1320

Mr. GREGG (for Mr. HATCH) proposed an amendment to the bill S. 1217, supra; as follows:

At the appropriate place, insert:

SECTION 1. HATE CRIMES.

(a) DECLARATIONS.—Congress declares that—

(1) further efforts must be taken at all levels of government to respond to the staggering brutality of hate crimes that have riveted public attention and shocked the Nation;

(2) hate crimes are prompted by bias and are committed to send a message of hate to targeted communities, usually defined on the basis of immutable traits;

(3) the prominent characteristic of a hate crime is that it devastates not just the actual victim and the victim's family and friends, but frequently savages the community sharing the traits that caused the victim to be selected;

(4) any efforts undertaken by the Federal Government to combat hate crimes must respect the primacy that States and local officials have traditionally been accorded in the criminal prosecution of acts constituting hate crimes; and

(5) an overly broad reaction by the Federal Government to this serious problem might ultimately diminish the accountability of State and local officials in responding to hate crimes and transgress the constitutional limitations on the powers vested in Congress under the Constitution.

(b) STUDIES.—

(1) COLLECTION OF DATA.—

(A) DEFINITION OF HATE CRIME.—In this paragraph, the term ''hate crime'' means—

(i) a crime described in subsection (b)(1) of the first section of the Hate Crime Statistics Act (28 U.S.C. 534 note); and

(ii) a crime that manifests evidence of prejudice based on gender or age.

(B) COLLECTION FROM CROSS-SECTION OF STATES.—Not later than 120 days after the date of enactment of this Act, the Comptroller General of the United States, in consultation with the National Governors' Association, shall select 10 jurisdictions with laws classifying certain types of crimes as hate crimes and 10 jurisdictions without such laws from which to collect data described in subparagraph (C) over a 12-month period.

(C) DATA TO BE COLLECTED.—The data to be collected are—

(i) the number of hate crimes that are reported and investigated;

(ii) the percentage of hate crimes that are prosecuted and the percentage that result in conviction;

(iii) the length of the sentences imposed for crimes classified as hate crimes within a jurisdiction, compared with the length of sentences imposed for similar crimes committed in jurisdictions with no hate crime laws; and

(iv) references to and descriptions of the laws under which the offenders were punished.

(D) COSTS.—Participating jurisdictions shall be reimbursed for the reasonable and necessary costs of compiling data under this paragraph.

(2) STUDY OF TRENDS.—

(A) IN GENERAL.—Not later than 18 months after the date of enactment of this Act, the Comptroller General of the United States and the General Accounting Office shall complete a study that analyzes the data collected under paragraph (1) and under the Hate Crime Statistics Act of 1990 to determine the extent of hate crime activity throughout the country and the success of State and local officials in combating that activity.

(B) IDENTIFICATION OF TRENDS.—In the study conducted under subparagraph (A), the Comptroller General of the United States and the General Accounting Office shall identify any trends in the commission of hate crimes specifically by—

(i) geographic region;

(ii) type of crime committed; and

(iii) the number of hate crimes that are prosecuted and the number for which convictions are obtained.

(c) MODEL STATUTE.—

(1) IN GENERAL.—To encourage the identification and prosecution of hate crimes throughout the country, the Attorney General shall, through the National Conference of Commissioners on Uniform State Laws of the American Law Institute or another appropriate forum, and in consultation with the States, develop a model statute to carry out the goals described in subsection (a) and criminalize acts classified as hate crimes.

(2) REQUIREMENTS.—In developing the model statute, the Attorney General shall—

(A) include in the model statute crimes that manifest evidence of prejudice; and

(B) prepare an analysis of all reasons why any crime motivated by prejudice based on any traits of a victim should or should not be included.

(d) SUPPORT FOR CRIMINAL INVESTIGATIONS AND PROSECUTIONS BY STATE AND LOCAL LAW ENFORCEMENT OFFICIALS.—

(1) ASSISTANCE OTHER THAN FINANCIAL ASSISTANCE.—

(A) IN GENERAL.—At the request of a law enforcement official of a State or a political subdivision of a State, the Attorney General, acting through the Director of the Federal Bureau of Investigation, shall provide technical, forensic, prosecutorial, or any other form of assistance in the criminal investigation or prosecution of any crime that—

(i) constitutes a crime of violence (as defined in section 16 of title 18, United States Code);

(ii) constitutes a felony under the laws of the State; and

(iii) is motivated by prejudice based on the victim's race, ethnicity, or religion or is a violation of the State's hate crime law.

(B) PRIORITY.—In providing assistance under subparagraph (A), the Attorney General shall give priority to crimes committed by offenders who have committed crimes in more than 1 State.

(2) GRANTS.—

(A) IN GENERAL.—There is established a grant program within the Department of Justice to assist State and local officials in the investigation and prosecution of hate crimes.

(B) ELIGIBILITY.—A State or political subdivision of a State applying for assistance under this paragraph shall—

(i) describe the purposes for which the grant is needed; and

(ii) certify that the State or political subdivision lacks the resources necessary to investigate or prosecute the hate crime.

(C) DEADLINE.—An application for a grant under this paragraph shall be approved or disapproved by the Attorney General not later than 24 hours after the application is submitted.

(D) GRANT AMOUNT.—A grant under this paragraph shall not exceed $100,000 for any single case.

(E) REPORT.—Not later than December 31, 2001, the Attorney General, in consultation with the National Governors' Association, shall submit to Congress a report describing the applications made for grants under this paragraph, the award of such grants, and the effectiveness of the grant funds awarded.

(F) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this paragraph $5,000,000 for each of fiscal years 2000 and 2001.

(e) INTERSTATE TRAVEL TO COMMIT HATE CRIME.—

(1) IN GENERAL.—Chapter 13 of title 18, United States Code, is amended by adding at the end the following:

"§ 249. Interstate travel to commit hate crime

"(a) IN GENERAL.—A person, whether or not acting under color of law, who—

"(1) travels across a State line or enters or leaves Indian country in order, by force or threat of force, to willfully injure, intimidate, or interfere with, or by force or threat of force to attempt to injure, intimidate, or interfere with, any person because of the person's race, color, religion, or national origin; and

"(2) by force or threat of force, willfully injures, intimidates, or interferes with, or by force or threat of force attempts to willfully injure, intimidate, or interfere with any person because of the person's race, color, religion, or national origin,

shall be subject to a penalty under subsection (b).

"(b) PENALTIES.—A person described in subsection (a) who is subject to a penalty under this subsection—

"(1) shall be fined under this title, imprisoned not more than 1 year, or both;

"(2) if bodily injury results or if the violation includes the use, attempted use, or threatened use of a dangerous weapon, explosives, or fire, shall be fined under this title, imprisoned not more than 10 years, or both; or

"(3) if death results or if the violation includes kidnapping or an attempt to kidnap, aggravated sexual abuse or an attempt to commit aggravated sexual abuse, or an attempt to kill—

"(A) shall be fined under this title, imprisoned for any term of years or for life, or both; or

"(B) may be sentenced to death.".

(2) TECHNICAL AMENDMENT.—The analysis for chapter 13 of title 18, United States Code, is amended by adding at the end the following:

"249. Interstate travel to commit hate crime.".

SNOWE AMENDMENT NO. 1321

Mr. GREGG (for Ms. SNOWE) proposed an amendment to the bill, S. 1217 supra; as follows:

At the appropriate place, insert the following:

SEC. . NEW ENGLAND FISHERY MANAGEMENT COUNCIL.

Section 302(a)(1)(A) of the Magnuson-Stevens Fishery Conservation and Management Act (16 U.S.C. 1852(a)(1)(A)) is amended—

(1) by striking "17" and inserting "18"; and

(2) by striking "11" and inserting "12".

HATCH (AND LEAHY) AMENDMENT NO. 1322

Mr. GREGG (for Mr. HATCH (for himself and Mr. LEAHY)) proposed an amendment to the bill, S. 1217 supra; as follows:

At the appropriate place in the bill, insert:

SEC. . PLACE OF HOLDING COURT AT CENTRAL ISLIP, NEW YORK.

The second paragraph of Section 112(c) of title 28, United States Code is amended to read—

"Court for the Eastern District shall be held at Brooklyn, Hauppauge, Hempstead (including the village of Uniondale), and Central Islip."

SEC. . WEST VIRGINIA CLERK CONSOLIDATION APPROVAL.

Pursuant to the requirements of Section 156(d) of title 28, United States Code, Congress hereby approves the consolidation of the office of the bankruptcy clerk with the office of the district clerk of court in the Southern District of West Virginia.

SEC. . SENIOR JUDGE'S CHAMBERS IN PROVO, UTAH.

The Internal Revenue Service is directed to vacate sufficient space in the Federal Building in Provo, Utah as soon as practicable to provide space for a senior judge's chambers in that building. The General Services Administration is directed to provide interim space for a senior judge's chambers in Provo, Utah and to complete a permanent senior judge's chambers in the Federal Building located in that city as soon as practicable.

KERRY AMENDMENT NO. 1323

Mr. HOLLINGS (for Mr. KERRY) proposed an amendment to the bill, S. 1217, supra; as follows:

In the Salaries and Expense Account of the Small Business Administration, insert at the end of the paragraph: "*Provided further*, That $23,200,000 shall be available to fund grants for Microloan Technical Assistance as authorized by section 7(m) of the Small Business Act."

HOLLINGS (AND OTHERS) AMENDMENT NO. 1324

Mr. HOLLINGS (for himself, Mr. DASCHLE, Mr. DURBIN, Mrs. FEINSTEIN, Mr. JEFFORDS, Mr. LEAHY, Mr. SCHUMER, Mr. SMITH of Oregon, Mr. WYDEN, Mr. DODD, Mr. LAUTENBERG, Mrs. BOXER, Mr. HARKIN, Mr. TORRICELLI, and Mr. LEVIN)) proposed an amendment to the bill, S. 1217, supra; as follows:

At the appropriate place, insert the following:

TITLE ____—HATE CRIMES PREVENTION

SEC. ___01. SHORT TITLE.

This title may be cited as the "Hate Crimes Prevention Act of 1999".

SEC. ___02. FINDINGS.

Congress finds that—

(1) the incidence of violence motivated by the actual or perceived race, color, national origin, religion, sexual orientation, gender, or disability of the victim poses a serious national problem;

(2) such violence disrupts the tranquility and safety of communities and is deeply divisive;

(3) existing Federal law is inadequate to address this problem;

(4) such violence affects interstate commerce in many ways, including—

(A) by impeding the movement of members of targeted groups and forcing such members to move across State lines to escape the incidence or risk of such violence; and

(B) by preventing members of targeted groups from purchasing goods and services, obtaining or sustaining employment or participating in other commercial activity;

(5) perpetrators cross State lines to commit such violence;

(6) instrumentalities of interstate commerce are used to facilitate the commission of such violence;

(7) such violence is committed using articles that have traveled in interstate commerce;

(8) violence motivated by bias that is a relic of slavery can constitute badges and incidents of slavery;

(9) although many State and local authorities are now and will continue to be responsible for prosecuting the overwhelming majority of violent crimes in the United States, including violent crimes motivated by bias, Federal jurisdiction over certain violent crimes motivated by bias is necessary to supplement State and local jurisdiction and ensure that justice is achieved in each case;

(10) Federal jurisdiction over certain violent crimes motivated by bias enables Federal, State, and local authorities to work together as partners in the investigation and prosecution of such crimes;

(11) the problem of hate crime is sufficiently serious, widespread, and interstate in nature as to warrant Federal assistance to States and local jurisdictions; and

(12) freedom of speech and association are fundamental values protected by the first amendment to the Constitution of the United States, and it is the purpose of this title to criminalize acts of violence, and threats of violence, carried out because of the actual or perceived race, color, religion, national origin, gender, sexual orientation, or disability of the victim, not to criminalize beliefs in the abstract.

SEC. ___03. DEFINITION OF HATE CRIME.

In this title, the term ''hate crime'' has the same meaning as in section 280003(a) of the Violent Crime Control and Law Enforcement Act of 1994 (28 U.S.C. 994 note).

SEC. ___04. PROHIBITION OF CERTAIN ACTS OF VIOLENCE.

Section 245 of title 18, United States Code, is amended—

(1) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

(2) by inserting after subsection (b) the following:

''(c)(1) Whoever, whether or not acting under color of law, willfully causes bodily injury to any person or, through the use of fire, a firearm, or an explosive device, attempts to cause bodily injury to any person, because of the actual or perceived race, color, religion, or national origin of any person—

''(A) shall be imprisoned not more than 10 years, or fined in accordance with this title, or both; and

''(B) shall be imprisoned for any term of years or for life, or fined in accordance with this title, or both if—

''(i) death results from the acts committed in violation of this paragraph; or

''(ii) the acts committed in violation of this paragraph include kidnapping or an attempt to kidnap, aggravated sexual abuse or an attempt to commit aggravated sexual abuse, or an attempt to kill.

''(2)(A) Whoever, whether or not acting under color of law, in any circumstance described in subparagraph (B), willfully causes bodily injury to any person or, through the use of fire, a firearm, or an explosive device, attempts to cause bodily injury to any person, because of the actual or perceived religion, gender, sexual orientation, or disability of any person—

''(i) shall be imprisoned not more than 10 years, or fined in accordance with this title, or both; and

''(ii) shall be imprisoned for any term of years or for life, or fined in accordance with this title, or both, if—

''(I) death results from the acts committed in violation of this paragraph; or

''(II) the acts committed in violation of this paragraph include kidnapping or an attempt to kidnap, aggravated sexual abuse or an attempt to commit aggravated sexual abuse, or an attempt to kill.

''(B) For purposes of subparagraph (A), the circumstances described in this subparagraph are that—

''(i) in connection with the offense, the defendant or the victim travels in interstate or foreign commerce, uses a facility or instrumentality of interstate or foreign commerce, or engages in any activity affecting interstate or foreign commerce; or

''(ii) the offense is in or affects interstate or foreign commerce.

''(3) No prosecution of any offense described in this subsection may be undertaken by the United States, except upon the certification in writing of the Attorney General, the Deputy Attorney General, the Associate Attorney General, or any Assistant Attorney General specially designated by the Attorney General that—

''(A) he or she has reasonable cause to believe that the actual or perceived race, color, national origin, religion, sexual orientation, gender, or disability of any person was a motivating factor underlying the alleged conduct of the defendant; and

''(B) that he or his designee or she or her designee has consulted with State or local law enforcement officials regarding the prosecution and determined that—

''(i) the State does not have jurisdiction or refuses to assume jurisdiction;

''(ii) the State has requested that the Federal Government assume jurisdiction; or

''(iii) actions by State and local law enforcement officials have or are likely to leave demonstratively unvindicated the Federal interest in eradicating bias-motivated violence.''.

SEC. ___05. DUTIES OF FEDERAL SENTENCING COMMISSION.

(a) AMENDMENT OF FEDERAL SENTENCING GUIDELINES.—Pursuant to its authority under section 994 of title 28, United States Code, the United States Sentencing Commission shall study the issue of adult recruitment of juveniles to commit hate crimes and shall, if appropriate, amend the Federal sentencing guidelines to provide sentencing enhancements (in addition to the sentencing enhancement provided for the use of a minor during the commission of an offense) for adult defendants who recruit juveniles to assist in the commission of hate crimes.

(b) CONSISTENCY WITH OTHER GUIDELINES.—In carrying out this section, the United States Sentencing Commission shall—

(1) ensure that there is reasonable consistency with other Federal sentencing guidelines; and

(2) avoid duplicative punishments for substantially the same offense.

SEC. ___06. GRANT PROGRAM.

(a) AUTHORITY TO MAKE GRANTS.—The Office of Justice Programs of the Department of Justice shall make grants, in accordance with such regulations as the Attorney General may prescribe, to State and local programs designed to combat hate crimes committed by juveniles, including programs to train local law enforcement officers in investigating, prosecuting, and preventing hate crimes.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

SEC. ___07. AUTHORIZATION FOR ADDITIONAL PERSONNEL TO ASSIST STATE AND LOCAL LAW ENFORCEMENT.

There are authorized to be appropriated to the Department of the Treasury and the Department of Justice, including the Community Relations Service, for fiscal years 2000, 2001, and 2002 such sums as are necessary to increase the number of personnel to prevent and respond to alleged violations of section 245 of title 18, United States Code (as amended by this title).

SEC. ___08. SEVERABILITY.

If any provision of this title, an amendment made by this title, or the application of such provision or amendment to any person or circumstance is held to be unconstitutional, the remainder of this title, the amendments made by this title, and the application of the provisions of such to any person or circumstance shall not be affected thereby.

GRAHAM AMENDMENT NO. 1325

Mr. HOLLINGS (for Mr. GRAHAM) proposed an amendment to the bill, S. 1217, supra; as follows:

At the end of title I, add the following:

SEC. ____. (a) In this section:

(1) The term ''hate crime'' has the meaning given the term in section 280003(a) of the Violent Crime Control and Law Enforcement Act of 1994 (28 U.S.C. 994 note).

(2) The term ''older individual'' means an individual who is age 65 or older.

(b) The Attorney General shall conduct a study concerning—

(1) whether an older individual is more likely than the average individual to be the target of a crime;

(2) the extent of crimes committed against older individuals; and

(3) the extent to which crimes committed against older individuals are hate crimes.

(c) Not later than 180 days after the date of enactment of this Act, the Attorney General shall submit to Congress a report containing the results of the study.

REED AMENDMENT NO. 1326

Mr. HOLLINGS (for Mr. REED) proposed an amendment to the bill, S. 1217, supra; as follows:

At the appropriate place in the bill, insert the following:

SEC. ___. EXTENSION OF TEMPORARY PROTECTED STATUS FOR CERTAIN NATIONALS OF LIBERIA.

(a) CONTINUATION OF STATUS.—Notwithstanding any other provision of law, any alien described in subsection (b) who, as of the date of enactment of this Act, is registered for temporary protected status in the United States under section 244(c)(1)(A)(iv) of the Immigration and Nationality Act (8 U.S.C. 1254a(c)(1)(A)(iv)), or any predecessor law, order, or regulation, shall be entitled to maintain that status through September 30, 2000.

(b) COVERED ALIENS.—An alien referred to in subsection (a) is a national of Liberia or an alien who has no nationality and who last habitually resided in Liberia.

BRYAN AMENDMENT NO. 1327

Mr. HOLLINGS (for Mr. BRYAN) proposed an amendment to the bill, S. 1217, supra; as follows:

At the appropriate place in title II, insert the following:

SEC. 2___. SENSE OF SENATE WITH RESPECT TO PROMOTING TRAVEL AND TOURISM.

(a) FINDINGS.—Congress finds that—

(1) an effective public-private partnership of Federal, State, and local governments and the travel and tourism industry can successfully market the United States as the premiere international tourist destination in the world;

(2) the private sector, States, and cities currently spend more than $1,000,000,000 annually to promote particular destinations within the United States to international visitors;

(3) other nations are spending hundreds of millions of dollars annually to promote the visits of international tourists to their countries, and the United States will miss a major marketing opportunity if it fails to aggressively compete for an increased share of international tourism expenditures as they continue to increase over the next decade;

(4) a well-funded, well-coordinated international marketing effort, combined with additional public and private sector efforts, would help small and large businesses, as well as State and local governments, share in the anticipated growth of the international travel and tourism market in the 21st century; and

(5) a long-term marketing effort should be supported to promote increased travel to the United States for the benefit of every sector of the economy.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that Congress should enact this year, with adequate funding from available resources, legislation that would support international promotional activities by the United States National Tourism Organization to help brand, position, and promote the United States as the premiere travel and tourism destination in the world.

BINGAMAN AMENDMENT NO. 1328

Mr. HOLLINGS (for Mr. BINGAMAN) proposed an amendment to the bill, S. 1217, supra; as follows:

On page 65, after line 25, add the following:

SEC. 209. STUDY OF A GENERAL ELECTRONIC EXTENSION PROGRAM

Not later than six months after the enactment of the Act, the Secretary of Commerce shall report to Congress on possible benefits from a general electronic commerce extension program to help small businesses, not limited to manufacturers, in all parts of the nation identify and adopt electronic commerce technology and techniques, so that such businesses can fully participate in electronic commerce. Such a general extension service would be analogous to the Manufacturing Extension Program managed by the National Institute of Standards and Technology, and the Cooperative Extension Service managed by the Department of Agriculture. The report shall address, at a minimum, the following—

(a) the need for or opportunity presented by such a program;

(b) some of the specific services that such a program should provide and to whom;

(c) how such a program would serve firms in rural or isolated areas;

(d) how such a program should be established, organized, and managed;

(e) the estimated costs of such a program; and

(f) the potential benefits of such a program to both small businesses and the economy as a whole.

MURRAY AMENDMENT NO. 1329

Mr. HOLLINGS (for Mrs. MURRAY) proposed an amendment to the bill, S. 1217, supra; as follows:

At page 59, line 14 after the colon insert the following proviso: ''*Provided further*, That, of the amounts provided, $6,000,000 shall be made available to Pacific coastal tribes (as defined by the Secretary of Commerce) through the Department of Commerce, which shall allocate the funds to tribes in California and Oregon, and to tribes in Washington after consultation with the Washington State Salmon Recovery Funding Board; *Provided further*, That the Secretary ensure the aforementioned $6 million be used for restoration of Pacific salmonid populations listed under the Endangered Species Act; *Provided further*, That funds to tribes in Washington shall be used only for grants for planning (not to exceed 10% of grant), physical design, and completion of restoration projects; and *Provided further*, That each tribe receiving a grant in Washington State derived from the aforementioned $6 million provide a report on the specific use and effectiveness of such recovery project grant in restoring listed Pacific salmonid populations, which report shall be made public and shall be provided to the Committees on Appropriations in the U.S. House of Representatives and the U.S. Senate through the Salmon Recovery Funding Board by December 1, 2000.''

BOXER AMENDMENT NO. 1330

Mr. HOLLINGS (for Mrs. BOXER) proposed an amendment to the bill, S. 1217, supra; as follows:

On page 45, between lines 9 and 10, insert the following:

SEC. . (a) In implementing the Institutional Hearing Program and the Institutional Removal Program of the Immigration and Naturalization Service, the Attorney General shall give priority to—

(1) those aliens serving a prison sentence for a serious violent felony, as defined in section 3559(c)(2)(F) of title 18, United States Code; and

(2) those aliens arrested by the Border Patrol and subsequently incarcerated for drug violations.

(b) Not later than March 31, 2000, the Attorney General shall submit a report to Congress describing the steps taken to carry out subsection (a).

DODD AMENDMENT NO. 1331

Mr. HOLLINGS (for Mr. DODD) proposed an amendment to the bill, S. 1217, supra; as follows:

At the appropriate place in the bill add the following:

SEC. . NOTIFICATION OF INTENT TO SELL CERTAIN U.S. PROPERTIES.

Consistent with the regular notification procedures established pursuant to Section 34 of the State Department Basic Authorities Act of 1956, the Secretary of State shall notify in writing the Committees on Foreign Relations and Appropriations in the Senate and the Committees on International Relations and Appropriations in the House of Representatives sixty days in advance of any action taken by the Department to enter into any contract for the final sale of properties owned by the United States that have served as United States Embassies, Consulates General, or residences for United States Ambassadors, Chief of Missions, or Consuls General.

TORRICELLI AMENDMENT NO. 1332

Mr. HOLLINGS (for Mr. TORRICELLI) proposed an amendment to the bill, S. 1217, supra; as follows:

On page 27, line 15, after ''Initiative,'' insert ''of which $500,000 is available for a new truck safety initiative in the State of New Jersey.''.

TORRICELLI AMENDMENT NO. 1333

Mr. HOLLINGS (for Mr. TORRICELLI) proposed an amendment to the bill, S. 1217 supra; as follows:

On page 45, after line 9, insert the following:

SEC. . Notwithstanding any other provision of law, $190,000 of funds granted to the City of Camden, new jersey, in 1996 as a part of a Federal local law enforcement block grant may be retained by Camden and spent for the purposes permitted by the grant through the end of fiscal year 2000.

FEINSTEIN AMENDMENT NO. 1334

Mr. HOLLINGS (for Mrs. FEINSTEIN) proposed an amendment to the bill, S. 1217, supra; as follows:

On page 111, insert between lines 7 and 8 following:

SEC. 620. Section 203(p)(1)(B) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(p)(1)(B)) is amended—

(1) by striking clause (ii);

(2) by inserting ''or public safety'' after ''law enforcement'';

(3) by striking ''(i)'';

(4) by striking ''(I)'' and inserting ''(i)''; and

(5) by striking ''(II)'' and inserting ''(ii)''.

FEINSTEIN AMENDMENT NO. 1335

Mr. HOLLINGS (for Mrs. FEINSTEIN) proposed an amendment to the bill, S. 1217, supra; as follows:

On page 15, after line 2, insert:

HIGH INTENSITY INTERSTATE GANG ACTIVITY AREAS PROGRAM

For expenses necessary to establish and implement the High Intensity Interstate Gang Activity Areas Program (including grants, contracts, cooperative agreements and other assistance) pursuant to Section 205 or S. 254 as passed by the Senate on May 20, 1999, and consistent with the funding proportions established therein, $20,000,000.

On page 21, line 16, strike ''3,156,895,000'' and insert ''3,136,895,000.''

DEWINE (AND LEVIN) AMENDMENT NO. 1336

Mr. GREGG (for Mr. DEWINE (for himself and Mr. LEVIN)) proposed an amendment to the bill, S. 1217, supra; as follows:

On page 57, line 16, strike ''$1,776,728,00'' and insert ''$1,777,118,000''.

On page 57, line 17, before the colon, insert the following: ''; of which $390,000 shall be used by National Ocean Service to upgrade an additional 13 Great Lakes water gauging stations in order to ensure compliance with Year 2000 (Y2K) computer date processing requirements''..

KERRY AMENDMENT NO. 1337

Mr. HOLLINGS (for Mr. KERREY) proposed an amendment to the bill, S. 1217, supra; as follows:

On page 34, line 25, after ''title'', insert the following: *Provided further*, That of the total amount appropriated not to exceed $550,000 shall be available to the Lincoln Action Program's Youth Violence Alternative Project.''

KERREY AMENDMENT NO. 1338

Mr. HOLLINGS (for Mr. KERREY) proposed an amendment to the bill, S. 1217, supra; as follows:

On page 26 of S. 1217, line 2 after the word ''Programs'', strike the period and insert the following: ''*Provided further*, That of the total amount appropriated, not to exceed $1,000,000 shall be available to the Team-Mates of Nebraska project.''

SCHUMER AMENDMENT NO. 1339

Mr. HOLLINGS (for Mr. SCHUMER) proposed an amendment to the bill, S. 1217, supra; as follows:

On page 98, line 16, before the period, insert the following: ''*:Provided further*, That the Commission shall conduct a study on the effects of electronic communications networks and extended trading hours on securities markets, including effects on market volatility, market liquidity, and best execution practices''.

SCHUMER (AND KOHL) AMENDMENT NO. 1340

Mr. HOLLINGS (for Mr. SCHUMER (for himself and Mr. KOHL)) proposed an amendment to the bill, S. 1217, supra; as follows:

On page 8, line 13, strike ''$25,000,000'' and insert ''$27,000,000''.

On page 8, line 23, insert before the period ''; and of which $1,000,000 shall be fore the task force coordinated by the Office of the United States Attorney for the Eastern District of Wisconsin, and $1,000,000 shall be for task forces coordinated by the Office of the United States Attorney for the Western District of New York and task forces coordinated by the Office of the United States Attorney for the Northern District of New York.''.

JEFFORDS (AND LEAHY) AMENDMENT NO. 1341

Mr. GREGG (for Mr. JEFFORDS (for himself and Mr. LEAHY)) proposed an amendment to the bill, S. 1217, supra; as follows:

On page 78, line 8, before the period insert the following: ''*: Provided further*, That, of the amount appropriated under this heading for the Fulbright program, such sums as may be available may be used for the Tibetan Exchange Program''.

GORTON (AND OTHERS) AMENDMENT NO. 1342

Mr. GREGG (for Mr. GORTON (for himself, Mr. DODD, Mr. MCCAIN, Mr. HOLLINGS, and Mr. ROCKEFELLER)) proposed an amendment to the bill, S. 1217, supra; as follows:

At the appropriate place, insert the following:

SEC. . SENSE OF THE SENATE REGARDING THE EUROPEAN COUNCIL NOISE RULE AFFECTING HUSHKITTED AND REENGINED AIRCRAFT.

(a) FINDINGS.—The Senate finds that—

(1) For more than 50 years, the International Civil Aviation Organization (ICAO) has been the single entity vested with the authority to establish international noise and emissions standards; through ICAO's efforts, aircraft noise has decreased by an average of 40 percent since 1970;

(2) ICAO is currently working on an expedited basis on even more stringent international noise standards, taking into account economic reasonableness, technical feasibility and environmental benefits.

(3) International noise and emissions standards are critical to maintaining U.S. aeronautical industries' economic viability and to obtaining their ongoing commitment to progressively more stringent noise reduction efforts;

(4) European Council (EC) Regulation No. 925/1999, banning certain aircraft meeting the highest internationally recognized noise standards from flying in Europe, undermines the integrity of the ICAO process and undercuts the likelihood that new Stage 4 standards can be developed;

(5) While no regional standard is acceptable, this regulation is particularly offensive; there is no scientific basis for the regulation and it has been carefully crafted to protect European aviation interests while imposing arbitrary, substantial and unfounded cost burdens on United States' aeronautical industries;

(6) The vast majority of aircraft that will be affected by EC Regulation No. 925/1999 are operated by U.S. flag carriers; and

(7) The implementation of EC Regulation No. 925/1999 will result in a loss of jobs in the United States and may cost the U.S. aviation industry in excess of $2,000,000.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) EC Regulation No. 925/1999 should be rescinded by the EC at the earliest possible time;

(2) that if this is not done, the Department of State should file a petition regarding EC Regulation No. 925/1999 with ICAO pursuant to Article 84 of the Chicago Convention; and

(3) the Departments of Commerce and Transportation and the United States Trade Representative should use all reasonable means available to them to ensure that the goal of having the rule repealed is achieved.

NOTICE OF HEARING

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. THOMAS. Mr. President, I would like to announce for the information of the Senate and the public that an oversight hearing has been scheduled before the Subcommittee on National Parks, Historic Preservation, and Recreation of the Committee on Energy and Natural Resources. The purpose of this hearing is to review the performance management process under the requirements of the Government Performance and Results Act, by the National Park Service.

The hearing will take place on Wednesday, August 4, 1999 at 2:15 p.m. in room SD–366 of the Dirksen Senate Office Building in Washington, DC.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Committee on Energy and Natural Resources, United States Senate, SD–364 Dirksen Senate Office Building, Washington, DC 20510–6150.

For further information, please contact Jim O'Toole or Shawn Taylor of the committee staff at (202) 224–6969.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. GREGG. Mr. President, I ask unanimous consent that the committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Thursday, July 22, for purposes of conducting a full committee hearing which is scheduled to begin at 9:30 a.m. The purpose of this hearing is to consider the nominations of Curt Herbert to be a Member of the Federal Energy Regulatory Commission and Earl E. Devaney to be Inspector General of the Department of the Interior.

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

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. GREGG. Mr. President, I ask unanimous consent that the full Committee on Environment and Public Works be granted permission to conduct a hearing Thursday, July 22, 9:30 a.m., Hearing Room (SD–406), on legislation relating to habitat restoration/coastal protection issues.

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

COMMITTEE ON FINANCE

Mr. GREGG. Mr. President, the Finance Committee requests unanimous consent to conduct a hearing on Thursday, July 22, 1999 beginning at 2:00 p.m. in room 106 Dirksen.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. GREGG. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, July 22, 1999 at 2:30 p.m. to hold a hearing.

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

COMMITTEE ON THE JUDICIARY

Mr. GREGG. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet for an executive business meeting, during the session of the Senate on Thursday, July 22, 1999, at 10:00 a.m., in SD–628.

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

COMMITTEE ON THE JUDICIARY

Mr. GREGG. Mr. president, I ask unanimous consent that the Committee on the Judiciary be authorized to meet for an executive business meeting, during the session of the Senate on Thursday, July 22, 1999, following the first vote this, in S–216 of the U.S. Capitol Building.

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

COMMITTEE ON THE JUDICIARY

Mr. GREGG. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized

to meet for a hearing re Cybersquatting and Consumer Protection: Ensuring Domain Name Integrity, during the session of the Senate on Thursday, July 22, 1999, at 2:00 p.m., in SD–628.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. GREGG. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, July 22, 1999 at 2:00 p.m. to hold a closed hearing on intelligence matters.

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

SPECIAL COMMITTEE ON THE YEAR 2000 TECHNOLOGY PROBLEM

Mr. GREGG. Mr. president, I ask unanimous consent that the Special Committee on the Year 2000 Technology Problem be permitted to meet on July 22, 1999 at 9:30 a.m. for the purpose of conducting a hearing.

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

SUBCOMMITTEE ON FORESTS & PUBLIC LAND MANAGEMENT

Mr. GREGG. Mr. President, I ask unanimous consent that the Subcommittee on Forests & Public Land Management of the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Thursday, July 22, for purposes of conducting a subcommittee hearing which is scheduled to begin at 2:00 p.m. The purpose of this hearing is to receive testimony from the U.S. General Accounting Office on a recent GAO report, 99–166, regarding Forest Service land management priorities. Within this context, GAO will also provide an evaluation of Title I and Title II of S. 1320, a bill to provide the Federal land management agencies the authority and capability to manage effectively the Federal lands, and for other purposes.

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

SUBCOMMITTEE ON NEAR EASTERN AND SOUTH ASIAN AFFAIRS

Mr. GREGG. Mr. President, I ask unanimous consent that the Subcommittee on Near Eastern and South Asian Affairs be authorized to meet during the session of the Senate on Thursday, July 22, 1999 at 10:00 a.m. to hold a hearing.

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

ADDITIONAL STATEMENTS

FULBRIGHT SCHOLARSHIP PROGRAM AND THE TIBETAN EXCHANGE PROGRAM

• Mr. JEFFORDS. Mr. President, I am a strong supporter of international exchange programs. Americans benefit from an opportunity to work and study abroad. Foreigners benefit from time in the United States both in their professional development and by exposure to the American system and values. Exchanges are a proven way to disperse American principals of freedom and democracy around the world. Therefore, I am disappointed that the committee report recommends reducing funding for several exchange programs, including the funding for students, scholars and teachers portion of the Fulbright Program. The Fulbright Program has served America and Americans very well for many years. It is not in our best interest to reduce funding for it at this time. I would hope that all of the programs on the committees reprioritization list will be carefully evaluated before any decision is made to reduce or eliminate them.

The Tibetan Fulbright Program touches Vermonters very close to home. Ngawang Choephel, a Tibetan exile living in India, was the recipient of a Fulbright Scholarship and studied ethnomusicology at Middlebury College in Middlebury, Vermont. He was unjustly arrested by the Chinese in 1995 in his native Tibet when he returned to document traditional Tibetan music. Although this young man's time in Vermont was brief, the passion he threw into his work to preserve endangered Tibetan culture gained him a large following in my state. His case is of the highest priority for me and the other members of Vermont's congressional delegation. Senator LEAHY has joined me in offering an amendment to this legislation to ensure that the Tibetan Exchange Program continues in fiscal year 2000.

I hope that in conference the necessary changes will be made to ensure adequate funding for our most important exchange programs.•

ON THE PASSING OF COACH RALPH TASKER

• Mr. BINGAMAN. Mr. President, I rise today to speak on the life of a legendary figure in New Mexico sports history.

Ralph Tasker, the dean of New Mexico high school boys basketball, died earlier this week at the age of 80.

In New Mexico, you didn't have to refer to Ralph Tasker by name; you only had to say ''Coach'' and everyone knew who that was.

He coached in Hobbs for decades, and was known throughout our state as a superb teacher of the game of Basketball.

Ralph Tasker leaves behind an enduring legacy forged with the Hobbs Eagles, coaching 52 seasons in Lea County.

During that time, he amassed 1,122 wins with only 291 losses. That's almost an 80% winning record; a record difficult to achieve in any sport, at any level.

His teams won 12 state championships.

He was also recognized as the National Coach of the year.

He retired in 1998 as the third winningest head coach in the history of boys high school basketball in the United States and was elected to the National High School Coach Association Hall of Fame.

With all those accolades, if you asked Ralph Tasker what he was most proud of, he would tell you he was most proud of the hard work, dedication, and educational achievements of the young men on his teams.

When opposing teams prepared to play a Ralph Tasker-coached team, they knew they would face a disciplined and well-motivated team.

Coach Tasker knew the value of team work and inspired young men to respect one another as they worked together toward a common goal.

Coach Tasker coached and stood for the kind of ideals that we as state and country aspire as we work to motivate and teach young people.

I extend my condolences to his three children, Nancy, Diane, and Tim and to his four grandchildren and three great-grandchildren.

New Mexicans appreciate Coach Tasker's life, and we will always remember his great achievements on and off the court.•

RETIREMENT OF ROBERT TOBIAS

• Mr. WARNER. Mr. President, I rise today to acknowledge the retirement of Robert Tobias, President of the National Treasury Employees Union. I would like to take a moment to recognize the hard work and accomplishments of Mr. Tobias who, during a career with the NTEU of 31 years, has served as a prominent advocate for the over 155,000 federal employee members of the Union.

Under Bob's leadership, the NTEU has grown to become the nation's largest independent federal employees union, representing workers from 18 government agencies. Bob is one of the foremost authorities on federal employee issues and has been a vital resource to those of us who work on Capitol Hill, to the agencies he represents and throughout the federal government. Bob is highly respected among labor relations specialists as well. He has been instrumental in developing and enacting major legislation effecting federal employees including, creation and implementation of the Federal Employees Retirement System, pay parity issues, and he served as a member of the bipartisan National Commission Restructuring the IRS whose work was the basis for the comprehensive IRS reform legislation passed in the 105th Congress.

Furthermore, Bob has been successful in numerous landmark legal battles impacting employee rights in court and before various federal oversight bodies, such as the Merit Systems Protection Board, the Federal Labor Relations Authority and the Office of Personnel Management.

Again, I commend Mr. Tobias for his invaluable work on behalf of federal

employees, and I wish continued success for Mr. Tobias in his future endeavors.●

LYBA COHEN

● Mr. LEAHY. Mr. President, I rise today to congratulate a recent college graduate who resides in Rutland, Vermont. Lyba Cohen has joined the multitude of students who received their bachelor's degrees from colleges and universities across the country in the past months. She graduated from Lehman College in the Bronx, New York with a bachelor's degree in English literature with a minor in Italian. She also walked away with a nearly perfect GPA. Although Lyba Cohen speaks seven languages fluently, she considers the English language her greatest love. She has an insatiable love of learning, and plans to continue her education next fall.

there is one detail that I have failed to mention regarding this recent college graduate. Mr. President, Lyba Cohen is 82 years old. she was born and raised in Estonia, became part of the Zionist movement after high school, and was among the first people to settle the state of Israel. A woman who has worn many hats throughout her life, Mrs. Cohen is a tribute to students and senior citizens alike. She relocated to Rutland two years ago, and I am proud to honor this fascinating Vermonter. Mrs. Cohen has led a rich and fulfilling life,and at 82 she has embarked on yet another journey. this unique student deserves recognition, and I ask that the article from the Rutland daily Herald be printed in the RECORD so that all Senators may read about this remarkable women.

The article follows.

A LIFELONG LEARNER—RUTLAND WOMAN EARNS COLLEGE DEGREE AT AGE 82

(By Cauley Greene)

Lyba Cohen is a great student. She's graduating with a sky-high GPA and a bachelor's degree in English literature with a minor in Italian.

Like other graduates, she looks forward to a summer of rest before deciding whether to delve back into academia.

But unlike most college graduates, Cohen is 82 years old.

She'll be accepting her diploma from Lehman College in the Bronx, N.Y., on Friday with the rest of the class of 1999.

The more than 60 years between her high school diploma and her bachelor's degree have been packed full with feats that make her latest accomplishment seem more like a brief stop along the way than a final destination.

She has been a pioneer, a working mother and, most recently, a student.

Although her life as a traditional student began 10 years ago at a non-traditional age, Cohen has been something of a student all her life, learning as she went along.

Born and raised in Estonia, Cohen ventured off the beaten path early.

''When I graduated from high school I joined a group of friends that I had in a Zionist youth organization,'' she said. For two years the group trained for a life in agriculture, to be among the first to settle what is now Israel.

* * * * *

When war broke out in 1948, Abraham traveled back and forth to Israel while Lyba stayed in New York, helping her father-in-law with the family bakery. After the war ended her husband returned and took over the bakery. Cohen helped run the business until their two sons were out of school.

In 1970, she took the civil service test and took a position with the New York City Human Resources Administration, where she worked for 17 years, living in the Bronx. Widowed in 1973, Cohen lived and worked in the Bronx by herself. She retired in 1987.

Restless and driven by what she described as a love of the English language, she enrolled at Lehman College a year after she retired. An interest in English, sparked when Cohen was in high school, guided her toward a concentration in literature and modern language.

''I just fell in love with the English language,'' she said of her high school years.

She has been taking college classes since 1988, averaging two courses a semester.

''It took me a very long time because of health problems and hospital says,'' she said. Her health and other factors prompted her move from the Bronx to Ruthland in December 1997, but she stayed in school.

''I didn't give up,'' she said.

She now lives across the street from her son, Barry Cohen. Her other son, Boaz, who lives in Warren N.J., will join the family as they watch her accept her diploma.

The move made finishing her degree more difficult, but Lyba Cohen said she's glad she came north.

''I love it here, it's a wonderful place . . . I wish I had come here earlier,'' she said.

Her love of language is greater. She speaks seven different tongues, and when she speaks it seems every word she uses has been carefully chosen. She cites the same discrimination in her favorite author, Vladimir Nabokov, who also learned English as a second language.

''I like him, I like his linguistic proficiency,'' she said.

Cohen's love of language has also translated into academic success. She has received grades higher than an ''A'' in her last two semesters, and was told by her professor that three papers on author Toni Morrison she had recently done were written on a graduate level. Cohen's GPA is also very high, but she said that it doesn't really matter to her.

''It's close to 4.0, I think . . . It's really of no importance to me at all. The fact is I've acquired a lot of knowledge, she said.

Which begs the question: what will she do with her degree? Her answer probably echoes that of graduates 60 years her junior.

''After the summer I'm going to think about taking some courses . . . but I have the summer to think about it,'' she said.●

IN HONOR OF JOE REDINGTON SR.

● Mr. MURKOWSKI. Mr. President, in the winter of 1973, when I was a commercial banker in Fairbanks, AK, pioneer Joe Redington, Sr., came into our offices with an interesting proposition. He was seeking a bank loan to start a sled dog race to commemorate the infamous diphtheria serum run that left Nenana in 1925 to deliver 20 pounds to serum to Nome to stop a deadly outbreak of the disease.

Joe worked as a commercial fishermen and miner and had no collateral to speak of—and no real chance of getting the $50,000 loan. He couldn't accurately predict the costs of the race of forecast the sponsor interest, and he couldn't even guarantee that any mushers would reach the finish line in Nome.

But Joe Redington had a dream. More importantly, Redington was a many you knew would accomplish anything he set his mind to. His infectious enthusiasm and ''can-do'' attitude prompted me to take a chance and make a loan to help fund the world's longest sled dog race—the Iditarod Trail Sled Dog Race.

Joe Redington got the loan and paid ti back. I do regret however, having to come to the Senate floor today to note the passing of Joe Redington, Sr., a true giant of Alaska, who died June 24, at age 82 at his home in Knik. Alaska.

Redington's life is really a microcosm of Alaska's modern history. Born February 1, 1917, in rural Oklahoma, his family wandered the country looking for farm work until they settled in Bucks County, Pennsylvania in the late 1920s. In 1948 after a stint in World War II, Redington and wife, Vi, drove two Jeeps to Alaska and never looked back.

During territorial days and the early years of statehood, Joe Redington helped turn dog mushing—then a transportation necessity in central and rural Alaska—into the state's official sport. Redington and his wife, Vi, were dedicated breeders for nearly four decades. Offspring of their dogs have filled many kennels in Alaska and the Lower 48 with racing pups.

In 1967 he and the late Dorothy Page teamed to promote a Centennial Iditarod Sled Dog Race in honor of the 100th Anniversary of Alaska's purchase from Russia. The 56-mile race around the Big Lake—Wasilla area was a great success. The Centennial's success spurred the idea for the Iditarod.

But Redington's Iditarod dream was realized when 34 mushers left Anchorage on March 3, 1973 for the inaugural Iditarod Trail Sled Dog Race. The 1,100-mile race took the adventurous mushers across some of the roughest terrain in Alaska. Twenty-two mushers crossed the finish line in Nome on April 3 with the top finishers sharing the $50,000 purse. In 1976, Redington's determination and dedication to the Iditarod race, led Congress to designate the Iditarod Trail as a National Historic Trail. The race has been run every March since 1973.

Joe Redington Sr., at age 57, ran his first Iditarod in 1974 and ran in every race until 1992. At age 80, Redington ran in his 19th and final Iditarod in 1997 where he finished a very respectable 36th. His finish time was 13 days, 4 hours and 18 minutes—nearly 17 days faster than

the winners time of the first Iditarod in 1973. While Redington never won the Iditarod, he did finished in fifth palace, four times—in 1975, 1977, 1978 and 1988. And he was among the top 10 finishers, seven times.

Joe was remarkable off the race course, as well. At age 62 he scaled Alaska's Mount McKinley, keeping up with then 20-year-old musher, and four-time Iditarod champion, Susan Butcher. Redington made it to the peak of the 20,230 foot peak, a monumental task for a person of any age.

After hearing of Redington passing, fellow musher DeeDee Jonrowe was quoted in the Fairbanks News Miner as saying, ''Joe never thought (anything) wasn't possible. If you had a dream, he was about making it happen for you. He wasn't about telling you the pitfalls.''

Joe Redington, Sr. was a good, kind and gentle soul. He was soft of voice, but had a big heart—he was a fitting recipient of the Alaskan of the Year Award in 1995. Joe came down with esophagus cancer in 1997, but until a month ago he was still planning to complete in the year 2000 Iditarod Trail Sled Dog Race.

While Joe Redington, Sr, won't be racing in the 2000 Iditarod, his spirit surely will light the way to Nome for mushers each March. More importantly, his legacy of hard work and never giving up will be with all Alsakans as we continue our efforts to improve the land that we love. . . . The land of The Last Fontier.●

THE 50TH ANNIVERSARY OF COLORADO D.A.V. CHAPTER 26

● Mr. ALLARD. Mr. President, I rise today to recognize and honor the 50th anniversary of Colorado Chapter 26 of the Disabled American Veterans.

July 26, 1999 is the anniversary of this distinguished group. Chapter 26 consists of over 2,000 veterans, making it the largest chapter in Colorado. Not only did these men and women serve their country in a time of war, but they came home and continued to demonstrate their respect for America. Colorado Springs, El Paso County, and the State of Colorado have seen and felt their numerous contributions first hand in these times of peace—a peace which they helped to provide.

The Veterans of Chapter 26 have never forgotten their duty to serve and defend, whether it be overseas or at home. Their un-relinquishing duty to America should be recognized.

Reaching fifty years of service and dedication is a milestone in the lives of these men and women who served in the Armed Forces of the United States of America and became members of Chapter 26. These members offered their lives to protect our country. They survived the perils of war, not unscathed, to come home and continue to serve as outstanding citizens. They have shown a love that has been unwavering for fifty years towards this country that they sacrificed so much to preserve. They are models of patriotism, citizenship, and dedication to the freedoms cherished in these United States. And they continue to serve America with all of the pride and honor that they showed fifty years ago when they sacrificed their time and bodies for the freedom of others.

So on July 26th 1999 the Colorado Chapter 26 of the United States Disabled American Veterans should be recognized and honored for the fifty years of unwavering pride and service—the ideals which America was built upon.●

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SPECTER. I thank the Chair.

(The remarks of Mr. SPECTER pertaining to the introduction of S. 1425 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Mr. SPECTER. Mr. President, on behalf of the distinguished majority leader, I have been asked to recite the closing words.

MEASURE READ FOR FIRST TIME—S. 1427

Mr. SPECTER. I understand S. 1427, which was introduced earlier today by Senator THOMPSON, is at the desk. I, therefore, ask for its first reading.

The PRESIDING OFFICER. The clerk will report.

The legislative assistant read as follows:

A bill (S. 1427) to authorize the Attorney General to appoint a special counsel to investigate or prosecute a person for a possible violation of criminal law when the Attorney General determines that the appointment of a special counsel is in the public interest.

Mr. SPECTER. I now ask for a second reading, and I object to my own request.

AUTHORIZING PRINTING OF MEMORIAL TRIBUTES

Mr. SPECTER. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. Res. 161, submitted earlier today by the majority leader and the Democratic leader.

The PRESIDING OFFICER. The clerk will report.

The legislative assistant read as follows:

A resolution (S. Res. 161) to authorize the printing of ''Memorial Tributes to John Fitzgerald Kennedy, Jr.''

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

Mr. SPECTER. Mr. President, I ask unanimous consent that the resolution and preamble be agreed to, en bloc, the motion to reconsider be laid upon the table, and any statements relating to the resolution be printed in the RECORD.

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

The resolution (S. Res. 161) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 161

Whereas John Fitzgerald Kennedy, Jr. was a notable and influential public figure who was born into and lived his life in the public sphere;

Whereas John Fitzgerald Kennedy, Jr. comported himself with modesty and dignity, consistently displaying an admirable grace under pressure and a genuine concern for the well-being of other persons, in the grand tradition of his family;

Whereas John Fitzgerald Kennedy, Jr. was a significant figure who ably represented a family dedicated to public service, and who personally won a place in the heart of the American people;

Whereas the nation mourns the tragic loss of John Fitzgerald Kennedy, Jr., his wife, Carolyn Bessette Kennedy, and her sister, Lauren Bessette; and

Whereas on July 19, 1999, the Senate expressed its condolences to the Kennedy and Bessette families: Now, therefore, be it

Resolved,

SECTION 1. PRINTING OF THE "MEMORIAL TRIBUTES TO JOHN FITZGERALD KENNEDY, JR.".

(a) IN GENERAL.—There shall be printed as a Senate Document, the book entitled ''Memorial Tributes to John Fitzgerald Kennedy, Jr.'', prepared under the supervision of the Secretary of the Senate.

(b) SPECIFICATIONS.—The document described in subsection (a) shall include illustrations and shall be in such style, form, manner, and binding as is directed by the Joint Committee on Printing after consultation with the Secretary of the Senate.

EXECUTIVE SESSION

NOMINATION OF JEFFREY RUSH, JR., OF VIRGINIA

Mr. SPECTER. Mr. President, I ask unanimous consent that the Senate immediately proceed to executive session to consider the following nomination: Executive Calendar No. 165. I further ask unanimous consent that the nomination be confirmed, the motion to reconsider be laid upon the table, any statements relating to the nomination be printed in the RECORD, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

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

The nomination was considered and confirmed as follows:

DEPARTMENT OF THE TREASURY

Jeffrey Rush, Jr., of Virginia, to be Inspector General, Department of the Treasury.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

WATER RESOURCES DEVELOPMENT ACT OF 1999

Mr. SPECTER. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 103, H.R. 1480, the

water resources bill. I further ask unanimous consent that all after the enacting clause be stricken and the text of the Senate-passed bill, S. 507, be inserted in lieu thereof. I ask unanimous consent that the bill then be read a third time and passed and, further, that the Senate insist on its amendment, request a conference with the House, and the Chair be authorized to appoint conferees on the part of the Senate.

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

The bill (H.R. 1480), as amended, was read the third time and passed, as follows:

H.R. 1480

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Water Resources Development Act of 1999''.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Definition of Secretary.

TITLE I—WATER RESOURCES PROJECTS

Sec. 101. Project authorizations.
Sec. 102. Project modifications.
Sec. 103. Project deauthorizations.
Sec. 104. Studies.

TITLE II—GENERAL PROVISIONS

Sec. 201. Flood hazard mitigation and riverine ecosystem restoration program.
Sec. 202. Shore protection.
Sec. 203. Small flood control authority.
Sec. 204. Use of non-Federal funds for compiling and disseminating information on floods and flood damages.
Sec. 205. Aquatic ecosystem restoration.
Sec. 206. Beneficial uses of dredged material.
Sec. 207. Voluntary contributions by States and political subdivisions.
Sec. 208. Recreation user fees.
Sec. 209. Water resources development studies for the Pacific region.
Sec. 210. Missouri and Middle Mississippi Rivers enhancement project.
Sec. 211. Outer Continental Shelf.
Sec. 212. Environmental dredging.
Sec. 213. Benefit of primary flood damages avoided included in benefit-cost analysis.
Sec. 214. Control of aquatic plant growth.
Sec. 215. Environmental infrastructure.
Sec. 216. Watershed management, restoration, and development.
Sec. 217. Lakes program.
Sec. 218. Sediments decontamination policy.
Sec. 219. Disposal of dredged material on beaches.
Sec. 220. Fish and wildlife mitigation.
Sec. 221. Reimbursement of non-Federal interest.
Sec. 222. National Contaminated Sediment Task Force.
Sec. 223. John Glenn Great Lakes Basin program.
Sec. 224. Projects for improvement of the environment.
Sec. 225. Water quality, environmental quality, recreation, fish and wildlife, flood control, and navigation.
Sec. 226. Irrigation diversion protection and fisheries enhancement assistance.
Sec. 227. Small storm damage reduction projects.
Sec. 228. Shore damage prevention or mitigation.
Sec. 229. Atlantic coast of New York.
Sec. 230. Accelerated adoption of innovative technologies for contaminated sediments.
Sec. 231. Mississippi River Commission.
Sec. 232. Use of private enterprises.

TITLE III—PROJECT-RELATED PROVISIONS

Sec. 301. Dredging of salt ponds in the State of Rhode Island.
Sec. 302. Upper Susquehanna River basin, Pennsylvania and New York.
Sec. 303. Small flood control projects.
Sec. 304. Small navigation projects.
Sec. 305. Streambank protection projects.
Sec. 306. Aquatic ecosystem restoration, Springfield, Oregon.
Sec. 307. Guilford and New Haven, Connecticut.
Sec. 308. Francis Bland Floodway Ditch.
Sec. 309. Caloosahatchee River basin, Florida.
Sec. 310. Cumberland, Maryland, flood project mitigation.
Sec. 311. City of Miami Beach, Florida.
Sec. 312. Sardis Reservoir, Oklahoma.
Sec. 313. Upper Mississippi River and Illinois waterway system navigation modernization.
Sec. 314. Upper Mississippi River management.
Sec. 315. Research and development program for Columbia and Snake Rivers salmon survival.
Sec. 316. Nine Mile Run habitat restoration, Pennsylvania.
Sec. 317. Larkspur Ferry Channel, California.
Sec. 318. Comprehensive Flood Impact-Response Modeling System.
Sec. 319. Study regarding innovative financing for small and medium-sized ports.
Sec. 320. Candy Lake project, Osage County, Oklahoma.
Sec. 321. Salcha River and Piledriver Slough, Fairbanks, Alaska.
Sec. 322. Eyak River, Cordova, Alaska.
Sec. 323. North Padre Island storm damage reduction and environmental restoration project.
Sec. 324. Kanopolis Lake, Kansas.
Sec. 325. New York City watershed.
Sec. 326. City of Charlevoix reimbursement, Michigan.
Sec. 327. Hamilton Dam flood control project, Michigan.
Sec. 328. Holes Creek flood control project, Ohio.
Sec. 329. Overflow management facility, Rhode Island.
Sec. 330. Anacostia River aquatic ecosystem restoration, District of Columbia and Maryland.
Sec. 331. Everglades and south Florida ecosystem restoration.
Sec. 332. Pine Flat Dam, Kings River, California.
Sec. 333. Levees in Elba and Geneva, Alabama.
Sec. 334. Toronto Lake and El Dorado Lake, Kansas.
Sec. 335. San Jacinto disposal area, Galveston, Texas.
Sec. 336. Environmental infrastructure.
Sec. 337. Water monitoring station.
Sec. 338. Upper Mississippi River comprehensive plan.
Sec. 339. McNary Lock and Dam, Washington.
Sec. 340. McNary National Wildlife Refuge.

TITLE IV—CHEYENNE RIVER SIOUX TRIBE, LOWER BRULE SIOUX TRIBE, AND STATE OF SOUTH DAKOTA TERRESTRIAL WILDLIFE HABITAT RESTORATION

Sec. 401. Cheyenne River Sioux Tribe, Lower Brule Sioux Tribe, and State of South Dakota Terrestrial Wildlife Habitat Restoration.

SEC. 2. DEFINITION OF SECRETARY.

In this Act, the term ''Secretary'' means the Secretary of the Army.

TITLE I—WATER RESOURCES PROJECTS

SEC. 101. PROJECT AUTHORIZATIONS.

(a) PROJECTS WITH CHIEF'S REPORTS.—The following projects for water resources development and conservation and other purposes are authorized to be carried out by the Secretary substantially in accordance with the plans, and subject to the conditions, described in the respective reports designated in this section:

(1) SAND POINT HARBOR, ALASKA.—The project for navigation, Sand Point Harbor, Alaska: Report of the Chief of Engineers dated October 13, 1998, at a total cost of $11,760,000, with an estimated Federal cost of $6,964,000 and an estimated non-Federal cost of $4,796,000.

(2) RIO SALADO (SALT RIVER), ARIZONA.—The project for environmental restoration, Rio Salado (Salt River), Arizona: Report of the Chief of Engineers dated August 20, 1998, at a total cost of $88,048,000, with an estimated Federal cost of $56,355,000 and an estimated non-Federal cost of $31,693,000.

(3) TUCSON DRAINAGE AREA, ARIZONA.—The project for flood damage reduction, environmental restoration, and recreation, Tucson drainage area, Arizona: Report of the Chief of Engineers dated May 20, 1998, at a total cost of $29,900,000, with an estimated Federal cost of $16,768,000 and an estimated non-Federal cost of $13,132,000.

(4) AMERICAN RIVER WATERSHED, CALIFORNIA.—

(A) IN GENERAL.—The project for flood damage reduction described as the Folsom Stepped Release Plan in the Corps of Engineers Supplemental Information Report for the American River Watershed Project, California, dated March 1996, at a total cost of $505,400,000, with an estimated Federal cost of $329,300,000 and an estimated non-Federal cost of $176,100,000.

(B) IMPLEMENTATION.—

(i) IN GENERAL.—Implementation of the measures by the Secretary pursuant to subparagraph (A) shall be undertaken after completion of the levee stabilization and strengthening and flood warning features authorized by section 101(a)(1) of the Water Resources Development Act of 1996 (110 Stat. 3662).

(ii) FOLSOM DAM AND RESERVOIR.—The Secretary may undertake measures at the Folsom Dam and Reservoir authorized under subparagraph (A) only after reviewing the design of such measures to determine if modifications are necessary to account for changed hydrologic conditions and any other changed conditions in the project area, including operational and construction impacts that have occurred since completion of the report referred to in subparagraph (A). The Secretary shall conduct the review and develop the modifications to the Folsom Dam and Reservoir with the full participation of the Secretary of the Interior.

(iii) REMAINING DOWNSTREAM ELEMENTS.—

(I) IN GENERAL.—Implementation of the remaining downstream elements authorized pursuant to subparagraph (A) may be undertaken only after the Secretary, in consultation with affected Federal, State, regional, and local entities, has reviewed the elements to determine if modifications are necessary to address changes in the hydrologic conditions, any other changed conditions in the project area that have occurred since completion of the report referred to in subparagraph (A) and any design modifications for the Folsom Dam and Reservoir made by the Secretary in implementing the measures referred to in clause (ii), and has issued a report on the review.

(II) PRINCIPLES AND GUIDELINES.—The review shall be prepared in accordance with the economic and environmental principles and guidelines for water and related land resources implementation studies, and no construction may be initiated unless the Secretary determines that the remaining downstream elements are technically sound, environmentally acceptable, and economically justified.

(5) LLAGAS CREEK, CALIFORNIA.—The project for completion of the remaining reaches of the Natural Resources Conservation Service flood control project at Llagas Creek, California, undertaken pursuant to section 5 of the Watershed Protection and Flood Prevention Act (16 U.S.C. 1005), substantially in accordance with the requirements of local cooperation as specified in section 4 of that Act (16 U.S.C. 1004) at a total cost of $45,000,000, with an estimated Federal

cost of $21,800,000 and an estimated non-Federal cost of $23,200,000.

(6) SOUTH SACRAMENTO COUNTY STREAMS, CALIFORNIA.—The project for flood control, environmental restoration, and recreation, South Sacramento County streams, California: Report of the Chief of Engineers dated October 6, 1998, at a total cost of $65,500,000, with an estimated Federal cost of $41,200,000 and an estimated non-Federal cost of $24,300,000.

(7) UPPER GUADALUPE RIVER, CALIFORNIA.—Construction of the locally preferred plan for flood damage reduction and recreation, Upper Guadalupe River, California, described as the Bypass Channel Plan of the Chief of Engineers dated August 19, 1998, at a total cost of $137,600,000, with an estimated Federal cost of $44,000,000 and an estimated non-Federal cost of $93,600,000.

(8) YUBA RIVER BASIN, CALIFORNIA.—The project for flood damage reduction, Yuba River Basin, California: Report of the Chief of Engineers dated November 25, 1998, at a total cost of $26,600,000, with an estimated Federal cost of $17,350,000 and an estimated non-Federal cost of $9,250,000.

(9) DELAWARE BAY COASTLINE: DELAWARE AND NEW JERSEY-BROADKILL BEACH, DELAWARE.—

(A) IN GENERAL.—The project for hurricane and storm damage reduction and shore protection, Delaware Bay coastline: Delaware and New Jersey-Broadkill Beach, Delaware, Report of the Chief of Engineers dated August 17, 1998, at a total cost of $9,049,000, with an estimated Federal cost of $5,674,000 and an estimated non-Federal cost of $3,375,000.

(B) PERIODIC NOURISHMENT.—Periodic nourishment is authorized for a 50-year period at an estimated average annual cost of $538,200, with an estimated annual Federal cost of $349,800 and an estimated annual non-Federal cost of $188,400.

(10) DELAWARE BAY COASTLINE: DELAWARE AND NEW JERSEY-PORT MAHON, DELAWARE.—

(A) IN GENERAL.—The project for ecosystem restoration and shore protection, Delaware Bay coastline: Delaware and New Jersey-Port Mahon, Delaware: Report of the Chief of Engineers dated September 28, 1998, at a total cost of $7,644,000, with an estimated Federal cost of $4,969,000 and an estimated non-Federal cost of $2,675,000.

(B) PERIODIC NOURISHMENT.—Periodic nourishment is authorized for a 50-year period at an estimated average annual cost of $234,000, with an estimated annual Federal cost of $152,000 and an estimated annual non-Federal cost of $82,000.

(11) HILLSBORO AND OKEECHOBEE AQUIFER STORAGE AND RECOVERY PROJECT, FLORIDA.—The project for aquifer storage and recovery described in the Corps of Engineers Central and Southern Florida Water Supply Study, Florida, dated April 1989, and in House Document 369, dated July 30, 1968, at a total cost of $27,000,000, with an estimated Federal cost of $13,500,000 and an estimated non-Federal cost of $13,500,000.

(12) INDIAN RIVER COUNTY, FLORIDA.—Notwithstanding section 1001(a) of the Water Resources Development Act of 1986 (33 U.S.C. 579a(a)), the project for shoreline protection, Indian River County, Florida, authorized by section 501(a) of that Act (100 Stat. 4134), shall remain authorized for construction through December 31, 2002.

(13) LIDO KEY BEACH, SARASOTA, FLORIDA.—

(A) IN GENERAL.—The project for shore protection at Lido Key Beach, Sarasota, Florida, authorized by section 101 of the River and Harbor Act of 1970 (84 Stat. 1819) and deauthorized by operation of section 1001(b) of the Water Resources Development Act of 1986 (33 U.S.C. 579a(b)), is authorized to be carried out by the Secretary at a total cost of $5,200,000, with an estimated Federal cost of $3,380,000 and an estimated non-Federal cost of $1,820,000.

(B) PERIODIC NOURISHMENT.—Periodic nourishment is authorized for a 50-year period at an estimated average annual cost of $602,000, with an estimated annual Federal cost of $391,000 and an estimated annual non-Federal cost of $211,000.

(14) TAMPA HARBOR-BIG BEND CHANNEL, FLORIDA.—The project for navigation, Tampa Harbor-Big Bend Channel, Florida: Report of the Chief of Engineers dated October 13, 1998, at a total cost of $12,356,000, with an estimated Federal cost of $6,235,000 and an estimated non-Federal cost of $6,121,000.

(15) BRUNSWICK HARBOR, GEORGIA.—The project for navigation, Brunswick Harbor, Georgia: Report of the Chief of Engineers dated October 6, 1998, at a total cost of $50,717,000, with an estimated Federal cost of $32,966,000 and an estimated non-Federal cost of $17,751,000.

(16) BEARGRASS CREEK, KENTUCKY.—The project for flood damage reduction, Beargrass Creek, Kentucky: Report of the Chief of Engineers dated May 12, 1998, at a total cost of $11,172,000, with an estimated Federal cost of $7,262,000 and an estimated non-Federal cost of $3,910,000.

(17) AMITE RIVER AND TRIBUTARIES, LOUISIANA, EAST BATON ROUGE PARISH WATERSHED.—The project for flood damage reduction and recreation, Amite River and Tributaries, Louisiana, East Baton Rouge Parish Watershed: Report of the Chief of Engineers, dated December 23, 1996, at a total cost of $112,900,000, with an estimated Federal cost of $73,400,000 and an estimated non-Federal cost of $39,500,000.

(18) BALTIMORE HARBOR ANCHORAGES AND CHANNELS, MARYLAND AND VIRGINIA.—

(A) IN GENERAL.—The project for navigation, Baltimore Harbor Anchorages and Channels, Maryland and Virginia, Report of the Chief of Engineers dated June 8, 1998, at a total cost of $28,426,000, with an estimated Federal cost of $18,994,000 and an estimated non-Federal cost of $9,432,000.

(B) CREDIT OR REIMBURSEMENT.—If a project cooperation agreement is entered into, the non-Federal interest shall receive credit or reimbursement of the Federal share of project costs for construction work performed by the non-Federal interest before execution of the project cooperation agreement if the Secretary finds the work to be integral to the project.

(C) STUDY OF MODIFICATIONS.—During the preconstruction engineering and design phase of the project, the Secretary shall conduct a study to determine the feasibility of undertaking further modifications to the Dundalk Marine Terminal access channels, consisting of—

(i) deepening and widening the Dundalk access channels to a depth of 50 feet and a width of 500 feet;

(ii) widening the flares of the access channels; and

(iii) providing a new flare on the west side of the entrance to the east access channel.

(D) REPORT.—

(i) IN GENERAL.—Not later than March 1, 2000, the Secretary shall submit to Congress a report on the study under subparagraph (C).

(ii) CONTENTS.—The report shall include a determination of—

(I) the feasibility of performing the project modifications described in subparagraph (C); and

(II) the appropriateness of crediting or reimbursing the Federal share of the cost of the work performed by the non-Federal interest on the project modifications.

(19) RED LAKE RIVER AT CROOKSTON, MINNESOTA.—The project for flood damage reduction, Red Lake River at Crookston, Minnesota: Report of the Chief of Engineers, dated April 20, 1998, at a total cost of $8,950,000, with an estimated Federal cost of $5,720,000 and an estimated non-Federal cost of $3,230,000.

(20) NEW JERSEY SHORE PROTECTION, TOWNSENDS INLET TO CAPE MAY INLET, NEW JERSEY.—

(A) IN GENERAL.—The project for hurricane and storm damage reduction, ecosystem restoration, and shore protection, New Jersey coastline, Townsends Inlet to Cape May Inlet, New Jersey: Report of the Chief of Engineers dated September 28, 1998, at a total cost of $56,503,000, with an estimated Federal cost of $36,727,000 and an estimated non-Federal cost of $19,776,000.

(B) PERIODIC NOURISHMENT.—Periodic nourishment is authorized for a 50-year period at an estimated average annual cost of $2,000,000, with an estimated annual Federal cost of $1,300,000 and an estimated annual non-Federal cost of $700,000.

(21) PARK RIVER, NORTH DAKOTA.—

(A) IN GENERAL.—Subject to the condition stated in subparagraph (B), the project for flood control, Park River, Grafton, North Dakota, authorized by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4121) and deauthorized under section 1001(a) of the Water Resources Development Act of 1986 (33 U.S.C. 579a), at a total cost of $28,100,000, with an estimated Federal cost of $18,265,000 and an estimated non-Federal cost of $9,835,000.

(B) CONDITION.—No construction may be initiated unless the Secretary determines through a general reevaluation report using current data, that the project is technically sound, environmentally acceptable, and economically justified.

(22) SALT CREEK, GRAHAM, TEXAS.—The project for flood control, environmental restoration, and recreation, Salt Creek, Graham, Texas: Report of the Chief of Engineers dated October 6, 1998, at a total cost of $10,080,000, with an estimated Federal cost of $6,560,000 and an estimated non-Federal cost of $3,520,000.

(b) PROJECTS SUBJECT TO A FINAL REPORT.—The following projects for water resources development and conservation and other purposes are authorized to be carried out by the Secretary substantially in accordance with the plans, and subject to the conditions recommended in a final report of the Chief of Engineers as approved by the Secretary, if a favorable report of the Chief is completed not later than December 31, 1999:

(1) NOME HARBOR IMPROVEMENTS, ALASKA.—The project for navigation, Nome Harbor Improvements, Alaska, at a total cost of $24,608,000, with an estimated first Federal cost of $19,660,000 and an estimated first non-Federal cost of $4,948,000.

(2) SEWARD HARBOR, ALASKA.—The project for navigation, Seward Harbor, Alaska, at a total cost of $12,240,000, with an estimated first Federal cost of $4,364,000 and an estimated first non-Federal cost of $7,876,000.

(3) ARROYO PASAJERO, CALIFORNIA..—The project for flood damage reduction, Arroyo Pasajero, California, at a total cost of $260,700,000, with an estimated first Federal cost of $170,100,000 and an estimated first non-Federal cost of $90,600,000.

(4) HAMILTON AIRFIELD WETLAND RESTORATION, CALIFORNIA.—The project for environmental restoration at Hamilton Airfield, California, at a total cost of $55,200,000, with an estimated Federal cost of $41,400,000 and an estimated non-Federal cost of $13,800,000.

(5) OAKLAND, CALIFORNIA.—

(A) IN GENERAL.—The project for navigation and environmental restoration, Oakland, California, at a total cost of $214,340,000, with an estimated Federal cost of $143,450,000 and an estimated non-Federal cost of $70,890,000.

(B) BERTHING AREAS AND OTHER LOCAL SERVICE FACILITIES.—The non-Federal interests shall provide berthing areas and other local service facilities necessary for the project at an estimated cost of $42,310,000.

(6) SUCCESS DAM, TULE RIVER BASIN, CALIFORNIA.—The project for flood damage reduction and water supply, Success Dam, Tule River basin, California, at a total cost of $17,900,000, with an estimated first Federal cost of $11,635,000 and an estimated first non-Federal cost of $6,265,000.

(7) DELAWARE BAY COASTLINE: DELAWARE AND NEW JERSEY-ROOSEVELT INLET-LEWES BEACH, DELAWARE.—

(A) IN GENERAL.—The project for navigation mitigation, shore protection, and hurricane and storm damage reduction, Delaware Bay coastline: Delaware and New Jersey-Roosevelt Inlet-Lewes Beach, Delaware, at a total cost of $3,393,000, with an estimated Federal cost of $2,620,000 and an estimated non-Federal cost of $773,000.

(B) PERIODIC NOURISHMENT.—Periodic nourishment is authorized for a 50-year period at an estimated average annual cost of $196,000, with an estimated annual Federal cost of $152,000 and an estimated annual non-Federal cost of $44,000.

(8) DELAWARE COAST FROM CAPE HENELOPEN TO FENWICK ISLAND, BETHANY BEACH/SOUTH BETHANY BEACH, DELAWARE.—

(A) IN GENERAL.—The project for hurricane and storm damage reduction and shore protection, Delaware Coast from Cape Henelopen to Fenwick Island, Bethany Beach/South Bethany Beach, Delaware, at a total cost of $22,205,000, with an estimated Federal cost of $14,433,000 and an estimated non-Federal cost of $7,772,000.

(B) PERIODIC NOURISHMENT.—Periodic nourishment is authorized for a 50-year period at an estimated average annual cost of $1,584,000, with an estimated annual Federal cost of $1,030,000 and an estimated annual non-Federal cost of $554,000.

(9) JACKSONVILLE HARBOR, FLORIDA.—The project for navigation, Jacksonville Harbor, Florida, at a total cost of $26,116,000, with an estimated Federal cost of $9,129,000 and an estimated non-Federal cost of $16,987,000.

(10) LITTLE TALBOT ISLAND, DUVAL COUNTY, FLORIDA.—The project for hurricane and storm damage prevention and shore protection, Little Talbot Island, Duval County, Florida, at a total cost of $5,915,000, with an estimated Federal cost of $3,839,000 and an estimated non-Federal cost of $2,076,000.

(11) PONCE DE LEON INLET, VOLUSIA COUNTY, FLORIDA.—The project for navigation and recreation, Ponce de Leon Inlet, Volusia County, Florida, at a total cost of $5,454,000, with an estimated Federal cost of $2,988,000 and an estimated non-Federal cost of $2,466,000.

(12) SAVANNAH HARBOR EXPANSION, GEORGIA.—

(A) IN GENERAL.—Subject to subparagraph (B), the Secretary may carry out the project for navigation, Savannah Harbor expansion, Georgia, substantially in accordance with the plans, and subject to the conditions, recommended in a final report of the Chief of Engineers, with such modifications as the Secretary deems appropriate, at a total cost of $230,174,000 (of which amount a portion is authorized for implementation of the mitigation plan), with an estimated Federal cost of $145,160,000 and an estimated non-Federal cost of $85,014,000.

(B) CONDITIONS.—The project authorized by subparagraph (A) may be carried out only after—

(i) the Secretary, in consultation with affected Federal, State, regional, and local entities, has reviewed and approved an Environmental Impact Statement that includes—

(I) an analysis of the impacts of project depth alternatives ranging from 42 feet through 48 feet; and

(II) a selected plan for navigation and associated mitigation plan as required by section 906(a) of the Water Resources Development Act of 1986 (33 U.S.C. 2283); and

(ii) the Secretary of the Interior, the Secretary of Commerce, and the Administrator of the Environmental Protection Agency, with the Secretary, have approved the selected plan and have determined that the mitigation plan adequately addresses the potential environmental impacts of the project.

(C) MITIGATION REQUIREMENTS.—The mitigation plan shall be implemented in advance of or concurrently with construction of the project.

(13) TURKEY CREEK BASIN, KANSAS CITY, MISSOURI AND KANSAS CITY, KANSAS.—The project for flood damage reduction, Turkey Creek Basin, Kansas City, Missouri, and Kansas City, Kansas, at a total cost of $42,875,000 with an estimated Federal cost of $25,596,000 and an estimated non-Federal cost of $17,279,000.

(14) DELAWARE BAY COASTLINE, OAKWOOD BEACH, NEW JERSEY.—

(A) IN GENERAL.—The project for hurricane and storm damage reduction, Delaware Bay coastline, Oakwood Beach, New Jersey, at a total cost of $3,380,000, with an estimated Federal cost of $2,197,000 and an estimated non-Federal cost of $1,183,000.

(B) PERIODIC NOURISHMENT.—Periodic nourishment is authorized for a 50-year period at an estimated average annual cost of $90,000, with an estimated annual Federal cost of $58,000 and an estimated annual non-Federal cost of $32,000.

(15) DELAWARE BAY COASTLINE, REEDS BEACH AND PIERCES POINT, NEW JERSEY.—The project for environmental restoration, Delaware Bay coastline, Reeds Beach and Pierces Point, New Jersey, at a total cost of $4,057,000, with an estimated Federal cost of $2,637,000 and an estimated non-Federal cost of $1,420,000.

(16) DELAWARE BAY COASTLINE, VILLAS AND VICINITY, NEW JERSEY.—The project for environmental restoration, Delaware Bay coastline, Villas and vicinity, New Jersey, at a total cost of $7,520,000, with an estimated Federal cost of $4,888,000 and an estimated non-Federal cost of $2,632,000.

(17) LOWER CAPE MAY MEADOWS, CAPE MAY POINT, NEW JERSEY.—

(A) IN GENERAL.—The project for navigation mitigation, ecosystem restoration, shore protection, and hurricane and storm damage reduction, Lower Cape May Meadows, Cape May Point, New Jersey, at a total cost of $15,952,000, with an estimated Federal cost of $12,118,000 and an estimated non-Federal cost of $3,834,000.

(B) PERIODIC NOURISHMENT.—Periodic nourishment is authorized for a 50-year period at an estimated average annual cost of $1,114,000, with an estimated annual Federal cost of $897,000 and an estimated annual non-Federal cost of $217,000.

(18) NEW JERSEY SHORE PROTECTION, BRIGANTINE INLET TO GREAT EGG HARBOR, BRIGANTINE ISLAND, NEW JERSEY.—

(A) IN GENERAL.—The project for hurricane and storm damage reduction and shore protection, New Jersey Shore protection, Brigantine Inlet to Great Egg Harbor, Brigantine Island, New Jersey, at a total cost of $4,970,000, with an estimated Federal cost of $3,230,000 and an estimated non-Federal cost of $1,740,000.

(B) PERIODIC NOURISHMENT.—Periodic nourishment is authorized for a 50-year period at an estimated average annual cost of $465,000, with an estimated annual Federal cost of $302,000 and an estimated annual non-Federal cost of $163,000.

(19) COLUMBIA RIVER CHANNEL DEEPENING, OREGON AND WASHINGTON.—

(A) IN GENERAL.—The project for navigation, Columbia River channel deepening, Oregon and Washington, at a total cost of $176,700,000, with an estimated Federal cost of $116,900,000 and an estimated non-Federal cost of $59,800,000.

(B) BERTHING AREAS AND OTHER LOCAL SERVICE FACILITIES.—The non-Federal interests shall provide berthing areas and other local service facilities necessary for the project at an estimated cost of $1,200,000.

(20) MEMPHIS HARBOR, MEMPHIS, TENNESSEE.—

(A) IN GENERAL.—Subject to subparagraph (B), the project for navigation, Memphis Harbor, Memphis, Tennessee, authorized by section 601(a) of the Water Resources Development Act of 1986 (100 Stat. 4145) and deauthorized under section 1001(a) of that Act (33 U.S.C. 579a(a)) is authorized to be carried out by the Secretary.

(B) CONDITION.—No construction may be initiated unless the Secretary determines through a general reevaluation report using current data, that the project is technically sound, environmentally acceptable, and economically justified.

(21) JOHNSON CREEK, ARLINGTON, TEXAS.—The project for flood damage reduction, environmental restoration, and recreation, Johnson Creek, Arlington, Texas, at a total cost of $20,300,000, with an estimated Federal cost of $12,000,000 and an estimated non-Federal cost of $8,300,000.

(22) HOWARD HANSON DAM, WASHINGTON.—The project for water supply and ecosystem restoration, Howard Hanson Dam, Washington, at a total cost of $75,600,000, with an estimated Federal cost of $36,900,000 and an estimated non-Federal cost of $38,700,000.

SEC. 102. PROJECT MODIFICATIONS.

(a) PROJECTS WITH REPORTS.—

(1) SAN LORENZO RIVER, CALIFORNIA.—The project for flood control, San Lorenzo River, California, authorized by section 101(a)(5) of the Water Resources Development Act of 1996 (110 Stat. 3663), is modified to authorize the Secretary to include as a part of the project streambank erosion control measures to be undertaken substantially in accordance with the report entitled ''Bank Stabilization Concept, Laurel Street Extension'', dated April 23, 1998, at a total cost of $4,000,000, with an estimated Federal cost of $2,600,000 and an estimated non-Federal cost of $1,400,000.

(2) ST. JOHNS COUNTY SHORE PROTECTION, FLORIDA.—

(A) IN GENERAL.—The project for hurricane and storm damage reduction and shore protection, St. Johns County, Florida, authorized by section 501(a) of the Water Resources Development Act of 1986 (100 Stat. 4133) is modified to authorize the Secretary to include navigation mitigation as a purpose of the project in accordance with the report of the Corps of Engineers dated November 18, 1998, at a total cost of $16,086,000, with an estimated Federal cost of $12,949,000 and an estimated non-Federal cost of $3,137,000.

(B) PERIODIC NOURISHMENT.—Periodic nourishment is authorized for a 50-year period at an estimated average annual cost of $1,251,000, with an estimated annual Federal cost of $1,007,000 and an estimated annual non-Federal cost of $244,000.

(3) WOOD RIVER, GRAND ISLAND, NEBRASKA.—The project for flood control, Wood River, Grand Island, Nebraska, authorized by section 101(a)(19) of the Water Resources Development Act of 1996 (110 Stat. 3665) is modified to authorize the Secretary to construct the project in accordance with the Corps of Engineers report dated June 29, 1998, at a total cost of $17,039,000, with an estimated Federal cost of $9,730,000 and an estimated non-Federal cost of $7,309,000.

(4) ABSECON ISLAND, NEW JERSEY.—The project for Absecon Island, New Jersey, authorized by section 101(b)(13) of the Water Resources Development Act of 1996 (110 Stat. 3668) is amended to authorize the Secretary to reimburse the non-Federal interests for all work performed, consistent with the authorized project.

(5) ARTHUR KILL, NEW YORK AND NEW JERSEY.—

(A) IN GENERAL.—The project for navigation, Arthur Kill, New York and New Jersey, authorized by section 202(b) of the Water Resources Development Act of 1986 (100 Stat. 4098) and modified by section 301(b)(11) of the Water Resources Development Act of 1996 (110 Stat. 3711), is further modified to authorize the Secretary to construct the project at a total cost of $276,800,000, with an estimated Federal cost of $183,200,000 and an estimated non-Federal cost of $93,600,000.

(B) BERTHING AREAS AND OTHER LOCAL SERVICE FACILITIES.—The non-Federal interests shall provide berthing areas and other local service facilities necessary for the project at an estimated cost of $38,900,000.

(6) WAURIKA LAKE, OKLAHOMA, WATER CONVEYANCE FACILITIES.—The requirement for the Waurika Project Master Conservancy District to repay the $2,900,000 in costs (including interest)

resulting from the October 1991 settlement of the claim of the Travelers Insurance Company before the United States Claims Court related to construction of the water conveyance facilities authorized by the first section of Public Law 88–253 (77 Stat. 841) is waived.

(b) PROJECTS SUBJECT TO REPORTS.—The following projects are modified as follows, except that no funds may be obligated to carry out work under such modifications until completion of a final report by the Chief of Engineers, as approved by the Secretary, finding that such work is technically sound, environmentally acceptable, and economically justified, as applicable:

(1) FORT PIERCE SHORE PROTECTION, FLORIDA.—

(A) IN GENERAL.—The Fort Pierce, Florida, shore protection and harbor mitigation project authorized by section 301 of the River and Harbor Act of 1965 (79 Stat. 1092) and section 506(a)(2) of the Water Resources Development Act of 1996 (110 Stat. 3757) is modified to include an additional 1-mile extension of the project and increased Federal participation in accordance with section 101(c) of the Water Resources Development Act of 1986 (33 U.S.C. 2211(c)), as described in the general reevaluation report approved by the Chief of Engineers, at an estimated total cost of $9,128,000, with an estimated Federal cost of $7,074,000 and an estimated non-Federal cost of $2,054,000.

(B) PERIODIC NOURISHMENT.—Periodic nourishment is authorized for a 50-year period for the modified project, at an estimated annual cost of $559,000, with an estimated annual Federal cost of $433,000 and an estimated annual non-Federal cost of $126,000.

(2) THORNTON RESERVOIR, COOK COUNTY, ILLINOIS.—

(A) IN GENERAL.—The Thornton Reservoir project, an element of the project for flood control, Chicagoland Underflow Plan, Illinois, authorized by section 3(a)(5) of the Water Resources Development Act of 1988 (102 Stat. 4013), is modified to authorize the Secretary to include additional permanent flood control storage attributable to the Natural Resources Conservation Service Thornton Reservoir (Structure 84), Little Calumet River Watershed, Illinois, approved under the Watershed Protection and Flood Prevention Act (16 U.S.C. 1001 et seq.).

(B) COST SHARING.—Costs for the Thornton Reservoir project shall be shared in accordance with section 103 of the Water Resources Development Act of 1986 (33 U.S.C. 2213).

(C) TRANSITIONAL STORAGE.—The Secretary of Agriculture may cooperate with non-Federal interests to provide, on a transitional basis, flood control storage for the Natural Resources Conservation Service Thornton Reservoir (Structure 84) project in the west lobe of the Thornton quarry.

(D) CREDITING.—The Secretary may credit against the non-Federal share of the Thornton Reservoir project all design and construction costs incurred by the non-Federal interests before the date of enactment of this Act.

(E) REEVALUATION REPORT.—The Secretary shall determine the credits authorized by subparagraph (D) that are integral to the Thornton Reservoir project and the current total project costs based on a limited reevaluation report.

(3) WELLS HARBOR, WELLS, MAINE.—

(A) IN GENERAL.—The project for navigation, Wells Harbor, Maine, authorized by section 101 of the River and Harbor Act of 1960 (74 Stat. 480), is modified to authorize the Secretary to realign the channel and anchorage areas based on a harbor design capacity of 150 craft.

(B) DEAUTHORIZATION OF CERTAIN PORTIONS.—The following portions of the project are not authorized after the date of enactment of this Act:

(i) The portion of the 6-foot channel the boundaries of which begin at a point with coordinates N177,992.00, E394,831.00, thence running south 83 degrees 58 minutes 14.8 seconds west 10.38 feet to a point N177,990.91, E394,820.68, thence running south 11 degrees 46 minutes 47.7 seconds west 991.76 feet to a point N177,020.04, E394,618.21, thence running south 78 degrees 13 minutes 45.7 seconds east 10.00 feet to a point N177,018.00, E394,628.00, thence running north 11 degrees 46 minutes 22.8 seconds east 994.93 feet to the point of origin.

(ii) The portion of the 6-foot anchorage the boundaries of which begin at a point with coordinates N177,778.07, E394,336.96, thence running south 51 degrees 58 minutes 32.7 seconds west 15.49 feet to a point N177,768.53, E394,324.76, thence running south 11 degrees 46 minutes 26.5 seconds west 672.87 feet to a point N177,109.82, E394,187.46, thence running south 78 degrees 13 minutes 45.7 seconds east 10.00 feet to a point N177,107.78, E394,197.25, thence running north 11 degrees 46 minutes 25.4 seconds east 684.70 feet to the point of origin.

(iii) The portion of the 10-foot settling basin the boundaries of which begin at a point with coordinates N177,107.78, E394,197.25, thence running north 78 degrees 13 minutes 45.7 seconds west 10.00 feet to a point N177,109.82, E394,187.46, thence running south 11 degrees 46 minutes 15.7 seconds west 300.00 feet to a point N176,816.13, E394,126.26, thence running south 78 degrees 12 minutes 21.4 seconds east 9.98 feet to a point N176,814.09, E394,136.03, thence running north 11 degrees 46 minutes 29.1 seconds east 300.00 feet to the point of origin.

(iv) The portion of the 10-foot settling basin the boundaries of which begin at a point with coordinates N177,018.00, E394,628.00, thence running north 78 degrees 13 minutes 45.7 seconds west 10.00 feet to a point N177,020.04, E394,618.21, thence running south 11 degrees 46 minutes 44.0 seconds west 300.00 feet to a point N176,726.36, E394,556.97, thence running south 78 degrees 12 minutes 30.3 seconds east 10.03 feet to a point N176,724.31, E394,566.79, thence running north 11 degrees 46 minutes 22.4 seconds east 300.00 feet to the point of origin.

(C) REDESIGNATIONS AS PART OF THE 6-FOOT ANCHORAGE.—The following portions of the project shall be redesignated as part of the 6-foot anchorage:

(i) The portion of the 6-foot channel the boundaries of which begin at a point with coordinates N177,990.91, E394,820.68, thence running south 83 degrees 58 minutes 40.8 seconds west 94.65 feet to a point N177,980.98, E394,726.55, thence running south 11 degrees 46 minutes 22.4 seconds west 962.83 feet to a point N177,038.40, E394,530.10, thence running south 78 degrees 13 minutes 45.7 seconds east 90.00 feet to a point N177,020.04, E394,618.21, thence running north 11 degrees 46 minutes 47.7 seconds east 991.76 feet to the point of origin.

(ii) The portion of the 10-foot inner harbor settling basin the boundaries of which begin at a point with coordinates N177,020.04, E394,618.21, thence running north 78 degrees 13 minutes 30.5 seconds west 160.00 feet to a point N177,052.69, E394,461.58, thence running south 11 degrees 46 minutes 45.4 seconds west 299.99 feet to a point N176,759.02, E394,400.34, thence running south 78 degrees 13 minutes 17.9 seconds east 160 feet to a point N176,726.36, E394,556.97, thence running north 11 degrees 46 minutes 44.0 seconds east 300.00 feet to the point of origin.

(D) REDESIGNATION AS PART OF THE 6-FOOT CHANNEL.—The following portion of the project shall be redesignated as part of the 6-foot channel: the portion the boundaries of which begin at a point with coordinates N178,102.26, E394,751.83, thence running south 51 degrees 59 minutes 42.1 seconds west 526.51 feet to a point N177,778.07, E394,336.96, thence running south 11 degrees 46 minutes 26.6 seconds west 511.83 feet to a point N177,277.01, E394,232.52, thence running south 78 degrees 13 minutes 17.9 seconds east 80.00 feet to a point N177,260.68, E394,310.84, thence running north 11 degrees 46 minutes 24.8 seconds east 482.54 feet to a point N177,733.07, E394,409.30, thence running north 51 degrees 59 minutes 41.0 seconds east 402.63 feet to a point N177,980.98, E394,726.55, thence running north 11 degrees 46 minutes 27.6 seconds east 123.89 feet to the point of origin.

(E) REALIGNMENT.—The portion of the project described in subparagraph (D) shall be realigned to include the area located south of the inner harbor settling basin in existence on the date of enactment of this Act beginning at a point with coordinates N176,726.36, E394,556.97, thence running north 78 degrees 13 minutes 17.9 seconds west 160.00 feet to a point N176,759.02, E394,400.34, thence running south 11 degrees 47 minutes 03.8 seconds west 45 feet to a point N176,714.97, E394,391.15, thence running south 78 degrees 13 minutes 17.9 seconds 160.00 feet to a point N176,682.31, E394,547.78, thence running north 11 degrees 47 minutes 03.8 seconds east 45 feet to the point of origin.

(F) RELOCATION.—The Secretary may relocate the settling basin feature of the project to the outer harbor between the jetties.

(G) CONSERVATION EASEMENT.—The Secretary of the Interior, acting through the Director of the United States Fish and Wildlife Service, may accept a conveyance of the right, but not the obligation, to enforce a conservation easement to be held by the State of Maine over certain land owned by the town of Wells, Maine, that is adjacent to the Rachel Carson National Wildlife Refuge.

(4) NEW YORK HARBOR AND ADJACENT CHANNELS, PORT JERSEY, NEW JERSEY.—

(A) IN GENERAL.—The project for navigation, New York Harbor and adjacent channels, Port Jersey, New Jersey, authorized by section 201(b) of the Water Resources Development Act of 1986 (100 Stat. 4091), is modified to authorize the Secretary to construct the project at a total cost of $102,545,000, with an estimated Federal cost of $76,909,000 and an estimated non-Federal cost of $25,636,000.

(B) BERTHING AREAS AND OTHER LOCAL FACILITIES.—The non-Federal interests shall provide berthing areas and other local service facilities necessary for the project at an estimated cost of $722,000.

(5) WILLAMETTE RIVER TEMPERATURE CONTROL, MCKENZIE SUBBASIN, OREGON.—The project for environmental restoration, Willamette River Temperature Control, McKenzie Subbasin, Oregon, authorized by section 101(a)(25) of the Water Resources Development Act of 1996 (110 Stat. 3665), is modified to authorize the Secretary to construct the project at a total Federal cost of $64,741,000.

(6) WHITE RIVER BASIN, ARKANSAS AND MISSOURI.—

(A) IN GENERAL.—The project for flood control, power generation and other purposes at the White River Basin, Arkansas and Missouri, authorized by section 4 of the Act of June 28, 1938 (52 Stat. 1218, chapter 795), and modified by House Document 917, Seventy-sixth Congress, Third Session, and House Document 290, Seventy-seventh Congress, First Session, approved August 18, 1941, and House Document 499, Eighty-third Congress, Second Session, approved September 3, 1954, and by section 304 of the Water Resources Development Act of 1996 (110 Stat. 3711) is modified to authorize the Secretary to provide minimum flows necessary to sustain tail water trout fisheries by reallocating the following amounts of project storage: Beaver Lake, 3.5 feet; Table Rock, 2 feet; Bull Shoals Lake, 5 feet; Norfork Lake, 3.5 feet; and Greers Ferry Lake, 3 feet. The Secretary shall complete such report and submit it to the Congress by July 30, 2000.

(B) REPORT.—The report of the Chief of Engineers, required by this subsection, shall also include a determination that the modification of the project in subparagraph (A) does not adversely affect other authorized project purposes, and that no Federal costs are incurred.

(c) BEAVER LAKE, ARKANSAS, WATER SUPPLY STORAGE REALLOCATION.—The Secretary shall reallocate approximately 31,000 additional acre-

feet at Beaver Lake, Arkansas, to water supply storage at no cost to the Beaver Water District or the Carroll-Boone Water District, except that at no time shall the bottom of the conservation pool be at an elevation that is less than 1,076 feet, NGVD.

(d) TOLCHESTER CHANNEL S-TURN, BALTIMORE, MARYLAND.—The project for navigation, Baltimore Harbor and Channels, Maryland, authorized by section 101 of the River and Harbor Act of 1958 (72 Stat. 297), is modified to direct the Secretary to straighten the Tolchester Channel S-turn as part of project maintenance.

(e) TROPICANA WASH AND FLAMINGO WASH, NEVADA.—Any Federal costs associated with the Tropicana and Flamingo Washes, Nevada, authorized by section 101(13) of the Water Resources Development Act of 1992 (106 Stat. 4803), incurred by the non-Federal interest to accelerate or modify construction of the project, in cooperation with the Corps of Engineers, shall be considered to be eligible for reimbursement by the Secretary.

(f) REDIVERSION PROJECT, COOPER RIVER, CHARLESTON HARBOR, SOUTH CAROLINA.—

(1) IN GENERAL.—The rediversion project, Cooper River, Charleston Harbor, South Carolina, authorized by section 101 of the River and Harbor Act of 1968 (82 Stat. 731) and modified by title I of the Energy and Water Development Appropriations Act, 1992 (105 Stat. 517), is modified to authorize the Secretary to pay the State of South Carolina not more than $3,750,000, if the State enters into an agreement with the Secretary providing that the State shall perform all future operation of the St. Stephen, South Carolina, fish lift (including associated studies to assess the efficacy of the fish lift).

(2) CONTENTS.—The agreement shall specify the terms and conditions under which payment will be made and the rights of, and remedies available to, the Secretary to recover all or a portion of the payment if the State suspends or terminates operation of the fish lift or fails to perform the operation in a manner satisfactory to the Secretary.

(3) MAINTENANCE.—Maintenance of the fish lift shall remain a Federal responsibility.

(g) TRINITY RIVER AND TRIBUTARIES, TEXAS.—The project for flood control and navigation, Trinity River and tributaries, Texas, authorized by section 301 of the River and Harbor Act of 1965 (79 Stat. 1091), is modified to add environmental restoration as a project purpose.

(h) BEACH EROSION CONTROL AND HURRICANE PROTECTION, VIRGINIA BEACH, VIRGINIA.—

(1) ACCEPTANCE OF FUNDS.—In any fiscal year that the Corps of Engineers does not receive appropriations sufficient to meet expected project expenditures for that year, the Secretary shall accept from the city of Virginia Beach, Virginia, for purposes of the project for beach erosion control and hurricane protection, Virginia Beach, Virginia, authorized by section 501(a) of the Water Resources Development Act of 1986 (100 Stat. 4136), such funds as the city may advance for the project.

(2) REPAYMENT.—Subject to the availability of appropriations, the Secretary shall repay, without interest, the amount of any advance made under paragraph (1), from appropriations that may be provided by Congress for river and harbor, flood control, shore protection, and related projects.

(i) ELIZABETH RIVER, CHESAPEAKE, VIRGINIA.—Notwithstanding any other provision of law, after the date of enactment of this Act, the city of Chesapeake, Virginia, shall not be obligated to make the annual cash contribution required under paragraph 1(9) of the Local Cooperation Agreement dated December 12, 1978, between the Government and the city for the project for navigation, southern branch of Elizabeth River, Chesapeake, Virginia.

(j) PAYMENT OPTION, MOOREFIELD, WEST VIRGINIA.—The Secretary may permit the non-Federal interests for the project for flood control, Moorefield, West Virginia, to pay without interest the remaining non-Federal cost over a period not to exceed 30 years, to be determined by the Secretary.

(k) MIAMI DADE AGRICULTURAL AND RURAL LAND RETENTION PLAN AND SOUTH BISCAYNE, FLORIDA.—Section 528(b)(3) of the Water Resources Development Act of 1996 (110 Stat. 3768) is amended by adding at the end the following:

''(D) CREDIT AND REIMBURSEMENT OF PAST AND FUTURE ACTIVITIES.—The Secretary may afford credit to or reimburse the non-Federal sponsors (using funds authorized by subparagraph (C)) for the reasonable costs of any work that has been performed or will be performed in connection with a study or activity meeting the requirements of subparagraph (A) if—

''(i) the Secretary determines that—

''(I) the work performed by the non-Federal sponsors will substantially expedite completion of a critical restoration project; and

''(II) the work is necessary for a critical restoration project; and

''(ii) the credit or reimbursement is granted pursuant to a project-specific agreement that prescribes the terms and conditions of the credit or reimbursement.''.

(l) LAKE MICHIGAN, ILLINOIS.—

(1) IN GENERAL.—The project for storm damage reduction and shoreline protection, Lake Michigan, Illinois, from Wilmette, Illinois, to the Illinois-Indiana State line, authorized by section 101(a)(12) of the Water Resources Development Act of 1996 (110 Stat. 3664), is modified to provide for reimbursement for additional project work undertaken by the non-Federal interest.

(2) CREDIT OR REIMBURSEMENT.—The Secretary shall credit or reimburse the non-Federal interest for the Federal share of project costs incurred by the non-Federal interest in designing, constructing, or reconstructing reach 2F (700 feet south of Fullerton Avenue and 500 feet north of Fullerton Avenue), reach 3M (Meigs Field), and segments 7 and 8 of reach 4 (43rd Street to 57th Street), if the non-Federal interest carries out the work in accordance with plans approved by the Secretary, at an estimated total cost of $83,300,000.

(3) REIMBURSEMENT.—The Secretary shall reimburse the non-Federal interest for the Federal share of project costs incurred by the non-Federal interest in reconstructing the revetment structures protecting Solidarity Drive in Chicago, Illinois, before the signing of the project cooperation agreement, at an estimated total cost of $7,600,000.

(m) MEASUREMENTS OF LAKE MICHIGAN DIVERSIONS, ILLINOIS.—Section 1142(b) of the Water Resources Development Act of 1986 (100 Stat. 4253) is amended by striking ''$250,000 per fiscal year for each fiscal year beginning after September 30, 1986'' and inserting ''a total of $1,250,000 for each of fiscal years 1999 through 2003''.

(n) PROJECT FOR NAVIGATION, DUBUQUE, IOWA.—The project for navigation at Dubuque, Iowa, authorized by section 101 of the River and Harbor Act of 1960 (74 Stat. 482), is modified to authorize the development of a wetland demonstration area of approximately 1.5 acres to be developed and operated by the Dubuque County Historical Society or a successor nonprofit organization.

(o) LOUISIANA STATE PENITENTIARY LEVEE.—The Secretary may credit against the non-Federal share work performed in the project area of the Louisiana State Penitentiary Levee, Mississippi River, Louisiana, authorized by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4117).

(p) JACKSON COUNTY, MISSISSIPPI.—The project for environmental infrastructure, Jackson County, Mississippi, authorized by section 219(c)(5) of the Water Resources Development Act of 1992 (106 Stat. 4835) and modified by section 504 of the Water Resources Development Act of 1996 (110 Stat. 3757), is modified to direct the Secretary to provide a credit, not to exceed $5,000,000, against the non-Federal share of the cost of the project for the costs incurred by the Jackson County Board of Supervisors since February 8, 1994, in constructing the project, if the Secretary determines that such costs are for work that the Secretary determines was compatible with and integral to the project.

(q) RICHARD B. RUSSELL DAM AND LAKE, SOUTH CAROLINA.—

(1) IN GENERAL.—Except as otherwise provided in this paragraph, the Secretary shall convey to the State of South Carolina all right, title, and interest of the United States in the parcels of land described in paragraph (2)(A) that are currently being managed by the South Carolina Department of Natural Resources for fish and wildlife mitigation purposes for the Richard B. Russell Dam and Lake, South Carolina, project authorized by the Flood Control Act of 1966 and modified by the Water Resources Development Act of 1986.

(2) LAND DESCRIPTION.—

(A) IN GENERAL.—The parcels of land to be conveyed are described in Exhibits A, F, and H of Army Lease No. DACW21–1–93–0910 and associated supplemental agreements or are designated in red in Exhibit A of Army License No. DACW21–3–85–1904, excluding all designated parcels in the license that are below elevation 346 feet mean sea level or that are less than 300 feet measured horizontally from the top of the power pool.

(B) MANAGEMENT OF EXCLUDED PARCELS.—Management of the excluded parcels shall continue in accordance with the terms of Army License No. DACW21–3–85–1904 until the Secretary and the State enter into an agreement under paragraph (6).

(C) SURVEY.—The exact acreage and legal description of the land shall be determined by a survey satisfactory to the Secretary, with the cost of the survey borne by the State.

(3) COSTS OF CONVEYANCE.—The State shall be responsible for all costs, including real estate transaction and environmental compliance costs, associated with the conveyance.

(4) PERPETUAL STATUS.—

(A) IN GENERAL.—All land conveyed under this paragraph shall be retained in public ownership and shall be managed in perpetuity for fish and wildlife mitigation purposes in accordance with a plan approved by the Secretary.

(B) REVERSION.—If any parcel of land is not managed for fish and wildlife mitigation purposes in accordance with the plan, title to the parcel shall revert to the United States.

(5) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance as the Secretary considers appropriate to protect the interests of the United States.

(6) FISH AND WILDLIFE MITIGATION AGREEMENT.—

(A) IN GENERAL.—The Secretary may pay the State of South Carolina not more than $4,850,000 subject to the Secretary and the State entering into a binding agreement for the State to manage for fish and wildlife mitigation purposes in perpetuity the lands conveyed under this paragraph and excluded parcels designated in Exhibit A of Army License No. DACW21–3–85–1904.

(B) FAILURE OF PERFORMANCE.—The agreement shall specify the terms and conditions under which payment will be made and the rights of, and remedies available to, the Federal Government to recover all or a portion of the payment if the State fails to manage any parcel in a manner satisfactory to the Secretary.

(r) LAND CONVEYANCE, CLARKSTON, WASHINGTON.—

(1) IN GENERAL.—The Secretary shall convey to the Port of Clarkston, Washington, all right, title, and interest of the United States in and to a portion of the land described in the Department of the Army lease No. DACW68–1–97–22, consisting of approximately 31 acres, the exact boundaries of which shall be determined by the Secretary and the Port of Clarkston.

(2) ADDITIONAL LAND.—The Secretary may convey to the Port of Clarkston, Washington,

such additional land located in the vicinity of Clarkston, Washington, as the Secretary determines to be excess to the needs of the Columbia River Project and appropriate for conveyance.

(3) TERMS AND CONDITIONS.—The conveyances made under paragraphs (1) and (2) shall be subject to such terms and conditions as the Secretary determines to be necessary to protect the interests of the United States, including a requirement that the Port of Clarkston pay all administrative costs associated with the conveyances, including the cost of land surveys and appraisals and costs associated with compliance with applicable environmental laws (including regulations).

(4) USE OF LAND.—The Port of Clarkston shall be required to pay the fair market value, as determined by the Secretary, of any land conveyed pursuant to paragraphs (1) and (2) that is not retained in public ownership and used for public park or recreation purposes, except that the Secretary shall have a right of reverter to reclaim possession and title to any such land.

(s) WHITE RIVER, INDIANA.—The project for flood control, Indianapolis on West Fork of the White River, Indiana, authorized by section 5 of the Act entitled ''An Act authorizing the construction of certain public works on rivers and harbors for flood control, and other purposes'', approved June 22, 1936 (49 Stat. 1586, chapter 688), as modified by section 323 of the Water Resources Development Act of 1996 (110 Stat. 3716), is modified to authorize the Secretary to undertake the riverfront alterations described in the Central Indianapolis Waterfront Concept Plan, dated February 1994, for the Canal Development (Upper Canal feature) and the Beveridge Paper feature, at a total cost not to exceed $25,000,000, of which $12,500,000 is the estimated Federal cost and $12,500,000 is the estimated non-Federal cost, except that no such alterations may be undertaken unless the Secretary determines that the alterations authorized by this subsection, in combination with the alterations undertaken under section 323 of the Water Resources Development Act of 1996 (110 Stat. 3716), are economically justified.

(t) FOX POINT HURRICANE BARRIER, PROVIDENCE, RHODE ISLAND.—The project for hurricane-flood protection, Fox Point, Providence, Rhode Island, authorized by section 203 of the Flood Control Act of 1958 (72 Stat. 306) is modified to direct the Secretary to undertake the necessary repairs to the barrier, as identified in the Condition Survey and Technical Assessment dated April 1998 with Supplement dated August 1998, at a total cost of $3,000,000, with an estimated Federal cost of $1,950,000 and an estimated non-Federal cost of $1,050,000.

(u) LEE COUNTY, CAPTIVA ISLAND SEGMENT, FLORIDA.—

(1) IN GENERAL.—The project for shoreline protection, Lee County, Captiva Island segment, Florida, authorized by section 506(b)(3)(A) of the Water Resources Development Act of 1996 (110 Stat. 3758), is modified to direct the Secretary to enter into an agreement with the non-Federal interest to carry out the project in accordance with section 206 of the Water Resources Development Act of 1992 (33 U.S.C. 426i–1).

(2) DECISION DOCUMENT.—The design memorandum approved in 1996 shall be the decision document supporting continued Federal participation in cost sharing of the project.

(v) COLUMBIA RIVER CHANNEL, WASHINGTON AND OREGON.—

(1) IN GENERAL.—The project for navigation, Columbia River between Vancouver, Washington, and The Dalles, Oregon, authorized by the first section of the Act of July 24, 1946 (60 Stat. 637, chapter 595), is modified to authorize the Secretary to construct an alternate barge channel to traverse the high span of the Interstate Route 5 bridge between Portland, Oregon, and Vancouver, Washington, to a depth of 17 feet, with a width of approximately 200 feet through the high span of the bridge and a width of approximately 300 feet upstream of the bridge.

(2) DISTANCE UPSTREAM.—The channel shall continue upstream of the bridge approximately 2,500 feet to about river mile 107, then to a point of convergence with the main barge channel at about river mile 108.

(3) DISTANCE DOWNSTREAM.—

(A) SOUTHERN EDGE.—The southern edge of the channel shall continue downstream of the bridge approximately 1,500 feet to river mile 106+10, then turn northwest to tie into the edge of the Upper Vancouver Turning Basin.

(B) NORTHERN EDGE.—The northern edge of the channel shall continue downstream of the bridge to the Upper Vancouver Turning Basin.

SEC. 103. PROJECT DEAUTHORIZATIONS.

(a) BRIDGEPORT HARBOR, CONNECTICUT.—The portion of the project for navigation, Bridgeport Harbor, Connecticut, authorized by section 101 of the River and Harbor Act of 1958 (72 Stat. 297), consisting of a 2.4-acre anchorage area 9 feet deep and an adjacent 0.60-acre anchorage area 6 feet deep, located on the west side of Johnsons River, Connecticut, is not authorized after the date of enactment of this Act.

(b) BASS HARBOR, MAINE.—

(1) DEAUTHORIZATION.—The portions of the project for navigation, Bass Harbor, Maine, authorized on May 7, 1962, under section 107 of the River and Harbor Act of 1960 (33 U.S.C. 577) described in paragraph (2) are not authorized after the date of enactment of this Act.

(2) DESCRIPTION.—The portions of the project referred to in paragraph (1) are described as follows:

(A) Beginning at a bend in the project, N149040.00, E538505.00, thence running easterly about 50.00 feet along the northern limit of the project to a point, N149061.55, E538550.11, thence running southerly about 642.08 feet to a point, N148477.64, E538817.18, thence running southwesterly about 156.27 feet to a point on the westerly limit of the project, N148348.50, E538737.02, thence running northerly about 149.00 feet along the westerly limit of the project to a bend in the project, N148489.22, E538768.09, thence running northwesterly about 610.39 feet along the westerly limit of the project to the point of origin.

(B) Beginning at a point on the westerly limit of the project, N148118.55, E538689.05, thence running southeasterly about 91.92 feet to a point, N148041.43, E538739.07, thence running southerly about 65.00 feet to a point, N147977.86, E538725.51, thence running southwesterly about 91.92 feet to a point on the westerly limit of the project, N147927.84, E538648.39, thence running northerly about 195.00 feet along the westerly limit of the project to the point of origin.

(c) BOOTHBAY HARBOR, MAINE.—The project for navigation, Boothbay Harbor, Maine, authorized by the Act of July 25, 1912 (37 Stat. 201, chapter 253), is not authorized after the date of enactment of this Act.

(d) CARVERS HARBOR, VINALHAVEN, MAINE.—

(1) DEAUTHORIZATION.—The portion of the project for navigation, Carvers Harbor, Vinalhaven, Maine, authorized by the Act of June 3, 1896 (commonly known as the ''River and Harbor Appropriations Act of 1896'') (29 Stat. 202, chapter 314), described in paragraph (2) is not authorized after the date of enactment of this Act.

(2) DESCRIPTION.—The portion of the project referred to in paragraph (1) is the portion of the 16-foot anchorage beginning at a point with coordinates N137,502.04, E895,156.83, thence running south 6 degrees 34 minutes 57.6 seconds west 277.660 feet to a point N137,226.21, E895,125.00, thence running north 53 degrees, 5 minutes 42.4 seconds west 127.746 feet to a point N137,302.92, E895022.85, thence running north 33 degrees 56 minutes 9.8 seconds east 239.999 feet to the point of origin.

(e) EAST BOOTHBAY HARBOR, MAINE.—Section 364 of the Water Resources Development Act of 1996 (110 Stat. 3731) is amended by striking paragraph (9) and inserting the following:

''(9) EAST BOOTHBAY HARBOR, MAINE.—The project for navigation, East Boothbay Harbor, Maine, authorized by the first section of the Act entitled 'An Act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes', approved June 25, 1910 (36 Stat. 657).''.

(f) SEARSPORT HARBOR, SEARSPORT, MAINE.—

(1) DEAUTHORIZATION.—The portion of the project for navigation, Searsport Harbor, Searsport, Maine, authorized by section 101 of the River and Harbor Act of 1962 (76 Stat. 1173), described in paragraph (2) is not authorized after the date of enactment of this Act.

(2) DESCRIPTION.—The portion of the project referred to in paragraph (1) is the portion of the 35-foot turning basin beginning at a point with coordinates N225,008.38, E395,464.26, thence running north 43 degrees 49 minutes 53.4 seconds east 362.001 feet to a point N225,269.52, E395,714.96, thence running south 71 degrees 27 minutes 33.0 seconds east 1,309.201 feet to a point N224,853.22, E396,956.21, thence running north 84 degrees 3 minutes 45.7 seconds west 1,499.997 feet to the point of origin.

SEC. 104. STUDIES.

(a) CADDO LEVEE, RED RIVER BELOW DENISON DAM, ARIZONA, LOUISIANA, OKLAHOMA, AND TEXAS.—The Secretary shall conduct a study to determine the feasibility of undertaking a project for flood control, Caddo Levee, Red River Below Denison Dam, Arizona, Louisiana, Oklahoma, and Texas, including incorporating the existing levee, along Twelve Mile Bayou from its juncture with the existing Red River Below Denison Dam Levee approximately 26 miles upstream to its terminus at high ground in the vicinity of Black Bayou, Louisiana.

(b) BOYDSVILLE, ARKANSAS.—The Secretary shall conduct a study to determine the feasibility of reservoir and associated improvements to provide for flood control, recreation, water quality, water supply, and fish and wildlife purposes in the vicinity of Boydsville, Arkansas.

(c) UNION COUNTY, ARKANSAS.—The Secretary shall conduct a study to determine the feasibility of municipal and industrial water supply for Union County, Arkansas.

(d) WHITE RIVER BASIN, ARKANSAS AND MISSOURI.—

(1) IN GENERAL.—The Secretary shall conduct a study of the project for flood control, power generation, and other purposes at the White River Basin, Arkansas and Missouri, authorized by section 4 of the Act of June 28, 1938 (52 Stat. 1218, chapter 795), and modified by H. Doc. 917, 76th Cong., 3d Sess., and H. Doc. 290, 77th Cong., 1st Sess., approved August 18, 1941, and H. Doc. 499, 83d Cong., 2d Sess., approved September 3, 1954, and by section 304 of the Water Resources Development Act of 1996 (110 Stat. 3711) to determine the feasibility of modifying the project to provide minimum flows necessary to sustain the tail water trout fisheries.

(2) REPORT.—Not later than July 30, 2000, the Secretary shall submit to Congress a report on the study and any recommendations on reallocation of storage at Beaver Lake, Table Rock, Bull Shoals Lake, Norfolk Lake, and Greers Ferry Lake.

(e) FIELDS LANDING CHANNEL, HUMBOLDT HARBOR, CALIFORNIA.—The Secretary—

(1) shall conduct a study for the project for navigation, Fields Landing Channel, Humboldt Harbor and Bay, California, to a depth of minus 35 feet (MLLW), and for that purpose may use any feasibility report prepared by the non-Federal sponsor under section 203 of the Water Resources Development Act of 1986 (33 U.S.C. 2231) for which reimbursement of the Federal share of the study is authorized subject to the availability of appropriations; and

(2) may carry out the project under section 107 of the River and Harbor Act of 1960 (33 U.S.C. 577), if the Secretary determines that the project is feasible.

(f) FRAZIER CREEK, TULARE COUNTY, CALIFORNIA.—The Secretary shall conduct a study to determine—

(1) the feasibility of restoring Frazier Creek, Tulare County, California; and

(2) the Federal interest in flood control, environmental restoration, conservation of fish and wildlife resources, recreation, and water quality of the creek.

(g) STRAWBERRY CREEK, BERKELEY, CALIFORNIA.—The Secretary shall conduct a study to determine the feasibility of restoring Strawberry Creek, Berkeley, California, and the Federal interest in environmental restoration, conservation of fish and wildlife resources, recreation, and water quality.

(h) WEST SIDE STORM WATER RETENTION FACILITY, CITY OF LANCASTER, CALIFORNIA.—The Secretary shall conduct a study to determine the feasibility of undertaking measures to construct the West Side Storm Water Retention Facility in the city of Lancaster, California.

(i) APALACHICOLA RIVER, FLORIDA.—The Secretary shall conduct a study for the purpose of identifying—

(1) alternatives for the management of material dredged in connection with operation and maintenance of the Apalachicola River Navigation Project; and

(2) alternatives that reduce the requirements for such dredging.

(j) BROWARD COUNTY, SAND BYPASSING AT PORT EVERGLADES, FLORIDA.—The Secretary shall conduct a study to determine the feasibility of constructing a sand bypassing project at the Port Everglades Inlet, Florida.

(k) CITY OF DESTIN-NORIEGA POINT BREAKWATER, FLORIDA.—The Secretary shall conduct a study to determine the feasibility of—

(1) restoring Noriega Point, Florida, to serve as a breakwater for Destin Harbor; and

(2) including Noriega Point as part of the East Pass, Florida, navigation project.

(l) GATEWAY TRIANGLE REDEVELOPMENT AREA, FLORIDA.—

(1) IN GENERAL.—The Secretary shall conduct a study to determine the feasibility of undertaking measures to reduce the flooding problems in the vicinity of Gateway Triangle Redevelopment Area, Florida.

(2) STUDIES AND REPORTS.—The study shall include a review and consideration of studies and reports completed by the non-Federal interests.

(m) CITY OF PLANT CITY, FLORIDA.—

(1) IN GENERAL.—The Secretary shall conduct a study to determine the feasibility of a flood control project in the city of Plant City, Florida.

(2) STUDIES AND REPORTS.—In conducting the study, the Secretary shall review and consider studies and reports completed by the non-Federal interests.

(n) BOISE, IDAHO.—The Secretary shall conduct a study to determine the feasibility of undertaking flood control on the Boise River in Boise, Idaho.

(o) GOOSE CREEK WATERSHED, OAKLEY, IDAHO.—The Secretary shall conduct a study to determine the feasibility of undertaking flood damage reduction, water conservation, ground water recharge, ecosystem restoration, and related purposes along the Goose Creek watershed near Oakley, Idaho.

(p) LITTLE WOOD RIVER, GOODING, IDAHO.—The Secretary shall conduct a study to determine the feasibility of restoring and repairing the Lava Rock Little Wood River Containment System to prevent flooding in the city of Gooding, Idaho.

(q) BANK STABILIZATION, SNAKE RIVER, LEWISTON, IDAHO.—The Secretary shall conduct a study to determine the feasibility of undertaking bank stabilization and flood control on the Snake River at Lewiston, Idaho.

(r) SNAKE RIVER AND PAYETTE RIVER, IDAHO.—The Secretary shall conduct a study to determine the feasibility of a flood control project along the Snake River and Payette River, in the vicinity of Payette, Idaho.

(s) ACADIANA NAVIGATION CHANNEL, LOUISIANA.—The Secretary shall conduct a study to determine the feasibility of assuming operations and maintenance for the Acadiana Navigation Channel located in Iberia and Vermillion Parishes, Louisiana.

(t) CAMERON PARISH WEST OF CALCASIEU RIVER, LOUISIANA.—The Secretary shall conduct a study to determine the feasibility of a storm damage reduction and ecosystem restoration project for Cameron Parish west of Calcasieu River, Louisiana.

(u) BENEFICIAL USE OF DREDGED MATERIAL, COASTAL LOUISIANA.—The Secretary shall conduct a study to determine the feasibility of using dredged material from maintenance activities at Federal navigation projects in coastal Louisiana to benefit coastal areas in the State.

(v) CONTRABAND BAYOU NAVIGATION CHANNEL, LOUISIANA.—The Secretary shall conduct a study to determine the feasibility of assuming the maintenance at Contraband Bayou, Calcasieu River Ship Canal, Louisiana.

(w) GOLDEN MEADOW LOCK, LOUISIANA.—The Secretary shall conduct a study to determine the feasibility of converting the Golden Meadow floodgate into a navigation lock to be included in the Larose to Golden Meadow Hurricane Protection Project, Louisiana.

(x) GULF INTRACOASTAL WATERWAY ECOSYSTEM PROTECTION, CHEF MENTEUR TO SABINE RIVER, LOUISIANA.—

(1) IN GENERAL.—The Secretary shall conduct a study to determine the feasibility of undertaking ecosystem restoration and protection measures along the Gulf Intracoastal Waterway from Chef Menteur to Sabine River, Louisiana.

(2) MATTERS TO BE ADDRESSED.—The study shall address saltwater intrusion, tidal scour, erosion, compaction, subsidence, wind and wave action, bank failure, and other problems relating to water resources in the area.

(y) LAKE PONTCHARTRAIN, LOUISIANA, AND VICINITY, ST. CHARLES PARISH PUMPS.—The Secretary shall conduct a study to determine the feasibility of modifying the Lake Pontchartrain Hurricane Protection Project to include the St. Charles Parish Pumps and the modification of the seawall fronting protection along Lake Pontchartrain in Orleans Parish, from New Basin Canal on the west to the Inner Harbor Navigation Canal on the east.

(z) LAKE PONTCHARTRAIN AND VICINITY SEAWALL RESTORATION, LOUISIANA.—The Secretary shall conduct a study to determine the feasibility of undertaking structural modifications of that portion of the seawall fronting protection along the south shore of Lake Pontchartrain in Orleans Parish, Louisiana, extending approximately 5 miles from the new basin Canal on the west to the Inner Harbor Navigation Canal on the east as a part of the Lake Pontchartrain and Vicinity Hurricane Protection Project, authorized by section 204 of the Flood Control Act of 1965 (79 Stat. 1077).

(aa) MUDDY RIVER, BROOKLINE AND BOSTON, MASSACHUSETTS.—

(1) IN GENERAL.—The Secretary shall evaluate the January 1999 study commissioned by the Boston Parks and Recreation Department, Boston, Massachusetts, and entitled ''The Emerald Necklace Environmental Improvement Master Plan, Phase I Muddy River Flood Control, Water Quality and Habitat Enhancement'', to determine whether the plans outlined in the study for flood control, water quality, habitat enhancements, and other improvements to the Muddy River in Brookline and Boston, Massachusetts, are cost-effective, technically sound, environmentally acceptable, and in the Federal interest.

(2) REPORT.—Not later than December 31, 1999, the Secretary shall report to Congress the results of the evaluation.

(bb) DETROIT RIVER, MICHIGAN, GREENWAY CORRIDOR STUDY.—

(1) IN GENERAL.—The Secretary shall conduct a study to determine the feasibility of a project for shoreline protection, frontal erosion, and associated purposes in the Detroit River shoreline area from the Belle Isle Bridge to the Ambassador Bridge in Detroit, Michigan.

(2) POTENTIAL MODIFICATIONS.—As a part of the study, the Secretary shall review potential project modifications to any existing Corps projects within the same area.

(cc) ST. CLAIR SHORES FLOOD CONTROL, MICHIGAN.—The Secretary shall conduct a study to determine the feasibility of constructing a flood control project at St. Clair Shores, Michigan.

(dd) WOODTICK PENINSULA, MICHIGAN, AND TOLEDO HARBOR, OHIO.—The Secretary shall conduct a study to determine the feasibility of utilizing dredged material from Toledo Harbor, Ohio, to provide erosion reduction, navigation, and ecosystem restoration at Woodtick Peninsula, Michigan.

(ee) DREDGED MATERIAL MANAGEMENT, PASCAGOULA HARBOR, MISSISSIPPI.—

(1) IN GENERAL.—The Secretary shall conduct a study to determine an alternative plan for dredged material management for the Pascagoula River portion of the project for navigation, Pascagoula Harbor, Mississippi, authorized by section 202(a) of the Water Resources Development Act of 1986 (100 Stat. 4094).

(2) CONTENTS.—The study under paragraph (1) shall—

(A) include an analysis of the feasibility of expanding the Singing River Island Disposal Area or constructing a new dredged material disposal facility; and

(2) identify methods of managing and reducing sediment transport into the Federal navigation channel.

(ff) TUNICA LAKE WEIR, MISSISSIPPI.—

(1) IN GENERAL.—The Secretary shall conduct a study to determine the feasibility of constructing an outlet weir at Tunica Lake, Tunica County, Mississippi, and Lee County, Arkansas, for the purpose of stabilizing water levels in the Lake.

(2) ECONOMIC ANALYSIS.—In carrying out the study, the Secretary shall include as a part of the economic analysis the benefits derived from recreation uses at the Lake and economic benefits associated with restoration of fish and wildlife habitat.

(gg) PROTECTIVE FACILITIES FOR THE ST. LOUIS, MISSOURI, RIVERFRONT AREA.—

(1) STUDY.—The Secretary shall conduct a study to determine the optimal plan to protect facilities that are located on the Mississippi River riverfront within the boundaries of St. Louis, Missouri.

(2) REQUIREMENTS.—In conducting the study, the Secretary shall—

(A) evaluate alternatives to offer safety and security to facilities; and

(B) use state-of-the-art techniques to best evaluate the current situation, probable solutions, and estimated costs.

(3) REPORT.—Not later than April 15, 2000, the Secretary shall submit to Congress a report on the results of the study.

(hh) YELLOWSTONE RIVER, MONTANA.—

(1) STUDY.—The Secretary shall conduct a comprehensive study of the Yellowstone River from Gardiner, Montana to the confluence of the Missouri River to determine the hydrologic, biological, and socioeconomic cumulative impacts on the river.

(2) CONSULTATION AND COORDINATION.—The Secretary shall conduct the study in consultation with the United States Fish and Wildlife Service, the United States Geological Survey, and the Natural Resources Conservation Service and with the full participation of the State of Montana and tribal and local entities, and provide for public participation.

(3) REPORT.—Not later than 5 years after the date of enactment of this Act, the Secretary shall submit a report to Congress on the results of the study.

(ii) LAS VEGAS VALLEY, NEVADA.—

(1) IN GENERAL.—The Secretary shall conduct a comprehensive study of water resources located in the Las Vegas Valley, Nevada.

(2) OBJECTIVES.—The study shall identify problems and opportunities related to ecosystem restoration, water quality, particularly the quality of surface runoff, water supply, and flood control.

(jj) OSWEGO RIVER BASIN, NEW YORK.—The Secretary shall conduct a study to determine the feasibility of establishing a flood forecasting system within the Oswego River basin, New York.

(kk) PORT OF NEW YORK-NEW JERSEY NAVIGATION STUDY AND ENVIRONMENTAL RESTORATION STUDY.—

(1) NAVIGATION STUDY.—The Secretary shall conduct a comprehensive study of navigation needs at the Port of New York-New Jersey (including the South Brooklyn Marine and Red Hook Container Terminals, Staten Island, and adjacent areas) to address improvements, including deepening of existing channels to depths of 50 feet or greater, that are required to provide economically efficient and environmentally sound navigation to meet current and future requirements.

(2) ENVIRONMENTAL RESTORATION STUDY.—The Secretary, acting through the Chief of Engineers, shall review the report of the Chief of Engineers on the New York Harbor, printed in the House Management Plan of the Harbor Estuary Program, and other pertinent reports concerning the New York Harbor Region and the Port of New York-New Jersey, to determine the Federal interest in advancing harbor environmental restoration.

(3) REPORT.—The Secretary may use funds from the ongoing navigation study for New York and New Jersey Harbor to complete a reconnaissance report for environmental restoration by December 31, 1999. The navigation study to deepen New York and New Jersey Harbor shall consider beneficial use of dredged material.

(ll) CLEVELAND HARBOR, CLEVELAND, OHIO.—The Secretary shall conduct a study to determine the feasibility of undertaking repairs and related navigation improvements at Dike 14, Cleveland, Ohio.

(mm) CHAGRIN, OHIO.—

(1) IN GENERAL.—The Secretary shall conduct a study to determine the feasibility of undertaking flood damage reduction at Chagrin, Ohio.

(2) ICE RETENTION STRUCTURE.—In conducting the study, the Secretary may consider construction of an ice retention structure as a potential means of providing flood damage reduction.

(nn) TOUSSAINT RIVER, CARROLL TOWNSHIP, OHIO.—The Secretary shall conduct a study to determine the feasibility of undertaking navigation improvements at Toussaint River, Carroll Township, Ohio.

(oo) SANTEE DELTA WETLAND HABITAT, SOUTH CAROLINA.—Not later than 18 months after the date of enactment of this Act, the Secretary shall complete a comprehensive study of the ecosystem in the Santee Delta focus area of South Carolina to determine the feasibility of undertaking measures to enhance the wetland habitat in the area.

(pp) WACCAMAW RIVER, SOUTH CAROLINA.—The Secretary shall conduct a study to determine the feasibility of a flood control project for the Waccamaw River in Horry County, South Carolina.

(qq) UPPER SUSQUEHANNA-LACKAWANNA, PENNSYLVANIA, WATERSHED MANAGEMENT AND RESTORATION STUDY.—

(1) IN GENERAL.—The Secretary shall conduct a study to determine the feasibility of a comprehensive flood plain management and watershed restoration project for the Upper Susquehanna-Lackawanna Watershed, Pennsylvania.

(2) GEOGRAPHIC INFORMATION SYSTEM.—In conducting the study, the Secretary shall use a geographic information system.

(3) PLANS.—The study shall formulate plans for comprehensive flood plain management and environmental restoration.

(4) CREDITING.—Non-Federal interests may receive credit for in-kind services and materials that contribute to the study. The Secretary may credit non-Corps Federal assistance provided to the non-Federal interest toward the non-Federal share of study costs to the maximum extent authorized by law.

(rr) CONTAMINATED DREDGED MATERIAL AND SEDIMENT MANAGEMENT, SOUTH CAROLINA COASTAL AREAS.—

(1) IN GENERAL.—The Secretary shall review pertinent reports and conduct other studies and field investigations to determine the best available science and methods for management of contaminated dredged material and sediments in the coastal areas of South Carolina.

(2) FOCUS.—In carrying out subsection (a), the Secretary shall place particular focus on areas where the Corps of Engineers maintains deep draft navigation projects, such as Charleston Harbor, Georgetown Harbor, and Port Royal, South Carolina.

(3) COOPERATION.—The studies shall be conducted in cooperation with the appropriate Federal and State environmental agencies.

(ss) NIOBRARA RIVER AND MISSOURI RIVER SEDIMENTATION STUDY, SOUTH DAKOTA.—The Secretary shall conduct a study of the Niobrara River watershed and the operations of Fort Randall Dam and Gavins Point Dam on the Missouri River to determine the feasibility of alleviating the bank erosion, sedimentation, and related problems in the lower Niobrara River and the Missouri River below Fort Randall Dam.

(tt) SANTA CLARA RIVER, UTAH.—

(1) IN GENERAL.—The Secretary shall conduct a study to determine the feasibility of undertaking measures to alleviate damage caused by flooding, bank erosion, and sedimentation along the watershed of the Santa Clara River, Utah, above the Gunlock Reservoir.

(2) CONTENTS.—The study shall include an analysis of watershed conditions and water quality, as related to flooding and bank erosion, along the Santa Clara River in the vicinity of the town of Gunlock, Utah.

(uu) MOUNT ST. HELENS ENVIRONMENTAL RESTORATION, WASHINGTON.—

(1) IN GENERAL.—The Secretary shall conduct a study to determine the feasibility of ecosystem restoration improvements throughout the Cowlitz and Toutle River basins, Washington, including the 6,000 acres of wetland, riverine, riparian, and upland habitats lost or altered due to the eruption of Mount St. Helens in 1980 and subsequent emergency actions.

(2) REQUIREMENTS.—In carrying out the study, the Secretary shall—

(A) work in close coordination with local governments, watershed entities, the State of Washington, and other Federal agencies; and

(B) place special emphasis on—

(i) conservation and restoration strategies to benefit species that are listed or proposed for listing as threatened or endangered species under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.); and

(ii) other watershed restoration objectives.

(vv) AGAT SMALL BOAT HARBOR, GUAM.—The Secretary shall conduct a study to determine the feasibility of undertaking the repair and reconstruction of Agat Small Boat Harbor, Guam, including the repair of existing shore protection measures and construction or a revetment of the breakwater seawall.

(ww) APRA HARBOR SEAWALL, GUAM.—The Secretary shall conduct a study to determine the feasibility of undertaking measures to repair, upgrade, and extend the seawall protecting Apra Harbor, Guam, and to ensure continued access to the harbor via Route 11B.

(xx) APRA HARBOR FUEL PIERS, GUAM.—The Secretary shall conduct a study to determine the feasibility of undertaking measures to upgrade the piers and fuel transmission lines at the fuel piers in the Apra Harbor, Guam, and measures to provide for erosion control and protection against storm damage.

(yy) MAINTENANCE DREDGING OF HARBOR PIERS, GUAM.—The Secretary shall conduct a study to determine the feasibility of Federal maintenance of areas adjacent to piers at harbors in Guam, including Apra Harbor, Agat Harbor, and Agana Marina.

(zz) ALTERNATIVE WATER SOURCES STUDY.—

(1) IN GENERAL.—The Administrator of the Environmental Protection Agency shall conduct a study of the water supply needs of States that are not currently eligible for assistance under title XVI of the Reclamation Projects Authorization and Adjustment Act of 1992 (43 U.S.C. 390h et seq.).

(2) REQUIREMENTS.—The study shall—

(A) identify the water supply needs (including potable, commercial, industrial, recreational and agricultural needs) of each State described in paragraph (1) through 2020, making use of such State, regional, and local plans, studies, and reports as are available;

(B) evaluate the feasibility of various alternative water source technologies such as reuse and reclamation of wastewater and stormwater (including indirect potable reuse), aquifer storage and recovery, and desalination to meet the anticipated water supply needs of the States; and

(C) assess how alternative water sources technologies can be utilized to meet the identified needs.

(3) REPORT.—The Administrator shall report to Congress on the results of the study not more than 180 days after the date of enactment of this Act.

(aaa) GREAT LAKES NAVIGATIONAL SYSTEM.—In consultation with the St. Lawrence Seaway Development Corporation, the Secretary shall review the Great Lakes Connecting Channel and Harbors Report dated March 1985 to determine the feasibility of any modification of the recommendations made in the report to improve commercial navigation on the Great Lakes navigation system, including locks, dams, harbors, ports, channels, and other related features.

TITLE II—GENERAL PROVISIONS

SEC. 201. FLOOD HAZARD MITIGATION AND RIVERINE ECOSYSTEM RESTORATION PROGRAM.

(a) IN GENERAL.—

(1) AUTHORIZATION.—The Secretary may carry out a program to reduce flood hazards and restore the natural functions and values of riverine ecosystems throughout the United States.

(2) STUDIES.—In carrying out the program, the Secretary shall conduct studies to identify appropriate flood damage reduction, conservation, and restoration measures and may design and implement watershed management and restoration projects.

(3) PARTICIPATION.—The studies and projects carried out under the program shall be conducted, to the extent practicable, with the full participation of the appropriate Federal agencies, including the Department of Agriculture, the Federal Emergency Management Agency, the Department of the Interior, the Environmental Protection Agency, and the Department of Commerce.

(4) NONSTRUCTURAL APPROACHES.—The studies and projects shall, to the extent practicable, emphasize nonstructural approaches to preventing or reducing flood damages.

(b) COST-SHARING REQUIREMENTS.—

(1) STUDIES.—The cost of studies conducted under subsection (a) shall be shared in accordance with section 105 of the Water Resources Development Act of 1986 (33 Stat. 2215).

(2) PROJECTS.—The non-Federal interests shall pay 35 percent of the cost of any project carried out under this section.

(3) IN-KIND CONTRIBUTIONS.—The non-Federal interests shall provide all land, easements,

rights-of-way, dredged material disposal areas, and relocations necessary for the projects. The value of the land, easements, rights-of-way, dredged material disposal areas, and relocations shall be credited toward the payment required under this subsection.

(4) RESPONSIBILITIES OF THE NON-FEDERAL INTERESTS.—The non-Federal interests shall be responsible for all costs associated with operating, maintaining, replacing, repairing, and rehabilitating all projects carried out under this section.

(c) PROJECT JUSTIFICATION.—

(1) IN GENERAL.—The Secretary may implement a project under this section if the Secretary determines that the project—

(A) will significantly reduce potential flood damages;

(B) will improve the quality of the environment; and

(C) is justified considering all costs and beneficial outputs of the project.

(2) SELECTION CRITERIA; POLICIES AND PROCEDURES.—Not later than 180 days after the date of enactment of this Act, the Secretary shall—

(A) develop criteria for selecting and rating the projects to be carried out as part of the program authorized by this section; and

(B) establish policies and procedures for carrying out the studies and projects undertaken under this section.

(d) REPORTING REQUIREMENT.—The Secretary may not implement a project under this section until—

(1) the Secretary provides to the Committee on Environment and Public Works of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives a written notification describing the project and the determinations made under subsection (c); and

(2) a period of 21 calendar days has expired following the date on which the notification was received by the Committees.

(e) PRIORITY AREAS.—In carrying out this section, the Secretary shall examine the potential for flood damage reductions at appropriate locations, including—

(1) Los Angeles County drainage area, California;

(2) Napa River Valley watershed, California;

(3) Le May, Missouri;

(4) the upper Delaware River basin, New York;

(5) Mill Creek, Cincinnati, Ohio;

(6) Tillamook County, Oregon;

(7) Willamette River basin, Oregon;

(8) Delaware River, Pennsylvania;

(9) Schuylkill River, Pennsylvania; and

(10) Providence County, Rhode Island.

(f) PER-PROJECT LIMITATION.—Not more than $25,000,000 in Army Civil Works appropriations may be expended on any single project undertaken under this section.

(g) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There is authorized to be appropriated to carry out this section $75,000,000 for the period of fiscal years 2000 and 2001.

(2) PROGRAM FUNDING LEVELS.—All studies and projects undertaken under this authority from Army Civil Works appropriations shall be fully funded within the program funding levels provided in this subsection.

SEC. 202. SHORE PROTECTION.

Section 103(d) of the Water Resources Development Act of 1986 (33 U.S.C. 2213(d)) is amended—

(1) by striking ''Costs of constructing'' and inserting the following:

''(1) CONSTRUCTION.—Costs of constructing''; and

(2) by adding at the end the following:

''(2) PERIODIC NOURISHMENT.—In the case of a project authorized for construction after December 31, 1999, or for which a feasibility study is completed after that date, the non-Federal cost of the periodic nourishment of projects or measures for shore protection or beach erosion control shall be 50 percent, except that—

''(A) all costs assigned to benefits to privately owned shores (where use of such shores is limited to private interests) or to prevention of losses of private land shall be borne by non-Federal interests; and

''(B) all costs assigned to the protection of federally owned shores shall be borne by the United States.''.

SEC. 203. SMALL FLOOD CONTROL AUTHORITY.

Section 205 of the Flood Control Act of 1948 (33 U.S.C. 701s) is amended—

(1) in the first sentence, by striking ''construction of small projects'' and inserting ''implementation of small structural and nonstructural projects''; and

(2) in the third sentence, by striking ''$5,000,000'' and inserting ''$7,000,000''.

SEC. 204. USE OF NON-FEDERAL FUNDS FOR COMPILING AND DISSEMINATING INFORMATION ON FLOODS AND FLOOD DAMAGES.

Section 206(b) of the Flood Control Act of 1960 (33 U.S.C. 709a(b)) is amended in the third sentence by inserting before the period at the end the following: '', but the Secretary of the Army may accept funds voluntarily contributed by such entities for the purpose of expanding the scope of the services requested by the entities''.

SEC. 205. AQUATIC ECOSYSTEM RESTORATION.

Section 206(c) of the Water Resources Development Act of 1996 (33 U.S.C. 2330(c)) is amended—

(1) by striking ''Construction'' and inserting the following:

''(1) IN GENERAL.—Construction''; and

(2) by adding at the end the following:

''(2) NONPROFIT ENTITIES.—Notwithstanding section 221 of the Flood Control Act of 1970 (42 U.S.C. 1962d–5b), for any project carried out under this section, a non-Federal interest may include a nonprofit entity, with the consent of the affected local government.''.

SEC. 206. BENEFICIAL USES OF DREDGED MATERIAL.

Section 204 of the Water Resources Development Act of 1992 (33 U.S.C. 2326) is amended by adding at the end the following:

''(g) NONPROFIT ENTITIES.—Notwithstanding section 221 of the Flood Control Act of 1970 (42 U.S.C. 1962d–5b), for any project carried out under this section, a non-Federal interest may include a nonprofit entity, with the consent of the affected local government.''.

SEC. 207. VOLUNTARY CONTRIBUTIONS BY STATES AND POLITICAL SUBDIVISIONS.

Section 5 of the Act of June 22, 1936 (33 U.S.C. 701h), is amended by inserting ''or environmental restoration'' after ''flood control''.

SEC. 208. RECREATION USER FEES.

(a) WITHHOLDING OF AMOUNTS.—

(1) IN GENERAL.—During fiscal years 1999 through 2002, the Secretary may withhold from the special account established under section 4(i)(1)(A) of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460l–6a(i)(1)(A)) 100 percent of the amount of receipts above a baseline of $34,000,000 per each fiscal year received from fees imposed at recreation sites under the administrative jurisdiction of the Department of the Army under section 4(b) of that Act (16 U.S.C. 460l–6a(b)).

(2) USE.—The amounts withheld shall be retained by the Secretary and shall be available, without further Act of appropriation, for expenditure by the Secretary in accordance with subsection (b).

(3) AVAILABILITY.—The amounts withheld shall remain available until September 30, 2005.

(b) USE OF AMOUNTS WITHHELD.—In order to increase the quality of the visitor experience at public recreational areas and to enhance the protection of resources, the amounts withheld under subsection (a) may be used only for—

(1) repair and maintenance projects (including projects relating to health and safety);

(2) interpretation;

(3) signage;

(4) habitat or facility enhancement;

(5) resource preservation;

(6) annual operation (including fee collection);

(7) maintenance; and

(8) law enforcement related to public use.

(c) AVAILABILITY.—Each amount withheld by the Secretary shall be available for expenditure, without further Act of appropriation, at the specific project from which the amount, above baseline, is collected.

SEC. 209. WATER RESOURCES DEVELOPMENT STUDIES FOR THE PACIFIC REGION.

Section 444 of the Water Resources Development Act of 1996 (110 Stat. 3747) is amended by striking ''interest of navigation'' and inserting ''interests of water resources development (including navigation, flood damage reduction, and environmental restoration)''.

SEC. 210. MISSOURI AND MIDDLE MISSISSIPPI RIVERS ENHANCEMENT PROJECT.

(a) DEFINITIONS.—In this section:

(1) MIDDLE MISSISSIPPI RIVER.—The term ''middle Mississippi River'' means the reach of the Mississippi River from the mouth of the Ohio River (river mile 0, upper Mississippi River) to the mouth of the Missouri River (river mile 195).

(2) MISSOURI RIVER.—The term ''Missouri River'' means the main stem and floodplain of the Missouri River (including reservoirs) from its confluence with the Mississippi River at St. Louis, Missouri, to its headwaters near Three Forks, Montana.

(3) PROJECT.—The term ''project'' means the project authorized by this section.

(b) PROTECTION AND ENHANCEMENT ACTIVITIES.—

(1) PLAN.—

(A) DEVELOPMENT.—Not later than 180 days after the date of enactment of this Act, the Secretary shall develop a plan for a project to protect and enhance fish and wildlife habitat of the Missouri River and the middle Mississippi River.

(B) ACTIVITIES.—

(i) IN GENERAL.—The plan shall provide for such activities as are necessary to protect and enhance fish and wildlife habitat without adversely affecting—

(I) the water-related needs of the region surrounding the Missouri River and the middle Mississippi River, including flood control, navigation, recreation, and enhancement of water supply; and

(II) private property rights.

(ii) REQUIRED ACTIVITIES.—The plan shall include—

(I) modification and improvement of navigation training structures to protect and enhance fish and wildlife habitat;

(II) modification and creation of side channels to protect and enhance fish and wildlife habitat;

(III) restoration and creation of island fish and wildlife habitat;

(IV) creation of riverine fish and wildlife habitat;

(V) establishment of criteria for prioritizing the type and sequencing of activities based on cost-effectiveness and likelihood of success; and

(VI) physical and biological monitoring for evaluating the success of the project, to be performed by the River Studies Center of the United States Geological Survey in Columbia, Missouri.

(2) IMPLEMENTATION OF ACTIVITIES.—

(A) IN GENERAL.—Using funds made available to carry out this section, the Secretary shall carry out the activities described in the plan.

(B) USE OF EXISTING AUTHORITY FOR UNCONSTRUCTED FEATURES OF THE PROJECT.—Using funds made available to the Secretary under other law, the Secretary shall design and construct any feature of the project that may be carried out using the authority of the Secretary to modify an authorized project, if the Secretary

determines that the design and construction will—

(i) accelerate the completion of activities to protect and enhance fish and wildlife habitat of the Missouri River or the middle Mississippi River; and

(ii) be compatible with the project purposes described in this section.

(c) INTEGRATION OF OTHER ACTIVITIES.—

(1) IN GENERAL.—In carrying out the activities described in subsection (b), the Secretary shall integrate the activities with other Federal, State, and tribal activities.

(2) NEW AUTHORITY.—Nothing in this section confers any new regulatory authority on any Federal or non-Federal entity that carries out any activity authorized by this section.

(d) PUBLIC PARTICIPATION.—In developing and carrying out the plan and the activities described in subsection (b), the Secretary shall provide for public review and comment in accordance with applicable Federal law, including—

(1) providing advance notice of meetings;

(2) providing adequate opportunity for public input and comment;

(3) maintaining appropriate records; and

(4) compiling a record of the proceedings of meetings.

(e) COMPLIANCE WITH APPLICABLE LAW.—In carrying out the activities described in subsections (b) and (c), the Secretary shall comply with any applicable Federal law, including the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(f) COST SHARING.—

(1) NON-FEDERAL SHARE.—The non-Federal share of the cost of the project shall be 35 percent.

(2) FEDERAL SHARE.—The Federal share of the cost of any 1 activity described in subsection (b) shall not exceed $5,000,000.

(3) OPERATION AND MAINTENANCE.—The operation and maintenance of the project shall be a non-Federal responsibility.

(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to pay the Federal share of the cost of carrying out activities under this section $30,000,000 for the period of fiscal years 2000 and 2001.

SEC. 211. OUTER CONTINENTAL SHELF.

(a) SAND, GRAVEL, AND SHELL.—Section 8(k)(2)(B) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(k)(2)(B)) is amended in the second sentence by inserting before the period at the end the following: ''or any other non-Federal interest subject to an agreement entered into under section 221 of the Flood Control Act of 1970 (42 U.S.C. 1962d–5b)''.

(b) REIMBURSEMENT FOR LOCAL INTERESTS.—Any amounts paid by non-Federal interests for beach erosion control, hurricane protection, shore protection, or storm damage reduction projects as a result of an assessment under section 8(k) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(k)) shall be fully reimbursed.

SEC. 212. ENVIRONMENTAL DREDGING.

Section 312(f) of the Water Resources Development Act of 1990 (33 U.S.C. 1272(f)) is amended by adding at the end the following:

''(6) Snake Creek, Bixby, Oklahoma.

''(7) Willamette River, Oregon.''.

SEC. 213. BENEFIT OF PRIMARY FLOOD DAMAGES AVOIDED INCLUDED IN BENEFIT-COST ANALYSIS.

Section 308 of the Water Resources Development Act of 1990 (33 U.S.C. 2318) is amended—

(1) in the heading of subsection (a), by striking ''BENEFIT-COST ANALYSIS'' and inserting ''ELEMENTS EXCLUDED FROM COST-BENEFIT ANALYSIS'';

(2) by redesignating subsections (b) through (e) as subsections (c) through (f), respectively;

(3) by inserting after subsection (a) the following:

''(b) ELEMENTS INCLUDED IN COST-BENEFIT ANALYSIS.—The Secretary shall include primary flood damages avoided in the benefit base for justifying Federal nonstructural flood damage reduction projects.''; and

(4) in the first sentence of subsection (e) (as redesignated by paragraph (2)), by striking ''(b)'' and inserting ''(d)''.

SEC. 214. CONTROL OF AQUATIC PLANT GROWTH.

Section 104(a) of the River and Harbor Act of 1958 (33 U.S.C. 610(a)) is amended in the first sentence by striking ''water-hyacinth, alligatorweed, Eurasian water milfoil, melaleuca,'' and inserting ''Alligatorweed, Aquaticum, Arundo Dona, Brazilian Elodea, Cabomba, Melaleuca, Myrophyllum, Spicatum, Tarmarix, Water Hyacinth,''.

SEC. 215. ENVIRONMENTAL INFRASTRUCTURE.

Section 219(c) of the Water Resources Development Act of 1992 (106 Stat. 4835) is amended by adding at the end the following:

''(19) LAKE TAHOE, CALIFORNIA AND NEVADA.—Regional water system for Lake Tahoe, California and Nevada.

''(20) LANCASTER, CALIFORNIA.—Fox Field Industrial Corridor water facilities, Lancaster, California.

''(21) SAN RAMON, CALIFORNIA.—San Ramon Valley recycled water project, San Ramon, California.''.

SEC. 216. WATERSHED MANAGEMENT, RESTORATION, AND DEVELOPMENT.

Section 503 of the Water Resources Development Act of 1996 (110 Stat. 3756) is amended—

(1) in subsection (d)—

(A) by striking paragraph (10) and inserting the following:

''(10) Regional Atlanta Watershed, Atlanta, Georgia, and Lake Lanier of Forsyth and Hall Counties, Georgia.''; and

(B) by adding at the end the following:

''(14) Clear Lake watershed, California.

''(15) Fresno Slough watershed, California.

''(16) Hayward Marsh, Southern San Francisco Bay watershed, California.

''(17) Kaweah River watershed, California.

''(18) Lake Tahoe watershed, California and Nevada.

''(19) Malibu Creek watershed, California.

''(20) Truckee River basin, Nevada.

''(21) Walker River basin, Nevada.

''(22) Bronx River watershed, New York.

''(23) Catawba River watershed, North Carolina.

''(24) Columbia Slough watershed, Oregon.'';

(2) by redesignating subsection (e) as subsection (f); and

(3) by inserting after subsection (d) the following:

''(e) NONPROFIT ENTITIES.—Notwithstanding section 221(b) of the Flood Control Act of 1970 (42 U.S.C. 1962d–5b(b)), for any project undertaken under this section, with the consent of the affected local government, a non-Federal interest may include a nonprofit entity.''.

SEC. 217. LAKES PROGRAM.

Section 602(a) of the Water Resources Development Act of 1986 (100 Stat. 4148) is amended—

(1) in paragraph (15), by striking ''and'' at the end;

(2) in paragraph (16), by striking the period at the end; and

(3) by adding at the end the following:

''(17) Clear Lake, Lake County, California, removal of silt and aquatic growth and development of a sustainable weed and algae management program;

''(18) Flints Pond, Hollis, New Hampshire, removal of excessive aquatic vegetation; and

''(19) Osgood Pond, Milford, New Hampshire, removal of excessive aquatic vegetation.''.

SEC. 218. SEDIMENTS DECONTAMINATION POLICY.

Section 405 of the Water Resources Development Act of 1992 (33 U.S.C. 2239 note; Public Law 102–580) is amended—

(1) in subsection (a), by adding at the end the following:

''(4) PRACTICAL END-USE PRODUCTS.—Technologies selected for demonstration at the pilot scale shall result in practical end-use products.

''(5) ASSISTANCE BY THE SECRETARY.—The Secretary shall assist the project to ensure expeditious completion by providing sufficient quantities of contaminated dredged material to conduct the full-scale demonstrations to stated capacity.''; and

(2) in subsection (c), by striking the first sentence and inserting the following: ''There is authorized to be appropriated to carry out this section a total of $22,000,000 to complete technology testing, technology commercialization, and the development of full scale processing facilities within the New York/New Jersey Harbor.''.

SEC. 219. DISPOSAL OF DREDGED MATERIAL ON BEACHES.

(a) IN GENERAL.—Section 145 of the Water Resources Development Act of 1976 (33 U.S.C. 426j) is amended in the first sentence by striking ''50'' and inserting ''35''.

(b) GREAT LAKES BASIN.—The Secretary shall work with the State of Ohio, other Great Lakes States, and political subdivisions of the States to fully implement and maximize beneficial reuse of dredged material as provided under section 145 of the Water Resources Development Act of 1976 (33 U.S.C. 426j).

SEC. 220. FISH AND WILDLIFE MITIGATION.

Section 906(e) of the Water Resources Development Act of 1986 (33 U.S.C. 2283(e)) is amended by inserting after the second sentence the following: ''Not more than 80 percent of the non-Federal share of such first costs may be in kind, including a facility, supply, or service that is necessary to carry out the enhancement project.''.

SEC. 221. REIMBURSEMENT OF NON-FEDERAL INTEREST.

Section 211(e)(2)(A) of the Water Resources Development Act of 1996 (33 U.S.C. 701b–13(e)(2)(A)) is amended by striking ''subject to amounts being made available in advance in appropriations Acts'' and inserting ''subject to the availability of appropriations''.

SEC. 222. NATIONAL CONTAMINATED SEDIMENT TASK FORCE.

(a) DEFINITION OF TASK FORCE.—In this section, the term ''Task Force'' means the National Contaminated Sediment Task Force established by section 502 of the National Contaminated Sediment Assessment and Management Act (33 U.S.C. 1271 note; Public Law 102–580).

(b) CONVENING.—The Secretary and the Administrator shall convene the Task Force not later than 90 days after the date of enactment of this Act.

(c) REPORTING ON REMEDIAL ACTION.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Task Force shall submit to Congress a report on the status of remedial actions at aquatic sites in the areas described in paragraph (2).

(2) AREAS.—The report under paragraph (1) shall address remedial actions in—

(A) areas of probable concern identified in the survey of data regarding aquatic sediment quality required by section 503(a) of the National Contaminated Sediment Assessment and Management Act (33 U.S.C. 1271);

(B) areas of concern within the Great Lakes, as identified under section 118(f) of the Federal Water Pollution Control Act (33 U.S.C. 1268(f));

(C) estuaries of national significance identified under section 320 of the Federal Water Pollution Control Act (33 U.S.C. 1330);

(D) areas for which remedial action has been authorized under any of the Water Resources Development Acts; and

(E) as appropriate, any other areas where sediment contamination is identified by the Task Force.

(3) ACTIVITIES.—Remedial actions subject to reporting under this subsection include remedial actions under—

(A) the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) or other Federal or State law containing environmental remediation authority;

(B) any of the Water Resources Development Acts;

(C) section 404 of the Federal Water Pollution Control Act (33 U.S.C. 1344); or

(D) section 10 of the Act of March 3, 1899 (30 Stat. 1151, chapter 425).

(4) CONTENTS.—The report under paragraph (1) shall provide, with respect to each remedial action described in the report, a description of—

(A) the authorities and sources of funding for conducting the remedial action;

(B) the nature and sources of the sediment contamination, including volume and concentration, where appropriate;

(C) the testing conducted to determine the nature and extent of sediment contamination and to determine whether the remedial action is necessary;

(D) the action levels or other factors used to determine that the remedial action is necessary;

(E) the nature of the remedial action planned or undertaken, including the levels of protection of public health and the environment to be achieved by the remedial action;

(F) the ultimate disposition of any material dredged as part of the remedial action;

(G) the status of projects and the obstacles or barriers to prompt conduct of the remedial action; and

(H) contacts and sources of further information concerning the remedial action.

SEC. 223. JOHN GLENN GREAT LAKES BASIN PROGRAM.

(a) STRATEGIC PLANS.—

(1) IN GENERAL.—Not later than 18 months after the date of enactment of this Act, and every 2 years thereafter, the Secretary shall report to Congress on a plan for programs of the Corps of Engineers in the Great Lakes basin.

(2) CONTENTS.—The plan shall include details of the projected environmental and navigational projects in the Great Lakes basin, including—

(A) navigational maintenance and operations for commercial and recreational vessels;

(B) environmental restoration activities;

(C) water level maintenance activities;

(D) technical and planning assistance to States and remedial action planning committees;

(E) sediment transport analysis, sediment management planning, and activities to support prevention of excess sediment loadings;

(F) flood damage reduction and shoreline erosion prevention;

(G) all other activities of the Corps of Engineers; and

(H) an analysis of factors limiting use of programs and authorities of the Corps of Engineers in existence on the date of enactment of this Act in the Great Lakes basin, including the need for new or modified authorities.

(b) GREAT LAKES BIOHYDROLOGICAL INFORMATION.—

(1) INVENTORY.—

(A) IN GENERAL.—Not later than 90 days after the date of enactment of this Act, the Secretary shall request each Federal agency that may possess information relevant to the Great Lakes biohydrological system to provide an inventory of all such information in the possession of the agency.

(B) RELEVANT INFORMATION.—For the purpose of subparagraph (A), relevant information includes information on—

(i) ground and surface water hydrology;

(ii) natural and altered tributary dynamics;

(iii) biological aspects of the system influenced by and influencing water quantity and water movement;

(iv) meteorological projections and weather impacts on Great Lakes water levels; and

(v) other Great Lakes biohydrological system data relevant to sustainable water use management.

(2) REPORT.—

(A) IN GENERAL.—Not later than 18 months after the date of enactment of this Act, the Secretary, in consultation with the States, Indian tribes, and Federal agencies, and after requesting information from the provinces and the federal government of Canada, shall—

(i) compile the inventories of information;

(ii) analyze the information for consistency and gaps; and

(iii) submit to Congress, the International Joint Commission, and the Great Lakes States a report that includes recommendations on ways to improve the information base on the biohydrological dynamics of the Great Lakes ecosystem as a whole, so as to support environmentally sound decisions regarding diversions and consumptive uses of Great Lakes water.

(B) RECOMMENDATIONS.—The recommendations in the report under subparagraph (A) shall include recommendations relating to the resources and funds necessary for implementing improvement of the information base.

(C) CONSIDERATIONS.—In developing the report under subparagraph (A), the Secretary, in cooperation with the Secretary of State, the Secretary of Transportation, and other relevant agencies as appropriate, shall consider and report on the status of the issues described and recommendations made in—

(i) the Report of the International Joint Commission to the Governments of the United States and Canada under the 1977 reference issued in 1985; and

(ii) the 1993 Report of the International Joint Commission to the Governments of Canada and the United States on Methods of Alleviating Adverse Consequences of Fluctuating Water Levels in the Great Lakes St. Lawrence Basin.

(c) GREAT LAKES RECREATIONAL BOATING.—Not later than 18 months after the date of enactment of this Act, the Secretary shall, using information and studies in existence on the date of enactment of this Act to the maximum extent practicable, and in cooperation with the Great Lakes States, submit to Congress a report detailing the economic benefits of recreational boating in the Great Lakes basin, particularly at harbors benefiting from operation and maintenance projects of the Corps of Engineers.

(d) COOPERATION.—In undertaking activities under this section, the Secretary shall—

(1) encourage public participation; and

(2) cooperate, and, as appropriate, collaborate, with Great Lakes States, tribal governments, and Canadian federal, provincial, tribal governments.

(e) WATER USE ACTIVITIES AND POLICIES.—The Secretary may provide technical assistance to the Great Lakes States to develop interstate guidelines to improve the consistency and efficiency of State-level water use activities and policies in the Great Lakes basin.

(f) COST SHARING.—The Secretary may seek and accept funds from non-Federal entities to be used to pay up to 25 percent of the cost of carrying out subsections (b), (c), (d), and (e).

SEC. 224. PROJECTS FOR IMPROVEMENT OF THE ENVIRONMENT.

Section 1135(c) of the Water Resources Development Act of 1986 (33 U.S.C. 2309a(c)) is amended—

(1) by striking ''The Secretary'' and inserting the following:

''(1) IN GENERAL.—The Secretary''; and

(2) by adding at the end the following:

''(2) CONTROL OF SEA LAMPREY.—Congress finds that—

''(A) the Great Lakes navigation system has been instrumental in the spread of sea lamprey and the associated impacts to its fishery; and

''(B) the use of the authority under this subsection for control of sea lamprey at any Great Lakes basin location is appropriate.''.

SEC. 225. WATER QUALITY, ENVIRONMENTAL QUALITY, RECREATION, FISH AND WILDLIFE, FLOOD CONTROL, AND NAVIGATION.

(a) IN GENERAL.—The Secretary may investigate, study, evaluate, and report on—

(1) water quality, environmental quality, recreation, fish and wildlife, flood control, and navigation in the western Lake Erie watershed, including the watersheds of the Maumee River, Ottawa River, and Portage River in the States of Indiana, Ohio, and Michigan; and

(2) measures to improve water quality, environmental quality, recreation, fish and wildlife, flood control, and navigation in the western Lake Erie basin.

(b) COOPERATION.—In carrying out studies and investigations under subsection (a), the Secretary shall cooperate with Federal, State, and local agencies and nongovernmental organizations to ensure full consideration of all views and requirements of all interrelated programs that those agencies may develop independently or in coordination with the Corps of Engineers.

SEC. 226. IRRIGATION DIVERSION PROTECTION AND FISHERIES ENHANCEMENT ASSISTANCE.

The Secretary may provide technical planning and design assistance to non-Federal interests and may conduct other site-specific studies to formulate and evaluate fish screens, fish passages devices, and other measures to decrease the incidence of juvenile and adult fish inadvertently entering into irrigation systems. Measures shall be developed in cooperation with Federal and State resource agencies and not impair the continued withdrawal of water for irrigation purposes. In providing such assistance priority shall be given based on the objectives of the Endangered Species Act, cost-effectiveness, and the potential for reducing fish mortality. Non-Federal interests shall agree by contract to contribute 50 percent of the cost of such assistance. Not more than one-half of such non-Federal contribution may be made by the provision of services, materials, supplies, or other in-kind services. No construction activities are authorized by this section. Not later than 2 years after the date of enactment of this section, the Secretary shall report to Congress on fish mortality caused by irrigation water intake devices, appropriate measures to reduce mortality, the extent to which such measures are currently being employed in the arid States, the construction costs associated with such measures, and the appropriate Federal role, if any, to encourage the use of such measures.

SEC. 227. SMALL STORM DAMAGE REDUCTION PROJECTS.

Section 3 of the Act of August 13, 1946 (33 U.S.C. 426g), is amended by striking ''$2,000,000'' and inserting ''$3,000,000''.

SEC. 228. SHORE DAMAGE PREVENTION OR MITIGATION.

Section 111 of the River and Harbor Act of 1968 (33 U.S.C. 426(i)) is amended—

(1) in the first sentence, by striking ''The Secretary'' and inserting ''(a) IN GENERAL.—The Secretary'';

(2) in the second sentence, by striking ''The costs'' and inserting the following:

''(b) COST SHARING.—The costs'';

(3) in the third sentence—

(A) by striking ''No such'' and inserting the following:

''(c) REQUIREMENT FOR SPECIFIC AUTHORIZATION.—No such''; and

(B) by striking ''$2,000,000'' and inserting ''$5,000,000''; and

(4) by adding at the end the following:

''(d) COORDINATION.—The Secretary shall—

''(1) coordinate the implementation of the measures under this section with other Federal and non-Federal shore protection projects in the same geographic area; and

''(2) to the extent practicable, combine mitigation projects with other shore protection projects in the same area into a comprehensive regional project.''.

SEC. 229. ATLANTIC COAST OF NEW YORK.

Section 404(c) of the Water Resources Development Act of 1992 (106 Stat. 4863) is amended by inserting after ''1997'' the following: ''and an additional total of $2,500,000 for fiscal years thereafter''.

SEC. 230. ACCELERATED ADOPTION OF INNOVATIVE TECHNOLOGIES FOR CONTAMINATED SEDIMENTS.

Section 8 of the Water Resources Development Act of 1988 (33 U.S.C. 2314) is amended—

(1) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

(2) by inserting after subsection (a) the following:

''(b) ACCELERATED ADOPTION OF INNOVATIVE TECHNOLOGIES FOR MANAGEMENT OF CONTAMINATED SEDIMENTS.—

''(1) TEST PROJECTS.—The Secretary shall approve an appropriate number of projects to test, under actual field conditions, innovative technologies for environmentally sound management of contaminated sediments.

''(2) DEMONSTRATION PROJECTS.—The Secretary may approve an appropriate number of projects to demonstrate innovative technologies that have been pilot tested under paragraph (1).

''(3) CONDUCT OF PROJECTS.—Each pilot project under paragraph (1) and demonstration project under paragraph (2) shall be conducted by a university with proven expertise in the research and development of contaminated sediment treatment technologies and innovative applications using waste materials.''.

SEC. 231. MISSISSIPPI RIVER COMMISSION.

Notwithstanding any other provision of law, a member of the Mississippi River Commission (other than the president of the Commission) shall receive annual pay of $21,500.

SEC. 232. USE OF PRIVATE ENTERPRISES.

(a) INVENTORY AND REVIEW.—The Secretary shall inventory and review all activities of the Corps of Engineers that are not inherently governmental in nature in accordance with the Federal Activities Inventory Reform Act of 1998 (31 U.S.C. 501 note; Public Law 105–270).

(b) CONSIDERATIONS.—In determining whether to commit to private enterprise the performance of architectural or engineering services (including surveying and mapping services), the Secretary shall take into consideration professional qualifications as well as cost.

TITLE III—PROJECT-RELATED PROVISIONS

SEC. 301. DREDGING OF SALT PONDS IN THE STATE OF RHODE ISLAND.

The Secretary may acquire for the State of Rhode Island a dredge and associated equipment with the capacity to dredge approximately 100 cubic yards per hour for use by the State in dredging salt ponds in the State.

SEC. 302. UPPER SUSQUEHANNA RIVER BASIN, PENNSYLVANIA AND NEW YORK.

Section 567(a) of the Water Resources Development Act of 1996 (110 Stat. 3787) is amended by adding at the end the following:

''(3) The Chemung River watershed, New York, at an estimated Federal cost of $5,000,000.''.

SEC. 303. SMALL FLOOD CONTROL PROJECTS.

Section 102 of the Water Resources Development Act of 1996 (110 Stat. 3668) is amended—

(1) by redesignating paragraphs (15) through (22) as paragraphs (16) through (23), respectively;

(2) by inserting after paragraph (14) the following:

''(15) REPAUPO CREEK AND DELAWARE RIVER, GLOUCESTER COUNTY, NEW JERSEY.—Project for tidegate and levee improvements for Repaupo Creek and the Delaware River, Gloucester County, New Jersey.''; and

(3) by adding at the end the following:

''(24) IRONDEQUOIT CREEK, NEW YORK.—Project for flood control, Irondequoit Creek watershed, New York.

''(25) TIOGA COUNTY, PENNSYLVANIA.—Project for flood control, Tioga River and Cowanesque River and their tributaries, Tioga County, Pennsylvania.''.

SEC. 304. SMALL NAVIGATION PROJECTS.

Section 104 of the Water Resources Development Act of 1996 (110 Stat. 3669) is amended—

(1) by redesignating paragraphs (9) through (12) as paragraphs (11) through (14), respectively; and

(2) by inserting after paragraph (8) the following:

''(9) FORTESCUE INLET, DELAWARE BAY, NEW JERSEY.—Project for navigation for Fortescue Inlet, Delaware Bay, New Jersey.

''(10) BRADDOCK BAY, GREECE, NEW YORK.—Project for navigation, Braddock Bay, Greece, New York.''.

SEC. 305. STREAMBANK PROTECTION PROJECTS.

(a) ARCTIC OCEAN, BARROW, ALASKA.—The Secretary shall evaluate and, if justified under section 14 of the Flood Control Act of 1946 (33 U.S.C. 701r), carry out storm damage reduction and coastal erosion measures at the town of Barrow, Alaska.

(b) SAGINAW RIVER, BAY CITY, MICHIGAN.—The Secretary may construct appropriate control structures in areas along the Saginaw River in the city of Bay City, Michigan, under authority of section 14 of the Flood Control Act of 1946 (33 Stat. 701r).

(c) YELLOWSTONE RIVER, BILLINGS, MONTANA.—The streambank protection project at Coulson Park, along the Yellowstone River, Billings, Montana, shall be eligible for assistance under section 14 of the Flood Control Act of 1946 (33 U.S.C. 701r).

(d) MONONGAHELA RIVER, POINT MARION, PENNSYLVANIA.—The Secretary shall evaluate and, if justified under section 14 of the Flood Control Act of 1946 (33 U.S.C. 701r), carry out streambank erosion control measures along the Monongahela River at the borough of Point Marion, Pennsylvania.

SEC. 306. AQUATIC ECOSYSTEM RESTORATION, SPRINGFIELD, OREGON.

Under section 206 of the Water Resources Development Act of 1996 (33 U.S.C. 2330), the Secretary shall conduct measures to address water quality, water flows, and fish habitat restoration in the historic Springfield, Oregon, millrace through the reconfiguration of the existing millpond, if the Secretary determines that harmful impacts have occurred as the result of a previously constructed flood control project by the Corps of Engineers.

SEC. 307. GUILFORD AND NEW HAVEN, CONNECTICUT.

The Secretary shall expeditiously complete the activities authorized under section 346 of the Water Resources Development Act of 1992 (106 Stat. 4858), including activities associated with Sluice Creek in Guilford, Connecticut, and Lighthouse Point Park in New Haven, Connecticut.

SEC. 308. FRANCIS BLAND FLOODWAY DITCH.

(a) REDESIGNATION.—The project for flood control, Eight Mile Creek, Paragould, Arkansas, authorized by section 401(a) of the Water Resources Development Act of 1986 (100 Stat. 4112) and known as ''Eight Mile Creek, Paragould, Arkansas'', shall be known and designated as the ''Francis Bland Floodway Ditch''.

(b) LEGAL REFERENCES.—Any reference in any law, map, regulation, document, paper, or other record of the United States to the project and creek referred to in subsection (a) shall be deemed to be a reference to the Francis Bland Floodway Ditch.

SEC. 309. CALOOSAHATCHEE RIVER BASIN, FLORIDA.

Section 528(e)(4) of the Water Resources Development Act of 1996 (110 Stat. 3770) is amended in the first sentence by inserting before the period at the end the following: '', including potential land acquisition in the Caloosahatchee River basin or other areas''.

SEC. 310. CUMBERLAND, MARYLAND, FLOOD PROJECT MITIGATION.

(a) IN GENERAL.—The project for flood control and other purposes, Cumberland, Maryland, authorized by section 5 of the Act of June 22, 1936 (commonly known as the ''Flood Control Act of 1936'') (49 Stat. 1574, chapter 688), is modified to authorize the Secretary to undertake, as a separate part of the project, restoration of the historic Chesapeake and Ohio Canal substantially in accordance with the Chesapeake and Ohio Canal National Historic Park, Cumberland, Maryland, Rewatering Design Analysis, dated February 1998, at a total cost of $15,000,000, with an estimated Federal cost of $9,750,000 and an estimated non-Federal cost of $5,250,000.

(b) IN-KIND SERVICES.—The non-Federal interest for the restoration project under subsection (a)—

(1) may provide all or a portion of the non-Federal share of project costs in the form of in-kind services; and

(2) shall receive credit toward the non-Federal share of project costs for design and construction work performed by the non-Federal interest before execution of a project cooperation agreement and for land, easements, and rights-of-way required for the restoration and acquired by the non-Federal interest before execution of such an agreement.

(c) OPERATION AND MAINTENANCE.—The operation and maintenance of the restoration project under subsection (a) shall be the full responsibility of the National Park Service.

SEC. 311. CITY OF MIAMI BEACH, FLORIDA.

Section 5(b)(3)(C)(i) of the Act of August 13, 1946 (33 U.S.C. 426h), is amended by inserting before the semicolon the following: '', including the city of Miami Beach, Florida''.

SEC. 312. SARDIS RESERVOIR, OKLAHOMA.

(a) IN GENERAL.—The Secretary shall accept from the State of Oklahoma or an agent of the State an amount, as determined under subsection (b), as prepayment of 100 percent of the water supply cost obligation of the State under Contract No. DACW56–74–JC–0314 for water supply storage at Sardis Reservoir, Oklahoma.

(b) DETERMINATION OF AMOUNT.—The amount to be paid by the State of Oklahoma under subsection (a) shall be subject to adjustment in accordance with accepted discount purchase methods for Government properties as determined by an independent accounting firm designated by the Director of the Office of Management and Budget.

(c) EFFECT.—Nothing in this section shall otherwise affect any of the rights or obligations of the parties to the contract referred to in subsection (a).

SEC. 313. UPPER MISSISSIPPI RIVER AND ILLINOIS WATERWAY SYSTEM NAVIGATION MODERNIZATION.

(a) FINDINGS.—Congress finds that—

(1) exports are necessary to ensure job creation and an improved standard of living for the people of the United States;

(2) the ability of producers of goods in the United States to compete in the international marketplace depends on a modern and efficient transportation network;

(3) a modern and efficient waterway system is a transportation option necessary to provide United States shippers a safe, reliable, and competitive means to win foreign markets in an increasingly competitive international marketplace;

(4) the need to modernize is heightened because the United States is at risk of losing its competitive edge as a result of the priority that foreign competitors are placing on modernizing their own waterway systems;

(5) growing export demand projected over the coming decades will force greater demands on the waterway system of the United States and increase the cost to the economy if the system proves inadequate to satisfy growing export opportunities;

(6) the locks and dams on the upper Mississippi River and Illinois River waterway system were built in the 1930s and have some of the highest average delays to commercial tows in the country;

(7) inland barges carry freight at the lowest unit cost while offering an alternative to truck

and rail transportation that is environmentally sound, is energy efficient, is safe, causes little congestion, produces little air or noise pollution, and has minimal social impact; and

(8) it should be the policy of the Corps of Engineers to pursue aggressively modernization of the waterway system authorized by Congress to promote the relative competitive position of the United States in the international marketplace.

(b) PRECONSTRUCTION ENGINEERING AND DESIGN.—In accordance with the Upper Mississippi River-Illinois Waterway System Navigation Study, the Secretary shall proceed immediately to prepare engineering design, plans, and specifications for extension of locks 20, 21, 22, 24, 25 on the Mississippi River and the LaGrange and Peoria Locks on the Illinois River, to provide lock chambers 110 feet in width and 1,200 feet in length, so that construction can proceed immediately upon completion of studies and authorization of projects by Congress.

SEC. 314. UPPER MISSISSIPPI RIVER MANAGEMENT.

Section 1103 of the Water Resources Development Act of 1986 (33 U.S.C. 652) is amended—

(1) in subsection (e)—

(A) by striking ''(e)'' and all that follows through the end of paragraph (2) and inserting the following:

''(e) UNDERTAKINGS.—

''(1) IN GENERAL.—

''(A) AUTHORITY.—The Secretary, in consultation with the Secretary of the Interior and the States of Illinois, Iowa, Minnesota, Missouri, and Wisconsin, is authorized to undertake—

''(i) a program for the planning, construction, and evaluation of measures for fish and wildlife habitat rehabilitation and enhancement; and

''(ii) implementation of a program of long-term resource monitoring, computerized data inventory and analysis, and applied research.

''(B) REQUIREMENTS FOR PROJECTS.—Each project carried out under subparagraph (A)(i) shall—

''(i) to the maximum extent practicable, simulate natural river processes;

''(ii) include an outreach and education component; and

''(iii) on completion of the assessment under subparagraph (D), address identified habitat and natural resource needs.

''(C) ADVISORY COMMITTEE.—In carrying out subparagraph (A), the Secretary shall create an independent technical advisory committee to review projects, monitoring plans, and habitat and natural resource needs assessments.

''(D) HABITAT AND NATURAL RESOURCE NEEDS ASSESSMENT.—

''(i) AUTHORITY.—The Secretary is authorized to undertake a systemic, river reach, and pool scale assessment of habitat and natural resource needs to serve as a blueprint to guide habitat rehabilitation and long-term resource monitoring.

''(ii) DATA.—The habitat and natural resource needs assessment shall, to the maximum extent practicable, use data in existence at the time of the assessment.

''(iii) TIMING.—The Secretary shall complete a habitat and natural resource needs assessment not later than 3 years after the date of enactment of this subparagraph.

''(2) REPORTS.—On December 31, 2005, in consultation with the Secretary of the Interior and the States of Illinois, Iowa, Minnesota, Missouri, and Wisconsin, the Secretary shall prepare and submit to Congress a report that—

''(A) contains an evaluation of the programs described in paragraph (1);

''(B) describes the accomplishments of each program;

''(C) includes results of a habitat and natural resource needs assessment; and

''(D) identifies any needed adjustments in the authorization under paragraph (1) or the authorized appropriations under paragraphs (3), (4), and (5).'';

(B) in paragraph (3)—

(i) by striking ''paragraph (1)(A)'' and inserting ''paragraph (1)(A)(i)''; and

(ii) by striking ''Secretary not to exceed'' and all that follows and inserting ''Secretary not to exceed $22,750,000 for each of fiscal years 1999 through 2009.'';

(C) in paragraph (4)—

(i) by striking ''paragraph (1)(B)'' and inserting ''paragraph (1)(A)(ii)''; and

(ii) by striking ''$7,680,000'' and all that follows and inserting ''$10,420,000 for each of fiscal years 1999 through 2009.'';

(D) by striking paragraphs (5) and (6) and inserting the following:

''(5) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out paragraph (1)(C) not to exceed $350,000 for each of fiscal years 1999 through 2009.

''(6) TRANSFER OF AMOUNTS.—

''(A) IN GENERAL.—For each fiscal year beginning after September 30, 1992, the Secretary, in consultation with the Secretary of the Interior and the States of Illinois, Iowa, Minnesota, Missouri, and Wisconsin, may transfer appropriated amounts between the programs under clauses (i) and (ii) of paragraph (1)(A) and paragraph (1)(C).

''(B) APPORTIONMENT OF COSTS.—In carrying out paragraph (1)(D), the Secretary may apportion the costs between the programs authorized by paragraph (1)(A) in amounts that are proportionate to the amounts authorized to be appropriated to carry out those programs, respectively.''; and

(E) in paragraph (7)—

(i) in subparagraph (A)—

(I) by inserting ''(i)'' after ''paragraph (1)(A)''; and

(II) by inserting before the period at the end the following: ''and, in the case of any project requiring non-Federal cost sharing, the non-Federal share of the cost of the project shall be 35 percent''; and

(ii) in subparagraph (B), by striking ''paragraphs (1)(B) and (1)(C) of this subsection'' and inserting ''paragraph (1)(A)(ii)'';

(2) in subsection (f)(2)—

(A) in subparagraph (A), by striking ''(A)''; and

(B) by striking subparagraph (B); and

(3) by adding at the end the following:

''(k) ST. LOUIS AREA URBAN WILDLIFE HABITAT.—The Secretary shall investigate and, if appropriate, carry out restoration of urban wildlife habitat, with a special emphasis on the establishment of greenways in the St. Louis, Missouri, area and surrounding communities.''.

SEC. 315. RESEARCH AND DEVELOPMENT PROGRAM FOR COLUMBIA AND SNAKE RIVERS SALMON SURVIVAL.

Section 511 of the Water Resources Development Act of 1996 (16 U.S.C. 3301 note; Public Law 104–303) is amended by striking subsection (a) and all that follows and inserting the following:

''(a) SALMON SURVIVAL ACTIVITIES.—

''(1) IN GENERAL.—In conjunction with the Secretary of Commerce and Secretary of the Interior, the Secretary shall accelerate ongoing research and development activities, and may carry out or participate in additional research and development activities, for the purpose of developing innovative methods and technologies for improving the survival of salmon, especially salmon in the Columbia/Snake River Basin.

''(2) ACCELERATED ACTIVITIES.—Accelerated research and development activities referred to in paragraph (1) may include research and development related to—

''(A) impacts from water resources projects and other impacts on salmon life cycles;

''(B) juvenile and adult salmon passage;

''(C) light and sound guidance systems;

''(D) surface-oriented collector systems;

''(E) transportation mechanisms; and

''(F) dissolved gas monitoring and abatement.

''(3) ADDITIONAL ACTIVITIES.—Additional research and development activities referred to in paragraph (1) may include research and development related to—

''(A) studies of juvenile salmon survival in spawning and rearing areas;

''(B) estuary and near-ocean juvenile and adult salmon survival;

''(C) impacts on salmon life cycles from sources other than water resources projects;

''(D) cryopreservation of fish gametes and formation of a germ plasm repository for threatened and endangered populations of native fish; and

''(E) other innovative technologies and actions intended to improve fish survival, including the survival of resident fish.

''(4) COORDINATION.—The Secretary shall coordinate any activities carried out under this subsection with appropriate Federal, State, and local agencies, affected Indian tribes, and the Northwest Power Planning Council.

''(5) REPORT.—Not later than 3 years after the date of enactment of this section, the Secretary shall submit to Congress a report on the research and development activities carried out under this subsection, including any recommendations of the Secretary concerning the research and development activities.

''(6) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $10,000,000 to carry out research and development activities under paragraph (3).

''(b) ADVANCED TURBINE DEVELOPMENT.—

''(1) IN GENERAL.—In conjunction with the Secretary of Energy, the Secretary shall accelerate efforts toward developing and installing in Corps of Engineers-operated dams innovative, efficient, and environmentally safe hydropower turbines, including design of fish-friendly turbines, for use on the Columbia/Snake River hydrosystem.

''(2) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $35,000,000 to carry out this subsection.

''(c) MANAGEMENT OF PREDATION ON COLUMBIA/SNAKE RIVER SYSTEM NATIVE FISHES.—

''(1) NESTING AVIAN PREDATORS.—In conjunction with the Secretary of Commerce and the Secretary of the Interior, and consistent with a management plan to be developed by the United States Fish and Wildlife Service, the Secretary shall carry out methods to reduce nesting populations of avian predators on dredge spoil islands in the Columbia River under the jurisdiction of the Secretary.

''(2) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $1,000,000 to carry out research and development activities under this subsection.

''(d) IMPLEMENTATION.—Nothing in this section affects the authority of the Secretary to implement the results of the research and development carried out under this section or any other law.''.

SEC. 316. NINE MILE RUN HABITAT RESTORATION, PENNSYLVANIA.

If the Secretary determines that the documentation is integral to the project, the Secretary shall credit against the non-Federal share such costs, not to exceed $1,000,000, as are incurred by the non-Federal interests in preparing the environmental restoration report, planning and design-phase scientific and engineering technical services documentation, and other preconstruction documentation for the habitat restoration project, Nine Mile Run, Pennsylvania.

SEC. 317. LARKSPUR FERRY CHANNEL, CALIFORNIA.

The Secretary shall work with the Secretary of Transportation on a proposed solution to carry out the project to maintain the Larkspur Ferry Channel, Larkspur, California, authorized by section 601(d) of the Water Resources Development Act of 1986 (100 Stat. 4148).

SEC. 318. COMPREHENSIVE FLOOD IMPACT-RESPONSE MODELING SYSTEM.

(a) IN GENERAL.—The Secretary may study and implement a Comprehensive Flood Impact-Response Modeling System for the Coralville Reservoir and the Iowa River watershed, Iowa.

(b) STUDY.—The study shall include—

(1) an evaluation of the combined hydrologic, geomorphic, environmental, economic, social, and recreational impacts of operating strategies within the watershed;

(2) creation of an integrated, dynamic flood impact model; and

(3) the development of a rapid response system to be used during flood and emergency situations.

(c) REPORT TO CONGRESS.—Not later than 5 years after the date of enactment of this Act, the Secretary shall transmit a report to Congress on the results of the study and modeling system and such recommendations as the Secretary determines to be appropriate.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated a total of $2,250,000 to carry out this section.

SEC. 319. STUDY REGARDING INNOVATIVE FINANCING FOR SMALL AND MEDIUM-SIZED PORTS.

(a) STUDY.—The Comptroller General of the United States shall conduct a study and analysis of various alternatives for innovative financing of future construction, operation, and maintenance of projects in small and medium-sized ports.

(b) REPORT.—Not later than 270 days after the date of enactment of this Act, the Comptroller General shall submit to the Committee on Environment and Public Works of the Senate and Committee on Transportation and Infrastructure of the House of Representatives and the results of the study and any related legislative recommendations for consideration by Congress.

SEC. 320. CANDY LAKE PROJECT, OSAGE COUNTY, OKLAHOMA.

(a) DEFINITIONS.—In this section:

(1) FAIR MARKET VALUE.—The term ''fair market value'' means the amount for which a willing buyer would purchase and a willing seller would sell a parcel of land, as determined by a qualified, independent land appraiser.

(2) PREVIOUS OWNER OF LAND.—The term ''previous owner of land'' means a person (including a corporation) that conveyed, or a descendant of a deceased individual who conveyed, land to the Corps of Engineers for use in the Candy Lake project in Osage County, Oklahoma.

(3) SECRETARY.—The term ''Secretary'' means the Secretary of the Army.

(b) LAND CONVEYANCES.—

(1) IN GENERAL.—The Secretary shall convey, in accordance with this section, all right, title, and interest of the United States in and to the land acquired by the United States for the Candy Lake project in Osage County, Oklahoma.

(2) PREVIOUS OWNERS OF LAND.—

(A) IN GENERAL.—The Secretary shall give a previous owner of land first option to purchase the land described in paragraph (1).

(B) APPLICATION.—

(i) IN GENERAL.—A previous owner of land that desires to purchase the land described in paragraph (1) that was owned by the previous owner of land, or by the individual from whom the previous owner of land is descended, shall file an application to purchase the land with the Secretary not later than 180 days after the official date of notice to the previous owner of land under subsection (c).

(ii) FIRST TO FILE HAS FIRST OPTION.—If more than 1 application is filed for a parcel of land described in paragraph (1), first options to purchase the parcel of land shall be allotted in the order in which applications for the parcel of land were filed.

(C) IDENTIFICATION OF PREVIOUS OWNERS OF LAND.—As soon as practicable after the date of enactment of this Act, the Secretary shall, to the extent practicable, identify each previous owner of land.

(D) CONSIDERATION.—Consideration for land conveyed under this subsection shall be the fair market value of the land.

(3) DISPOSAL.—Any land described in paragraph (1) for which an application has not been filed under paragraph (2)(B) within the applicable time period shall be disposed of in accordance with law.

(4) EXTINGUISHMENT OF EASEMENTS.—All flowage easements acquired by the United States for use in the Candy Lake project in Osage County, Oklahoma, are extinguished.

(c) NOTICE.—

(1) IN GENERAL.—The Secretary shall notify—

(A) each person identified as a previous owner of land under subsection (b)(2)(C), not later than 90 days after identification, by United States mail; and

(B) the general public, not later than 90 days after the date of enactment of this Act, by publication in the Federal Register.

(2) CONTENTS OF NOTICE.—Notice under this subsection shall include—

(A) a copy of this section;

(B) information sufficient to separately identify each parcel of land subject to this section; and

(C) specification of the fair market value of each parcel of land subject to this section.

(3) OFFICIAL DATE OF NOTICE.—The official date of notice under this subsection shall be the later of—

(A) the date on which actual notice is mailed; or

(B) the date of publication of the notice in the Federal Register.

SEC. 321. SALCHA RIVER AND PILEDRIVER SLOUGH, FAIRBANKS, ALASKA.

The Secretary shall evaluate and, if justified under section 205 of the Flood Control Act of 1948 (33 U.S.C. 701s), carry out flood damage reduction measures along the lower Salcha River and on Piledriver Slough, from its headwaters at the mouth of the Salcha River to the Chena Lakes Flood Control Project, in the vicinity of Fairbanks, Alaska, to protect against surface water flooding.

SEC. 322. EYAK RIVER, CORDOVA, ALASKA.

The Secretary shall evaluate and, if justified under section 205 of the Flood Control Act of 1948 (33 U.S.C. 701s), carry out flood damage reduction measures along the Eyak River at the town of Cordova, Alaska.

SEC. 323. NORTH PADRE ISLAND STORM DAMAGE REDUCTION AND ENVIRONMENTAL RESTORATION PROJECT.

The Secretary shall carry out a project for ecosystem restoration and storm damage reduction at North Padre Island, Corpus Christi Bay, Texas, at a total estimated cost of $30,000,000, with an estimated Federal cost of $19,500,000 and an estimated non-Federal cost of $10,500,000, if the Secretary finds that the work is technically sound, environmentally acceptable, and economically justified. The Secretary shall make such a finding not later than 270 days after the date of enactment of this Act.

SEC. 324. KANOPOLIS LAKE, KANSAS.

(a) WATER SUPPLY.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary, in cooperation with the State of Kansas or another non-Federal interest, shall complete a water supply reallocation study at the project for flood control, Kanopolis Lake, Kansas, as a basis on which the Secretary shall enter into negotiations with the State of Kansas or another non-Federal interest for the terms and conditions of a reallocation of the water supply.

(2) OPTIONS.—The negotiations for storage reallocation shall include the following options for evaluation by all parties:

(A) Financial terms of storage reallocation.

(B) Protection of future Federal water releases from Kanopolis Dam, consistent with State water law, to ensure that the benefits expected from releases are provided.

(C) Potential establishment of a water assurance district consistent with other such districts established by the State of Kansas.

(D) Protection of existing project purposes at Kanopolis Dam to include flood control, recreation, and fish and wildlife.

(b) IN-KIND CREDIT.—

(1) IN GENERAL.—The Secretary may negotiate a credit for a portion of the financial repayment to the Federal Government for work performed by the State of Kansas, or another non-Federal interest, on land adjacent or in close proximity to the project, if the work provides a benefit to the project.

(2) WORK INCLUDED.—The work for which credit may be granted may include watershed protection and enhancement, including wetland construction and ecosystem restoration.

SEC. 325. NEW YORK CITY WATERSHED.

Section 552(d) of the Water Resources Development Act of 1996 (110 Stat. 3780) is amended by striking ''for the project to be carried out with such assistance'' and inserting '', or a public entity designated by the State director, to carry out the project with such assistance, subject to the project's meeting the certification requirement of subsection (c)(1)''.

SEC. 326. CITY OF CHARLEVOIX REIMBURSEMENT, MICHIGAN.

The Secretary shall review and, if consistent with authorized project purposes, reimburse the city of Charlevoix, Michigan, for the Federal share of costs associated with construction of the new revetment connection to the Federal navigation project at Charlevoix Harbor, Michigan.

SEC. 327. HAMILTON DAM FLOOD CONTROL PROJECT, MICHIGAN.

The Secretary may construct the Hamilton Dam flood control project, Michigan, under authority of section 205 of the Flood Control Act of 1948 (33 U.S.C. 701s).

SEC. 328. HOLES CREEK FLOOD CONTROL PROJECT, OHIO.

(a) IN GENERAL.—Notwithstanding any other provision of law, the non-Federal share of project costs for the project for flood control, Holes Creek, Ohio, shall not exceed the sum of—

(1) the total amount projected as the non-Federal share as of September 30, 1996, in the Project Cooperation Agreement executed on that date; and

(2) 100 percent of the amount of any increases in the cost of the locally preferred plan over the cost estimated in the Project Cooperation Agreement.

(b) REIMBURSEMENT.—The Secretary shall reimburse the non-Federal interest any amount paid by the non-Federal interest in excess of the non-Federal share.

SEC. 329. OVERFLOW MANAGEMENT FACILITY, RHODE ISLAND.

Section 585(a) of the Water Resources Development Act of 1996 (110 Stat. 3791) is amended by striking ''river'' and inserting ''sewer''.

SEC. 330. ANACOSTIA RIVER AQUATIC ECOSYSTEM RESTORATION, DISTRICT OF COLUMBIA AND MARYLAND.

The Secretary may use the balance of funds appropriated for the improvement of the environment as part of the Anacostia River Flood Control and Navigation Project under section 1135 of the Water Resources Development Act of 1986 (33 U.S.C. 2309a) to construct aquatic ecosystem restoration projects in the Anacostia River watershed under section 206 of the Water Resources Development Act of 1996 (33 U.S.C. 2330).

SEC. 331. EVERGLADES AND SOUTH FLORIDA ECOSYSTEM RESTORATION.

Subparagraphs (B) and (C)(i) of section 528(b)(3) of the Water Resources Development Act of 1996 (110 Stat. 3769) are amended by striking ''1999'' and inserting ''2003''.

SEC. 332. PINE FLAT DAM, KINGS RIVER, CALIFORNIA.

Under the authority of section 1135(a) of the Water Resources Development Act of 1986 (33 U.S.C. 2309a), the Secretary shall carry out a project to construct a turbine bypass at Pine

Flat Dam, Kings River, California, in accordance with the Project Modification Report and Environmental Assessment dated September 1996.

SEC. 333. LEVEES IN ELBA AND GENEVA, ALABAMA.

(a) ELBA, ALABAMA.—

(1) IN GENERAL.—The Secretary may repair and rehabilitate a levee in the city of Elba, Alabama, at a total cost of $12,900,000.

(2) COST SHARING.—The non-Federal share of the cost of repair and rehabilitation under paragraph (1) shall be 35 percent.

(b) GENEVA, ALABAMA.—

(1) IN GENERAL.—The Secretary may repair and rehabilitate a levee in the city of Geneva, Alabama, at a total cost of $16,600,000.

(2) COST SHARING.—The non-Federal share of the cost of repair and rehabilitation under paragraph (1) shall be 35 percent.

SEC. 334. TORONTO LAKE AND EL DORADO LAKE, KANSAS.

(a) IN GENERAL.—The Secretary shall convey to the State of Kansas, by quitclaim deed and without consideration, all right, title, and interest of the United States in and to the 2 parcels of land described in subsection (b) on which correctional facilities operated by the Kansas Department of Corrections are situated.

(b) LAND DESCRIPTION.—The parcels of land referred to in subsection (a) are—

(1) the parcel located in Butler County, Kansas, adjacent to the El Dorado Lake Project, consisting of approximately 32.98 acres; and

(2) the parcel located in Woodson County, Kansas, adjacent to the Toronto Lake Project, consisting of approximately 51.98 acres.

(c) CONDITIONS.—

(1) USE OF LAND.—A conveyance of a parcel under subsection (a) shall be subject to the condition that all right, title, and interest in and to the parcel conveyed under subsection (a) shall revert to the United States if the parcel is used for a purpose other than that of a correctional facility.

(2) COSTS.—The Secretary may require such additional terms, conditions, reservations, and restrictions in connection with the conveyance as the Secretary determines are necessary to protect the interests of the United States, including a requirement that the State pay all reasonable administrative costs associated with the conveyance.

SEC. 335. SAN JACINTO DISPOSAL AREA, GALVESTON, TEXAS.

Section 108 of the Energy and Water Development Appropriations Act, 1994 (107 Stat. 1320), is amended in the first sentence of subsection (a) and in subsection (b)(1) by striking ''fee simple absolute title'' each place it appears and inserting ''fee simple title to the surface estate (without the right to use the surface of the property for the production of minerals)''.

SEC. 336. ENVIRONMENTAL INFRASTRUCTURE.

Section 219(e)(1) of the Water Resources Development Act of 1992 (106 Stat. 4835; 110 Stat. 3757) is amended by striking ''$10,000,000'' and inserting ''$15,000,000''.

SEC. 337. WATER MONITORING STATION.

Section 584(b) of the Water Resources Development Act of 1996 (110 Stat. 3791) is amended by striking ''$50,000'' and inserting ''$100,000''.

SEC. 338. UPPER MISSISSIPPI RIVER COMPREHENSIVE PLAN.

(a) DEVELOPMENT.—The Secretary shall develop a plan to address water and related land resources problems in the upper Mississippi River basin and the Illinois River basin, extending from Cairo, Illinois, to the headwaters of the Mississippi River, to determine the feasibility of systemic flood damage reduction by means of—

(1) structural and nonstructural flood control and floodplain management strategies;

(2) continued maintenance of the navigation project;

(3) management of bank caving, erosion, watershed nutrients and sediment, habitat, and recreation; and

(4) other related means.

(b) CONTENTS.—The plan shall contain recommendations for—

(1) management plans and actions to be carried out by Federal and non-Federal entities;

(2) construction of a systemic flood control project in accordance with a plan for the upper Mississippi River;

(3) Federal action, where appropriate; and

(4) follow-on studies for problem areas for which data or current technology does not allow immediate solutions.

(c) CONSULTATION AND USE OF EXISTING DATA.—In developing the plan, the Secretary shall—

(1) consult with appropriate State and Federal agencies; and

(2) make maximum use of—

(A) data and programs in existence on the date of enactment of this Act; and

(B) efforts of States and Federal agencies.

(d) REPORT.—Not later than 3 years after the date of enactment of this Act, the Secretary shall submit to the Committee on Transportation and Infrastructure of the House of Representatives and the Committee on Environment and Public Works of the Senate a report that includes the plan.

SEC. 339. MCNARY LOCK AND DAM, WASHINGTON.

(a) IN GENERAL.—The Secretary may convey to a port district or a port authority—

(1) without the payment of additional consideration, any remaining right, title, and interest of the United States in property acquired for the McNary Lock and Dam, Washington, project and subsequently conveyed to the port district or a port authority under section 108 of the River and Harbor Act of 1960 (33 U.S.C. 578); and

(2) at fair market value, as determined by the Secretary, all right, title, and interest of the United States in such property under the jurisdiction of the Secretary relating to the project as the Secretary considers appropriate.

(b) CONDITIONS, RESERVATIONS, AND RESTRICTIONS.—A conveyance under subsection (a) shall be subject to—

(1) such conditions, reservations, and restrictions as the Secretary determines to be necessary for the development, maintenance, or operation or the project or otherwise in the public interest; and

(2) the payment by the port district or port authority of all administrative costs associated with the conveyance.

SEC. 340. MCNARY NATIONAL WILDLIFE REFUGE.

(a) TRANSFER OF ADMINISTRATIVE JURISDICTION.—Administrative jurisdiction over the McNary National Wildlife Refuge is transferred from the Secretary to the Secretary of the Interior.

(b) LAND EXCHANGE WITH THE PORT OF WALLA WALLA, WASHINGTON.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary of the Interior may exchange approximately 188 acres of land located south of Highway 12 and comprising a portion of the McNary National Wildlife Refuge for approximately 122 acres of land owned by the Port of Walla Walla, Washington, and located at the confluence of the Snake River and the Columbia River.

(2) TERMS AND CONDITIONS.—The land exchange under paragraph (1) shall be carried out in accordance with such terms and conditions as the Secretary of the Interior determines to be necessary to protect the interests of the United States, including a requirement that the Port pay—

(A) reasonable administrative costs (not to exceed $50,000) associated with the exchange; and

(B) any excess (as determined by the Secretary of the Interior) of the fair market value of the parcel conveyed by the Secretary of the Interior over the fair market value of the parcel conveyed by the Port.

(3) USE OF FUNDS.—The Secretary of the Interior may retain any funds received under paragraph (2)(B) and, without further Act of appropriation, may use the funds to acquire replacement habitat for the Mid-Columbia River National Wildlife Refuge Complex.

(c) MANAGEMENT.—The McNary National Wildlife Refuge and land conveyed by the Port of Walla Walla, Washington, under subsection (b) shall be managed in accordance with applicable laws, including section 120(h) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9620(h)) and the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

TITLE IV—CHEYENNE RIVER SIOUX TRIBE, LOWER BRULE SIOUX TRIBE, AND STATE OF SOUTH DAKOTA TERRESTRIAL WILDLIFE HABITAT RESTORATION

SEC. 401. CHEYENNE RIVER SIOUX TRIBE, LOWER BRULE SIOUX TRIBE, AND STATE OF SOUTH DAKOTA TERRESTRIAL WILDLIFE HABITAT RESTORATION.

(a) DEFINITIONS.—Section 601 of division C of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (112 Stat. 2681–660), is amended—

(1) by redesignating paragraphs (1), (2), and (3) as paragraphs (2), (4), and (5), respectively;

(2) by inserting before paragraph (2) (as redesignated by paragraph (1)) the following:

''(1) COMMISSION.—The term 'Commission' means the South Dakota Cultural Resources Advisory Commission established by section 605(j).''; and

(3) by inserting after paragraph (2) (as redesignated by paragraph (1)) the following:

''(3) SECRETARY.—The term 'Secretary' means the Secretary of the Army.''.

(b) TERRESTRIAL WILDLIFE HABITAT RESTORATION.—Section 602 of division C of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (112 Stat. 2681–660), is amended—

(1) in subsection (a)(4)—

(A) in subparagraph (A)(ii), by striking ''803'' and inserting ''603'';

(B) in subparagraph (B)(ii), by striking ''804'' and inserting ''604''; and

(C) in subparagraph (C)—

(i) in clause (i)(II), by striking ''803(d)(3) and 804(d)(3)'' and inserting ''603(d)(3) and 604(d)(3)''; and

(ii) in clause (ii)(II)—

(I) by striking ''803(d)(3)(A)(i)'' and inserting ''603(d)(3)(A)(i)''; and

(II) by striking ''804(d)(3)(A)(i)'' and inserting ''604(d)(3)(A)(i)'';

(2) in subsection (b)—

(A) in paragraph (1), by striking ''803(d)(3)(A)(iii)'' and inserting ''603(d)(3)(A)(ii)(III)''; and

(B) in paragraph (4)—

(i) in subparagraph (A), by striking ''803(d)(3)(A)(iii)'' and inserting ''603(d)(3)(A)(ii)(III)''; and

(ii) in subparagraph (B), by striking ''804(d)(3)(A)(iii)'' and inserting ''604(d)(3)(A)(ii)(III)''; and

(3) in subsection (c), by striking ''803 and 804'' and inserting ''603 and 604''.

(c) SOUTH DAKOTA TERRESTRIAL WILDLIFE HABITAT RESTORATION TRUST FUND.—Section 603 of division C of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (112 Stat. 2681–663), is amended—

(1) in subsection (c)—

(A) by striking ''The Secretary'' and inserting the following:

''(1) IN GENERAL.—The Secretary''; and

(B) by adding at the end the following:

''(2) INTEREST RATE.—The Secretary of the Treasury shall invest amounts in the fund in obligations that carry the highest rate of interest among available obligations of the required maturity.''; and

(2) in subsection (d)—

(A) in paragraph (2), by striking ''802(a)(4)(A)'' and inserting ''602(a)(4)(A)''; and

(B) in paragraph (3)(A)—

(i) in clause (i)—

(I) by striking ''802(a)'' and inserting ''602(a)''; and

(II) by striking ''and'' at the end; and

(ii) in clause (ii)—

(I) in subclause (III), by striking ''802(b)'' and inserting ''602(b)''; and

(II) in subclause (IV)—

(aa) by striking ''802'' and inserting ''602''; and

(bb) by striking ''and'' at the end.

(d) CHEYENNE RIVER SIOUX TRIBE AND LOWER BRULE SIOUX TRIBE TERRESTRIAL WILDLIFE HABITAT RESTORATION TRUST FUNDS.—Section 604 of division C of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (112 Stat. 2681–664), is amended—

(1) in subsection (c)—

(A) by striking ''The Secretary'' and inserting the following:

''(1) IN GENERAL.—The Secretary''; and

(B) by adding at the end the following:

''(2) INTEREST RATE.—The Secretary of the Treasury shall invest amounts in the fund in obligations that carry the highest rate of interest among available obligations of the required maturity.''; and

(2) in subsection (d)—

(A) in paragraph (2), by striking ''802(a)(4)(B)'' and inserting ''602(a)(4)(B)''; and

(B) in paragraph (3)(A)—

(i) in clause (i), by striking ''802(a)'' and inserting ''602(a)''; and

(ii) in clause (ii)—

(I) in subclause (III), by striking ''802(b)'' and inserting ''602(b)''; and

(II) in subclause (IV), by striking ''802'' and inserting ''602''.

(e) TRANSFER OF FEDERAL LAND TO STATE OF SOUTH DAKOTA.—Section 605 of division C of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (112 Stat. 2681–665), is amended—

(1) in subsection (a)(2)(B), by striking ''802'' and inserting ''602'';

(2) in subsection (c), in the mater preceding paragraph (1), by striking ''waters'' and inserting ''facilities'';

(3) in subsection (e)(2), by striking ''803'' and inserting ''603'';

(4) by striking subsection (g) and inserting the following:

''(g) HUNTING AND FISHING.—

''(1) IN GENERAL.—Except as provided in this section, nothing in this title affects jurisdiction over the waters of the Missouri River below the water's edge and outside the exterior boundaries of an Indian reservation in South Dakota.

''(2) JURISDICTION.—

''(A) TRANSFERRED LAND.—On transfer of the land under this section to the State of South Dakota, jurisdiction over the land shall be the same as that over other land owned by the State of South Dakota.

''(B) LAND BETWEEN THE MISSOURI RIVER WATER'S EDGE AND THE LEVEL OF THE EXCLUSIVE FLOOD POOL.—Jurisdiction over land between the Missouri River water's edge and the level of the exclusive flood pool outside Indian reservations in the State of South Dakota shall be the same as that exercised by the State on other land owned by the State, and that jurisdiction shall follow the fluctuations of the water's edge.

''(D) FEDERAL LAND.—Jurisdiction over land and water owned by the Federal government within the boundaries of the State of South Dakota that are not affected by this Act shall remain unchanged.

''(3) EASEMENTS AND ACCESS.—The Secretary shall provide the State of South Dakota with easements and access on land and water below the level of the exclusive flood pool outside Indian reservations in the State of South Dakota for recreational and other purposes (including for boat docks, boat ramps, and related structures), so long as the easements would not prevent the Corps of Engineers from carrying out its mission under the Act entitled ''An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes'', approved December 22, 1944 (commonly known as the 'Flood Control Act of 1944') (58 Stat. 887)).''; and

(5) by adding at the end the following:

''(i) IMPACT AID.—The land transferred under subsection (a) shall be deemed to continue to be owned by the United States for purposes of section 8002 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7702).''

(f) TRANSFER OF CORPS OF ENGINEERS LAND FOR INDIAN TRIBES.—Section 606 of division C of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (112 Stat. 2681–667), is amended—

(1) in subsection (a)(1), by inserting before the period at the end the following: ''for their use in perpetuity'';

(2) in subsection (c), in the matter preceding paragraph (1), by striking ''waters'' and inserting ''facilities'';

(3) in subsection (f), by striking paragraph (2) and inserting the following:

''(2) HUNTING AND FISHING.—

''(A) IN GENERAL.—Except as provided in this section, nothing in this title affects jurisdiction over the waters of the Missouri River below the water's edge and within the exterior boundaries of the Cheyenne River Sioux and Lower Brule Sioux Tribe reservations.

''(B) JURISDICTION.—On transfer of the land to the respective tribes under this section, jurisdiction over the land and on land between the water's edge and the level of the exclusive flood pool within the respective Tribe's reservation boundaries shall be the same as that over land held in trust by the Secretary of the Interior on the Cheyenne River Sioux Reservation and the Lower Brule Sioux Reservation, and that jurisdiction shall follow the fluctuations of the water's edge.

''(C) EASEMENTS AND ACCESS.—The Secretary shall provide the Tribes with such easements and access on land and water below the level of the exclusive flood pool inside the respective Indian reservations for recreational and other purposes (including for boat docks, boat ramps, and related structures), so long as the easements would not prevent the Corps of Engineers from carrying out its mission under the Act entitled ''An Act authorizing the construction of certain public works on rivers and harbors for flood control, and for other purposes'', approved December 22, 1944 (commonly known as the 'Flood Control Act of 1944') (58 Stat. 887)).'';

(4) in subsection (e)(2), by striking ''804'' and inserting ''604''; and

(5) by adding at the end the following:

''(g) EXTERIOR INDIAN RESERVATION BOUNDARIES.—Notheing in this section diminishes, changes, or otherwise affects the exterior boundaries of a reservation of an Indian tribe.''.

(g) ADMINISTRATION.—Section 607(b) of division C of the Omnibus Consolidated and Energy Supplemental Appropriations Act, 1999 (112 Stat. 2681–669), is amended by striking ''land'' and inserting ''property''.

(h) STUDY.—Section 608 of division C of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (112 Stat. 2681–670), is amended—

(1) in subsection (a)—

(A) by striking ''Not late than 1 year after the date of enactment of this Act, the Secretary'' and inserting ''The Secretary'';

(B) by striking ''to conduct'' and inserting ''to complete, not later than October 31, 1999,''; and

(C) by striking ''805(b) and 806(b)'' and inserting ''605(b) and 606(b)'';

(2) in subsection (b), by striking ''805(b) or 806(b)'' and inserting ''606(b) or 606(b)''; and

(3) by adding at the end the following:

''(c) STATE WATER RIGHTS.—The results of the study shall not affect, and shall not be taken into consideration in, any proceeding to quantify the water rights of any State.

''(d) INDIAN WATER RIGHTS.—The results of the study shall not affect, and shall not be taken into consideration in, any proceeding to quantify the water rights of any Indian tribe or tribal nation.''.

(i) AUTHORIZATION OF APPROPRIATIONS.—Section 609(a) of division C of the Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999 (112 Stat. 2681–670), is amended—

(1) in paragraph (1), by striking ''and'' at the end;

(2) in paragraph (2)—

(A) by striking ''802(a)'' and inserting ''605(a)''; and

(B) by striking ''803(d)(3) and 804(d)(3).'' and inserting ''603(d)(3) and 604(d)(3); and''; and

(3) by adding at the end the following:

''(3) to fund the annual expenses (not to exceed the Federal cost as of the date of enactment of this Act) of operating recreation areas to be transferred under sections 605(c) and 606(c) or leased by the State of South Dakota or Indian tribes, until such time as the trust funds under sections 603 and 604 are fully capitalized.''.

The PRESIDING OFFICER (Mr. VOINOVICH) appointed Mr. CHAFEE, Mr. WARNER, Mr. SMITH of New Hampshire, Mr. VOINOVICH, Mr. BAUCUS, Mr. MOYNIHAN, and Mrs. BOXER conferees on the part of the Senate.

FINANCIAL SERVICES ACT OF 1999

Mr. SPECTER. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on (S. 900).

The PRESIDING OFFICER (Mr. VOINOVICH) laid before the Senate the amendments of the House of Representatives to the bill (S. 900) to enhance competition in the financial services industry by providing a prudential framework for the affiliation of banks, securities firms, insurance companies, and other financial service providers, and for other purposes, as follows:

SECTION 1. SHORT TITLE; PURPOSES; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Financial Services Act of 1999''.

(b) PURPOSES.—The purposes of this Act are as follows:

(1) To enhance competition in the financial services industry, in order to foster innovation and efficiency.

(2) To ensure the continued safety and soundness of depository institutions.

(3) To provide necessary and appropriate protections for investors and ensure fair and honest markets in the delivery of financial services.

(4) To avoid duplicative, potentially conflicting, and overly burdensome regulatory requirements through the creation of a regulatory framework for financial holding companies that respects the divergent requirements of each of the component businesses of the holding company, and that is based upon principles of strong functional regulation and enhanced regulatory coordination.

(5) To reduce and, to the maximum extent practicable, to eliminate the legal barriers preventing affiliation among depository institutions, securities firms, insurance companies, and other financial service providers and to provide a prudential framework for achieving that result.

(6) To enhance the availability of financial services to citizens of all economic circumstances and in all geographic areas.

(7) To enhance the competitiveness of United States financial service providers internationally.

(8) To ensure compliance by depository institutions with the provisions of the Community Reinvestment Act of 1977 and enhance the ability of depository institutions to meet the capital and credit needs of all citizens and communities, including underserved communities and populations.

(c) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; purposes; table of contents.

TITLE I—FACILITATING AFFILIATION AMONG SECURITIES FIRMS, INSURANCE COMPANIES, AND DEPOSITORY INSTITUTIONS

Subtitle A—Affiliations

Sec. 101. Glass-Steagall Act reformed.
Sec. 102. Activity restrictions applicable to bank holding companies which are not financial holding companies.
Sec. 103. Financial holding companies.
Sec. 104. Operation of State law.
Sec. 105. Mutual bank holding companies authorized.
Sec. 105A. Public meetings for large bank acquisitions and mergers.
Sec. 106. Prohibition on deposit production offices.
Sec. 107. Clarification of branch closure requirements.
Sec. 108. Amendments relating to limited purpose banks.
Sec. 109. GAO study of economic impact on community banks, other small financial institutions, insurance agents, and consumers.
Sec. 110. Responsiveness to community needs for financial services.
Sec. 110A. Study of financial modernization's affect on the accessibility of small business and farm loans.

Subtitle B—Streamlining Supervision of Financial Holding Companies

Sec. 111. Streamlining financial holding company supervision.
Sec. 112. Elimination of application requirement for financial holding companies.
Sec. 113. Authority of State insurance regulator and Securities and Exchange Commission.
Sec. 114. Prudential safeguards.
Sec. 115. Examination of investment companies.
Sec. 116. Limitation on rulemaking, prudential, supervisory, and enforcement authority of the Board.
Sec. 117. Equivalent regulation and supervision.
Sec. 118. Prohibition on FDIC assistance to affiliates and subsidiaries.
Sec. 119. Repeal of savings bank provisions in the Bank Holding Company Act of 1956.
Sec. 120. Technical amendment.

Subtitle C—Subsidiaries of National Banks

Sec. 121. Permissible activities for subsidiaries of national banks.
Sec. 122. Safety and soundness firewalls between banks and their financial subsidiaries.
Sec. 123. Misrepresentations regarding depository institution liability for obligations of affiliates.
Sec. 124. Repeal of stock loan limit in Federal Reserve Act.

Subtitle D—Wholesale Financial Holding Companies; Wholesale Financial Institutions

CHAPTER 1—WHOLESALE FINANCIAL HOLDING COMPANIES

Sec. 131. Wholesale financial holding companies established.
Sec. 132. Authorization to release reports.
Sec. 133. Conforming amendments.

CHAPTER 2—WHOLESALE FINANCIAL INSTITUTIONS

Sec. 136. Wholesale financial institutions.

Subtitle E—Preservation of FTC Authority

Sec. 141. Amendment to the Bank Holding Company Act of 1956 to modify notification and post-approval waiting period for section 3 transactions.
Sec. 142. Interagency data sharing.
Sec. 143. Clarification of status of subsidiaries and affiliates.
Sec. 144. Annual GAO report.

Subtitle F—National Treatment

Sec. 151. Foreign banks that are financial holding companies.
Sec. 152. Foreign banks and foreign financial institutions that are wholesale financial institutions.
Sec. 153. Representative offices.
Sec. 154. Reciprocity.

Subtitle G—Federal Home Loan Bank System Modernization

Sec. 161. Short title.
Sec. 162. Definitions.
Sec. 163. Savings association membership.
Sec. 164. Advances to members; collateral.
Sec. 165. Eligibility criteria.
Sec. 166. Management of banks.
Sec. 167. Resolution Funding Corporation.
Sec. 168. Capital structure of Federal home loan banks.

Subtitle H—ATM Fee Reform

Sec. 171. Short title.
Sec. 172. Electronic fund transfer fee disclosures at any host ATM.
Sec. 173. Disclosure of possible fees to consumers when ATM card is issued.
Sec. 174. Feasibility study.
Sec. 175. No liability if posted notices are damaged.

Subtitle I—Direct Activities of Banks

Sec. 181. Authority of national banks to underwrite certain municipal bonds.

Subtitle J—Deposit Insurance Funds

Sec. 186. Study of safety and soundness of funds.
Sec. 187. Elimination of SAIF and DIF special reserves.

Subtitle K—Miscellaneous Provisions

Sec. 191. Termination of ''know your customer'' regulations.
Sec. 192. Study and report on Federal electronic fund transfers.
Sec. 193. General Accounting Office study of conflicts of interest.
Sec. 194. Study of cost of all Federal banking regulations.
Sec. 195. Study and report on adapting existing legislative requirements to online banking and lending.
Sec. 196. Regulation of uninsured State member banks.
Sec. 197. Clarification of source of strength doctrine.
Sec. 198. Interest rates and other charges at interstate branches.
Sec. 198A. Interstate branches and agencies of foreign banks.
Sec. 198B. Fair treatment of women by financial advisers.

Subtitle L—Effective Date of Title

Sec. 199. Effective date.

TITLE II—FUNCTIONAL REGULATION

Subtitle A—Brokers and Dealers

Sec. 201. Definition of broker.
Sec. 202. Definition of dealer.
Sec. 203. Registration for sales of private securities offerings.
Sec. 204. Information sharing.
Sec. 205. Treatment of new hybrid products.
Sec. 206. Definition of excepted banking product.
Sec. 207. Additional definitions.
Sec. 208. Government securities defined.
Sec. 209. Effective date.
Sec. 210. Rule of construction.

Subtitle B—Bank Investment Company Activities

Sec. 211. Custody of investment company assets by affiliated bank.
Sec. 212. Lending to an affiliated investment company.
Sec. 213. Independent directors.
Sec. 214. Additional SEC disclosure authority.
Sec. 215. Definition of broker under the Investment Company Act of 1940.
Sec. 216. Definition of dealer under the Investment Company Act of 1940.
Sec. 217. Removal of the exclusion from the definition of investment adviser for banks that advise investment companies.
Sec. 218. Definition of broker under the Investment Advisers Act of 1940.
Sec. 219. Definition of dealer under the Investment Advisers Act of 1940.
Sec. 220. Interagency consultation.
Sec. 221. Treatment of bank common trust funds.
Sec. 222. Investment advisers prohibited from having controlling interest in registered investment company.
Sec. 223. Statutory disqualification for bank wrongdoing.
Sec. 224. Conforming change in definition.
Sec. 225. Conforming amendment.
Sec. 226. Church plan exclusion.
Sec. 227. Effective date.

Subtitle C—Securities and Exchange Commission Supervision of Investment Bank Holding Companies

Sec. 231. Supervision of investment bank holding companies by the Securities and Exchange Commission.

Subtitle D—Disclosure of Customer Costs of Acquiring Financial Products

Sec. 241. Improved and consistent disclosure.

Subtitle E—Banks and Bank Holding Companies

Sec. 251. Consultation.

TITLE III—INSURANCE

Subtitle A—State Regulation of Insurance

Sec. 301. State regulation of the business of insurance.
Sec. 302. Mandatory insurance licensing requirements.
Sec. 303. Functional regulation of insurance.
Sec. 304. Insurance underwriting in national banks.
Sec. 305. Title insurance activities of national banks and their affiliates.
Sec. 306. Expedited and equalized dispute resolution for Federal regulators.
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Sec. 308. Certain State affiliation laws preempted for insurance companies and affiliates.
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Subtitle B—Redomestication of Mutual Insurers

Sec. 311. General application.
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Sec. 313. Effect on State laws restricting redomestication.
Sec. 314. Other provisions.
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Subtitle C—National Association of Registered Agents and Brokers

Sec. 321. State flexibility in multistate licensing reforms.
Sec. 322. National Association of Registered Agents and Brokers.
Sec. 323. Purpose.
Sec. 324. Relationship to the Federal Government.
Sec. 325. Membership.
Sec. 326. Board of directors.
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Sec. 328. Bylaws, rules, and disciplinary action.

Sec. 329. Assessments.
Sec. 330. Functions of the NAIC.
Sec. 331. Liability of the Association and the directors, officers, and employees of the Association.
Sec. 332. Elimination of NAIC oversight.
Sec. 333. Relationship to State law.
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Sec. 335. Judicial review.
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Subtitle D—Rental Car Agency Insurance Activities

Sec. 341. Standard of regulation for motor vehicle rentals.

Subtitle E—Confidentiality

Sec. 351. Confidentiality of health and medical information.

TITLE IV—UNITARY SAVINGS AND LOAN HOLDING COMPANIES

Sec. 401. Prohibition on new unitary savings and loan holding companies.
Sec. 402. Retention of ''Federal'' in name of converted Federal savings association.

TITLE V—PRIVACY

Subtitle A—Disclosure of Nonpublic Personal Information

Sec. 501. Protection of nonpublic personal information.
Sec. 502. Obligations with respect to disclosures of personal information.
Sec. 503. Disclosure of institution privacy policy.
Sec. 504. Rulemaking.
Sec. 505. Enforcement.
Sec. 506. Fair Credit Reporting Act amendment.
Sec. 507. Relation to other provisions.
Sec. 508. Study of information sharing among financial affiliates.
Sec. 509. Definitions.
Sec. 510. Effective date.

Subtitle B—Fraudulent Access to Financial Information

Sec. 521. Privacy protection for customer information of financial institutions.
Sec. 522. Administrative enforcement.
Sec. 523. Criminal penalty.
Sec. 524. Relation to State laws.
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Sec. 526. Reports.
Sec. 527. Definitions.

TITLE I—FACILITATING AFFILIATION AMONG SECURITIES FIRMS, INSURANCE COMPANIES, AND DEPOSITORY INSTITUTIONS

Subtitle A—Affiliations

SEC. 101. GLASS-STEAGALL ACT REFORMED.

(a) SECTION 20 REPEALED.—Section 20 of the Banking Act of 1933 (12 U.S.C. 377) (commonly referred to as the ''Glass-Steagall Act'') is repealed.

(b) SECTION 32 REPEALED.—Section 32 of the Banking Act of 1933 (12 U.S.C. 78) is repealed.

SEC. 102. ACTIVITY RESTRICTIONS APPLICABLE TO BANK HOLDING COMPANIES WHICH ARE NOT FINANCIAL HOLDING COMPANIES.

(a) IN GENERAL.—Section 4(c)(8) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(c)(8)) is amended to read as follows:

''(8) shares of any company the activities of which had been determined by the Board by regulation or order under this paragraph as of the day before the date of the enactment of the Financial Services Act of 1999, to be so closely related to banking as to be a proper incident thereto (subject to such terms and conditions contained in such regulation or order, unless modified by the Board);''.

(b) CONFORMING CHANGES TO OTHER STATUTES.—

(1) AMENDMENT TO THE BANK HOLDING COMPANY ACT AMENDMENTS OF 1970.—Section 105 of the Bank Holding Company Act Amendments of 1970 (12 U.S.C. 1850) is amended by striking '', to engage directly or indirectly in a nonbanking activity pursuant to section 4 of such Act,''.

(2) AMENDMENT TO THE BANK SERVICE COMPANY ACT.—Section 4(f) of the Bank Service Company Act (12 U.S.C. 1864(f)) is amended by striking the period and adding at the end the following: ''as of the day before the date of the enactment of the Financial Services Act of 1999.''.

SEC. 103. FINANCIAL HOLDING COMPANIES.

(a) IN GENERAL.—The Bank Holding Company Act of 1956 is amended by inserting after section 5 (12 U.S.C. 1844) the following new section:

''SEC. 6. FINANCIAL HOLDING COMPANIES.

''(a) FINANCIAL HOLDING COMPANY DEFINED.—For purposes of this section, the term 'financial holding company' means a bank holding company which meets the requirements of subsection (b).

''(b) ELIGIBILITY REQUIREMENTS FOR FINANCIAL HOLDING COMPANIES.—

''(1) IN GENERAL.—No bank holding company may engage in any activity or directly or indirectly acquire or retain shares of any company under this section unless the bank holding company meets the following requirements:

''(A) All of the subsidiary depository institutions of the bank holding company are well capitalized.

''(B) All of the subsidiary depository institutions of the bank holding company are well managed.

''(C) All of the subsidiary depository institutions of the bank holding company have achieved a rating of 'satisfactory record of meeting community credit needs', or better, at the most recent examination of each such institution.

''(D) The company has filed with the Board a declaration that the company elects to be a financial holding company and certifying that the company meets the requirements of subparagraphs (A), (B), and (C).

''(2) FOREIGN BANKS AND COMPANIES.—For purposes of paragraph (1), the Board shall establish and apply comparable capital and other operating standards to a foreign bank that operates a branch or agency or owns or controls a bank or commercial lending company in the United States, and any company that owns or controls such foreign bank, giving due regard to the principle of national treatment and equality of competitive opportunity.

''(3) LIMITED EXCLUSIONS FROM COMMUNITY NEEDS REQUIREMENTS FOR NEWLY ACQUIRED DEPOSITORY INSTITUTIONS.—Any depository institution acquired by a bank holding company during the 12-month period preceding the submission of a notice under paragraph (1)(D) and any depository institution acquired after the submission of such notice may be excluded for purposes of paragraph (1)(C) during the 12-month period beginning on the date of such acquisition if—

''(A) the bank holding company has submitted an affirmative plan to the appropriate Federal banking agency to take such action as may be necessary in order for such institution to achieve a rating of 'satisfactory record of meeting community credit needs', or better, at the next examination of the institution; and

''(B) the plan has been accepted by such agency.

''(c) ENGAGING IN ACTIVITIES THAT ARE FINANCIAL IN NATURE.—

''(1) FINANCIAL ACTIVITIES.—

''(A) IN GENERAL.—Notwithstanding section 4(a), a financial holding company may engage in any activity, and acquire and retain the shares of any company engaged in any activity, that the Board has determined (by regulation or order and in accordance with subparagraph (B)) to be—

''(i) financial in nature or incidental to such financial activities; or

''(ii) complementary to activities authorized under this subsection to the extent that the amount of such complementary activities remains small.

''(B) COORDINATION BETWEEN THE BOARD AND THE SECRETARY OF THE TREASURY.—

''(i) PROPOSALS RAISED BEFORE THE BOARD.—

''(I) CONSULTATION.—The Board shall notify the Secretary of the Treasury of, and consult with the Secretary of the Treasury concerning, any request, proposal, or application under this subsection, including a regulation or order proposed under paragraph (4), for a determination of whether an activity is financial in nature or incidental to such a financial activity.

''(II) TREASURY VIEW.—The Board shall not determine that any activity is financial in nature or incidental to a financial activity under this subsection if the Secretary of the Treasury notifies the Board in writing, not later than 30 days after the date of receipt of the notice described in subclause (I) (or such longer period as the Board determines to be appropriate in light of the circumstances) that the Secretary of the Treasury believes that the activity is not financial in nature or incidental to a financial activity.

''(ii) PROPOSALS RAISED BY THE TREASURY.—

''(I) TREASURY RECOMMENDATION.—The Secretary of the Treasury may, at any time, recommend in writing that the Board find an activity to be financial in nature or incidental to a financial activity.

''(II) TIME PERIOD FOR BOARD ACTION.—Not later than 30 days after the date of receipt of a written recommendation from the Secretary of the Treasury under subclause (I) (or such longer period as the Secretary of the Treasury and the Board determine to be appropriate in light of the circumstances), the Board shall determine whether to initiate a public rulemaking proposing that the subject recommended activity be found to be financial in nature or incidental to a financial activity under this subsection, and shall notify the Secretary of the Treasury in writing of the determination of the Board and, in the event that the Board determines not to seek public comment on the proposal, the reasons for that determination.

''(2) FACTORS TO BE CONSIDERED.—In determining whether an activity is financial in nature or incidental to financial activities, the Board shall take into account—

''(A) the purposes of this Act and the Financial Services Act of 1999;

''(B) changes or reasonably expected changes in the marketplace in which bank holding companies compete;

''(C) changes or reasonably expected changes in the technology for delivering financial services; and

''(D) whether such activity is necessary or appropriate to allow a bank holding company and the affiliates of a bank holding company to—

''(i) compete effectively with any company seeking to provide financial services in the United States;

''(ii) use any available or emerging technological means, including any application necessary to protect the security or efficacy of systems for the transmission of data or financial transactions, in providing financial services; and

''(iii) offer customers any available or emerging technological means for using financial services.

''(3) ACTIVITIES THAT ARE FINANCIAL IN NATURE.—The following activities shall be considered to be financial in nature:

''(A) Lending, exchanging, transferring, investing for others, or safeguarding money or securities.

''(B) Insuring, guaranteeing, or indemnifying against loss, harm, damage, illness, disability, or death, or providing and issuing annuities, and acting as principal, agent, or broker for purposes of the foregoing.

''(C) Providing financial, investment, or economic advisory services, including advising an investment company (as defined in section 3 of the Investment Company Act of 1940).

''(D) Issuing or selling instruments representing interests in pools of assets permissible for a bank to hold directly.

''(E) Underwriting, dealing in, or making a market in securities.

''(F) Engaging in any activity that the Board has determined, by order or regulation that is in effect on the date of the enactment of the Financial Services Act of 1999, to be so closely related to banking or managing or controlling banks as to be a proper incident thereto (subject to the same terms and conditions contained in such order or regulation, unless modified by the Board).

''(G) Engaging, in the United States, in any activity that—

''(i) a bank holding company may engage in outside the United States; and

''(ii) the Board has determined, under regulations issued pursuant to section 4(c)(13) of this Act (as in effect on the day before the date of the enactment of the Financial Services Act of 1999) to be usual in connection with the transaction of banking or other financial operations abroad.

''(H) Directly or indirectly acquiring or controlling, whether as principal, on behalf of one or more entities (including entities, other than a depository institution, that the bank holding company controls) or otherwise, shares, assets, or ownership interests (including without limitation debt or equity securities, partnership interests, trust certificates or other instruments representing ownership) of a company or other entity, whether or not constituting control of such company or entity, engaged in any activity not authorized pursuant to this section if—

''(i) the shares, assets, or ownership interests are not acquired or held by a depository institution;

''(ii) such shares, assets, or ownership interests are acquired and held by an affiliate of the bank holding company that is a registered broker or dealer that is engaged in securities underwriting activities, or an affiliate of such broker or dealer, as part of a bona fide underwriting or investment banking activity, including investment activities engaged in for the purpose of appreciation and ultimate resale or disposition of the investment;

''(iii) such shares, assets, or ownership interests are held only for such a period of time as will permit the sale or disposition thereof on a reasonable basis consistent with the nature of the activities described in clause (ii); and

''(iv) during the period such shares, assets, or ownership interests are held, the bank holding company does not actively participate in the day to day management or operation of such company or entity, except insofar as necessary to achieve the objectives of clause (ii).

''(I) Directly or indirectly acquiring or controlling, whether as principal, on behalf of one or more entities (including entities, other than a depository institution or subsidiary of a depository institution, that the bank holding company controls) or otherwise, shares, assets, or ownership interests (including without limitation debt or equity securities, partnership interests, trust certificates or other instruments representing ownership) of a company or other entity, whether or not constituting control of such company or entity, engaged in any activity not authorized pursuant to this section if—

''(i) the shares, assets, or ownership interests are not acquired or held by a depository institution or a subsidiary of a depository institution;

''(ii) such shares, assets, or ownership interests are acquired and held by an insurance company that is predominantly engaged in underwriting life, accident and health, or property and casualty insurance (other than credit-related insurance) or providing and issuing annuities;

''(iii) such shares, assets, or ownership interests represent an investment made in the ordinary course of business of such insurance company in accordance with relevant State law governing such investments; and

''(iv) during the period such shares, assets, or ownership interests are held, the bank holding company does not directly or indirectly participate in the day-to-day management or operation of the company or entity except insofar as necessary to achieve the objectives of clauses (ii) and (iii).

''(4) AUTHORIZATION OF NEW FINANCIAL ACTIVITIES.—The Board shall, by regulation or order and in accordance with paragraph (1)(B), define, consistent with the purposes of this Act, the following activities as, and the extent to which such activities are, financial in nature or incidental to activities which are financial in nature:

''(A) Lending, exchanging, transferring, investing for others, or safeguarding financial assets other than money or securities.

''(B) Providing any device or other instrumentality for transferring money or other financial assets.

''(C) Arranging, effecting, or facilitating financial transactions for the account of third parties.

''(5) POST-CONSUMMATION NOTIFICATION.—

''(A) IN GENERAL.—A financial holding company that acquires any company, or commences any activity, pursuant to this subsection shall provide written notice to the Board describing the activity commenced or conducted by the company acquired no later than 30 calendar days after commencing the activity or consummating the acquisition.

''(B) APPROVAL NOT REQUIRED FOR CERTAIN FINANCIAL ACTIVITIES.—Except as provided in section 4(j) with regard to the acquisition of a savings association or in paragraph (6) of this subsection, a financial holding company may commence any activity, or acquire any company, pursuant to paragraph (3) or any regulation prescribed or order issued under paragraph (4), without prior approval of the Board.

''(6) NOTICE REQUIRED FOR LARGE COMBINATIONS.—

''(A) IN GENERAL.—No financial holding company shall directly or indirectly acquire, and no company that becomes a financial holding company shall directly or indirectly acquire control of, any company in the United States, including through merger, consolidation, or other type of business combination, that—

''(i) is engaged in activities permitted under this subsection or subsection (g); and

''(ii) has consolidated total assets in excess of $40,000,000,000,

unless such holding company has provided notice to the Board, not later than 60 days prior to such proposed acquisition or prior to becoming a financial holding company, and during that time period, or such longer time period not exceeding an additional 60 days, as established by the Board, the Board has not issued a notice disapproving the proposed acquisition or retention.

''(B) FACTORS FOR CONSIDERATION.—In reviewing any prior notice filed under this paragraph, the Board shall take into consideration—

''(i) whether the company is in compliance with all applicable criteria set forth in subsection (b) and the provisions of subsection (d);

''(ii) whether the proposed combination represents an undue aggregation of resources;

''(iii) whether the proposed combination poses a risk to the deposit insurance system;

''(iv) whether the proposed combination poses a risk to State insurance guaranty funds;

''(v) whether the proposed combination can reasonably be expected to be in the best interests of depositors or policyholders of the respective entities;

''(vi) whether the proposed transaction can reasonably be expected to further the purposes of this Act and produce benefits to the public; and

''(vii) whether, and the extent to which, the proposed combination poses an undue risk to the stability of the financial system in the United States.

''(C) REQUIRED INFORMATION.—The Board may disapprove any prior notice filed under this paragraph if the company submitting such notice neglects, fails, or refuses to furnish to the Board all relevant information required by the Board.

''(D) SOLICITATION OF VIEWS OF OTHER SUPERVISORY AGENCIES.—

''(i) IN GENERAL.—Upon receiving a prior notice under this paragraph, in order to provide for the submission of their views and recommendations, the Board shall give notice of the proposal to—

''(I) the appropriate Federal banking agency of any bank involved;

''(II) the appropriate functional regulator of any functionally regulated nondepository institution (as defined in section 5(c)(1)(C)) involved; and

''(III) the Secretary of the Treasury, the Attorney General, and the Federal Trade Commission.

''(ii) TIMING.—The views and recommendations of any agency provided notice under this paragraph shall be submitted to the Board not later than 30 calendar days after the date on which notice to the agency was given, unless the Board determines that another shorter time period is appropriate.

''(d) PROVISIONS APPLICABLE TO FINANCIAL HOLDING COMPANIES THAT FAIL TO MEET REQUIREMENTS.—

''(1) IN GENERAL.—If the Board finds, after notice from or consultation with the appropriate Federal banking agency, that a financial holding company is not in compliance with the requirements of subparagraph (A), (B), or (C) of subsection (b)(1), the Board shall give notice of such finding to the company.

''(2) AGREEMENT TO CORRECT CONDITIONS REQUIRED.—Within 45 days of receipt by a financial holding company of a notice given under paragraph (1) (or such additional period as the Board may permit), the company shall execute an agreement acceptable to the Board to comply with the requirements applicable to a financial holding company.

''(3) AUTHORITY TO IMPOSE LIMITATIONS.—Until the conditions described in a notice to a financial holding company under paragraph (1) are corrected—

''(A) the Board may impose such limitations on the conduct or activities of the company or any affiliate of the company as the Board determines to be appropriate under the circumstances; and

''(B) the appropriate Federal banking agency may impose such limitations on the conduct or activities of an affiliated depository institution or subsidiary of a depository institution as the appropriate Federal banking agency determines to be appropriate under the circumstances.

''(4) FAILURE TO CORRECT.—If, after receiving a notice under paragraph (1), a financial holding company does not—

''(A) execute and implement an agreement in accordance with paragraph (2);

''(B) comply with any limitations imposed under paragraph (3);

''(C) in the case of a notice of failure to comply with subsection (b)(1)(A), restore each depository institution subsidiary to well capitalized status before the end of the 180-day period beginning on the date such notice is received by the company (or such other period permitted by the Board); or

''(D) in the case of a notice of failure to comply with subparagraph (B) or (C) of subsection (b)(1), restore compliance with any such subparagraph by the date the next examination of the depository institution subsidiary is completed or by the end of such other period as the Board determines to be appropriate,

the Board may require such company, under such terms and conditions as may be imposed by the Board and subject to such extension of time as may be granted in the Board's discretion, to

divest control of any depository institution subsidiary or, at the election of the financial holding company, instead to cease to engage in any activity conducted by such company or its subsidiaries pursuant to this section.

''(5) CONSULTATION.—In taking any action under this subsection, the Board shall consult with all relevant Federal and State regulatory agencies.

''(e) SAFEGUARDS FOR BANK SUBSIDIARIES.—A financial holding company shall assure that—

''(1) the procedures of the holding company for identifying and managing financial and operational risks within the company, and the subsidiaries of such company, adequately protect the subsidiaries of such company which are insured depository institutions or wholesale financial institution from such risks;

''(2) the holding company has reasonable policies and procedures to preserve the separate corporate identity and limited liability of such company and the subsidiaries of such company, for the protection of the company's subsidiary insured depository institutions and wholesale financial institutions; and

''(3) the holding company complies with this section.

''(f) AUTHORITY TO RETAIN LIMITED NONFINANCIAL ACTIVITIES AND AFFILIATIONS.—

''(1) IN GENERAL.—Notwithstanding section 4(a), a company that is not a bank holding company or a foreign bank (as defined in section 1(b)(7) of the International Banking Act of 1978) and becomes a financial holding company after the date of the enactment of the Financial Services Act of 1999 may continue to engage in any activity and retain direct or indirect ownership or control of shares of a company engaged in any activity if—

''(A) the holding company lawfully was engaged in the activity or held the shares of such company on September 30, 1997;

''(B) the holding company is predominantly engaged in financial activities as defined in paragraph (2); and

''(C) the company engaged in such activity continues to engage only in the same activities that such company conducted on September 30, 1997, and other activities permissible under this Act.

''(2) PREDOMINANTLY FINANCIAL.—For purposes of this subsection, a company is predominantly engaged in financial activities if the annual gross revenues derived by the holding company and all subsidiaries of the holding company (excluding revenues derived from subsidiary depository institutions), on a consolidated basis, from engaging in activities that are financial in nature or are incidental to activities that are financial in nature under subsection (c) represent at least 85 percent of the consolidated annual gross revenues of the company.

''(3) NO EXPANSION OF GRANDFATHERED COMMERCIAL ACTIVITIES THROUGH MERGER OR CONSOLIDATION.—A financial holding company that engages in activities or holds shares pursuant to this subsection, or a subsidiary of such financial holding company, may not acquire, in any merger, consolidation, or other type of business combination, assets of any other company which is engaged in any activity which the Board has not determined to be financial in nature or incidental to activities that are financial in nature under subsection (c), except this paragraph shall not apply with respect to a company that owns a broadcasting station licensed under title III of the Communications Act of 1934 and the shares of which have been controlled by an insurance company since January 1, 1998.

''(4) CONTINUING REVENUE LIMITATION ON GRANDFATHERED COMMERCIAL ACTIVITIES.—Notwithstanding any other provision of this subsection, a financial holding company may continue to engage in activities or hold shares in companies pursuant to this subsection only to the extent that the aggregate annual gross revenues derived from all such activities and all such companies does not exceed 15 percent of the consolidated annual gross revenues of the financial holding company (excluding revenues derived from subsidiary depository institutions).

''(5) CROSS MARKETING RESTRICTIONS APPLICABLE TO COMMERCIAL ACTIVITIES.—A depository institution controlled by a financial holding company shall not—

''(A) offer or market, directly or through any arrangement, any product or service of a company whose activities are conducted or whose shares are owned or controlled by the financial holding company pursuant to this subsection or subparagraph (H) or (I) of subsection (c)(3); or

''(B) permit any of its products or services to be offered or marketed, directly or through any arrangement, by or through any company described in subparagraph (A).

''(6) TRANSACTIONS WITH NONFINANCIAL AFFILIATES.—A depository institution controlled by a financial holding company may not engage in a covered transaction (as defined by section 23A(b)(7) of the Federal Reserve Act) with any affiliate controlled by the company pursuant to section 10(c), this subsection, or subparagraph (H) or (I) of subsection (c)(3).

''(7) SUNSET OF GRANDFATHER.—A financial holding company engaged in any activity, or retaining direct or indirect ownership or control of shares of a company, pursuant to this subsection, shall terminate such activity and divest ownership or control of the shares of such company before the end of the 10-year period beginning on the date of the enactment of the Financial Services Act of 1999. The Board may, upon application by a financial holding company, extend such 10-year period by a period not to exceed an additional 5 years if such extension would not be detrimental to the public interest.

''(g) DEVELOPING ACTIVITIES.—A financial holding company may engage directly or indirectly, or acquire shares of any company engaged, in any activity that the Board has not determined to be financial in nature or incidental to financial activities under subsection (c) if—

''(1) the holding company reasonably concludes that the activity is financial in nature or incidental to financial activities;

''(2) the gross revenues from all activities conducted under this subsection represent less than 5 percent of the consolidated gross revenues of the holding company;

''(3) the aggregate total assets of all companies the shares of which are held under this subsection do not exceed 5 percent of the holding company's consolidated total assets;

''(4) the total capital invested in activities conducted under this subsection represents less than 5 percent of the consolidated total capital of the holding company;

''(5) neither the Board nor the Secretary of the Treasury has determined that the activity is not financial in nature or incidental to financial activities under subsection (c);

''(6) the holding company is not required to provide prior written notice of the transaction to the Board under subsection (c)(6); and

''(7) the holding company provides written notification to the Board describing the activity commenced or conducted by the company acquired no later than 10 business days after commencing the activity or consummating the acquisition.''.

(b) FACTORS FOR CONSIDERATION IN REVIEWING APPLICATION BY FINANCIAL HOLDING COMPANY TO ACQUIRE BANK.—Section 3(c) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(c)) is amended by adding at the end the following new paragraph:

''(6) 'TOO BIG TO FAIL' FACTOR.—In considering an acquisition, merger, or consolidation under this section involving a financial holding company or a company that would be any such holding company upon the consummation of the transaction, the Board shall consider whether, and the extent to which, the proposed acquisition, merger, or consolidation poses an undue risk to the stability of the financial system of the United States.''.

(c) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841) is amended by adding at the end the following new subsection:

''(p) INSURANCE COMPANY.—For purposes of sections 5, 6, and 10, the term 'insurance company' includes any person engaged in the business of insurance to the extent of such activities.''.

(2) Section 4(j) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(j)) is amended—

(A) in paragraph (1)(A), by inserting ''or in any complementary activity under section 6(c)(1)(B)'' after ''subsection (c)(8) or (a)(2)''; and

(B) in paragraph (3)—

(i) by inserting '', other than any complementary activity under section 6(c)(1)(B),'' after ''to engage in any activity''; and

(ii) by inserting ''or a company engaged in any complementary activity under section 6(c)(1)(B)'' after ''insured depository institution''.

(d) REPORT.—

(1) IN GENERAL.—By the end of the 4-year period beginning on the date of the enactment of this Act and every 4 years thereafter, the Board of Governors of the Federal Reserve System and the Secretary of the Treasury shall submit a joint report to the Congress containing a summary of new activities which are financial in nature, including grandfathered commercial activities, in which any financial holding company is engaged pursuant to subsection (c)(1) or (f) of section 6 of the Bank Holding Company Act of 1956 (as added by subsection (a)).

(2) OTHER CONTENTS.—Each report submitted to the Congress pursuant to paragraph (1) shall also contain the following:

(A) A discussion of actions by the Board of Governors of the Federal Reserve System and the Secretary of the Treasury, whether by regulation, order, interpretation, or guideline or by approval or disapproval of an application, with regard to activities of financial holding companies which are incidental to activities financial in nature or complementary to such financial activities.

(B) An analysis and discussion of the risks posed by commercial activities of financial holding companies to the safety and soundness of affiliate depository institutions.

(C) An analysis and discussion of the effect of mergers and acquisitions under section 6 of the Bank Holding Company Act of 1956 on market concentration in the financial services industry.

(D) An analysis and discussion, by the Board and the Secretary in consultation with the other Federal banking agencies (as defined in section 3(z) of the Federal Deposit Insurance Act), of the impact of the implementation of this Act, and the amendments made by this Act, on the extent of meeting community credit needs and capital availability under the Community Reinvestment Act of 1977.

SEC. 104. OPERATION OF STATE LAW.

(a) AFFILIATIONS.—

(1) IN GENERAL.—Except as provided in paragraph (2), no State may, by statute, regulation, order, interpretation, or other action, prevent or restrict an insured depository institution or wholesale financial institution, or a subsidiary or affiliate thereof, from being affiliated directly or indirectly or associated with any person or entity, as authorized or permitted by this Act or any other provision of Federal law.

(2) INSURANCE.—With respect to affiliations between insured depository institutions or wholesale financial institutions, or any subsidiary or affiliate thereof, and persons or entities engaged in the business of insurance, paragraph (1) does not prohibit—

(A) any State from requiring any person or entity that proposes to acquire control of an entity that is engaged in the business of insurance and domiciled in that State (hereafter in this

subparagraph referred to as the ''insurer'') to furnish to the insurance regulatory authority of that State, not later than 60 days before the effective date of the proposed acquisition—

(i) the name and address of each person by whom, or on whose behalf, the affiliation referred to in this subparagraph is to be effected (hereafter in this subparagraph referred to as the ''acquiring party'');

(ii) if the acquiring party is an individual, his or her principal occupation and all offices and positions held during the 5 years preceding the date of notification, and any conviction of crimes other than minor traffic violations during the 10 years preceding the date of notification;

(iii) if the acquiring party is not an individual—

(I) a report of the nature of its business operations during the 5 years preceding the date of notification, or for such shorter period as such person and any predecessors thereof shall have been in existence;

(II) an informative description of the business intended to be done by the acquiring party and any subsidiary thereof; and

(III) a list of all individuals who are, or who have been selected to become, directors or executive officers of the acquiring party or who perform, or will perform, functions appropriate to such positions, including, for each such individual, the information required by clause (ii);

(iv) the source, nature, and amount of the consideration used, or to be used, in effecting the merger or other acquisition of control, a description of any transaction wherein funds were, or are to be, obtained for any such purpose, and the identity of persons furnishing such consideration, except that, if a source of such consideration is a loan made in the lender's ordinary course of business, the identity of the lender shall remain confidential if the person filing such statement so requests;

(v) fully audited financial information as to the earnings and financial condition of each acquiring party for the 5 fiscal years preceding the date of notification of each such acquiring party, or for such lesser period as such acquiring party and any predecessors thereof shall have been in existence, and similar unaudited information as of a date not earlier than 90 days before the date of notification, except that, in the case of an acquiring party that is an insurer actively engaged in the business of insurance, the financial statements of such insurer need not be audited, but such audit may be required if the need therefor is determined by the insurance regulatory authority of the State;

(vi) any plans or proposals that each acquiring party may have to liquidate such insurer, to sell its assets, or to merge or consolidate it with any person or to make any other material change in its business or corporate structure or management;

(vii) the number of shares of any security of the insurer that each acquiring party proposes to acquire, the terms of any offer, request, invitation, agreement, or acquisition, and a statement as to the method by which the fairness of the proposal was arrived at;

(viii) the amount of each class of any security of the insurer that is beneficially owned or concerning which there is a right to acquire beneficial ownership by each acquiring party;

(ix) a full description of any contracts, arrangements, or understandings with respect to any security of the insurer in which any acquiring party is involved, including transfer of any of the securities, joint ventures, loan or option arrangements, puts or calls, guarantees of loans, guarantees against loss or guarantees of profits, division of losses or profits, or the giving or withholding of proxies, and identification of the persons with whom such contracts, arrangements, or understandings have been entered into;

(x) a description of the purchase of any security of the insurer during the 12-month period preceding the date of notification by any acquiring party, including the dates of purchase, names of the purchasers, and consideration paid, or agreed to be paid, therefor;

(xi) a description of any recommendations to purchase any security of the insurer made during the 12-month period preceding the date of notification by any acquiring party or by any person based upon interviews or at the suggestion of such acquiring party;

(xii) copies of all tender offers for, requests or invitations for tenders of, exchange offers for and agreements to acquire or exchange any securities of the insurer and, if distributed, of additional soliciting material relating thereto; and

(xiii) the terms of any agreement, contract, or understanding made with any broker-dealer as to solicitation of securities of the insurer for tender and the amount of any fees, commissions, or other compensation to be paid to broker-dealers with regard thereto;

(B) in the case of a person engaged in the business of insurance which is the subject of an acquisition or change or continuation in control, the State of domicile of such person from reviewing or taking action (including approval or disapproval) with regard to the acquisition or change or continuation in control, as long as the State reviews and actions—

(i) are completed by the end of the 60-day period beginning on the later of the date the State received notice of the proposed action or the date the State received the information required under State law regarding such acquisition or change or continuation in control;

(ii) do not have the effect of discriminating, intentionally or unintentionally, against an insured depository institution or affiliate thereof or against any other person based upon affiliation with an insured depository institution; and

(iii) are based on standards or requirements relating to solvency or managerial fitness;

(C) any State from requiring an entity that is acquiring control of an entity that is engaged in the business of insurance and domiciled in that State to maintain or restore the capital requirements of that insurance entity to the level required under the capital regulations of general applicability in that State to avoid the requirement of preparing and filing with the insurance regulatory authority of that State a plan to increase the capital of the entity, except that any determination by the State insurance regulatory authority with respect to such requirement shall be made not later than 60 days after the date of notification under subparagraph (A);

(D) any State from taking actions with respect to the receivership or conservatorship of any insurance company;

(E) any State from restricting a change in the ownership of stock in an insurance company, or a company formed for the purpose of controlling such insurance company, for a period of not more than 3 years beginning on the date of the conversion of such company from mutual to stock form; or

(F) any State from requiring an organization which has been eligible at any time since January 1, 1987, to claim the special deduction provided by section 833 of the Internal Revenue Code of 1986 to meet certain conditions in order to undergo, as determined by the State, a reorganization, recapitalization, conversion, merger, consolidation, sale or other disposition of substantial operating assets, demutualization, dissolution, or to undertake other similar actions and which is governed under a State statute enacted on May 22, 1998, relating to hospital, medical, and dental service corporation conversions.

(3) PRESERVATION OF STATE ANTITRUST AND GENERAL CORPORATE LAWS.—

(A) IN GENERAL.—Subject to subsection (c) and the nondiscrimination provisions contained in such subsection, no provision in paragraph (1) shall be construed as affecting State laws, regulations, orders, interpretations, or other actions of general applicability relating to the governance of corporations, partnerships, limited liability companies or other business associations incorporated or formed under the laws of that State or domiciled in that State, or the applicability of the antitrust laws of any State or any State law that is similar to the antitrust laws.

(B) DEFINITION.—The term ''antitrust laws'' has the same meaning as in subsection (a) of the first section of the Clayton Act, and includes section 5 of the Federal Trade Commission Act to the extent that such section 5 relates to unfair methods of competition.

(b) ACTIVITIES.—

(1) IN GENERAL.—Except as provided in paragraph (3), and except with respect to insurance sales, solicitation, and cross marketing activities, which shall be governed by paragraph (2), no State may, by statute, regulation, order, interpretation, or other action, prevent or restrict an insured depository institution, wholesale financial institution, or subsidiary or affiliate thereof from engaging directly or indirectly, either by itself or in conjunction with a subsidiary, affiliate, or any other entity or person, in any activity authorized or permitted under this Act.

(2) INSURANCE SALES.—

(A) IN GENERAL.—In accordance with the legal standards for preemption set forth in the decision of the Supreme Court of the United States in Barnett Bank of Marion County N.A. v. Nelson, 517 U.S. 25 (1996), no State may, by statute, regulation, order, interpretation, or other action, prevent or significantly interfere with the ability of an insured depository institution or wholesale financial institution, or a subsidiary or affiliate thereof, to engage, directly or indirectly, either by itself or in conjunction with a subsidiary, affiliate, or any other party, in any insurance sales, solicitation, or cross-marketing activity.

(B) CERTAIN STATE LAWS PRESERVED.—Notwithstanding subparagraph (A), a State may impose any of the following restrictions, or restrictions which are substantially the same as but no more burdensome or restrictive than those in each of the following clauses:

(i) Restrictions prohibiting the rejection of an insurance policy by an insured depository institution, wholesale financial institution, or any subsidiary or affiliate thereof, solely because the policy has been issued or underwritten by any person who is not associated with such insured depository institution or wholesale financial institution, or any subsidiary or affiliate thereof, when such insurance is required in connection with a loan or extension of credit.

(ii) Restrictions prohibiting a requirement for any debtor, insurer, or insurance agent or broker to pay a separate charge in connection with the handling of insurance that is required in connection with a loan or other extension of credit or the provision of another traditional banking product by an insured depository institution, wholesale financial institution, or any subsidiary or affiliate thereof, unless such charge would be required when the insured depository institution or wholesale financial institution, or any subsidiary or affiliate thereof, is the licensed insurance agent or broker providing the insurance.

(iii) Restrictions prohibiting the use of any advertisement or other insurance promotional material by an insured depository institution or wholesale financial institution, or any subsidiary or affiliate thereof, that would cause a reasonable person to believe mistakenly that—

(I) a State or the Federal Government is responsible for the insurance sales activities of, or stands behind the credit of, the institution, affiliate, or subsidiary; or

(II) a State, or the Federal Government guarantees any returns on insurance products, or is a source of payment on any insurance obligation of or sold by the institution, affiliate, or subsidiary;

(iv) Restrictions prohibiting the payment or receipt of any commission or brokerage fee or other valuable consideration for services as an

insurance agent or broker to or by any person, unless such person holds a valid State license regarding the applicable class of insurance at the time at which the services are performed, except that, in this clause, the term ''services as an insurance agent or broker'' does not include a referral by an unlicensed person of a customer or potential customer to a licensed insurance agent or broker that does not include a discussion of specific insurance policy terms and conditions.

(v) Restrictions prohibiting any compensation paid to or received by any individual who is not licensed to sell insurance, for the referral of a customer that seeks to purchase, or seeks an opinion or advice on, any insurance product to a person that sells or provides opinions or advice on such product, based on the purchase of insurance by the customer.

(vi) Restrictions prohibiting the release of the insurance information of a customer (defined as information concerning the premiums, terms, and conditions of insurance coverage, including expiration dates and rates, and insurance claims of a customer contained in the records of the insured depository institution or wholesale financial institution, or a subsidiary or affiliate thereof) to any person or entity other than an officer, director, employee, agent, subsidiary, or affiliate of an insured depository institution or a wholesale financial institution, for the purpose of soliciting or selling insurance, without the express consent of the customer, other than a provision that prohibits—

(I) a transfer of insurance information to an unaffiliated insurance company, agent, or broker in connection with transferring insurance in force on existing insureds of the insured depository institution or wholesale financial institution, or subsidiary or affiliate thereof, or in connection with a merger with or acquisition of an unaffiliated insurance company, agent, or broker; or

(II) the release of information as otherwise authorized by State or Federal law.

(vii) Restrictions prohibiting the use of health information obtained from the insurance records of a customer for any purpose, other than for its activities as a licensed agent or broker, without the express consent of the customer.

(viii) Restrictions prohibiting the extension of credit or any product or service that is equivalent to an extension of credit, lease or sale of property of any kind, or furnishing of any services or fixing or varying the consideration for any of the foregoing, on the condition or requirement that the customer obtain insurance from an insured depository institution, wholesale financial institution, a subsidiary or affiliate thereof, or a particular insurer, agent, or broker, other than a prohibition that would prevent any insured depository institution or wholesale financial institution, or any subsidiary or affiliate thereof—

(I) from engaging in any activity described in this clause that would not violate section 106 of the Bank Holding Company Act Amendments of 1970, as interpreted by the Board of Governors of the Federal Reserve System; or

(II) from informing a customer or prospective customer that insurance is required in order to obtain a loan or credit, that loan or credit approval is contingent upon the procurement by the customer of acceptable insurance, or that insurance is available from the insured depository institution or wholesale financial institution, or any subsidiary or affiliate thereof.

(ix) Restrictions requiring, when an application by a consumer for a loan or other extension of credit from an insured depository institution or wholesale financial institution is pending, and insurance is offered or sold to the consumer or is required in connection with the loan or extension of credit by the insured depository institution or wholesale financial institution or any affiliate or subsidiary thereof, that a written disclosure be provided to the consumer or prospective customer indicating that his or her choice of an insurance provider will not affect the credit decision or credit terms in any way, except that the insured depository institution or wholesale financial institution may impose reasonable requirements concerning the creditworthiness of the insurance provider and scope of coverage chosen.

(x) Restrictions requiring clear and conspicuous disclosure, in writing, where practicable, to the customer prior to the sale of any insurance policy that such policy—

(I) is not a deposit;

(II) is not insured by the Federal Deposit Insurance Corporation;

(III) is not guaranteed by the insured depository institution or wholesale financial institution or, if appropriate, its subsidiaries or affiliates or any person soliciting the purchase of or selling insurance on the premises thereof; and

(IV) where appropriate, involves investment risk, including potential loss of principal.

(xi) Restrictions requiring that, when a customer obtains insurance (other than credit insurance or flood insurance) and credit from an insured depository institution or wholesale financial institution, or its subsidiaries or affiliates, or any person soliciting the purchase of or selling insurance on the premises thereof, the credit and insurance transactions be completed through separate documents.

(xii) Restrictions prohibiting, when a customer obtains insurance (other than credit insurance or flood insurance) and credit from an insured depository institution or wholesale financial institution or its subsidiaries or affiliates, or any person soliciting the purchase of or selling insurance on the premises thereof, inclusion of the expense of insurance premiums in the primary credit transaction without the express written consent of the customer.

(xiii) Restrictions requiring maintenance of separate and distinct books and records relating to insurance transactions, including all files relating to and reflecting consumer complaints, and requiring that such insurance books and records be made available to the appropriate State insurance regulator for inspection upon reasonable notice.

(C) LIMITATIONS.—

(i) OCC DEFERENCE.—Section 306(e) does not apply with respect to any State statute, regulation, order, interpretation, or other action regarding insurance sales, solicitation, or cross marketing activities described in subparagraph (A) that was issued, adopted, or enacted before September 3, 1998, and that is not described in subparagraph (B).

(ii) NONDISCRIMINATION.—Subsection (c) does not apply with respect to any State statute, regulation, order, interpretation, or other action regarding insurance sales, solicitation, or cross marketing activities described in subparagraph (A) that was issued, adopted, or enacted before September 3, 1998, and that is not described in subparagraph (B).

(iii) CONSTRUCTION.—Nothing in this paragraph shall be construed to limit the applicability of the decision of the Supreme Court in Barnett Bank of Marion County N.A. v. Nelson, 116 S. Ct. 1103 (1996) with respect to a State statute, regulation, order, interpretation, or other action that is not described in subparagraph (B).

(iv) LIMITATION ON INFERENCES.—Nothing in this paragraph shall be construed to create any inference with respect to any State statute, regulation, order, interpretation, or other action that is not referred to or described in this paragraph.

(3) INSURANCE ACTIVITIES OTHER THAN SALES.—State statutes, regulations, interpretations, orders, and other actions shall not be preempted under subsection (b)(1) to the extent that they—

(A) relate to, or are issued, adopted, or enacted for the purpose of regulating the business of insurance in accordance with the Act of March 9, 1945 (commonly known as the ''McCarran-Ferguson Act'');

(B) apply only to persons or entities that are not insured depository institutions or wholesale financial institutions, but that are directly engaged in the business of insurance (except that they may apply to depository institutions engaged in providing savings bank life insurance as principal to the extent of regulating such insurance);

(C) do not relate to or directly or indirectly regulate insurance sales, solicitations, or cross-marketing activities; and

(D) are not prohibited under subsection (c).

(4) FINANCIAL ACTIVITIES OTHER THAN INSURANCE.—No State statute, regulation, interpretation, order, or other action shall be preempted under subsection (b)(1) to the extent that—

(A) it does not relate to, and is not issued and adopted, or enacted for the purpose of regulating, directly or indirectly, insurance sales, solicitations, or cross marketing activities covered under paragraph (2);

(B) it does not relate to, and is not issued and adopted, or enacted for the purpose of regulating, directly or indirectly, the business of insurance activities other than sales, solicitations, or cross marketing activities, covered under paragraph (3);

(C) it does not relate to securities investigations or enforcement actions referred to in subsection (d); and

(D) it—

(i) does not distinguish by its terms between insured depository institutions, wholesale financial institutions, and subsidiaries and affiliates thereof engaged in the activity at issue and other persons or entities engaged in the same activity in a manner that is in any way adverse with respect to the conduct of the activity by any such insured depository institution, wholesale financial institution, or subsidiary or affiliate thereof engaged in the activity at issue;

(ii) as interpreted or applied, does not have, and will not have, an impact on depository institutions, wholesale financial institutions, or subsidiaries or affiliates thereof engaged in the activity at issue, or any person or entity affiliated therewith, that is substantially more adverse than its impact on other persons or entities engaged in the same activity that are not insured depository institutions, wholesale financial institutions, or subsidiaries or affiliates thereof, or persons or entities affiliated therewith;

(iii) does not effectively prevent a depository institution, wholesale financial institution, or subsidiary or affiliate thereof from engaging in activities authorized or permitted by this Act or any other provision of Federal law; and

(iv) does not conflict with the intent of this Act generally to permit affiliations that are authorized or permitted by Federal law.

(c) NONDISCRIMINATION.—Except as provided in any restrictions described in subsection (b)(2)(B), no State may, by statute, regulation, order, interpretation, or other action, regulate the insurance activities authorized or permitted under this Act or any other provision of Federal law of an insured depository institution or wholesale financial institution, or subsidiary or affiliate thereof, to the extent that such statute, regulation, order, interpretation, or other action—

(1) distinguishes by its terms between insured depository institutions or wholesale financial institutions, or subsidiaries or affiliates thereof, and other persons or entities engaged in such activities, in a manner that is in any way adverse to any such insured depository institution or wholesale financial institution, or subsidiary or affiliate thereof;

(2) as interpreted or applied, has or will have an impact on depository institutions or wholesale financial institutions, or subsidiaries or affiliates thereof, that is substantially more adverse than its impact on other persons or entities providing the same products or services or engaged in the same activities that are not insured

depository institutions, wholesale financial institutions, or subsidiaries or affiliates thereof, or persons or entities affiliated therewith;

(3) effectively prevents a depository institution or wholesale financial institution, or subsidiary or affiliate thereof, from engaging in insurance activities authorized or permitted by this Act or any other provision of Federal law; or

(4) conflicts with the intent of this Act generally to permit affiliations that are authorized or permitted by Federal law between insured depository institutions or wholesale financial institutions, or subsidiaries or affiliates thereof, and persons and entities engaged in the business of insurance.

(d) LIMITATION.—Subsections (a) and (b) shall not be construed to affect the jurisdiction of the securities commission (or any agency or office performing like functions) of any State, under the laws of such State—

(1) to investigate and bring enforcement actions, consistent with section 18(c) of the Securities Act of 1933, with respect to fraud or deceit or unlawful conduct by any person, in connection with securities or securities transactions; or

(2) to require the registration of securities or the licensure or registration of brokers, dealers, or investment advisers (consistent with section 203A of the Investment Advisers Act of 1940), or the associated persons of a broker, dealer, or investment adviser (consistent with such section 203A).

(e) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

(1) INSURED DEPOSITORY INSTITUTION.—The term ''insured depository institution'' includes any foreign bank that maintains a branch, agency, or commercial lending company in the United States.

(2) STATE.—The term ''State'' means any State of the United States, the District of Columbia, any territory of the United States, Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, the Virgin Islands, and the Northern Mariana Islands.

SEC. 105. MUTUAL BANK HOLDING COMPANIES AUTHORIZED.

Section 3(g)(2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(g)(2)) is amended to read as follows:

''(2) REGULATIONS.—A bank holding company organized as a mutual holding company shall be regulated on terms, and shall be subject to limitations, comparable to those applicable to any other bank holding company.''.

SEC. 105A. PUBLIC MEETINGS FOR LARGE BANK ACQUISITIONS AND MERGERS.

(a) BANK HOLDING COMPANY ACT OF 1956.—Section 3(c)(2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(c)(2)) is amended—

(1) by striking ''FACTORS.—In every case'' and inserting ''FACTORS.—

''(A) IN GENERAL.—In every case''; and

(2) by adding at the end the following new subparagraph:

''(B) PUBLIC MEETINGS.—In each case involving one or more insured depository institutions each of which has total assets of $1,000,000,000 or more, the Board shall, as necessary and on a timely basis, conduct public meetings in one or more areas where the Board believes, in the sole discretion of the Board, there will be a substantial public impact.''.

(b) FEDERAL DEPOSIT INSURANCE ACT.—Section 18(c) of the Federal Deposit Insurance Act (12 U.S.C. 1828(c)) is amended by adding at the end the following new paragraph:

''(12) PUBLIC MEETINGS.—In each merger transaction involving one or more insured depository institutions each of which has total assets of $1,000,000,000 or more, the responsible agency shall, as necessary and on a timely basis, conduct public meetings in one or more areas where the agency believes, in the sole discretion of the agency, there will be a substantial public impact.''.

(c) NATIONAL BANK CONSOLIDATION AND MERGER ACT.—The National Bank Consolidation and Merger Act (12 U.S.C. 215 et seq.) is amended by adding at the end the following new section:

''SEC. 6. PUBLIC MEETINGS FOR LARGE BANK CONSOLIDATIONS AND MERGERS.

''In each case of a consolidation or merger under this Act involving one or more banks each of which has total assets of $1,000,000,000 or more, the Comptroller shall, as necessary and on a timely basis, conduct public meetings in one or more areas where the Comptroller believes, in the sole discretion of the Comptroller, there will be a substantial public impact.''.

(d) HOME OWNERS' LOAN ACT.—Section 10(e) of the Home Owners' Loan Act (12 U.S.C. 1463) is amended by adding at the end the following new paragraph:

''(7) PUBLIC MEETINGS FOR LARGE DEPOSITORY INSTITUTION ACQUISITIONS AND MERGERS.—In each case involving one or more insured depository institutions each of which has total assets of $1,000,000,000 or more, the Director shall, as necessary and on a timely basis, conduct public meetings in one or more areas where the Director believes, in the sole discretion of the Director, there will be a substantial public impact.''.

SEC. 106. PROHIBITION ON DEPOSIT PRODUCTION OFFICES.

(a) IN GENERAL.—Section 109(d) of the Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994 (12 U.S.C. 1835a(d)) is amended—

(1) by inserting '', the Financial Services Act of 1999,'' after ''pursuant to this title''; and

(2) by inserting ''or such Act'' after ''made by this title''.

(b) TECHNICAL AND CONFORMING AMENDMENT.—Section 109(e)(4) of the Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994 (12 U.S.C. 1835a(e)(4)) is amended by inserting ''and any branch of a bank controlled by an out-of-State bank holding company (as defined in section 2(o)(7) of the Bank Holding Company Act of 1956)'' before the period.

SEC. 107. CLARIFICATION OF BRANCH CLOSURE REQUIREMENTS.

Section 42(d)(4)(A) of the Federal Deposit Insurance Act (12 U.S.C. 1831r–1(d)(4)(A)) is amended by inserting ''and any bank controlled by an out-of-State bank holding company (as defined in section 2(o)(7) of the Bank Holding Company Act of 1956)'' before the period.

SEC. 108. AMENDMENTS RELATING TO LIMITED PURPOSE BANKS.

(a) IN GENERAL.—Section 4(f) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843(f)) is amended—

(1) in paragraph (2)(A)(ii)—

(A) by striking ''and'' at the end of subclause (IX);

(B) by inserting ''and'' after the semicolon at the end of subclause (X); and

(C) by inserting after subclause (X) the following new subclause:

''(XI) assets that are derived from, or are incidental to, consumer lending activities in which institutions described in subparagraph (F) or (H) of section 2(c)(2) are permitted to engage,'';

(2) in paragraph (2), by striking subparagraph (B) and inserting the following new subparagraphs:

''(B) any bank subsidiary of such company engages in any activity in which the bank was not lawfully engaged as of March 5, 1987, unless the bank is well managed and well capitalized;

''(C) any bank subsidiary of such company both—

''(i) accepts demand deposits or deposits that the depositor may withdraw by check or similar means for payment to third parties; and

''(ii) engages in the business of making commercial loans (and, for purposes of this clause, loans made in the ordinary course of a credit card operation shall not be treated as commercial loans); or

''(D) after the date of the enactment of the Competitive Equality Amendments of 1987, any bank subsidiary of such company permits any overdraft (including any intraday overdraft), or incurs any such overdraft in such bank's account at a Federal Reserve bank, on behalf of an affiliate, other than an overdraft described in paragraph (3).''; and

(3) by striking paragraphs (3) and (4) and inserting the following new paragraphs:

''(3) PERMISSIBLE OVERDRAFTS DESCRIBED.—For purposes of paragraph (2)(D), an overdraft is described in this paragraph if—

''(A) such overdraft results from an inadvertent computer or accounting error that is beyond the control of both the bank and the affiliate;

''(B) such overdraft—

''(i) is permitted or incurred on behalf of an affiliate which is monitored by, reports to, and is recognized as a primary dealer by the Federal Reserve Bank of New York; and

''(ii) is fully secured, as required by the Board, by bonds, notes, or other obligations which are direct obligations of the United States or on which the principal and interest are fully guaranteed by the United States or by securities and obligations eligible for settlement on the Federal Reserve book entry system; or

''(C) such overdraft—

''(i) is incurred on behalf of an affiliate solely in connection with an activity that is so closely related to banking, or managing or controlling banks, as to be a proper incident thereto, to the extent the bank incurring the overdraft and the affiliate on whose behalf the overdraft is incurred each document that the overdraft is incurred for such purpose; and

''(ii) does not cause the bank to violate any provision of section 23A or 23B of the Federal Reserve Act, either directly, in the case of a member bank, or by virtue of section 18(j) of the Federal Deposit Insurance Act, in the case of a nonmember bank.

''(4) DIVESTITURE IN CASE OF LOSS OF EXEMPTION.—If any company described in paragraph (1) fails to qualify for the exemption provided under such paragraph by operation of paragraph (2), such exemption shall cease to apply to such company and such company shall divest control of each bank it controls before the end of the 180-day period beginning on the date that the company receives notice from the Board that the company has failed to continue to qualify for such exemption, unless before the end of such 180-day period, the company has—

''(A) corrected the condition or ceased the activity that caused the company to fail to continue to qualify for the exemption; and

''(B) implemented procedures that are reasonably adapted to avoid the reoccurrence of such condition or activity.

The issuance of any notice under this paragraph that relates to the activities of a bank shall not be construed as affecting the authority of the bank to continue to engage in such activities until the expiration of such 180-day period.''.

(b) INDUSTRIAL LOAN COMPANIES AFFILIATE OVERDRAFTS.—Section 2(c)(2)(H) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(c)(2)(H)) is amended by inserting before the period at the end '', or that is otherwise permissible for a bank controlled by a company described in section 4(f)(1)''.

SEC. 109. GAO STUDY OF ECONOMIC IMPACT ON COMMUNITY BANKS, OTHER SMALL FINANCIAL INSTITUTIONS, INSURANCE AGENTS, AND CONSUMERS.

(a) STUDY REQUIRED.—The Comptroller General of the United States shall conduct a study of the projected economic impact and the actual economic impact that the enactment of this Act will have on financial institutions, including community banks, registered brokers and dealers and insurance companies, which have total assets of $100,000,000 or less, insurance agents, and consumers.

(b) REPORTS TO THE CONGRESS.—

(1) IN GENERAL.—The Comptroller General of the United States shall submit reports to the Congress, at the times required under paragraph (2), containing the findings and conclusions of the Comptroller General with regard to the study required under subsection (a) and such recommendations for legislative or administrative action as the Comptroller General may determine to be appropriate.

(2) TIMING OF REPORTS.—The Comptroller General shall submit—

(A) an interim report before the end of the 6-month period beginning after the date of the enactment of this Act;

(B) another interim report before the end of the next 6-month period; and

(C) a final report before the end of the 1-year period after such second 6-month period,''.

SEC. 110. RESPONSIVENESS TO COMMUNITY NEEDS FOR FINANCIAL SERVICES.

(a) STUDY.—The Secretary of the Treasury, in consultation with the Federal banking agencies (as defined in section 3(z) of the Federal Deposit Insurance Act), shall conduct a study of the extent to which adequate services are being provided as intended by the Community Reinvestment Act of 1977, including services in low- and moderate-income neighborhoods and for persons of modest means, as a result of the enactment of this Act.

(b) REPORT.—Before the end of the 2-year period beginning on the date of the enactment of this Act, the Secretary of the Treasury, in consultation with the Federal banking agencies, shall submit a report to the Congress on the study conducted pursuant to subsection (a) and shall include such recommendations as the Secretary determines to be appropriate for administrative and legislative action with respect to institutions covered under the Community Reinvestment Act of 1977.

SEC. 110A. STUDY OF FINANCIAL MODERNIZATION'S AFFECT ON THE ACCESSIBILITY OF SMALL BUSINESS AND FARM LOANS.

(a) STUDY.—The Secretary of the Treasury, in consultation with the Federal banking agencies (as defined in Section 3(z) of the Federal Deposit Insurance Act), shall conduct a study of the extent to which credit is being provided to and for small business and farms, as a result of this Act.

(b) REPORT.—Before the end of the 5-year period beginning on the date of the enactment of this Act, the Secretary, in consultation with the Federal banking agencies, shall submit a report to the Congress on the study conducted pursuant to subsection (a) and shall include such recommendations as the Secretary determines to be appropriate for administrative and legislative action.

Subtitle B—Streamlining Supervision of Financial Holding Companies

SEC. 111. STREAMLINING FINANCIAL HOLDING COMPANY SUPERVISION.

Section 5(c) of the Bank Holding Company Act of 1956 (12 U.S.C. 1844(c)) is amended to read as follows:

''(c) REPORTS AND EXAMINATIONS.—

''(1) REPORTS.—

''(A) IN GENERAL.—The Board from time to time may require any bank holding company and any subsidiary of such company to submit reports under oath to keep the Board informed as to—

''(i) its financial condition, systems for monitoring and controlling financial and operating risks, and transactions with depository institution subsidiaries of the holding company; and

''(ii) compliance by the company or subsidiary with applicable provisions of this Act.

''(B) USE OF EXISTING REPORTS.—

''(i) IN GENERAL.—The Board shall, to the fullest extent possible, accept reports in fulfillment of the Board's reporting requirements under this paragraph that a bank holding company or any subsidiary of such company has provided or been required to provide to other Federal and State supervisors or to appropriate self-regulatory organizations.

''(ii) AVAILABILITY.—A bank holding company or a subsidiary of such company shall provide to the Board, at the request of the Board, a report referred to in clause (i).

''(iii) REQUIRED USE OF PUBLICLY REPORTED INFORMATION.—The Board shall, to the fullest extent possible, accept in fulfillment of any reporting or recordkeeping requirements under this Act information that is otherwise required to be reported publicly and externally audited financial statements.

''(iv) REPORTS FILED WITH OTHER AGENCIES.—In the event the Board requires a report from a functionally regulated nondepository institution subsidiary of a bank holding company of a kind that is not required by another Federal or State regulator or appropriate self-regulatory organization, the Board shall request that the appropriate regulator or self-regulatory organization obtain such report. If the report is not made available to the Board, and the report is necessary to assess a material risk to the bank holding company or any of its subsidiary depository institutions or compliance with this Act, the Board may require such subsidiary to provide such a report to the Board.

''(C) DEFINITION.—For purposes of this subsection, the term 'functionally regulated nondepository institution' means—

''(i) a broker or dealer registered under the Securities Exchange Act of 1934;

''(ii) an investment adviser registered under the Investment Advisers Act of 1940, or with any State, with respect to the investment advisory activities of such investment adviser and activities incidental to such investment advisory activities;

''(iii) an insurance company subject to supervision by a State insurance commission, agency, or similar authority; and

''(iv) an entity subject to regulation by the Commodity Futures Trading Commission, with respect to the commodities activities of such entity and activities incidental to such commodities activities.

''(2) EXAMINATIONS.—

''(A) EXAMINATION AUTHORITY.—

''(i) IN GENERAL.—The Board may make examinations of each bank holding company and each subsidiary of a bank holding company.

''(ii) FUNCTIONALLY REGULATED NONDEPOSITORY INSTITUTION SUBSIDIARIES.—Notwithstanding clause (i), the Board may make examinations of a functionally regulated nondepository institution subsidiary of a bank holding company only if—

''(I) the Board has reasonable cause to believe that such subsidiary is engaged in activities that pose a material risk to an affiliated depository institution; or

''(II) based on reports and other available information, the Board has reasonable cause to believe that a subsidiary is not in compliance with this Act or with provisions relating to transactions with an affiliated depository institution and the Board cannot make such determination through examination of the affiliated depository institution or bank holding company.

''(B) LIMITATIONS ON EXAMINATION AUTHORITY FOR BANK HOLDING COMPANIES AND SUBSIDIARIES.—Subject to subparagraph (A)(ii), the Board may make examinations under subparagraph (A)(i) of each bank holding company and each subsidiary of such holding company in order to—

''(i) inform the Board of the nature of the operations and financial condition of the holding company and such subsidiaries;

''(ii) inform the Board of—

''(I) the financial and operational risks within the holding company system that may pose a threat to the safety and soundness of any subsidiary depository institution of such holding company; and

''(II) the systems for monitoring and controlling such risks; and

''(iii) monitor compliance with the provisions of this Act and those governing transactions and relationships between any subsidiary depository institution and its affiliates.

''(C) RESTRICTED FOCUS OF EXAMINATIONS.—The Board shall, to the fullest extent possible, limit the focus and scope of any examination of a bank holding company to—

''(i) the bank holding company; and

''(ii) any subsidiary of the holding company that, because of—

''(I) the size, condition, or activities of the subsidiary; or

''(II) the nature or size of transactions between such subsidiary and any depository institution which is also a subsidiary of such holding company,

could have a materially adverse effect on the safety and soundness of any depository institution affiliate of the holding company.

''(D) DEFERENCE TO BANK EXAMINATIONS.—The Board shall, to the fullest extent possible, use, for the purposes of this paragraph, the reports of examinations of depository institutions made by the appropriate Federal and State depository institution supervisory authority.

''(E) DEFERENCE TO OTHER EXAMINATIONS.—The Board shall, to the fullest extent possible, address the circumstances which might otherwise permit or require an examination by the Board by forgoing an examination and instead reviewing the reports of examination made of—

''(i) any registered broker or dealer by or on behalf of the Securities and Exchange Commission;

''(ii) any investment adviser registered by or on behalf of either the Securities and Exchange Commission or any State, whichever is required by law;

''(iii) any licensed insurance company by or on behalf of any State regulatory authority responsible for the supervision of insurance companies; and

''(iv) any other subsidiary that the Board finds to be comprehensively supervised by a Federal or State authority.

''(3) CAPITAL.—

''(A) IN GENERAL.—The Board shall not, by regulation, guideline, order or otherwise, prescribe or impose any capital or capital adequacy rules, guidelines, standards, or requirements on any subsidiary of a financial holding company that is not a depository institution and—

''(i) is in compliance with applicable capital requirements of another Federal regulatory authority (including the Securities and Exchange Commission) or State insurance authority;

''(ii) is registered as an investment adviser under the Investment Advisers Act of 1940, or with any State, whichever is required by law; or

''(iii) is licensed as an insurance agent with the appropriate State insurance authority.

''(B) RULE OF CONSTRUCTION.—Subparagraph (A) shall not be construed as preventing the Board from imposing capital or capital adequacy rules, guidelines, standards, or requirements with respect to—

''(i) activities of a registered investment adviser other than investment advisory activities or activities incidental to investment advisory activities; or

''(ii) activities of a licensed insurance agent other than insurance agency activities or activities incidental to insurance agency activities.

''(C) LIMITATIONS ON INDIRECT ACTION.—In developing, establishing, or assessing holding company capital or capital adequacy rules, guidelines, standards, or requirements for purposes of this paragraph, the Board shall not take into account the activities, operations, or investments of an affiliated investment company registered under the Investment Company Act of 1940, unless the investment company is—

''(i) a bank holding company; or

''(ii) controlled by a bank holding company by reason of ownership by the bank holding company (including through all of its affiliates) of

25 percent or more of the shares of the investment company, and the shares owned by the bank holding company have a market value equal to more than $1,000,000.

''(4) TRANSFER OF BOARD AUTHORITY TO APPROPRIATE FEDERAL BANKING AGENCY.—

''(A) IN GENERAL.—In the case of any bank holding company which is not significantly engaged in nonbanking activities, the Board, in consultation with the appropriate Federal banking agency, may designate the appropriate Federal banking agency of the lead insured depository institution subsidiary of such holding company as the appropriate Federal banking agency for the bank holding company.

''(B) AUTHORITY TRANSFERRED.—An agency designated by the Board under subparagraph (A) shall have the same authority as the Board under this Act to—

''(i) examine and require reports from the bank holding company and any affiliate of such company (other than a depository institution) under section 5;

''(ii) approve or disapprove applications or transactions under section 3;

''(iii) take actions and impose penalties under subsections (e) and (f) of section 5 and section 8; and

''(iv) take actions regarding the holding company, any affiliate of the holding company (other than a depository institution), or any institution-affiliated party of such company or affiliate under the Federal Deposit Insurance Act and any other statute which the Board may designate.

''(C) AGENCY ORDERS.—Section 9 of this Act and section 105 of the Bank Holding Company Act Amendments of 1970 shall apply to orders issued by an agency designated under subparagraph (A) in the same manner such sections apply to orders issued by the Board.

''(5) FUNCTIONAL REGULATION OF SECURITIES AND INSURANCE ACTIVITIES.—The Board shall defer to—

''(A) the Securities and Exchange Commission with regard to all interpretations of, and the enforcement of, applicable Federal securities laws (and rules, regulations, orders, and other directives issued thereunder) relating to the activities, conduct, and operations of registered brokers, dealers, investment advisers, and investment companies;

''(B) the relevant State securities authorities with regard to all interpretations of, and the enforcement of, applicable State securities laws (and rules, regulations, orders, and other directives issued thereunder) relating to the activities, conduct, and operations of brokers, dealers, and investment advisers required to be registered under State law; and

''(C) the relevant State insurance authorities with regard to all interpretations of, and the enforcement of, applicable State insurance laws (and rules, regulations, orders, and other directives issued thereunder) relating to the activities, conduct, and operations of insurance companies and insurance agents.''.

SEC. 112. ELIMINATION OF APPLICATION REQUIREMENT FOR FINANCIAL HOLDING COMPANIES.

(a) PREVENTION OF DUPLICATIVE FILINGS.—Section 5(a) of the Bank Holding Company Act of 1956 (12 U.S.C. 1844(a)) is amended by adding the following new sentence at the end: ''A declaration filed in accordance with section 6(b)(1)(D) shall satisfy the requirements of this subsection with regard to the registration of a bank holding company but not any requirement to file an application to acquire a bank pursuant to section 3.''.

(b) DIVESTITURE PROCEDURES.—Section 5(e)(1) of the Bank Holding Company Act of 1956 (12 U.S.C. 1844(e)(1)) is amended—

(1) by striking ''Financial Institutions Supervisory Act of 1966, order'' and inserting ''Financial Institutions Supervisory Act of 1966, at the election of the bank holding company—

''(A) order''; and

(2) by striking ''shareholders of the bank holding company. Such distribution'' and inserting ''shareholders of the bank holding company; or

''(B) order the bank holding company, after due notice and opportunity for hearing, and after consultation with the primary supervisor for the bank, which shall be the Comptroller of the Currency in the case of a national bank, and the Federal Deposit Insurance Corporation and the appropriate State supervisor in the case of an insured nonmember bank, to terminate (within 120 days or such longer period as the Board may direct) the ownership or control of any such bank by such company.

The distribution referred to in subparagraph (A)''.

SEC. 113. AUTHORITY OF STATE INSURANCE REGULATOR AND SECURITIES AND EXCHANGE COMMISSION.

(a) BANK HOLDING COMPANIES.—Section 5 of the Bank Holding Company Act of 1956 (12 U.S.C. 1844) is amended by adding at the end the following new subsection:

''(g) AUTHORITY OF STATE INSURANCE REGULATOR AND THE SECURITIES AND EXCHANGE COMMISSION.—

''(1) IN GENERAL.—Notwithstanding any other provision of law, any regulation, order, or other action of the Board which requires a bank holding company to provide funds or other assets to a subsidiary insured depository institution shall not be effective nor enforceable with respect to an entity described in subparagraph (A) if—

''(A) such funds or assets are to be provided by—

''(i) a bank holding company that is an insurance company, a broker or dealer registered under the Securities Exchange Act of 1934, an investment company registered under the Investment Company Act of 1940, or an investment adviser registered by or on behalf of either the Securities and Exchange Commission or any State; or

''(ii) an affiliate of the depository institution which is an insurance company or a broker or dealer registered under the Securities Exchange Act of 1934, an investment company registered under the Investment Company Act of 1940, or an investment adviser registered by or on behalf of either the Securities and Exchange Commission or any State; and

''(B) the State insurance authority for the insurance company or the Securities and Exchange Commission for the registered broker, dealer, investment adviser (solely with respect to investment advisory activities or activities incidental thereto), or investment company, as the case may be, determines in writing sent to the holding company and the Board that the holding company shall not provide such funds or assets because such action would have a material adverse effect on the financial condition of the insurance company or the broker, dealer, investment company, or investment adviser, as the case may be.

''(2) NOTICE TO STATE INSURANCE AUTHORITY OR SEC REQUIRED.—If the Board requires a bank holding company, or an affiliate of a bank holding company, which is an insurance company or a broker, dealer, investment company, or investment adviser described in paragraph (1)(A) to provide funds or assets to an insured depository institution subsidiary of the holding company pursuant to any regulation, order, or other action of the Board referred to in paragraph (1), the Board shall promptly notify the State insurance authority for the insurance company, the Securities and Exchange Commission, or State securities regulator, as the case may be, of such requirement.

''(3) DIVESTITURE IN LIEU OF OTHER ACTION.—If the Board receives a notice described in paragraph (1)(B) from a State insurance authority or the Securities and Exchange Commission with regard to a bank holding company or affiliate referred to in that paragraph, the Board may order the bank holding company to divest the insured depository institution not later than 180 days after receiving the notice, or such longer period as the Board determines consistent with the safe and sound operation of the insured depository institution.

''(4) CONDITIONS BEFORE DIVESTITURE.—During the period beginning on the date an order to divest is issued by the Board under paragraph (3) to a bank holding company and ending on the date the divestiture is completed, the Board may impose any conditions or restrictions on the holding company's ownership or operation of the insured depository institution, including restricting or prohibiting transactions between the insured depository institution and any affiliate of the institution, as are appropriate under the circumstances.''.

(b) SUBSIDIARIES OF DEPOSITORY INSTITUTIONS.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by adding at the end the following new section:

''SEC. 45. AUTHORITY OF STATE INSURANCE REGULATOR AND SECURITIES AND EXCHANGE COMMISSION.

''(a) IN GENERAL.—Notwithstanding any other provision of law, any regulation, order, or other action of the appropriate Federal banking agency which requires a subsidiary to provide funds or other assets to an insured depository institution shall not be effective nor enforceable with respect to an entity described in paragraph (1) if—

''(1) such funds or assets are to be provided by a subsidiary which is an insurance company, a broker or dealer registered under the Securities Exchange Act of 1934, an investment company registered under the Investment Company Act of 1940, or an investment adviser registered by or on behalf of either the Securities and Exchange Commission or any State; and

''(2) the State insurance authority for the insurance company or the Securities and Exchange Commission for the registered broker or dealer, the investment company, or the investment adviser, as the case may be, determines in writing sent to the insured depository institution and the appropriate Federal banking agency that the subsidiary shall not provide such funds or assets because such action would have a material adverse effect on the financial condition of the insurance company or the broker, dealer, investment company, or investment adviser, as the case may be.

''(b) NOTICE TO STATE INSURANCE AUTHORITY OR SEC REQUIRED.—If the appropriate Federal banking agency requires a subsidiary, which is an insurance company, a broker or dealer, an investment company, or an investment adviser (solely with respect to investment advisory activities or activities incidental thereto) described in subsection (a)(1) to provide funds or assets to an insured depository institution pursuant to any regulation, order, or other action of the appropriate Federal banking agency referred to in subsection (a), the appropriate Federal banking agency shall promptly notify the State insurance authority for the insurance company, the Securities and Exchange Commission, or State securities regulator, as the case may be, of such requirement.

''(c) DIVESTITURE IN LIEU OF OTHER ACTION.—If the appropriate Federal banking agency receives a notice described in subsection (a)(2) from a State insurance authority or the Securities and Exchange Commission with regard to a subsidiary referred to in that subsection, the appropriate Federal banking agency may order the insured depository institution to divest the subsidiary not later than 180 days after receiving the notice, or such longer period as the appropriate Federal banking agency determines consistent with the safe and sound operation of the insured depository institution.

''(d) CONDITIONS BEFORE DIVESTITURE.—During the period beginning on the date an order to divest is issued by the appropriate Federal banking agency under subsection (c) to an insured depository institution and ending on the

date the divestiture is complete, the appropriate Federal banking agency may impose any conditions or restrictions on the insured depository institution's ownership of the subsidiary including restricting or prohibiting transactions between the insured depository institution and the subsidiary, as are appropriate under the circumstances.''.

SEC. 114. PRUDENTIAL SAFEGUARDS.

(a) COMPTROLLER OF THE CURRENCY.—

(1) IN GENERAL.—The Comptroller of the Currency may, by regulation or order, impose restrictions or requirements on relationships or transactions between a national bank and a subsidiary of the national bank which the Comptroller finds are consistent with the public interest, the purposes of this Act, title LXII of the Revised Statutes of the United States, and other Federal law applicable to national banks, and the standards in paragraph (2).

(2) STANDARDS.—The Comptroller of the Currency may exercise authority under paragraph (1) if the Comptroller finds that such action will have any of the following effects:

(A) Avoid any significant risk to the safety and soundness of depository institutions or any Federal deposit insurance fund.

(B) Enhance the financial stability of banks.

(C) Avoid conflicts of interest or other abuses.

(D) Enhance the privacy of customers of the national bank or any subsidiary of the bank.

(E) Promote the application of national treatment and equality of competitive opportunity between subsidiaries owned or controlled by domestic banks and subsidiaries owned or controlled by foreign banks operating in the United States.

(3) REVIEW.—The Comptroller of the Currency shall regularly—

(A) review all restrictions or requirements established pursuant to paragraph (1) to determine whether there is a continuing need for any such restriction or requirement to carry out the purposes of the Act, including any purpose described in paragraph (2); and

(B) modify or eliminate any restriction or requirement the Comptroller finds is no longer required for such purposes.

(b) BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM.—

(1) IN GENERAL.—The Board of Governors of the Federal Reserve System may, by regulation or order, impose restrictions or requirements on relationships or transactions—

(A) between a depository institution subsidiary of a bank holding company and any affiliate of such depository institution (other than a subsidiary of such institution); or

(B) between a State member bank and a subsidiary of such bank,

which the Board finds are consistent with the public interest, the purposes of this Act, the Bank Holding Company Act of 1956, the Federal Reserve Act, and other Federal law applicable to depository institution subsidiaries of bank holding companies or State banks (as the case may be), and the standards in paragraph (2).

(2) STANDARDS.—The Board of Governors of the Federal Reserve System may exercise authority under paragraph (1) if the Board finds that such action will have any of the following effects:

(A) Avoid any significant risk to the safety and soundness of depository institutions or any Federal deposit insurance fund.

(B) Enhance the financial stability of bank holding companies.

(C) Avoid conflicts of interest or other abuses.

(D) Enhance the privacy of customers of the State member bank or any subsidiary of the bank.

(E) Promote the application of national treatment and equality of competitive opportunity between nonbank affiliates owned or controlled by domestic bank holding companies and nonbank affiliates owned or controlled by foreign banks operating in the United States.

(3) REVIEW.—The Board of Governors of the Federal Reserve System shall regularly—

(A) review all restrictions or requirements established pursuant to paragraph (1) to determine whether there is a continuing need for any such restriction or requirement to carry out the purposes of the Act, including any purpose described in paragraph (2); and

(B) modify or eliminate any restriction or requirement the Board finds is no longer required for such purposes.

(4) FOREIGN BANKS.—

(A) IN GENERAL.—The Board may, by regulation or order, impose restrictions or requirements on relationships or transactions between a branch, agency, or commercial lending company of a foreign bank in the United States and any affiliate in the United States of such foreign bank that the Board finds are consistent with the public interest, the purposes of this Act, the Bank Holding Company Act of 1956, the Federal Reserve Act, and other Federal law applicable to foreign banks and their affiliates in the United States, and the standards in paragraphs (2) and (3).

(B) EVASION.—In the event that the Board determines that there may be circumstances that would result in an evasion of this paragraph, the Board may also impose restrictions or requirements on relationships or transactions between a foreign bank outside the United States and any affiliate in the United States of such foreign bank that are consistent with national treatment and equality of competitive opportunity.

(c) FEDERAL DEPOSIT INSURANCE CORPORATION.—

(1) IN GENERAL.—The Federal Deposit Insurance Corporation may, by regulation or order, impose restrictions or requirements on relationships or transactions between a State nonmember bank (as defined in section 3 of the Federal Deposit Insurance Act) and a subsidiary of the State nonmember bank which the Corporation finds are consistent with the public interest, the purposes of this Act, the Federal Deposit Insurance Act, or other Federal law applicable to State nonmember banks and the standards in paragraph (2).

(2) STANDARDS.—The Federal Deposit Insurance Corporation may exercise authority under paragraph (1) if the Corporation finds that such action will have any of the following effects:

(A) Avoid any significant risk to the safety and soundness of depository institutions or any Federal deposit insurance fund.

(B) Enhance the financial stability of banks.

(C) Avoid conflicts of interest or other abuses.

(D) Enhance the privacy of customers of the State nonmember bank or any subsidiary of the bank.

(E) Promote the application of national treatment and equality of competitive opportunity between subsidiaries owned or controlled by domestic banks and subsidiaries owned or controlled by foreign banks operating in the United States.

(3) REVIEW.—The Federal Deposit Insurance Corporation shall regularly—

(A) review all restrictions or requirements established pursuant to paragraph (1) to determine whether there is a continuing need for any such restriction or requirement to carry out the purposes of the Act, including any purpose described in paragraph (2); and

(B) modify or eliminate any restriction or requirement the Corporation finds is no longer required for such purposes.

SEC. 115. EXAMINATION OF INVESTMENT COMPANIES.

(a) EXCLUSIVE COMMISSION AUTHORITY.—

(1) IN GENERAL.—Except as provided in paragraph (3), the Commission shall be the sole Federal agency with authority to inspect and examine any registered investment company that is not a bank holding company or a savings and loan holding company.

(2) PROHIBITION ON BANKING AGENCIES.—Except as provided in paragraph (3), a Federal banking agency may not inspect or examine any registered investment company that is not a bank holding company or a savings and loan holding company.

(3) CERTAIN EXAMINATIONS AUTHORIZED.—Nothing in this subsection prevents the Federal Deposit Insurance Corporation, if the Corporation finds it necessary to determine the condition of an insured depository institution for insurance purposes, from examining an affiliate of any insured depository institution, pursuant to its authority under section 10(b)(4) of the Federal Deposit Insurance Act, as may be necessary to disclose fully the relationship between the depository institution and the affiliate, and the effect of such relationship on the depository institution.

(b) EXAMINATION RESULTS AND OTHER INFORMATION.—The Commission shall provide to any Federal banking agency, upon request, the results of any examination, reports, records, or other information with respect to any registered investment company to the extent necessary for the agency to carry out its statutory responsibilities.

(c) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

(1) BANK HOLDING COMPANY.—The term ''bank holding company'' has the same meaning as in section 2 of the Bank Holding Company Act of 1956.

(2) COMMISSION.—The term ''Commission'' means the Securities and Exchange Commission.

(3) FEDERAL BANKING AGENCY.—The term ''Federal banking agency'' has the same meaning as in section 3(z) of the Federal Deposit Insurance Act.

(4) REGISTERED INVESTMENT COMPANY.—The term ''registered investment company'' means an investment company which is registered with the Commission under the Investment Company Act of 1940.

(5) SAVINGS AND LOAN HOLDING COMPANY.—The term ''savings and loan holding company'' has the same meaning as in section 10(a)(1)(D) of the Home Owners' Loan Act.

SEC. 116. LIMITATION ON RULEMAKING, PRUDENTIAL, SUPERVISORY, AND ENFORCEMENT AUTHORITY OF THE BOARD.

The Bank Holding Company Act of 1956 (12 U.S.C. 1841 et seq.) is amended by inserting after section 10 the following new section:

''SEC. 10A. LIMITATION ON RULEMAKING, PRUDENTIAL, SUPERVISORY, AND ENFORCEMENT AUTHORITY OF THE BOARD.

''(a) LIMITATION ON DIRECT ACTION.—

''(1) IN GENERAL.—The Board may not prescribe regulations, issue or seek entry of orders, impose restraints, restrictions, guidelines, requirements, safeguards, or standards, or otherwise take any action under or pursuant to any provision of this Act or section 8 of the Federal Deposit Insurance Act against or with respect to a regulated subsidiary of a bank holding company unless the action is necessary to prevent or redress an unsafe or unsound practice or breach of fiduciary duty by such subsidiary that poses a material risk to—

''(A) the financial safety, soundness, or stability of an affiliated depository institution; or

''(B) the domestic or international payment system.

''(2) CRITERIA FOR BOARD ACTION.—The Board shall not take action otherwise permitted under paragraph (1) unless the Board finds that it is not reasonably possible to effectively protect against the material risk at issue through action directed at or against the affiliated depository institution or against depository institutions generally.

''(b) LIMITATION ON INDIRECT ACTION.—The Board may not prescribe regulations, issue or seek entry of orders, impose restraints, restrictions, guidelines, requirements, safeguards, or standards, or otherwise take any action under or pursuant to any provision of this Act or section 8 of the Federal Deposit Insurance Act

against or with respect to a financial holding company or a wholesale financial holding company where the purpose or effect of doing so would be to take action indirectly against or with respect to a regulated subsidiary that may not be taken directly against or with respect to such subsidiary in accordance with subsection (a).

''(c) ACTIONS SPECIFICALLY AUTHORIZED.—Notwithstanding subsection (a), the Board may take action under this Act or section 8 of the Federal Deposit Insurance Act to enforce compliance by a regulated subsidiary with Federal law that the Board has specific jurisdiction to enforce against such subsidiary.

''(d) REGULATED SUBSIDIARY DEFINED.—For purposes of this section, the term 'regulated subsidiary' means any company that is not a bank holding company and is—

''(1) a broker or dealer registered under the Securities Exchange Act of 1934;

''(2) an investment adviser registered by or on behalf of either the Securities and Exchange Commission or any State, whichever is required by law, with respect to the investment advisory activities of such investment adviser and activities incidental to such investment advisory activities;

''(3) an investment company registered under the Investment Company Act of 1940;

''(4) an insurance company or an insurance agency, with respect to the insurance activities and activities incidental to such insurance activities, subject to supervision by a State insurance commission, agency, or similar authority; or

''(5) an entity subject to regulation by the Commodity Futures Trading Commission, with respect to the commodities activities of such entity and activities incidental to such commodities activities.''.

SEC. 117. EQUIVALENT REGULATION AND SUPERVISION.

(a) IN GENERAL.—Notwithstanding any other provision of law, the provisions of—

(1) section 5(c) of the Bank Holding Company Act of 1956 (as amended by this Act) that limit the authority of the Board of Governors of the Federal Reserve System to require reports from, to make examinations of, or to impose capital requirements on bank holding companies and their nonbank subsidiaries or that require deference to other regulators; and

(2) section 10A of the Bank Holding Company Act of 1956 (as added by this Act) that limit whatever authority the Board might otherwise have to take direct or indirect action with respect to bank holding companies and their nonbank subsidiaries,

shall also limit whatever authority that a Federal banking agency (as defined in section 3(z) of the Federal Deposit Insurance Act) might otherwise have under any statute to require reports, make examinations, impose capital requirements or take any other direct or indirect action with respect to bank holding companies and their nonbank subsidiaries (including nonbank subsidiaries of depository institutions), subject to the same standards and requirements as are applicable to the Board under such provisions.

(b) CERTAIN EXAMINATIONS AUTHORIZED.—No provision of this section shall be construed as preventing the Federal Deposit Insurance Corporation, if the Corporation finds it necessary to determine the condition of an insured depository institution for insurance purposes, from examining an affiliate of any insured depository institution, pursuant to its authority under section 10(b)(4) of the Federal Deposit Insurance Act, as may be necessary to disclose fully the relationship between the depository institution and the affiliate, and the effect of such relationship on the depository institution.

SEC. 118. PROHIBITION ON FDIC ASSISTANCE TO AFFILIATES AND SUBSIDIARIES.

Section 11(a)(4)(B) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)(4)(B)) is amended by striking ''to benefit any shareholder of'' and inserting ''to benefit any shareholder, affiliate (other than an insured depository institution that receives assistance in accordance with the provisions of this Act), or subsidiary of''.

SEC. 119. REPEAL OF SAVINGS BANK PROVISIONS IN THE BANK HOLDING COMPANY ACT OF 1956.

Section 3(f) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(f)) is amended to read as follows:

''(f) [Repealed].''.

SEC. 120. TECHNICAL AMENDMENT.

Section 2(o)(1)(A) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(o)(1)(A)) is amended by striking ''section 38(b)'' and inserting ''section 38''.

Subtitle C—Subsidiaries of National Banks

SEC. 121. PERMISSIBLE ACTIVITIES FOR SUBSIDIARIES OF NATIONAL BANKS.

(a) FINANCIAL SUBSIDIARIES OF NATIONAL BANKS.—Chapter 1 of title LXII of the Revised Statutes of United States (12 U.S.C. 21 et seq.) is amended—

(1) by redesignating section 5136A as section 5136C; and

(2) by inserting after section 5136 (12 U.S.C. 24) the following new section:

"SEC. 5136A. SUBSIDIARIES OF NATIONAL BANKS.

''(a) SUBSIDIARIES OF NATIONAL BANKS AUTHORIZED TO ENGAGE IN FINANCIAL ACTIVITIES.—

''(1) EXCLUSIVE AUTHORITY.—No provision of section 5136 or any other provision of this title LXII of the Revised Statutes of the United States shall be construed as authorizing a subsidiary of a national bank to engage in, or own any share of or any other interest in any company engaged in, any activity that—

''(A) is not permissible for a national bank to engage in directly; or

''(B) is conducted under terms or conditions other than those that would govern the conduct of such activity by a national bank,

unless a national bank is specifically authorized by the express terms of a Federal statute and not by implication or interpretation to acquire shares of or an interest in, or to control, such subsidiary, such as by paragraph (2) of this subsection and section 25A of the Federal Reserve Act.

''(2) SPECIFIC AUTHORIZATION TO CONDUCT ACTIVITIES WHICH ARE FINANCIAL IN NATURE.—Subject to paragraphs (3) and (4), a national bank may control a financial subsidiary, or hold an interest in a financial subsidiary, that is controlled by insured depository institutions or subsidiaries thereof.

''(3) ELIGIBILITY REQUIREMENTS.—A national bank may control or hold an interest in a company pursuant to paragraph (2) only if—

''(A) the national bank and all depository institution affiliates of the national bank are well capitalized;

''(B) the national bank and all depository institution affiliates of the national bank are well managed;

''(C) the national bank and all depository institution affiliates of such national bank have achieved a rating of 'satisfactory record of meeting community credit needs', or better, at the most recent examination of each such bank or institution; and

''(D) the bank has received the approval of the Comptroller of the Currency.

''(4) ACTIVITY LIMITATIONS.—In addition to any other limitation imposed on the activity of subsidiaries of national banks, a subsidiary of a national bank may not, pursuant to paragraph (2)—

''(A) engage as principal in insuring, guaranteeing, or indemnifying against loss, harm, damage, illness, disability, or death (other than in connection with credit-related insurance) or in providing or issuing annuities;

''(B) engage in real estate investment or development activities; or

''(C) engage in any activity permissible for a financial holding company under paragraph (3)(I) of section 6(c) of the Bank Holding Company Act of 1956 (relating to insurance company investments).

''(5) SIZE FACTOR WITH REGARD TO FREE-STANDING NATIONAL BANKS.—Notwithstanding paragraph (2), a national bank which has total assets of $10,000,000,000 or more may not control a subsidiary engaged in financial activities pursuant to such paragraph unless such national bank is a subsidiary of a bank holding company.

''(6) LIMITED EXCLUSIONS FROM COMMUNITY NEEDS REQUIREMENTS FOR NEWLY AFFILIATED DEPOSITORY INSTITUTIONS.—Any depository institution which becomes an affiliate of a national bank during the 12-month period preceding the date of an approval by the Comptroller of the Currency under paragraph (3)(D) for such bank, and any depository institution which becomes an affiliate of the national bank after such date, may be excluded for purposes of paragraph (3)(C) during the 12-month period beginning on the date of such affiliation if—

''(A) the national bank or such depository institution has submitted an affirmative plan to the appropriate Federal banking agency to take such action as may be necessary in order for such institution to achieve a rating of 'satisfactory record of meeting community credit needs', or better, at the next examination of the institution; and

''(B) the plan has been accepted by such agency.

''(7) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

''(A) COMPANY; CONTROL; AFFILIATE; SUBSIDIARY.—The terms 'company', 'control', 'affiliate', and 'subsidiary' have the same meanings as in section 2 of the Bank Holding Company Act of 1956.

''(B) FINANCIAL SUBSIDIARY.—The term 'financial subsidiary' means a company which is a subsidiary of an insured bank and is engaged in financial activities that have been determined to be financial in nature or incidental to such financial activities in accordance with subsection (b) or permitted in accordance with subsection (b)(4), other than activities that are permissible for a national bank to engage in directly or that are authorized under the Bank Service Company Act, section 25 or 25A of the Federal Reserve Act, or any other Federal statute (other than this section) that specifically authorizes the conduct of such activities by its express terms and not by implication or interpretation.

''(C) WELL CAPITALIZED.—The term 'well capitalized' has the same meaning as in section 38 of the Federal Deposit Insurance Act and, for purposes of this section, the Comptroller shall have exclusive jurisdiction to determine whether a national bank is well capitalized.

''(D) WELL MANAGED.—The term 'well managed' means—

''(i) in the case of a depository institution that has been examined, unless otherwise determined in writing by the appropriate Federal banking agency—

''(I) the achievement of a composite rating of 1 or 2 under the Uniform Financial Institutions Rating System (or an equivalent rating under an equivalent rating system) in connection with the most recent examination or subsequent review of the depository institution; and

''(II) at least a rating of 2 for management, if that rating is given; or

''(ii) in the case of any depository institution that has not been examined, the existence and use of managerial resources that the appropriate Federal banking agency determines are satisfactory.

''(E) INCORPORATED DEFINITIONS.—The terms 'appropriate Federal banking agency' and 'depository institution' have the same meanings as in section 3 of the Federal Deposit Insurance Act.

''(b) ACTIVITIES THAT ARE FINANCIAL IN NATURE.—

''(1) FINANCIAL ACTIVITIES.—

''(A) IN GENERAL.—For purposes of subsection (a)(7)(B), an activity shall be considered to have been determined to be financial in nature or incidental to such financial activities only if—

''(i) such activity is permitted for a financial holding company pursuant to section 6(c)(3) of the Bank Holding Company Act of 1956 (to the extent such activity is not otherwise prohibited under this section or any other provision of law for a subsidiary of a national bank engaged in activities pursuant to subsection (a)(2)); or

''(ii) the Secretary of the Treasury determines the activity to be financial in nature or incidental to such financial activities in accordance with subparagraph (B) or paragraph (3).

''(B) COORDINATION BETWEEN THE BOARD AND THE SECRETARY OF THE TREASURY.—

''(i) PROPOSALS RAISED BEFORE THE SECRETARY OF THE TREASURY.—

''(I) CONSULTATION.—The Secretary of the Treasury shall notify the Board of, and consult with the Board concerning, any request, proposal, or application under this subsection, including any regulation or order proposed under paragraph (3), for a determination of whether an activity is financial in nature or incidental to such a financial activity.

''(II) BOARD VIEW.—The Secretary of the Treasury shall not determine that any activity is financial in nature or incidental to a financial activity under this subsection if the Board notifies the Secretary in writing, not later than 30 days after the date of receipt of the notice described in subclause (I) (or such longer period as the Secretary determines to be appropriate in light of the circumstances) that the Board believes that the activity is not financial in nature or incidental to a financial activity.

''(ii) PROPOSALS RAISED BY THE BOARD.—

''(I) BOARD RECOMMENDATION.—The Board may, at any time, recommend in writing that the Secretary of the Treasury find an activity to be financial in nature or incidental to a financial activity (other than an activity which the Board has sole authority to regulate under subparagraph (C)).

''(II) TIME PERIOD FOR SECRETARIAL ACTION.—Not later than 30 days after the date of receipt of a written recommendation from the Board under subclause (I) (or such longer period as the Secretary of the Treasury and the Board determine to be appropriate in light of the circumstances), the Secretary shall determine whether to initiate a public rulemaking proposing that the subject recommended activity be found to be financial in nature or incidental to a financial activity under this subsection, and shall notify the Board in writing of the determination of the Secretary and, in the event that the Secretary determines not to seek public comment on the proposal, the reasons for that determination.

''(C) AUTHORITY OVER MERCHANT BANKING.—The Board shall have sole authority to prescribe regulations and issue interpretations to implement this paragraph with respect to activities described in section 6(c)(3)(H) of the Bank Holding Company Act of 1956.

''(2) FACTORS TO BE CONSIDERED.—In determining whether an activity is financial in nature or incidental to financial activities, the Secretary shall take into account—

''(A) the purposes of this Act and the Financial Services Act of 1999;

''(B) changes or reasonably expected changes in the marketplace in which banks compete;

''(C) changes or reasonably expected changes in the technology for delivering financial services; and

''(D) whether such activity is necessary or appropriate to allow a bank and the subsidiaries of a bank to—

''(i) compete effectively with any company seeking to provide financial services in the United States;

''(ii) use any available or emerging technological means, including any application necessary to protect the security or efficacy of systems for the transmission of data or financial transactions, in providing financial services; and

''(iii) offer customers any available or emerging technological means for using financial services.

''(3) AUTHORIZATION OF NEW FINANCIAL ACTIVITIES.—The Secretary of the Treasury shall, by regulation or order and in accordance with paragraph (1)(B), define, consistent with the purposes of this Act, the following activities as, and the extent to which such activities are, financial in nature or incidental to activities which are financial in nature:

''(A) Lending, exchanging, transferring, investing for others, or safeguarding financial assets other than money or securities.

''(B) Providing any device or other instrumentality for transferring money or other financial assets.

''(C) Arranging, effecting, or facilitating financial transactions for the account of third parties.

''(4) DEVELOPING ACTIVITIES.—Subject to subsection (a)(2), a financial subsidiary of a national bank may engage directly or indirectly, or acquire shares of any company engaged, in any activity that the Secretary has not determined to be financial in nature or incidental to financial activities under this subsection if—

''(A) the subsidiary reasonably concludes that the activity is financial in nature or incidental to financial activities;

''(B) the gross revenues from all activities conducted under this paragraph represent less than 5 percent of the consolidated gross revenues of the national bank;

''(C) the aggregate total assets of all companies the shares of which are held under this paragraph do not exceed 5 percent of the national bank's consolidated total assets;

''(D) the total capital invested in activities conducted under this paragraph represents less than 5 percent of the consolidated total capital of the national bank;

''(E) neither the Secretary of the Treasury nor the Board has determined that the activity is not financial in nature or incidental to financial activities under this subsection; and

''(F) the national bank provides written notice to the Secretary of the Treasury describing the activity commenced by the subsidiary or conducted by the company acquired no later than 10 business days after commencing the activity or consummating the acquisition.

''(c) PROVISIONS APPLICABLE TO NATIONAL BANKS THAT FAIL TO MEET REQUIREMENTS.—

''(1) IN GENERAL.—If a national bank or depository institution affiliate is not in compliance with the requirements of subparagraph (A), (B), or (C) of subsection (a)(3), the appropriate Federal banking agency shall notify the Comptroller of the Currency, who shall give notice of such finding to the national bank.

''(2) AGREEMENT TO CORRECT CONDITIONS REQUIRED.—Not later than 45 days after receipt by a national bank of a notice given under paragraph (1) (or such additional period as the Comptroller of the Currency may permit), the national bank and any relevant affiliated depository institution shall execute an agreement acceptable to the Comptroller of the Currency and the other appropriate Federal banking agencies, if any, to comply with the requirements applicable under subsection (a)(3).

''(3) COMPTROLLER OF THE CURRENCY MAY IMPOSE LIMITATIONS.—Until the conditions described in a notice to a national bank under paragraph (1) are corrected—

''(A) the Comptroller of the Currency may impose such limitations on the conduct or activities of the national bank or any subsidiary of the bank as the Comptroller of the Currency determines to be appropriate under the circumstances; and

''(B) the appropriate Federal banking agency may impose such limitations on the conduct or activities of an affiliated depository institution or any subsidiary of the depository institution as such agency determines to be appropriate under the circumstances.

''(4) FAILURE TO CORRECT.—If, after receiving a notice under paragraph (1), a national bank and other affiliated depository institutions do not—

''(A) execute and implement an agreement in accordance with paragraph (2);

''(B) comply with any limitations imposed under paragraph (3);

''(C) in the case of a notice of failure to comply with subsection (a)(3)(A), restore the national bank or any depository institution affiliate of the bank to well capitalized status before the end of the 180-day period beginning on the date such notice is received by the national bank (or such other period permitted by the Comptroller of the Currency); or

''(D) in the case of a notice of failure to comply with subparagraph (B) or (C) of subsection (a)(3), restore compliance with any such subparagraph on or before the date on which the next examination of the depository institution subsidiary is completed or by the end of such other period as the Comptroller of the Currency determines to be appropriate,

the Comptroller of the Currency may require such national bank, under such terms and conditions as may be imposed by the Comptroller of the Currency and subject to such extension of time as may be granted in the Comptroller of the Currency's discretion, to divest control of any subsidiary engaged in activities pursuant to subsection (a)(2) or, at the election of the national bank, instead to cease to engage in any activity conducted by a subsidiary of the national bank pursuant to subsection (a)(2).

''(5) CONSULTATION.—In taking any action under this subsection, the Comptroller of the Currency shall consult with all relevant Federal and State regulatory agencies.''.

(b) CLERICAL AMENDMENT.—The table of sections for chapter 1 of title LXII of the Revised Statutes of the United States is amended—

(1) by redesignating the item relating to section 5136A as section 5136C; and

(2) by inserting after the item relating to section 5136 the following new item:

''5136A. Subsidiaries of national banks.''.

SEC. 122. SAFETY AND SOUNDNESS FIREWALLS BETWEEN BANKS AND THEIR FINANCIAL SUBSIDIARIES.

(a) PURPOSES.—The purposes of this section are—

(1) to protect the safety and soundness of any insured bank that has a financial subsidiary;

(2) to apply to any transaction between the bank and the financial subsidiary (including a loan, extension of credit, guarantee, or purchase of assets), other than an equity investment, the same restrictions and requirements as would apply if the financial subsidiary were a subsidiary of a bank holding company having control of the bank; and

(3) to apply to any equity investment of the bank in the financial subsidiary restrictions and requirements equivalent to those that would apply if—

(A) the bank paid a dividend in the same dollar amount to a bank holding company having control of the bank; and

(B) the bank holding company used the proceeds of the dividend to make an equity investment in a subsidiary that was engaged in the same activities as the financial subsidiary of the bank.

(b) SAFETY AND SOUNDNESS FIREWALLS APPLICABLE TO SUBSIDIARIES OF BANKS.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by inserting after section 45 (as added by section 113(b) of this title) the following new section:

''SEC. 46. SAFETY AND SOUNDNESS FIREWALLS APPLICABLE TO SUBSIDIARIES OF BANKS.

''(a) LIMITING THE EQUITY INVESTMENT OF A BANK IN A SUBSIDIARY.—

''(1) CAPITAL DEDUCTION.—In determining whether an insured bank complies with applicable regulatory capital standards—

''(A) the appropriate Federal banking agency shall deduct from the assets and tangible equity of the bank the aggregate amount of the outstanding equity investments of the bank in financial subsidiaries of the bank; and

''(B) the assets and liabilities of such financial subsidiaries shall not be consolidated with those of the bank.

''(2) INVESTMENT LIMITATION.—An insured bank shall not, without the prior approval of the appropriate Federal banking agency, make any equity investment in a financial subsidiary of the bank if that investment would, when made, exceed the amount that the bank could pay as a dividend without obtaining prior regulatory approval.

''(3) TREATMENT OF RETAINED EARNINGS.—The amount of any net earnings retained by a financial subsidiary of an insured depository institution shall be treated as an outstanding equity investment of the bank in the subsidiary for purposes of paragraph (1).

''(b) OPERATIONAL AND FINANCIAL SAFEGUARDS FOR THE BANK.—An insured bank that has a financial subsidiary shall maintain procedures for identifying and managing any financial and operational risks posed by the financial subsidiary.

''(c) MAINTENANCE OF SEPARATE CORPORATE IDENTITY AND SEPARATE LEGAL STATUS.—

''(1) IN GENERAL.—Each insured bank shall ensure that the bank maintains and complies with reasonable policies and procedures to preserve the separate corporate identity and legal status of the bank and any financial subsidiary or affiliate of the bank.

''(2) EXAMINATIONS.—The appropriate Federal banking agency, as part of each examination, shall review whether an insured bank is observing the separate corporate identity and separate legal status of any subsidiaries and affiliates of the bank.

''(d) FINANCIAL SUBSIDIARY DEFINED.—For purposes of this section, the term 'financial subsidiary' has the meaning given to such term in section 5136A(a)(7)(B) of the Revised Statutes of the United States.

''(e) REGULATIONS.—The appropriate Federal banking agencies shall jointly prescribe regulations implementing this section.''.

(c) TRANSACTIONS BETWEEN FINANCIAL SUBSIDIARIES AND OTHER AFFILIATES.—Section 23A of the Federal Reserve Act (12 U.S.C. 371c) is amended—

(1) by redesignating subsection (e) as subsection (f); and

(2) by inserting after subsection (d), the following new subsection:

''(e) RULES RELATING TO BANKS WITH FINANCIAL SUBSIDIARIES.—

''(1) FINANCIAL SUBSIDIARY DEFINED.—For purposes of this section and section 23B, the term 'financial subsidiary' means a company which is a subsidiary of a bank and is engaged in activities that are financial in nature or incidental to such financial activities pursuant to subsection (a)(2) or (b)(4) of section 5136A of the Revised Statutes of the United States.

''(2) APPLICATION TO TRANSACTIONS BETWEEN A FINANCIAL SUBSIDIARY OF A BANK AND THE BANK.—For purposes of applying this section and section 23B to a transaction between a financial subsidiary of a bank and the bank (or between such financial subsidiary and any other subsidiary of the bank which is not a financial subsidiary) and notwithstanding subsection (b)(2) and section 23B(d)(1), the financial subsidiary of the bank—

''(A) shall be an affiliate of the bank and any other subsidiary of the bank which is not a financial subsidiary; and

''(B) shall not be treated as a subsidiary of the bank.

''(3) APPLICATION TO TRANSACTIONS BETWEEN FINANCIAL SUBSIDIARY AND NONBANK AFFILIATES.—

''(A) IN GENERAL.—A transaction between a financial subsidiary and an affiliate of the financial subsidiary shall not be deemed to be a transaction between a subsidiary of a national bank and an affiliate of the bank for purposes of section 23A or section 23B of the Federal Reserve Act.

''(B) CERTAIN AFFILIATES EXCLUDED.—For purposes of subparagraph (A) and notwithstanding paragraph (4), the term 'affiliate' shall not include a bank, or a subsidiary of a bank, which is engaged exclusively in activities permissible for a national bank to engage in directly or which are authorized by any Federal law other than section 5136A of the Revised Statutes of the United States.

''(4) EQUITY INVESTMENTS EXCLUDED SUBJECT TO THE APPROVAL OF THE BANKING AGENCY.—Subsection (a)(1) shall not apply so as to limit the equity investment of a bank in a financial subsidiary of such bank, except that any investment that exceeds the amount of a dividend that the bank could pay at the time of the investment without obtaining prior approval of the appropriate Federal banking agency and is in excess of the limitation which would apply under subsection (a)(1), but for this paragraph, may be made only with the approval of the appropriate Federal banking agency (as defined in section 3(q) of the Federal Deposit Insurance Act) with respect to such bank.''.

(d) ANTITYING.—Section 106(a) of the Bank Holding Company Act Amendments of 1970 is amended by adding at the end the following new sentence: ''For purposes of this section, a subsidiary of a national bank which engages in activities pursuant to subsection (a)(2) or (b)(4) of section 5136A of the Revised Statutes of the United States shall be deemed to be a subsidiary of a bank holding company, and not a subsidiary of a bank.''.

SEC. 123. MISREPRESENTATIONS REGARDING DEPOSITORY INSTITUTION LIABILITY FOR OBLIGATIONS OF AFFILIATES.

(a) IN GENERAL.—Chapter 47 of title 18, United States Code, is amended by inserting after section 1007 the following new section:

''§ 1008. Misrepresentations regarding financial institution liability for obligations of affiliates

''(a) IN GENERAL.—No institution-affiliated party of an insured depository institution or institution-affiliated party of a subsidiary or affiliate of an insured depository institution shall fraudulently represent that the institution is or will be liable for any obligation of a subsidiary or other affiliate of the institution.

''(b) CRIMINAL PENALTY.—Whoever violates subsection (a) shall be fined under this title, imprisoned for not more than 5 years, or both.

''(c) INSTITUTION-AFFILIATED PARTY DEFINED.—For purposes of this section, the term 'institution-affiliated party' has the same meaning as in section 3 of the Federal Deposit Insurance Act and any reference in that section shall also be deemed to refer to a subsidiary or affiliate of an insured depository institution.

''(d) OTHER DEFINITIONS.—For purposes of this section, the terms 'affiliate', 'insured depository institution', and 'subsidiary' have same meanings as in section 3 of the Federal Deposit Insurance Act.''.

(b) CLERICAL AMENDMENT.—The table of sections for chapter 47 of title 18, United States Code, is amended by inserting after the item relating to section 1007 the following new item:

''1008. Misrepresentations regarding financial institution liability for obligations of affiliates.''.

SEC. 124. REPEAL OF STOCK LOAN LIMIT IN FEDERAL RESERVE ACT.

Section 11 of the Federal Reserve Act (12 U.S.C. 248) is amended by striking the paragraph designated as ''(m)'' and inserting ''(m) [Repealed]''.

Subtitle D—Wholesale Financial Holding Companies; Wholesale Financial Institutions

CHAPTER 1—WHOLESALE FINANCIAL HOLDING COMPANIES

SEC. 131. WHOLESALE FINANCIAL HOLDING COMPANIES ESTABLISHED.

Section 10 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841 et seq.) is amended to read as follows:

''SEC. 10. WHOLESALE FINANCIAL HOLDING COMPANIES.

''(a) COMPANIES THAT CONTROL WHOLESALE FINANCIAL INSTITUTIONS.—

''(1) WHOLESALE FINANCIAL HOLDING COMPANY DEFINED.—The term 'wholesale financial holding company' means any company that—

''(A) is registered as a bank holding company;

''(B) is predominantly engaged in financial activities as defined in section 6(f)(2);

''(C) controls one or more wholesale financial institutions;

''(D) does not control—

''(i) a bank other than a wholesale financial institution;

''(ii) an insured bank other than an institution permitted under subparagraph (D), (F), or (G) of section 2(c)(2); or

''(iii) a savings association; and

''(E) is not a foreign bank (as defined in section 1(b)(7) of the International Banking Act of 1978).

''(2) SAVINGS ASSOCIATION TRANSITION PERIOD.—Notwithstanding paragraph (1)(D)(iii), the Board may permit a company that controls a savings association and that otherwise meets the requirements of paragraph (1) to become supervised under paragraph (1), if the company divests control of any such savings association within such period not to exceed 5 years after becoming supervised under paragraph (1) as permitted by the Board.

''(b) SUPERVISION BY THE BOARD.—

''(1) IN GENERAL.—The provisions of this section shall govern the reporting, examination, and capital requirements of wholesale financial holding companies.

''(2) REPORTS.—

''(A) IN GENERAL.—The Board from time to time may require any wholesale financial holding company and any subsidiary of such company to submit reports under oath to keep the Board informed as to—

''(i) the company's or subsidiary's activities, financial condition, policies, systems for monitoring and controlling financial and operational risks, and transactions with depository institution subsidiaries of the holding company; and

''(ii) the extent to which the company or subsidiary has complied with the provisions of this Act and regulations prescribed and orders issued under this Act.

''(B) USE OF EXISTING REPORTS.—

''(i) IN GENERAL.—The Board shall, to the fullest extent possible, accept reports in fulfillment of the Board's reporting requirements under this paragraph that the wholesale financial holding company or any subsidiary of such company has provided or been required to provide to other Federal and State supervisors or to appropriate self-regulatory organizations.

''(ii) AVAILABILITY.—A wholesale financial holding company or a subsidiary of such company shall provide to the Board, at the request of the Board, a report referred to in clause (i).

''(C) EXEMPTIONS FROM REPORTING REQUIREMENTS.—

''(i) IN GENERAL.—The Board may, by regulation or order, exempt any company or class of companies, under such terms and conditions and for such periods as the Board shall provide in such regulation or order, from the provisions of this paragraph and any regulation prescribed under this paragraph.

''(ii) CRITERIA FOR CONSIDERATION.—In making any determination under clause (i) with regard to any exemption under such clause, the Board shall consider, among such other factors

as the Board may determine to be appropriate, the following factors:

''(I) Whether information of the type required under this paragraph is available from a supervisory agency (as defined in section 1101(7) of the Right to Financial Privacy Act of 1978) or a foreign regulatory authority of a similar type.

''(II) The primary business of the company.

''(III) The nature and extent of the domestic and foreign regulation of the activities of the company.

''(3) EXAMINATIONS.—

''(A) LIMITED USE OF EXAMINATION AUTHORITY.—The Board may make examinations of each wholesale financial holding company and each subsidiary of such company in order to—

''(i) inform the Board regarding the nature of the operations and financial condition of the wholesale financial holding company and its subsidiaries;

''(ii) inform the Board regarding—

''(I) the financial and operational risks within the wholesale financial holding company system that may affect any depository institution owned by such holding company; and

''(II) the systems of the holding company and its subsidiaries for monitoring and controlling those risks; and

''(iii) monitor compliance with the provisions of this Act and those governing transactions and relationships between any depository institution controlled by the wholesale financial holding company and any of the company's other subsidiaries.

''(B) RESTRICTED FOCUS OF EXAMINATIONS.—The Board shall, to the fullest extent possible, limit the focus and scope of any examination of a wholesale financial holding company under this paragraph to—

''(i) the holding company; and

''(ii) any subsidiary (other than an insured depository institution subsidiary) of the holding company that, because of the size, condition, or activities of the subsidiary, the nature or size of transactions between such subsidiary and any affiliated depository institution, or the centralization of functions within the holding company system, could have a materially adverse effect on the safety and soundness of any depository institution affiliate of the holding company.

''(C) DEFERENCE TO BANK EXAMINATIONS.—The Board shall, to the fullest extent possible, use the reports of examination of depository institutions made by the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Director of the Office of Thrift Supervision or the appropriate State depository institution supervisory authority for the purposes of this section.

''(D) DEFERENCE TO OTHER EXAMINATIONS.—The Board shall, to the fullest extent possible, address the circumstances which might otherwise permit or require an examination by the Board by forgoing an examination and by instead reviewing the reports of examination made of—

''(i) any registered broker or dealer or any registered investment adviser by or on behalf of the Commission; and

''(ii) any licensed insurance company by or on behalf of any State government insurance agency responsible for the supervision of the insurance company.

''(E) CONFIDENTIALITY OF REPORTED INFORMATION.—

''(i) IN GENERAL.—Notwithstanding any other provision of law, the Board shall not be compelled to disclose any nonpublic information required to be reported under this paragraph, or any information supplied to the Board by any domestic or foreign regulatory agency, that relates to the financial or operational condition of any wholesale financial holding company or any subsidiary of such company.

''(ii) COMPLIANCE WITH REQUESTS FOR INFORMATION.—No provision of this subparagraph shall be construed as authorizing the Board to withhold information from the Congress, or preventing the Board from complying with a request for information from any other Federal department or agency for purposes within the scope of such department's or agency's jurisdiction, or from complying with any order of a court of competent jurisdiction in an action brought by the United States or the Board.

''(iii) COORDINATION WITH OTHER LAW.—For purposes of section 552 of title 5, United States Code, this subparagraph shall be considered to be a statute described in subsection (b)(3)(B) of such section.

''(iv) DESIGNATION OF CONFIDENTIAL INFORMATION.—In prescribing regulations to carry out the requirements of this subsection, the Board shall designate information described in or obtained pursuant to this paragraph as confidential information.

''(F) COSTS.—The cost of any examination conducted by the Board under this section may be assessed against, and made payable by, the wholesale financial holding company.

''(4) CAPITAL ADEQUACY GUIDELINES.—

''(A) CAPITAL ADEQUACY PROVISIONS.—Subject to the requirements of, and solely in accordance with, the terms of this paragraph, the Board may adopt capital adequacy rules or guidelines for wholesale financial holding companies.

''(B) METHOD OF CALCULATION.—In developing rules or guidelines under this paragraph, the following provisions shall apply:

''(i) FOCUS ON DOUBLE LEVERAGE.—The Board shall focus on the use by wholesale financial holding companies of debt and other liabilities to fund capital investments in subsidiaries.

''(ii) NO UNWEIGHTED CAPITAL RATIO.—The Board shall not, by regulation, guideline, order, or otherwise, impose under this section a capital ratio that is not based on appropriate risk-weighting considerations.

''(iii) NO CAPITAL REQUIREMENT ON REGULATED ENTITIES.—The Board shall not, by regulation, guideline, order or otherwise, prescribe or impose any capital or capital adequacy rules, standards, guidelines, or requirements upon any subsidiary that—

''(I) is not a depository institution; and

''(II) is in compliance with applicable capital requirements of another Federal regulatory authority (including the Securities and Exchange Commission) or State insurance authority.

''(iv) LIMITATION.—The Board shall not, by regulation, guideline, order or otherwise, prescribe or impose any capital or capital adequacy rules, standards, guidelines, or requirements upon any subsidiary that is not a depository institution and that is registered as an investment adviser under the Investment Advisers Act of 1940, except that this clause shall not be construed as preventing the Board from imposing capital or capital adequacy rules, guidelines, standards, or requirements with respect to activities of a registered investment adviser other than investment advisory activities or activities incidental to investment advisory activities.

''(v) LIMITATIONS ON INDIRECT ACTION.—In developing, establishing, or assessing holding company capital or capital adequacy rules, guidelines, standards, or requirements for purposes of this paragraph, the Board shall not take into account the activities, operations, or investments of an affiliated investment company registered under the Investment Company Act of 1940, unless the investment company is—

''(I) a bank holding company; or

''(II) controlled by a bank holding company by reason of ownership by the bank holding company (including through all of its affiliates) of 25 percent or more of the shares of the investment company, and the shares owned by the bank holding company have a market value equal to more than $1,000,000.

''(vi) APPROPRIATE EXCLUSIONS.—The Board shall take full account of—

''(I) the capital requirements made applicable to any subsidiary that is not a depository institution by another Federal regulatory authority or State insurance authority; and

''(II) industry norms for capitalization of a company's unregulated subsidiaries and activities.

''(vii) INTERNAL RISK MANAGEMENT MODELS.—The Board may incorporate internal risk management models of wholesale financial holding companies into its capital adequacy guidelines or rules and may take account of the extent to which resources of a subsidiary depository institution may be used to service the debt or other liabilities of the wholesale financial holding company.

''(c) NONFINANCIAL ACTIVITIES AND INVESTMENTS.—

''(1) GRANDFATHERED ACTIVITIES.—

''(A) IN GENERAL.—Notwithstanding section 4(a), a company that becomes a wholesale financial holding company may continue to engage, directly or indirectly, in any activity and may retain ownership and control of shares of a company engaged in any activity if—

''(i) on the date of the enactment of the Financial Services Act of 1999, such wholesale financial holding company was lawfully engaged in that nonfinancial activity, held the shares of such company, or had entered into a contract to acquire shares of any company engaged in such activity; and

''(ii) the company engaged in such activity continues to engage only in the same activities that such company conducted on the date of the enactment of the Financial Services Act of 1999, and other activities permissible under this Act.

''(B) NO EXPANSION OF GRANDFATHERED COMMERCIAL ACTIVITIES THROUGH MERGER OR CONSOLIDATION.—A wholesale financial holding company that engages in activities or holds shares pursuant to this paragraph, or a subsidiary of such wholesale financial holding company, may not acquire, in any merger, consolidation, or other type of business combination, assets of any other company which is engaged in any activity which the Board has not determined to be financial in nature or incidental to activities that are financial in nature under section 6(c).

''(C) LIMITATION TO SINGLE EXEMPTION.—No company that engages in any activity or controls any shares under subsection (f) of section 6 may engage in any activity or own any shares pursuant to this paragraph.

''(2) COMMODITIES.—

''(A) IN GENERAL.—Notwithstanding section 4(a), a wholesale financial holding company which was predominately engaged as of January 1, 1997, in financial activities in the United States (or any successor to any such company) may engage in, or directly or indirectly own or control shares of a company engaged in, activities related to the trading, sale, or investment in commodities and underlying physical properties that were not permissible for bank holding companies to conduct in the United States as of January 1, 1997, if such wholesale financial holding company, or any subsidiary of such holding company, was engaged directly, indirectly, or through any such company in any of such activities as of January 1, 1997, in the United States.

''(B) LIMITATION.—The attributed aggregate consolidated assets of a wholesale financial holding company held under the authority granted under this paragraph and not otherwise permitted to be held by all wholesale financial holding companies under this section may not exceed 5 percent of the total consolidated assets of the wholesale financial holding company, except that the Board may increase such percentage of total consolidated assets by such amounts and under such circumstances as the Board considers appropriate, consistent with the purposes of this Act.

''(3) CROSS MARKETING RESTRICTIONS.—A wholesale financial holding company shall not permit—

''(A) any company whose shares it owns or controls pursuant to paragraph (1) or (2) to offer or market any product or service of an affiliated wholesale financial institution; or

''(B) any affiliated wholesale financial institution to offer or market any product or service of any company whose shares are owned or controlled by such wholesale financial holding company pursuant to such paragraphs.

''(d) QUALIFICATION OF FOREIGN BANK AS WHOLESALE FINANCIAL HOLDING COMPANY.—

''(1) IN GENERAL.—Any foreign bank, or any company that owns or controls a foreign bank, that operates a branch, agency, or commercial lending company in the United States, including a foreign bank or company that owns or controls a wholesale financial institution, may request a determination from the Board that such bank or company be treated as a wholesale financial holding company other than for purposes of subsection (c), subject to such conditions as the Board considers appropriate, giving due regard to the principle of national treatment and equality of competitive opportunity and the requirements imposed on domestic banks and companies.

''(2) CONDITIONS FOR TREATMENT AS A WHOLESALE FINANCIAL HOLDING COMPANY.—A foreign bank and a company that owns or controls a foreign bank may not be treated as a wholesale financial holding company unless the bank and company meet and continue to meet the following criteria:

''(A) NO INSURED DEPOSITS.—No deposits held directly by a foreign bank or through an affiliate (other than an institution described in subparagraph (D) or (F) of section 2(c)(2)) are insured under the Federal Deposit Insurance Act.

''(B) CAPITAL STANDARDS.—The foreign bank meets risk-based capital standards comparable to the capital standards required for a wholesale financial institution, giving due regard to the principle of national treatment and equality of competitive opportunity.

''(C) TRANSACTION WITH AFFILIATES.—Transactions between a branch, agency, or commercial lending company subsidiary of the foreign bank in the United States, and any securities affiliate or company in which the foreign bank (or any company that owns or controls such foreign bank) has invested, directly or indirectly, and which engages in any activity pursuant to subsection (c) or (g) of section 6, comply with the provisions of sections 23A and 23B of the Federal Reserve Act in the same manner and to the same extent as such transactions would be required to comply with such sections if the bank were a member bank.

''(3) TREATMENT AS A WHOLESALE FINANCIAL INSTITUTION.—Any foreign bank which is, or is affiliated with a company which is, treated as a wholesale financial holding company under this subsection shall be treated as a wholesale financial institution for purposes of subsections (c)(1)(C) and (c)(3) of section 9B of the Federal Reserve Act, and any such foreign bank or company shall be subject to paragraphs (3), (4), and (5) of section 9B(d) of the Federal Reserve Act, except that the Board may adopt such modifications, conditions, or exemptions as the Board deems appropriate, giving due regard to the principle of national treatment and equality of competitive opportunity.

''(4) SUPERVISION OF FOREIGN BANK WHICH MAINTAINS NO BANKING PRESENCE OTHER THAN CONTROL OF A WHOLESALE FINANCIAL INSTITUTION.—A foreign bank that owns or controls a wholesale financial institution but does not operate a branch, agency, or commercial lending company in the United States (and any company that owns or controls such foreign bank) may request a determination from the Board that such bank or company be treated as a wholesale financial holding company, except that such bank or company shall be subject to the restrictions of paragraphs (2)(A) and (3) of this subsection.

''(5) NO EFFECT ON OTHER PROVISIONS.—This section shall not be construed as limiting the authority of the Board under the International Banking Act of 1978 with respect to the regulation, supervision, or examination of foreign banks and their offices and affiliates in the United States.

''(6) APPLICABILITY OF COMMUNITY REINVESTMENT ACT OF 1977.—The branches in the United States of a foreign bank that is, or is affiliated with a company that is, treated as a wholesale financial holding company shall be subject to section 9B(b)(11) of the Federal Reserve Act as if the foreign bank were a wholesale financial institution under such section. The Board and the Comptroller of the Currency shall apply the provisions of sections 803(2), 804, and 807(1) of the Community Reinvestment Act of 1977 to branches of foreign banks which receive only such deposits as are permissible for receipt by a corporation organized under section 25A of the Federal Reserve Act, in the same manner and to the same extent such sections apply to such a corporation.''.

SEC. 132. AUTHORIZATION TO RELEASE REPORTS.

(a) FEDERAL RESERVE ACT.—The last sentence of the eighth undesignated paragraph of section 9 of the Federal Reserve Act (12 U.S.C. 326) is amended to read as follows: ''The Board of Governors of the Federal Reserve System, at its discretion, may furnish reports of examination or other confidential supervisory information concerning State member banks or any other entities examined under any other authority of the Board to any Federal or State authorities with supervisory or regulatory authority over the examined entity, to officers, directors, or receivers of the examined entity, and to any other person that the Board determines to be proper.''.

(b) COMMODITY FUTURES TRADING COMMISSION.—The Right to Financial Privacy Act of 1978 (12 U.S.C. 3401 et seq.) is amended—

(1) in section 1101(7) of the (12 U.S.C. 3401(7))—

(A) by redesignating subparagraphs (G) and (H) as subparagraphs (H) and (I), respectively; and

(B) by inserting after subparagraph (F) the following new subparagraph:

''(G) the Commodity Futures Trading Commission; or''; and

(2) in section 1112(e), by striking ''and the Securities and Exchange Commission'' and inserting '', the Securities and Exchange Commission, and the Commodity Futures Trading Commission''.

SEC. 133. CONFORMING AMENDMENTS.

(a) BANK HOLDING COMPANY ACT OF 1956.—

(1) DEFINITIONS.—Section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841) is amended by inserting after subsection (p) (as added by section 103(b)(1)) the following new subsections:

''(q) WHOLESALE FINANCIAL INSTITUTION.—The term 'wholesale financial institution' means a wholesale financial institution subject to section 9B of the Federal Reserve Act.

''(r) COMMISSION.—The term 'Commission' means the Securities and Exchange Commission.

''(s) DEPOSITORY INSTITUTION.—The term 'depository institution'—

''(1) has the meaning given to such term in section 3 of the Federal Deposit Insurance Act; and

''(2) includes a wholesale financial institution.''.

(2) DEFINITION OF BANK INCLUDES WHOLESALE FINANCIAL INSTITUTION.—Section 2(c)(1) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(c)(1)) is amended by adding at the end the following new subparagraph:

''(C) A wholesale financial institution.''.

(3) INCORPORATED DEFINITIONS.—Section 2(n) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(n)) is amended by inserting ''insured bank','' after ''in danger of default',''.

(4) EXCEPTION TO DEPOSIT INSURANCE REQUIREMENT.—Section 3(e) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(e)) is amended by adding at the end the following: ''This subsection shall not apply to a wholesale financial institution.''.

(b) FEDERAL DEPOSIT INSURANCE ACT.—Section 3(q)(2)(A) of the Federal Deposit Insurance Act (12 U.S.C. 1813(q)(2)(A)) is amended to read as follows:

''(A) any State member insured bank (except a District bank) and any wholesale financial institution subject to section 9B of the Federal Reserve Act;''.

CHAPTER 2—WHOLESALE FINANCIAL INSTITUTIONS

SEC. 136. WHOLESALE FINANCIAL INSTITUTIONS.

(a) NATIONAL WHOLESALE FINANCIAL INSTITUTIONS.—

(1) IN GENERAL.—Chapter 1 of title LXII of the Revised Statutes of the United States (12 U.S.C. 21 et seq.) is amended by inserting after section 5136A (as added by section 121(a) of this title) the following new section:

''SEC. 5136B. NATIONAL WHOLESALE FINANCIAL INSTITUTIONS.

''(a) AUTHORIZATION OF THE COMPTROLLER REQUIRED.—A national bank may apply to the Comptroller on such forms and in accordance with such regulations as the Comptroller may prescribe, for permission to operate as a national wholesale financial institution.

''(b) REGULATION.—A national wholesale financial institution may exercise, in accordance with such institution's articles of incorporation and regulations issued by the Comptroller, all the powers and privileges of a national bank formed in accordance with section 5133 of the Revised Statutes of the United States, subject to section 9B of the Federal Reserve Act and the limitations and restrictions contained therein.

''(c) COMMUNITY REINVESTMENT ACT OF 1977.—A national wholesale financial institution shall be subject to the Community Reinvestment Act of 1977.

(2) CLERICAL AMENDMENT.—The table of sections for chapter 1 of title LXII of the Revised Statutes of the United States is amended by inserting after the item relating to section 5136A (as added by section 121(d) of this title) the following new item:

''5136B. National wholesale financial institutions.''.

(b) WHOLESALE FINANCIAL INSTITUTIONS.—The Federal Reserve Act (12 U.S.C. 221 et seq.) is amended by inserting after section 9A the following new section:

''SEC. 9B. WHOLESALE FINANCIAL INSTITUTIONS.

''(a) APPLICATION FOR MEMBERSHIP AS WHOLESALE FINANCIAL INSTITUTION.—

''(1) APPLICATION REQUIRED.—

''(A) IN GENERAL.—Any bank may apply to the Board of Governors of the Federal Reserve System to become a State wholesale financial institution, or to the Comptroller of the Currency to become a national wholesale financial institution, and, as a wholesale financial institution, to subscribe to the stock of the Federal Reserve bank organized within the district where the applying bank is located.

''(B) TREATMENT AS MEMBER BANK.—Any application under subparagraph (A) shall be treated as an application under, and shall be subject to the provisions of, section 9.

''(2) INSURANCE TERMINATION.—No bank the deposits of which are insured under the Federal Deposit Insurance Act may become a wholesale financial institution unless it has met all requirements under that Act for voluntary termination of deposit insurance.

''(b) GENERAL REQUIREMENTS APPLICABLE TO WHOLESALE FINANCIAL INSTITUTIONS.—

''(1) FEDERAL RESERVE ACT.—Except as otherwise provided in this section, wholesale financial institutions shall be member banks and shall be subject to the provisions of this Act that apply to member banks to the same extent and in the same manner as State member insured banks or national banks, except that a wholesale financial institution may terminate membership under this Act only with the prior written approval of the Board and on terms and

conditions that the Board determines are appropriate to carry out the purposes of this Act.

''(2) PROMPT CORRECTIVE ACTION.—A wholesale financial institution shall be deemed to be an insured depository institution for purposes of section 38 of the Federal Deposit Insurance Act except that—

''(A) the relevant capital levels and capital measures for each capital category shall be the levels specified by the Board for wholesale financial institutions;

''(B) subject to subparagraph (A), all references to the appropriate Federal banking agency or to the Corporation in that section shall be deemed to be references to the Comptroller of the Currency, in the case of a national wholesale financial institution, and to the Board, in the case of all other wholesale financial institutions; and

''(C) in the case of wholesale financial institutions, the purpose of prompt corrective action shall be to protect taxpayers and the financial system from the risks associated with the operation and activities of wholesale financial institutions.

''(3) ENFORCEMENT AUTHORITY.—Section 3(u), subsections (j) and (k) of section 7, subsections (b) through (n), (s), (u), and (v) of section 8, and section 19 of the Federal Deposit Insurance Act shall apply to a wholesale financial institution in the same manner and to the same extent as such provisions apply to State member insured banks or national banks, as the case may be, and any reference in such sections to an insured depository institution shall be deemed to include a reference to a wholesale financial institution.

''(4) CERTAIN OTHER STATUTES APPLICABLE.—A wholesale financial institution shall be deemed to be a banking institution, and the Board shall be the appropriate Federal banking agency for such bank and all such bank's affiliates, for purposes of the International Lending Supervision Act.

''(5) BANK MERGER ACT.—A wholesale financial institution shall be subject to sections 18(c) and 44 of the Federal Deposit Insurance Act in the same manner and to the same extent the wholesale financial institution would be subject to such sections if the institution were a State member insured bank or a national bank.

''(6) BRANCHING.—Notwithstanding any other provision of law, a wholesale financial institution may establish and operate a branch at any location on such terms and conditions as established by, and with the approval of—

''(A) the Board, in the case of a State-chartered wholesale financial institution; and

''(B) the Comptroller of the Currency, in the case of a national bank wholesale financial institution.

''(7) ACTIVITIES OF OUT-OF-STATE BRANCHES OF WHOLESALE FINANCIAL INSTITUTIONS.—A State-chartered wholesale financial institution shall be deemed to be a State bank and an insured State bank for purposes of paragraphs (1), (2), and (3) of section 24(j) of the Federal Deposit Insurance Act.

''(8) DISCRIMINATION REGARDING INTEREST RATES.—Section 27 of the Federal Deposit Insurance Act shall apply to State-chartered wholesale financial institutions in the same manner and to the same extent as such provisions apply to State member insured banks and any reference in such section to a State-chartered insured depository institution shall be deemed to include a reference to a State-chartered wholesale financial institution.

''(9) PREEMPTION OF STATE LAWS REQUIRING DEPOSIT INSURANCE FOR WHOLESALE FINANCIAL INSTITUTIONS.—The appropriate State banking authority may grant a charter to a wholesale financial institution notwithstanding any State constitution or statute requiring that the institution obtain insurance of its deposits and any such State constitution or statute is hereby preempted solely for purposes of this paragraph.

''(10) PARITY FOR WHOLESALE FINANCIAL INSTITUTIONS.—A State bank that is a wholesale financial institution under this section shall have all of the rights, powers, privileges, and immunities (including those derived from status as a federally chartered institution) of and as if it were a national bank, subject to such terms and conditions as established by the Board.

''(11) COMMUNITY REINVESTMENT ACT OF 1977.—A State wholesale financial institution shall be subject to the Community Reinvestment Act of 1977.

''(c) SPECIFIC REQUIREMENTS APPLICABLE TO WHOLESALE FINANCIAL INSTITUTIONS.—

''(1) LIMITATIONS ON DEPOSITS.—

''(A) MINIMUM AMOUNT.—

''(i) IN GENERAL.—No wholesale financial institution may receive initial deposits of $100,000 or less, other than on an incidental and occasional basis.

''(ii) LIMITATION ON DEPOSITS OF LESS THAN $100,000.—No wholesale financial institution may receive initial deposits of $100,000 or less if such deposits constitute more than 5 percent of the institution's total deposits.

''(B) NO DEPOSIT INSURANCE.—Except as otherwise provided in section 8A(f) of the Federal Deposit Insurance Act, no deposits held by a wholesale financial institution shall be insured deposits under the Federal Deposit Insurance Act.

''(C) ADVERTISING AND DISCLOSURE.—The Board and the Comptroller of the Currency shall prescribe jointly regulations pertaining to advertising and disclosure by wholesale financial institutions to ensure that each depositor is notified that deposits at the wholesale financial institution are not federally insured or otherwise guaranteed by the United States Government.

''(2) MINIMUM CAPITAL LEVELS APPLICABLE TO WHOLESALE FINANCIAL INSTITUTIONS.—The Board shall, by regulation, adopt capital requirements for wholesale financial institutions—

''(A) to account for the status of wholesale financial institutions as institutions that accept deposits that are not insured under the Federal Deposit Insurance Act; and

''(B) to provide for the safe and sound operation of the wholesale financial institution without undue risk to creditors or other persons, including Federal Reserve banks, engaged in transactions with the bank.

''(3) ADDITIONAL REQUIREMENTS APPLICABLE TO WHOLESALE FINANCIAL INSTITUTIONS.—In addition to any requirement otherwise applicable to State member insured banks or applicable, under this section, to wholesale financial institutions, the Board may impose, by regulation or order, upon wholesale financial institutions—

''(A) limitations on transactions, direct or indirect, with affiliates to prevent—

''(i) the transfer of risk to the deposit insurance funds; or

''(ii) an affiliate from gaining access to, or the benefits of, credit from a Federal Reserve bank, including overdrafts at a Federal Reserve bank;

''(B) special clearing balance requirements; and

''(C) any additional requirements that the Board determines to be appropriate or necessary to—

''(i) promote the safety and soundness of the wholesale financial institution or any insured depository institution affiliate of the wholesale financial institution;

''(ii) prevent the transfer of risk to the deposit insurance funds; or

''(iii) protect creditors and other persons, including Federal Reserve banks, engaged in transactions with the wholesale financial institution.

''(4) EXEMPTIONS FOR WHOLESALE FINANCIAL INSTITUTIONS.—The Board may, by regulation or order, exempt any wholesale financial institution from any provision applicable to a member bank that is not a wholesale financial institution, if the Board finds that such exemption is consistent with—

''(A) the promotion of the safety and soundness of the wholesale financial institution or any insured depository institution affiliate of the wholesale financial institution;

''(B) the protection of the deposit insurance funds; and

''(C) the protection of creditors and other persons, including Federal Reserve banks, engaged in transactions with the wholesale financial institution.

''(5) LIMITATION ON TRANSACTIONS BETWEEN A WHOLESALE FINANCIAL INSTITUTION AND AN INSURED BANK.—For purposes of section 23A(d)(1) of the Federal Reserve Act, a wholesale financial institution that is affiliated with an insured bank shall not be a bank.

''(6) NO EFFECT ON OTHER PROVISIONS.—This section shall not be construed as limiting the Board's authority over member banks or the authority of the Comptroller of the Currency over national banks under any other provision of law, or to create any obligation for any Federal Reserve bank to make, increase, renew, or extend any advance or discount under this Act to any member bank or other depository institution.

''(d) CAPITAL AND MANAGERIAL REQUIREMENTS.—

''(1) IN GENERAL.—A wholesale financial institution shall be well capitalized and well managed.

''(2) NOTICE TO COMPANY.—The Board shall promptly provide notice to a company that controls a wholesale financial institution whenever such wholesale financial institution is not well capitalized or well managed.

''(3) AGREEMENT TO RESTORE INSTITUTION.—Not later than 45 days after the date of receipt of a notice under paragraph (2) (or such additional period not to exceed 90 days as the Board may permit), the company shall execute an agreement acceptable to the Board to restore the wholesale financial institution to compliance with all of the requirements of paragraph (1).

''(4) LIMITATIONS UNTIL INSTITUTION RESTORED.—Until the wholesale financial institution is restored to compliance with all of the requirements of paragraph (1), the Board may impose such limitations on the conduct or activities of the company or any affiliate of the company as the Board determines to be appropriate under the circumstances.

''(5) FAILURE TO RESTORE.—If the company does not execute and implement an agreement in accordance with paragraph (3), comply with any limitation imposed under paragraph (4), restore the wholesale financial institution to well capitalized status not later than 180 days after the date of receipt by the company of the notice described in paragraph (2), or restore the wholesale financial institution to well managed status within such period as the Board may permit, the company shall, under such terms and conditions as may be imposed by the Board subject to such extension of time as may be granted in the discretion of the Board, divest control of its subsidiary depository institutions.

''(6) WELL MANAGED DEFINED.—For purposes of this subsection, the term 'well managed' has the same meaning as in section 2 of the Bank Holding Company Act of 1956.

''(e) RESOLUTION OF WHOLESALE FINANCIAL INSTITUTIONS.—

''(1) CONSERVATORSHIP OR RECEIVERSHIP.—

''(A) APPOINTMENT.—The Board may appoint a conservator or receiver to take possession and control of a wholesale financial institution to the same extent and in the same manner as the Comptroller of the Currency may appoint a conservator or receiver for a national bank.

''(B) POWERS.—The conservator or receiver for a wholesale financial institution shall exercise the same powers, functions, and duties, subject to the same limitations, as a conservator or receiver for a national bank.

''(2) BOARD AUTHORITY.—The Board shall have the same authority with respect to any conservator or receiver appointed under paragraph (1), and the wholesale financial institution for which it has been appointed, as the

Comptroller of the Currency has with respect to a conservator or receiver for a national bank and the national bank for which the conservator or receiver has been appointed.

''(3) BANKRUPTCY PROCEEDINGS.—The Comptroller of the Currency (in the case of a national wholesale financial institution) or the Board may direct the conservator or receiver of a wholesale financial institution to file a petition pursuant to title 11, United States Code, in which case, title 11, United States Code, shall apply to the wholesale financial institution in lieu of otherwise applicable Federal or State insolvency law.

''(f) BOARD BACKUP AUTHORITY.—

''(1) NOTICE TO THE COMPTROLLER.—Before taking any action under section 8 of the Federal Deposit Insurance Act involving a wholesale financial institution that is chartered as a national bank, the Board shall notify the Comptroller and recommend that the Comptroller take appropriate action. If the Comptroller fails to take the recommended action or to provide an acceptable plan for addressing the concerns of the Board before the close of the 30-day period beginning on the date of receipt of the formal recommendation from the Board, the Board may take such action.

''(2) EXIGENT CIRCUMSTANCES.—Notwithstanding paragraph (1), the Board may exercise its authority without regard to the time period set forth in paragraph (1) where the Board finds that exigent circumstances exist and the Board notifies the Comptroller of the Board's action and of the exigent circumstances.

''(g) EXCLUSIVE JURISDICTION.—Subsections (c) and (e) of section 43 of the Federal Deposit Insurance Act shall not apply to any wholesale financial institution.''.

(c) VOLUNTARY TERMINATION OF INSURED STATUS BY CERTAIN INSTITUTIONS.—

(1) SECTION 8 DESIGNATIONS.—Section 8(a) of the Federal Deposit Insurance Act (12 U.S.C. 1818(a)) is amended—

(A) by striking paragraph (1); and

(B) by redesignating paragraphs (2) through (10) as paragraphs (1) through (9), respectively.

(2) VOLUNTARY TERMINATION OF INSURED STATUS.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by inserting after section 8 the following new section:

"SEC. 8A. VOLUNTARY TERMINATION OF STATUS AS INSURED DEPOSITORY INSTITUTION.

''(a) IN GENERAL.—Except as provided in subsection (b), an insured State bank or a national bank may voluntarily terminate such bank's status as an insured depository institution in accordance with regulations of the Corporation if—

''(1) the bank provides written notice of the bank's intent to terminate such insured status—

''(A) to the Corporation and the Board of Governors of the Federal Reserve System, in the case of an insured State bank, or to the Corporation and the Comptroller of the Currency, in the case of an insured national bank authorized to operate as a wholesale financial institution, not less than 6 months before the effective date of such termination; and

''(B) to all depositors at such bank, not less than 6 months before the effective date of the termination of such status; and

''(2) either—

''(A) the deposit insurance fund of which such bank is a member equals or exceeds the fund's designated reserve ratio as of the date the bank provides a written notice under paragraph (1) and the Corporation determines that the fund will equal or exceed the applicable designated reserve ratio for the 2 semiannual assessment periods immediately following such date; or

''(B) the Corporation and the Board of Governors of the Federal Reserve System, in the case of an insured State bank, or the Corporation and the Comptroller of the Currency, in the case of an insured national bank authorized to operate as a wholesale financial institution, has approved the termination of the bank's insured status and the bank pays an exit fee in accordance with subsection (e).

''(b) EXCEPTION.—Subsection (a) shall not apply with respect to—

''(1) an insured savings association; or

''(2) an insured branch that is required to be insured under subsection (a) or (b) of section 6 of the International Banking Act of 1978.

''(c) ELIGIBILITY FOR INSURANCE TERMINATED.—Any bank that voluntarily elects to terminate the bank's insured status under subsection (a) shall not be eligible for insurance on any deposits or any assistance authorized under this Act after the period specified in subsection (f)(1).

''(d) INSTITUTION MUST BECOME WHOLESALE FINANCIAL INSTITUTION OR TERMINATE DEPOSIT-TAKING ACTIVITIES.—Any depository institution which voluntarily terminates such institution's status as an insured depository institution under this section may not, upon termination of insurance, accept any deposits unless the institution is a wholesale financial institution subject to section 9B of the Federal Reserve Act.

''(e) EXIT FEES.—

''(1) IN GENERAL.—Any bank that voluntarily terminates such bank's status as an insured depository institution under this section shall pay an exit fee in an amount that the Corporation determines is sufficient to account for the institution's pro rata share of the amount (if any) which would be required to restore the relevant deposit insurance fund to the fund's designated reserve ratio as of the date the bank provides a written notice under subsection (a)(1).

''(2) PROCEDURES.—The Corporation shall prescribe, by regulation, procedures for assessing any exit fee under this subsection.

''(f) TEMPORARY INSURANCE OF DEPOSITS INSURED AS OF TERMINATION.—

''(1) TRANSITION PERIOD.—The insured deposits of each depositor in a State bank or a national bank on the effective date of the voluntary termination of the bank's insured status, less all subsequent withdrawals from any deposits of such depositor, shall continue to be insured for a period of not less than 6 months and not more than 2 years, as determined by the Corporation. During such period, no additions to any such deposits, and no new deposits in the depository institution made after the effective date of such termination shall be insured by the Corporation.

''(2) TEMPORARY ASSESSMENTS; OBLIGATIONS AND DUTIES.—During the period specified in paragraph (1) with respect to any bank, the bank shall continue to pay assessments under section 7 as if the bank were an insured depository institution. The bank shall, in all other respects, be subject to the authority of the Corporation and the duties and obligations of an insured depository institution under this Act during such period, and in the event that the bank is closed due to an inability to meet the demands of the bank's depositors during such period, the Corporation shall have the same powers and rights with respect to such bank as in the case of an insured depository institution.

''(g) ADVERTISEMENTS.—

''(1) IN GENERAL.—A bank that voluntarily terminates the bank's insured status under this section shall not advertise or hold itself out as having insured deposits, except that the bank may advertise the temporary insurance of deposits under subsection (f) if, in connection with any such advertisement, the advertisement also states with equal prominence that additions to deposits and new deposits made after the effective date of the termination are not insured.

''(2) CERTIFICATES OF DEPOSIT, OBLIGATIONS, AND SECURITIES.—Any certificate of deposit or other obligation or security issued by a State bank or a national bank after the effective date of the voluntary termination of the bank's insured status under this section shall be accompanied by a conspicuous, prominently displayed notice that such certificate of deposit or other obligation or security is not insured under this Act.

''(h) NOTICE REQUIREMENTS.—

''(1) NOTICE TO THE CORPORATION.—The notice required under subsection (a)(1)(A) shall be in such form as the Corporation may require.

''(2) NOTICE TO DEPOSITORS.—The notice required under subsection (a)(1)(B) shall be—

''(A) sent to each depositor's last address of record with the bank; and

''(B) in such manner and form as the Corporation finds to be necessary and appropriate for the protection of depositors.''.

(3) DEFINITION.—Section 19(b)(1)(A)(i) of the Federal Reserve Act (12 U.S.C. 461(b)(1)(A)(i)) is amended by inserting '', or any wholesale financial institution subject to section 9B of this Act'' after ''such Act''.

(d) TECHNICAL AND CONFORMING AMENDMENTS TO THE BANKRUPTCY CODE.—

(1) BANKRUPTCY CODE DEBTORS.—Section 109(b)(2) of title 11, United States Code, is amended by striking ''; or'' and inserting the following: '', except that—

''(A) a wholesale financial institution established under section 5136B of the Revised Statutes of the United States or section 9B of the Federal Reserve Act may be a debtor if a petition is filed at the direction of the Comptroller of the Currency (in the case of a wholesale financial institution established under section 5136B of the Revised Statutes of the United States) or the Board of Governors of the Federal Reserve System (in the case of any wholesale financial institution); and

''(B) a corporation organized under section 25A of the Federal Reserve Act may be a debtor if a petition is filed at the direction of the Board of Governors of the Federal Reserve System; or''.

(2) CHAPTER 7 DEBTORS.—Section 109(d) of title 11, United States Code, is amended to read as follows:

''(d) Only a railroad and a person that may be a debtor under chapter 7 of this title, except that a stockbroker, a wholesale financial institution established under section 5136B of the Revised Statutes of the United States or section 9B of the Federal Reserve Act, a corporation organized under section 25A of the Federal Reserve Act, or a commodity broker, may be a debtor under chapter 11 of this title.''.

(3) DEFINITION OF FINANCIAL INSTITUTION.—Section 101(22) of title 11, United States Code, is amended to read as follows:

''(22) 'financial institution' means a person that is a commercial or savings bank, industrial savings bank, savings and loan association, trust company, wholesale financial institution established under section 5136B of the Revised Statutes of the United States or section 9B of the Federal Reserve Act, or corporation organized under section 25A of the Federal Reserve Act and, when any such person is acting as agent or custodian for a customer in connection with a securities contract, as defined in section 741 of this title, such customer,''.

(4) SUBCHAPTER V OF CHAPTER 7.—

(A) IN GENERAL.—Section 103 of title 11, United States Code, is amended—

(i) by redesignating subsections (e) through (i) as subsections (f) through (j), respectively; and

(ii) by inserting after subsection (d) the following:

''(e) Subchapter V of chapter 7 of this title applies only in a case under such chapter concerning the liquidation of a wholesale financial institution established under section 5136B of the Revised Statutes of the United States or section 9B of the Federal Reserve Act, or a corporation organized under section 25A of the Federal Reserve Act.''.

(B) WHOLESALE BANK LIQUIDATION.—Chapter 7 of title 11, United States Code, is amended by adding at the end the following:

''SUBCHAPTER V—WHOLESALE BANK LIQUIDATION

''§ 781. Definitions for subchapter

''In this subchapter—

''(1) the term 'Board' means the Board of Governors of the Federal Reserve System;

''(2) the term 'depository institution' has the same meaning as in section 3 of the Federal Deposit Insurance Act, and includes any wholesale bank;

''(3) the term 'national wholesale financial institution' means a wholesale financial institution established under section 5136B of the Revised Statutes of the United States; and

''(4) the term 'wholesale bank' means a national wholesale financial institution, a wholesale financial institution established under section 9B of the Federal Reserve Act, or a corporation organized under section 25A of the Federal Reserve Act.

''§ 782. Selection of trustee

''(a) Notwithstanding any other provision of this title, the conservator or receiver who files the petition shall be the trustee under this chapter, unless the Comptroller of the Currency (in the case of a national wholesale financial institution for which it appointed the conservator or receiver) or the Board (in the case of any wholesale bank for which it appointed the conservator or receiver) designates an alternative trustee. The Comptroller of the Currency or the Board (as applicable) may designate a successor trustee, if required.

''(b) Whenever the Comptroller of the Currency or the Board appoints or designates a trustee, chapter 3 and sections 704 and 705 of this title shall apply to the Comptroller or the Board, as applicable, in the same way and to the same extent that they apply to a United States trustee.

''§ 783. Additional powers of trustee

''(a) The trustee under this subchapter has power to distribute property not of the estate, including distributions to customers that are mandated by subchapters III and Iv of this chapter.

''(b) The trustee under this subchapter may, after notice and a hearing—

''(1) sell the wholesale bank to a depository institution or consortium of depository institutions (which consortium may agree on the allocation of the wholesale bank among the consortium);

''(2) merge the wholesale bank with a depository institution;

''(3) transfer contracts to the same extent as could a receiver for a depository institution under paragraphs (9) and (10) of section 11(e) of the Federal Deposit Insurance Act;

''(4) transfer assets or liabilities to a depository institution;

''(5) transfer assets and liabilities to a bridge bank as provided in paragraphs (1), (3)(A), (5), (6), and (9) through (13), and subparagraphs (A) through (H) and (K) of paragraph (4) of section 11(n) of the Federal Deposit Insurance Act, except that—

''(A) the bridge bank shall be treated as a wholesale bank for the purpose of this subsection; and

''(B) any references in any such provision of law to the Federal Deposit Insurance Corporation shall be construed to be references to the appointing agency and that references to deposit insurance shall be omitted.

''(c) Any reference in this section to transfers of liabilities includes a ratable transfer of liabilities within a priority class.

''§ 784. Right to be heard

''The Comptroller of the Currency (in the case of a national wholesale financial institution), the Board (in the case of any wholesale bank), or a Federal Reserve bank (in the case of a wholesale bank that is a member of that bank) may raise and may appear and be heard on any issue in a case under this subchapter.

(C) CONFORMING AMENDMENT.—The table of sections for chapter 7 of title 11, United States Code, is amended by adding at the end the following:

''SUBCHAPTER V—WHOLESALE BANK LIQUIDATION

''781. Definitions for subchapter.
''782. Selection of trustee.
''783. Additional powers of trustee.
''784. Right to be heard.''.

(e) RESOLUTION OF EDGE CORPORATIONS.—The sixteenth undesignated paragraph of section 25A of the Federal Reserve Act (12 U.S.C. 624) is amended to read as follows:

''(16) APPOINTMENT OF RECEIVER OR CONSERVATOR.—

''(A) IN GENERAL.—The Board may appoint a conservator or receiver for a corporation organized under the provisions of this section to the same extent and in the same manner as the Comptroller of the Currency may appoint a conservator or receiver for a national bank, and the conservator or receiver for such corporation shall exercise the same powers, functions, and duties, subject to the same limitations, as a conservator or receiver for a national bank.

''(B) EQUIVALENT AUTHORITY.—The Board shall have the same authority with respect to any conservator or receiver appointed for a corporation organized under the provisions of this section under this paragraph and any such corporation as the Comptroller of the Currency has with respect to a conservator or receiver of a national bank and the national bank for which a conservator or receiver has been appointed.

''(C) TITLE 11 PETITIONS.—The Board may direct the conservator or receiver of a corporation organized under the provisions of this section to file a petition pursuant to title 11, United States Code, in which case, title 11, United States Code, shall apply to the corporation in lieu of otherwise applicable Federal or State insolvency law.''.

Subtitle E—Preservation of FTC Authority

SEC. 141. AMENDMENT TO THE BANK HOLDING COMPANY ACT OF 1956 TO MODIFY NOTIFICATION AND POST-APPROVAL WAITING PERIOD FOR SECTION 3 TRANSACTIONS.

Section 11(b)(1) of the Bank Holding Company Act of 1956 (12 U.S.C. 1849(b)(1)) is amended by inserting ''and, if the transaction also involves an acquisition under section 4 or section 6, the Board shall also notify the Federal Trade Commission of such approval'' before the period at the end of the first sentence.

SEC. 142. INTERAGENCY DATA SHARING.

To the extent not prohibited by other law, the Comptroller of the Currency, the Director of the Office of Thrift Supervision, the Federal Deposit Insurance Corporation, and the Board of Governors of the Federal Reserve System shall make available to the Attorney General and the Federal Trade Commission any data in the possession of any such banking agency that the antitrust agency deems necessary for antitrust review of any transaction requiring notice to any such antitrust agency or the approval of such agency under section 3, 4, or 6 of the Bank Holding Company Act of 1956, section 18(c) of the Federal Deposit Insurance Act, the National Bank Consolidation and Merger Act, section 10 of the Home Owners' Loan Act, or the antitrust laws.

SEC. 143. CLARIFICATION OF STATUS OF SUBSIDIARIES AND AFFILIATES.

(a) CLARIFICATION OF FEDERAL TRADE COMMISSION JURISDICTION.—Any person which directly or indirectly controls, is controlled directly or indirectly by, or is directly or indirectly under common control with, any bank or savings association (as such terms are defined in section 3 of the Federal Deposit Insurance Act) and is not itself a bank or savings association shall not be deemed to be a bank or savings association for purposes of the Federal Trade Commission Act or any other law enforced by the Federal Trade Commission.

(b) SAVINGS PROVISION.—No provision of this section shall be construed as restricting the authority of any Federal banking agency (as defined in section 3 of the Federal Deposit Insurance Act) under any Federal banking law, including section 8 of the Federal Deposit Insurance Act.

(c) HART–SCOTT–RODINO AMENDMENTS.—

(1) BANKS.—Section 7A(c)(7) of the Clayton Act (15 U.S.C. 18a(c)(7)) is amended by inserting before the semicolon at the end the following: '', except that a portion of a transaction is not exempt under this paragraph if such portion of the transaction (A) is subject to section 6 of the Bank Holding Company Act of 1956; and (B) does not require agency approval under section 3 of the Bank Holding Company Act of 1956''.

(2) BANK HOLDING COMPANIES.—Section 7A(c)(8) of the Clayton Act (15 U.S.C. 18a(c)(8)) is amended by inserting before the semicolon at the end the following: '', except that a portion of a transaction is not exempt under this paragraph if such portion of the transaction (A) is subject to section 6 of the Bank Holding Company Act of 1956; and (B) does not require agency approval under section 4 of the Bank Holding Company Act of 1956''.

SEC. 144. ANNUAL GAO REPORT.

(a) IN GENERAL.—By the end of the 1-year period beginning on the date of the enactment of this Act and annually thereafter, the Comptroller General of the United States shall submit a report to the Congress on market concentration in the financial services industry and its impact on consumers.

(b) ANALYSIS.—Each report submitted under subsection (a) shall contain an analysis of—

(1) the positive and negative effects of affiliations between various types of financial companies, and of acquisitions pursuant to this Act and the amendments made by this Act to other provisions of law, including any positive or negative effects on consumers, area markets, and submarkets thereof or on registered securities brokers and dealers which have been purchased by depository institutions or depository institution holding companies;

(2) the changes in business practices and the effects of any such changes on the availability of venture capital, consumer credit, and other financial services or products and the availability of capital and credit for small businesses; and

(3) the acquisition patterns among depository institutions, depository institution holding companies, securities firms, and insurance companies including acquisitions among the largest 20 percent of firms and acquisitions within regions or other limited geographical areas.

(c) SUNSET.—This section shall not apply after the end of the 5-year period beginning on the date of the enactment of this Act.

Subtitle F—National Treatment

SEC. 151. FOREIGN BANKS THAT ARE FINANCIAL HOLDING COMPANIES.

Section 8(c) of the International Banking Act of 1978 (12 U.S.C. 3106(c)) is amended by adding at the end the following new paragraph:

''(3) TERMINATION OF GRANDFATHERED RIGHTS.—

''(A) IN GENERAL.—If any foreign bank or foreign company files a declaration under section 6(b)(1)(D) or receives a determination under section 10(d)(1) of the Bank Holding Company Act of 1956, any authority conferred by this subsection on any foreign bank or company to engage in any activity which the Board has determined to be permissible for financial holding companies under section 6 of such Act shall terminate immediately.

''(B) RESTRICTIONS AND REQUIREMENTS AUTHORIZED.—If a foreign bank or company that engages, directly or through an affiliate pursuant to paragraph (1), in an activity which the Board has determined to be permissible for financial holding companies under section 6 of the Bank Holding Company Act of 1956 has not filed a declaration with the Board of its status as a financial holding company under such section or received a determination under section

10(d)(1) by the end of the 2-year period beginning on the date of the enactment of the Financial Services Act of 1999, the Board, giving due regard to the principle of national treatment and equality of competitive opportunity, may impose such restrictions and requirements on the conduct of such activities by such foreign bank or company as are comparable to those imposed on a financial holding company organized under the laws of the United States, including a requirement to conduct such activities in compliance with any prudential safeguards established under section 114 of the Financial Services Act.''.

SEC. 152. FOREIGN BANKS AND FOREIGN FINANCIAL INSTITUTIONS THAT ARE WHOLESALE FINANCIAL INSTITUTIONS.

Section 8A of the Federal Deposit Insurance Act (as added by section 136(c)(2) of this Act) is amended by adding at the end the following new subsection:

''(i) VOLUNTARY TERMINATION OF DEPOSIT INSURANCE.—The provisions on voluntary termination of insurance in this section shall apply to an insured branch of a foreign bank (including a Federal branch) in the same manner and to the same extent as they apply to an insured State bank or a national bank.''.

SEC. 153. REPRESENTATIVE OFFICES.

(a) DEFINITION OF ''REPRESENTATIVE OFFICE''.—Section 1(b)(15) of the International Banking Act of 1978 (12 U.S.C. 3101(15)) is amended by striking ''State agency, or subsidiary of a foreign bank'' and inserting ''or State agency''.

(b) EXAMINATIONS.—Section 10(c) of the International Banking Act of 1978 (12 U.S.C. 3107(c)) is amended by adding at the end the following: ''The Board may also make examinations of any affiliate of a foreign bank conducting business in any State if the Board deems it necessary to determine and enforce compliance with this Act, the Bank Holding Company Act of 1956 (12 U.S.C. 1841 et seq.), or other applicable Federal banking law.''.

SEC. 154. RECIPROCITY.

(a) NATIONAL TREATMENT REPORTS.—

(1) REPORT REQUIRED IN THE EVENT OF CERTAIN ACQUISITIONS.—

(A) IN GENERAL.—Whenever a person from a foreign country announces its intention to acquire or acquires a bank, a securities underwriter, broker, or dealer, an investment adviser, or insurance company that ranks within the top 50 firms in that line of business in the United States, the Secretary of Commerce, in the case of an insurance company, or the Secretary of the Treasury, in the case of a bank, a securities underwriter, broker, or dealer, or an investment adviser, shall, within the earlier of 6 months of such announcement or such acquisition and in consultation with other appropriate Federal and State agencies, prepare and submit to the Congress a report on whether a United States person would be able, de facto or de jure, to acquire an equivalent sized firm in the country in which such person from a foreign country is located.

(B) ANALYSIS AND RECOMMENDATIONS.—If a report submitted under subparagraph (A) states that the equivalent treatment referred to in such subparagraph, de facto and de jure, is not provided in the country which is the subject of the report, the Secretary of Commerce or the Secretary of the Treasury, as the case may be and in consultation with other appropriate Federal and State agencies, shall include in the report analysis and recommendations as to how that country's laws and regulations would need to be changed so that reciprocal treatment would exist.

(2) REPORT REQUIRED BEFORE FINANCIAL SERVICES NEGOTIATIONS COMMENCE.—The Secretary of Commerce, with respect to insurance companies, and the Secretary of the Treasury, with respect to banks, securities underwriters, brokers, dealers, and investment advisers, shall, not less than 6 months before the commencement of the financial services negotiations of the World Trade Organization and in consultation with other appropriate Federal and State agencies, prepare and submit to the Congress a report containing—

(A) an assessment of the 30 largest financial services markets with regard to whether reciprocal access is available in such markets to United States financial services providers; and

(B) with respect to any such financial services markets in which reciprocal access is not available to United States financial services providers, an analysis and recommendations as to what legislative, regulatory, or enforcement changes would be required to ensure full reciprocity for such providers.

(3) PERSON OF A FOREIGN COUNTRY DEFINED.—For purposes of this subsection, the term ''person of a foreign country'' means a person, or a person which directly or indirectly owns or controls that person, that is a resident of that country, is organized under the laws of that country, or has its principal place of business in that country.

(b) PROVISIONS APPLICABLE TO SUBMISSIONS.—

(1) NOTICE.—Before preparing any report required under subsection (a), the Secretary of Commerce or the Secretary of the Treasury, as the case may be, shall publish notice that a report is in preparation and seek comment from United States persons.

(2) PRIVILEGED SUBMISSIONS.—Upon the request of the submitting person, any comments or related communications received by the Secretary of Commerce or the Secretary of the Treasury, as the case may be, with regard to the report shall, for the purposes of section 552 of title 5, of the United States Code, be treated as commercial information obtained from a person that is privileged or confidential, regardless of the medium in which the information is obtained. This confidential information shall be the property of the Secretary and shall be privileged from disclosure to any other person. However, this privilege shall not be construed as preventing access to that confidential information by the Congress.

(3) PROHIBITION OF UNAUTHORIZED DISCLOSURES.—No person in possession of confidential information, provided under this section may disclose that information, in whole or in part, except for disclosure made in published statistical material that does not disclose, either directly or when used in conjunction with publicly available information, the confidential information of any person.

Subtitle G—Federal Home Loan Bank System Modernization

SEC. 161. SHORT TITLE.

This subtitle may be cited as the ''Federal Home Loan Bank System Modernization Act of 1999''.

SEC. 162. DEFINITIONS.

Section 2 of the Federal Home Loan Bank Act (12 U.S.C. 1422) is amended—

(1) in paragraph (1), by striking ''term 'Board' means'' and inserting ''terms 'Finance Board' and 'Board' mean'';

(2) by striking paragraph (3) and inserting the following:

''(3) STATE.—The term 'State', in addition to the States of the United States, includes the District of Columbia, Guam, Puerto Rico, the United States Virgin Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands.''; and

(3) by adding at the end the following new paragraph:

''(13) COMMUNITY FINANCIAL INSTITUTION.—

''(A) IN GENERAL.—The term 'community financial institution' means a member—

''(i) the deposits of which are insured under the Federal Deposit Insurance Act; and

''(ii) that has, as of the date of the transaction at issue, less than $500,000,000 in average total assets, based on an average of total assets over the 3 years preceding that date.

''(B) ADJUSTMENTS.—The $500,000,000 limit referred to in subparagraph (A)(ii) shall be adjusted annually by the Finance Board, based on the annual percentage increase, if any, in the Consumer Price Index for all urban consumers, as published by the Department of Labor.''.

SEC. 163. SAVINGS ASSOCIATION MEMBERSHIP.

Section 5(f) of the Home Owners' Loan Act (12 U.S.C. 1464(f)) is amended to read as follows:

''(f) FEDERAL HOME LOAN BANK MEMBERSHIP.—On and after January 1, 1999, a Federal savings association may become a member of the Federal Home Loan Bank System, and shall qualify for such membership in the manner provided by the Federal Home Loan Bank Act.''.

SEC. 164. ADVANCES TO MEMBERS; COLLATERAL.

(a) IN GENERAL.—Section 10(a) of the Federal Home Loan Bank Act (12 U.S.C. 1430(a)) is amended—

(1) by redesignating paragraphs (1) through (4) as subparagraphs (A) through (D), respectively, and indenting appropriately;

(2) by striking ''(a) Each'' and inserting the following:

''(a) IN GENERAL.—

''(1) ALL ADVANCES.—Each'';

(3) by striking the second sentence and inserting the following:

''(2) PURPOSES OF ADVANCES.—A long-term advance may only be made for the purposes of—

''(A) providing funds to any member for residential housing finance; and

''(B) providing funds to any community financial institution for small business, agricultural, rural development, or low-income community development lending.'';

(4) by striking ''A Bank'' and inserting the following:

''(3) COLLATERAL.—A Bank'';

(5) in paragraph (3) (as so designated by paragraph (4) of this subsection)—

(A) in subparagraph (C) (as so redesignated by paragraph (1) of this subsection) by striking ''Deposits'' and inserting ''Cash or deposits'';

(B) in subparagraph (D) (as so redesignated by paragraph (1) of this subsection), by striking the second sentence; and

(C) by inserting after subparagraph (D) (as so redesignated by paragraph (1) of this subsection) the following new subparagraph:

''(E) Secured loans for small business, agriculture, rural development, or low-income community development, or securities representing a whole interest in such secured loans, in the case of any community financial institution.'';

(6) in paragraph (5)—

(A) in the second sentence, by striking ''and the Board'';

(B) in the third sentence, by striking ''Board'' and inserting ''Federal home loan bank''; and

(C) by striking ''(5) Paragraphs (1) through (4)'' and inserting the following:

''(4) ADDITIONAL BANK AUTHORITY.—Subparagraphs (A) through (E) of paragraph (3)''; and

(7) by adding at the end the following:

''(5) REVIEW OF CERTAIN COLLATERAL STANDARDS.—The Board may review the collateral standards applicable to each Federal home loan bank for the classes of collateral described in subparagraphs (D) and (E) of paragraph (3), and may, if necessary for safety and soundness purposes, require an increase in the collateral standards for any or all of those classes of collateral.

''(6) DEFINITIONS.—For purposes of this subsection, the terms 'small business', 'agriculture', 'rural development', and 'low-income community development' shall have the meanings given those terms by rule or regulation of the Finance Board.''.

(b) CLERICAL AMENDMENT.—The section heading for section 10 of the Federal Home Loan Bank Act (12 U.S.C. 1430) is amended to read as follows:

''SEC. 10. ADVANCES TO MEMBERS.''.

(c) CONFORMING AMENDMENTS RELATING TO MEMBERS WHICH ARE NOT QUALIFIED THRIFT

LENDERS—The first of the 2 subsections designated as subsection (e) of section 10 of the Federal Home Loan Bank Act (12 U.S.C. 1430(e)(1)) is amended—

(1) in the last sentence of paragraph (1), by inserting ''or, in the case of any community financial institution, for the purposes described in subsection (a)(2)'' before the period; and

(2) in paragraph (5)(C), by inserting ''except that, in determining the actual thrift investment percentage of any community financial institution for purposes of this subsection, the total investment of such member in loans for small business, agriculture, rural development, or low-income community development, or securities representing a whole interest in such loans, shall be treated as a qualified thrift investment (as defined in such section 10(m))'' before the period.

SEC. 165. ELIGIBILITY CRITERIA.

Section 4(a) of the Federal Home Loan Bank Act (12 U.S.C. 1424(a)) is amended—

(1) in paragraph (2)(A), by inserting, ''(other than a community financial institution)'' after ''institution''; and

(2) by adding at the end the following new paragraph:

''(3) LIMITED EXEMPTION FOR COMMUNITY FINANCIAL INSTITUTIONS.—A community financial institution that otherwise meets the requirements of paragraph (2) may become a member without regard to the percentage of its total assets that is represented by residential mortgage loans, as described in subparagraph (A) of paragraph (2).''.

SEC. 166. MANAGEMENT OF BANKS.

(a) BOARD OF DIRECTORS.—Section 7(d) of the Federal Home Loan Bank Act (12 U.S.C. 1427(d)) is amended—

(1) by striking ''(d) The term'' and inserting the following:

''(d) TERMS OF OFFICE.—The term''; and

(2) by striking ''shall be two years''.

(b) COMPENSATION.—Section 7(i) of the Federal Home Loan Bank Act (12 U.S.C. 1427(i)) is amended by striking '', subject to the approval of the board''.

(c) REPEAL OF SECTIONS 22A AND 27.—The Federal Home Loan Bank Act (12 U.S.C. 1421 et seq.) is amended by striking sections 22A (12 U.S.C. 1442a) and 27 (12 U.S.C. 1447).

(d) SECTION 12.—Section 12 of the Federal Home Loan Bank Act (12 U.S.C. 1432) is amended—

(1) in subsection (a)—

(A) by striking '', but, except'' and all that follows through ''ten years'';

(B) by striking ''subject to the approval of the Board'' the first place that term appears;

(C) by striking ''and, by its Board of directors,'' and all that follows through ''agent of such bank,'' and inserting ''and, by the board of directors of the bank, to prescribe, amend, and repeal by-laws governing the manner in which its affairs may be administered, consistent with applicable laws and regulations, as administered by the Finance Board. No officer, employee, attorney, or agent of a Federal home loan bank''; and

(D) by striking ''Board of directors'' where such term appears in the penultimate sentence and inserting ''board of directors''; and

(2) in subsection (b), by striking ''loans banks'' and inserting ''loan banks''.

(e) POWERS AND DUTIES OF FEDERAL HOUSING FINANCE BOARD.—

(1) ISSUANCE OF NOTICES OF VIOLATIONS.—Section 2B(a) of the Federal Home Loan Bank Act (12 U.S.C. 1422b(a)) is amended by adding at the end the following new paragraphs:

''(5) To issue and serve a notice of charges upon a Federal home loan bank or upon any executive officer or director of a Federal home loan bank if, in the determination of the Finance Board, the bank, executive officer, or director is engaging or has engaged in, or the Finance Board has reasonable cause to believe that the bank, executive officer, or director is about to engage in, any conduct that violates any provision of this Act or any law, order, rule, or regulation or any condition imposed in writing by the Finance Board in connection with the granting of any application or other request by the bank, or any written agreement entered into by the bank with the agency, in accordance with the procedures provided in section 1371(c) of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992. Such authority includes the same authority to take affirmative action to correct conditions resulting from violations or practices or to limit activities of a bank or any executive officer or director of a bank as appropriate Federal banking agencies have to take with respect to insured depository institutions under paragraphs (6) and (7) of section 8(b) of the Federal Deposit Insurance Act, and to have all other powers, rights, and duties to enforce this Act with respect to the Federal home loan banks and their executive officers and directors as the Office of Federal Housing Enterprise Oversight has to enforce the Federal Housing Enterprises Financial Safety and Soundness Act of 1992, the Federal National Mortgage Association Charter Act, or the Federal Home Loan Mortgage Corporation Act with respect to the Federal housing enterprises under the Federal Housing Enterprises Financial Safety and Soundness Act of 1992.

''(6) To address any insufficiencies in capital levels resulting from the application of section 5(f) of the Home Owners' Loan Act.

''(7) To sue and be sued, by and through its own attorneys.''.

(2) TECHNICAL AMENDMENT.—Section 111 of Public Law 93–495 (12 U.S.C. 250) is amended by striking ''Federal Home Loan Bank Board,'' and inserting ''Director of the Office of Thrift Supervision, ''the Federal Housing Finance Board,''.

(f) ELIGIBILITY TO SECURE ADVANCES.—

(1) SECTION 9.—Section 9 of the Federal Home Loan Bank Act (12 U.S.C. 1429) is amended—

(A) in the second sentence, by striking ''with the approval of the Board''; and

(B) in the third sentence, by striking '', subject to the approval of the Board,''.

(2) SECTION 10.—Section 10 of the Federal Home Loan Bank Act (12 U.S.C. 1430) is amended—

(A) in subsection (c)—

(i) in the first sentence, by striking ''Board'' and inserting ''Federal home loan bank''; and

(ii) by striking the second sentence;

(B) in subsection (d)—

(i) in the first sentence, by striking ''and the approval of the Board''; and

(ii) by striking ''Subject to the approval of the Board, any'' and inserting ''Any''; and

(C) in subsection (j)(1)—

(i) by striking ''to subsidize the interest rate on advances'' and inserting ''to provide subsidies, including subsidized interest rates on advances'';

(ii) by striking ''Pursuant'' and inserting the following:

''(A) ESTABLISHMENT.—Pursuant''; and

(iii) by adding at the end the following new subparagraph:

''(B) NONDELEGATION OF APPROVAL AUTHORITY.—Subject to such regulations as the Finance Board may prescribe, the board of directors of each Federal home loan bank may approve or disapprove requests from members for Affordable Housing Program subsidies, and may not delegate such authority.''.

(g) SECTION 16.—Section 16(a) of the Federal Home Loan Bank Act (12 U.S.C. 1436(a)) is amended—

(1) in the third sentence—

(A) by striking ''net earnings'' and inserting ''previously retained earnings or current net earnings''; and

(B) by striking '', and then only with the approval of the Federal Housing Finance Board''; and

(2) by striking the fourth sentence.

(h) SECTION 18.—Section 18(b) of the Federal Home Loan Bank Act (12 U.S.C. 1438(b)) is amended by striking paragraph (4).

SEC. 167. RESOLUTION FUNDING CORPORATION.

(a) IN GENERAL.—Section 21B(f)(2)(C) of the Federal Home Loan Bank Act (12 U.S.C. 1441b(f)(2)(C)) is amended to read as follows:

''(C) PAYMENTS BY FEDERAL HOME LOAN BANKS.—

''(i) IN GENERAL.—To the extent that the amounts available pursuant to subparagraphs (A) and (B) are insufficient to cover the amount of interest payments, each Federal home loan bank shall pay to the Funding Corporation in each calendar year, 20.75 percent of the net earnings of that bank (after deducting expenses relating to section 10(j) and operating expenses).

''(ii) ANNUAL DETERMINATION.—The Board annually shall determine the extent to which the value of the aggregate amounts paid by the Federal home loan banks exceeds or falls short of the value of an annuity of $300,000,000 per year that commences on the issuance date and ends on the final scheduled maturity date of the obligations, and shall select appropriate present value factors for making such determinations.

''(iii) PAYMENT TERM ALTERATIONS.—The Board shall extend or shorten the term of the payment obligations of a Federal home loan bank under this subparagraph as necessary to ensure that the value of all payments made by the banks is equivalent to the value of an annuity referred to in clause (ii).

''(iv) TERM BEYOND MATURITY.—If the Board extends the term of payments beyond the final scheduled maturity date for the obligations, each Federal home loan bank shall continue to pay 20.75 percent of its net earnings (after deducting expenses relating to section 10(j) and operating expenses) to the Treasury of the United States until the value of all such payments by the Federal home loan banks is equivalent to the value of an annuity referred to in clause (ii). In the final year in which the Federal home loan banks are required to make any payment to the Treasury under this subparagraph, if the dollar amount represented by 20.75 percent of the net earnings of the Federal home loan banks exceeds the remaining obligation of the banks to the Treasury, the Finance Board shall reduce the percentage pro rata to a level sufficient to pay the remaining obligation.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective on January 1, 1999. Payments made by a Federal home loan bank before that effective date shall be counted toward the total obligation of that bank under section 21B(f)(2)(C) of the Federal Home Loan Bank Act, as amended by this section.

SEC. 168. CAPITAL STRUCTURE OF FEDERAL HOME LOAN BANKS.

Section 6 of the Federal Home Loan Bank Act (12 U.S.C. 1426) is amended to read as follows:

''SEC. 6. CAPITAL STRUCTURE OF FEDERAL HOME LOAN BANKS.

''(a) REGULATIONS.—

''(1) CAPITAL STANDARDS.—Not later than 1 year after the date of the enactment of the Financial Services Act of 1999, the Finance Board shall issue regulations prescribing uniform capital standards applicable to each Federal home loan bank, which shall require each such bank to meet—

''(A) the leverage requirement specified in paragraph (2); and

''(B) the risk-based capital requirements, in accordance with paragraph (3).

''(2) LEVERAGE REQUIREMENT.—

''(A) IN GENERAL.—The leverage requirement shall require each Federal home loan bank to maintain a minimum amount of total capital based on the aggregate on-balance sheet assets of the bank and shall be 5 percent.

''(B) TREATMENT OF STOCK AND RETAINED EARNINGS.—In determining compliance with the minimum leverage ratio established under subparagraph (A), the paid-in value of the outstanding Class B stock shall be multiplied by

1.5, the paid-in value of the outstanding Class C stock and the amount of retained earnings shall be multiplied by 2.0, and such higher amounts shall be deemed to be capital for purposes of meeting the 5 percent minimum leverage ratio.

''(3) RISK-BASED CAPITAL STANDARDS.—

''(A) IN GENERAL.—Each Federal home loan bank shall maintain permanent capital in an amount that is sufficient, as determined in accordance with the regulations of the Finance Board, to meet—

''(i) the credit risk to which the Federal home loan bank is subject; and

''(ii) the market risk, including interest rate risk, to which the Federal home loan bank is subject, based on a stress test established by the Finance Board that rigorously tests for changes in market variables, including changes in interest rates, rate volatility, and changes in the shape of the yield curve.

''(B) CONSIDERATION OF OTHER RISK-BASED STANDARDS.—In establishing the risk-based standard under subparagraph (A)(ii), the Finance Board shall take due consideration of any risk-based capital test established pursuant to section 1361 of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U.S.C. 4611) for the enterprises (as defined in that Act), with such modifications as the Finance Board determines to be appropriate to reflect differences in operations between the Federal home loan banks and those enterprises.

''(4) OTHER REGULATORY REQUIREMENTS.—The regulations issued by the Finance Board under paragraph (1) shall—

''(A) permit each Federal home loan bank to issue, with such rights, terms, and preferences, not inconsistent with this Act and the regulations issued hereunder, as the board of directors of that bank may approve, any one or more of—

''(i) Class A stock, which shall be redeemable in cash and at par 6 months following submission by a member of a written notice of its intent to redeem such shares;

''(ii) Class B stock, which shall be redeemable in cash and at par 5 years following submission by a member of a written notice of its intent to redeem such shares; and

''(iii) Class C stock, which shall be nonredeemable;

''(B) provide that the stock of a Federal home loan bank may be issued to and held by only members of the bank, and that a bank may not issue any stock other than as provided in this section;

''(C) prescribe the manner in which stock of a Federal home loan bank may be sold, transferred, redeemed, or repurchased; and

''(D) provide the manner of disposition of outstanding stock held by, and the liquidation of any claims of the Federal home loan bank against, an institution that ceases to be a member of the bank, through merger or otherwise, or that provides notice of intention to withdraw from membership in the bank.

''(5) DEFINITIONS OF CAPITAL.—For purposes of determining compliance with the capital standards established under this subsection—

''(A) permanent capital of a Federal home loan bank shall include (as determined in accordance with generally accepted accounting principles)—

''(i) the amounts paid for the Class C stock and any other nonredeemable stock approved by the Finance Board;

''(ii) the amounts paid for the Class B stock, in an amount not to exceed 1 percent of the total assets of the bank; and

''(iii) the retained earnings of the bank; and

''(B) total capital of a Federal home loan bank shall include—

''(i) permanent capital;

''(ii) the amounts paid for the Class A stock, Class B stock (excluding any amount treated as permanent capital under subparagraph (5)(A)(ii)), or any other class of redeemable stock approved by the Finance Board;

''(iii) consistent with generally accepted accounting principles, and subject to the regulation of the Finance Board, a general allowance for losses, which may not include any reserves or allowances made or held against specific assets; and

''(iv) any other amounts from sources available to absorb losses incurred by the bank that the Finance Board determines by regulation to be appropriate to include in determining total capital.

''(6) TRANSITION PERIOD.—Notwithstanding any other provisions of this Act, the requirements relating to purchase and retention of capital stock of a Federal home loan bank by any member thereof in effect on the day before the date of the enactment of the Federal Home Loan Bank System Modernization Act of 1999, shall continue in effect with respect to each Federal home loan bank until the regulations required by this subsection have taken effect and the capital structure plan required by subsection (b) has been approved by the Finance Board and implemented by such bank.

''(b) CAPITAL STRUCTURE PLAN.—

''(1) APPROVAL OF PLANS.—Not later than 270 days after the date of publication by the Finance Board of final regulations in accordance with subsection (a), the board of directors of each Federal home loan bank shall submit for Finance Board approval a plan establishing and implementing a capital structure for such bank that—

''(A) the board of directors determines is best suited for the condition and operation of the bank and the interests of the members of the bank;

''(B) meets the requirements of subsection (c); and

''(C) meets the minimum capital standards and requirements established under subsection (a) and other regulations prescribed by the Finance Board.

''(2) APPROVAL OF MODIFICATIONS.—The board of directors of a Federal home loan bank shall submit to the Finance Board for approval any modifications that the bank proposes to make to an approved capital structure plan.

''(c) CONTENTS OF PLAN.—The capital structure plan of each Federal home loan bank shall contain provisions addressing each of the following:

''(1) MINIMUM INVESTMENT.—

''(A) IN GENERAL.—Each capital structure plan of a Federal home loan bank shall require each member of the bank to maintain a minimum investment in the stock of the bank, the amount of which shall be determined in a manner to be prescribed by the board of directors of each bank and to be included as part of the plan.

''(B) INVESTMENT ALTERNATIVES.—

''(i) IN GENERAL.—In establishing the minimum investment required for each member under subparagraph (A), a Federal home loan bank may, in its discretion, include any one or more of the requirements referred to in clause (ii), or any other provisions approved by the Finance Board.

''(ii) AUTHORIZED REQUIREMENTS.—A requirement is referred to in this clause if it is a requirement for—

''(I) a stock purchase based on a percentage of the total assets of a member; or

''(II) a stock purchase based on a percentage of the outstanding advances from the bank to the member.

''(C) MINIMUM AMOUNT.—Each capital structure plan of a Federal home loan bank shall require that the minimum stock investment established for members shall be set at a level that is sufficient for the bank to meet the minimum capital requirements established by the Finance Board under subsection (a).

''(D) ADJUSTMENTS TO MINIMUM REQUIRED INVESTMENT.—The capital structure plan of each Federal home loan bank shall impose a continuing obligation on the board of directors of the bank to review and adjust the minimum investment required of each member of that bank, as necessary to ensure that the bank remains in compliance with applicable minimum capital levels established by the Finance Board, and shall require each member to comply promptly with any adjustments to the required minimum investment.

''(2) TRANSITION RULE.—

''(A) IN GENERAL.—The capital structure plan of each Federal home loan bank shall specify the date on which it shall take effect, and may provide for a transition period of not longer than 3 years to allow the bank to come into compliance with the capital requirements prescribed under subsection (a), and to allow any institution that was a member of the bank on the date of the enactment of the Financial Services Act of 1999, to come into compliance with the minimum investment required pursuant to the plan.

''(B) INTERIM PURCHASE REQUIREMENTS.—The capital structure plan of a Federal home loan bank may allow any member referred to in subparagraph (A) that would be required by the terms of the capital structure plan to increase its investment in the stock of the bank to do so in periodic installments during the transition period.

''(3) DISPOSITION OF SHARES.—The capital structure plan of a Federal home loan bank shall provide for the manner of disposition of any stock held by a member of that bank that terminates its membership or that provides notice of its intention to withdraw from membership in that bank.

''(4) CLASSES OF STOCK.—

''(A) IN GENERAL.—The capital structure plan of a Federal home loan bank shall afford each member of that bank the option of maintaining its required investment in the bank through the purchase of any combination of classes of stock authorized by the board of directors of the bank and approved by the Finance Board in accordance with its regulations.

''(B) RIGHTS REQUIREMENT.—A Federal home loan bank shall include in its capital structure plan provisions establishing terms, rights, and preferences, including minimum investment, dividends, voting, and liquidation preferences of each class of stock issued by the bank, consistent with Finance Board regulations and market requirements.

''(C) REDUCED MINIMUM INVESTMENT.—The capital structure plan of a Federal home loan bank may provide for a reduced minimum stock investment for any member of that bank that elects to purchase Class B, Class C, or any other class of nonredeemable stock, in a manner that is consistent with meeting the minimum capital requirements of the bank, as established by the Finance Board.

''(D) LIQUIDATION OF CLAIMS.—The capital structure plan of a Federal home loan bank shall provide for the liquidation in an orderly manner, as determined by the bank, of any claim of that bank against a member, including claims for any applicable prepayment fees or penalties resulting from prepayment of advances prior to stated maturity.

''(5) LIMITED TRANSFERABILITY OF STOCK.—The capital structure plan of a Federal home loan bank shall—

''(A) provide that—

''(i) any stock issued by that bank shall be available only to, held only by, and tradable only among members of that bank and between that bank and its members; and

''(ii) a bank has no obligation to repurchase its outstanding Class C stock but may do so, provided it is consistent with Finance Board regulations and is at a price that is mutually agreeable to the bank and the member; and

''(B) establish standards, criteria, and requirements for the issuance, purchase, transfer, retirement, and redemption of stock issued by that bank.

''(6) BANK REVIEW OF PLAN.—Before filing a capital structure plan with the Finance Board, each Federal home loan bank shall conduct a review of the plan by—

''(A) an independent certified public accountant, to ensure, to the extent possible, that implementation of the plan would not result in any write-down of the redeemable bank stock investment of its members; and

''(B) at least one major credit rating agency, to determine, to the extent possible, whether implementation of the plan would have any material effect on the credit ratings of the bank.

''(d) TERMINATION OF MEMBERSHIP.—

''(1) VOLUNTARY WITHDRAWAL.—Any member may withdraw from a Federal home loan bank by providing written notice to the bank of its intent to do so. The applicable stock redemption notice periods shall commence upon receipt of the notice by the bank. Upon the expiration of the applicable notice period for each class of redeemable stock, the member may surrender such stock to the bank, and shall be entitled to receive in cash the par value of the stock. During the applicable notice periods, the member shall be entitled to dividends and other membership rights commensurate with continuing stock ownership.

''(2) INVOLUNTARY WITHDRAWAL.—

''(A) IN GENERAL.—The board of directors of a Federal home loan bank may terminate the membership of any institution if, subject to Finance Board regulations, it determines that—

''(i) the member has failed to comply with a provision of this Act or any regulation prescribed under this Act; or

''(ii) the member has been determined to be insolvent, or otherwise subject to the appointment of a conservator, receiver, or other legal custodian, by a State or Federal authority with regulatory and supervisory responsibility for the member.

''(B) STOCK DISPOSITION.—An institution, the membership of which is terminated in accordance with subparagraph (A)—

''(i) shall surrender redeemable stock to the Federal home loan bank, and shall receive in cash the par value of the stock, upon the expiration of the applicable notice period under subsection (a)(4)(A);

''(ii) shall receive any dividends declared on its redeemable stock, during the applicable notice period under subsection (a)(4)(A); and

''(iii) shall not be entitled to any other rights or privileges accorded to members after the date of the termination.

''(C) COMMENCEMENT OF NOTICE PERIOD.—With respect to an institution, the membership of which is terminated in accordance with subparagraph (A), the applicable notice period under subsection (a)(4) for each class of redeemable stock shall commence on the earlier of—

''(i) the date of such termination; or

''(ii) the date on which the member has provided notice of its intent to redeem such stock.

''(3) LIQUIDATION OF INDEBTEDNESS.—Upon the termination of the membership of an institution for any reason, the outstanding indebtedness of the member to the bank shall be liquidated in an orderly manner, as determined by the bank and, upon the extinguishment of all such indebtedness, the bank shall return to the member all collateral pledged to secure the indebtedness.

''(e) REDEMPTION OF EXCESS STOCK.—

''(1) IN GENERAL.—A Federal home loan bank, in its sole discretion, may redeem or repurchase, as appropriate, any shares of Class A or Class B stock issued by the bank and held by a member that are in excess of the minimum stock investment required of that member.

''(2) EXCESS STOCK.—Shares of stock held by a member shall not be deemed to be 'excess stock' for purposes of this subsection by virtue of a member's submission of a notice of intent to withdraw from membership or termination of its membership in any other manner.

''(3) PRIORITY.—A Federal home loan bank may not redeem any excess Class B stock prior to the end of the 5-year notice period, unless the member has no Class A stock outstanding that could be redeemed as excess.

''(f) IMPAIRMENT OF CAPITAL.—If the Finance Board or the board of directors of a Federal home loan bank determines that the bank has incurred or is likely to incur losses that result in or are expected to result in charges against the capital of the bank, the bank shall not redeem or repurchase any stock of the bank without the prior approval of the Finance Board while such charges are continuing or are expected to continue. In no case may a bank redeem or repurchase any applicable capital stock if, following the redemption, the bank would fail to satisfy any minimum capital requirement.

''(g) REJOINING AFTER DIVESTITURE OF ALL SHARES.—

''(1) IN GENERAL.—Except as provided in paragraph (2), and notwithstanding any other provision of this Act, an institution that divests all shares of stock in a Federal home loan bank may not, after such divestiture, acquire shares of any Federal home loan bank before the end of the 5-year period beginning on the date of the completion of such divestiture, unless the divestiture is a consequence of a transfer of membership on an uninterrupted basis between banks.

''(2) EXCEPTION FOR WITHDRAWALS FROM MEMBERSHIP BEFORE 1998.—Any institution that withdrew from membership in any Federal home loan bank before December 31, 1997, may acquire shares of a Federal home loan bank at any time after that date, subject to the approval of the Finance Board and the requirements of this Act.

''(h) TREATMENT OF RETAINED EARNINGS.—

''(1) IN GENERAL.—The holders of the Class C stock of a Federal home loan bank, and any other classes of nonredeemable stock approved by the Finance Board (to the extent provided in the terms thereof), shall own the retained earnings, surplus, undivided profits, and equity reserves, if any, of the bank.

''(2) NO NONREDEEMABLE CLASSES OF STOCK.—If a Federal home loan bank has no outstanding Class C or other such nonredeemable stock, then the holders of any other classes of stock of the bank then outstanding shall have ownership in, and a private property right in, the retained earnings, surplus, undivided profits, and equity reserves, if any, of the bank.

''(3) EXCEPTION.—Except as specifically provided in this section or through the declaration of a dividend or a capital distribution by a Federal home loan bank, or in the event of liquidation of the bank, a member shall have no right to withdraw or otherwise receive distribution of any portion of the retained earnings of the bank.

''(4) LIMITATION.—A Federal home loan bank may not make any distribution of its retained earnings unless, following such distribution, the bank would continue to meet all applicable capital requirements.''.

Subtitle H—ATM Fee Reform

SEC. 171. SHORT TITLE.

This subtitle may be cited as the ''ATM Fee Reform Act of 1999''.

SEC. 172. ELECTRONIC FUND TRANSFER FEE DISCLOSURES AT ANY HOST ATM.

Section 904(d) of the Electronic Fund Transfer Act (15 U.S.C. 1693b(d)) is amended by adding at the end the following new paragraph:

''(3) FEE DISCLOSURES AT AUTOMATED TELLER MACHINES.—

''(A) IN GENERAL.—The regulations prescribed under paragraph (1) shall require any automated teller machine operator who imposes a fee on any consumer for providing host transfer services to such consumer to provide notice in accordance with subparagraph (B) to the consumer (at the time the service is provided) of—

''(i) the fact that a fee is imposed by such operator for providing the service; and

''(ii) the amount of any such fee.

''(B) NOTICE REQUIREMENTS.—

''(i) ON THE MACHINE.—The notice required under clause (i) of subparagraph (A) with respect to any fee described in such subparagraph shall be posted in a prominent and conspicuous location on or at the automated teller machine at which the electronic fund transfer is initiated by the consumer; and

''(ii) ON THE SCREEN.—The notice required under clauses (i) and (ii) of subparagraph (A) with respect to any fee described in such subparagraph shall appear on the screen of the automated teller machine, or on a paper notice issued from such machine, after the transaction is initiated and before the consumer is irrevocably committed to completing the transaction.

''(C) PROHIBITION ON FEES NOT PROPERLY DISCLOSED AND EXPLICITLY ASSUMED BY CONSUMER.—No fee may be imposed by any automated teller machine operator in connection with any electronic fund transfer initiated by a consumer for which a notice is required under subparagraph (A), unless—

''(i) the consumer receives such notice in accordance with subparagraph (B); and

''(ii) the consumer elects to continue in the manner necessary to effect the transaction after receiving such notice.

''(D) DEFINITIONS.—For purposes of this paragraph, the following definitions shall apply:

''(i) ELECTRONIC FUND TRANSFER.—The term 'electronic fund transfer' includes a transaction which involves a balance inquiry initiated by a consumer in the same manner as an electronic fund transfer, whether or not the consumer initiates a transfer of funds in the course of the transaction.

''(ii) AUTOMATED TELLER MACHINE OPERATOR.—The term 'automated teller machine operator' means any person who—

''(I) operates an automated teller machine at which consumers initiate electronic fund transfers; and

''(II) is not the financial institution which holds the account of such consumer from which the transfer is made.

''(iii) HOST TRANSFER SERVICES.—The term 'host transfer services' means any electronic fund transfer made by an automated teller machine operator in connection with a transaction initiated by a consumer at an automated teller machine operated by such operator.''.

SEC. 173. DISCLOSURE OF POSSIBLE FEES TO CONSUMERS WHEN ATM CARD IS ISSUED.

Section 905(a) of the Electronic Fund Transfer Act (15 U.S.C. 1693c(a)) is amended—

(1) by striking ''and'' at the end of paragraph (8);

(2) by striking the period at the end of paragraph (9) and inserting ''; and''; and

(3) by inserting after paragraph (9) the following new paragraph:

''(10) a notice to the consumer that a fee may be imposed by—

''(A) an automated teller machine operator (as defined in section 904(d)(3)(D)(ii)) if the consumer initiates a transfer from an automated teller machine which is not operated by the person issuing the card or other means of access; and

''(B) any national, regional, or local network utilized to effect the transaction.''.

SEC. 174. FEASIBILITY STUDY.

(a) IN GENERAL.—The Comptroller General of the United States shall conduct a study of the feasibility of requiring, in connection with any electronic fund transfer initiated by a consumer through the use of an automated teller machine—

(1) a notice to be provided to the consumer before the consumer is irrevocably committed to completing the transaction, which clearly states the amount of any fee which will be imposed upon the consummation of the transaction by—

(A) any automated teller machine operator (as defined in section 904(d)(3)(D)(ii) of the Electronic Fund Transfer Act) involved in the transaction;

(B) the financial institution holding the account of the consumer;

(C) any national, regional, or local network utilized to effect the transaction; and

(D) any other party involved in the transfer; and

(2) the consumer to elect to consummate the transaction after receiving the notice described in paragraph (1).

(b) FACTORS TO BE CONSIDERED.—In conducting the study required under subsection (a) with regard to the notice requirement described in such subsection, the Comptroller General shall consider the following factors:

(1) The availability of appropriate technology.

(2) Implementation and operating costs.

(3) The competitive impact any such notice requirement would have on various sizes and types of institutions, if implemented.

(4) The period of time which would be reasonable for implementing any such notice requirement.

(5) The extent to which consumers would benefit from any such notice requirement.

(6) Any other factor the Comptroller General determines to be appropriate in analyzing the feasibility of imposing any such notice requirement.

(c) REPORT TO THE CONGRESS.—Before the end of the 6-month period beginning on the date of the enactment of this Act, the Comptroller General shall submit a report to the Congress containing—

(1) the findings and conclusions of the Comptroller General in connection with the study required under subsection (a); and

(2) the recommendation of the Comptroller General with regard to the question of whether a notice requirement described in subsection (a) should be implemented and, if so, how such requirement should be implemented.

SEC. 175. NO LIABILITY IF POSTED NOTICES ARE DAMAGED.

Section 910 of the Electronic Fund Transfer Act (15 U.S.C 1693h) is amended by adding at the end the following new subsection:

''(d) EXCEPTION FOR DAMAGED NOTICES.—If the notice required to be posted pursuant to section 904(d)(3)(B)(i) by an automated teller machine operator has been posted by such operator in compliance with such section and the notice is subsequently removed, damaged, or altered by any person other than the operator of the automated teller machine, the operator shall have no liability under this section for failure to comply with section 904(d)(3)(B)(i).''.

Subtitle I—Direct Activities of Banks

SEC. 181. AUTHORITY OF NATIONAL BANKS TO UNDERWRITE CERTAIN MUNICIPAL BONDS.

The paragraph designated the Seventh of section 5136 of the Revised Statutes of the United States (12 U.S.C. 24(7)) is amended by adding at the end the following new sentence: ''In addition to the provisions in this paragraph for dealing in, underwriting or purchasing securities, the limitations and restrictions contained in this paragraph as to dealing in, underwriting, and purchasing investment securities for the national bank's own account shall not apply to obligations (including limited obligation bonds, revenue bonds, and obligations that satisfy the requirements of section 142(b)(1) of the Internal Revenue Code of 1986) issued by or on behalf of any State or political subdivision of a State, including any municipal corporate instrumentality of one or more States, or any public agency or authority of any State or political subdivision of a State, if the national bank is well capitalized (as defined in section 38 of the Federal Deposit Insurance Act).''.

Subtitle J—Deposit Insurance Funds

SEC. 186. STUDY OF SAFETY AND SOUNDNESS OF FUNDS.

(a) STUDY REQUIRED.—The Board of Directors of the Federal Deposit Insurance Corporation shall conduct a study of the following issues with regard to the Bank Insurance Fund and the Savings Association Insurance Fund:

(1) SAFETY AND SOUNDNESS.—The safety and soundness of the funds and the adequacy of the reserve requirements applicable to the funds in light of—

(A) the size of the insured depository institutions which are resulting from mergers and consolidations since the effective date of the Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994; and

(B) the affiliation of insured depository institutions with other financial institutions pursuant to this Act and the amendments made by this Act.

(2) CONCENTRATION LEVELS.—The concentration levels of the funds, taking into account the number of members of each fund and the geographic distribution of such members, and the extent to which either fund is exposed to higher risks due to a regional concentration of members or an insufficient membership base relative to the size of member institutions.

(3) MERGER ISSUES.—Issues relating to the planned merger of the funds, including the cost of merging the funds and the manner in which such costs will be distributed among the members of the respective funds.

(b) REPORT REQUIRED.—

(1) IN GENERAL.—Before the end of the 9-month period beginning on the date of the enactment of this Act, the Board of Directors of the Federal Deposit Insurance Corporation shall submit a report to the Congress on the study conducted pursuant to subsection (a).

(2) CONTENTS OF REPORT.—The report shall include—

(A) detailed findings of the Board of Directors with regard to the issues described in subsection (a);

(B) a description of the plans developed by the Board of Directors for merging the Bank Insurance Fund and the Savings Association Insurance Fund, including an estimate of the amount of the cost of such merger which would be borne by Savings Association Insurance Fund members; and

(C) such recommendations for legislative and administrative action as the Board of Directors determines to be necessary or appropriate to preserve the safety and soundness of the deposit insurance funds, reduce the risks to such funds, provide for an efficient merger of such funds, and for other purposes.

(c) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

(1) INSURED DEPOSITORY INSTITUTION.—The term ''insured depository institution'' has the same meaning as in section 3(c) of the Federal Deposit Insurance Act.

(2) BIF AND SAIF MEMBERS.—The terms ''Bank Insurance Fund member'' and ''Savings Association Insurance Fund member'' have the same meanings as in section 7(l) of the Federal Deposit Insurance Act.

SEC. 187. ELIMINATION OF SAIF AND DIF SPECIAL RESERVES.

(a) SAIF SPECIAL RESERVES.—Section 11(a)(6) of the Federal Deposit Insurance Act (12 U.S.C. 1821(a)(6)) is amended by striking subparagraph (L).

(b) DIF SPECIAL RESERVES.—Section 2704 of the Deposit Insurance Funds Act of 1996 (12 U.S.C. 1821 note) is amended—

(1) by striking subsection (b); and

(2) in subsection (d)—

(A) by striking paragraph (4);

(B) in paragraph (6)(C)(i), by striking ''(6) and (7)'' and inserting ''(5), (6), and (7)''; and

(C) in paragraph (6)(C), by striking clause (ii) and inserting the following:

''(ii) by redesignating paragraph (8) as paragraph (5).''.

Subtitle K—Miscellaneous Provisions

SEC. 191. TERMINATION OF "KNOW YOUR CUSTOMER" REGULATIONS.

(a) IN GENERAL.—None of the proposed regulations described in subsection (b) may be published in final form and, to the extent any such regulation has become effective before the date of the enactment of this Act, such regulation shall cease to be effective as of such date.

(b) PROPOSED REGULATIONS DESCRIBED.—The proposed regulations referred to in subsection (a) are as follows:

(1) The regulation proposed by the Comptroller of the Currency to amend part 21 of title 12 of the Code of Federal Regulations, as published in the Federal Register on December 7, 1998.

(2) The regulation proposed by the Director of the Office of Thrift Supervision to amend part 563 of title 12 of the Code of Federal Regulations, as published in the Federal Register on December 7, 1998.

(3) The regulation proposed by the Board of Governors of the Federal Reserve System to amend parts 208, 211, and 225 of title 12 of the Code of Federal Regulations, as published in the Federal Register on December 7, 1998.

(4) The regulation proposed by the Federal Deposit Insurance Corporation to amend part 326 of title 12 of the Code of Federal Regulations, as published in the Federal Register on December 7, 1998.

SEC. 192. STUDY AND REPORT ON FEDERAL ELECTRONIC FUND TRANSFERS.

(a) STUDY.—The Secretary of the Treasury shall conduct a feasibility study to determine—

(1) whether all electronic payments issued by Federal agencies could be routed through the Regional Finance Centers of the Department of the Treasury for verification and reconciliation;

(2) whether all electronic payments made by the Federal Government could be subjected to the same level of reconciliation as United States Treasury checks, including matching each payment issued with each corresponding deposit at financial institutions;

(3) whether the appropriate computer security controls are in place in order to ensure the integrity of electronic payments;

(4) the estimated costs of implementing, if so recommended, the processes and controls described in paragraphs (1), (2), and (3); and

(5) a possible timetable for implementing those processes if so recommended.

(b) REPORT TO CONGRESS.—Not later than October 1, 2000, the Secretary of the Treasury shall submit a report to Congress containing the results of the study required by subsection (a).

(c) DEFINITION.—For purposes of this section, the term ''electronic payment'' means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal, telephonic instrument, or computer or magnetic tapes so as to order, instruct, or authorize a debit or credit to a financial account.

SEC. 193. GENERAL ACCOUNTING OFFICE STUDY OF CONFLICTS OF INTEREST

(a) STUDY REQUIRED.—The Comptroller General of the United States shall conduct a study analyzing the conflict of interest faced by the Board of Governors of the Federal Reserve System between its role as a primary regulator of the banking industry and its role as a vendor of services to the banking and financial services industry.

(b) SPECIFIC CONFLICT REQUIRED TO BE ADDRESSED.—In the course of the study required under subsection (a), the Comptroller General shall address the conflict of interest faced by the Board of Governors of the Federal Reserve System between the role of the Board as a regulator of the payment system, generally, and its participation in the payment system as a competitor with private entities who are providing payment services.

(c) REPORT TO CONGRESS.—Before the end of the 1-year period beginning on the date of the enactment of this Act, the Comptroller General shall submit a report to the Congress containing the findings and conclusions of the Comptroller General in connection with the study required under this section, together with such recommendations for such legislative or administrative actions as the Comptroller General may determine to be appropriate, including recommendations for resolving any such conflict of interest.

SEC. 194. STUDY OF COST OF ALL FEDERAL BANKING REGULATIONS.

(a) IN GENERAL.—In accordance with the finding in the Board of Governors of the Federal Reserve System Staff Study Numbered 171 (April, 1998) that ''Further research covering more and different types of regulations and regulatory requirements is clearly needed to make informed decisions about regulations'', the Board of Governors of the Federal Reserve System, in consultation with the other Federal banking agencies (as defined in section 3 of the Federal Deposit Insurance Act) shall conduct a comprehensive study of the total annual costs and benefits of all Federal financial regulations and regulatory requirements applicable to banks.

(b) REPORT REQUIRED.—Before the end of the 2-year period beginning on the date of the enactment of this Act, the Board of Governors of the Federal Reserve System shall submit a comprehensive report to the Congress containing the findings and conclusions of the Board in connection with the study required under subsection (a) and such recommendations for legislative and administrative action as the Board may determine to be appropriate.

SEC. 195. STUDY AND REPORT ON ADAPTING EXISTING LEGISLATIVE REQUIREMENTS TO ONLINE BANKING AND LENDING.

(a) STUDY REQUIRED.—The Federal banking agencies shall conduct a study of banking regulations regarding the delivery of financial services, including those regulations that may assume that there will be person-to-person contact during the course of a financial services transaction, and report their recommendations on adapting those existing requirements to online banking and lending.

(b) REPORT REQUIRED.—Within 1 year of the date of the enactment of this Act, the Federal banking agencies shall submit a report to the Congress on the findings and conclusions of the agencies with respect to the study required under subsection (a), together with such recommendations for legislative or regulatory action as the agencies may determine to be appropriate.

(c) DEFINITION.—For purposes of this section, the term ''Federal banking agencies'' means each Federal banking agency (as defined in section 3(z) of the Federal Deposit Insurance Act).

SEC. 196. REGULATION OF UNINSURED STATE MEMBER BANKS.

Section 9 of the Federal Reserve Act (12 U.S.C. 321 et seq.) is amended by adding at the end the following new paragraph:

''(24) ENFORCEMENT AUTHORITY OVER UNINSURED STATE MEMBER BANKS.—Section 3(u) of the Federal Deposit Insurance Act, subsections (j) and (k) of section 7 of such Act, and subsections (b) through (n), (s), (u), and (v) of section 8 of such Act shall apply to an uninsured State member bank in the same manner and to the same extent such provisions apply to an insured State member bank and any reference in any such provision to 'insured depository institution' shall be deemed to be a reference to 'uninsured State member bank' for purposes of this paragraph.''.

SEC. 197. CLARIFICATION OF SOURCE OF STRENGTH DOCTRINE.

Section 18 of the Federal Deposit Insurance Act (21 U.S.C. 1828) is amended by adding at the end the following new subsection:

''(t) LIMITATION ON CLAIMS.—

''(1) IN GENERAL.—Notwithstanding any other provision of law other than paragraph (2), no person shall have any claim for monetary damages or return of assets or other property against any Federal banking agency (including in its capacity as conservator or receiver) relating to the transfer of money, assets, or other property to increase the capital of an insured depository institution by any depository institution holding company or controlling shareholder for such depository institution, or any affiliate or subsidiary of such depository institution, if at the time of the transfer—

''(A) the insured depository institution is subject to any direction issued in writing by a Federal banking agency to increase its capital;

''(B) the depository institution is undercapitalized, significantly undercapitalized, or critically undercapitalized (as defined in section 38 of this Act); and

''(C) for that portion of the transfer that is made by an entity covered by section 5(g) of the Bank Holding Company Act of 1956 or section 45 of this Act, the Federal banking agency has followed the procedure set forth in such section.

''(2) EXCEPTION.—No provision of this subsection shall be construed as limiting—

''(A) the right of an insured depository institution, a depository institution holding company, or any other agency or person to seek direct review of an order or directive issued by a Federal banking agency under this Act, the Bank Holding Company Act of 1956, the National Bank Receivership Act, the Bank Conservation Act, or the Home Owners' Loan Act;

''(B) the rights of any party to a contract pursuant to section 11(e) of this Act; or

''(C) the rights of any party to a contract with a depository institution holding company or a subsidiary of a depository institution holding company (other than an insured depository institution).''.

SEC. 198. INTEREST RATES AND OTHER CHARGES AT INTERSTATE BRANCHES.

Section 44 of the Federal Deposit Insurance Act (12 U.S.C. 1831u) is amended—

(1) by redesignating subsection (f) as subsection (g); and

(2) by inserting after subsection (e) the following:

''(f) APPLICABLE RATE AND OTHER CHARGE LIMITATIONS.—

''(1) IN GENERAL.—Except as provided for in paragraph (3), upon the establishment of a branch of any insured depository institution in a host State under this section, the maximum interest rate or amount of interest, discount points, finance charges, or other similar charges that may be charged, taken, received, or reserved from time to time in any loan or discount made or upon any note, bill of exchange, financing transaction, or other evidence of debt by any insured depository institution in such State shall be equal to not more than the greater of—

''(A) the maximum interest rate or amount of interest, discount points, finance charges, or other similar charges that may be charged, taken, received, or reserved in a similar transaction under the constitution, statutory, or other lows of the home State of the insured depository institution establishing any such branch, without reference to this section, as such maximum interest rate or amount of interest may change from time to time; or

''(B) the maximum rate or amount of interest, discount points, finance charges, or other similar charges that may be charged, taken, received, or reserved in a similar transaction by an insured depository institution under the constitution, statutory, or other laws of the host State, without reference to this section.

''(2) PREEMPTION.—The limitations established under paragraph (1) shall apply only in any State that has a constitutional provision that sets a maximum lawful rate of interest on any contract at not more than 5 percent per annum above the Federal Reserve Discount Rate or 90-day commercial paper in effect in the Federal Reserve Bank in the Federal Reserve District in which the State is located.

''(3) RULE OF CONSTRUCTION.—No provision of this subsection shall be construed as superseding section 501 of the Depository Institutions Deregulation and Monetary Control Act of 1980.

SEC. 198A. INTERSTATE BRANCHES AND AGENCIES OF FOREIGN BANKS.

Section 5(a)(7) of the International Banking Act of 1978 (12 U.S.C. 3103(a)(7)), is amended to read as follows:

''(7) ADDITIONAL AUTHORITY FOR INTERSTATE BRANCHES AND AGENCIES OF FOREIGN BANKS, UPGRADES OF CERTAIN FOREIGN BANK AGENCIES AND BRANCHES.—Notwithstanding paragraphs (1) and (2), a foreign bank may—

''(A) with the approval of the Board and the Comptroller of the Currency, establish and operate a Federal branch or Federal agency or, with the approval of the Board and the appropriate State bank supervisor, a State branch or State agency in any State outside the foreign bank's home State if—

''(i) the establishment and operation of such branch or agency is permitted by the State in which the branch or agency is to be established; and

''(ii) in the case of a Federal or State branch, the branch receives only such deposits as would be permitted for a corporation organized under section 25A of the Federal Reserve Act (12 U.S.C. 611 et seq.); or

''(B) with the approval of the Board and the relevant licensing authority (the Comptroller in the case of a Federal branch or the appropriate State supervisor in the case of a State branch), upgrade an agency, or a branch of the type referred to in subparagraph (A)(ii), located in a State outside the foreign bank's home State, into a Federal or State branch if—

''(i) the establishment and operation of such branch is permitted by such State; and

''(ii) such agency or branch—

''(I) was in operation in such State on the day before September 29, 1994; or

''(II) has been in operation in such State for a period of time that meets the State's minimum age requirement permitted under section 44(a)(5) of the Federal Deposit Insurance Act.''.

SEC. 198B. FAIR TREATMENT OF WOMEN BY FINANCIAL ADVISERS.

(a) FINDINGS.—The Congress finds as follows:

(1) Women's stature in society has risen considerably, as they are now able to vote, own property, and pursue independent careers, and are granted equal protection under the law.

(2) Women are at least as fiscally responsible as men, and more than half of all women have sole responsibility for balancing the family checkbook and paying the bills.

(3) Estate planners, trust officers, investment advisers, and other financial planners and advisers still encourage the unjust and outdated practice of leaving assets in trust for the category of wives and daughters, along with senile parents, minors, and mentally incompetent children.

(4) Estate planners, trust officers, investment advisers, and other financial planners and advisers still use sales themes and tactics detrimental to women by stereotyping women as uncomfortable handling money and needing protection from their own possible errors of judgment and ''fortune hunters''.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that estate planners, trust officers, investment advisers, and other financial planners and advisers should—

(1) eliminate examples in their training materials which portray women as incapable and foolish; and

(2) develop fairer and more balanced presentations that eliminate outmoded and stereotypical examples which lead clients to take actions that are financially detrimental to their wives and daughters.

Subtitle L—Effective Date of Title

SEC. 199. EFFECTIVE DATE.

Except with regard to any subtitle or other provision of this title for which a specific effective date is provided, this title and the amendments made by this title shall take effect at the end of the 180-day period beginning on the date of the enactment of this Act.

TITLE II—FUNCTIONAL REGULATION

Subtitle A—Brokers and Dealers

SEC. 201. DEFINITION OF BROKER.

Section 3(a)(4) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(4)) is amended to read as follows:

''(4) BROKER.—

''(A) IN GENERAL.—The term 'broker' means any person engaged in the business of effecting transactions in securities for the account of others.

''(B) EXCEPTION FOR CERTAIN BANK ACTIVITIES.—A bank shall not be considered to be a broker because the bank engages in any one or more of the following activities under the conditions described:

''(i) THIRD PARTY BROKERAGE ARRANGEMENTS.—The bank enters into a contractual or other written arrangement with a broker or dealer registered under this title under which the broker or dealer offers brokerage services on or off the premises of the bank if—

''(I) such broker or dealer is clearly identified as the person performing the brokerage services;

''(II) the broker or dealer performs brokerage services in an area that is clearly marked and, to the extent practicable, physically separate from the routine deposit-taking activities of the bank;

''(III) any materials used by the bank to advertise or promote generally the availability of brokerage services under the arrangement clearly indicate that the brokerage services are being provided by the broker or dealer and not by the bank;

''(IV) any materials used by the bank to advertise or promote generally the availability of brokerage services under the arrangement are in compliance with the Federal securities laws before distribution;

''(V) bank employees (other than associated persons of a broker or dealer who are qualified pursuant to the rules of a self-regulatory organization) perform only clerical or ministerial functions in connection with brokerage transactions including scheduling appointments with the associated persons of a broker or dealer, except that bank employees may forward customer funds or securities and may describe in general terms the types of investment vehicles available from the bank and the broker or dealer under the arrangement;

''(VI) bank employees do not receive incentive compensation for any brokerage transaction unless such employees are associated persons of a broker or dealer and are qualified pursuant to the rules of a self-regulatory organization, except that the bank employees may receive compensation for the referral of any customer if the compensation is a nominal one-time cash fee of a fixed dollar amount and the payment of the fee is not contingent on whether the referral results in a transaction;

''(VII) such services are provided by the broker or dealer on a basis in which all customers which receive any services are fully disclosed to the broker or dealer;

''(VIII) the bank does not carry a securities account of the customer except as permitted under clause (ii) or (viii) of this subparagraph; and

''(IX) the bank, broker, or dealer informs each customer that the brokerage services are provided by the broker or dealer and not by the bank and that the securities are not deposits or other obligations of the bank, are not guaranteed by the bank, and are not insured by the Federal Deposit Insurance Corporation.

''(ii) TRUST ACTIVITIES.—The bank effects transactions in a trustee or fiduciary capacity in its trust department, or another department where the trust or fiduciary activity is regularly examined by bank examiners under the same standards and in the same way as such activities are examined in the trust department, and—

''(I) is chiefly compensated for such transactions, consistent with fiduciary principles and standards, on the basis of an administration or annual fee (payable on a monthly, quarterly, or other basis), a percentage of assets under management, or a flat or capped per order processing fee equal to not more than the cost incurred by the bank in connection with executing securities transactions for trustee and fiduciary customers, or any combination of such fees; and

''(II) does not solicit brokerage business, other than by advertising that it effects transactions in securities in conjunction with advertising its other trust activities.

''(iii) PERMISSIBLE SECURITIES TRANSACTIONS.—The bank effects transactions in—

''(I) commercial paper, bankers acceptances, or commercial bills;

''(II) exempted securities;

''(III) qualified Canadian government obligations as defined in section 5136 of the Revised Statutes, in conformity with section 15C of this title and the rules and regulations thereunder, or obligations of the North American Development Bank; or

''(IV) any standardized, credit enhanced debt security issued by a foreign government pursuant to the March 1989 plan of then Secretary of the Treasury Brady, used by such foreign government to retire outstanding commercial bank loans.

''(iv) CERTAIN STOCK PURCHASE PLANS.—

''(I) EMPLOYEE BENEFIT PLANS.—The bank effects transactions, as a registered transfer agent (including as a registrar of stocks), in the securities of an issuer as part of any pension, retirement, profit-sharing, bonus, thrift, savings, incentive, or other similar benefit plan for the employees of that issuer or its affiliates (as defined in section 2 of the Bank Holding Company Act of 1956), if—

''(aa) the bank does not solicit transactions or provide investment advice with respect to the purchase or sale of securities in connection with the plan; and

''(bb) the bank's compensation for such plan or program consists chiefly of administration fees, or flat or capped per order processing fees, or both.

''(II) DIVIDEND REINVESTMENT PLANS.—The bank effects transactions, as a registered transfer agent (including as a registrar of stocks), in the securities of an issuer as part of that issuer's dividend reinvestment plan, if—

''(aa) the bank does not solicit transactions or provide investment advice with respect to the purchase or sale of securities in connection with the plan;

''(bb) the bank does not net shareholders' buy and sell orders, other than for programs for odd-lot holders or plans registered with the Commission; and

''(cc) the bank's compensation for such plan or program consists chiefly of administration fees, or flat or capped per order processing fees, or both.

''(III) ISSUER PLANS.—The bank effects transactions, as a registered transfer agent (including as a registrar of stocks), in the securities of an issuer as part of that issuer's plan for the purchase or sale of that issuer's shares, if—

''(aa) the bank does not solicit transactions or provide investment advice with respect to the purchase or sale of securities in connection with the plan or program;

''(bb) the bank does not net shareholders' buy and sell orders, other than for programs for odd-lot holders or plans registered with the Commission; and

''(cc) the bank's compensation for such plan or program consists chiefly of administration fees, or flat or capped per order processing fees, or both.

''(IV) PERMISSIBLE DELIVERY OF MATERIALS.—The exception to being considered a broker for a bank engaged in activities described in subclauses (I), (II), and (III) will not be affected by a bank's delivery of written or electronic plan materials to employees of the issuer, shareholders of the issuer, or members of affinity groups of the issuer, so long as such materials are—

''(aa) comparable in scope or nature to that permitted by the Commission as of the date of the enactment of the Financial Services Act of 1999; or

''(bb) otherwise permitted by the Commission.

''(v) SWEEP ACCOUNTS.—The bank effects transactions as part of a program for the investment or reinvestment of deposit funds into any no-load, open-end management investment company registered under the Investment Company Act of 1940 that holds itself out as a money market fund.

''(vi) AFFILIATE TRANSACTIONS.—The bank effects transactions for the account of any affiliate (as defined in section 2 of the Bank Holding Company Act of 1956) of the bank other than—

''(I) a registered broker or dealer; or

''(II) an affiliate that is engaged in merchant banking, as described in section 6(c)(3)(H) of the Bank Holding Company Act of 1956.

''(vii) PRIVATE SECURITIES OFFERINGS.—The bank—

''(I) effects sales as part of a primary offering of securities not involving a public offering, pursuant to section 3(b), 4(2), or 4(6) of the Securities Act of 1933 or the rules and regulations issued thereunder;

''(II) at any time after the date that is 1 year after the date of the enactment of the Financial Services Act of 1999, is not affiliated with a broker or dealer that has been registered for more than 1 year in accordance with this Act, and engages in dealing, market making, or underwriting activities, other than with respect to exempted securities; and

''(III) effects transactions exclusively with qualified investors.

''(viii) SAFEKEEPING AND CUSTODY ACTIVITIES.—

''(I) IN GENERAL.—The bank, as part of customary banking activities—

''(aa) provides safekeeping or custody services with respect to securities, including the exercise of warrants and other rights on behalf of customers;

''(bb) facilitates the transfer of funds or securities, as a custodian or a clearing agency, in connection with the clearance and settlement of its customers' transactions in securities;

''(cc) effects securities lending or borrowing transactions with or on behalf of customers as part of services provided to customers pursuant to division (aa) or (bb) or invests cash collateral pledged in connection with such transactions; or

''(dd) holds securities pledged by a customer to another person or securities subject to purchase or resale agreements involving a customer, or facilitates the pledging or transfer of such securities by book entry or as otherwise provided under applicable law, if the bank maintains records separately identifying the securities and the customer.

''(II) EXCEPTION FOR CARRYING BROKER ACTIVITIES.—The exception to being considered a broker for a bank engaged in activities described in subclause (I) shall not apply if the bank, in connection with such activities, acts in the United States as a carrying broker (as such term, and different formulations thereof, are used in section 15(c)(3) of this title and the rules and regulations thereunder) for any broker or dealer, unless such carrying broker activities are engaged in with respect to government securities (as defined in paragraph (42) of this subsection).

''(ix) EXCEPTED BANKING PRODUCTS.—The bank effects transactions in excepted banking products, as defined in section 206 of the Financial Services Act of 1999.

''(x) MUNICIPAL SECURITIES.—The bank effects transactions in municipal securities.

''(xi) DE MINIMIS EXCEPTION.—The bank effects, other than in transactions referred to in clauses (i) through (x), not more than 500 transactions in securities in any calendar year, and such transactions are not effected by an employee of the bank who is also an employee of a broker or dealer.

''(C) BROKER DEALER EXECUTION.—The exception to being considered a broker for a bank engaged in activities described in clauses (ii), (iv), and (viii) of subparagraph (B) shall not apply if the activities described in such provisions result in the trade in the United States of any security that is a publicly traded security in the United States, unless—

''(i) the bank directs such trade to a registered broker or dealer for execution;

''(ii) the trade is a cross trade or other substantially similar trade of a security that—

''(I) is made by the bank or between the bank and an affiliated fiduciary; and

''(II) is not in contravention of fiduciary principles established under applicable Federal or State law; or

''(iii) the trade is conducted in some other manner permitted under rules, regulations, or orders as the Commission may prescribe or issue.

''(D) FIDUCIARY CAPACITY.—For purposes of subparagraph (B)(ii), the term 'fiduciary capacity' means—

''(i) in the capacity as trustee, executor, administrator, registrar of stocks and bonds, transfer agent, guardian, assignee, receiver, or custodian under a uniform gift to minor act, or as an investment adviser if the bank receives a fee for its investment advice;

''(ii) in any capacity in which the bank possesses investment discretion on behalf of another; or

''(iii) in any other similar capacity.

''(F) EXCEPTION FOR ENTITIES SUBJECT TO SECTION 15(e).—The term 'broker' does not include a bank that—

''(i) was, immediately prior to the enactment of the Financial Services Act of 1999, subject to section 15(e) of this title; and

''(ii) is subject to such restrictions and requirements as the Commission considers appropriate.''.

SEC. 202. DEFINITION OF DEALER.

Section 3(a)(5) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(5)) is amended to read as follows:

''(5) DEALER.—

''(A) IN GENERAL.—The term 'dealer' means any person engaged in the business of buying and selling securities for such person's own account through a broker or otherwise.

''(B) EXCEPTION FOR PERSON NOT ENGAGED IN THE BUSINESS OF DEALING.—The term 'dealer' does not include a person that buys or sells securities for such person's own account, either individually or in a fiduciary capacity, but not as a part of a regular business.

''(C) EXCEPTION FOR CERTAIN BANK ACTIVITIES.—A bank shall not be considered to be a dealer because the bank engages in any of the following activities under the conditions described:

''(i) PERMISSIBLE SECURITIES TRANSACTIONS.—The bank buys or sells—

''(I) commercial paper, bankers acceptances, or commercial bills;

''(II) exempted securities;

''(III) qualified Canadian government obligations as defined in section 5136 of the Revised Statutes of the United States, in conformity with section 15C of this title and the rules and regulations thereunder, or obligations of the North American Development Bank; or

''(IV) any standardized, credit enhanced debt security issued by a foreign government pursuant to the March 1989 plan of then Secretary of the Treasury Brady, used by such foreign government to retire outstanding commercial bank loans.

''(ii) INVESTMENT, TRUSTEE, AND FIDUCIARY TRANSACTIONS.—The bank buys or sells securities for investment purposes—

''(I) for the bank; or

''(II) for accounts for which the bank acts as a trustee or fiduciary.

''(iii) ASSET-BACKED TRANSACTIONS.—The bank engages in the issuance or sale to qualified investors, through a grantor trust or other separate entity, of securities backed by or representing an interest in notes, drafts, acceptances, loans, leases, receivables, other obligations (other than securities of which the bank is not the issuer), or pools of any such obligations predominantly originated by—

''(I) the bank;

''(II) an affiliate of any such bank other than a broker or dealer; or

''(III) a syndicate of banks of which the bank is a member, if the obligations or pool of obligations consists of mortgage obligations or consumer-related receivables.

''(iv) EXCEPTED BANKING PRODUCTS.—The bank buys or sells excepted banking products, as defined in section 206 of the Financial Services Act of 1999.

''(v) DERIVATIVE INSTRUMENTS.—The bank issues, buys, or sells any derivative instrument to which the bank is a party—

''(I) to or from a qualified investor, except that if the instrument provides for the delivery of one or more securities (other than a derivative instrument or government security), the transaction shall be effected with or through a registered broker or dealer; or

''(II) to or from other persons, except that if the derivative instrument provides for the delivery of one or more securities (other than a derivative instrument or government security), or is a security (other than a government security), the transaction shall be effected with or through a registered broker or dealer; or

''(III) to or from any person if the instrument is neither a security nor provides for the delivery of one or more securities (other than a derivative instrument).''.

SEC. 203. REGISTRATION FOR SALES OF PRIVATE SECURITIES OFFERINGS.

Section 15A of the Securities Exchange Act of 1934 (15 U.S.C. 78o–3) is amended by inserting after subsection (i) the following new subsection:

''(j) REGISTRATION FOR SALES OF PRIVATE SECURITIES OFFERINGS.—A registered securities association shall create a limited qualification category for any associated person of a member who effects sales as part of a primary offering of securities not involving a public offering, pursuant to section 3(b), 4(2), or 4(6) of the Securities Act of 1933 and the rules and regulations thereunder, and shall deem qualified in such limited qualification category, without testing, any bank employee who, in the six month period preceding the date of the enactment of this Act, engaged in effecting such sales.''.

SEC. 204. INFORMATION SHARING.

Section 18 of the Federal Deposit Insurance Act is amended by adding at the end the following new subsection:

''(t) RECORDKEEPING REQUIREMENTS.—

''(1) REQUIREMENTS.—Each appropriate Federal banking agency, after consultation with and consideration of the views of the Commission, shall establish recordkeeping requirements for banks relying on exceptions contained in paragraphs (4) and (5) of section 3(a) of the Securities Exchange Act of 1934. Such recordkeeping requirements shall be sufficient to demonstrate compliance with the terms of such exceptions and be designed to facilitate compliance with such exceptions. Each appropriate Federal banking agency shall make any such information available to the Commission upon request.

''(2) DEFINITIONS.—As used in this subsection the term 'Commission' means the Securities and Exchange Commission.''.

SEC. 205. TREATMENT OF NEW HYBRID PRODUCTS.

Section 15 of the Securities Exchange Act of 1934 (15 U.S.C. 78o) is amended by adding at the end the following new subsection:

''(i) RULEMAKING TO EXTEND REQUIREMENTS TO NEW HYBRID PRODUCTS.—

''(1) LIMITATION.—The Commission shall not—

''(A) require a bank to register as a broker or dealer under this section because the bank engages in any transaction in, or buys or sells, a new hybrid product; or

''(B) bring an action against a bank for a failure to comply with a requirement described in subparagraph (A),

unless the Commission has imposed such requirement by rule or regulation issued in accordance with this section.

''(2) CRITERIA FOR RULEMAKING.—The Commission shall not impose a requirement under paragraph (1) of this subsection with respect to any new hybrid product unless the Commission determines that—

''(A) the new hybrid product is a security; and

''(B) imposing such requirement is necessary or appropriate in the public interest and for the protection of investors, consistent with the requirements of section 3(f).

''(3) CONSIDERATIONS.—In making a determination under paragraph (2), the Commission shall consider—

''(A) the nature of the new hybrid product; and

''(B) the history, purpose, extent, and appropriateness of the regulation of the new hybrid product under the Federal securities laws and under the Federal banking laws.

''(4) CONSULTATION.—In promulgating rules under this subsection, the Commission shall consult with and consider the views of the Board of Governors of the Federal Reserve System regarding the nature of the new hybrid product, the history, purpose, extent, and appropriateness of the regulation of the new product under the Federal banking laws, and the impact of the proposed rule on the banking industry.

''(5) NEW HYBRID PRODUCT.—For purposes of this subsection, the term 'new hybrid product' means a product that—

''(A) was not subjected to regulation by the Commission as a security prior to the date of the enactment of this subsection; and

''(B) is not an excepted banking product, as such term is defined in section 206 of the Financial Services Act of 1999.''.

SEC. 206. DEFINITION OF EXCEPTED BANKING PRODUCT.

(a) DEFINITION OF EXCEPTED BANKING PRODUCT.—For purposes of paragraphs (4) and (5) of section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a) (4), (5)), the term ''excepted banking product'' means—

(1) a deposit account, savings account, certificate of deposit, or other deposit instrument issued by a bank;

(2) a banker's acceptance;

(3) a letter of credit issued or loan made by a bank;

(4) a debit account at a bank arising from a credit card or similar arrangement;

(5) a participation in a loan which the bank or an affiliate of the bank (other than a broker or dealer) funds, participates in, or owns that is sold—

(A) to qualified investors; or

(B) to other persons that—

(i) have the opportunity to review and assess any material information, including information regarding the borrower's creditworthiness; and

(ii) based on such factors as financial sophistication, net worth, and knowledge and experience in financial matters, have the capability to evaluate the information available, as determined under generally applicable banking standards or guidelines; or

(6) a derivative instrument that involves or relates to—

(A) currencies, except options on currencies that trade on a national securities exchange;

(B) interest rates, except interest rate derivative instruments that—

(i) are based on a security or a group or index of securities (other than government securities or a group or index of government securities);

(ii) provide for the delivery of one or more securities (other than government securities); or

(iii) trade on a national securities exchange; or

(C) commodities, other rates, indices, or other assets, except derivative instruments that—

(i) are securities or that are based on a group or index of securities (other than government securities or a group or index of government securities);

(ii) provide for the delivery of one or more securities (other than government securities); or

(iii) trade on a national securities exchange.

(b) CLASSIFICATION LIMITED.—Classification of a particular product as an excepted banking product pursuant to this section shall not be construed as finding or implying that such product is or is not a security for any purpose under the securities laws, or is or is not an account, agreement, contract, or transaction for any purpose under the Commodity Exchange Act.

(c) INCORPORATED DEFINITIONS.—For purposes of this section—

(1) the terms ''bank'', ''qualified investor'', and ''securities laws'' have the same meanings given in section 3(a) of the Securities Exchange Act of 1934, as amended by this Act; and

(2) the term ''government securities'' has the meaning given in section 3(a)(42) of such Act (as amended by this Act), and, for purposes of this section, commercial paper, bankers acceptances, and commercial bills shall be treated in the same manner as government securities.

SEC. 207. ADDITIONAL DEFINITIONS.

Section 3(a) of the Securities Exchange Act of 1934 is amended by adding at the end the following new paragraphs:

''(54) DERIVATIVE INSTRUMENT.—

''(A) DEFINITION.—The term 'derivative instrument' means any individually negotiated contract, agreement, warrant, note, or option that is based, in whole or in part, on the value of, any interest in, or any quantitative measure or the occurrence of any event relating to, one or more commodities, securities, currencies, interest or other rates, indices, or other assets, but does not include an excepted banking product, as defined in paragraphs (1) through (5) of section 206(a) of the Financial Services Act of 1999.

''(B) CLASSIFICATION LIMITED.—Classification of a particular contract as a derivative instrument pursuant to this paragraph shall not be construed as finding or implying that such instrument is or is not a security for any purpose under the securities laws, or is or is not an account, agreement, contract, or transaction for any purpose under the Commodity Exchange Act.

''(55) QUALIFIED INVESTOR.—

''(A) DEFINITION.—For purposes of this title, the term 'qualified investor' means—

''(i) any investment company registered with the Commission under section 8 of the Investment Company Act of 1940;

''(ii) any issuer eligible for an exclusion from the definition of investment company pursuant to section 3(c)(7) of the Investment Company Act of 1940;

''(iii) any bank (as defined in paragraph (6) of this subsection), savings association (as defined in section 3(b) of the Federal Deposit Insurance Act), broker, dealer, insurance company (as defined in section 2(a)(13) of the Securities Act of 1933), or business development company (as defined in section 2(a)(48) of the Investment Company Act of 1940);

''(iv) any small business investment company licensed by the United States Small Business Administration under section 301 (c) or (d) of the Small Business Investment Act of 1958;

''(v) any State sponsored employee benefit plan, or any other employee benefit plan, within the meaning of the Employee Retirement Income Security Act of 1974, other than an individual retirement account, if the investment decisions are made by a plan fiduciary, as defined in section 3(21) of that Act, which is either a bank, savings and loan association, insurance company, or registered investment adviser;

''(vi) any trust whose purchases of securities are directed by a person described in clauses (i) through (v) of this subparagraph;

''(vii) any market intermediary exempt under section 3(c)(2) of the Investment Company Act of 1940;

''(viii) any associated person of a broker or dealer other than a natural person;

''(ix) any foreign bank (as defined in section 1(b)(7) of the International Banking Act of 1978);

''(x) the government of any foreign country;

''(xi) any corporation, company, or partnership that owns and invests on a discretionary basis, not less than $10,000,000 in investments;

''(xii) any natural person who owns and invests on a discretionary basis, not less than $10,000,000 in investments;

''(xiii) any government or political subdivision, agency, or instrumentality of a government who owns and invests on a discretionary basis not less than $50,000,000 in investments; or

''(xiv) any multinational or supranational entity or any agency or instrumentality thereof.

''(B) ADDITIONAL AUTHORITY.—The Commission may, by rule or order, define a 'qualified investor' as any other person, taking into consideration such factors as the financial sophistication of the person, net worth, and knowledge and experience in financial matters.''.

SEC. 208. GOVERNMENT SECURITIES DEFINED.

Section 3(a)(42) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(42)) is amended—

(1) by striking ''or'' at the end of subparagraph (C);

(2) by striking the period at the end of subparagraph (D) and inserting ''; or''; and

(3) by adding at the end the following new subparagraph:

''(E) for purposes of sections 15, 15C, and 17A as applied to a bank, a qualified Canadian government obligation as defined in section 5136 of the Revised Statutes of the United States.''.

SEC. 209. EFFECTIVE DATE.

This subtitle shall take effect at the end of the 270-day period beginning on the date of the enactment of this Act.

SEC. 210. RULE OF CONSTRUCTION.

Nothing in this Act shall supersede, affect, or otherwise limit the scope and applicability of the Commodity Exchange Act (7 U.S.C. 1 et seq.).

Subtitle B—Bank Investment Company Activities

SEC. 211. CUSTODY OF INVESTMENT COMPANY ASSETS BY AFFILIATED BANK.

(a) MANAGEMENT COMPANIES.—Section 17(f) of the Investment Company Act of 1940 (15 U.S.C. 80a–17(f)) is amended—

(1) by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively;

(2) by striking ''(f) Every registered'' and inserting the following:

''(f) CUSTODY OF SECURITIES.—

''(1) Every registered'';

(3) by redesignating the second, third, fourth, and fifth sentences of such subsection as paragraphs (2) through (5), respectively, and indenting the left margin of such paragraphs appropriately; and

(4) by adding at the end the following new paragraph:

''(6) The Commission may adopt rules and regulations, and issue orders, consistent with the protection of investors, prescribing the conditions under which a bank, or an affiliated person of a bank, either of which is an affiliated person, promoter, organizer, or sponsor of, or principal underwriter for, a registered management company may serve as custodian of that registered management company.''.

(b) UNIT INVESTMENT TRUSTS.—Section 26 of the Investment Company Act of 1940 (15 U.S.C. 80a–26) is amended—

(1) by redesignating subsections (b) through (e) as subsections (c) through (f), respectively; and

(2) by inserting after subsection (a) the following new subsection:

''(b) The Commission may adopt rules and regulations, and issue orders, consistent with the protection of investors, prescribing the conditions under which a bank, or an affiliated person of a bank, either of which is an affiliated person of a principal underwriter for, or depositor of, a registered unit investment trust, may serve as trustee or custodian under subsection (a)(1).''.

(c) FIDUCIARY DUTY OF CUSTODIAN.—Section 36(a) of the Investment Company Act of 1940 (15 U.S.C. 80a–35(a)) is amended—

(1) in paragraph (1), by striking ''or'' at the end;

(2) in paragraph (2), by striking the period at the end and inserting ''; or''; and

(3) by inserting after paragraph (2) the following:

''(3) as custodian.''.

SEC. 212. LENDING TO AN AFFILIATED INVESTMENT COMPANY.

Section 17(a) of the Investment Company Act of 1940 (15 U.S.C. 80a–17(a)) is amended—

(1) by striking ''or'' at the end of paragraph (2);

(2) by striking the period at the end of paragraph (3) and inserting ''; or''; and

(3) by adding at the end the following new paragraph:

''(4) to loan money or other property to such registered company, or to any company controlled by such registered company, in contravention of such rules, regulations, or orders as the Commission may prescribe or issue consistent with the protection of investors.''.

SEC. 213. INDEPENDENT DIRECTORS.

(a) IN GENERAL.—Section 2(a)(19)(A) of the Investment Company Act of 1940 (15 U.S.C. 80a–2(a)(19)(A)) is amended—

(1) by striking clause (v) and inserting the following new clause:

''(v) any person or any affiliated person of a person (other than a registered investment company) that, at any time during the 6-month period preceding the date of the determination of whether that person or affiliated person is an interested person, has executed any portfolio transactions for, engaged in any principal transactions with, or distributed shares for—

''(I) the investment company;

''(II) any other investment company having the same investment adviser as such investment company or holding itself out to investors as a related company for purposes of investment or investor services; or

''(III) any account over which the investment company's investment adviser has brokerage placement discretion,'';

(2) by redesignating clause (vi) as clause (vii); and

(3) by inserting after clause (v) the following new clause:

''(vi) any person or any affiliated person of a person (other than a registered investment company) that, at any time during the 6-month period preceding the date of the determination of whether that person or affiliated person is an interested person, has loaned money or other property to—

''(I) the investment company;

''(II) any other investment company having the same investment adviser as such investment company or holding itself out to investors as a related company for purposes of investment or investor services; or

''(III) any account for which the investment company's investment adviser has borrowing authority,''.

(b) CONFORMING AMENDMENT.—Section 2(a)(19)(B) of the Investment Company Act of 1940 (15 U.S.C. 80a–2(a)(19)(B)) is amended—

(1) by striking clause (v) and inserting the following new clause:

''(v) any person or any affiliated person of a person (other than a registered investment company) that, at any time during the 6-month period preceding the date of the determination of

whether that person or affiliated person is an interested person, has executed any portfolio transactions for, engaged in any principal transactions with, or distributed shares for—

''(I) any investment company for which the investment adviser or principal underwriter serves as such;

''(II) any investment company holding itself out to investors, for purposes of investment or investor services, as a company related to any investment company for which the investment adviser or principal underwriter serves as such; or

''(III) any account over which the investment adviser has brokerage placement discretion,'';

(2) by redesignating clause (vi) as clause (vii); and

(3) by inserting after clause (v) the following new clause:

''(vi) any person or any affiliated person of a person (other than a registered investment company) that, at any time during the 6-month period preceding the date of the determination of whether that person or affiliated person is an interested person, has loaned money or other property to—

''(I) any investment company for which the investment adviser or principal underwriter serves as such;

''(II) any investment company holding itself out to investors, for purposes of investment or investor services, as a company related to any investment company for which the investment adviser or principal underwriter serves as such; or

''(III) any account for which the investment adviser has borrowing authority,''.

(c) AFFILIATION OF DIRECTORS.—Section 10(c) of the Investment Company Act of 1940 (15 U.S.C. 80a–10(c)) is amended by striking ''bank, except'' and inserting ''bank (together with its affiliates and subsidiaries) or any one bank holding company (together with its affiliates and subsidiaries) (as such terms are defined in section 2 of the Bank Holding Company Act of 1956), except''.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect at the end of the 1-year period beginning on the date of the enactment of this subtitle.

SEC. 214. ADDITIONAL SEC DISCLOSURE AUTHORITY.

Section 35(a) of the Investment Company Act of 1940 (15 U.S.C. 80a–34(a)) is amended to read as follows:

''(a) MISREPRESENTATION OF GUARANTEES.—

''(1) IN GENERAL.—It shall be unlawful for any person, issuing or selling any security of which a registered investment company is the issuer, to represent or imply in any manner whatsoever that such security or company—

''(A) has been guaranteed, sponsored, recommended, or approved by the United States, or any agency, instrumentality or officer of the United States;

''(B) has been insured by the Federal Deposit Insurance Corporation; or

''(C) is guaranteed by or is otherwise an obligation of any bank or insured depository institution.

''(2) DISCLOSURES.—Any person issuing or selling the securities of a registered investment company that is advised by, or sold through, a bank shall prominently disclose that an investment in the company is not insured by the Federal Deposit Insurance Corporation or any other government agency. The Commission may adopt rules and regulations, and issue orders, consistent with the protection of investors, prescribing the manner in which the disclosure under this paragraph shall be provided.

''(3) DEFINITIONS.—The terms 'insured depository institution' and 'appropriate Federal banking agency' have the same meanings given in section 3 of the Federal Deposit Insurance Act.''.

SEC. 215. DEFINITION OF BROKER UNDER THE INVESTMENT COMPANY ACT OF 1940.

Section 2(a)(6) of the Investment Company Act of 1940 (15 U.S.C. 80a–2(a)(6)) is amended to read as follows:

''(6) The term 'broker' has the same meaning given in section 3 of the Securities Exchange Act of 1934, except that such term does not include any person solely by reason of the fact that such person is an underwriter for one or more investment companies.''.

SEC. 216. DEFINITION OF DEALER UNDER THE INVESTMENT COMPANY ACT OF 1940.

Section 2(a)(11) of the Investment Company Act of 1940 (15 U.S.C. 80a–2(a)(11)) is amended to read as follows:

''(11) The term 'dealer' has the same meaning given in the Securities Exchange Act of 1934, but does not include an insurance company or investment company.''.

SEC. 217. REMOVAL OF THE EXCLUSION FROM THE DEFINITION OF INVESTMENT ADVISER FOR BANKS THAT ADVISE INVESTMENT COMPANIES.

(a) INVESTMENT ADVISER.—Section 202(a)(11)(A) of the Investment Advisers Act of 1940 (15 U.S.C. 80b–2(a)(11)(A)) is amended by striking ''investment company'' and inserting ''investment company, except that the term 'investment adviser' includes any bank or bank holding company to the extent that such bank or bank holding company serves or acts as an investment adviser to a registered investment company, but if, in the case of a bank, such services or actions are performed through a separately identifiable department or division, the department or division, and not the bank itself, shall be deemed to be the investment adviser''.

(b) SEPARATELY IDENTIFIABLE DEPARTMENT OR DIVISION.—Section 202(a) of the Investment Advisers Act of 1940 (15 U.S.C. 80b–2(a)) is amended by adding at the end the following:

''(26) The term 'separately identifiable department or division' of a bank means a unit—

''(A) that is under the direct supervision of an officer or officers designated by the board of directors of the bank as responsible for the day-to-day conduct of the bank's investment adviser activities for one or more investment companies, including the supervision of all bank employees engaged in the performance of such activities; and

''(B) for which all of the records relating to its investment adviser activities are separately maintained in or extractable from such unit's own facilities or the facilities of the bank, and such records are so maintained or otherwise accessible as to permit independent examination and enforcement by the Commission of this Act or the Investment Company Act of 1940 and rules and regulations promulgated under this Act or the Investment Company Act of 1940.''.

SEC. 218. DEFINITION OF BROKER UNDER THE INVESTMENT ADVISERS ACT OF 1940.

Section 202(a)(3) of the Investment Advisers Act of 1940 (15 U.S.C. 80b–2(a)(3)) is amended to read as follows:

''(3) The term 'broker' has the same meaning given in section 3 of the Securities Exchange Act of 1934.''.

SEC. 219. DEFINITION OF DEALER UNDER THE INVESTMENT ADVISERS ACT OF 1940.

Section 202(a)(7) of the Investment Advisers Act of 1940 (15 U.S.C. 80b–2(a)(7)) is amended to read as follows:

''(7) The term 'dealer' has the same meaning given in section 3 of the Securities Exchange Act of 1934, but does not include an insurance company or investment company.''.

SEC. 220. INTERAGENCY CONSULTATION.

The Investment Advisers Act of 1940 (15 U.S.C. 80b–1 et seq.) is amended by inserting after section 210 the following new section:

''SEC. 210A. CONSULTATION.

''(a) EXAMINATION RESULTS AND OTHER INFORMATION.—

''(1) The appropriate Federal banking agency shall provide the Commission upon request the results of any examination, reports, records, or other information to which such agency may have access with respect to the investment advisory activities—

''(A) of any—

''(i) bank holding company;

''(ii) bank; or

''(iii) separately identifiable department or division of a bank,

that is registered under section 203 of this title; and

''(B) in the case of a bank holding company or bank that has a subsidiary or a separately identifiable department or division registered under that section, of such bank or bank holding company.

''(2) The Commission shall provide to the appropriate Federal banking agency upon request the results of any examination, reports, records, or other information with respect to the investment advisory activities of any bank holding company, bank, or separately identifiable department or division of a bank, which is registered under section 203 of this title.

''(b) EFFECT ON OTHER AUTHORITY.—Nothing in this section shall limit in any respect the authority of the appropriate Federal banking agency with respect to such bank holding company, bank, or department or division under any other provision of law.

''(c) DEFINITION.—For purposes of this section, the term 'appropriate Federal banking agency' shall have the same meaning given in section 3 of the Federal Deposit Insurance Act.''.

SEC. 221. TREATMENT OF BANK COMMON TRUST FUNDS.

(a) SECURITIES ACT OF 1933.—Section 3(a)(2) of the Securities Act of 1933 (15 U.S.C. 77c(a)(2)) is amended by striking ''or any interest or participation in any common trust fund or similar fund maintained by a bank exclusively for the collective investment and reinvestment of assets contributed thereto by such bank in its capacity as trustee, executor, administrator, or guardian'' and inserting ''or any interest or participation in any common trust fund or similar fund that is excluded from the definition of the term 'investment company' under section 3(c)(3) of the Investment Company Act of 1940''.

(b) SECURITIES EXCHANGE ACT OF 1934.—Section 3(a)(12)(A)(iii) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(12)(A)(iii)) is amended to read as follows:

''(iii) any interest or participation in any common trust fund or similar fund that is excluded from the definition of the term 'investment company' under section 3(c)(3) of the Investment Company Act of 1940;''.

(c) INVESTMENT COMPANY ACT OF 1940.—Section 3(c)(3) of the Investment Company Act of 1940 (15 U.S.C. 80a–3(c)(3)) is amended by inserting before the period the following: '', if—

''(A) such fund is employed by the bank solely as an aid to the administration of trusts, estates, or other accounts created and maintained for a fiduciary purpose;

''(B) except in connection with the ordinary advertising of the bank's fiduciary services, interests in such fund are not—

''(i) advertised; or

''(ii) offered for sale to the general public; and

''(C) fees and expenses charged by such fund are not in contravention of fiduciary principles established under applicable Federal or State law''.

SEC. 222. INVESTMENT ADVISERS PROHIBITED FROM HAVING CONTROLLING INTEREST IN REGISTERED INVESTMENT COMPANY.

Section 15 of the Investment Company Act of 1940 (15 U.S.C. 80a–15) is amended by adding at the end the following new subsection:

''(g) CONTROLLING INTEREST IN INVESTMENT COMPANY PROHIBITED.—

''(1) IN GENERAL.—If an investment adviser to a registered investment company, or an affiliated person of that investment adviser, holds a

controlling interest in that registered investment company in a trustee or fiduciary capacity, such person shall—

''(A) if it holds the shares in a trustee or fiduciary capacity with respect to any employee benefit plan subject to the Employee Retirement Income Security Act of 1974, transfer the power to vote the shares of the investment company through to another person acting in a fiduciary capacity with respect to the plan who is not an affiliated person of that investment adviser or any affiliated person thereof; or

''(B) if it holds the shares in a trustee or fiduciary capacity with respect to any person or entity other than an employee benefit plan subject to the Employee Retirement Income Security Act of 1974—

''(i) transfer the power to vote the shares of the investment company through to—

''(I) the beneficial owners of the shares;

''(II) another person acting in a fiduciary capacity who is not an affiliated person of that investment adviser or any affiliated person thereof; or

''(III) any person authorized to receive statements and information with respect to the trust who is not an affiliated person of that investment adviser or any affiliated person thereof;

''(ii) vote the shares of the investment company held by it in the same proportion as shares held by all other shareholders of the investment company; or

''(iii) vote the shares of the investment company as otherwise permitted under such rules, regulations, or orders as the Commission may prescribe or issue consistent with the protection of investors.

''(2) EXEMPTION.—Paragraph (1) shall not apply to any investment adviser to a registered investment company, or any affiliated person of that investment adviser, that holds shares of the investment company in a trustee or fiduciary capacity if that registered investment company consists solely of assets held in such capacities.

''(3) SAFE HARBOR.—No investment adviser to a registered investment company or any affiliated person of such investment adviser shall be deemed to have acted unlawfully or to have breached a fiduciary duty under State or Federal law solely by reason of acting in accordance with clause (i), (ii), or (iii) of paragraph (1)(B).''.

SEC. 223. STATUTORY DISQUALIFICATION FOR BANK WRONGDOING.

Section 9(a) of the Investment Company Act of 1940 (15 U.S.C. 80a-9(a)) is amended in paragraphs (1) and (2) by striking ''securities dealer, transfer agent,'' and inserting ''securities dealer, bank, transfer agent,''.

SEC. 224. CONFORMING CHANGE IN DEFINITION.

Section 2(a)(5) of the Investment Company Act of 1940 (15 U.S.C. 80a–2(a)(5)) is amended by striking ''(A) a banking institution organized under the laws of the United States'' and inserting ''(A) a depository institution (as defined in section 3 of the Federal Deposit Insurance Act) or a branch or agency of a foreign bank (as such terms are defined in section 1(b) of the International Banking Act of 1978)''.

SEC. 225. CONFORMING AMENDMENT.

Section 202 of the Investment Advisers Act of 1940 (15 U.S.C. 80b–2) is amended by adding at the end the following new subsection:

''(c) CONSIDERATION OF PROMOTION OF EFFICIENCY, COMPETITION, AND CAPITAL FORMATION.—Whenever pursuant to this title the Commission is engaged in rulemaking and is required to consider or determine whether an action is necessary or appropriate in the public interest, the Commission shall also consider, in addition to the protection of investors, whether the action will promote efficiency, competition, and capital formation.''.

SEC. 226. CHURCH PLAN EXCLUSION.

Section 3(c)(14) of the Investment Company Act of 1940 (15 U.S.C. 80a-3(c)(14)) is amended—

(1) by redesignating clauses (i) and (ii) of subparagraph (B) as subclauses (I) and (II), respectively;

(2) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively;

(3) by inserting ''(A)'' after ''(14)''; and

(4) by adding at the end the following new subparagraph:

''(B) If a registered investment company would be excluded from the definition of investment company under this subsection but for the fact that some of the company's assets do not satisfy the condition of subparagraph (A)(ii) of this paragraph, then any investment adviser to the company or affiliated person of such investment adviser shall not be subject to the requirements of section 15(g)(1)(B) with respect to shares of the investment company.''.

SEC. 227. EFFECTIVE DATE.

This subtitle shall take effect 90 days after the date of the enactment of this Act.

Subtitle C—Securities and Exchange Commission Supervision of Investment Bank Holding Companies

SEC. 231. SUPERVISION OF INVESTMENT BANK HOLDING COMPANIES BY THE SECURITIES AND EXCHANGE COMMISSION.

(a) AMENDMENT.—Section 17 of the Securities Exchange Act of 1934 (15 U.S.C. 78q) is amended—

(1) by redesignating subsection (i) as subsection (k); and

(2) by inserting after subsection (h) the following new subsection:

''(i) INVESTMENT BANK HOLDING COMPANIES.—

''(1) ELECTIVE SUPERVISION OF AN INVESTMENT BANK HOLDING COMPANY NOT HAVING A BANK OR SAVINGS ASSOCIATION AFFILIATE.—

''(A) IN GENERAL.—An investment bank holding company that is not—

''(i) an affiliate of a wholesale financial institution, an insured bank (other than an institution described in subparagraph (D), (F), or (G) of section 2(c)(2), or held under section 4(f), of the Bank Holding Company Act of 1956), or a savings association;

''(ii) a foreign bank, foreign company, or company that is described in section 8(a) of the International Banking Act of 1978; or

''(iii) a foreign bank that controls, directly or indirectly, a corporation chartered under section 25A of the Federal Reserve Act,

may elect to become supervised by filing with the Commission a notice of intention to become supervised, pursuant to subparagraph (B) of this paragraph. Any investment bank holding company filing such a notice shall be supervised in accordance with this section and comply with the rules promulgated by the Commission applicable to supervised investment bank holding companies.

''(B) NOTIFICATION OF STATUS AS A SUPERVISED INVESTMENT BANK HOLDING COMPANY.—An investment bank holding company that elects under subparagraph (A) to become supervised by the Commission shall file with the Commission a written notice of intention to become supervised by the Commission in such form and containing such information and documents concerning such investment bank holding company as the Commission, by rule, may prescribe as necessary or appropriate in furtherance of the purposes of this section. Unless the Commission finds that such supervision is not necessary or appropriate in furtherance of the purposes of this section, such supervision shall become effective 45 days after the date of receipt of such written notice by the Commission or within such shorter time period as the Commission, by rule or order, may determine.

''(2) ELECTION NOT TO BE SUPERVISED BY THE COMMISSION AS AN INVESTMENT BANK HOLDING COMPANY.—

''(A) VOLUNTARY WITHDRAWAL.—A supervised investment bank holding company that is supervised pursuant to paragraph (1) may, upon such terms and conditions as the Commission deems necessary or appropriate, elect not to be supervised by the Commission by filing a written notice of withdrawal from Commission supervision. Such notice shall not become effective until 1 year after receipt by the Commission, or such shorter or longer period as the Commission deems necessary or appropriate to ensure effective supervision of the material risks to the supervised investment bank holding company and to the affiliated broker or dealer, or to prevent evasion of the purposes of this section.

''(B) DISCONTINUATION OF COMMISSION SUPERVISION.—If the Commission finds that any supervised investment bank holding company that is supervised pursuant to paragraph (1) is no longer in existence or has ceased to be an investment bank holding company, or if the Commission finds that continued supervision of such a supervised investment bank holding company is not consistent with the purposes of this section, the Commission may discontinue the supervision pursuant to a rule or order, if any, promulgated by the Commission under this section.

''(3) SUPERVISION OF INVESTMENT BANK HOLDING COMPANIES.—

''(A) RECORDKEEPING AND REPORTING.—

''(i) IN GENERAL.—Every supervised investment bank holding company and each affiliate thereof shall make and keep for prescribed periods such records, furnish copies thereof, and make such reports, as the Commission may require by rule, in order to keep the Commission informed as to—

''(I) the company's or affiliate's activities, financial condition, policies, systems for monitoring and controlling financial and operational risks, and transactions and relationships between any broker or dealer affiliate of the supervised investment bank holding company; and

''(II) the extent to which the company or affiliate has complied with the provisions of this Act and regulations prescribed and orders issued under this Act.

''(ii) FORM AND CONTENTS.—Such records and reports shall be prepared in such form and according to such specifications (including certification by an independent public accountant), as the Commission may require and shall be provided promptly at any time upon request by the Commission. Such records and reports may include—

''(I) a balance sheet and income statement;

''(II) an assessment of the consolidated capital of the supervised investment bank holding company;

''(III) an independent auditor's report attesting to the supervised investment bank holding company's compliance with its internal risk management and internal control objectives; and

''(IV) reports concerning the extent to which the company or affiliate has complied with the provisions of this title and any regulations prescribed and orders issued under this title.

''(B) USE OF EXISTING REPORTS.—

''(i) IN GENERAL.—The Commission shall, to the fullest extent possible, accept reports in fulfillment of the requirements under this paragraph that the supervised investment bank holding company or its affiliates have been required to provide to another appropriate regulatory agency or self-regulatory organization.

''(ii) AVAILABILITY.—A supervised investment bank holding company or an affiliate of such company shall provide to the Commission, at the request of the Commission, any report referred to in clause (i).

''(C) EXAMINATION AUTHORITY.—

''(i) FOCUS OF EXAMINATION AUTHORITY.—The Commission may make examinations of any supervised investment bank holding company and any affiliate of such company in order to—

''(I) inform the Commission regarding—

''(aa) the nature of the operations and financial condition of the supervised investment bank holding company and its affiliates;

''(bb) the financial and operational risks within the supervised investment bank holding company that may affect any broker or dealer controlled by such supervised investment bank holding company; and

''(cc) the systems of the supervised investment bank holding company and its affiliates for monitoring and controlling those risks; and

''(II) monitor compliance with the provisions of this subsection, provisions governing transactions and relationships between any broker or dealer affiliated with the supervised investment bank holding company and any of the company's other affiliates, and applicable provisions of subchapter II of chapter 53, title 31, United States Code (commonly referred to as the 'Bank Secrecy Act') and regulations thereunder.

''(ii) RESTRICTED FOCUS OF EXAMINATIONS.—The Commission shall limit the focus and scope of any examination of a supervised investment bank holding company to—

''(I) the company; and

''(II) any affiliate of the company that, because of its size, condition, or activities, the nature or size of the transactions between such affiliate and any affiliated broker or dealer, or the centralization of functions within the holding company system, could, in the discretion of the Commission, have a materially adverse effect on the operational or financial condition of the broker or dealer.

''(iii) DEFERENCE TO OTHER EXAMINATIONS.—For purposes of this subparagraph, the Commission shall, to the fullest extent possible, use the reports of examination of an institution described in subparagraph (D), (F), or (G) of section 2(c)(2), or held under section 4(f), of the Bank Holding Company Act of 1956 made by the appropriate regulatory agency, or of a licensed insurance company made by the appropriate State insurance regulator.

''(4) HOLDING COMPANY CAPITAL.—

''(A) AUTHORITY.—If the Commission finds that it is necessary to adequately supervise investment bank holding companies and their broker or dealer affiliates consistent with the purposes of this subsection, the Commission may adopt capital adequacy rules for supervised investment bank holding companies.

''(B) METHOD OF CALCULATION.—In developing rules under this paragraph:

''(i) DOUBLE LEVERAGE.—The Commission shall consider the use by the supervised investment bank holding company of debt and other liabilities to fund capital investments in affiliates.

''(ii) NO UNWEIGHTED CAPITAL RATIO.—The Commission shall not impose under this section a capital ratio that is not based on appropriate risk-weighting considerations.

''(iii) NO CAPITAL REQUIREMENT ON REGULATED ENTITIES.—The Commission shall not, by rule, regulation, guideline, order or otherwise, impose any capital adequacy provision on a nonbanking affiliate (other than a broker or dealer) that is in compliance with applicable capital requirements of another Federal regulatory authority or State insurance authority.

''(iv) APPROPRIATE EXCLUSIONS.—The Commission shall take full account of the applicable capital requirements of another Federal regulatory authority or State insurance regulator.

''(C) INTERNAL RISK MANAGEMENT MODELS.—The Commission may incorporate internal risk management models into its capital adequacy rules for supervised investment bank holding companies.

''(5) FUNCTIONAL REGULATION OF BANKING AND INSURANCE ACTIVITIES OF SUPERVISED INVESTMENT BANK HOLDING COMPANIES.—The Commission shall defer to—

''(A) the appropriate regulatory agency with regard to all interpretations of, and the enforcement of, applicable banking laws relating to the activities, conduct, ownership, and operations of banks, and institutions described in subparagraph (D), (F), and (G) of section 2(c)(2), or held under section 4(f), of the Bank Holding Company Act of 1956; and

''(B) the appropriate State insurance regulators with regard to all interpretations of, and the enforcement of, applicable State insurance laws relating to the activities, conduct, and operations of insurance companies and insurance agents.

''(6) DEFINITIONS.—For purposes of this subsection:

''(A) The term 'investment bank holding company' means—

''(i) any person other than a natural person that owns or controls one or more brokers or dealers; and

''(ii) the associated persons of the investment bank holding company.

''(B) The term 'supervised investment bank holding company' means any investment bank holding company that is supervised by the Commission pursuant to this subsection.

''(C) The terms 'affiliate', 'bank', 'bank holding company', 'company', 'control', 'savings association', and 'wholesale financial institution' have the same meanings given in section 2 of the Bank Holding Company Act of 1956 (12 U.S.C. 1841).

''(D) The term 'insured bank' has the same meaning given in section 3 of the Federal Deposit Insurance Act.

''(E) The term 'foreign bank' has the same meaning given in section 1(b)(7) of the International Banking Act of 1978.

''(F) The terms 'person associated with an investment bank holding company' and 'associated person of an investment bank holding company' mean any person directly or indirectly controlling, controlled by, or under common control with, an investment bank holding company.''.

''(j) AUTHORITY TO LIMIT DISCLOSURE OF INFORMATION.—Notwithstanding any other provision of law, the Commission shall not be compelled to disclose any information required to be reported under subsection (h) or (i) or any information supplied to the Commission by any domestic or foreign regulatory agency that relates to the financial or operational condition of any associated person of a broker or dealer, investment bank holding company, or any affiliate of an investment bank holding company. Nothing in this subsection shall authorize the Commission to withhold information from Congress, or prevent the Commission from complying with a request for information from any other Federal department or agency or any self-regulatory organization requesting the information for purposes within the scope of its jurisdiction, or complying with an order of a court of the United States in an action brought by the United States or the Commission. For purposes of section 552 of title 5, United States Code, this subsection shall be considered a statute described in subsection (b)(3)(B) of such section 552. In prescribing regulations to carry out the requirements of this subsection, the Commission shall designate information described in or obtained pursuant to subparagraphs (A), (B), and (C) of subsection (i)(5) as confidential information for purposes of section 24(b)(2) of this title.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 3(a)(34) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(34)) is amended by adding at the end the following new subparagraph:

''(H) When used with respect to an institution described in subparagraph (D), (F), or (G) of section 2(c)(2), or held under section 4(f), of the Bank Holding Company Act of 1956—

''(i) the Comptroller of the Currency, in the case of a national bank or a bank in the District of Columbia examined by the Comptroller of the Currency;

''(ii) the Board of Governors of the Federal Reserve System, in the case of a State member bank of the Federal Reserve System or any corporation chartered under section 25A of the Federal Reserve Act;

''(iii) the Federal Deposit Insurance Corporation, in the case of any other bank the deposits of which are insured in accordance with the Federal Deposit Insurance Act; or

''(iv) the Commission in the case of all other such institutions.''.

(2) Section 1112(e) of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3412(e)) is amended—

(A) by striking ''this title'' and inserting ''law''; and

(B) by inserting '', examination reports'' after ''financial records''.

Subtitle D—Disclosure of Customer Costs of Acquiring Financial Products

SEC. 241. IMPROVED AND CONSISTENT DISCLOSURE.

(a) REVISED REGULATIONS REQUIRED.—Within 1 year after the date of the enactment of this Act, each Federal financial regulatory authority shall prescribe rules, or revisions to its rules, to improve the accuracy, simplicity, and completeness, and to make more consistent, the disclosure of information by persons subject to the jurisdiction of such regulatory authority concerning any commissions, fees, or other costs incurred by customers in the acquisition of financial products.

(b) CONSULTATION.—In prescribing rules and revisions under subsection (a), the Federal financial regulatory authorities shall consult with each other and with appropriate State financial regulatory authorities.

(c) CONSIDERATION OF EXISTING DISCLOSURES.—In prescribing rules and revisions under subsection (a), the Federal financial regulatory authorities shall consider the sufficiency and appropriateness of then existing laws and rules applicable to persons subject to their jurisdiction, and may prescribe exemptions from the rules and revisions required by subsection (a) to the extent appropriate in light of the objective of this section to increase the consistency of disclosure practices.

(d) ENFORCEMENT.—Any rule prescribed by a Federal financial regulatory authority pursuant to this section shall, for purposes of enforcement, be treated as a rule prescribed by such regulatory authority pursuant to the statute establishing such regulatory authority's jurisdiction over the persons to whom such rule applies.

(e) DEFINITION.—As used in this section, the term ''Federal financial regulatory authority'' means the Board of Governors of the Federal Reserve System, the Securities and Exchange Commission, the Comptroller of the Currency, the Federal Deposit Insurance Corporation, the Commodity Futures Trading Commission, and any self-regulatory organization under the supervision of any of the foregoing.

Subtitle E—Banks and Bank Holding Companies

SEC. 251. CONSULTATION.

(a) IN GENERAL.—The Securities and Exchange Commission shall consult and coordinate comments with the appropriate Federal banking agency before taking any action or rendering any opinion with respect to the manner in which any insured depository institution or depository institution holding company reports loan loss reserves in its financial statement, including the amount of any such loan loss reserve.

(b) DEFINITIONS.—For purposes of subsection (a), the terms ''insured depository institution'', ''depository institution holding company'', and ''appropriate Federal banking agency'' have the same meaning as in section 3 of the Federal Deposit Insurance Act.

TITLE III—INSURANCE

Subtitle A—State Regulation of Insurance

SEC. 301. STATE REGULATION OF THE BUSINESS OF INSURANCE.

The Act entitled ''An Act to express the intent of the Congress with reference to the regulation of the business of insurance'' and approved March 9, 1945 (15 U.S.C. 1011 et seq.), commonly referred to as the ''McCarran-Ferguson Act'' remains the law of the United States.

SEC. 302. MANDATORY INSURANCE LICENSING REQUIREMENTS.

No person shall engage in the business of insurance in a State as principal or agent unless

such person is licensed as required by the appropriate insurance regulator of such State in accordance with the relevant State insurance law, subject to section 104.

SEC. 303. FUNCTIONAL REGULATION OF INSURANCE.

The insurance activities of any person (including a national bank exercising its power to act as agent under the eleventh undesignated paragraph of section 13 of the Federal Reserve Act) shall be functionally regulated by the States, subject to section 104.

SEC. 304. INSURANCE UNDERWRITING IN NATIONAL BANKS.

(a) IN GENERAL.—Except as provided in section 305, a national bank and the subsidiaries of a national bank may not provide insurance in a State as principal except that this prohibition shall not apply to authorized products.

(b) AUTHORIZED PRODUCTS.—For the purposes of this section, a product is authorized if—

(1) as of January 1, 1999, the Comptroller of the Currency had determined in writing that national banks may provide such product as principal, or national banks were in fact lawfully providing such product as principal;

(2) no court of relevant jurisdiction had, by final judgment, overturned a determination of the Comptroller of the Currency that national banks may provide such product as principal; and

(3) the product is not title insurance, or an annuity contract the income of which is subject to tax treatment under section 72 of the Internal Revenue Code of 1986.

(c) DEFINITION.—For purposes of this section, the term ''insurance'' means—

(1) any product regulated as insurance as of January 1, 1999, in accordance with the relevant State insurance law, in the State in which the product is provided;

(2) any product first offered after January 1, 1999, which—

(A) a State insurance regulator determines shall be regulated as insurance in the State in which the product is provided because the product insures, guarantees, or indemnifies against liability, loss of life, loss of health, or loss through damage to or destruction of property, including, but not limited to, surety bonds, life insurance, health insurance, title insurance, and property and casualty insurance (such as private passenger or commercial automobile, homeowners, mortgage, commercial multiperil, general liability, professional liability, workers' compensation, fire and allied lines, farm owners multiperil, aircraft, fidelity, surety, medical malpractice, ocean marine, inland marine, and boiler and machinery insurance); and

(B) is not a product or service of a bank that is—

(i) a deposit product;

(ii) a loan, discount, letter of credit, or other extension of credit;

(iii) a trust or other fiduciary service;

(iv) a qualified financial contract (as defined in or determined pursuant to section 11(e)(8)(D)(i) of the Federal Deposit Insurance Act); or

(v) a financial guaranty, except that this subparagraph (B) shall not apply to a product that includes an insurance component such that if the product is offered or proposed to be offered by the bank as principal—

(I) it would be treated as a life insurance contract under section 7702 of the Internal Revenue Code of 1986; or

(II) in the event that the product is not a letter of credit or other similar extension of credit, a qualified financial contract, or a financial guaranty, it would qualify for treatment for losses incurred with respect to such product under section 832(b)(5) of the Internal Revenue Code of 1986, if the bank were subject to tax as an insurance company under section 831 of that Code; or

(3) any annuity contract, the income on which is subject to tax treatment under section 72 of the Internal Revenue Code of 1986.

SEC. 305. TITLE INSURANCE ACTIVITIES OF NATIONAL BANKS AND THEIR AFFILIATES.

(a) GENERAL PROHIBITION.—No national bank, and no subsidiary of a national bank, may engage in any activity involving the underwriting or sale of title insurance.

(b) NONDISCRIMINATION PARITY EXCEPTION.—

(1) IN GENERAL.—Notwithstanding any other provision of law (including section 104 of this Act), in the case of any State in which banks organized under the laws of such State are authorized to sell title insurance as agency, a national bank and a subsidiary of a national bank may sell title insurance as agent in such State, but only in the same manner, to the same extent, and under the same restrictions as such State banks are authorized to sell title insurance as agent in such State.

(2) COORDINATION WITH ''WILDCARD'' PROVISION.—A State law which authorizes State banks to engage in any activities in such State in which a national bank may engage shall not be treated as a statute which authorizes State banks to sell title insurance as agent, for purposes of paragraph (1).

(c) GRANDFATHERING WITH CONSISTENT REGULATION.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3) and notwithstanding subsections (a) and (b), a national bank, and a subsidiary of a national bank, may conduct title insurance activities which such national bank or subsidiary was actively and lawfully conducting before the date of the enactment of this Act.

(2) INSURANCE AFFILIATE.—In the case of a national bank which has an affiliate which provides insurance as principal and is not a subsidiary of the bank, the national bank and any subsidiary of the national bank may not engage in the underwriting of title insurance pursuant to paragraph (1).

(3) INSURANCE SUBSIDIARY.—In the case of a national bank which has a subsidiary which provides insurance as principal and has no affiliate other than a subsidiary which provides insurance as principal, the national bank may not directly engage in any activity involving the underwriting of title insurance.

(d) ''AFFILIATE'' AND ''SUBSIDIARY'' DEFINED.—For purposes of this section, the terms ''affiliate'' and ''subsidiary'' have the same meanings as in section 2 of the Bank Holding Company Act of 1956.

(e) RULE OF CONSTRUCTION.—No provision of this Act or any other Federal law shall be construed as superseding or affecting a State law which was in effect before the date of the enactment of this Act and which prohibits title insurance from being offered, provided, or sold in such State, or from being underwritten with respect to real property in such State, by any person whatsoever.

SEC. 306. EXPEDITED AND EQUALIZED DISPUTE RESOLUTION FOR FEDERAL REGULATORS.

(a) FILING IN COURT OF APPEALS.—In the case of a regulatory conflict between a State insurance regulator and a Federal regulator as to whether any product is or is not insurance, as defined in section 304(c) of this Act, or whether a State statute, regulation, order, or interpretation regarding any insurance sales or solicitation activity is properly treated as preempted under Federal law, either regulator may seek expedited judicial review of such determination by the United States Court of Appeals for the circuit in which the State is located or in the United States Court of Appeals for the District of Columbia Circuit by filing a petition for review in such court.

(b) EXPEDITED REVIEW.—The United States Court of Appeals in which a petition for review is filed in accordance with subsection (a) shall complete all action on such petition, including rendering a judgment, before the end of the 60-day period beginning on the date on which such petition is filed, unless all parties to such proceeding agree to any extension of such period.

(c) SUPREME COURT REVIEW.—Any request for certiorari to the Supreme Court of the United States of any judgment of a United States Court of Appeals with respect to a petition for review under this section shall be filed with the Supreme Court of the United States as soon as practicable after such judgment is issued.

(d) STATUTE OF LIMITATION.—No petition may be filed under this section challenging an order, ruling, determination, or other action of a Federal regulator or State insurance regulator after the later of—

(1) the end of the 12-month period beginning on the date on which the first public notice is made of such order, ruling, determination or other action in its final form; or

(2) the end of the 6-month period beginning on the date on which such order, ruling, determination, or other action takes effect.

(e) STANDARD OF REVIEW.—The court shall decide a petition filed under this section based on its review on the merits of all questions presented under State and Federal law, including the nature of the product or activity and the history and purpose of its regulation under State and Federal law, without unequal deference.

SEC. 307. CONSUMER PROTECTION REGULATIONS.

The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by inserting after section 46 (as added by section 122(b) of this Act) the following new section:

''SEC. 47. CONSUMER PROTECTION REGULATIONS.

''(a) REGULATIONS REQUIRED.—

''(1) IN GENERAL.—The Federal banking agencies shall prescribe and publish in final form, before the end of the 1-year period beginning on the date of the enactment of the Financial Services Act of 1999, consumer protection regulations (which the agencies jointly determine to be appropriate) that—

''(A) apply to retail sales practices, solicitations, advertising, or offers of any insurance product by any insured depository institution or wholesale financial institution or any person who is engaged in such activities at an office of the institution or on behalf of the institution; and

''(B) are consistent with the requirements of this Act and provide such additional protections for consumers to whom such sales, solicitations, advertising, or offers are directed as the agency determines to be appropriate.

''(2) APPLICABILITY TO SUBSIDIARIES.—The regulations prescribed pursuant to paragraph (1) shall extend such protections to any subsidiaries of an insured depository institution, as deemed appropriate by the regulators referred to in paragraph (3), where such extension is determined to be necessary to ensure the consumer protections provided by this section.

''(3) CONSULTATION AND JOINT REGULATIONS.—The Federal banking agencies shall consult with each other and prescribe joint regulations pursuant to paragraph (1), after consultation with the State insurance regulators, as appropriate.

''(b) SALES PRACTICES.—The regulations prescribed pursuant to subsection (a) shall include anticoercion rules applicable to the sale of insurance products which prohibit an insured depository institution from engaging in any practice that would lead a consumer to believe an extension of credit, in violation of section 106(b) of the Bank Holding Company Act Amendments of 1970, is conditional upon—

''(1) the purchase of an insurance product from the institution or any of its affiliates; or

''(2) an agreement by the consumer not to obtain, or a prohibition on the consumer from obtaining, an insurance product from an unaffiliated entity.

''(c) DISCLOSURES AND ADVERTISING.—The regulations prescribed pursuant to subsection (a) shall include the following provisions relating to disclosures and advertising in connection

with the initial purchase of an insurance product:

''(1) DISCLOSURES.—

''(A) IN GENERAL.—Requirements that the following disclosures be made orally and in writing before the completion of the initial sale and, in the case of clause (iii), at the time of application for an extension of credit:

''(i) UNINSURED STATUS.—As appropriate, the product is not insured by the Federal Deposit Insurance Corporation, the United States Government, or the insured depository institution.

''(ii) INVESTMENT RISK.—In the case of a variable annuity or other insurance product which involves an investment risk, that there is an investment risk associated with the product, including possible loss of value.

''(iii) COERCION.—The approval of an extension of credit may not be conditioned on—

''(I) the purchase of an insurance product from the institution in which the application for credit is pending or any of its affiliates or subsidiaries; or

''(II) an agreement by the consumer not to obtain, or a prohibition on the consumer from obtaining, an insurance product from an unaffiliated entity.

''(B) MAKING DISCLOSURE READILY UNDERSTANDABLE.—Regulations prescribed under subparagraph (A) shall encourage the use of disclosure that is conspicuous, simple, direct, and readily understandable, such as the following:

''(i) 'NOT FDIC—INSURED'.

''(ii) 'NOT GUARANTEED BY THE BANK'.

''(iii) 'MAY GO DOWN IN VALUE'.

''(iv) 'NOT INSURED BY ANY GOVERNMENT AGENCY'.

''(C) ADJUSTMENTS FOR ALTERNATIVE METHODS OF PURCHASE.—In prescribing the requirements under subparagraphs (A) and (D), necessary adjustments shall be made for purchase in person, by telephone, or by electronic media to provide for the most appropriate and complete form of disclosure and acknowledgments.

''(D) CONSUMER ACKNOWLEDGMENT.—A requirement that an insured depository institution shall require any person selling an insurance product at any office of, or on behalf of, the institution to obtain, at the time a consumer receives the disclosures required under this paragraph or at the time of the initial purchase by the consumer of such product, an acknowledgment by such consumer of the receipt of the disclosure required under this subsection with respect to such product.

''(2) PROHIBITION ON MISREPRESENTATIONS.—A prohibition on any practice, or any advertising, at any office of, or on behalf of, the insured depository institution, or any subsidiary as appropriate, which could mislead any person or otherwise cause a reasonable person to reach an erroneous belief with respect to—

''(A) the uninsured nature of any insurance product sold, or offered for sale, by the institution or any subsidiary of the institution;

''(B) in the case of a variable annuity or other insurance product that involves an investment risk, the investment risk associated with any such product; or

''(C) in the case of an institution or subsidiary at which insurance products are sold or offered for sale, the fact that—

''(i) the approval of an extension of credit to a customer by the institution or subsidiary may not be conditioned on the purchase of an insurance product by such customer from the institution or subsidiary; and

''(ii) the customer is free to purchase the insurance product from another source.''.

''(d) SEPARATION OF BANKING AND NONBANKING ACTIVITIES.—

''(1) REGULATIONS REQUIRED.—The regulations prescribed pursuant to subsection (a) shall include such provisions as the Federal banking agencies consider appropriate to ensure that the routine acceptance of deposits is kept, to the extent practicable, physically segregated from insurance product activity.

''(2) REQUIREMENTS.—Regulations prescribed pursuant to paragraph (1) shall include the following:

''(A) SEPARATE SETTING.—A clear delineation of the setting in which, and the circumstances under which, transactions involving insurance products should be conducted in a location physically segregated from an area where retail deposits are routinely accepted.

''(B) REFERRALS.—Standards which permit any person accepting deposits from the public in an area where such transactions are routinely conducted in an insured depository institution to refer a customer who seeks to purchase any insurance product to a qualified person who sells such product, only if the person making the referral receives no more than a one-time nominal fee of a fixed dollar amount for each referral that does not depend on whether the referral results in a transaction.

''(C) QUALIFICATION AND LICENSING REQUIREMENTS.—Standards prohibiting any insured depository institution from permitting any person to sell or offer for sale any insurance product in any part of any office of the institution, or on behalf of the institution, unless such person is appropriately qualified and licensed.

''(e) DOMESTIC VIOLENCE DISCRIMINATION PROHIBITION.—

''(1) IN GENERAL.—In the case of an applicant for, or an insured under, any insurance product described in paragraph (2), the status of the applicant or insured as a victim of domestic violence, or as a provider of services to victims of domestic violence, shall not be considered as a criterion in any decision with regard to insurance underwriting, pricing, renewal, or scope of coverage of insurance policies, or payment of insurance claims, except as required or expressly permitted under State law.

''(2) SCOPE OF APPLICATION.—The prohibition contained in paragraph (1) shall apply to any insurance product which is sold or offered for sale, as principal, agent, or broker, by any insured depository institution or wholesale financial institution or any person who is engaged in such activities at an office of the institution or on behalf of the institution.

''(3) SENSE OF THE CONGRESS.—It is the sense of the Congress that, by the end of the 30-month period beginning on the date of the enactment of this Act, the States should enact prohibitions against discrimination with respect to insurance products that are at least as strict as the prohibitions contained in paragraph (1).

''(4) DOMESTIC VIOLENCE DEFINED.—For purposes of this subsection, the term 'domestic violence' means the occurrence of one or more of the following acts by a current or former family member, household member, intimate partner, or caretaker:

''(A) Attempting to cause or causing or threatening another person physical harm, severe emotional distress, psychological trauma, rape, or sexual assault.

''(B) Engaging in a course of conduct or repeatedly committing acts toward another person, including following the person without proper authority, under circumstances that place the person in reasonable fear of bodily injury or physical harm.

''(C) Subjecting another person to false imprisonment.

''(D) Attempting to cause or cause damage to property so as to intimidate or attempt to control the behavior of another person.

''(f) CONSUMER GRIEVANCE PROCESS.—The Federal banking agencies shall jointly establish a consumer complaint mechanism, for receiving and expeditiously addressing consumer complaints alleging a violation of regulations issued under the section, which shall—

''(1) establish a group within each regulatory agency to receive such complaints;

''(2) develop procedures for investigating such complaints;

''(3) develop procedures for informing consumers of rights they may have in connection with such complaints; and

''(4) develop procedures for addressing concerns raised by such complaints, as appropriate, including procedures for the recovery of losses to the extent appropriate.

''(g) EFFECT ON OTHER AUTHORITY.—

''(1) IN GENERAL.—No provision of this section shall be construed as granting, limiting, or otherwise affecting—

''(A) any authority of the Securities and Exchange Commission, any self-regulatory organization, the Municipal Securities Rulemaking Board, or the Secretary of the Treasury under any Federal securities law; or

''(B) except as provided in paragraph (2), any authority of any State insurance commissioner or other State authority under any State law.

''(2) COORDINATION WITH STATE LAW.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), regulations prescribed by a Federal banking agency under this section shall not apply to retail sales, solicitations, advertising, or offers of any insurance product by any insured depository institution or wholesale financial institution or to any person who is engaged in such activities at an office of such institution or on behalf of the institution, in a State where the State has in effect statutes, regulations, orders, or interpretations, that are inconsistent with or contrary to the regulations prescribed by the Federal banking agencies.

''(B) PREEMPTION.—If, with respect to any provision of the regulations prescribed under this section, the Board of Governors of the Federal Reserve System, the Comptroller of the Currency, and the Board of Directors of the Federal Deposit Insurance Corporation determine jointly that the protection afforded by such provision for consumers is greater than the protection provided by a comparable provision of the statutes, regulations, orders, or interpretations referred to in subparagraph (A) of any State, such provision of the regulations prescribed under this section shall supersede the comparable provision of such State statute, regulation, order, or interpretation.

''(h) INSURANCE PRODUCT DEFINED.—For purposes of this section, the term 'insurance product' includes an annuity contract the income of which is subject to tax treatment under section 72 of the Internal Revenue Code of 1986.''.

SEC. 308. CERTAIN STATE AFFILIATION LAWS PREEMPTED FOR INSURANCE COMPANIES AND AFFILIATES.

Except as provided in section 104(a)(2), no State may, by law, regulation, order, interpretation, or otherwise—

(1) prevent or significantly interfere with the ability of any insurer, or any affiliate of an insurer (whether such affiliate is organized as a stock company, mutual holding company, or otherwise), to become a financial holding company or to acquire control of an insured depository institution;

(2) limit the amount of an insurer's assets that may be invested in the voting securities of an insured depository institution (or any company which controls such institution), except that the laws of an insurer's State of domicile may limit the amount of such investment to an amount that is not less than 5 percent of the insurer's admitted assets; or

(3) prevent, significantly interfere with, or have the authority to review, approve, or disapprove a plan of reorganization by which an insurer proposes to reorganize from mutual form to become a stock insurer (whether as a direct or indirect subsidiary of a mutual holding company or otherwise) unless such State is the State of domicile of the insurer.

SEC. 309. INTERAGENCY CONSULTATION.

(a) PURPOSE.—It is the intention of the Congress that the Board of Governors of the Federal Reserve System, as the umbrella supervisor for financial holding companies, and the State insurance regulators, as the functional regulators of companies engaged in insurance activities, coordinate efforts to supervise companies that

control both a depository institution and a company engaged in insurance activities regulated under State law. In particular, Congress believes that the Board and the State insurance regulators should share, on a confidential basis, information relevant to the supervision of companies that control both a depository institution and a company engaged in insurance activities, including information regarding the financial health of the consolidated organization and information regarding transactions and relationships between insurance companies and affiliated depository institutions. The appropriate Federal banking agencies for depository institutions should also share, on a confidential basis, information with the relevant State insurance regulators regarding transactions and relationships between depository institutions and affiliated companies engaged in insurance activities. The purpose of this section is to encourage this coordination and confidential sharing of information, and to thereby improve both the efficiency and the quality of the supervision of financial holding companies and their affiliated depository institutions and companies engaged in insurance activities.

(b) EXAMINATION RESULTS AND OTHER INFORMATION.—

(1) INFORMATION OF THE BOARD.—Upon the request of the appropriate insurance regulator of any State, the Board may provide any information of the Board regarding the financial condition, risk management policies, and operations of any financial holding company that controls a company that is engaged in insurance activities and is regulated by such State insurance regulator, and regarding any transaction or relationship between such an insurance company and any affiliated depository institution. The Board may provide any other information to the appropriate State insurance regulator that the Board believes is necessary or appropriate to permit the State insurance regulator to administer and enforce applicable State insurance laws.

(2) BANKING AGENCY INFORMATION.—Upon the request of the appropriate insurance regulator of any State, the appropriate Federal banking agency may provide any information of the agency regarding any transaction or relationship between a depository institution supervised by such Federal banking agency and any affiliated company that is engaged in insurance activities regulated by such State insurance regulator. The appropriate Federal banking agency may provide any other information to the appropriate State insurance regulator that the agency believes is necessary or appropriate to permit the State insurance regulator to administer and enforce applicable State insurance laws.

(3) STATE INSURANCE REGULATOR INFORMATION.—Upon the request of the Board or the appropriate Federal banking agency, a State insurance regulator may provide any examination or other reports, records, or other information to which such insurance regulator may have access with respect to a company which—

(A) is engaged in insurance activities and regulated by such insurance regulator; and

(B) is an affiliate of an insured depository institution, wholesale financial institution, or financial holding company.

(c) CONSULTATION.—Before making any determination relating to the initial affiliation of, or the continuing affiliation of, an insured depository institution, wholesale financial institution, or financial holding company with a company engaged in insurance activities, the appropriate Federal banking agency shall consult with the appropriate State insurance regulator of such company and take the views of such insurance regulator into account in making such determination.

(d) EFFECT ON OTHER AUTHORITY.—Nothing in this section shall limit in any respect the authority of the appropriate Federal banking agency with respect to an insured depository institution, wholesale financial institution, or bank holding company or any affiliate thereof under any provision of law.

(e) CONFIDENTIALITY AND PRIVILEGE.—

(1) CONFIDENTIALITY.—The appropriate Federal banking agency shall not provide any information or material that is entitled to confidential treatment under applicable Federal banking agency regulations, or other applicable law, to a State insurance regulator unless such regulator agrees to maintain the information or material in confidence and to take all reasonable steps to oppose any effort to secure disclosure of the information or material by the regulator. The appropriate Federal banking agency shall treat as confidential any information or material obtained from a State insurance regulator that is entitled to confidential treatment under applicable State regulations, or other applicable law, and take all reasonable steps to oppose any effort to secure disclosure of the information or material by the Federal banking agency.

(2) PRIVILEGE.—The provision pursuant to this section of information or material by a Federal banking agency or State insurance regulator shall not constitute a waiver of, or otherwise affect, any privilege to which the information or material is otherwise subject.

(f) DEFINITIONS.—For purposes of this section, the following definitions shall apply:

(1) APPROPRIATE FEDERAL BANKING AGENCY; INSURED DEPOSITORY INSTITUTION.—The terms ''appropriate Federal banking agency'' and ''insured depository institution'' have the same meanings as in section 3 of the Federal Deposit Insurance Act.

(2) BOARD; FINANCIAL HOLDING COMPANY; AND WHOLESALE FINANCIAL INSTITUTION.—The terms ''Board'', ''financial holding company'', and ''wholesale financial institution'' have the same meanings as in section 2 of the Bank Holding Company Act of 1956.

SEC. 310. DEFINITION OF STATE.

For purposes of this subtitle, the term ''State'' means any State of the United States, the District of Columbia, any territory of the United States, Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, the Virgin Islands, and the Northern Mariana Islands.

Subtitle B—Redomestication of Mutual Insurers

SEC. 311. GENERAL APPLICATION.

This subtitle shall only apply to a mutual insurance company in a State which has not enacted a law which expressly establishes reasonable terms and conditions for a mutual insurance company domiciled in such State to reorganize into a mutual holding company.

SEC. 312. REDOMESTICATION OF MUTUAL INSURERS.

(a) REDOMESTICATION.—A mutual insurer organized under the laws of any State may transfer its domicile to a transferee domicile as a step in a reorganization in which, pursuant to the laws of the transferee domicile and consistent with the standards in subsection (f), the mutual insurer becomes a stock insurer that is a direct or indirect subsidiary of a mutual holding company.

(b) RESULTING DOMICILE.—Upon complying with the applicable law of the transferee domicile governing transfers of domicile and completion of a transfer pursuant to this section, the mutual insurer shall cease to be a domestic insurer in the transferor domicile and, as a continuation of its corporate existence, shall be a domestic insurer of the transferee domicile.

(c) LICENSES PRESERVED.—The certificate of authority, agents' appointments and licenses, rates, approvals and other items that a licensed State allows and that are in existence immediately prior to the date that a redomesticating insurer transfers its domicile pursuant to this subtitle shall continue in full force and effect upon transfer, if the insurer remains duly qualified to transact the business of insurance in such licensed State.

(d) EFFECTIVENESS OF OUTSTANDING POLICIES AND CONTRACTS.—

(1) IN GENERAL.—All outstanding insurance policies and annuities contracts of a redomesticating insurer shall remain in full force and effect and need not be endorsed as to the new domicile of the insurer, unless so ordered by the State insurance regulator of a licensed State, and then only in the case of outstanding policies and contracts whose owners reside in such licensed State.

(2) FORMS.—

(A) Applicable State law may require a redomesticating insurer to file new policy forms with the State insurance regulator of a licensed State on or before the effective date of the transfer.

(B) Notwithstanding subparagraph (A), a redomesticating insurer may use existing policy forms with appropriate endorsements to reflect the new domicile of the redomesticating insurer until the new policy forms are approved for use by the State insurance regulator of such licensed State.

(e) NOTICE.—A redomesticating insurer shall give notice of the proposed transfer to the State insurance regulator of each licensed State and shall file promptly any resulting amendments to corporate documents required to be filed by a foreign licensed mutual insurer with the insurance regulator of each such licensed State.

(f) PROCEDURAL REQUIREMENTS.—No mutual insurer may redomesticate to another State and reorganize into a mutual holding company pursuant to this section unless the State insurance regulator of the transferee domicile determines that the plan of reorganization of the insurer includes the following requirements:

(1) APPROVAL BY BOARD OF DIRECTORS AND POLICYHOLDERS.—The reorganization is approved by at least a majority of the board of directors of the mutual insurer and at least a majority of the policyholders who vote after notice, disclosure of the reorganization and the effects of the transaction on policyholder contractual rights, and reasonable opportunity to vote, in accordance with such notice, disclosure, and voting procedures as are approved by the State insurance regulator of the transferee domicile.

(2) CONTINUED VOTING CONTROL BY POLICYHOLDERS; REVIEW OF PUBLIC STOCK OFFERING.—After the consummation of a reorganization, the policyholders of the reorganized insurer shall have the same voting rights with respect to the mutual holding company as they had before the reorganization with respect to the mutual insurer. With respect to an initial public offering of stock, the offering shall be conducted in compliance with applicable securities laws and in a manner approved by the State insurance regulator of the transferee domicile.

(3) AWARD OF STOCK OR GRANT OF OPTIONS TO OFFICERS AND DIRECTORS.—For a period of 6 months after completion of an initial public offering, neither a stock holding company nor the converted insurer shall award any stock options or stock grants to persons who are elected officers or directors of the mutual holding company, the stock holding company, or the converted insurer, except with respect to any such awards or options to which a person is entitled as a policyholder and as approved by the State insurance regulator of the transferee domicile.

(4) CONTRACTUAL RIGHTS.—Upon reorganization into a mutual holding company, the contractual rights of the policyholders are preserved.

(5) FAIR AND EQUITABLE TREATMENT OF POLICYHOLDERS.—The reorganization is approved as fair and equitable to the policyholders by the insurance regulator of the transferee domicile.

SEC. 313. EFFECT ON STATE LAWS RESTRICTING REDOMESTICATION.

(a) IN GENERAL.—Unless otherwise permitted by this subtitle, State laws of any transferor

domicile that conflict with the purposes and intent of this subtitle are preempted, including but not limited to—

(1) any law that has the purpose or effect of impeding the activities of, taking any action against, or applying any provision of law or regulation to, any insurer or an affiliate of such insurer because that insurer or any affiliate plans to redomesticate, or has redomesticated, pursuant to this subtitle;

(2) any law that has the purpose or effect of impeding the activities of, taking action against, or applying any provision of law or regulation to, any insured or any insurance licensee or other intermediary because such person has procured insurance from or placed insurance with any insurer or affiliate of such insurer that plans to redomesticate, or has redomesticated, pursuant to this subtitle, but only to the extent that such law would treat such insured licensee or other intermediary differently than if the person procured insurance from, or placed insurance with, an insured licensee or other intermediary which had not redomesticated;

(3) any law that has the purpose or effect of terminating, because of the redomestication of a mutual insurer pursuant to this subtitle, any certificate of authority, agent appointment or license, rate approval, or other approval, of any State insurance regulator or other State authority in existence immediately prior to the redomestication in any State other than the transferee domicile.

(b) DIFFERENTIAL TREATMENT PROHIBITED.—No State law, regulation, interpretation, or functional equivalent thereof, of a State other than a transferee domicile may treat a redomesticating or redomesticated insurer or any affiliate thereof any differently than an insurer operating in that State that is not a redomesticating or redomesticated insurer.

(c) LAWS PROHIBITING OPERATIONS.—If any licensed State fails to issue, delays the issuance of, or seeks to revoke an original or renewal certificate of authority of a redomesticated insurer immediately following redomestication, except on grounds and in a manner consistent with its past practices regarding the issuance of certificates of authority to foreign insurers that are not redomesticating, then the redomesticating insurer shall be exempt from any State law of the licensed State to the extent that such State law or the operation of such State law would make unlawful, or regulate, directly or indirectly, the operation of the redomesticated insurer, except that such licensed State may require the redomesticated insurer to—

(1) comply with the unfair claim settlement practices law of the licensed State;

(2) pay, on a nondiscriminatory basis, applicable premium and other taxes which are levied on licensed insurers or policyholders under the laws of the licensed State;

(3) register with and designate the State insurance regulator as its agent solely for the purpose of receiving service of legal documents or process;

(4) submit to an examination by the State insurance regulator in any licensed state in which the redomesticated insurer is doing business to determine the insurer's financial condition, if—

(A) the State insurance regulator of the transferee domicile has not begun an examination of the redomesticated insurer and has not scheduled such an examination to begin before the end of the 1-year period beginning on the date of the redomestication; and

(B) any such examination is coordinated to avoid unjustified duplication and repetition;

(5) comply with a lawful order issued in—

(A) a delinquency proceeding commenced by the State insurance regulator of any licensed State if there has been a judicial finding of financial impairment under paragraph (7); or

(B) a voluntary dissolution proceeding;

(6) comply with any State law regarding deceptive, false, or fraudulent acts or practices, except that if the licensed State seeks an injunction regarding the conduct described in this paragraph, such injunction must be obtained from a court of competent jurisdiction as provided in section 314(a);

(7) comply with an injunction issued by a court of competent jurisdiction, upon a petition by the State insurance regulator alleging that the redomesticating insurer is in hazardous financial condition or is financially impaired;

(8) participate in any insurance insolvency guaranty association on the same basis as any other insurer licensed in the licensed State; and

(9) require a person acting, or offering to act, as an insurance licensee for a redomesticated insurer in the licensed State to obtain a license from that State, except that such State may not impose any qualification or requirement that discriminates against a nonresident insurance licensee.

SEC. 314. OTHER PROVISIONS.

(a) JUDICIAL REVIEW.—The appropriate United States district court shall have exclusive jurisdiction over litigation arising under this section involving any redomesticating or redomesticated insurer.

(b) SEVERABILITY.—If any provision of this section, or the application thereof to any person or circumstances, is held invalid, the remainder of the section, and the application of such provision to other persons or circumstances, shall not be affected thereby.

SEC. 315. DEFINITIONS.

For purposes of this subtitle, the following definitions shall apply:

(1) COURT OF COMPETENT JURISDICTION.—The term ''court of competent jurisdiction'' means a court authorized pursuant to section 314(a) to adjudicate litigation arising under this subtitle.

(2) DOMICILE.—The term ''domicile'' means the State in which an insurer is incorporated, chartered, or organized.

(3) INSURANCE LICENSEE.—The term ''insurance licensee'' means any person holding a license under State law to act as insurance agent, subagent, broker, or consultant.

(4) INSTITUTION.—The term ''institution'' means a corporation, joint stock company, limited liability company, limited liability partnership, association, trust, partnership, or any similar entity.

(5) LICENSED STATE.—The term ''licensed State'' means any State, the District of Columbia, American Samoa, Guam, Puerto Rico, or the United States Virgin Islands in which the redomesticating insurer has a certificate of authority in effect immediately prior to the redomestication.

(6) MUTUAL INSURER.—The term ''mutual insurer'' means a mutual insurer organized under the laws of any State.

(7) PERSON.—The term ''person'' means an individual, institution, government or governmental agency, State or political subdivision of a State, public corporation, board, association, estate, trustee, or fiduciary, or other similar entity.

(8) POLICYHOLDER.—The term ''policyholder'' means the owner of a policy issued by a mutual insurer, except that, with respect to voting rights, the term means a member of a mutual insurer or mutual holding company granted the right to vote, as determined under applicable State law.

(9) REDOMESTICATED INSURER.—The term ''redomesticated insurer'' means a mutual insurer that has redomesticated pursuant to this subtitle.

(10) REDOMESTICATING INSURER.—The term ''redomesticating insurer'' means a mutual insurer that is redomesticating pursuant to this subtitle.

(11) REDOMESTICATION OR TRANSFER.—The terms ''redomestication'' and ''transfer'' mean the transfer of the domicile of a mutual insurer from one State to another State pursuant to this subtitle.

(12) STATE INSURANCE REGULATOR.—The term ''State insurance regulator'' means the principal insurance regulatory authority of a State, the District of Columbia, American Samoa, Guam, Puerto Rico, or the United States Virgin Islands.

(13) STATE LAW.—The term ''State law'' means the statutes of any State, the District of Columbia, American Samoa, Guam, Puerto Rico, or the United States Virgin Islands and any regulation, order, or requirement prescribed pursuant to any such statute.

(14) TRANSFEREE DOMICILE.—The term ''transferee domicile'' means the State to which a mutual insurer is redomesticating pursuant to this subtitle.

(15) TRANSFEROR DOMICILE.—The term ''transferor domicile'' means the State from which a mutual insurer is redomesticating pursuant to this subtitle.

SEC. 316. EFFECTIVE DATE.

This subtitle shall take effect on the date of the enactment of this Act.

Subtitle C—National Association of Registered Agents and Brokers

SEC. 321. STATE FLEXIBILITY IN MULTISTATE LICENSING REFORMS.

(a) IN GENERAL.—The provisions of this subtitle shall take effect unless, not later than 3 years after the date of the enactment of this Act, at least a majority of the States—

(1) have enacted uniform laws and regulations governing the licensure of individuals and entities authorized to sell and solicit the purchase of insurance within the State; or

(2) have enacted reciprocity laws and regulations governing the licensure of nonresident individuals and entities authorized to sell and solicit insurance within those States.

(b) UNIFORMITY REQUIRED.—States shall be deemed to have established the uniformity necessary to satisfy subsection (a)(1) if the States—

(1) establish uniform criteria regarding the integrity, personal qualifications, education, training, and experience of licensed insurance producers, including the qualification and training of sales personnel in ascertaining the appropriateness of a particular insurance product for a prospective customer;

(2) establish uniform continuing education requirements for licensed insurance producers;

(3) establish uniform ethics course requirements for licensed insurance producers in conjunction with the continuing education requirements under paragraph (2);

(4) establish uniform criteria to ensure that an insurance product, including any annuity contract, sold to a consumer is suitable and appropriate for the consumer based on financial information disclosed by the consumer; and

(5) do not impose any requirement upon any insurance producer to be licensed or otherwise qualified to do business as a nonresident that has the effect of limiting or conditioning that producer's activities because of its residence or place of operations, except that counter-signature requirements imposed on nonresident producers shall not be deemed to have the effect of limiting or conditioning a producer's activities because of its residence or place of operations under this section.

(c) RECIPROCITY REQUIRED.—States shall be deemed to have established the reciprocity required to satisfy subsection (a)(2) if the following conditions are met:

(1) ADMINISTRATIVE LICENSING PROCEDURES.—At least a majority of the States permit a producer that has a resident license for selling or soliciting the purchase of insurance in its home State to receive a license to sell or solicit the purchase of insurance in such majority of States as a nonresident to the same extent that such producer is permitted to sell or solicit the purchase of insurance in its State, if the producer's home State also awards such licenses on such a reciprocal basis, without satisfying any additional requirements other than submitting—

(A) a request for licensure;

(B) the application for licensure that the producer submitted to its home State;

(C) proof that the producer is licensed and in good standing in its home State; and

(D) the payment of any requisite fee to the appropriate authority.

(2) CONTINUING EDUCATION REQUIREMENTS.—A majority of the States accept an insurance producer's satisfaction of its home State's continuing education requirements for licensed insurance producers to satisfy the States' own continuing education requirements if the producer's home State also recognizes the satisfaction of continuing education requirements on such a reciprocal basis.

(3) NO LIMITING NONRESIDENT REQUIREMENTS.—A majority of the States do not impose any requirement upon any insurance producer to be licensed or otherwise qualified to do business as a nonresident that has the effect of limiting or conditioning that producer's activities because of its residence or place of operations, except that countersignature requirements imposed on nonresident producers shall not be deemed to have the effect of limiting or conditioning a producer's activities because of its residence or place of operations under this section.

(4) RECIPROCAL RECIPROCITY.—Each of the States that satisfies paragraphs (1), (2), and (3) grants reciprocity to residents of all of the other States that satisfy such paragraphs.

(d) DETERMINATION.—

(1) NAIC DETERMINATION.—At the end of the 3-year period beginning on the date of the enactment of this Act, the National Association of Insurance Commissioners shall determine, in consultation with the insurance commissioners or chief insurance regulatory officials of the States, whether the uniformity or reciprocity required by subsections (b) and (c) has been achieved.

(2) JUDICIAL REVIEW.—The appropriate United States district court shall have exclusive jurisdiction over any challenge to the National Association of Insurance Commissioners' determination under this section and such court shall apply the standards set forth in section 706 of title 5, United States Code, when reviewing any such challenge.

(e) CONTINUED APPLICATION.—If, at any time, the uniformity or reciprocity required by subsections (b) and (c) no longer exists, the provisions of this subtitle shall take effect 2 years after the date on which such uniformity or reciprocity ceases to exist, unless the uniformity or reciprocity required by those provisions is satisfied before the expiration of that 2-year period.

(f) SAVINGS PROVISION.—No provision of this section shall be construed as requiring that any law, regulation, provision, or action of any State which purports to regulate insurance producers, including any such law, regulation, provision, or action which purports to regulate unfair trade practices or establish consumer protections, including countersignature laws, be altered or amended in order to satisfy the uniformity or reciprocity required by subsections (b) and (c), unless any such law, regulation, provision, or action is inconsistent with a specific requirement of any such subsection and then only to the extent of such inconsistency.

(g) UNIFORM LICENSING.—Nothing in this section shall be construed to require any State to adopt new or additional licensing requirements to achieve the uniformity necessary to satisfy subsection (a)(1).

SEC. 322. NATIONAL ASSOCIATION OF REGISTERED AGENTS AND BROKERS.

(a) ESTABLISHMENT.—There is established the National Association of Registered Agents and Brokers (hereafter in this subtitle referred to as the ''Association'').

(b) STATUS.—The Association shall—

(1) be a nonprofit corporation;

(2) have succession until dissolved by an Act of Congress;

(3) not be an agent or instrumentality of the United States Government; and

(4) except as otherwise provided in this Act, be subject to, and have all the powers conferred upon a nonprofit corporation by the District of Columbia Nonprofit Corporation Act (D.C. Code, sec. 29y–1001 et seq.).

SEC. 323. PURPOSE.

The purpose of the Association shall be to provide a mechanism through which uniform licensing, appointment, continuing education, and other insurance producer sales qualification requirements and conditions can be adopted and applied on a multistate basis, while preserving the right of States to license, supervise, and discipline insurance producers and to prescribe and enforce laws and regulations with regard to insurance-related consumer protection and unfair trade practices.

SEC. 324. RELATIONSHIP TO THE FEDERAL GOVERNMENT.

The Association shall be subject to the supervision and oversight of the National Association of Insurance Commissioners (hereafter in this subtitle referred to as the ''NAIC'').

SEC. 325. MEMBERSHIP.

(a) ELIGIBILITY.—

(1) IN GENERAL.—Any State-licensed insurance producer shall be eligible to become a member in the Association.

(2) INELIGIBILITY FOR SUSPENSION OR REVOCATION OF LICENSE.—Notwithstanding paragraph (1), a State-licensed insurance producer shall not be eligible to become a member if a State insurance regulator has suspended or revoked such producer's license in that State during the 3-year period preceding the date on which such producer applies for membership.

(3) RESUMPTION OF ELIGIBILITY.—Paragraph (2) shall cease to apply to any insurance producer if—

(A) the State insurance regulator renews the license of such producer in the State in which the license was suspended or revoked; or

(B) the suspension or revocation is subsequently overturned.

(b) AUTHORITY TO ESTABLISH MEMBERSHIP CRITERIA.—The Association shall have the authority to establish membership criteria that—

(1) bear a reasonable relationship to the purposes for which the Association was established; and

(2) do not unfairly limit the access of smaller agencies to the Association membership.

(c) ESTABLISHMENT OF CLASSES AND CATEGORIES.—

(1) CLASSES OF MEMBERSHIP.—The Association may establish separate classes of membership, with separate criteria, if the Association reasonably determines that performance of different duties requires different levels of education, training, or experience.

(2) CATEGORIES.—The Association may establish separate categories of membership for individuals and for other persons. The establishment of any such categories of membership shall be based either on the types of licensing categories that exist under State laws or on the aggregate amount of business handled by an insurance producer. No special categories of membership, and no distinct membership criteria, shall be established for members which are insured depository institutions or wholesale financial institutions or for their employees, agents, or affiliates.

(d) MEMBERSHIP CRITERIA.—

(1) IN GENERAL.—The Association may establish criteria for membership which shall include standards for integrity, personal qualifications, education, training, and experience.

(2) MINIMUM STANDARD.—In establishing criteria under paragraph (1), the Association shall consider the highest levels of insurance producer qualifications established under the licensing laws of the States.

(e) EFFECT OF MEMBERSHIP.—Membership in the Association shall entitle the member to licensure in each State for which the member pays the requisite fees, including licensing fees and, where applicable, bonding requirements, set by such State.

(f) ANNUAL RENEWAL.—Membership in the Association shall be renewed on an annual basis.

(g) CONTINUING EDUCATION.—The Association shall establish, as a condition of membership, continuing education requirements which shall be comparable to or greater than the continuing education requirements under the licensing laws of a majority of the States.

(h) SUSPENSION AND REVOCATION.—The Association may—

(1) inspect and examine the records and offices of the members of the Association to determine compliance with the criteria for membership established by the Association; and

(2) suspend or revoke the membership of an insurance producer if—

(A) the producer fails to meet the applicable membership criteria of the Association; or

(B) the producer has been subject to disciplinary action pursuant to a final adjudicatory proceeding under the jurisdiction of a State insurance regulator, and the Association concludes that retention of membership in the Association would not be in the public interest.

(i) OFFICE OF CONSUMER COMPLAINTS.—

(1) IN GENERAL.—The Association shall establish an office of consumer complaints that shall—

(A) receive and investigate complaints from both consumers and State insurance regulators related to members of the Association; and

(B) recommend to the Association any disciplinary actions that the office considers appropriate, to the extent that any such recommendation is not inconsistent with State law.

(2) RECORDS AND REFERRALS.—The office of consumer complaints of the Association shall—

(A) maintain records of all complaints received in accordance with paragraph (1) and make such records available to the NAIC and to each State insurance regulator for the State of residence of the consumer who filed the complaint; and

(B) refer, when appropriate, any such complaint to any appropriate State insurance regulator.

(3) TELEPHONE AND OTHER ACCESS.—The office of consumer complaints shall maintain a toll-free telephone number for the purpose of this subsection and, as practicable, other alternative means of communication with consumers, such as an Internet home page.

SEC. 326. BOARD OF DIRECTORS.

(a) ESTABLISHMENT.—There is established the board of directors of the Association (hereafter in this subtitle referred to as the ''Board'') for the purpose of governing and supervising the activities of the Association and the members of the Association.

(b) POWERS.—The Board shall have such powers and authority as may be specified in the bylaws of the Association.

(c) COMPOSITION.—

(1) MEMBERS.—The Board shall be composed of seven members appointed by the NAIC.

(2) REQUIREMENT.—At least four of the members of the Board shall have significant experience with the regulation of commercial lines of insurance in at least 1 of the 20 States in which the greatest total dollar amount of commercial-lines insurance is placed in the United States.

(3) INITIAL BOARD MEMBERSHIP.—

(A) IN GENERAL.—If, by the end of the 2-year period beginning on the date of the enactment of this Act, the NAIC has not appointed the initial seven members of the Board of the Association, the initial Board shall consist of the seven State insurance regulators of the seven States with the greatest total dollar amount of commercial-lines insurance in place as of the end of such period.

(B) ALTERNATE COMPOSITION.—If any of the State insurance regulators described in subparagraph (A) declines to serve on the Board, the State insurance regulator with the next greatest total dollar amount of commercial-lines insurance in place, as determined by the NAIC as of

the end of such period, shall serve as a member of the Board.

(C) INOPERABILITY.—If fewer than seven State insurance regulators accept appointment to the Board, the Association shall be established without NAIC oversight pursuant to section 332.

(d) TERMS.—The term of each director shall, after the initial appointment of the members of the Board, be for 3 years, with one-third of the directors to be appointed each year.

(e) BOARD VACANCIES.—A vacancy on the Board shall be filled in the same manner as the original appointment of the initial Board for the remainder of the term of the vacating member.

(f) MEETINGS.—The Board shall meet at the call of the chairperson, or as otherwise provided by the bylaws of the Association.

SEC. 327. OFFICERS.

(a) IN GENERAL.—

(1) POSITIONS.—The officers of the Association shall consist of a chairperson and a vice chairperson of the Board, a president, secretary, and treasurer of the Association, and such other officers and assistant officers as may be deemed necessary.

(2) MANNER OF SELECTION.—Each officer of the Board and the Association shall be elected or appointed at such time and in such manner and for such terms not exceeding 3 years as may be prescribed in the bylaws of the Association.

(b) CRITERIA FOR CHAIRPERSON.—Only individuals who are members of the NAIC shall be eligible to serve as the chairperson of the board of directors.

SEC. 328. BYLAWS, RULES, AND DISCIPLINARY ACTION.

(a) ADOPTION AND AMENDMENT OF BYLAWS.—

(1) COPY REQUIRED TO BE FILED WITH THE NAIC.—The board of directors of the Association shall file with the NAIC a copy of the proposed bylaws or any proposed amendment to the bylaws, accompanied by a concise general statement of the basis and purpose of such proposal.

(2) EFFECTIVE DATE.—Except as provided in paragraph (3), any proposed bylaw or proposed amendment shall take effect—

(A) thirty days after the date of the filing of a copy with the NAIC;

(B) upon such later date as the Association may designate; or

(C) upon such earlier date as the NAIC may determine.

(3) DISAPPROVAL BY THE NAIC.—Notwithstanding paragraph (2), a proposed bylaw or amendment shall not take effect if, after public notice and opportunity to participate in a public hearing—

(A) the NAIC disapproves such proposal as being contrary to the public interest or contrary to the purposes of this subtitle and provides notice to the Association setting forth the reasons for such disapproval; or

(B) the NAIC finds that such proposal involves a matter of such significant public interest that public comment should be obtained, in which case it may, after notifying the Association in writing of such finding, require that the procedures set forth in subsection (b) be followed with respect to such proposal, in the same manner as if such proposed bylaw change were a proposed rule change within the meaning of such subsection.

(b) ADOPTION AND AMENDMENT OF RULES.—

(1) FILING PROPOSED REGULATIONS WITH THE NAIC.—

(A) IN GENERAL.—The board of directors of the Association shall file with the NAIC a copy of any proposed rule or any proposed amendment to a rule of the Association which shall be accompanied by a concise general statement of the basis and purpose of such proposal.

(B) OTHER RULES AND AMENDMENTS INEFFECTIVE.—No proposed rule or amendment shall take effect unless approved by the NAIC or otherwise permitted in accordance with this paragraph.

(2) INITIAL CONSIDERATION BY THE NAIC.—Not later than 35 days after the date of publication of notice of filing of a proposal, or before the end of such longer period not to exceed 90 days as the NAIC may designate after such date, if the NAIC finds such longer period to be appropriate and sets forth its reasons for so finding, or as to which the Association consents, the NAIC shall—

(A) by order approve such proposed rule or amendment; or

(B) institute proceedings to determine whether such proposed rule or amendment should be modified or disapproved.

(3) NAIC PROCEEDINGS.—

(A) IN GENERAL.—Proceedings instituted by the NAIC with respect to a proposed rule or amendment pursuant to paragraph (2) shall—

(i) include notice of the grounds for disapproval under consideration;

(ii) provide opportunity for hearing; and

(iii) be concluded not later than 180 days after the date of the Association's filing of such proposed rule or amendment.

(B) DISPOSITION OF PROPOSAL.—At the conclusion of any proceeding under subparagraph (A), the NAIC shall, by order, approve or disapprove the proposed rule or amendment.

(C) EXTENSION OF TIME FOR CONSIDERATION.—The NAIC may extend the time for concluding any proceeding under subparagraph (A) for—

(i) not more than 60 days if the NAIC finds good cause for such extension and sets forth its reasons for so finding; or

(ii) for such longer period as to which the Association consents.

(4) STANDARDS FOR REVIEW.—

(A) GROUNDS FOR APPROVAL.—The NAIC shall approve a proposed rule or amendment if the NAIC finds that the rule or amendment is in the public interest and is consistent with the purposes of this Act.

(B) APPROVAL BEFORE END OF NOTICE PERIOD.—The NAIC shall not approve any proposed rule before the end of the 30-day period beginning on the date on which the Association files proposed rules or amendments in accordance with paragraph (1), unless the NAIC finds good cause for so doing and sets forth the reasons for so finding.

(5) ALTERNATE PROCEDURE.—

(A) IN GENERAL.—Notwithstanding any provision of this subsection other than subparagraph (B), a proposed rule or amendment relating to the administration or organization of the Association shall take effect—

(i) upon the date of filing with the NAIC, if such proposed rule or amendment is designated by the Association as relating solely to matters which the NAIC, consistent with the public interest and the purposes of this subsection, determines by rule do not require the procedures set forth in this paragraph; or

(ii) upon such date as the NAIC shall for good cause determine.

(B) ABROGATION BY THE NAIC.—

(i) IN GENERAL.—At any time within 60 days after the date of filing of any proposed rule or amendment under subparagraph (A)(i) or clause (ii) of this subparagraph, the NAIC may repeal such rule or amendment and require that the rule or amendment be refiled and reviewed in accordance with this paragraph, if the NAIC finds that such action is necessary or appropriate in the public interest, for the protection of insurance producers or policyholders, or otherwise in furtherance of the purposes of this subtitle.

(ii) EFFECT OF RECONSIDERATION BY THE NAIC.—Any action of the NAIC pursuant to clause (i) shall—

(I) not affect the validity or force of a rule change during the period such rule or amendment was in effect; and

(II) not be considered to be a final action.

(c) ACTION REQUIRED BY THE NAIC.—The NAIC may, in accordance with such rules as the NAIC determines to be necessary or appropriate to the public interest or to carry out the purposes of this subtitle, require the Association to adopt, amend, or repeal any bylaw, rule or amendment of the Association, whenever adopted.

(d) DISCIPLINARY ACTION BY THE ASSOCIATION.—

(1) SPECIFICATION OF CHARGES.—In any proceeding to determine whether membership shall be denied, suspended, revoked, or not renewed (hereafter in this section referred to as a ''disciplinary action''), the Association shall bring specific charges, notify such member of such charges, give the member an opportunity to defend against the charges, and keep a record.

(2) SUPPORTING STATEMENT.—A determination to take disciplinary action shall be supported by a statement setting forth—

(A) any act or practice in which such member has been found to have been engaged;

(B) the specific provision of this subtitle, the rules or regulations under this subtitle, or the rules of the Association which any such act or practice is deemed to violate; and

(C) the sanction imposed and the reason for such sanction.

(e) NAIC REVIEW OF DISCIPLINARY ACTION.—

(1) NOTICE TO THE NAIC.—If the Association orders any disciplinary action, the Association shall promptly notify the NAIC of such action.

(2) REVIEW BY THE NAIC.—Any disciplinary action taken by the Association shall be subject to review by the NAIC—

(A) on the NAIC's own motion; or

(B) upon application by any person aggrieved by such action if such application is filed with the NAIC not more than 30 days after the later of—

(i) the date the notice was filed with the NAIC pursuant to paragraph (1); or

(ii) the date the notice of the disciplinary action was received by such aggrieved person.

(f) EFFECT OF REVIEW.—The filing of an application to the NAIC for review of a disciplinary action, or the institution of review by the NAIC on the NAIC's own motion, shall not operate as a stay of disciplinary action unless the NAIC otherwise orders.

(g) SCOPE OF REVIEW.—

(1) IN GENERAL.—In any proceeding to review such action, after notice and the opportunity for hearing, the NAIC shall—

(A) determine whether the action should be taken;

(B) affirm, modify, or rescind the disciplinary sanction; or

(C) remand to the Association for further proceedings.

(2) DISMISSAL OF REVIEW.—The NAIC may dismiss a proceeding to review disciplinary action if the NAIC finds that—

(A) the specific grounds on which the action is based exist in fact;

(B) the action is in accordance with applicable rules and regulations; and

(C) such rules and regulations are, and were, applied in a manner consistent with the purposes of this subtitle.

SEC. 329. ASSESSMENTS.

(a) INSURANCE PRODUCERS SUBJECT TO ASSESSMENT.—The Association may establish such application and membership fees as the Association finds necessary to cover the costs of its operations, including fees made reimbursable to the NAIC under subsection (b), except that, in setting such fees, the Association may not discriminate against smaller insurance producers.

(b) NAIC ASSESSMENTS.—The NAIC may assess the Association for any costs that the NAIC incurs under this subtitle.

SEC. 330. FUNCTIONS OF THE NAIC.

(a) ADMINISTRATIVE PROCEDURE.—Determinations of the NAIC, for purposes of making rules pursuant to section 328, shall be made after appropriate notice and opportunity for a hearing and for submission of views of interested persons.

(b) EXAMINATIONS AND REPORTS.—

(1) EXAMINATIONS.—The NAIC may make such examinations and inspections of the Association

and require the Association to furnish to the NAIC such reports and records or copies thereof as the NAIC may consider necessary or appropriate in the public interest or to effectuate the purposes of this subtitle.

(2) REPORT BY ASSOCIATION.—As soon as practicable after the close of each fiscal year, the Association shall submit to the NAIC a written report regarding the conduct of its business, and the exercise of the other rights and powers granted by this subtitle, during such fiscal year. Such report shall include financial statements setting forth the financial position of the Association at the end of such fiscal year and the results of its operations (including the source and application of its funds) for such fiscal year. The NAIC shall transmit such report to the President and the Congress with such comment thereon as the NAIC determines to be appropriate.

SEC. 331. LIABILITY OF THE ASSOCIATION AND THE DIRECTORS, OFFICERS, AND EMPLOYEES OF THE ASSOCIATION.

(a) IN GENERAL.—The Association shall not be deemed to be an insurer or insurance producer within the meaning of any State law, rule, regulation, or order regulating or taxing insurers, insurance producers, or other entities engaged in the business of insurance, including provisions imposing premium taxes, regulating insurer solvency or financial condition, establishing guaranty funds and levying assessments, or requiring claims settlement practices.

(b) LIABILITY OF THE ASSOCIATION, ITS DIRECTORS, OFFICERS, AND EMPLOYEES.—Neither the Association nor any of its directors, officers, or employees shall have any liability to any person for any action taken or omitted in good faith under or in connection with any matter subject to this subtitle.

SEC. 332. ELIMINATION OF NAIC OVERSIGHT.

(a) IN GENERAL.—The Association shall be established without NAIC oversight and the provisions set forth in section 324, subsections (a), (b), (c), and (e) of section 328, and sections 329(b) and 330 of this subtitle shall cease to be effective if, at the end of the 2-year period beginning on the date on which the provisions of this subtitle take effect pursuant to section 321—

(1) at least a majority of the States representing at least 50 percent of the total United States commercial-lines insurance premiums have not satisfied the uniformity or reciprocity requirements of subsections (a), (b), and (c) of section 321; and

(2) the NAIC has not approved the Association's bylaws as required by section 328 or is unable to operate or supervise the Association, or the Association is not conducting its activities as required under this Act.

(b) BOARD APPOINTMENTS.—If the repeals required by subsection (a) are implemented, the following shall apply:

(1) GENERAL APPOINTMENT POWER.—The President, with the advice and consent of the Senate, shall appoint the members of the Association's Board established under section 326 from lists of candidates recommended to the President by the National Association of Insurance Commissioners.

(2) PROCEDURES FOR OBTAINING NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS APPOINTMENT RECOMMENDATIONS.—

(A) INITIAL DETERMINATION AND RECOMMENDATIONS.—After the date on which the provisions of subsection (a) take effect, the NAIC shall, not later than 60 days thereafter, provide a list of recommended candidates to the President. If the NAIC fails to provide a list by that date, or if any list that is provided does not include at least 14 recommended candidates or comply with the requirements of section 326(c), the President shall, with the advice and consent of the Senate, make the requisite appointments without considering the views of the NAIC.

(B) SUBSEQUENT APPOINTMENTS.—After the initial appointments, the NAIC shall provide a list of at least six recommended candidates for the Board to the President by January 15 of each subsequent year. If the NAIC fails to provide a list by that date, or if any list that is provided does not include at least six recommended candidates or comply with the requirements of section 326(c), the President, with the advice and consent of the Senate, shall make the requisite appointments without considering the views of the NAIC.

(C) PRESIDENTIAL OVERSIGHT.—

(i) REMOVAL.—If the President determines that the Association is not acting in the interests of the public, the President may remove the entire existing Board for the remainder of the term to which the members of the Board were appointed and appoint, with the advice and consent of the Senate, new members to fill the vacancies on the Board for the remainder of such terms.

(ii) SUSPENSION OF RULES OR ACTIONS.—The President, or a person designated by the President for such purpose, may suspend the effectiveness of any rule, or prohibit any action, of the Association which the President or the designee determines is contrary to the public interest.

(c) ANNUAL REPORT.—As soon as practicable after the close of each fiscal year, the Association shall submit to the President and to the Congress a written report relative to the conduct of its business, and the exercise of the other rights and powers granted by this subtitle, during such fiscal year. Such report shall include financial statements setting forth the financial position of the Association at the end of such fiscal year and the results of its operations (including the source and application of its funds) for such fiscal year.

SEC. 333. RELATIONSHIP TO STATE LAW.

(a) PREEMPTION OF STATE LAWS.—State laws, regulations, provisions, or other actions purporting to regulate insurance producers shall be preempted as provided in subsection (b).

(b) PROHIBITED ACTIONS.—No State shall—

(1) impede the activities of, take any action against, or apply any provision of law or regulation to, any insurance producer because that insurance producer or any affiliate plans to become, has applied to become, or is a member of the Association;

(2) impose any requirement upon a member of the Association that it pay different fees to be licensed or otherwise qualified to do business in that State, including bonding requirements, based on its residency;

(3) impose any licensing, appointment, integrity, personal or corporate qualifications, education, training, experience, residency, or continuing education requirement upon a member of the Association that is different from the criteria for membership in the Association or renewal of such membership, except that countersignature requirements imposed on nonresident producers shall not be deemed to have the effect of limiting or conditioning a producer's activities because of its residence or place of operations under this section; or

(4) implement the procedures of such State's system of licensing or renewing the licenses of insurance producers in a manner different from the authority of the Association under section 325.

(c) SAVINGS PROVISION.—Except as provided in subsections (a) and (b), no provision of this section shall be construed as altering or affecting the continuing effectiveness of any law, regulation, provision, or other action of any State which purports to regulate insurance producers, including any such law, regulation, provision, or action which purports to regulate unfair trade practices or establish consumer protections, including countersignature laws.

SEC. 334. COORDINATION WITH OTHER REGULATORS.

(a) COORDINATION WITH STATE INSURANCE REGULATORS.—The Association shall have the authority to—

(1) issue uniform insurance producer applications and renewal applications that may be used to apply for the issuance or removal of State licenses, while preserving the ability of each State to impose such conditions on the issuance or renewal of a license as are consistent with section 333;

(2) establish a central clearinghouse through which members of the Association may apply for the issuance or renewal of licenses in multiple States; and

(3) establish or utilize a national database for the collection of regulatory information concerning the activities of insurance producers.

(b) COORDINATION WITH THE NATIONAL ASSOCIATION OF SECURITIES DEALERS.—The Association shall coordinate with the National Association of Securities Dealers in order to ease any administrative burdens that fall on persons that are members of both associations, consistent with the purposes of this subtitle and the Federal securities laws.

SEC. 335. JUDICIAL REVIEW.

(a) JURISDICTION.—The appropriate United States district court shall have exclusive jurisdiction over litigation involving the Association, including disputes between the Association and its members that arise under this subtitle. Suits brought in State court involving the Association shall be deemed to have arisen under Federal law and therefore be subject to jurisdiction in the appropriate United States district court.

(b) EXHAUSTION OF REMEDIES.—An aggrieved person shall be required to exhaust all available administrative remedies before the Association and the NAIC before it may seek judicial review of an Association decision.

(c) STANDARDS OF REVIEW.—The standards set forth in section 553 of title 5, United States Code, shall be applied whenever a rule or bylaw of the Association is under judicial review, and the standards set forth in section 554 of title 5, United States Code, shall be applied whenever a disciplinary action of the Association is judicially reviewed.

SEC. 336. DEFINITIONS.

For purposes of this subtitle, the following definitions shall apply:

(1) HOME STATE.—The term ''home State'' means the State in which the insurance producer maintains its principal place of residence and is licensed to act as an insurance producer.

(2) INSURANCE.—The term ''insurance'' means any product, other than title insurance, defined or regulated as insurance by the appropriate State insurance regulatory authority.

(3) INSURANCE PRODUCER.—The term ''insurance producer'' means any insurance agent or broker, surplus lines broker, insurance consultant, limited insurance representative, and any other person that solicits, negotiates, effects, procures, delivers, renews, continues or binds policies of insurance or offers advice, counsel, opinions or services related to insurance.

(4) STATE.—The term ''State'' includes any State, the District of Columbia, American Samoa, Guam, Puerto Rico, and the United States Virgin Islands.

(5) STATE LAW.—The term ''State law'' includes all laws, decisions, rules, regulations, or other State action having the effect of law, of any State. A law of the United States applicable only to the District of Columbia shall be treated as a State law rather than a law of the United States.

Subtitle D—Rental Car Agency Insurance Activities

SEC. 341. STANDARD OF REGULATION FOR MOTOR VEHICLE RENTALS.

(a) PROTECTION AGAINST RETROACTIVE APPLICATION OF REGULATORY AND LEGAL ACTION.—Except as provided in subsection (b), during the 3-year period beginning on the date of the enactment of this Act, it shall be a presumption that no State law imposes any licensing, appointment, or education requirements on any

person who solicits the purchase of or sells insurance connected with, and incidental to, the lease or rental of a motor vehicle.

(b) PREEMINENCE OF STATE INSURANCE LAW.—No provision of this section shall be construed as altering the validity, interpretation, construction, or effect of—

(1) any State statute;

(2) the prospective application of any court judgment interpreting or applying any State statute; or

(3) the prospective application of any final State regulation, order, bulletin, or other statutorily authorized interpretation or action,

which, by its specific terms, expressly regulates or exempts from regulation any person who solicits the purchase of or sells insurance connected with, and incidental to, the short-term lease or rental of a motor vehicle.

(c) SCOPE OF APPLICATION.—This section shall apply with respect to—

(1) the lease or rental of a motor vehicle for a total period of 90 consecutive days or less; and

(2) insurance which is provided in connection with, and incidentally to, such lease or rental for a period of consecutive days not exceeding the lease or rental period.

(d) MOTOR VEHICLE DEFINED.—For purposes of this section, the term ''motor vehicle'' has the meaning given to such term in section 13102 of title 49, United States Code.

Subtitle E—Confidentiality

SEC. 351. CONFIDENTIALITY OF HEALTH AND MEDICAL INFORMATION.

(a) IN GENERAL.—A company which underwrites or sells annuities contracts or contracts insuring, guaranteeing, or indemnifying against loss, harm, damage, illness, disability, or death (other than credit-related insurance) and any subsidiary or affiliate thereof shall maintain a practice of protecting the confidentiality of individually identifiable customer health and medical and genetic information and may disclose such information only—

(1) with the consent, or at the direction, of the customer;

(2) for insurance underwriting and reinsuring policies, account administration, reporting, investigating, or preventing fraud or material misrepresentation, processing premium payments, processing insurance claims, administering insurance benefits (including utilization review activities), providing information to the customer's physician or other health care provider, participating in research projects, enabling the purchase, transfer, merger, or sale of any insurance-related business, or as otherwise required or specifically permitted by Federal or State law; or

(3) in connection with—

(A) the authorization, settlement, billing, processing, clearing, transferring, reconciling, or collection of amounts charged, debited, or otherwise paid using a debit, credit, or other payment card or account number, or by other payment means;

(B) the transfer of receivables, accounts, or interest therein;

(C) the audit of the debit, credit, or other payment information;

(D) compliance with Federal, State, or local law;

(E) compliance with a properly authorized civil, criminal, or regulatory investigation by Federal, State, or local authorities as governed by the requirements of this section; or

(F) fraud protection, risk control, resolving customer disputes or inquiries, communicating with the person to whom the information relates, or reporting to consumer reporting agencies.

(b) STATE ACTIONS FOR VIOLATIONS.—In addition to such other remedies as are provided under State law, if the chief law enforcement officer of a State, State insurance regulator, or an official or agency designated by a State, has reason to believe that any person has violated or is violating this title, the State may bring an action to enjoin such violation in any appropriate United States district court or in any other court of competent jurisdiction.

(c) EFFECTIVE DATE; SUNSET.—

(1) EFFECTIVE DATE.—Except as provided in paragraph (2), subsection (a) shall take effect on February 1, 2000.

(2) SUNSET.—Subsection (a) shall not take effect if, or shall cease to be effective on and after the date on which, legislation is enacted that satisfies the requirements in section 264(c)(1) of the Health Insurance Portability and Accountability Act of 1996 (Public Law 104–191; 110 Stat. 2033).

(d) CONSULTATION.—While subsection (a) is in effect, State insurance regulatory authorities, through the National Association of Insurance Commissioners, shall consult with the Secretary of Health and Human Services in connection with the administration of such subsection.

TITLE IV—UNITARY SAVINGS AND LOAN HOLDING COMPANIES

SEC. 401. PROHIBITION ON NEW UNITARY SAVINGS AND LOAN HOLDING COMPANIES.

(a) IN GENERAL.—Section 10(c) of the Home Owners' Loan Act (12 U.S.C. 1467a(c)) is amended by adding at the end the following new paragraph:

''(9) TERMINATION OF EXPANDED POWERS FOR NEW UNITARY HOLDING COMPANY.—

''(A) IN GENERAL.—Subject to subparagraph (B) and notwithstanding paragraph (3), no company may directly or indirectly, including through any merger, consolidation, or other type of business combination, acquire control of a savings association after March 4, 1999, unless the company is engaged, directly or indirectly (including through a subsidiary other than a savings association), only in activities that are permitted—

''(i) under paragraph (1)(C) or (2); or

''(ii) for financial holding companies under section 6(c) of the Bank Holding Company Act of 1956.

''(B) EXISTING UNITARY HOLDING COMPANIES AND THE SUCCESSORS TO SUCH COMPANIES.—Subparagraph (A) shall not apply, and paragraph (3) shall continue to apply, to a company (or any subsidiary of such company) that—

''(i) either—

''(I) acquired one or more savings associations described in paragraph (3) pursuant to applications at least one of which was filed on or before March 4, 1999; or

''(II) subject to subparagraph (C), became a savings and loan holding company by acquiring control of the company described in subclause (I); and

''(ii) continues to control the savings association referred to in clause (i)(II) or the successor to any such savings association.

''(C) NOTICE PROCESS FOR NONFINANCIAL ACTIVITIES BY A SUCCESSOR UNITARY HOLDING COMPANY.—

''(i) NOTICE REQUIRED.—Subparagraph (B) shall not apply to any company described in subparagraph (B)(i)(II) which engages, directly or indirectly, in any activity other than activities described in clauses (i) and (ii) of subparagraph (A), unless—

''(I) in addition to an application to the Director under this section to become a savings and loan holding company, the company submits a notice to the Board of Governors of the Federal Reserve System of such nonfinancial activities in the same manner as a notice of nonbanking activities is filed with the Board under section 4(j) of the Bank Holding Company Act of 1956; and

''(II) before the end of the applicable period under such section 4(j), the Board either approves or does not disapprove of the continuation of such activities by such company, directly or indirectly, after becoming a savings and loan holding company.

''(ii) PROCEDURE.—Section 4(j) of the Bank Holding Company Act of 1956, including the standards for review, shall apply to any notice filed with the Board under this subparagraph in the same manner as it applies to notices filed under such section.''.

(b) TECHNICAL AND CONFORMING AMENDMENT.—Section 10(c)(3) of the Home Owners' Loan Act (12 U.S.C. 1467a(c)(3)) is amended by striking ''Notwithstanding'' and inserting ''Except as provided in paragraph (9) and notwithstanding''.

(c) CONFORMING AMENDMENT.—Section 10(o)(5) of the Home Owners' Loan Act (12 U.S.C. 1467a(o)(5)) is amended—

(1) in subparagraph (E), by striking '', except subparagraph (B)''; and

(2) by adding at the end the following new subparagraph:

''(F) In the case of a mutual holding company which is a savings and loan holding company described in subsection (c)(3), engaging in the activities permitted for financial holding companies under section 6(c) of the Bank Holding Company Act of 1956.''.

SEC. 402. RETENTION OF "FEDERAL" IN NAME OF CONVERTED FEDERAL SAVINGS ASSOCIATION.

Section 2 of the Act entitled ''An Act to enable national banking associations to increase their capital stock and to change their names or locations'', approved May 1, 1886 (12 U.S.C. 30), is amended by adding at the end the following new subsection:

''(d) RETENTION OF 'FEDERAL' IN NAME OF CONVERTED FEDERAL SAVINGS ASSOCIATION.—

''(1) IN GENERAL.—Notwithstanding subsection (a) or any other provision of law, any depository institution the charter of which is converted from that of a Federal savings association to a national bank or a State bank after the date of the enactment of the Financial Services Act of 1999 may retain the term 'Federal' in the name of such institution if such depository institution remains an insured depository institution.

''(2) DEFINITIONS.—For purposes of this subsection, the terms 'depository institution', 'insured depository institution', 'national bank', and 'State bank' have the same meanings as in section 3 of the Federal Deposit Insurance Act.''.

TITLE V—PRIVACY

Subtitle A—Disclosure of Nonpublic Personal Information

SEC. 501. PROTECTION OF NONPUBLIC PERSONAL INFORMATION.

(a) PRIVACY OBLIGATION POLICY.—It is the policy of the Congress that each financial institution has an affirmative and continuing obligation to respect the privacy of its customers and to protect the security and confidentiality of those customers' nonpublic personal information.

(b) FINANCIAL INSTITUTIONS SAFEGUARDS.—In furtherance of the policy in subsection (a), each agency or authority described in section 505(a) shall establish appropriate standards for the financial institutions subject to their jurisdiction relating to administrative, technical, and physical safeguards—

(1) to insure the security and confidentiality of customer records and information;

(2) to protect against any anticipated threats or hazards to the security or integrity of such records; and

(3) to protect against unauthorized access to or use of such records or information which could result in substantial harm or inconvenience to any customer.

SEC. 502. OBLIGATIONS WITH RESPECT TO DISCLOSURES OF PERSONAL INFORMATION.

(a) NOTICE REQUIREMENTS.—Except as otherwise provided in this subtitle, a financial institution may not, directly or through any affiliate, disclose to a nonaffiliated third party any

nonpublic personal information, unless such financial institution provides or has provided to the consumer a notice that complies with section 503(b).

(b) OPT OUT.—

(1) IN GENERAL.—A financial institution may not disclose nonpublic personal information to nonaffiliated third parties unless—

(A) such financial institution clearly and conspicuously discloses to the consumer, in writing or in electronic form (or other form permitted by the regulations prescribed under section 504), that such information may be disclosed to such third parties;

(B) the consumer is given the opportunity, before the time that such information is initially disclosed, to direct that such information not be disclosed to such third parties; and

(C) the consumer is given an explanation of how the consumer can exercise that nondisclosure option.

(2) EXCEPTION.—This subsection shall not prevent a financial institution from providing nonpublic personal information to a nonaffiliated third party to perform services or functions on behalf of the financial institution, including marketing of the financial institution's own products or services or financial products or services offered pursuant to joint agreements between two or more financial institutions that comply with the requirements imposed by the regulations prescribed under section 504, if the financial institution fully discloses the providing of such information and enters into a contractual agreement with the third party that requires the third party to maintain the confidentiality of such information.

(c) LIMITS ON REUSE OF INFORMATION.—Except as otherwise provided in this subtitle, a nonaffiliated third party that receives from a financial institution nonpublic personal information under this section shall not, directly or through an affiliate of such receiving third party, disclose such information to any other person that is a nonaffiliated third party of both the financial institution and such receiving third party, unless such disclosure would be lawful if made directly to such other person by the financial institution.

(d) LIMITATIONS ON THE SHARING OF ACCOUNT NUMBER INFORMATION FOR MARKETING PURPOSES.—A financial institution shall not disclose an account number or similar form of access number or access code for a credit card account, deposit account, or transaction account of a consumer to any nonaffiliated third party for use in telemarketing, direct mail marketing, or other marketing through electronic mail to the consumer.

(e) GENERAL EXCEPTIONS.—Subsections (a) and (b) shall not prohibit the disclosure of nonpublic personal information—

(1) as necessary to effect, administer, or enforce a transaction requested or authorized by the consumer, or in connection with—

(A) servicing or processing a financial product or service requested or authorized by the consumer;

(B) maintaining or servicing the consumer's account with the financial institution; or

(C) a proposed or actual securitization, secondary market sale (including sales of servicing rights), or similar transaction related to a transaction of the consumer;

(2) with the consent or at the direction of the consumer;

(3) to protect the confidentiality or security of its records pertaining to the consumer, the service or product, or the transaction therein, or to protect against or prevent actual or potential fraud, unauthorized transactions, claims, or other liability, for required institutional risk control, or for resolving customer disputes or inquiries, or to persons holding a beneficial interest relating to the consumer, or to persons acting in a fiduciary capacity on behalf of the consumer;

(4) to provide information to insurance rate advisory organizations, guaranty funds or agencies, applicable rating agencies of the financial institution, persons assessing the institution's compliance with industry standards, and the institution's attorneys, accountants, and auditors;

(5) to the extent specifically permitted or required under other provisions of law and in accordance with the Right to Financial Privacy Act of 1978, to law enforcement agencies (including a Federal functional regulator, a State insurance authority, or the Federal Trade Commission), self-regulatory organizations, or for an investigation on a matter related to public safety;

(6) to a consumer reporting agency in accordance with the Fair Credit Reporting Act, or in accordance with interpretations of such Act by the Board of Governors of the Federal Reserve System or the Federal Trade Commission, including interpretations published as commentary (16 CFR 601–622);

(7) in connection with a proposed or actual sale, merger, transfer, or exchange of all or a portion of a business or operating unit if the disclosure of nonpublic personal information concerns solely consumers of such business or unit; or

(8) to comply with Federal, State, or local laws, rules, and other applicable legal requirements; to comply with a properly authorized civil, criminal, or regulatory investigation or subpoena by Federal, State, or local authorities; or to respond to judicial process or government regulatory authorities having jurisdiction over the financial institution for examination, compliance, or other purposes as authorized by law.

SEC. 503. DISCLOSURE OF INSTITUTION PRIVACY POLICY.

(a) DISCLOSURE REQUIRED.—A financial institution shall clearly and conspicuously disclose to each consumer, at the time of establishing the customer relationship with the consumer and not less than annually, in writing or in electronic form (or other form permitted by the regulations prescribed under section 504), its policies and practices with respect to protecting the nonpublic personal information of consumers in accordance with the rules prescribed under section 504.

(b) INFORMATION TO BE INCLUDED.—The disclosure required by subsection (a) shall include—

(1) the policy and practices of the institution with respect to disclosing nonpublic personal information to nonaffiliated third parties, other than agents of the institution, consistent with section 502 of this subtitle, and including—

(A) the categories of persons to whom the information is or may be disclosed, other than the persons to whom the information may be provided pursuant to section 502(e); and

(B) the practices and policies of the institution with respect to disclosing of nonpublic personal information of persons who have ceased to be customers of the financial institution;

(2) the categories of nonpublic personal information that are collected by the financial institution;

(3) the policies that the institution maintains to protect the confidentiality and security of nonpublic personal information in accordance with section 501; and

(4) the disclosures required, if any, under section 603(d)(2)(A)(iii) of the Fair Credit Reporting Act.

SEC. 504. RULEMAKING.

(a) REGULATORY AUTHORITY.—The Federal banking agencies, the National Credit Union Association, the Secretary of the Treasury, and the Securities and Exchange Commission, shall jointly prescribe, after consultation with the Federal Trade Commission, and representatives of State insurance authorities designated by the National Association of Insurance Commissioners, such regulations as may be necessary to carry out the purposes of this subtitle. Such regulations shall be prescribed in accordance with applicable requirements of the title 5, United States Code, and shall be issued in final form within 6 months after the date of enactment of this Act.

(b) AUTHORITY TO GRANT EXCEPTIONS.—The regulations prescribed under subsection (a) may include such additional exceptions to subsections (a) and (b) of section 502 as are deemed consistent with the purposes of this subtitle.

SEC. 505. ENFORCEMENT.

(a) IN GENERAL.—This subtitle and the rules prescribed thereunder shall be enforced by the Federal functional regulators, the State insurance authorities, and the Federal Trade Commission with respect to financial institutions subject to their jurisdiction under applicable law, as follows:

(1) Under section 8 of the Federal Deposit Insurance Act, in the case of—

(A) national banks, Federal branches and Federal agencies of foreign banks, and any subsidiaries of such entities, by the Office of the Comptroller of the Currency;

(B) member banks of the Federal Reserve System (other than national banks), branches and agencies of foreign banks (other than Federal branches, Federal agencies, and insured State branches of foreign banks), commercial lending companies owned or controlled by foreign banks, organizations operating under section 25 or 25A of the Federal Reserve Act, bank holding companies and their nonbank subsidiaries or affiliates (except broker-dealers, affiliates providing insurance, investment companies, and investment advisers), by the Board of Governors of the Federal Reserve System;

(C) banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System), insured State branches of foreign banks, and any subsidiaries of such entities, by the Board of Directors of the Federal Deposit Insurance Corporation; and

(D) savings association the deposits of which are insured by the Federal Deposit Insurance Corporation, and any subsidiaries of such a savings association, by the Director of the Office of Thrift Supervision.

(2) Under the Federal Credit Union Act, by the Administrator of the National Credit Union Administration with respect to any Federal or state chartered credit union, and any subsidiaries of such an entity.

(3) Under the Farm Credit Act of 1971, by the Farm Credit Administration with respect to the Federal Agricultural Mortgage Corporation, any Federal land bank, Federal land bank association, Federal intermediate credit bank, or production credit association.

(4) Under the Securities Exchange Act of 1934, by the Securities and Exchange Commission with respect to any broker-dealer.

(5) Under the Investment Company Act of 1940, by the Securities and Exchange Commission with respect to investment companies.

(6) Under the Investment Advisers Act of 1940, by the Securities and Exchange Commission with respect to investment advisers registered with the Commission under such Act.

(7) Under Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (12 U. S. C. 4501 et seq.), by the Office of Federal Housing Enterprise Oversight with respect to the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation.

(8) Under the Federal Home Loan Bank Act, by the Federal Housing Finance Board with respect to Federal home loan banks.

(9) Under State insurance law, in the case of any person engaged in providing insurance, by the State insurance authority of the State in which the person is domiciled, subject to section 104 of this Act.

(10) Under the Federal Trade Commission Act, by the Federal Trade Commission for any other financial institution that is not subject to the jurisdiction of any agency or authority under paragraphs (1) through (9) of this subsection.

(b) ENFORCEMENT OF SECTION 501.—

(1) IN GENERAL.—Except as provided in paragraph (2), the agencies and authorities described in subsection (a) shall implement the standards prescribed under section 501(b) in the same manner, to the extent practicable, as standards prescribed pursuant to subsection (a) of section 39 of the Federal Deposit Insurance Act are implemented pursuant to such section.

(2) EXCEPTION.—The agencies and authorities described in paragraphs (4), (5), (6), (9), and (10) of subsection (a) shall implement the standards prescribed under section 501(b) by rule with respect to the financial institutions subject to their respective jurisdictions under subsection (a).

(c) DEFINITIONS.—The terms used in subsection (a)(1) that are not defined in this subtitle or otherwise defined in section 3(s) of the Federal Deposit Insurance Act shall have the meaning given to them in section 1(b) of the International Banking Act of 1978.

SEC. 506. FAIR CREDIT REPORTING ACT AMENDMENT.

(a) AMENDMENT.—Section 621 of the Fair Credit Reporting Act (15 U.S.C. 1681s) is amended—

(1) in subsection (d), by striking everything following the end of the second sentence; and

(2) by striking subsection ''(e)'' and inserting in lieu thereof the following:

''(e) REGULATORY AUTHORITY.—

''(1) The Federal banking agencies referred to in paragraphs (1) and (2) of subsection (b) shall jointly prescribe such regulations as necessary to carry out the purposes of this Act with respect to any persons identified under paragraphs (1) and (2) of subsection (b), or to the holding companies and affiliates of such persons.

''(2) The Administrator of the National Credit Union Administration shall prescribe such regulations as necessary to carry out the purposes of this Act with respect to any persons identified under paragraph (3) of subsection (b).''.

(b) CONFORMING AMENDMENT.—Section 621(a) of the Fair Credit Reporting Act (15 U.S.C. 1681s(a)) is amended by striking paragraph (4).

SEC. 507. RELATION TO OTHER PROVISIONS.

This subtitle shall not apply to any information to which subtitle D of title III applies.

SEC. 508. STUDY OF INFORMATION SHARING AMONG FINANCIAL AFFILIATES.

(a) IN GENERAL.—The Secretary of the Treasury, in conjunction with the Federal functional regulators and the Federal Trade Commission, shall conduct a study of information sharing practices among financial institutions and their affiliates. Such study shall include—

(1) the purposes for the sharing of confidential customer information with affiliates or with nonaffiliated third parties;

(2) the extent and adequacy of security protections for such information;

(3) the potential risks for customer privacy of such sharing of information;

(4) the potential benefits for financial institutions and affiliates of such sharing of information;

(5) the potential benefits for customers of such sharing of information;

(6) the adequacy of existing laws to protect customer privacy;

(7) the adequacy of financial institution privacy policy and privacy rights disclosure under existing law;

(8) the feasibility of different approaches, including opt-out and opt-in, to permit customers to direct that confidential information not be shared with affiliates and nonaffiliated third parties; and

(9) the feasibility of restricting sharing of information for specific uses or of permitting customers to direct the uses for which information may be shared.

(b) CONSULTATION.—The Secretary shall consult with representatives of State insurance authorities designated by the National Association of Insurance Commissioners, and also with financial services industry, consumer organizations and privacy groups, and other representatives of the general public, in formulating and conducting the study required by subsection (a).

(c) REPORT.—Before the end of the 6-month period beginning on the date of the enactment of this Act, the Secretary shall submit a report to the Congress containing the findings and conclusions of the study required under subsection (a), together with such recommendations for legislative or administrative action as may be appropriate.

SEC. 509. DEFINITIONS.

As used in this subtitle:

(1) FEDERAL BANKING AGENCY.—The term ''Federal banking agency'' has the meanings given to such terms in section 3 of the Federal Deposit Insurance Act.

(2) FEDERAL FUNCTIONAL REGULATOR.—The term ''Federal functional regulator'' means—

(A) the Board of Governors of the Federal Reserve System;

(B) the Office of the Comptroller of the Currency;

(C) the Board of Directors of the Federal Deposit Insurance Corporation;

(D) the Director of the Office of Thrift Supervision;

(E) the National Credit Union Administration Board;

(F) the Farm Credit Administration; and

(G) the Securities and Exchange Commission.

(3) FINANCIAL INSTITUTION.—The term ''financial institution'' means any institution the business of which is engaging in financial activities or activities that are incidental to financial activities, as described in section 6(c) of the Bank Holding Company Act of 1956.

(4) NONPUBLIC PERSONAL INFORMATION.—

(A) The term ''nonpublic personal information'' means personally identifiable financial information—

(i) provided by a consumer to a financial institution;

(ii) resulting from any transaction with the consumer or the service performed for the consumer; or

(iii) otherwise obtained by the financial institution.

(B) Such term does not include publicly available information, as such term is defined by the regulations prescribed under section 504.

(C) Notwithstanding subparagraph (B), such term shall include any list, description, or other grouping of consumers (and publicly available information pertaining to them) that is derived using any personally identifiable information other than publicly available information.

(5) NONAFFILIATED THIRD PARTIES.—The term ''nonaffiliated third parties'' means any entity that is not an affiliate of, or related by common ownership or affiliated by corporate control with, the financial institution, but does not include a joint employee of such institution.

(6) AFFILIATE.—The term ''affiliate'' means any company that controls, is controlled by, or is under common control with another company.

(7) NECESSARY TO EFFECT, ADMINISTER, OR ENFORCE.—The term ''as necessary to effect, administer or enforce the transaction'' means—

(A) the disclosure is required, or is a usual, appropriate or acceptable method, to carry out the transaction or the product or service business of which the transaction is a part, and record or service or maintain the consumer's account in the ordinary course of providing the financial service or financial product, or to administer or service benefits or claims relating to the transaction or the product or service business of which it is a part, and includes—

(i) providing the consumer or the consumer's agent or broker with a confirmation, statement, or other record of the transaction, or information on the status or value of the financial service or financial product; and

(ii) the accrual or recognition of incentives or bonuses associated with the transaction that are provided by the financial institution or any other party;

(B) the disclosure is required, or is one of the lawful or appropriate methods, to enforce the rights of the financial institution or of other persons engaged in carrying out the financial transaction, or providing the product or service;

(C) the disclosure is required, or is a usual, appropriate, or acceptable method, for insurance underwriting at the consumer's request or for reinsurance purposes, or for any of the following purposes as they relate to a consumer's insurance: account administration, reporting, investigating, or preventing fraud or material misrepresentation, processing premium payments, processing insurance claims, administering insurance benefits (including utilization review activities), participating in research projects, or as otherwise required or specifically permitted by Federal or State law; or

(D) the disclosure is required, or is a usual, appropriate or acceptable method, in connection with—

(i) the authorization, settlement, billing, processing, clearing, transferring, reconciling, or collection of amounts charged, debited, or otherwise paid using a debit, credit or other payment card, check, or account number, or by other payment means;

(ii) the transfer of receivables, accounts or interests therein; or

(iii) the audit of debit, credit or other payment information.

(8) STATE INSURANCE AUTHORITY.—The term ''State insurance authority'' means, in the case of any person engaged in providing insurance, the State insurance authority of the State in which the person is domiciled.

(9) CONSUMER.—The term ''consumer'' means an individual who obtains, from a financial institution, financial products or services which are to be used primarily for personal, family, or household purposes, and also means the legal representative of such an individual.

(10) JOINT AGREEMENT.—The term ''joint agreement'' means a formal written contract pursuant to which two or more financial institutions jointly offer, endorse, or sponsor a financial product or service, and any payments between the parties are based on business or profit generated.

SEC. 510. EFFECTIVE DATE.

This subtitle shall take effect 6 months after the date on which the rules under section 503 are promulgated, except—

(1) to the extent that a later date is specified in such rules; and

(2) that section 506 shall be effective upon enactment.

Subtitle B—Fraudulent Access to Financial Information

SEC. 521. PRIVACY PROTECTION FOR CUSTOMER INFORMATION OF FINANCIAL INSTITUTIONS.

(a) PROHIBITION ON OBTAINING CUSTOMER INFORMATION BY FALSE PRETENSES.—It shall be a violation of this subtitle for any person to obtain or attempt to obtain, or cause to be disclosed or attempt to cause to be disclosed to any person, customer information of a financial institution relating to another person—

(1) by making a false, fictitious, or fraudulent statement or representation to an officer, employee, or agent of a financial institution;

(2) by making a false, fictitious, or fraudulent statement or representation to a customer of a financial institution; or

(3) by providing any document to an officer, employee, or agent of a financial institution, knowing that the document is forged, counterfeit, lost, or stolen, was fraudulently obtained, or contains a false, fictitious, or fraudulent statement or representation.

(b) PROHIBITION ON SOLICITATION OF A PERSON TO OBTAIN CUSTOMER INFORMATION FROM

FINANCIAL INSTITUTION UNDER FALSE PRETENSES.—It shall be a violation of this subtitle to request a person to obtain customer information of a financial institution, knowing that the person will obtain, or attempt to obtain, the information from the institution in any manner described in subsection (a).

(c) NONAPPLICABILITY TO LAW ENFORCEMENT AGENCIES.—No provision of this section shall be construed so as to prevent any action by a law enforcement agency, or any officer, employee, or agent of such agency, to obtain customer information of a financial institution in connection with the performance of the official duties of the agency.

(d) NONAPPLICABILITY TO FINANCIAL INSTITUTIONS IN CERTAIN CASES.—No provision of this section shall be construed so as to prevent any financial institution, or any officer, employee, or agent of a financial institution, from obtaining customer information of such financial institution in the course of—

(1) testing the security procedures or systems of such institution for maintaining the confidentiality of customer information;

(2) investigating allegations of misconduct or negligence on the part of any officer, employee, or agent of the financial institution; or

(3) recovering customer information of the financial institution which was obtained or received by another person in any manner described in subsection (a) or (b).

(e) NONAPPLICABILITY TO INSURANCE INSTITUTIONS FOR INVESTIGATION OF INSURANCE FRAUD.—No provision of this section shall be construed so as to prevent any insurance institution, or any officer, employee, or agency of an insurance institution, from obtaining information as part of an insurance investigation into criminal activity, fraud, material misrepresentation, or material nondisclosure that is authorized for such institution under State law, regulation, interpretation, or order.

(f) NONAPPLICABILITY TO CERTAIN TYPES OF CUSTOMER INFORMATION OF FINANCIAL INSTITUTIONS.—No provision of this section shall be construed so as to prevent any person from obtaining customer information of a financial institution that otherwise is available as a public record filed pursuant to the securities laws (as defined in section 3(a)(47) of the Securities Exchange Act of 1934).

(g) NONAPPLICABILITY TO COLLECTION OF CHILD SUPPORT JUDGMENTS.—No provision of this section shall be construed to prevent any State-licensed private investigator, or any officer, employee, or agent of such private investigator, from obtaining customer information of a financial institution, to the extent reasonably necessary to collect child support from a person adjudged to have been delinquent in his or her obligations by a Federal or State court, and to the extent that such action by a State-licensed private investigator is not unlawful under any other Federal or State law or regulation, and has been authorized by an order or judgment of a court of competent jurisdiction.

SEC. 522. ADMINISTRATIVE ENFORCEMENT.

(a) ENFORCEMENT BY FEDERAL TRADE COMMISSION.—Compliance with this subtitle shall be enforced by the Federal Trade Commission in the same manner and with the same power and authority as the Commission has under the title VIII, the Fair Debt Collection Practices Act, to enforce compliance with such title.

(b) NOTICE OF ACTIONS.—The Federal Trade Commission shall—

(1) notify the Securities and Exchange Commission whenever the Federal Trade Commission initiates an investigation with respect to a financial institution subject to regulation by the Securities and Exchange Commission;

(2) notify the Federal banking agency (as defined in section 3(z) of the Federal Deposit Insurance Act) whenever the Commission initiates an investigation with respect to a financial institution subject to regulation by such Federal banking agency; and

(3) notify the appropriate State insurance regulator whenever the Commission initiates an investigation with respect to a financial institution subject to regulation by such regulator.

SEC. 523. CRIMINAL PENALTY.

(a) IN GENERAL.—Whoever knowingly and intentionally violates, or knowingly and intentionally attempts to violate, section 521 shall be fined in accordance with title 18, United States Code, or imprisoned for not more than 5 years, or both.

(b) ENHANCED PENALTY FOR AGGRAVATED CASES.—Whoever violates, or attempts to violate, section 521 while violating another law of the United States or as part of a pattern of any illegal activity involving more than $100,000 in a 12-month period shall be fined twice the amount provided in subsection (b)(3) or (c)(3) (as the case may be) of section 3571 of title 18, United States Code, imprisoned for not more than 10 years, or both.

SEC. 524. RELATION TO STATE LAWS.

(a) IN GENERAL.—This subtitle shall not be construed as superseding, altering, or affecting the statutes, regulations, orders, or interpretations in effect in any State, except to the extent that such statutes, regulations, orders, or interpretations are inconsistent with the provisions of this subtitle, and then only to the extent of the inconsistency.

(b) GREATER PROTECTION UNDER STATE LAW.—For purposes of this section, a State statute, regulation, order, or interpretation is not inconsistent with the provisions of this subtitle if the protection such statute, regulation, order, or interpretation affords any person is greater than the protection provided under this subtitle as determined by the Commission, on its own motion or upon the petition of any interested party.

SEC. 525. AGENCY GUIDANCE.

In furtherance of the objectives of this subtitle, each Federal banking agency (as defined in section 3(z) of the Federal Deposit Insurance Act) and the Securities and Exchange Commission or self-regulatory organizations, as appropriate, shall review regulations and guidelines applicable to financial institutions under their respective jurisdictions and shall prescribe such revisions to such regulations and guidelines as may be necessary to ensure that such financial institutions have policies, procedures, and controls in place to prevent the unauthorized disclosure of customer financial information and to deter and detect activities proscribed under section 521.

SEC. 526. REPORTS.

(a) REPORT TO THE CONGRESS.—Before the end of the 18-month period beginning on the date of the enactment of this Act, the Comptroller General, in consultation with the Federal Trade Commission, Federal banking agencies, the Securities and Exchange Commission, appropriate Federal law enforcement agencies, and appropriate State insurance regulators, shall submit to the Congress a report on the following:

(1) The efficacy and adequacy of the remedies provided in this subtitle in addressing attempts to obtain financial information by fraudulent means or by false pretenses.

(2) Any recommendations for additional legislative or regulatory action to address threats to the privacy of financial information created by attempts to obtain information by fraudulent means or false pretenses.

(b) ANNUAL REPORT BY ADMINISTERING AGENCIES.—The Federal Trade Commission and the Attorney General shall submit to Congress an annual report on number and disposition of all enforcement actions taken pursuant to this subtitle.

SEC. 527. DEFINITIONS.

For purposes of this subtitle, the following definitions shall apply:

(1) CUSTOMER.—The term ''customer'' means, with respect to a financial institution, any person (or authorized representative of a person) to whom the financial institution provides a product or service, including that of acting as a fiduciary.

(2) CUSTOMER INFORMATION OF A FINANCIAL INSTITUTION.—The term ''customer information of a financial institution'' means any information maintained by or for a financial institution which is derived from the relationship between the financial institution and a customer of the financial institution and is identified with the customer.

(3) DOCUMENT.—The term ''document'' means any information in any form.

(4) FINANCIAL INSTITUTION.—

(A) IN GENERAL.—The term ''financial institution'' means any institution engaged in the business of providing financial services to customers who maintain a credit, deposit, trust, or other financial account or relationship with the institution.

(B) CERTAIN FINANCIAL INSTITUTIONS SPECIFICALLY INCLUDED.—The term ''financial institution'' includes any depository institution (as defined in section 19(b)(1)(A) of the Federal Reserve Act), any broker or dealer, any investment adviser or investment company, any insurance company, any loan or finance company, any credit card issuer or operator of a credit card system, and any consumer reporting agency that compiles and maintains files on consumers on a nationwide basis (as defined in section 603(p)).

(C) SECURITIES INSTITUTIONS.—For purposes of subparagraph (B)—

(i) the terms ''broker'' and ''dealer'' have the meanings provided in section 3 of the Securities Exchange Act of 1934 (15 U.S.C. 78c);

(ii) the term ''investment adviser'' has the meaning provided in section 202(a)(11) of the Investment Advisers Act of 1940 (15 U.S.C. 80b–2(a)); and

(iii) the term ''investment company'' has the meaning provided in section 3 of the Investment Company Act of 1940 (15 U.S.C. 80a–3).

(D) FURTHER DEFINITION BY REGULATION.—The Federal Trade Commission, after consultation with Federal banking agencies and the Securities and Exchange Commission, may prescribe regulations clarifying or describing the types of institutions which shall be treated as financial institutions for purposes of this subtitle.

Amend the title so as to read ''An Act to enhance competition in the financial services industry by providing a prudential framework for the affiliation of banks, securities firms, and other financial service providers, and for other purposes.''.

Mr. SPECTER. Mr. President, I ask unanimous consent that the Senate disagree to the amendments of the House, request a conference on the disagreeing votes, and the Chair be authorized to appoint conferees on the part of the Senate.

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

The Presiding Officer (Mr. VOINOVICH) appointed Mr. GRAMM, Mr. SHELBY, Mr. MACK, Mr. BENNETT, Mr. GRAMS, Mr. ALLARD, Mr. ENZI, Mr. HAGEL, Mr. SANTORUM, Mr. BUNNING, Mr. CRAPO, Mr. SARBANES, Mr. DODD, Mr. KERRY, Mr. BRYAN, Mr. JOHNSON, Mr. REED, Mr. SCHUMER, Mr. BAYH, and Mr. EDWARDS, conferees on the part of the Senate.

ORDERS FOR MONDAY, JULY 26, 1999

Mr. SPECTER. Mr. President, I ask unanimous consent that when the Senate completes its business today, it

stand in adjournment until the hour of 11 a.m. on Monday, July 26. I further ask unanimous consent that on Monday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate then begin debate on the Senate resolution to reinstate rule XVI.

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

Mr. SPECTER. Mr. President, I further ask unanimous consent that the cloture vote on the motion to proceed to H.R. 1501 occur at 5:30 p.m. on Monday.

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

PROGRAM

Mr. SPECTER. Mr. President, for the information of all Senators, the Senate will convene at 11 a.m. on Monday and immediately begin debate on the resolution to reinstate rule XVI. By previous order, there will be 6 hours of debate on the resolution with one amendment in order regarding scope in conference.

As a reminder, a cloture motion on the motion to proceed to the House-passed juvenile justice bill was filed today. That vote will take place in a stacked series at 5:30 p.m., along with the rule XVI resolution and the amendment regarding scope in conference.

Further, it is the intention of the majority leader to begin debate on the reconciliation legislation next week. Therefore, Senators should be prepared to vote throughout each day and into the evenings next week.

ADJOURNMENT UNTIL 11 A.M. MONDAY, JULY 26, 1999

Mr. SPECTER. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 10:26 p.m. adjourned until Monday, July 26, 1999, at 11 a.m.

NOMINATIONS

Executive nominations received by the Senate July 22, 1999:

CORPORATION FOR NATIONAL AND COMMUNITY SERVICE

AMY C. ACHOR, OF TEXAS, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE CORPORATION FOR NATIONAL AND COMMUNITY SERVICE FOR A TERM EXPIRING OCTOBER 6, 2003, VICE LESLIE LENKOWSKY, TERM EXPIRED.

IN THE ARMY

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. CHARLES W. FLETCHER, JR., 0000.

CONFIRMATION

Executive nomination confirmed by the Senate July 22, 1999:

DEPARTMENT OF THE TREASURY

JEFFREY RUSH, JR., OF VIRGINIA, TO BE INSPECTOR GENERAL, DEPARTMENT OF THE TREASURY.

THE ABOVE NOMINATION WAS APPROVED SUBJECT TO THE NOMINEE'S COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

EXTENSIONS OF REMARKS

PERSONAL EXPLANATION

HON. JOHN B. LARSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 21, 1999

Mr. LARSON. Mr. Speaker, on Monday, July 19, 1999, my plane from Hartford to Washington was delayed and I unavoidably missed rollcall votes numbered 308, 309, and 310. Had I been present in the House Chamber, I would have voted ''aye'' on all three of these votes.

INTRODUCTION OF THE CIGARS ARE NO SAFE ALTERNATIVE ACT OF 1999

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 21, 1999

Mr. MARKEY. Mr. Speaker, I rise today to introduce the Cigars Are No Safe Alternative Act of 1999, legislation which is similar to a bill I introduced during the 105th Congress.

Mr. Speaker, I want to commend the Federal Trade Commission (FTC) for the report it is releasing today which reveals dramatic increases in sales, advertising, marketing and promotion of cigars in 1996 and 1997. The FTC Report confirms my worst suspicions that despite serious and deadly health risks, cigar use is up dramatically in the United States over the last five years. Cigar consumption has skyrocketed by 57% from 1993 to 1998. Advertising and marketing budgets grew by 32% over the two years studied—and every expenditure category saw a substantial increase—newspaper advertising grew by a whopping 254%. This comes on top of the February 1999 report by the Inspector General of the Department of Health and Human Services that, ''cigars are an emerging public health risk.''

It can not be put more plainly: Cigars are not a safe alternative to cigarettes and it's time to clear the smoky haze regarding this deadly product. The legislation I am introducing today, the Cigars Are No Safe Alternative Act of 1999, will prohibit the sale and distribution of cigars to any individual who is under the age of 18. It will impose restrictions on the sale and advertising of cigars directed at youth, and eliminate cigar advertising on electronic media. It will encourage cigar manufacturers to end the practice of paying for, or participating in cigar product placements in movies and on television where a substantial segment of the viewing audience is under the age of 18 by requiring them to report on each such payment as it occurs. And it will direct the FTC to require warning labels on cigars to warn cigar users about the health risks presented by cigars.

The CANSA Act will also require the Secretary of Health and Human Services (HHS) to conduct a study on the health effects of occasional cigar smoking, nicotine dependence among cigar smokers, biological uptake of carcinogenic constituents of cigars, and environmental cigar smoke exposure. It will further require the Federal Trade Commission (FTC) to report to Congress on the sales, marketing, and advertising practices associated with cigars—essentially updates to the report the FTC released today. And finally, the Secretary of HHS, acting in cooperation with the FDA, the FTC, and the Department of Treasury, will be required to monitor trends in youth access to, and use of, cigars and notify Congress of the results.

Cigar regulations are the orphan of our government's tobacco control policy. And the trends on sales and marketing are getting worse, not better. The dangers associated with cigars must be exposed just as intensely as those associated with cigarettes and smokeless tobacco. Cigars should not be glamorized, they should be recognized as deadly health threats.

Mr. Speaker, I am particularly concerned that among adolescents, cigars are being perceived as more glamorous and less dangerous than cigarettes. A 1997 CDC Youth Risk Behavior Survey revealed that over 30 percent of high school boys and over 10 percent of high school girls had smoked a cigar in the month before the survey was done. Those numbers are very troubling, and I am hopeful that the legislation I am filing today will drive home the point that cigars are not a safe alternative to cigarettes, period.

Cigars emit greater amounts of tar, nicotine, and carbon monoxide, and substantially higher amounts of ammonia and a number of other cancer causing agents than cigarettes emit.

Congress must apply the same standard to cigars as it does to cigarettes with respect to youth access and marketing and advertising restrictions, and ensure that teenagers are not seduced by the cigar industry's slick and sophisticated marketing strategy—through magazines like ''Cigar Aficionado'' and others.

I urge my colleagues to join me in supporting the Cigars Are No Safe Alternative Act of 1999.

TRIBUTE TO DR. INGE GENEFKE AND THE INTERNATIONAL REHABILITATION COUNCIL FOR TORTURE VICTIMS

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 21, 1999

Mr. LANTOS. Mr. Speaker, it is an honor and a pleasure for me to call to the attention of my colleagues the work of an extraordinary woman, Dr. Inge Genefke, and the institution which she established, the International Rehabilitation Council for Torture Victims. Dr. Genefke, a Danish physician, is an outstanding humanitarian and a distinguished medical doctor who uses her training and compassion to bring healing to those who have endured the pain of torture and abuse inflicted by repressive governments with whose policies or ideologies these unfortunate victims have questioned.

Today, at the end of the 20th century, some experts say that one-third of the 185 member states of the United Nations still practice torture or tolerate its use, and torture has been a dark side of human history for centuries.

The clinic which Dr. Genefke established in Copenhagen, Denmark, in 1979 was the first of its kind anywhere in the world which was devoted specifically to treating such victims of torture. Dr. Genefke's unique mission—fighting for the forgotten victims and survivors of torture around the world—makes her one of the great heroines of humanity.

Mr. Speaker, Reader's Digest published an excellent article in March 1999 on Dr. Genefke and her humanitarian work. I urge my colleages to read this article and to join me in paying tribute to this courageous and compassionate woman.

[From Reader's Digest, Mar. 1999]

SHE HEALS TORTURED SOULS

THANKS TO THE DEDICATED WORK OF DR. INGE GENEFKE, THE LIVES OF TENS OF THOUSANDS HAVE BEEN SALVAGED

(By Lawrence Elliott)

Miguel Lee, desperate to find release from his inner agonies, came one day to a clinic at the University Hospital in Copenhagen, Denmark. But when he saw the white coats of the hospital staff he began to tremble.

''What's the matter,'' Dr. Inge Genefke asked him. He couldn't tell her. It was too black a memory.

But Miguel was able to speak of the anxiety that raged in his stomach, the headaches that felt like spikes being driven into his skull, the nightmares that jolted him into shrieking wakefulness and terrified his family.

Dr. Genefke listened carefully. Miguel sensed her concern; he trusted her. And finally he told her of the echoing torture chamber, night after night, when they wired his head to an instrument and sent excruciating electric shocks surging through his ears.

Dr. Genefke asked him about the white coats. ''The doctors wore white coats,'' he said. ''And there was always a doctor in the torture room to make sure you didn't die. Dying was too good for us.''

Once he had been a respected union leader and the head of a loving family. Now, after three years of imprisonment and torture by the junta that seized power in Chile in 1973 and three years of exile to Demark, Lee is broken in mind and body.

Doctors assure him they understand how terrible the torture must have been. But they remind him that it is over. It is time to get on with his life.

It is what everyone tells him. He couldn't make anyone understand that the torture doesn't end when they stop beating you—until now.

''But the pain wasn't the worst, was it?'' Dr. Genefke asked him. ''Wasn't it worse that they made you feel guilty and ashamed? And don't you still feel that way?''

Miguel's eyes welled with tears.

Dr. Genefke explained to Miguel that they had tortured him to break his spirit, to destroy his faith in himself, to make sure that he would never again have the courage to speak out against them. ''We can help you here,'' she went on. ''But you have to believe in one thing: nothing that happened to you in prison was your fault. Nothing! It was all their fault.''

Miguel nodded mutely. He had finally found someone who understood.

''Torture has been a dark side of human history for centuries,'' Dr. Genefke says today. But the clinic she established in 1979 was the first of its kind anywhere devoted specifically to treat its victims.

When she began, it was still thought that torture could be restricted to a few bandit regimes, even eliminated. But it remains widespread. Fully one third of the 185 United Nations member states practice torture or tolerate its use.

The appalling realization that dungeon brutality had become the policy of many states changed Dr. Genefke's life. Determined to break through the curtain of apathy and ignorance in which torture flourished, she organized seminars, addressed rallies and raised money. Today there are more than 100 torture treatment centers around the world that were inspired by the efforts. The lives of tens of thousands have been changed by her and her team's work.

Essentially the same techniques are used around the world: slamming both ears simultaneously, often resulting in ruptured eardrums; rape and homosexual rape; electric torture; holding the victim's head under water polluted with human excrement to the verge of suffocation. A universal favorite if falanga, in which the victim is beaten on the soles of his feet often in an upside down position. Sometimes he is then made to walk barefoot on shards of glass.

When Ahmad, (some names have been changed to protect victim's families) a student leader from the Middle East, is brought to Copenhagen he cannot walk. The soft flesh on the bottom of his feet has been badly beaten and the soft tissue and nerve-endings severely damaged.

Ahmad remains at the clinic for a full year. In that time, psychotherapy helps him regain a true sense of himself. Then, having been treated with radiology, massage and other forms of physiotherapy, he walks out of the hospital with the help of a cane, but without pain.

Today, an intact human being, he is married and a father.

Nothing in Inge Genefke's early years foretold a life in which she would come face to face with the agony inflicted by one human being on another, or be nominated several times for the Nobel Peace Prize.

She grew up in middle class comfort, protected from life's harsher sides by warm and loving parents. A graduate of the University of Copenhagen, her career path as a specialist in neurology seemed fixed until she and three other physicians responded to a plea from Amnesty International to examine political prisoners of the infamous late sixties government of the Greek ''Colonels.''

They had been tortured, but some with such diabolical skill that there were no visible wounds, and only X rays and laboratory tests revealed their severe internal injuries. Deeply moved by their suffering, Dr. Genefke began a pioneering study into the uses and long-term consequences of torture, and of the medical treatment of its victims.

''In the beginning,'' Dr. Genefke says, ''we thought, Okay, we patch them up, we set the broken bones and send them home. But we soon realized it was the pain in their hearts and souls that was devastating them.''

Genefke had entered one of the least known branches of medicine. She had her little team, working with a few rooms and some beds made available at University Hospital, set out on a stop-and-go, trial-and-error quest for ways to heal the survivors of institutional torture.

In time, the clinical studies and principles for a rehabilitation programme would be shared with treatment centres around the world. All tangible medical symptoms are dealt with by specialists. Many of the patients believed what their captors has told them—that the torture had left them finished, living on borrowed time. So every symptom was checked, every presumed fatal illness probed, and nearly always disproved. Abused sinews and bones were ministered to by medicine, physiotherapy and surgery.

But, as Dr. Genefke says, broken bones are easier to mend than broken spirits. One study has revealed that of 100 Polish victims of Stalinist torture, 75 still suffered symptoms of severe stress or were chronically despondent 40 years later.

In Nepal, M, a factory worker in her twenties, is summarily arrested, beaten with rifle butts and raped by four policemen before losing consciousness. Charged with prostitution, she is moved from one town to another, verbally abused in public and repeatedly raped by police officers. A month after her arrest she is released and threatened with death if she takes any legal action.

Suffering constant bleeding, sleepless nights and blinding panic whenever she sees a man in uniform, she finally comes to the Nepalese Centre for the Victims of Torture.

''It's normal to feel ashamed,'' the therapist tells her, ''but it's not your shame. The shame belongs to those who did these things to you.''

Her family has to be helped to understand this, too. It takes time. So does her long and painful treatment. Eventually she and her family are able to put guilt, shame and despair behind them.

Inge Genefke set up the Rehabilitation and Research Centre for Torture Victims in 1982. Three years later, she organized its international body, the International Rehabilitation Council for Torture Victims (IRCT), of which she became secretary-general and medical director.

She is married to Professor Bent Sorensen, a burns specialist and a member of the UN Committee against Torture. Their time together is precious. Dr. Genefke is constantly travelling to help launch new centres, to rally people to her cause. This September, she is organizing a conference in New Delhi with the National Human Rights Commission.

Despite the worldwide enormity of torture, many of the centres Dr. Genefke has inspired get little or no help from their governments. But she has an uncanny ability to win over gifted professionals willing to take up the cause. ''One minute you have a certain kind of life and the next minute that whirlwind, Inge Genefke, comes along and you're on her team,'' said one.

Yet there are times when the task seems insuperable. She sees a ghostly army of torture survivors out there, from communist prisons, military dictatorships in Latin America, the victims of upheavals in Asia, Africa and the Middle East. The number of victims seems to be growing, and her efforts to help them sometimes seem insignificant. ''It is like trying to climb a mountain that keeps getting higher,'' she says.

Months of hospitalization and years of holistic therapy and rehabilitation were necessary before Miguel Lee was entirely sound. But now he has a steady job and with nine grandchildren, a full and rewarding family life. And in the end the junta did not defeat him. Although he speaks Danish and is well-integrated into his new land, he spends much of his free time working for the preservation of the democratic freedoms Chile has wrested back from the military dictatorship.

Sometimes Inge Genefke has to seclude herself and spend an hour or so reading poetry to replenish her soul. But when she sees a man like Miguel Lee come back from the living dead, when she knows that her work has helped save some of this generation's best people from death and disability, she is again ready to tackle the highest mountain.

HONORING THE ''OPERATION PROVIDE REFUGE'' TEAM

HON. JIM SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 21, 1999

Mr. SAXTON. Mr. Speaker, I rise before you today to recognize a group of Americans whose dedicated efforts truly made the proverbial difference in the lives of thousands of people. Too often in life we overlook the tremendous efforts of individuals who transcend their job descriptions and positively affect the lives of others. There are 60 men and women in my district of whom job descriptions don't exist.

On May 1, 1999, these 60 men and women were civilian employees at Fort Dix Army Base in Burlington County, NJ. In less than twenty-four hours, however, these diverse professionals would be united as full-fledged participants in ''Operation Provide Refuge,'' an attempt to provide shelter for refugees from the Balkans. In just three days, these extraordinary individuals converted sterile Army barracks into a comfortable living space suitable for families. The Fort Dix civilians of Provide Refuge offered more than a housing facility to these refugees; they offered a home.

As the first group of refugees arrived at Fort Dix on May 5, they were greeted with a tradition perhaps more American than any other: open arms. The first contingent of refugees—like the ones that would arrive later—spanned the entire age spectrum, but was comprised largely of the very old and the very young. These men, women and children were given the food, medical care, and shelter they so desperately lacked in their native land.

On July 16, 1999, the last of the refugees left their temporary home at Fort Dix. In the two months that it was operational, Provide Refuge took in more than 4,000 refugees, restored them to health, and placed them with host families in 40 states across the country. While 4,043 people checked into the facility, by July 16, 4,050 had checked out: during the tenure of Provide Refuge, the medical staff ushered into this world seven new lives—seven new Americans.

The reason I stand before you today, Mr. Speaker, is to thank the workers who were truly the backbone of Operation Provide Refuge: Diana Bain, Denise Berry, Bernice Bonaparte, Audrey Bracey, James Butler, Arlee Cane, Jr., Arlene Clayton, Robert Cole, Donald Conklin, Maureen Coughlin, Normal Cowell, Patricia Cunningham, Karen Currin, David Dennison, Perry Domelevich, Frederick Dudley, Richard Esbensen, Sharon Fegley, Walter Gibson, Kenneth Gordon, Bonnie Graham, Richard Grzegorek, Richard Hatfield,

William Hodgkiss, Eric Hollinger, Robert Hurrell, Paul Imhof, William Kisner, Roberta James, Thomas Jones, John Laraway, Sarah Lawson, John Litterio, Harry Malatesta, Mary Marchut, Pedro Martinez, Raymond Matthews, Denise McCarthy, Diana Messersmith, Bernard Pierce, Joseph Randazzo, Kenneth Razillard, Norman Rimbey, Jacquie Roach, Gail Rosado, Richard Sanders, Douglas Satterfield, Jay Schopp, Ronald Sexton, Evlyn Stefula, Walter Streeter, John Sweeney, Joanne Tindall, Jose Toress, Robert Tucker, Leonard Valerio, Annemarie Walsh, John Wenner, Mary Wig, and Barbara Worthy.

These names will be entered into the permanent record at the Library of Congress documenting their accomplishments. These individuals symbolize everything that is good about America. They serve as a daily reminder of what public service is all about. These men and women went above and beyond their basic responsibilities in order to make someone else's life a little easier, and—in doing so—make the world a little better place to live. Once again, I would like to thank all the participants of Operation Provide Refuge: your dedication and selfless service is an inspiration to our nation and the world.

RELIGIOUS LIBERTY PROTECTION ACT OF 1999

SPEECH OF

HON. CHARLES T. CANADY

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 15, 1999

Mr. CANADY of Florida. Mr. Speaker, I am very grateful for the support of so many religious and public policy organizations in the passage of the Religious Liberty Protection Act. I would like to give special recognition to Prison Fellowship Ministries and Justice Fellowship, Christian Legal Society, Focus on the Family, Baptist Joint Committee on Public Affairs, National Council of Churches of Christ in the USA, American Center for Law and Justice, American Jewish Congress, Association of Christian Schools International, Family Research Council, Southern Baptist Convention: Ethics and Religious Liberty Commission, Union of Orthodox Jewish Congregations of America, United States Catholic Conference, Religious Action Center for Reform Judaism, Church of Jesus Christ of Latter-Day Saints, and Council on Religious Freedom for their important contribution to this legislation.

I would like to express my gratitude to Prof. Douglas Laycock, Alice McKean Young Regents Chair and Associate Dean of the University of Texas School of Law, for his invaluable legal analysis during the drafting and passage of the Religious Liberty Protection Act. I would also like to recognize the important contribution of the scholarship of Presidential Professor Michael McConnell of the University of Utah College of Law in the area of religious liberty.

I note that Congressman CHARLES W. STENHOLM from the 17th District of Texas requested to be a cosponsor of H.R. 1691 but was inadvertently omitted from the list of cosponsors.

UZBEKISTAN'S LITANY OF VIOLATIONS

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 21, 1999

Mr. SMITH of New Jersey. Mr. Speaker, as Chairman of the Commission on Security and Cooperation in Europe, I rise today to highlight the persecution of religious believers in Uzbekistan. The problem is worsening by the day, as the crackdown continues under the guise of ''anti-terrorism.'' While there is some justifiable threat of terrorism, the widespread violations of rule of law and human rights perpetrated by authorities are not defensible, especially in light of Uzbekistan's OSCE commitments.

Under President Islam Karimov, Uzbekistan has been the second most repressive former Soviet republic, next to Turkmenistan. Karimov has used new constitutions and referendums extending his tenure to remain in office, where he seems determined to stay indefinitely. In mid-1992, he cracked down on all opposition parties, driving them underground or into exile, and all opposition or independent media were eliminated.

In Uzbekistan today, human rights are systemically violated. Arbitrary arrests, abuse and torture of detainees are pervasive, and flagrantly politicized judicial proceedings are routine. According to Human Rights Watch/Helsinki, there are well over 200 individuals who are prisoners of conscience either for their religious or political activities. Defendants have been convicted of criminal offenses based on forced confessions and planted evidence. The regime has also refused to register independent human rights monitoring organizations (the Human Rights Society and the Independent Human Rights Society), while groups which cooperate closely with the government (Society for the Protection of the Rights of the Individual) have been registered without delay. On June 25, Uzbek police savagely beat Mikhail Ardzinov, one of the country's most prominent human rights activists.

A key component of Uzbekistan's assault on human rights has been a thoroughgoing campaign against religious believers. Since 1997, hundreds of independent Muslim activists and believers associated with them have been arrested. In February of this year, bombs exploded in the capital, Tashkent, which killed sixteen bystanders and damaged government buildings, narrowly missing President Karimov and government officials. Karimov accused Muslim activists of having carried out a terrorist attack intended to assassinate him. The harassment and detention of Muslim activists has greatly intensified since then and an ongoing series of show trials had discredit them as dangerous religious extremists. Last month, six people were sentenced to death and another 16 received prison terms ranging from eight to 20 years in a trial that by no means met Western standards for due process. Since then, two arrested Muslims have died in prison, and there is no sign of a let up. President Karimov has argued that the threat of Islamic fundamentalism in Central Asia's most populous and traditional state necessitates a hard line, especially because Islamic radicals from neighboring Tajikistan, Afghanistan and Pakistan are determined to subvert Uzbekistan's secular, developing democracy. But the state's repressive policies are radicalizing Muslims and turning them against the regime.

Non-Muslims faiths, particularly Christians, have also been subjected to harassment, imprisonment and violations of their religious liberty, especially those who share their faith and are actively meeting. According to Compass Direct, Ibrahim Yusupov, the leader of a Pentecostal church in Tashkent, was tried and sentenced last month to one year in prison on charges of conducting missionary activity. Another court in June sentenced Christian pastor Na'il Asanov to five years in prison on charges of possession of drugs and spreading extremist ideas. As with other cases mentioned below, witnesses attest that police planted a packet of drugs on Pastor Asanov and also severely beat him while he was in detention.

Also in June, three members of the Full Gospel Church in Nukus were sentenced to long prison sentences. Pastor Rashid Turibayev received a 15-year sentence, while Parhad Yangibayev and Issed Tanishiev received 10-year sentences for ''deceiving ordinary people'' as well as possessing and using drugs. Their appeal was denied on July 13. Reports indicate that they have suffered severe beatings in prison, have been denied food and medical attention, and their personal possessions have been confiscated by the police, leaving their families destitute. Recently, the most senior Pentecostal leader in Uzbekistan, Bishop Leonty Lulkin, and two other church members were tried and sentenced on charges of illegally meeting. The sentence they received was a massive fine of 100 times the minimum monthly wage. The leaders of Baptist churches, Korean churches, the Jehovah's Witnesses, as well as many others, have also been subjected to harsh legal penalties. Although they have filed for registration, local authorities refused to sign their documents.

Mr. Speaker, the State Department's report on Human Rights Practices for 1998 reported that the Uzbekistan law on religion ''limits freedom of religion'' with strict registration requirements which make it virtually impossible for smaller church organizations to gain legal status. The law passed in June 1998, ''prohibits proselytizing, bans religious subjects in school curriculums, prohibits teaching of religious principles, forbids the wearing of religious clothing in public by anyone except clerics, and requires all religious groups and congregations to register or re-register.'' Also approved last May was a second law establishing the penalties if one were convicted of violating any of the statutes on religious activities. The penalties can range anywhere from lengthy prison sentences, massive fines, and confiscation of property, to denial of official registration rights. On May 12 of this year, Uzbekistan tightened its Criminal Code, making participation in an unregistered religious group a criminal offense, punishable by a fine equivalent to fifty times the minimum monthly wage or imprisonment of up to three years.

Mr. Speaker, these actions indicate that the policies of the Government of Uzbekistan toward religious groups are not moving in the right direction.

In fact, these initiatives are in direct violation to Uzbekistan's OSCE commitments, including Article 16.3 of the Vienna Concluding Document which states that ''the State will grant upon their request to communities of believers, practicing or prepared to practice their

faith within the constitutional framework of their States, recognition of the status provided for them in the respective countries.'' In the Copenhagen Concluding Document of 1990 Article 9.1, Uzbekistan has committed to ''reaffirm that everyone will have the right to freedom of expression including the right to communication. This right will include freedom to hold opinions and to receive and impart information and ideas without interference by public authority and regardless of frontiers.'' Uzbekistan's current course of strangling all forms of religious discourse is a flagrant, deliberate, and unrelenting violation of these principles.

Last year Congress overwhelmingly passed the Religious Freedom Act of 1998 which reaffirmed the United States' commitment to supporting religious freedom abroad through U.S. foreign policy. Considering the litany of violations affecting religious liberty and the ongoing persecution of believers, it is time for Congress to consider our aid programs to Uzbekistan, including our military cooperation programs which cost about 33 million dollars in this year alone. Congress should also reconsider our trade relationship with Uzbekistan and scrutinize other programs such as Cooperative Threat Reduction where we can leverage our influence to help protect religious liberty and human rights.

TRIBUTE TO MAYOR EDWARD QUAGLIA

HON. DAVID D. PHELPS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 21, 1999

Mr. PHELPS. Mr. Speaker, I rise today to pay tribute to Mayor Edward Quaglia of Herrin, Illinois. Mayor Quaglia served the people and city of Herrin faithfully for more than twenty years; seven of those years as an alderman on the City Council, and for 15 years as mayor. This year, on May 31, Mayor Quaglia retired as Mayor due to health concerns. In honor of his retirement, the City of Herrin, the City Council of Herrin, and Mayor Victor Ritter have proclaimed July 18, 1999 as ''Mayor Edward Quaglia Day.''

Mr. Speaker, Mayor Quaglia will be long remembered by the good people of the City of Herrin, southern Illinois, and the entire State for his determined dedication to making Herrin a better place to live and to raise a family. Mayor Quaglia will not only be remembered for his numerous achievements including improving the city's infrastructure, and his hard work on development and construction of the Civic Center, the Annual Mayor's Community Wide Thanksgiving Dinner for the poor and homeless, the High School Sport's Complex, and planning the city's premier annual event Herrinfesta Italiana, but most importantly for his compassionate and straight-forward leadership style. He always gave all he had for a good cause and put the welfare of the citizens and City of Herrin first. When speaking of Mayor Quaglia, it is impossible not to mention his family, which is so important to him. His wife JoAnne has always stood by his side and been the light of his life. He has five loving children and four beautiful grandchildren.

I know that Mayor Quaglia will be sorely missed by all of Herrin in his retirement. But it is a retirement well earned, and one that I am sure that Edward Quaglia, and his family and friends, will enjoy with him to the fullest. Mr. Speaker, I encourage all my fellow Members to share in my wish to extend Mayor Quaglia a long, healthy, and happy retirement along with Godspeed.

TRIBUTE TO BOB TOBIAS

HON. ROB PORTMAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 21, 1999

Mr. PORTMAN. Mr. Speaker, I am pleased today to rise in tribute to Bob Tobias, who is retiring after 31 years with the National Treasury Employees Union—including sixteen years as its president. He has been a tireless and effective advocate for the workers he represents, and he is a well-regarded spokesperson for the interests of all federal employees.

I got to know Bob in 1996 when we were both appointed to the National Commission on Restructuring the IRS, which I co-chaired with Senator BOB KERREY. He was an active and productive member of the Restructuring Commission, and helped to develop a number of the Commission's recommendations that were later signed into law as part of the IRS Restructuring and Reform Act.

I admire Bob for speaking up on IRS reform at a time when I suspect many of his members were uneasy about the long-term ramifications of the restructuring effort. He deserves a great deal of credit for helping to shape a bill that will not only benefit American taxpayers, but will also create a greatly improved work environment for IRS employees.

I understand that Bob plans to teach and write on public policy issues after leaving the NTEU. But he will also be continuing to work on IRS reform—I understand that he will be nominated by the President to serve on the IRS Oversight Board.

Bob played an important role in creating the framework for a new IRS for the 21st Century. I look forward to continuing to work with him in his role on the IRS Oversight Board, and I wish him the best of luck in all his future endeavors.

INTRODUCING THE LAND RECYCLING ACT OF 1999

HON. JAMES C. GREENWOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 21, 1999

Mr. GREENWOOD. Mr. Speaker, today I am introducing the Land Recycling Act of 1999 along with a strong bipartisan group of co-sponsors. The Act will remove Federal barriers to the cleanup of brownfields across the country. Removing these barriers will spur investors, benefit cleanup contractors and provide tools for state and local governments to tackle this longstanding problem. These efforts will provide for more livable, secure and vibrant neighborhoods. The blight that has dominated both urban and rural areas should not continue.

My bill will bring about aggressive state reclamation and cleanup of brownfields—abandoned or underutilized former industrial properties where actual or potential environmental contamination hinders redevelopment or prevents it altogether. The U.S. Environmental Protection Agency [EPA] estimates that there may be as many as 500,000 such sites nationwide. In my own congressional district, the southern portion of Bucks County is estimated to have 3 square miles of abandoned or underutilized industrial property.

These well-positioned, once-productive industrial real estate sites pose continuing risks to human health and the environment, erode state and local tax bases, hinder job growth, and allow existing infrastructure to go to waste. Moreover, the reluctance to utilize brownfields has led developers to bulldoze greenfields, which do not pose the risk of liability. Development in these areas contributes to suburban sprawl, and eliminates future recreational and agricultural uses. The Land Recycling Act will help stop urban erosion, and provide incentives to the redevelopment of our cities and towns across the country.

The brownfields problem has many causes. Foremost among them is the existing Federal law itself. Under the Superfund law, parties who currently own or operate a facility can be held 100 percent liable for any cleanup costs regardless of whether they contributed to the environmental contamination and regardless of whether they were in any way at fault. Because of the potential for this kind of liability, it is simply not worth dealing with the environmental exposure as long as developers have the alternative of building in rural areas where they are not exposed to liability. Owners can't sell and instead simply mothball them indefinitely. Clean-up contractors face uncertain liability.

Unrealistic standards and one-size-fits-all remedy selection also prevent voluntary actions and leave sites in years of red tape. The Resource Conservation and Recovery Act [RCRA] poses nearly identical concerns. Under section 7003 of that law, for instance, EPA has broad authority to order a current owner-operator to address environmental contamination, again, regardless of fault.

Thirty-two states have launched so-called voluntary cleanup programs. We must help these programs thrive. Under these initiatives property owners comply with state cleanup plans and are then released from further environmental liability at the site. The subcommittee has received testimony in the past from a variety of states and the U.S. Environmental Protection Agency [EPA], demonstrating that these state voluntary cleanup programs have been responsible for the redevelopment of hundreds of brownfields. In the first year the Commonwealth of Pennsylvania enacted its brownfields program, it succeeded in cleaning 35 sites.

Although many of these state laws have proven successful, states, businesses, and other experts have testified that the possibility of continuing Federal liability despite an agreement to limit State liability—the so-called dual master problem—seriously diminishes the effectiveness of State voluntary cleanup programs. Because redevelopers face the potential for cleanup obligations above and beyond what a State has decided is appropriate to protect health and the environment, they may hesitate to enter into agreements with sellers to purchase idle properties. The testimony establishes, in my mind, that if brownfields redevelopers could be confident that the cleanup

agreements entered into with States would not be second-guessed by EPA, then they would be far more likely to agree to conduct a clean-up.

The Land Recycling Act of 1999 is based on the input of all of the stakeholders in the brownfields debate—the federal government, states, local governments, clean-up contractors, sellers, buyers, developers, lenders, environmentalists, community interests, and others—and in particular based on my own experiences in my district. Among other things, the bill provides ''finality'' for brownfields cleanups done pursuant to, and in compliance with, State programs, releasing buyers and sellers from liability and litigation under federal law. This certainly is number one on the wish list for developers and Rust Belt businesses. It will also provide liability protection under federal law for a number of nonpolluters, including: innocent landowners, prospective purchasers, contiguous property owners, and response action contractors—thus removing disincentives to cleanup and reuse. This legislation will streamline the federal cleanup process and employ sound and objective science. Finally, the Land Recycling Act of 1999 will provide brownfield grants to states, local governments, and Indian tribes for the inventory and assessment of brownfield sites and the capitalization of revolving loan funds for cleanups.

I believe these straightforward solutions will provide an aggressive antidote to the wasteful burden of brownfields in America and are part of the overall set of solutions we must pursue to reform the nation's broken hazardous waste laws. I reemphasize this is a bipartisan effort. Reform efforts that are strictly Democrat or strictly Republican mean the group has a point to make but is not serious about enacting legislation in the 106th Congress.

While I am confident that the Land Recycling Act will go a very long way, we in Congress also have a larger task at hand—overhaul of the Superfund Program to ensure that we do not perpetuate the brownfields problem across the country. The Congress needs to address fairness and liability issues for small business recyclers and others. The Land Recycling Act of 1999 is only a piece of the puzzle. I look to the chairman of the Commerce Committee, Mr. BLILEY, and the chairman of the Finance and Hazardous Materials Subcommittee, Mr. OXLEY, for continued leadership on Superfund reform to address the areas that we can and must address. These two chairmen have fought for Superfund reform and continue their interest in real solutions. The bill last Congress, H.R. 3000, The Superfund Reform Act, had 19 Democrat cosponsors and represented a strong bipartisan effort. I hope that 1999 offers more promise, and that they will again consider including the Land Recycling Act as part of their Superfund reform effort.

A TRIBUTE TO BRIG. GEN. PAUL R. COOPER

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 21, 1999

Mr. KLECZKA. Mr. Speaker, I rise today in tribute to Brigadier General Paul R. Cooper, the commander of the Air Force Reserve Command's 440th Airlift Wing, since August 1995. General Cooper is leaving this post and on August 1 will assume his new duties as the Commander of the 445 Airlift Wing, Wright-Patterson Air Force Base, Ohio. Milwaukee's loss is surely Ohio's gain.

A native of Seattle, Washington, General Cooper graduated in 1967 from the University of Washington with a degree in chemistry and was commissioned a second lieutenant in the Reserve Officer Training Corps. He has been a wing commander, group commander and installation commander at two Air Force Reserve bases. General Cooper was recalled to active duty during Operation Desert Storm, where he served as commander of a composite C–130 unit deployed to the Middle East for six months. He was selected to return to extended active duty from June to October 1996 to command the 4100th Group and serve as the installation commander of the NATO Air Base, Boznia-Herzegovina, as part of the implementation force under Operation Joint Endeavor. General Cooper is a command pilot with over 11,500 flight hours.

General Cooper and his wife Kathy will be honored at a farewell dinner and reception July 30 in Milwaukee at which time the Coopers' many friends and colleagues will have an opportunity to show their appreciation for a job well done at the 440th.

I'd like to take this opportunity to publicly thank General Cooper for all his assistance over the last four years when I have called on him to aide the members of the unit as well as the Milwaukee community. In fact, just last month General Cooper showed his commitment to our community by presiding over a military medals presentation in which I was proud to distribute well-deserved metals to World War II soldiers and their families.

Again, on behalf of the men and women of the 440th and the entire southeastern Wisconsin community, thank you General Cooper for a job well done. God bless you and best wishes at your new post.

PERSONAL EXPLANATION

HON. JAMES M. TALENT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 21, 1999

Mr. TALENT. Mr. Speaker, I rise today to explain that I was unable to vote on Messrs. GILMAN and MARKEY, Mr. SANDERS, and Mr. GIBBONS amendments to H.R. 2415, the American Embassy Security Act. I was needed at home in Missouri for family reasons. At the time of the votes, I was flying back to Washington and was unable to return in time.

If I had voted, I would have voted yes on Messrs. GILMAN and MARKEY's amendment to restrict all nuclear agreements and cooperation between the U.S. and Korea. I would have voted yes on Mr. SANDERS' amendment to prohibit State Department employees from imposing restrictions or interfering on Asian and African nations from importing prescription medications from the lowest-priced source available. And I would have voted yes on Mr. GIBBONS' amendment to require the Secretary of State to issue regulations authorizing that certain requirements be adhered to before a person younger than 14 years of age may be issued his or her first passport.

RESULTS OF AN EDUCATION FIELD HEARING

HON. LORETTA SANCHEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 21, 1999

Ms. SANCHEZ. Mr. Speaker, I rise today to report on the field hearing that the House Subcommittee on Early Childhood, Youth & Families held in my district—in Anaheim, California—on parent and community involvement in education this month.

Today's children bring so many needs to our classrooms. And we are all responsible for making sure those needs are met—parents, teachers and educators; federal, state and local government; the corporate and nonprofit sectors; our institutions of higher learning and law enforcement.

Teachers can't meet those needs alone. Parents can't do it alone. It's too late for our universities to do it once our kids get to college. And recent events all over our nation have proven that our young people certainly can't make it on their own.

Schools need adequate resources—especially those with the children and the families who need it the most—so our schools can focus on education instead of fundraising. That falls to all of us.

So at this hearing, we discussed how our communities can and should work with our schools. We heard from parents, teachers, students and members of the community on how to do that.

After the conclusion of the formal field hearing, I was able to conduct a question and answer period for members of the community who were in attendance.

This was an opportunity to examine issues that may not have been brought up by the panelists—for example the role of fathers in children's lives. As the traditional breadwinner in the family, fathers who work all day have rarely had time in the past to take an active role in the child's education. Fathers who do take part in the educational pursuits of their children have boosted self-esteem levels that have been lacking in these children. Simple tasks such as reading with and to children and helping with homework, are two ways that involve fathers in this process. Fathers do play a crucial role in the education of their children, a point community members wanted to highlight.

The need for gun safety was also stressed. Requirements, such as a minimum age of 21 and background checks for gun purchases play a significant role in keeping our schools and children safe.

The important question of funding for the Individuals with Disabilities Education Act (IDEA) was also raised. While educators look to the federal government to provide 40 percent of the funding for this program, many schools receive only 11 percent of the funding needed and are forced to compensate with local resources. The need to fill in this funding gap was stressed because without sufficient funding for this program more handicapped children are at risk of incarceration and substance abuse.

Suggestions were also made on how to improve education at both the federal and local levels. Citizens expressed their wishes on several items.

Congress should receive input from private schools.

All parents of school-age children should participate in parent education programs.

Parent education programs should include material on parental involvement in the classroom.

Early childhood/preschool programs such as Head Start should be funded at higher levels.

Furthermore, another topic discussed was the re-evaluation of funds at the federal level and the reallocation of funds already distributed by the Department of Education.

As for the local level, the public raised the need for community organizations to work directly with citizens on such projects as building a new community athletic facility, as such opportunities were deemed worthy extracurricular programs for children.

I was impressed by the number of citizens who attended the hearing. The levels of community awareness and public support evident at the event were appreciated and inspiring. All in all, the day proved that it does take an entire community—parents, businesses, citizens and school personnel—to educate a child.

PERSONAL EXPLANATION

HON. DENNIS MOORE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 21, 1999

Mr. MOORE. Mr. Speaker, on Monday, July 19, 1999, due to the failure of USAirways to provide scheduled airline service, I missed three rollcall votes. Had I been present, I would have voted as follows:

H.R. 1033, the Lewis and Clark Expedition Bicentennial Commemorative Coin Act: ''aye.''

H. Con. Res. 121, expressing the sense of Congress regarding the victory of the United States in the Cold War and the fall of the Berlin Wall: ''aye.''

H.R. 1477, to withhold voluntary proportional assistance for programs and projects of the International Atomic Energy Agency relating to the development and completion of the Bushehr nuclear plan in Iran: ''aye.''

IN HONOR OF NTEU PRESIDENT ROBERT TOBIAS

HON. ROSA L. DeLAURO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 21, 1999

Ms. DELAURO. Mr. Speaker, I rise today to pay tribute to Robert Tobias, the dedicated president of the National Treasury Employees Union who, after 16 years of leadership, has decided to step down from his post to pursue writing and teaching the next generation about the importance of protecting the rights of workers everywhere. It gives me great pleasure to acknowledge his years of leadership and service to his fellow workers, and to his country.

Since he first joined the NTEU 31 years ago, Robert Tobias has stood up for the fundamental rights of his fellow federal employees—fair pay, health coverage, the right of employees to have a role in overseeing their agencies, and a secure transition to stable retirements. He has played a vital role in building the labor-management partnership in the federal government today. His extraordinary work and dedication in carrying out his duties has had a profound impact on the hard working men and women throughout the NTEU.

Robert Tobias' distinguished career has been a great source of pride. His dedication and determination to improve the lives of the hard working families of federal employees will be his lasting legacy. The members of the NTEU and the nation have all benefitted from his unwavering commitment. For this, I join my colleagues in offering him our gratitude.

CELEBRATING THE CAREER OF GEORGE BROWN

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 21, 1999

Mr. CONYERS. Mr. Speaker, I rise today to honor my good friend and distinguished colleague, Congressman George Brown of California's 42nd Congressional District. I worked alongside of Representative Brown for 33 years and will remember his service to Congress as one dedicated to improving the quality of life not only for his constituents but for all of us.

George Brown started off his illustrious career not as the public servant we remember him by, but as a young student in the 1930's. It was on the campus of the University of California at Los Angeles where he began his crusade for a better nation by organizing the first integrated campus housing. Being the great leader he was, George was the first to integrate UCLA's housing by taking on an African-American roommate. Later in his life Representative Brown was proud to continue his push for civil rights when he voted for the Civil Rights Act of 1964. A picture of George, President Lyndon Johnson, Robert Kennedy and Dr. Martin Luther King Jr. hung on his wall as a constant reminder to the signing of that act into law.

Upon graduating from UCLA with a degree in Industrial Physics, Brown put his degree to good use with the City of Los Angeles. It was there that he helped organize the city's workers and its veteran's housing projects. Then in 1954 George Brown won his first election as a member of the city council in Monterey Park, CA. One year later in 1955 he became mayor of the same city. The dedication he held for the issues dearest to him kept Brown moving as he was elected to the California State Assembly in 1958. As a member of the state assembly Brown introduced an environmentally friendly piece of legislation that called for a ban on lead in gasoline, the first ever of its kind. What we later learned is that this was only the beginning of George's fight for a cleaner, safer environment.

In 1962 George Brown ran for the 29th district in California. He won the House seat easily that year beating his opponent by an 11 percentage point margin. Serving on the House Committee on Science and Aeronautics, Brown was a staunch supporter of the advancement of the space program and the pursuit of technology that would improve all of our lives. George believed that technology should be included in the education of our children and worked hard to accomplish this goal throughout his career. In more recent years Congressman Brown was found supporting international scientific cooperation and attempting to establish joint research programs between the United States, Russia and Mexico.

During the 1960's and into the 1970's, Congressman Brown was a strong voice in protest to the Vietnam War. He argued that the no matter how long we fought and how many troops we sent over to Vietnam, we could not find world peace from a war that was slaughtering peasants. Throughout the war, he tried time and again to get the attention of the nation. One such time found Representative Brown outside on the steps of the Capitol Building demanding that if the police were going to arrest 13 peaceful war protesters for disturbing the peace, then they should arrest him too.

When I think back to this time I'm reminded of the group that Bob Kastenmeier from Wisconsin, Don Edwards from California, George, myself and several others formed to stop the war effort. After the release of the Pentagon Papers our efforts in the group intensified to bring an end to the war, perhaps the hardest worker of all of us being George.

As hard as he fought the Vietnam War, perhaps the issue closest to the Honorable Congressman's heart was the environment. It was Representative Brown who first spoke out against the dangers of burning fossil fuel. It was George Brown teaching the nation about the harmful effects of freon in the ozone layer. It was Brown again telling us that we had better keep an eye on the global climate change for our sake and the sake of our children. And then it was Congress, following his lead, enacting provisions in the Clean Air Act that would help the nation monitor the levels of these pollutants in our air and keep a watchful eye on the ever-changing world climate. One of Representative Brown's most notable achievements was the work he put into the creation of the Environmental Protection Agency. Through this agency we can rest assured, knowing the policies of the fine Congressman from California will be followed through as he would want them.

In looking back at George Brown's life, we look back at a life dedicated to promoting the beliefs of a man that was committed to making the world a better, cleaner, more peaceful place for us to live. His hard work on the tough issues will be missed, but most of all we will simply miss the strong-willed, intelligent, caring man that George Brown was.

CELEBRATING THE REMARKABLE ACHIEVEMENTS OF WOMEN IN SPORTS AND THE SUCCESS OF TITLE XI

HON. CARRIE P. MEEK

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 21, 1999

Mrs. MEEK of Florida. Mr. Speaker, I rise to celebrate the success of title IX—especially for its enormous contributions to the development of women sports. I commend the women's caucus and my colleagues, Congresswoman JUANITA MILLENDER-MCDONALD and Congresswoman CAROLYN MALONEY, for scheduling this

special order on the remarkable achievements of women in sports and the impact of title IX. I also want to recognize our colleague Congresswoman PATSY MINK and former Congresswoman Edith Green who authored and initiated title IX.

Title IX states,

> No person in the U.S. shall, on the basis of sex be excluded from participation in, or denied the benefits of, or be subjected to discrimination under any educational program or activity receiving Federal aid.

Before title IX, many schools saw no problem in refusing to admit women or in applying more stringent admissions criteria to women.

Title IX has made an enormous contribution to improving the status of women. When title IX was passed in 1972, women received 9 percent of medical degrees; now, women receive 38 percent of medical degrees. Today, women earn 43 percent of all law degrees, compared to 7 percent in 1972; today, 44 percent of all doctoral degrees are awarded to women compared to 25 percent in 1977.

In 1900, women competed in the Olympics for the first time, but only in the ''genteel'' sports of tennis and golf. The passage of title IX set off a period of rapid growth in women's sports. Today, women compete in track and field, basketball, soccer, lacrosse, gymnastics, skating, golf, and softball, just to name a few sports.

Women have significantly increased their participation in collegiate sports and, today, we even have women in professional sports leagues such as the WNBA.

This year, the United States hosted the third Women's World Cup, one of the biggest women's sporting events to date. Over 90,000 people packed the Rose Bowl to watch the U.S. Women's Soccer Team win the gold. The U.S. Women's Soccer Team has taught us all that anything is possible if you dare to dream; that by raising the bar of expectations, there can be no limits; that if you are allowed to fully realize your potential, you can achieve. Thousands of young women throughout the country surely have formed new dreams and goals as they watched our women's soccer team compete for the gold. We can thank title IX for these new dreams and goals.

I am a former athlete. I ran track and played basketball in college. I earned a bachelor of arts degree in biology and physical education from Florida A&M University, and a master's degree in public health and physical education from the University of Michigan. I coached women's basketball at Bethune-Cookman College and taught biological sciences and physical education. I know about women in sports. I congratulate all the women who are participating in sports, especially the 1999 U.S. Women's Soccer Team.

I am proud to be a woman. I am also proud that Congress passed title IX and expanded opportunities for women to participate and achieve in sports, and attend our academic institutions.

We need to protect and enhance title IX's achievements. If we do so, the future for women will be boundless.

MR. GRANT HOUSTON DESIGNATED AS CITIZEN OF THE YEAR FOR 1999

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 21, 1999

Mr. MCINNIS. Mr. Speaker, it is with great pleasure that I take a moment to honor Mr. Grant Houston. Mr. Houston is a man of outstanding leadership ability and an active member of the Lake City, CO, community. For his efforts, hard work, and dedication to the citizens of Lake City, I commend Mr. Houston for receiving designation as ''Citizen of the Year'' for 1999, and thank him for the example he has set.

Born in Gunnison in 1955, Mr. Houston moved as an infant to Lake City where he continues to reside. He is an accomplished writer and historian. Using his talents and passions for history and writing, he helped to found the historical society in 1973, and was the founder and editor of the Silver World Newspaper. Currently, he serves the historical society as president of the foundation.

Mr. Houston has collected and shared a great legacy of local history by combining his love of history with his love of writing. He was first published at the age of 21 with a brief history of Lake City, called Lake City Reflections. He went on to serve as editor of the Western State College newspaper, and to write Reflections. Mr. Houston's local publications include various maps, guide books and histories.

Not only has he served his community by recording history and keeping them informed through the establishment of a newspaper, he was also appointed to two significant boards by former Colorado Governor Roy Romer, one of them being the Colorado Scenic and Historic Byways Commission. Mr. Grant Houston has worked as a member of the Review Board for the National Register of Historic Places.

Mr. Grant Houston has dedicated much time and energy to preserving history and keeping the citizens of his community informed. For his efforts and leadership, I now wish to pay tribute to this remarkable and and to thank him for giving so much to the people of Lake City and citizens of Colorado.

TRIBUTE TO ALAN GERRY

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 21, 1999

Mr. MCINNIS. Mr. Speaker, it is with great pleasure that I take this opportunity to recognize Mr. Alan Gerry of Denver, CO, for his outstanding service and hard work. Because of his strong work ethic and innovative ideas in the cable industry, I wish to honor Mr. Gerry.

As founder, chairman and CEO of Cablevision Industries Corporation, Mr. Gerry led the corporation to become the eighth largest multiple system operator in the United States before merging with Time Warner in 1996. Alan Gerry is a member of the Board of C–SPAN, the industry public affairs programming network, and is a founding member of the Board of the Cable Alliance for Education and was the president of the New York State Cable Television Association.

Currently, Mr. Alan Gerry serves as chairman and CEO of Granite Associates LP. He also dedicates time to serving as the campaign chairperson and member of the Board of Directors for the National Cable Television Center and Museum. Mr. Gerry is a pioneer in the cable industry, and his entrepreneurial spirit and vision have helped him achieve great success.

Over the years, he has been recognized for his leadership and dedication in a number of different capacities. In 1987, he received the Americanism Award from the Anti-Defamation League and in 1989 he was honored by the Boy Scouts of America with the Distinguished Citizen Award. Presented with the Entrepreneur-of-the-Year Award in 1992 for the New England Chapter of the Institute of American Entrepreneurs, Mr. Gerry went on to receive the Vanguard Award for Distinguished Leadership in 1995.

Mr. Alan Gerry is a unique individual and I appreciate the example he sets and the inspiration he provides. I am grateful for his commitment, work ethic, and innovation and I wish to commend his efforts.

TRIBUTE TO ROGER BILL MITCHELL

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 21, 1999

Mr. MCINNIS. Mr. Speaker, I would like to take a moment to recognize Mr. Roger Bill Mitchell of Monte Vista, CO. Because of his dedication and years of service for the people of Colorado and the Colorado Farm Bureau, I wish to honor Mr. Mitchell and thank him for his work.

Born and raised in Monte Vista, Mr. Mitchell went to Adams State College in Alamosa, CO, where he received a B.A. in business administration. Currently, Roger Bill Mitchell is the manager of Mitchell Farms, a family partnership that raises potatoes and malting barley. He has served on the boards of various civic and community groups, serving as vice president of the local weed district, secretary of the drainage district, past board member and secretary of the San Luis Valley Administrative Committee and of the Monte Vista Potato Cooperative.

First elected as the president of the Colorado Farm Bureau in 1992, he was re-elected in 1994 and in 1996. He served as president of the Rio Grande County Farm Bureau and was the district 7 director on the State Board of Directors. While a member of the State Board, he served as a State Young Farmer and Rancher chairman, secretary, and vice president.

In 1991, Mr. Roger Mitchell was appointed by former Gov. Roy Romer, to the Colorado Water Quality Control Commission and he served as the only farmer on the commission until 1997. Mr. Mitchell's involvement has been extensive, including work with advisory committees for wetlands, watershed management, and waste treatment plants. His efforts have been honored with the presentation of the Jaycee's State Outstanding Farmer and Coors Barley Outstanding Grower Awards.

As Mr. Mitchell retires from his position on the Colorado Farm Bureau, I would like to thank him for his unprecedented service and outstanding leadership. I am grateful for his involvement and work for the citizens and farmers of Colorado. Mr. Mitchell is a remarkable individual and I wish him the best of luck as he turns the page on a new chapter in life.

TRIBUTE TO NAOMI AND ZACK PRENDERGAST

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 21, 1999

Mr. McINNIS. Mr. Speaker, I would like to take a moment to acknowledge Naomi and Zack Prendergast for their dedication to their family and for their recognition as the 1999 Parents of the Year for America. Because of their commitment to family and serving others, they are quite deserving of praise.

Meeting over 22 years ago in a shelter for abandoned children in Italy, Naomi and Zack found a common desire to serve others. They were married and began a life together which has taken them around the world in their personal ministry. The parents of 12 children, they are unique not only because of their large family, but for their dedication to raising their children to serve.

Five years ago, the Prendergast family moved to Longmont, CO. From the broad range of volunteer and service efforts which they have undertaken, an organization known as Family Service, Inc., has emerged. With such a large family, and such dedication to service, helping others has always been a family affair for the Prendergasts. Their family singing group performs at nursing homes, schools, shelters and various other places where inspiration and joy may be given.

The Prendergast family also began an effort to gather donated food for area homeless shelters. Family Services, Inc., with the help and generosity of community members, provides donated food each week to these shelters, donating an average of 8,000 pounds of food per month. Zack has found time to run a project, in addition to the various projects he works on, to promote responsible fatherhood. St. Vrain Fatherhood Connection offers parenting classes for young fathers and a support group located at a local church.

I am grateful for people like the Prendergast family, who not only strive to serve, but teach their children the importance of respect and service as well. For their dedication to helping others, their involvement in bettering the community in which they live, and for sharing their fundamental values and work ethic with their children and the citizens of Longmont, I wish to commend Zack and Naomi and recognize their achievements. They are unique and I greatly appreciate their noble efforts.

A TRIBUTE TO MR. JASPER WELCH OF DURANGO, CO, FOR HIS DEDICATION AND LEADERSHIP

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 21, 1999

Mr. McINNIS. Mr. Speaker, I would like to take this opportunity to honor Mr. Jasper Welch of Durango, CO. Because of his community involvement and service, and dedication to leadership Mr. Welch is quite deserving of recognition and praise. He is an outstanding citizen and I greatly appreciate his hard work and the example he sets.

Mr. Welch received a bachelor of science degree in 1975 from the University of Colorado where he graduated with distinction. He is a certified trainer and consultant for the Professional Dynametric Programs, a Certified Elected Official by the Colorado Municipal League, and a certified facilitator and trainer for the Zenger-Miller training systems.

Mr. Japser Welch is a distinguished member of the Durango community, dedicating time and energy to various pursuits and causes. Serving as the cochair of Leadership La Plata from 1988 until 1998, Mr. Welch has encouraged the development of leadership skills of Durango's youth. He has found time to serve as chairman of the Transportation Board, as member of the board of directors for the Hundred Club of Durango, as mayor of Durango, and has held various other service and leadership role.

Jasper Welch has committed great time and energy to the betterment of Durango and those around him. I am grateful to him for his hard work and for the example he has set. For his strong work ethic, perseverance, and continued leadership, I commend him and pay tribute to this remarkable man. I hope that he will continue in his noble pursuits to educate, inspire, and serve others.

HONORING JAMES D. McELHANNON

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. RADANOVICH. Mr. Speaker, I rise today to honor James D. McElhannon as he has been awarded with the nation's Military Order of the Purple Heart Award.

James D. McElhannon is a resident of Lemoore, and a retired Master Sergeant of the Korean War. During his time served in Korea, he was wounded in the battle for the Naktong River on September 10–20, 1950. Sergeant McElhannon was leading his platoon (2nd platoon, Charlie, 3rd combat Engineer Battalion) on a night reconnaissance when enemy forces began firing their weapons. McElhannon was wounded by a mortar attack, receiving shrapnel in his leg. He refused medical attention in order to continue his mission. Though losing blood through the night, Sergeant McElhannon used his own bayonet to remove the shrapnel in his leg. The 2nd Platoon Charlie Company held fast did not withdraw until the platoon was officially relieved.

Mr. Speaker, it is my pleasure to honor James D. McElhannon for his bravery and commitment in the Korean War. His courage has lead him to receive the nation's Military Order of the Purple Heart Award. I urge my colleagues to join me in wishing James McElhannon many more years of success.

HONORING WILLIAM A. GALLINA ON HIS 60TH BIRTHDAY

HON. JOSEPH CROWLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. CROWLEY. Mr. Speaker, I rise to honor a man who embodies what it means to be a true American, a dedicated family man, an accomplished professional, and a consummate citizen of New York City, William A. Gallina, on the occasion of his 60th birthday.

William, or ''Bill'' as he is known by those closest to him, has lifelong roots in the Bronx. Born on his parents' kitchen table in the West Farms section of the Bronx on July 26, 1939, Bill blazed an exceptional path from the very beginning.

Growing up in the South Bronx home of his immigrant parents, his mother from Germany, his father from Italy, Bill attended Public School 6, Herman Ridder Junior High School, and earned his diploma at James Monroe High School. Following high school graduation, Bill attended New York State Maritime College where he spent three years studying Maritime Engineering, then transferred to Fairleigh Dickinson University where he graduated with a degree in Mechanical Engineering.

After graduation, he began working at Grumman Aircraft Engineering Corporation where he and a small group of rocket propulsion engineers successfully helped in the design of the descent engine of the Lunar Excursion Modules (L.E.M.) fulfilling President John F. Kennedy's dream and America's promise of landing on the moon before the close of the 1960s.

While working for Grumman, Bill attended St. John's University Law School in the evenings, graduating in 1967 with a Juris Doctor degree. Upon graduation from law school he went to work for a major Wall Street law firm specializing in intellectual property, eventually leaving to open his own firm specializing in criminal and personal injury law. He returned to the Bronx in the early 1970s where he was instrumental in constructing a professional medical office complex where he maintained his office for the practice of law.

To this day, he continues to practice law in Bronx County where he has become one of the leading personal injury attorneys in the metropolitan New York area. His parents continued to live in Bronx County until their passing. Bill's mother used the very same kitchen table on which he was born until her death in 1997 at the age of 98.

Bill is married to the former Ronnie Bernon and has an 11-year-old son, three daughters from a prior marriage, and two grandchildren. He is active in local and national bar associations, in particular, the New York State Trial Lawyers where he serves as a member of the Board of Directors, fighting to protect the rights of accident victims.

Bill is an avid sailor, spending his limited free time sailing the waters of Long Island Sound.

Mr. Speaker, please join me in commending William A. Gallina of Bronx, New York for a remarkable life on the occasion of his 60th birthday.

TRIBUTE TO JAMES BUCKLEY

HON. JOSÉ E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. SERRANO. Mr. Speaker, I rise to congratulate and to pay tribute to Mr. James Buckley, Executive Director of University Neighborhood Housing Program in my South Bronx district. He was selected to receive a James A. Johnson Community Fellowship from the Fannie Mae Foundation for his significant contributions to the fields of affordable housing and community development. Mr. Buckley is one of only six individuals selected through a national nomination process to receive this fellowship in the inaugural year of this program.

Mr. Speaker, James Buckley founded the University Neighborhood Housing program (UNHP) in 1989 and has served as its Executive Director since then. As a Fordham University student in 1975, Mr. Buckley interned with the Northwest Bronx Community and Clergy Coalition (NBCCC) as a community organizer, and he later served as its Executive Director. As a result of his organizing efforts at NBCCC, the Fordham Bedford Housing Corportion (FBHC) was formed, which has reclaimed thousands of units of housing and presently owns and/or manages 70 multi-family apartment buildings.

As the Director of the Reinvestment Project at the NBCCC, Mr. Buckley attracted over $100 million in public and private funds to area neighborhoods, which led to the creation of 1,500 units of safe, sanitary, affordable housing units for community residents. As a result of these efforts, two additional non-profit community housing corporations were created that went on to develop residential properties with tenant or community ownership.

Mr. Speaker, the Johnson fellows Program was created to honor the leadership and distinguished service of former Fannie Mae Foundation Chairman James A. Johnson. The Fellows program is designed to reward and recognize outstanding leaders and promote innovation in the affordable housing and community development fields. Each fellow will receive a $70,000 grant and plus a $20,000 educational travel/study stipend to pursue a self-designed course of professional development to enhance the individual's skills and field experiences and to explore new solutions to current affordable housing or community development challenges.

Mr. Speaker, being selected for this program indicates that James Buckley has demonstrated that he has the ability and the desire to be an asset and a role model in our community. We are proud of his accomplishments and I know he will take full advantage of the opportunity presented to him. He is a terrific example for community leaders.

Mr. Speaker, I ask my colleagues to join me in congratulating Mr. James Buckley for his outstanding accomplishments, and in commending the Fannie Mae Foundation for honoring these six outstanding leaders and giving them the opportunity to do even more for their communities.

HONORING MILLARD NELSON

HON. RON KIND

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. KIND. Mr. Speaker, I rise today to pay special tribute to Millard Nelson. Millard Nelson has distinguished himself by his life-long commitment to his family, his community and the Democratic Party.

Millard Nelson has worked as a farmer, substitute mail carrier, and office manager for the Pierce County Agriculture, Stabilization and Conservation Office. Millard has been dedicated to public service throughout his life. He served as the President of the Salem Town Board, a member of the Pierce County Board and the assessor for the Gilmanton Township. Millard has also been active in many conservation programs in his native Pierce County, and it is estimated that throughout his life he has planted more than 500,000 trees in Pierce County. These trees are Millard's lasting gift to future generations of Pierce County citizens.

Millard Nelson is perhaps best known for his life-long commitment to the Democratic Party. Millard was involved in the founding of the current Democratic Party in Wisconsin in 1949 and has served the party in a variety of capacities since that time. Millard and his wife Ellen have been pillars of the Democratic Party for over 50 years.

Mr. Speaker, this country needs more citizens like Millard Nelson. He has lived his life committed to the principle that we must make this world better for future generations. I rise today in the United States House of Representatives to honor Millard Nelson and thank him for his lifetime of commitment to Pierce County and the Wisconsin Democratic Party.

RECOGNIZING VALERIE SANDEFUR

HON. HEATHER WILSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mrs. WILSON. Mr. Speaker, I wish to bring to your attention the outstanding accomplishment of Valerie Sandefur.

Valerie is a High School student at Albuquerque Academy, in Albuquerque, New Mexico and recently won the Veterans of Foreign Wars and its Ladies Auxiliary ''Voice of Democracy'' broadcast scriptwriting contest. The contest asked students to create a speech based on the theme ''My Service to America.'' Her speech was judged the best from New Mexico.

Valerie spoke about how she and all of us could better serve our country by re-enforcing the meaning of the Pledge of Allegiance. In her speech she said:

''We are no longer a nation indivisible, we are increasingly a nation invisible. My service to America is to put the meaning back into the pledge of allegiance and to create again the idea of 'one nation.' However, there are two challenges to regaining our allegiance—apathy and ignorance.''

She continued to describe how apathy leads to a loss of participation and interest in democracy. Valerie then told how ignorance has caused even greater problems than apathy. She said she feels American society is devaluing virtues such as ambition, leadership and heroism, and that Americans are losing their uniquely American character, their sense of nationality and their spirit of patriotism.

There are lessons in her speech the entire nation could learn from. Valerie demonstrated the ambition and intelligence needed for success now and in the future. Valerie finished her speech by imploring all of us to strive to put meaning back into the Pledge of Allegiance. I submit the text of her script for the CONGRESSIONAL RECORD.

Mr. Speaker, I thank the VFW for sponsoring the ''Voice of Democracy'' contest and I ask that we recognize Valerie Sandefur for her achievement by striving to do what she has—put meaning back into the Pledge of Allegiance.

''MY SERVICE TO AMERICA''—1998–99 VFW VOICE OF DEMOCRACY SCHOLARSHIP COMPETITION

(By New Mexico Winner, Valerie Sandefur)

I pledge allegiance to the flag of the United States of America, and to the republic for which it stands . . . and that's about where I forgot. I was in middle school. Actually it was more like the middle of a muddle. But I was not alone. When asked many students couldn't remember these sacred words, and more significantly they, like most of America didn't understand the true meaning of what they recited each morning. I've heard many of my friends ask—what's the point of learning this 'stuff'? For me the answer found is that who we are as a society is based on what they call 'stuff'. What I call history. And the history lesson for today is that we are no longer a nation indivisible, we are increasingly a nation invisible. Therefore, my service to America is to put the meaning back into the pledge of allegiance, and to create again the idea of 'one nation'. However, there are two challenges to regaining our allegiance—apathy and ignorance.

Let us first consider apathy. It is the constitutional right of every citizen over the age of 18 to vote. Yet, in the 1996 presidential elections apathy paralyzed roughly 50% of registered voters. Politicians struggled to recapture the public's fading attention. They failed. As Christopher Hitchens wrote for The Nation magazine it was really a case of the Blind leading the Dumb. Presidential candidates spend $138 million dollars on a public that in many cases, didn't even care enough to show up. . . .

But it's not just lack of attendance at the pools that demonstrates our growing apathy. The education of our children has become a diluted and narrow stream that too often focuses on the 'real world' of MTV rather than the lessons of the world of the past. Many classrooms no longer have an American flag, and we have stopped teaching the words to the national anthem. In fact at a World Series game this year, Tony Bennett chose not to sing the national anthem. . . . And no one seemed to care. It seems that Mr. Bennett left not only his heart in San Francisco but also his patriotism.

But apathy is not the only challenge to our allegiance, my service to America includes confronting ignorance in myself and others. Consider a recent political cartoon in the Washington Post. The first part of this twofold cartoon shows a young impressionable child in 1958 wearing a cowboy hat and glasses. He fondly dreams about the famous singing cowboy Roy Rogers, who stood for respect, honesty and goodness, sitting of

course upon his trustworthy horse, Trigger. The second part of this cartoon shows another young and impressionable child in 1998 with a nose-ring and his baseball cap on sideways. In his ignorance, the child of 1998 thinks of Roy Rogers as the fast food chain out east, not as the great American hero. Oh, and when it comes to 'Trigger' all he can think of is the next drive-by shooting.

Now it seems the creator of this cartoon has captured the essence of what makes my service to America so important. For young people like this poster-boy of 1998—nationalism has been replaced by an individualism that is self-indulgent. Too many of my peers remain blissfully ignorant of what their allegiance to America really means. An allegiance that requires an informed electorate. But more and more we are less and less informed. One survey revealed that a ⅓ of all college students firmly believed in ghosts, Atlantis, flying saucers, and yes even Big Foot.

Similarly on a quiz of general knowledge, answers came back saying that the Great Gatsby was a magician in the 1930's, and that Socrates was an American Indian Chieftain.

While this ignorance might seem some what amusing at first, Gertrude Himmelfarb, a writer for Commentary magazine, argues that this society, which is devaluing virtues like ambition, leadership and heroism, is in danger of losing the character of the people and their sense of nationality and spirit of patriotism. But there is still hope for the future . . . and it begins with my service to America. And with your service. And with the service of every American. We are all responsible for reducing the ignorance and apathy that challenge our ''nation indivisible''. If we are to make the pledge of allegiance meaningful, then we must give full meaning to every word. And that's my service, my pledge of allegiance, my pledge to America. A pledge worth remembering.

FOLIC ACID PROMOTION AND BIRTH DEFECTS PREVENTION ACT OF 1999

HON. LUCILLE ROYBAL-ALLARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Ms. ROYBAL-ALLARD. Mr. Speaker, today, I, along with my colleague Congresswoman JO ANN EMERSON, am introducing the Folic Acid Promotion and Birth Defects Prevention Act of 1999. This bipartisan bill, with 102 Democratic and Republican original cosponsors, is being introduced in the Senate by Senators ABRAHAM, KOHL, and BOND.

The Folic Acid Promotion and Birth Defects Prevention Act of 1999 will provide for a national folic acid education program to prevent birth defects.

Each year an estimated 2,500 babies are born in the United States with serious birth defects of the brain and spine, called neural tube defects. These neural tube defects cause crippling lifelong physical disabilities and at times, even death.

However, up to 70 percent of neural tube defects could be prevented if women of childbearing age consumed 400 micrograms of folic acid daily. That means women need to eat a healthy diet and take a daily multivitamin. It's that simple.

Women need to be taking folic acid before and during their first trimester of pregnancy because these neural tube defects occur very early in pregnancy, before most women know that they are pregnant and because roughly 50 percent of all pregnancies in the United States are unplanned.

The problem is that the majority of women are not aware of the benefits of folic acid. A 1997 March of Dimes national survey found that only 30 percent of women take a multivitamin with folic acid before pregnancy. There is an urgent need to teach women about the importance of increasing their consumption of folic acid by taking a daily vitamin pill, eating more fortified cereal grain products, and eating food naturally rich in folic acid.

Nationwide, Hispanic women have the highest rates of neural tube defects. In fact, in my home State of California, Hispanic mothers have the highest number of cases of neural tube defects than any other racial group and Mexican-born mothers have twice the risk of having babies with neural tube defects compared to United States-born mothers.

The Folic Acid Promotion and Birth Defects Prevention Act of 1999 will amend the Public Health Service Act to provide for a national folic acid education program to prevent birth defects. This bill authorizes the Centers for Disease Control and Prevention, in partnership with states and local public and private entities, to launch an education and public awareness campaign, conduct research to identify effective strategies for increasing folic acid consumption by women of reproductive capacity, and evaluate the effectiveness of these strategies.

The Folic Acid Promotion and Birth Defects Prevention Act of 1999 is supported by leading health organization, including the March of Dimes Association of Women's Health, Obstetric and Neonatal Nurses, National Association of Pediatric Nurse Associates and Practitioners, Council for Responsible Nutrition, American Association of University Affiliated Programs for Persons with Developmental Disabilities, American College of Obstetricians and Gynecologists, American College of Nurse-Midwives, American Public Health Association, Council of Women's and Infants' Specialty Hospitals, Easter Seals, National Association of County and City Health Officials, National Women's Health Network, and the Spina Bifida Association of America.

I would like to recognize the March of Dimes, the National Council on Folic Acid and the Centers for Disease Control and Prevention for their leadership and steadfast commitment to this issue. I would especially like to thank Jody Adams and here daughter, the March of Dimes Ambassador Kelsey Adams, for their hard work in publicizing this simple, yet highly effective, prevention strategy.

Finally, I would like to thank my colleagues, Congresswoman JO ANN EMERSON, as well as Senators ABRAHAM, KOHL, and BOND for their hard work in raising awareness about this vitally important issue. By getting the message out, we can help families across the country have healthy babies and save the lives of thousands of babies each year.

RECOGNIZING PELCO

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. RADANOVICH. Mr. Speaker, I rise today to recognize Pelco, a world leader in the design, development and manufacture of advanced closed circuit televisions systems and supporting equipment.

Pelco has a long prestigious history of offering high quality products and exceptional customer service. Pelco has become the most sought after product supplier in the industry.

Pelco operates from the largest CCTV manufacturing complex in the world. They produce a steady stream of enclosures, domes, mounts, pan/tilt units, matrix systems, and other CCTV electronic products in a never-ending pursuit of achieving 100 percent off-the-shelf-availability for its customers. Pelco is respected as a major product innovator. They manufacture a large number of special equipment item including explosion-proof and water-cooled camera enclosures, high security housing, and a series of award-winning microwave control/video systems. Pelco also produces the industry-acclaimed Legacy and Intercept product lines, each designed around Pelco's revolutionary Coaxitron video/control platform of single coax operation.

Pelco constantly strives to maintain its position as the most reliable supplier of CCTV systems in the industry. The company has established an impressive array of customers service programs including: Guaranteed Ship Dates, 24-hour Technical Assistance and 24-hour Turnaround on Replacement Parts and Repairs.

Mr. Speaker, I want to congratulate Pelco for their achievements in becoming a world leader in the closed circuit video market. I urge my colleagues to join me in wishing Pelco many more years of continued success.

PERSONAL EXPLANATION

HON. JOSEPH CROWLEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. CROWLEY. Mr. Speaker, on July 19, 1999, I was unavoidably detained at LaGuardia Airport in New York due to poor weather conditions. The weather delays caused me to miss rollcall votes 308, 309, and 310. I would like the RECORD to reflect that had I been present, I would have voted in the affirmative on all three rollcall votes, numbers 308, 309, and 310.

TRIBUTE TO THE BRONX PUERTO RICAN DAY PARADE

HON. JOSÉ E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. SERRANO. Mr. Speaker, once again it is with pride that I rise to pay tribute to the Bronx Puerto Rican Day Parade, on its eleventh year of celebrating the culture and contributions of the Puerto Rican community to our nation.

The Bronx Puerto Rican Day Parade will be held on Sunday, August 1 in my South Bronx Congressional District. The event is the culmination of a series of activities surrounding Puerto Rican Week in the Bronx. This year's parade is dedicated to our children.

Under the leadership of its founder, Mr. Angel L. Rosario, and its president, Mr. Francisco Gonzalez, the Parade has grown into

one of the most colorful and important festivals of Puerto Rican culture in the five Boroughs of New York City and beyond.

The Parade brings together people from all ethnic backgrounds, including Puerto Ricans from the island and all across the nation.

It is an honor for me to join once again the hundreds of thousands of people who will march with pride from Mount Eden to 161st Street along the Grand Concourse in celebration of our Puerto Rican heritage. The Puerto Rican flag and other ornaments in the flag's red, white, and blue will decorate the festival.

As one who has participated in the parade in the past, I can attest that the excitement it generates brings the entire City together. It is a celebration and an affirmation of life. It feels wonderful that so many people can have this experience, which will change the lives of many of them. There's no better way to see our Bronx community.

The event will feature a wide variety of entertainment for all age groups. The Parade ends at 161st and the Grand Concourse, where live music, Puerto Rican food, crafts, and other entertainments await partakers. It is expected that this year's Parade will surpass last year's half-million visitors.

In addition to the parade, the many organizers will provide the community with nearly a week of activities to commemorate the contributions of the Puerto Rican community, its culture and history.

Mr. Speaker, it is with enthusiasm that I ask my colleagues to join me in paying tribute to this wonderful celebration of Puerto Rican culture, which has brought pride to the Bronx community.

HONORING DANIEL T. FLAHERTY OF LA CROSSE, WISCONSIN

HON. RON KIND

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. KIND. Mr. Speaker, today I rise to pay tribute to a friend and constituent, Daniel T. Flaherty. This year Dan Flaherty celebrates his 50th Anniversary as a member of the State Bar of Wisconsin. Dan, a native of West Bend, Wisconsin, graduated from the University of Wisconsin Law School in 1949. He immediately joined the law firm of Johns, Roraff and Coleman in LaCrosse, Wisconsin. In Dan's early days at the law firm, he worked under contract as an Assistant District Attorney for La Crosse County. Over the years Dan developed a particular expertise doing medical malpractice work for La Crosse's growing medical centers. Today, the law firm that Dan helped build bears his name; Johns, Flaherty and Rice.

Dan was also an active member of the La Crosse community and leader in the State of Wisconsin. Dan, a lifelong environmental activist, was appointed in 1975 to the Wisconsin Natural Resources Board. He served with distinction on that board until 1981, including a year as Chairman. Dan also served as President of the La Crosse Chamber of Commerce and Chairman of the Third Congressional District Democratic Party.

Dan has been happily married to his wife Lorraine for fifty-two years. They are the proud parents of four children and have ten grandchildren.

For fifty years, Dan Flaherty has been an outstanding lawyer, partner and community leader. At a time when there are a growing number of people who are uninterested in or feel disconnected from the democratic process, Dan maintains an active interest in public policy matters at the local, state and national levels. The City of La Crosse and the State of Wisconsin are better places to live because of Dan's wisdom, leadership and community service. It is with great pride and admiration that I rise today before the United States House of Representatives to pay tribute to and congratulate, a friend, a great citizen, and a wonderful person, Daniel T. Flaherty.

IN MEMORY OF THE LATE WILLARD MUNGER

HON. BILL LUTHER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. LUTHER. Mr. Speaker, although liver cancer took him from us at age 88, Willard Munger will not merely go down in history as the longest serving member of the Minnesota House of Representatives. Far more importantly, he will be remembered forever as ''Mr. Environment.''

In 1954, Willard Munger began his career in the Minnesota House where he remained the leading contributor to Minnesota's environmental legislation for four decades. Through his service and dedication to the people of Minnesota, Willard Munger truly exemplified what it means to be a public servant.

Willard Munger's contributions were made through his deep concern for the lives of future generations he will never know. His tireless advocacy for environmental protection, stewardship of our resources, and sustainability was often confrontational and controversial. But this is truly a badge of honor considering the causes he championed. Often his heroic efforts went without any reward whatsoever as he took on powerful vested interests on behalf of the public interest.

It was Willard Munger's vision of ensuring a pristine environment for future generations that fueled his passion. His legacy will endure for years to come, especially for those who have the opportunity to travel the almost 70 miles of biking trails stretching from Duluth to Hinckley, Minnesota, aptly named the ''Willard Munger Trail.''

As a friend and mentor to me and others, Willard Munger will be missed, but he will never be forgotten. His accomplishments are far too great. His life reminds all of us of the simple truth that anything is possible when one truly stands up for one's beliefs. Thank you, Mr. Environment, for making the world a better place for generations to come.

PERSONAL EXPLANATION

HON. MARK UDALL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. UDALL of Colorado. Mr. Speaker, during rollcall 323, I was engaged in a meeting with a colleague regarding legislation affecting Colorado, and did not hear the bells in time to be recorded. Had I been able to respond in time, I would have voted ''aye.''

IRELAND'S INTERESTS WELL REPRESENTED IN THE UNITED STATES

HON. JAMES T. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. WALSH. Mr. Speaker, peace may well come soon to Northern Ireland. As intense as the remaining obstacles may be, the closeness of an agreement which leads to an elected Assembly makes us hopeful. But as we fervently pray and work for peace with our counterparts in Belfast, London and Dublin, we must also attend to other American-Ireland business which makes our bonds so strong.

During this time, over the last four years to be exact, those of us in the United States who have been staunch supporters of the peace talks and closer ties between Ireland and the United States recognize well the name of Patrick Hennessy. Mr. Hennessy has served his country as Counsellor at the Irish Embassy in Washington and now has been reassigned, according to the practice of the Irish Foreign Service Department, to Dublin.

Pat Hennessy has done an exemplary job. He is an outstanding and reliable resource. As Chairman of the Friends of Ireland and as Co-chair with Representative BEN GILMAN of New York of the U.S.-Irish Interparliamentary Group, I have come to value Pat's many abilities.

Indeed, the Irish Government's official presence in our country is well represented by the high-caliber professionalism of Pat Hennessy.

His good humor, his intelligence and his love of Ireland—as well as his evident respect for our shared values and aspirations—make him the ''diplomat's diplomat.''

I will miss Pat's insight and assistance. I am conforted that, being a young man, he will remain in public service and I look forward to a time when we find ourselves working together again.

PERSONAL EXPLANATION

HON. SHERWOOD L. BOEHLERT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. BOEHLERT. Mr. Speaker, due to the wedding of my daughter Leslie, I was not here on Friday, June 25 and subsequently missed rollcall vote No. 256. Had I been present, I would have voted ''aye.''

On Monday, July 12, a delayed flight from Syracuse to Washington forced me to miss rollcall vote 277, 278 and 279. Had I been present I would have voted ''aye'' to each of those votes.

TRIBUTE TO IRENE GERSTLE

HON. HEATHER WILSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mrs. WILSON. Mr. Speaker, I wish to bring to your attention the outstanding work of Ms. Irene Gerstle, a teacher at Albuquerque High School in my home of Albuquerque, New Mexico.

Recently, Ms. Gerstle received a 1999 Toyota Investment in Mathematics Excellence grant award. Many children in our community and throughout America are falling behind in mathematics skills. Ms. Gerstle sees this problem and looks for solutions. She helps her students to excel in math by teaching them in creative ways. I applaud her commitment to improve mathematics education through the development and implementation of innovative classroom projects. Her hard work and creativity supports students at Albuquerque High gain valuable skills they will need and use in the twenty-first century.

Irene Gerstle is among the many dedicated teachers we have throughout the First Congressional District of New Mexico and the United States. Please join me in thanking Ms. Gerstle for her contributions to our students and our future.

INTRODUCTION OF H.R. 2586, THE VETERANS BURIAL PLOT ALLOWANCE IMPROVEMENT ACT OF 1999

HON. CORRINE BROWN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Ms. BROWN of Florida. Mr. Speaker, today I am introducing H.R. 2586, the Veterans Burial Plot Allowance Improvement Act of 1999. My bill would increase the amount of the veterans' plot allowance burial benefit from $150 to $300–the first increase of the plot allowance since that benefit was initially authorized over 25 years ago. The proposed increase to $300 more accurately reflects the current cost of interment and better provides for the original intention of the benefit.

Additionally, my bill would correct an inequity now imposed on peacetime veterans while providing a further incentive to states and their political subdivisions to expand needed burial space for veterans. Under my bill, all veterans who are eligible for burial in a national cemetery would be eligible for a plot allowance payable to a state or a political subdivision of a state when the veteran is buried (without charge for the cost of a plot or interment) in a cemetery or a section of a cemetery owned by the state or political subdivision and that area is used solely for the interment of persons eligible for burial in a national cemetery.

I am proud of America's long-held, solemn commitment to provide a final resting-place of honor for those who have defended her in uniform. I am disappointed, however, that today nearly one-third of United States veterans do not have the option of being buried in a national or state veterans cemetery located within 75 miles of their home—a distance the Department of Veterans Affairs says makes a veterans cemetery ''reasonably available''. And, I am chagrinned that ninety percent of the veterans who are eligible to be buried in a national or state veterans cemetery decline to be buried there. A great many simply feel that those cemeteries are too far away to be a reasonable option for their families.

Unless Congress takes corrective action soon, the problem of scarce burial space for veterans will become more severe over the next decade. VA projects a 42 percent increase in veteran burials from 1995 to 2010, with the annual veteran death rate reaching 620,000 by the year 2008. I was extremely disappointed that—although VA needs five-to-seven years to plan and build a national cemetery—its proposed fiscal year 2000 budget failed to request any funding for even the planning of a single new national cemetery.

On June 29th, the House passed H.R. 2280 that would require the Secretary of Veterans Affairs to establish four new national cemeteries and contract for an independent assessment of the number of additional national cemeteries that will be required for the interment of qualified individuals who die after 2005.

Mr. Speaker, as helpful as H.R. 2280 promises to be in fulfilling America's commitment to her veterans, national cemeteries were never intended to be the complete solution. The number of veterans under-served by reasonably available veterans cemeteries is—and will continue to be—far too great and widely distributed to be satisfied entirely by national cemeteries administered by the Department of Veterans Affairs. The answer, Mr. Speaker, is to expand the national cemetery supplemental system comprised of veterans cemeteries operated by states and their political subdivisions.

In 1978, Congress established the State Cemetery Grants Program for VA to assist states in providing gravesites for veterans in areas where the national cemetery system could not satisfy their burial needs. Grants are used by states to establish, expand, or improve veterans cemeteries they own and operate. Legislation enacted last November authorized VA to provide up to 100 percent of the development cost for an approved project. For new cemeteries, VA now also can provide the operating equipment. States must furnish the land and agree to administer, operate, and maintain the cemetery.

To date, half of the states—to include my home state of Florida, as well as the large veterans population states of Texas and New York—still do not have a state veterans cemetery.

On May 20th, the Veterans' Affairs Subcommittee on Oversight and Investigations, of which I am the Ranking Democrat, conducted a hearing on veterans cemeteries. Veterans organization representatives and State Directors of Veterans Affairs testified that many states do not seek VA grants to establish a veterans cemetery because of their concern for the high perpetual costs of operating them. Witnesses noted that the amount of the plot allowance received by state cemeteries—$150—has remained unchanged since the benefit was authorized in 1973 and does not come close to covering the state's cost of an interment. Furthermore, states are not able to receive plot allowance payments for veterans unless those veterans had wartime service. Witnesses estimated that 20 percent of the veterans buried in state veterans cemeteries were peacetime veterans who would have been eligible to be buried in a national cemetery.

To encourage states to apply for a VA state cemetery grant, my legislation would increase the plot allowance to $300. This amount represents a conservative estimate of the current actual cost to states for the interment of veterans—the original intent of the plot allowance benefit.

My bill also would expand the eligibility criteria for states and their political subdivisions to receive plot allowance payments. A provision that would allow plot allowance payments for all veterans who are eligible for burial in a national cemetery would correct a long-standing inequity for peacetime veterans as well as support the state cemetery grants program. Veterans with peacetime service are not distinguished from veterans with wartime service regarding their burial benefits in a national cemetery. Veterans who elect to be buried in a state cemetery, likewise, should not be subject to differing categories of eligibility for the plot allowance benefit.

A third burial option for veterans—the one that offers a location closest to their residence—is a veterans cemetery owned by an agency or political subdivision of a state. Local cemeteries owned by a county or city are authorized to receive the veteran's plot allowance if the veterans is buried without charge for the cost of a plot or interment in a section that is used solely for the interment of persons eligible for burial in a national cemetery. Like state veterans cemeteries, these local, government-owned cemeteries are limited to plot allowances for veterans with wartime service.

Witnesses at my Subcommittee's recent hearing testified that they believed that if the amount of the plot allowance benefit were increased to a sum more closely approximating the actual cost of interment, and if the eligibility criteria for receipt of the plot allowance by cemeteries owned by a political subdivision of a state were expanded to include peacetime veterans who were eligible for burial in a national cemetery, that those community cemeteries would be encouraged to establish or expand special sections for veterans.

Mr. Speaker, it is important that Congress reaffirm this Nation's commitment to provide an appropriate resting-place of honor for its veterans. My legislation would provide states and their political subdivisions with the incentive to expand the necessary supplement to our national cemetery system so that America might properly memorialize the sacrifices her veterans have made to keep this Nation free. I urge my colleagues to support their veterans through the support of my solution to this bipartisan issue.

CONDEMNING INTERNATIONAL PARENTAL CHILD ABDUCTION

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. GEKAS. Mr. Speaker, today I rise to condemn the continuing crisis of international parental child abduction. Six years ago, in the 103rd Congress, in response to an instance of

international child abduction in my home State of Pennsylvania, I formulated legislation which created punitive measures to respond to these crimes. I had hoped that when we passed that measure, now Public Law 103–173, the International Parental Kidnapping Crime Act of 1993, that tragic instances of child abduction would be halted. Unfortunately, I was wrong.

Imagine that your former spouse—who does not have custodial rights of your children—comes to your home and picks up your kids for a weekly visit. Then imagine that you discover your spouse has taken your children to a foreign country, and you have little recourse in getting your children back. Sadly, this happens more than 1,000 times each year.

Prior to passage of this legislation, there was no Federal law that addressed this heinous crime. Now, this law provides both deterrence and prevention. For anyone convicted of unlawfully kidnapping their child and taking him or her overseas, a one- to three-year jail term and stiff fines can be expected. In addition, this legislation established educational programs for judges and others involved in custody proceedings that continue to serve as preventive measures. By passing that law, Congress for the first time put the weight of Federal law behind our desire that children never be taken away from a loving parent.

Yesterday the House of Representatives debated and passed the Gibbons amendment to H.R. 2415, the American Embassy Security Act. Representative GIBBONS, like myself six years ago, has diligently worked with the State Department in order to find a resolution to this same problem that plagues families across the country. His amendment helps prevent international child abduction by ensuring that in order for a child to be issued a passport, certain requirements must be met by her/his legal guardians.

I applaud the efforts of Representative GIBBONS and I wholly support his amendment. As Members of Congress, we should do all we can to end the nightmare of international parental child abductions.

TRIBUTE TO MR. JOSEPH E. BEASLEY ON HIS RETIREMENT FROM THE INTERNATIONAL UNION OF OPERATING ENGINEERS LOCAL #66

HON. RON KLINK

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. KLINK. Mr. Speaker, I rise today in order to honor my longtime friend, Mr. Joseph E. Beasley. On June 30th, Mr. Beasley retired from the International Union of Operating Engineers, bringing to a close a career that spanned five decades.

After serving his country in the military, Mr. Beasley joined the work force in Pittsburgh. Soon after, he joined the Union and began what would become a 49 year association with the Operating Engineers. Mr. Beasley served in a wide variety of capacities during this tenure, distinguishing himself through dedication and hard work.

Mr. Beasley's career began with his election to the position of Financial Secretary for the Local Union in 1972. He held this position until his 1981 election to Business Manager, a seat he held until his retirement. In addition, Mr. Beasley served as Vice-President of the Pittsburgh Building Trades Counsel and Chairman of the Local 66 Pension and Annuity and Welfare Funds.

In addition to his work on the local level, Mr. Beasley also served as an International Trustee and the eleventh General Vice President of the International Union of Operating Engineers. Most recently, he served as the Vice-President of the Pennsylvania AFL–CIO and as Secretary Treasurer of the Northeastern States Conference of Operating engineers.

Mr. Beasley's accomplishments throughout his career have gained him the respect and admiration of his colleagues. He has proven himself a great asset to not only the state of Pennsylvania but also hard working men and women across this country.

Mr. Speaker, I would like to thank Mr. Beasley for all his efforts throughout his nearly fifty year career. I wish him the best in his much deserved retirement.

PERSONAL EXPLANATION

HON. HERBERT H. BATEMAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. BATEMAN Mr. Speaker, I was regrettably absent and missed rollcall vote No. 327 on July 21, 1999. The vote was on the Bilbray amendment to H.R. 2415, the American Embassy Security Act. I include in the RECORD that I would have voted ''aye'' had I been present.

MILITARY RECRUITMENT THROUGH EFFECTIVE PRESENTATIONS TO AMERICA'S YOUNG PEOPLE

HON. JIM SAXTON

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. SAXTON. Mr. Speaker, we know that today our armed forces are facing serious shortfalls in recruitment. Already, these shortfalls are having a dangerous impact on our Nation's military readiness. We will have all the best tools, and no one to fight the war. In part, the problem may be caused by a blessing: America's flourishing economy, which leads our young people to enter a booming job market rather than the rigors of military service. Therefore, it is essential for our national security that our government do all it can to support our armed forces in effectively communicating to young people of recruitment age the advantages and benefits of service.

Honor, patriotism, and the desire for adventure still engage and motivate America's young men and women. America's armed forces offer the opportunity to be part of something meaningful, to learn self-discipline and sacrifice. For many idealistic young people, that offers them an experience unmatchable elsewhere. So we have to get the message out about what service in the Army, Navy, Air Force, and Marines means to their country, and what opportunities such service entails. And we must recognize that in today's world, we are competing with some of the most effective marketing and recruitment techniques ever devised by U.S. companies, which quite reasonably want to catch as many of the best and the brightest as they can for themselves.

Therefore, it is esssential that we convey our message by the most effective means possible, employing language and images engaging to young Americans of recruitment age. Programming messages by the U.S. Navy have scored significant recruiting success in recent months, partially reversing the downward trend of Navy recruitment. Programming directed toward high school students for post-graduation enlistment can be particularly well targeted and unusually effective means of increasing awareness of the military service option and positive attitudes towards it. As a result of this exposure, students in the Channel One schools are more likely to consider enlisting.

Mr. Speaker, the use of innovative methods to educate and encourage young people about the benefits of service to their country is essential in today's marketplace. Our national security demands such an effort. At the same time, service in the United States military truly provides young Americans with an opportunity to gain by giving to their country. I intend to work hard to ensure that our government expands its support for our armed forces' efforts in this direction.

CONGRATULATING THE SULPHUR ALL STAR BASEBALL TEAM

HON. CHRISTOPHER JOHN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. JOHN. Mr. Speaker, I would like for my colleagues to join me today in congratulating the 8-year-old Sulphur All Star Baseball Team which has earned a trip to play in the Little League World Series this July 22–25.

The Sulphur All Stars have won their last three tournaments to reach this point. In the process, the All Stars placed 2nd in the State of Louisiana and was also awarded a trophy for the ''Best Defensive Team.'' Mr. Speaker, we are extremely proud of these young men and I wanted to briefly recognize the players and coaches at this time. The All Star players are Brady Landry, Tyler Kuykendall, Jon Thomas Chargois, Jeremy Abshire, Sha Hale, Charlie LaBoeuf, Phillip Ivey, Keith Lemelle, Jonathon LeBlanc, Mackenzie McGuane, Corbett Reed, Evan Harris, Kade Guillory, and Jacob Theriot. The All Star coaches are Terry Kuykendall, Eugene LeBlanc, Von Chargois, Mike Evans, Len Lemelle, Shannon Theriot, Buckie LeBoeuf, Jamie Guillory, Jim McGuane, and Don Hale.

I want to wish the Sulphur All Stars all the best in the World Series and I will be rooting for them from Washington!

PRIVATIZATION OF THE UNITED STATES POSTAL SERVICE

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. CRANE. Mr. Speaker, remember that old excuse ''the check is in the mail''? In the

''old days,'' this excuse could be used more easily than today, when the myriad of electronic options makes sending a check a nearly instantaneous procedure. In fact, they are not even called ''checks'' anymore, but are called electronic financial transfers. With the telecommunications, computer and information technology revolution, there are a variety of options to get a document or payment from one place to another. As we use these advancements more and more in everyday life, the U.S. Postal Service (USPS) is losing steam, and its revenues are being greatly affected. Some even wonder if the Postal Service will become to the 21st Century what the horse-drawn carriage was to the 20th Century.

The federal government itself is taking advantage of these developments and using electronic means to do much of its business. For example, this year, millions of Americans paid their taxes and received refunds through electronic financial transfers. Many Social Security beneficiaries also receive their payments in the same manner—an electronic deposit into their bank accounts, thereby eliminating the role of the Postal Service. And, the federal government is saving taxpayer dollars by operating in this way. It costs approximately 43 cents to send a payment by check versus 2 cents to send funds electronically. Thus, fundamental change is necessary to enable the USPS to adapt and compete in this rapidly changing world.

The USPS has conceded that they do not operate in a legislative framework that allows them to be responsive in adapting to these changes in technology and to competition with these new services. In a 1995 speech, former Postmaster General Marvin Runyon said that USPS is losing a lot of its financial and business mail due to such technological changes, which has created competition from e-mail, electronic financial transfers, fax machines, and the Internet.

Mr. Speaker, as you will agree, the vast majority of USPS employees are hard-working people who want to deliver their product in the fastest, most efficient way possible. For the most part, the problem is not with the employees of USPS—it is with the legislative mechanism that limits their ability to do their job effectively. First, the Postal Service has an absolute monopoly over first-class mail—there is no competition and thus no motivation to improve service. Also, the federal government subsidizes USPS. Thus, it has no real motivation to improve service. Also, the federal government subsidizes USPS. Thus, it has no real motiviation to be in the black at the end of the year because it can borrow from the Federal Treasury when necessary. The Postal Service does not have to pay taxes, and therefore has no real incentive to improve its efficiency. In total, USPS has no motivation to become more productive and efficient because it will continue to operate due to its subsidy and a lack of competition.

For these reasons, I am reintroducing legislation to convert USPS into a totally private corporation, owned by its employees. This legislation calls for this transition to be implemented over a five-year period, after which the current monopoly over first-class mail would end. To make sure USPS has a fair chance at succeeding as a private corporation, my legislation allows for the cost-free transfer of assets currently held by USPS to the private corporation. Consequently, USPS would have an enormous infrastructure to start with that they are already familiar with, and the ability to create new products and services to make it competitive with other corporations providing services it can only dream of challenging today. To increase the motivation of employees to work hard and make USPS competitive, the employees would own the corporation, making their earnings contingent on the amount of work they put in.

In past Congresses when I have introduced this legislation, I have been opposed by those who believe that privatization would result in the Postal Service being chased out of all metropolitan markets, leaving it with troublesome rural areas to service. With changes in technology occurring everyday, the USPS is more likely to be left with rural and bulk mail if it remains in its current government-subsidized form, than if it privatizes and has plenty of options to respond to the technology revolution.

For these reasons, I hope the employees of USPS will carefully consider this proposal and recognize its merits, as they stand the most to gain with privatization. I continue to hope that my colleagues in the House of Representatives might join me in this effort to privatize the USPS so that it will be a responsive, efficient service for all Americans to use in the years to come.

IN TRIBUTE TO THE LATE MARGARET ROACH

HON. PETER DEUTSCH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. DEUTSCH. Mr. Speaker, the South Florida community has lost a truly great leader. I am saddened that Margaret Blake Roach passed away at the age of 88 in Ft. Lauderdale, Florida, on July 16, 1999. We mourn the loss of a woman whose legacy will undoubtedly be remembered for years to come.

Margaret Roach was at the forefront of the social justice movement in Broward County for three decades. Well known as the founder and president emeritus of the Urban League of Broward County, Margaret was also the founding member of the Broward/South Palm Beach region of the National Conference for Community and Justice, formerly the National Conference of Christians and Jews. Her leadership was instrumental in the fight for social equality throughout South Florida and, indeed, the entire state of Florida as well.

During her 24 years as an administrator in Broward County Schools and a trustee and former chairperson of the board of trustees in Broward County Schools and a trustee and former chairperson of the board of trustees at Broward Community College, Margaret Roach was very active in various civic matters. Though she retired from the school district in 1975, Margaret continued to work on behalf of children nationwide. She played significant roles in the United Way, Habitat for Humanity, and the Cleveland Clinic. It truly seems that there was no organization that worked for the greater good in Broward County in which Margaret Roach did not play a role.

Mr. Speaker, while Margaret Roach's passing is a tremendous loss for the South Florida community, I can say without hesitation that her memory lives on through the work of the many organizations to which she dedicated her life. Margaret was an extraordinary human being who went above and beyond what she needed to be, because of her sincere desire to help others. For the thousands of lives she has touched, I thank and praise Margaret Blake Roach for her hard work, her leadership, and her compassion for others.

PERSONAL EXPLANATION

HON. JULIA CARSON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Ms. CARSON. Mr. Speaker, earlier this week, on rollcall 310, I inadvertently voted ''no.'' I intended to be recorded as ''yes.''

RELIGIOUS LIBERTY PROTECTION ACT OF 1999

HON. SPENCER BACHUS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. BACHUS. Mr. Speaker, I rise in strong support of the Religious Liberty Protection Act.

First let me commend the gentleman from Florida, Mr. CANADY. As chairman of the subcommittee, Mr. CANADY has established himself as a stalwart in defending the Constitution and our precious right to the free exercise of the religious freedoms.

Mr. Speaker, let us not forget, let us always be mindful, that the very first freedom guaranteed by our forefathers in the Bill of Rights was the right to freely exercise our religious beliefs. When we study history, we quickly recognize that this is neither coincidence nor accident that our forefathers enumerated this as the first constitutional right, for they came to this country seeking the right to freely exercise their religious beliefs. Since our first forefathers arrived on our shores until very recently this freedom has been unquestioned. Today, Americans are united on few things but we almost uniformly agree that our religious liberties should be cherished and protected.

However, sadly, in 1990 the Supreme Court, created by the very Constitution which guarantees our right to religious freedom, began, hopefully unwittingly, what constitutes as no less than an assault on this freedom. Is it not inconceivable that, of all things, of all institutions, our Supreme Court has been at the forefront of denying Americans this cherished right? They did so, in a 5–4 decision, by repealing a long-established legal principle which required the government to prove a compelling state interest before restricting religious liberty. Within a year following this unfortunate decision, Catholic prisoners were denied access to priests or their confessionals were monitored, Jewish prisoners were denied the right to wear yarmulkes, and a Christian church right here in Washington, DC, was ordered to stop feeding the homeless. Congress quickly responded to this breach of protection created by the Supreme Court, and with only three dissenting votes, passed the Religious Freedom Restoration Act which restored the historic compelling state interest test. It was

quickly signed into law by President Bill Clinton.

Unfortunately, the Supreme Court rules this act unconstitutional. I respect the Supreme Court, both the institution and its members. Sadly, their decision, in my opinion, neither respected the jurisdiction that the Constitution conveys to the Congress nor preserved the checks and balances of the Constitution. In a display of legalism which escapes this Member's understanding and to this Member defies common sense, they stated that Congress had the power to enforce the constitutional rights protected by the 14th Amendment, the amendment on which the 1993 act was based, but not the right to ''expand them.'' It is hard to imagine that Congress' pronouncement stating that the first freedom in the Constitution, the free exercise of our religious beliefs which was the catalyst for the very founding of our country should not be swept away without a compelling state interest was somehow an ''expansion'' of our religious liberties. If a constitutional right can be taken away without compelling reason, on a whim, or with a minimum of justification, it is not in any way a well protected right.

Additionally, it is difficult to imagine that Congress' attempt to protect the first right delineated in the Constitution is somehow prohibited by the Constitution. Not only is it unimaginable, ti is unacceptable. For that reason, this Congress, this day, representing the people of this country, must again act to protect the precious religious freedoms and liberties of those we represent. To do otherwise would allow the Supreme Court, in what this Member perceives to be an arbitrary decision, to set itself up as the sole arbitrator, determinator and protector of our constitutional rights. The basis of our constitutional rights is not the Supreme Court; it is the Constitution. I, for one, firmly believe that the Constitution also gave this body, as the elected representatives of the people, a right, and further an obligation, to protect our constitutional freedoms.

Certainly, is not the right and the obligation to protect our first freedom the right and obligation of all three branches of government? I will never accept the premise, nor should this Congress, that only the Supreme Court is vested with this right and this power. To do so would basically give the Supreme Court alone the power to restrict the very precious rights encompassed in our Constitution without any check or balance. To do so would also surrender our obligation to defend the Constitution, an obligation we swear to uphold upon our election. To defend the Constitution should be our first obligation, not someone else's obligation.

Our forefathers in their wisdom did not give to the Supreme Court alone the power to protect our Constitutional rights and freedoms. They, in fact, gave this obligation and responsibility to all three branches of government. It is not a duty that we should constitutionally avoid. Let us not dodge or shirk this solemn responsibility today. Let us instead, not with three dissenting votes, but unanimously pass the Religious Liberty Protection Act.

PERSONAL EXPLANATION

HON. LYNN N. RIVERS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Ms. RIVERS. Mr. Speaker, the following is a list of votes that I missed because I had to return to Michigan due to a family emergency. Had I been present, I would have voted as follows:

Rollcall No. 281—McGovern amendment—''yes.''

Rollcall No. 282—Sanders amendment—''yes.''

Rollcall No. 283—Coburn amendment—''yes.''

Rollcall No. 284—Sanders amendment—''yes.''

Rollcall No. 285—Sanders amendment—''yes.''

Rollcall No. 286—Slaughter amendment—''yes.''

Rollcall No. 287—Stearns amendment—''no.''

Rollcall No. 288—Rahall—''yes.''

Rollcall No. 300—Previous question on H. Res. 246, rule on H.R. 2490, Treasury Postal—''no.''

PERSONAL EXPLANATION

HON. BILL LUTHER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. LUTHER. Mr. Speaker, due to a family commitment I was unable to cast House votes 301–305 on July 15th, 1999 and House vote 306 on July 16th, 1999.

NATIONAL MENTAL HEALTH PARITY ACT OF 1999

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. STARK. Mr. Speaker, I am proud to join with my colleagues to introduce the National Mental Health Parity Act of 1999. The goal of this legislation is to provide parity in insurance coverage of mental illness and improve mental health services available to Medicare beneficiaries. This legislation will end the systematic discrimination against those with mental illness and reflect the many improvements in mental health treatment.

My legislation would prohibit health plans from imposing treatment limitations or financial requirements on coverage of mental illness, if they do not have similar limitations or requirements for the coverage of other health conditions. The bill also expands Medicare mental health and substance abuse benefits to include a wider array of settings in which services may be delivered. Specifically, the legislation would eliminate the current bias in the law toward delivering services in general hospitals by allowing patients to receive treatment in a variety of residential and community-based settings. This transition saves money for the simple reason that community-based services are far less expensive than hospital services. In addition, community-based providers can better meet the patient's personal needs.

Providing access to mental health treatment offers many benefits because of the significant social costs resulting from mental health and substance abuse disorders. Treatable mental and addictive disorders exact enormous social and economic costs, individual suffering, breakup of families, suicide, crime, violence, homelessness, impaired performance at work and partial or total disability. Recent estimates indicate that mental and addictive disorders cost the economy well over $300 billion annually. This includes productivity losses of $150 billion, health care costs of $70 billion and other costs (e.g. criminal justice) of $80 billion.

Two to three percent of the population experience severe mental illness disorders. As many as 25 percent suffer from milder forms of mental illness, and approximately one out of ten Americans suffers from alcohol abuse. One out of thirty Americans suffer from drug abuse.

Alcohol and drug dependence is not the result of a weak will or a poor character. In many cases, the dependence results from chemical abnormalities in the person's brain that makes them prone to dependence. In other cases, the dependence represents a reaction to unhealthy social and environmental conditions that perpetuate abuse of alcohol and drugs. Regardless of the cause of the abuse, alcohol and drug abuse can be treated and allow the person to live a normal and productive life.

Mental health disorders are like other health disorders. With appropriate treatment, some mental health problems can be resolved. Other mental health conditions, like physical health conditions can persist for decades. Indeed, there are those who battle mental illness their entire life just as there are those who suffer from diabetes, congenital birth defects, or long-term conditions like multiple sclerosis. Whereas insurance policies cover the chronic health problems, they do not offer the same support for mental health conditions.

During the last 104th Congressional session, parity in the treatment of mental illness was a widely and hotly debated issue. Although parity legislation was finally developed, insurance carriers found gaping loopholes and created mental health insurance policies that provide less access to mental health services. Furthermore, the current parity legislation includes many exemptions in coverage requirements for small employers. if an employer has at least 2 but not more than 50 employees, they can be exempt from the coverage requirement. Finally, if a group health plan experiences an increase in costs of at least 1 percent, they can be exempted in subsequent years. We can and must do more for our constituents.

My proposed legislation addresses two fundamental problems in both public and private health care coverage of mental illness. First, despite the prevalence and cost of untreated mental illness, we still lack full parity for treatment. The availability of treatment, as well as the limits imposed, are linked to coverage for all medical and surgical benefits. Whatever limitations exist for those benefits will also apply to mental health benefits.

Let us not forget the small employers either. If a company qualifies for the small employer exemption, the insurance companies will be

able to set different, lower limits on the scope and duration of care for mental illness compared to other illnesses. This means that people suffering from depression may get less care and coverage than those suffering a heart attack. This disparity is indefensible.

Access to equitable mental health treatment is essential and can be offered at a reasonable price. Recent estimates indicate that true parity for mental health services will increase insurance rates by a mere one percent, a trivial price to pay for the well being of all Americans.

Second, the diagnoses and treatment of mental illness and substance abuse has changed dramatically since the start of Medicare. Treatment options are no longer limited to large public psychiatric hospitals. The great majority of people receive treatment on an outpatient basis, recover quickly, and return to productive lives. Even those who once would have been banished to the back wards of large institutions can now live successfully in the community. Unfortunately, the current Medicare benefit package does not reflect the many changes that have occurred in mental health care. This bill would permit Medicare to pay for a number of intensive community-based services. These services are far less expensive than inpatient hospitalization.

For those who cannot be treated while living in their own homes, this bill would make several residential treatment alternatives available. These alternatives include residential detoxification centers, crisis residential programs, therapeutic family or group treatment homes and residential centers for substance abuse. Clinicians will no longer be limited to sending their patients to inpatient hospitals. Treatment can be provided in the specialized setting best suited to addressing the person's specific problem.

Currently there is a 190-day lifetime limit for psychiatric hospital treatment. This limit was originally established primarily in order to contain costs. in fact, CBO estimates that under modern treatment methods, only about 1.6% of Medicare enrollees hospitalized for mental disorders or substance abuse used more than 190 days of service over a five year period.

Under the provisions of this bill, beneficiaries who need inpatient hospitalization would be admitted to the type of hospital that can best provide treatment for his or her needs.

Inpatient hospitalization would be covered for up to 60 days per year. The average length of hospital stay for mental illness in 1995 for all populations was 11.5 days. Adolescents averaged 12.2 days; 14.6 for children; 16.6 days for older adolescents; 8.6 days for the aged and disabled; 9.9 days for adults. A stay of 30 days or fewer is found in 93.5% of the cases. The 60-day limit, therefore, would adequately cover inpatient hospitalization for the vast majority of Medicare beneficiaries, while still providing some modest cost containment. Restructuring the benefit in this manner will level the playing field for psychiatric and general hospitals.

In summary, my legislation is an important step toward providing comprehensive coverage for mental health. Further leveling the health care coverage playing field to include mental illness and timely treatment in appropriate settings will lessen health care costs in the long run. These provisions will also lessen the social costs of crime, welfare, and lost productivity to society. This bill will assure that the mental health needs of all Americans are no longer ignored. I urge my colleagues to join me in support of this bill.

MISS MARTHA DAVIS

HON. BOB BARR

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. BARR of Georgia. Mr. Speaker, if you spend much time examining popular television shows, magazines, and music nowadays, you'll very quickly reach the conclusion that our society is obsessed with youth. In many ways, it is good to see greater concern about hanging on the health, energy and optimism that go along with being young. However, we will be making a grave mistake as a society if we over-value youth at the expense of rejecting the wisdom, common sense, and experience our senior citizens acquire over a lifetime.

Nowhere is this principle more evident than in the life of Miss Martha Davis. Miss Martha, as she is known to her students, earned her college diploma at Brenau College in Gainesville, Georgia. After graduating, she returned to her hometown of Cave Spring, Georgia, where she held a job as a teacher for the next four and a half decades. In the process she helped shape the lives of her students, many of whom still visit and spend time with her on a regular basis.

Miss Martha's own words are perhaps the most appropriate way to describe the outlook that has served her so well. She says, ''There's three things: God is first, then people, then yourself. I try to live by that. Making people happy and helping them—those things have made me happier than anything else.''

This month, Miss Martha, who lives in Cave Spring, will turn 100. On July 31st, her former students have planned a celebration for her on the front lawn of her home. It is with great pride that I join all of those whose lives she has touched in wishing this great teacher and outstanding citizen a happy 100th birthday.

HONORING LT. COL. CHARLES A. HAMILTON

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. KILDEE. Mr. Speaker, I rise today to recognize the accomplishments of a gentleman who has given much in the name of national service, and protecting our citizens. On Friday, July 23, the men and women of the United States Air Force 16th Operations Group and the 16th Special Operations Squadron, located at Hurlburt Field, Florida, will gather to witness the relinquishment of command by Lt. Col. Mark P. Transue, and the assumption of command by Lt. Col. Charles A. Hamilton.

Born in my hometown of Flint, Michigan, Lt. Col. Charles Hamilton lived there until he was 18, and then entered the Air Force Academy. He graduated with a degree in Economics from the Academy and was commissioned on May 28, 1980. He was stationed at Reese Air Force Base in Texas from August 1980 to March 1985, where he was a student as well as instructor of new pilots. From there he went on to bases in New Mexico, Japan, Florida, and in January 1994, moved to the Pentagon, where he served as Operations Branch Chief, and Deputy Chief of the Special Operations Division, Directorate of Operations and Training, Deputate of Operations and Plans.

Lt. Col. Hamilton remained at the Pentagon until August of 1997, where he was then returned to Hurlburt Field as an Instructor Pilot until August 1998, where he was then assigned to his current position of Operations Officer.

The 16th Special Operations Squadron has committed themselves to support unified and theater special operations commands, through the implementation of night, close air support, armed reconnaissance, and interdiction missions in support of National Command Authorities taskings. The 16 SOS is one of only two squadrons utilizing the AC–130 Gunship, an aircraft which was an important part in such exercises as Operations Just Cause, Desert Storm, and United Shield, among others. They have been honored with numerous commendations, including Two Presidential Unit Citations, four Air Force Outstanding Unit Awards, and the Republic of Vietnam Cross of Gallantry with Palm.

Mr. Speaker, I am exceptionally proud to represent a person like Lt. Col. Charles Hamilton in Congress. The task he prepared to undertake, to take command of one of the Air Force's premier squadrons, is one of great responsibility which I am certain he will handle with the utmost maturity and sense of duty. I ask my colleagues in the 106th Congress to join me in congratulating Lt. Col. Hamilton and sending him the best of wishes.

HONORING STATE SENATOR MARK HILLMAN, REPRESENTATIVE BRAD YOUNG, AND THE COLORADO GENERAL ASSEMBLY

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. SCHAFFER. Mr. Speaker, Colorado State Senator Mark Hillman and State Representative Brad Young have advanced a Resolution in the Colorado General assembly important to the debate we are about to engage about tax relief. Adopted this year by the Colorado General Assembly, Senate Joint Memorial 99–004 urges us to repeal the Federal Unified gift and estate tax.

Mr. Speaker, one of our colleagues has observed that only with our government are you given a certificate at birth, a license at marriage, and a bill at death. One of the most compelling aspects of the American dream is to make life better for our children and loved ones. Yet, the current tax treatment of a person's life savings is so onerous that when one dies, the children are often forced to turn over half of their inheritance to the Federal Government. The estate tax is imposed at an alarming 37 to 55 percent rate. This is higher than in any other industrialized nation in the world except Japan. Even worse, not only does this take place at an agonizing time for the family,

but they also have to watch their loved one's legacy be snatched up by the federal government—an entity not known for great wisdom in spending money. This is as wrong as it is tragic. And it dishonors the hard work of those who have passed on.

The purpose of the estate tax, or ''death tax'' as many call it, has evolved over time. It has been enacted three other times in our Nation's history as a way to help fund wars—the naval war with France in 1797, the Civil War in 1862, the Spanish American War in 1898, and World War I. Although it was repealed within 6 years in each of the first three instances, in 1916 the Federal Government put its hand in the pocket of Americans to fund WWI and never took it out. Over time, the tax began to reflect political philosophy as liberal politicians sought to break up what they perceived to be the concentration of wealth in society by heavily taxing estates. It has become less of a tax on wealth, however, and more of a tax on the accumulation of wealth of those who are trying to get ahead and save for the future.

It is the small businesses and family farms that are particularly vulnerable to the death tax. Asset rich and cash poor, these enterprises do not have the liquid resources to settle a tax bill of up to 55 percent with the Federal Government. Their only option is to sell some or all of the land or business, thereby diminishing the asset generating the wealth for that family.

Today, less than half of all family-owned businesses survive the death of a founder and only about 5 percent survive to the third generation according to the Life Insurance Marketing Research Association. Under current tax law, it is cheaper for an individual to sell the business prior to death and pay the individual capital gains rate than pass it on to heirs. This is terrible public policy.

The amount of money spent complying with, or trying to circumvent, the death tax is astronomical. Congress' Joint Economic Committee reported that the death tax brings in $23 billion in annual revenue, but costs the private sector another $23 billion in compliance costs. Therefore, the total impact on the economy is a staggering $46 billion. When one calculates the amount of money spent on complying with the tax, the number of lost jobs resulting from businesses being sold, or the resources directed away from business expansion and into estate planning, it is no wonder that a grandswell has formed to eliminate this punitive tax that constitutes only 1.4 percent of all federal revenues.

Congress has attempted to help ease the burden of the death tax by increasing the personal exemption—which now stands at $650,000—to adjust for the inflation of assets. Unfortunately, this will continue to be too little help as home values, the increasing popularity of defined contribution retirement plans, and the trend toward more small business entrepreneurship drives middle-income people above the exemption. If you calculated the personal exemption that existed under Franklin Roosevelt's administration in today's dollars, it comes out to $9 million.

In particular, Congress has tried to help small businesses by creating an additional death tax exemption for family-owned businesses. Here too, however, is where good theory becomes impractical in the real world. The family-owned business exemption enacted as part of the Taxpayer Relief Act of 1997 creates 14 new definitions with which a business must comply before it is eligible for relief. Although a good idea at the time, this exemption has proven to be nothing more than a boondoggle for attorneys and estate planners who are hired by families trying to navigate their way through these eligibility hoops.

The Death Tax Elimination Act (H.R. 8) is the right answer at the right time. The productivity of enterprising Americans and a Republican-led Congress intent on reducing wasteful spending has helped to produce the first budget surplus in a generation. What will be Congress's response to this surplus? Will it spend the money on dozens of government programs that could no doubt be created or expanded? Or, will it cobble together a complicated tax plan that aims to help everybody and, therefore, helps almost no one? We must provide the American people with fairness in our tax system so that individuals who save and invest for their children and grandchildren's future will no longer be punished.

Restoring fairness to our tax system must center around two main principles: the non-Social Security surplus belongs to the American people and it ought to be returned to them; and we must preserve the foundations on which strong communities are built. I can think of no better idea that fulfills both these principles than repeal of the death tax. The ingredients to a successful family or business—savings, investment, and hard work—must be once again rewarded, not taxed.

Mr. Speaker I commend the effort of Senator Hillman, Representative Young, and the Colorado General Assembly. They remind us that the impact of our decisions here will be surely felt in Colorado and everywhere in America. I hereby submit for the RECORD Colorado's Senate Joint Memorial 99–004.

SENATE JOINT MEMORIAL 99–004

Whereas, The Federal Unified Gift and Estate Tax, or ''Death Tax'' generates a minimal amount of federal revenue, especially considering the high cost of collection and compliance and in fact has been shown to decrease federal revenues from what they might otherwise have been; and

Whereas, This federal Death Tax has been identified as destructive to job opportunity and expansion, especially to minority entrepreneurs and family farmers; and

Whereas, This federal Death Tax causes severe hardship to growing family businesses and family farming operations, often to the point of partial or complete force liquidation; and

Whereas, Critical state and local leadership assets are unnecessarily destroyed and forever lost to the future detriment of their communities through relocation or liquidation; and

Whereas, Local and state schools, churches, and numerous charitable organizations would greatly benefit from the increased employment and continued family business leadership that would result from the repeal of the federal Death Tax: Now, therefore, be it

Resolved by the Senate of the Sixty-second General Assembly of the State of Colorado, the House of Representatives concurring herein:

That the Congress of the United States is hereby memorialized to immediately repeal the Federal Unified Gift and Estate Tax; and be it further

Resolved, That copies of this Joint Memorial be sent to the President of the United States, the Speaker of the United States House of Representatives, the President of the United States Senate, and each member of the Colorado congressional delegation.

DESIGNATING THE CHESTNUT-GIBSON MEMORIAL DOOR

SPEECH OF

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 20, 1999

Mr. HOYER. Mr. Speaker, one year ago this Friday, the Capitol Building was shaken by a maniacal and senseless shooting spree. This day reminds us once again that the risk is always present for those we ask to defend this free society. The vagaries of life are such that there are those, either demented or angry or for whatever reasons, that take unto themselves the opportunity to commit violence.

We lost Officer Jacob J. Chestnut and Detective John Gibson so that many others might be safe and to indicate that the Capitol of the United States, freedom's house, will not only be accessible, but also protected.

This past May we rededicated the Capitol Police headquarters in honor of Officer Chestnut, Detective Gibson, and Officer Christopher Eney, the first Capitol Police officer killed in the line of duty during a training accident in 1984. This resolution complements the renaming of the headquarters building. Henceforth, every tourist, staffer, Member or head of state that uses the ''memorial door'' will remember the public service of these three men and the ultimate sacrifices that each of them made.

While this resolution renaming the document door specifically honors Officer Chestnut and Detective Gibson, the memorial door is a tribute to all of the men and women of law enforcement who leave their homes each day and take to their duties to defend America's principles, to defend Americans, and to defend an orderly society.

Just down the street from this building stands the Law Enforcement Officers Memorial. Since last year's tragedy, the names of Officer Chestnut and Detective Gibson have been added to a long list of fallen officers including their colleague, Officer Eney and others from departments around the Nation.

In the last year we have taken some very positive steps in insuring that this type of incident does not happen again. While we can never guarantee that there is not another shooting, the security enhancement plan is an important step in the right direction. With additional officers, acquisition of new equipment, and a restructuring of the department, we can work to decrease the chances of another shooting while retaining the accessibility that the American public and the World over have come to know.

Let us not forget the ultimate sacrifice that these two brave officers made. I thank my colleague Representative DELAY, for bringing forward this resolution and I urge my colleagues to join with me in paying tribute to Officer Chestnut and Detective Gibson on this solemn one-year anniversary by passing this resolution.

IN HONOR OF DOROTHY EPSTEIN

HON. JERROLD NADLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. NADLER. Mr. Speaker, I rise today to honor Dorothy Epstein, a dedicated community activist. We here in Congress have spent a lot of time talking about Social Security and ensuring that our seniors have the ability to lead safe, healthy, and productive lives. Mrs. Epstein has gone beyond the rhetoric by spending her time relentlessly promoting activism and leadership among older adults so that they, through their own efforts, can secure and protect their future. She played an essential role in creating the Institute for Senior Action, a leadership training program for seniors at the Join Public Affairs Committee (JPAC) for Older Adults in New York. She has served on the JPAC Advisory Committee since 1993 and has used her wisdom to guide that body. These efforts demonstrate Mrs. Epstein's tireless commitment to the cause of senior advocacy: after all, she accomplished all this after retiring at the age of 76.

But this is just another in the long list of Mrs. Epstein's accomplishments, a list which begins at her very first job: organizing unions with the New York City relief bureau. She also served as a chapter president at the Association of Workers in Public Relief Agencies, where she continued to work to prevent discrimination in the workplace and layoffs for civil service workers. Her efforts with these organizations laid the groundwork for what would become the American Federation of State, County, and Municipal Employees. After her great achievements in the public sector, Mrs. Epstein decided to try her hand in the private sector by founding Synergy, a vitamin company. Like all of her efforts, it was a great success.

It was after her retirement from Synergy that she began her extraordinary association with JPAC. Mrs. Epstein was eager to use her experience and vision to confront the issues facing older adults. It did not take long for her to make a big impact, and only a little more than a year after she joined the Advisory Committee, the Institute for Senior Action was born. Under her guidance, the Institute, which graduated its 10th class this year, has pursued vital issues such as the protection of health care, income maintenance, and other social services. The intense, all-day classes stress confidence, cooperation, and help everyone from recent retirees to older seniors get involved in social action. Through the Institute, Mrs. Epstein has been able to spread her energy and dedication to seniors of all backgrounds, who have then been able to make a difference in their own communities.

Mr. Speaker, whether she was organizing unions, fighting discrimination, or educating seniors, Mrs. Dorothy Epstein has dedicated her life to empowering people. So, even though she is pulling back from the day-to-day work at the Institute, the ripple of hope that she created with her life's work will continue to grow and expand, changing more and more lives along the way. It is for this ongoing contribution that I honor her today.

PERSONAL EXPLANATION

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. ORTIZ. Mr. Speaker, due to a medical evaluation on Tuesday, July 20, 1999, I was absent for rollcall votes 311–315. If I had been present for these votes, I would have voted as indicated below.

Rollcall No. 311—''Yes'';
Rollcall No. 312—''No'';
Rollcall No. 313—''No'';
Rollcall No. 314—''No'';
Rollcall No. 315—''No''.

THOMAS MAKAR OF CLEVELAND, OHIO ATTAINS EAGLE SCOUT

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. KUCINICH. Mr. Speaker, I rise today to honor Thomas Makar of Cleveland, Ohio, who will be honored August 21, 1999 for his attainment of Eagle Scout.

The rank of Eagle Scout is the highest honor in which a Scout can earn. Each Eagle Scout must earn 21 merit badges, twelve of which are required. The merit badges an Eagle Scout must earn range from First Aid to Camping to Citizenship of the Community, Nation, and the World. Additionally, each Eagle Scout must complete an Eagle Project that benefits the community in which he must plan, finance, and execute. Furthermore, an Eagle Scout must hold a variety of leadership positions in which he learns important life skills. Thomas has accomplished this and more.

Thomas has proved himself as an exceptional young man who lives by the Scout Law; Scout Oath; Scout Promise; and Scout Motto. Thomas is also the first second-generation Eagle Scout in his troop history, and this is a tribute to the entire Makar family.

I ask you to please join me in recognizing and congratulating Thomas for his achievement.

TRIBUTE TO LT. COL. RODOLFO DIAZ-PONS

HON. DAVE CAMP

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. CAMP. Mr. Speaker, I rise today to pay tribute to Lt. Col. Rodolfo Diaz-Pons, who is retiring after 22 years of military service and 4 years at Central Michigan University as a professor and chair of the military science department.

I would like to commend Lt. Col. Diaz-Pons for his service to his country and congratulate him on his retirement on August 31. Since beginning his career in 1977 after graduating from the U.S. Military Academy at West Point in New York, he has served several leadership positions in the United States and in Germany.

While at Fort Carson, CO, Lt. Col. Diaz-Pons held positions as commander of an ''A Team'' and served as group plans officer in the 10th Special Forces Group Airborne. Following his completion of the Infantry Officer Advanced Course, he served as rifle and headquarters company commander in the 4th Battalion 8th Infantry. During his time in Germany, he served as the battalion operations officer to the 1st Battalion 39th Infantry.

Lt. Col. Diaz-Pons entered into service because he wanted to develop his leadership abilities. He has achieved this goal. As he begins his retirement, he continues to advance his leadership skills and volunteer in his community. He will serve as full-time pastor of Riverbend Baptist Church in St. Louis, MI, where he was previously serving as volunteer pastor.

On behalf of the residents of the 4th Congressional District of Michigan, I would like to recognize Lt. Col. Diaz-Pons today and wish him the best as he begins his new journey. His school, community and nation are grateful to him.

AMERICAN EMBASSY SECURITY ACT OF 1999

SPEECH OF

HON. CAROLYN B. MALONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 21, 1999

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2415) to enhance security of United States missions and personnel overseas, to authorize appropriations for the Department of State for fiscal year 2000, and for other purposes:

Mrs. MALONEY of New York. Mr. Chairman, I rise in opposition to the Goodling amendment.

India is one of our most valuable allies. The oldest democracy and the largest democracy share many things in common. India is moving forward with free-market reforms that offer tremendous opportunities for American trade and investment.

U.S. assistance to India, and elsewhere, serves our national interests and is provided because it promotes our policy priorities, not as a reward for voting with us.

We should not cut assistance to countries based solely on their voting practices in the United Nations General Assembly. We should consider more than just a voting record. For example, we agree on a host of other UN activities. India has sent significant troop contingents to various peace-keeping missions around the world, serving as a partner to further our mutual interests.

But even if you consider their voting record, in votes identified by the State Department as ''important,'' India voted with the U.S. 75% of the time. This amendment will no nothing but damage our relations with a valuable ally by identifying India as an opponent of U.S. policies, when, in fact, we have a great deal in common.

Mr. Chairman, I urge my colleagues to join me in voting against this amendment.

TEACHER EMPOWERMENT ACT

SPEECH OF

HON. DONALD M. PAYNE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 20, 1999

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 1995) to amend the Elementary and Secondary Education Act of 1965 to empower teachers, improve student achievement through high-quality professional development for teachers, reauthorize the Reading Excellence Act, and for other purposes.

Mr. PAYNE. Mr. Chairman, the problems with H.R. 1995 are abundant in nature, however, one of its greatest flaws deals with the lack of language about the school counselors of this country. H.R. 1995 eliminates over one million personnel from eligibility for professional development under Title II of ESEA. Without the assistance of other school personnel, undue burdens and demands will be placed on teachers. TEA will actually increase, not decrease, the workload and responsibilities of teachers. H.R. 1995 decreases local flexibility to train and hire needed school personnel—America's schools need school counselors, the recent school shootings remind us that students have needs that must be served by qualified counseling professionals. H.R. 1995 eliminates pupil services from eligibility for professional development by completely rewriting title II of ESEA. H.R. 1995 limits students with disabilities access to education—by eliminating professional development for pupil services, school staff will be unprepared to meet the special needs of students with disabilities. These are just a few of the shortcomings with H.R. 1995, if we are in this for the children, how can we simply sit back passively and allow such grossly inadequate legislation which blatantly ignores those who fight so hard for the welfare of our children—school counselors.

IRAN NUCLEAR PROLIFERATION PREVENTION ACT OF 1999

SPEECH OF

HON. PETER DEUTSCH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, July 19, 1999

Mr. DEUTSCH. Mr. Speaker, I rise in support of H.R. 1477, the Iran Nuclear Proliferation Prevention Act of 1999, of which I am an original co-sponsor. This provision, which passed the House of Representatives in the 105th Congress by an overwhelming margin, would ensure that we hold the International Atomic Energy Agency accountable for its programs in Iran, and would reinforce our commitment to peace and stability in the Persian Gulf.

Despite its plentiful oil and gas resources, Iran has sought for years to complete the Bushehr Nuclear Power Plant on its Persian Gulf coast. Iran is a notorious sponsor of international terrorism, and as such its plans to utilize nuclear energy should not go unchecked by the United States and our allies. I have little faith that a nation which thinks nothing of murdering innocent civilians and of rounding up innocent Jews and throwing them into jail on trumped-up charges possesses the commitment to safety that would prevent such a reactor from being a threat to the entire Gulf region, if not the world.

The November 1998 pact between Iran and Russia to expedite the construction at Bushehr is illustrative of the urgency of this threat. As a nation, we need to pay close attention to the progression of this project, and we should ensure that we do not contribute to Iran's acquisition of technology or expertise during the course of this project which could contribute to its procurement of nuclear weapons know-how.

As Iran continues to build its military arsenal—testing engines for ballistic missiles capable of carrying warheads to Israel and other nations in the region, we should make sure that our money—both directly and indirectly—does not help Iran's conquest of nuclear technology. This measure, which would withhold assistance to the IAEA pending certain State Department certifications, is a necessary step toward that goal. I urge my colleagues to support this bill.

BRENT BAUKNECHT ACHIEVES RANK OF EAGLE SCOUT

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. KUCINICH. Mr. Speaker, I rise today to honor Brent Bauknecht for his attainment of the rank of Eagle Scout.

Eagle Scout is the highest honor that a Boy Scout can earn. This high honor requires years of dedication and hard work both to himself and most importantly, the community.

Each Eagle Scout must earn 21 merit badges including First Aid; Camping; Citizenship of the Community; Citizenship of the Nation; Citizenship of the World; Family Life; and Personal Management. In addition, each Eagle Scout must plan, finance, and execute a service project that benefits the community. Furthermore, each Eagle Scout must hold a variety of leadership positions in which he gains important life skills that will always remain with him.

Brent has accomplished this and more. He has proven himself to be an exceptional young man by living by the Scout Law; Scout Oath; Scout Motto; and Scout Promise. Only two percent of all boys entering scouting achieve the Eagle Badge, and this accomplishment is a true testament to Brent's abilities, dedication, and commitment.

I ask you to please join me in congratulating Brent for his achievement and outstanding work.

TRIBUTE TO DEAN AND SHARON TRAVIS

HON. DAVE CAMP

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. CAMP. Mr. Speaker, I rise today to pay tribute to Dean and Sharon Travis of Gratiot County, Michigan, who will be honored at a special ceremony in Midland on July 24 when they will be presented with a Centennial Farm marker by Consumers Energy.

At this celebration, the Travis family and other farm families will have the opportunity to share their stories. The Travis family will relay with appropriate pride how their farm, located in Pine River Township, was purchased by their great-great-grandfather in 1857 and has remained in their family ever since.

The festivities are being held in conjunction with a special Smithsonian Institution exhibit, ''Barn Again: Celebrating an American Icon.'' This exhibit celebrates America's rich agricultural heritage, telling the story of farmers and their varying needs throughout our history.

The barn represents growth and prosperity of Americans, and it is important to recognize the agricultural community's contribution to our nation. This year the exhibit tours Michigan for the first time; residents of Alabama, Illinois, Oregon, Utah, Ohio, Missouri, West Virginia and Georgia have already been privileged to see it.

It is with great pleasure that I recognize the Travis family today. Their success has been a source of pride to Gratiot County, and their barn and Centennial Farm designation symbolize the hard work and determination that is characteristic of mid-Michigan's farm families.

I am pleased to have the opportunity to honor them today in the U.S. House of Representatives and I wish them many more generations of bounty.

ELECTRIC BICYCLE LEGISLATION

HON. JAMES E. ROGAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. ROGAN. Mr. Speaker, today I am pleased to introduce a bipartisan, non-controversial, and much-needed piece of legislation. This bill will clarify for purposes of Federal law and regulations that electric bicycles are consumer products and not motor vehicles. This clarification is necessary, as the interpretation of existing law is that electric bicycles are motor vehicles and must conform to all motor vehicle safety standards.

Mr. Speaker, it is important to clarify what an electric bicycle is. An electric bicycle is defined as a bike with all the same features of a conventional bike save one. It carries a small electric motor system that, when engaged by the flip of a switch, augments the power of the rider. This motor empowers the rider to easily pedal speeds up to, but not over, 20 mph.

Because of this feature, electric bicycles are very popular with recreational riders, seniors, commuters, fitness riders, and police and other law enforcement agencies, just to name a few. These bicycles have the potential to mitigate traffic congestion and parking problems, enhance law enforcement agencies' ability to perform certain designated duties; reduce air and noise pollution; promote cost-effective alternative-fuel vehicles; and enhance mobility for those who are physically unable either to drive or access essential services on pedal-only bicycles. In fact, in Southern California, electric bicycles have already begun to demonstrate their significant contribution to improving the quality of life for all.

It is clear that, as defined under my legislation, an electric bicycle is not a moped or a motorcycle, and it is certainly not a motor vehicle. To require it, therefore, to meet all the federal standards of a motor vehicle, which require the implementation of brake lights, turn signals, a speedometer, an odometer, wide tires, and other mandates, is contrary to the notion of what you and I hold as a bike.

The bill I'm introducing today would clarify this situation once and for all. It simply provides that electric bicycles are consumer products and are subject to consumer product rules and regulations. This will not eliminate all safety standards for electric bicycles. My legislation will still provide for these products to be subject to strict safety standards.

As I stated, this is a common sense, noncontroversial bill. Electric bicycles should be held to the same federal safety standards as bicycles, not motor vehicles. I encourage you to join in co-sponsoring this bill and in supporting passage.

HOLDING MANAGED CARE ACCOUNTABLE

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. LIPINSKI. Mr. Speaker, I rise today to bring an editorial from today's Chicago Tribune to the attention of my colleagues. The editorial is titled ''Holding Managed Care Accountable.'' I hope that my colleagues take the time to read this informative and interesting commentary.

[From the Chicago Tribune, July 22, 1999]

HOLDING MANAGED CARE ACCOUNTABLE

(By Philip H. Corboy)

CHICAGO—John McCarron suggests that the best Congress can do for America's health-care system is to do nothing (''Medical malpractice? When Congress plays doctor, pray for gridlock,'' Commentary, July 12). Perhaps some agree with him that ''there's not much wrong with managed care.'' They may not have experienced a major medical crisis and the chance to see their HMO in action.

Supporters of the Patients' Bill of Rights point to scores of incidents around the country. Workers pay for medical coverage for themselves and their families, then find that needed care is delayed or denied—even over the objections of their own doctors. Often the result is that the patient suffers more serious harm, or even death.

Mr. McCarron's argument that this is the employer's fault for choosing the HMO is misguided. All managed-care plans have strong financial incentives to minimize care and maximize profits, which amounted to some $10.5 billion for the industry last year. There is no disincentive to keep administrators from interfering with patient care by denying needed services, understaffing or imposing cumbersome authorization requirements. Unlike every other private business or profession, employee managed-care plans cannot be sued and held accountable for the harm they cause.

This unusual immunity is not something Congress intended, or even considered. In 1974 the legislature passed the Employee Retirement Income Security Act (ERISA), a complicated statute designed to promote and to protect employee pension funds. To avoid conflicting regulations, Congress pre-empted state law. As a result if a plan denies or delays testing for a premature baby at high risk for retinopathy and the child becomes permanently blind, the maximum amount of compensation that the parents can recover is the cost of the test itself. To avoid this harsh result, Congress should fix the problem it created.

The industry's primary strategy in its fight to keep its special immunity has been to frighten Americans with dire predictions of a flood of lawsuits and skyrocketing premiums. Fortunately Americans can see for themselves what happens when managed care is made accountable.

For example, ERISA does not apply to government workers. A study by the Kaiser Family Foundation of approximately 1 million government workers in California from 1991 to 1997 found that only 20 had filed lawsuits. The study estimated that permitting liability actions added only between 3 and 13 cents to each policyholder's monthly premium.

In 1997 Texas enacted a statute that created an external review for managed-care decisions and allowed patients to sue their HMOs. The number of lawsuits that have flooded Texas courts: three. The Texas Department of Insurance, the designated external review board, predicted that there would be 4,400 complaints in the first year. Only 531 were registered, 46 percent of which were resolved in favor of the patients. Texans' liability premiums are almost exactly what they were in 1995.

Missouri also chose in 1997 to allow liability suits. So far there have been none. The experience in Texas and Missouri suggests that the deterrent effect of legal accountability has encouraged managed-care insurers to provide better patient care.

Doctors, unions and groups that represent patients, consumers, veterans and seniors all support the Patients' Bill of Rights. They want more accountability for managed-care plans. The industry claims that it needs immunity to save money, which keeps premiums low. Yet in many cases delay necessitates a much more expensive and risky course of treatment.

Congress should do something. Close the loopholes that encourages managed-care bureaucrats and administrators to interfere with doctors caring for patients.

IN THE HOUSE OF REPRESENTATIVES IN HONOR OF STRONGSVILLE SAVINGS BANK

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. KUCINICH. Mr. Speaker, I rise today to honor Strongsville Savings Bank for their 38 years of service to Northeastern Ohio.

Strongsville Savings Bank was established by a group of local community businesses in May of 1960. In April 1961 it initiated its service to the Strongsville community, as an Ohio chartered, federally insured savings association. Since then, Strongsville Savings Bank has grown and expanded to 16 offices in Cuyahoga, Lorain, and Medina counties.

Nevertheless, the Bank has remained community-oriented, with an emphasis on customer service. Its services include consumer and commercial checking accounts savings accounts, certificates of deposit, residential and commercial real estate loans, home equity line of credit, use of proprietary ATMs, electronic fund transfer services, access to a network of ATM and many other services. The Strongsville Savings Bank is very active in its support of developers and builders of residential housing in their market area by providing a wide array of loans and retail financial services.

Recently, in 1996, Emerald Financial Corporation became the Bank's parent company and unitary thrift holding company. Mike Kalinich, one of the Bank's original shareholders, is chairman of both Emerald Financial Corp. and Strongsville Savings Bank. Of the original 128 shareholders, 38 years ago, 21 continue to be owners of Emerald Financial Corp. stock, and many others are the children and grandchildren of the original shareholders.

Historically, Strongsville has had such success, with strong community involvement and investment in local interests. I would like to congratulate Strongsville Savings Bank for their 38 years of success and service, as well as wish them continued success in the years to come.

PERSONAL EXPLANATION

HON. JIM McDERMOTT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. McDERMOTT. Mr. Speaker, I was absent and unable to vote due to my recovery from heart surgery, July 19, 1999—July 22, 1999.

On July 16, 1999:

I would have voted in favor of H.R. 1033 (Roll Call number 308).

I would have voted in favor of H. Con. Res. 121 (Roll Call number 309).

I would have voted in favor of H.R. 1477 (Roll Call number 310).

On July 20, 1999:

I would have voted in favor of H. Con. Res. 158 (Roll Call number 311).

I would have voted in favor of the Campbell amendment to the Smith amendment to H.R. 2415 (Roll Call number 312).

I would have voted against the Sanford Amendment to H.R. 2415 (Roll Call number 313).

I would have voted against the Paul Amendment to H.R. 2415 (Roll Call number 314).

I would have voted against H. Res. 253 (Roll Call vote 315).

I would have voted in favor of the Goodling amendment to H.R. 1995 (Roll Call number 316).

I would have voted in favor of the Mink amendment to H.R. 1995 (Roll Call number 317).

I would have voted in favor of the Crowley amendment to H.R. 1995 (Roll Call 318).

I would have voted in favor of the Martinez amendment to H.R. 1995 (Roll Call 319).

I would have voted against H.R. 1995 (Roll Call number 320).

On July 21, 1999.

I would have voted against the Gilman amendment to H.R. 2415 (Roll Call number 321).

I would have voted against the Sanders amendment to H.R. 2415 (Roll Call number 322).

I would have voted in favor of the Gibbons amendment to H.R. 2415 (Roll Call number 323).

I would have voted against the Goodling amendment to H.R. 2415 (Roll Call number 324).

I would have voted against the Stearns amendment to H.R. 2415 (Roll Call number 325).

I would have voted in favor of the Waters amendment to H.R. 2415 (Roll Call number 326).

I would have voted in favor of the Bilbray amendment to H.R. 2415 (Roll Call number 327).

I would have voted in favor of the Doggett amendment to H.R. 2415 (Roll Call number 328).

I would have voted in favor of the Engel amendment to H.R. 2415 (Roll Call number 329).

On July 22, 1999:

I would have voted against H. Res. 256 (Roll Call number 330).

I would have voted in favor of the Rangel amendment to H.R. 2488 (Roll Call vote 331).

I would have voted in favor of the motion to recommit H.R. 2488 (Roll Call vote 332).

I would have voted against H.R. 2488 (Roll Call number 333).

I would have voted against H.R. 2561 (Roll Call number 334).

CONGRATULATION TO DR. LAWRENCE A. JOHNSON UPON HIS RETIREMENT

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. OBEY. Mr. Speaker, I rise today to recognize the career of a longtime public servant, Dr. Lawrence A. Johnson, a leading researcher and international authority in the field of artificial insemination and semen physiology and preservation in swine.

Dr. Johnson, was born and raised on a livestock farm in Luck, Wisconsin, in the heart of western Wisconsin's dairy country in my district. He received his Bachelor's degree from the University of Wisconsin at River Falls in 1961, he received his Master's from the University of Minnesota in St. Paul in 1963, and was awarded his doctorate by the University of Maryland in 1968.

Thirty-five years ago, in 1964, Dr. Johnson began his career with the Agricultural Research Service (ARS) of the U.S. Department of Agriculture, first as a chemist with the Swine Research Branch, and later as Research Physiologist with the Reproduction Laboratory. He became Research Leader of the Germplasm and Gamete Physiology Laboratory when it was created in 1991. He also served for two years as Visiting Scientist at the Research Institute for Animal production in the Netherlands.

With Dr. V.G. Pursel, Dr. Johnson developed the Beltsville Freezing and Thawing Method for preserving swine sperm. This method has been commercially used for cryopreservation of boar semen since 1975 and it has been used for the exportation of the highest quality genetics to upgrade swine production in more than 40 countries throughout the world. Subsequently , Dr. Johnson initiated collaborative studies with Dutch which led to the Beltsville TS Semen Diluent becoming the primary swine semen diluent throughout the world, currently used in 12 to 15 million inseminations worldwide each year. More recently, his research led to the development of the only effective method to control the sex ratio of mammalian offspring, considered a major advance in reproductive biology, which has brought him world recognition as an authority on gender preselection. In 1993, Dr. Johnson and his colleagues successfully adapted the sexing technology to be used for disease prevention in humans.

Dr. Johnson has authored or co-authored more than 265 scientific papers, book chapters and abstracts, and he has presented 75 papers at various international symposia and meetings. His numerous awards have included the Alexander von Humboldt Award in 1994 for the ''most significant accomplishment in American Agriculture in the previous five years'', and, in the same year, he was recognized as the Distinguished ARS Scientist for the Year. Dr. Johnson's work has also been recognized in countries throughout the world from the Netherlands to Japan.

Upon his retirement from government service, Dr. Johnson will be returning to his home state of Wisconsin. I'd like to take this opportunity to thank him for his years of government service, and wish him well in his future endeavors.

TRIBUTE TO DR. THOMAS LLOYD

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. CONYERS. Mr. Speaker, I rise to pay tribute to a man whose outstanding dedication to our children, the future of our nation, does us all proud. Dr. Thomas Lloyd, General Superintendent of Schools in the Highland Park School District, passed away on June 28, 1999, at the age of 61. The community will miss him dearly.

Dr. Lloyd, who had served since 1996 as the District's 16th superintendent, was born in Miami and graduated from George Washington Carver High School there is 1956. After attending Morehouse College in Atlanta, Dr. Lloyd enrolled at Wayne State University, where he earned a B.A. in Psychology in 1963. In addition, he minored in Sociology and English. He continued on at Wayne State, where he earned a M.A. in Vocational Rehabilitation Counseling, with a minor in Education. Subsequently, Dr. Lloyd earned is Ph. D in Administration and Supervision at the University of Michigan.

From 1962–63, Dr. Lloyd served as research technician at Henry Ford Hospital and Lafayette Clinic in Detroit. He also served as a clinical psychologist at W.J. Maxey Training School in Whitmore Lake (1963–65), an assistant at Wayne State's Traffic Research Center, and as School Psychological Diagnostician for the Southern Wayne County Economic Group, Inc. (1996–68). Additionally, Dr. Lloyd served as dropout counselor and guidance department supervisor in the Detroit Public Schools; and as team leader, special instructor and acting supervisor of trainee affairs at the DPS Skills Training Center from 1965–66.

In his 32 years of service to the Highland Park School District, Dr. Lloyd held a variety of posts. A state-certified Psychological Examiner, he also served as School Diagnostician (1967–68), counselor at Highland Park Community College (1968–1971), Assistant Dean at HPCC (1971), and School District Special Education Programs Supervisor (1987). Dr. Lloyd also had an earlier stint as Superintendent of Schools (1978–87) and two periods as President of Highland Park Community College (1971–78 and 1993–96).

Dr. Lloyd was renowned and respected for his leadership ability in the field of education, always placing a strong emphasis on planning, efficiency and fiscal responsibility. His most recent accomplishment was a richly detailed blueprint for improved educational quality and student achievement, the 1997–2000 Districtwide School Improvement Plan. Dr. Lloyd realized early on the impact that new technology would have on learning, becoming a strong advocate for high-tech teaching, learning and information services. He led the District into a new age of technology, accomplishing a swift transition into an exciting era.

Dr. Lloyd was also an impassioned defender of Highland Park Community College. He voraciously fought to keep the only convenient metro-area community college open, to serve thousands of ''''education-seeking students'' who could not easily attend other institutions of higher learning. He fought to ensure that education was available to all, not just a privileged few.

Other initiatives fostered under Dr. Lloyd's stewardship were the creation of a new public information program, and in concert with the Mother's Club of Highland Park, reactivation of the Harvey C. Jackson, Jr. Memorial Scholarship Fund. Combined with local fundraising and outside providers, the Scholarship Fund has issued $173,400 in college scholarships to 127 Highland Park students in 18 years. Dr. Lloyd successfully grasped the importance of advanced education in the modern world and ensured that his gifted students were in no way restrained from reaching their full potential.

In addition, Dr. Lloyd, at various points in his career, served as chairman of national and local planning committees. He planned the first annual National Association of Black School Educators Summer Leadership Academy (Ann Arbor, 1983). He also chaired the Southeastern Michigan League of Community Colleges (1977–78), and served on the Executive Board of the Michigan Community College Association. Also, Dr. Lloyd was also a member of the Alpha Phi Alpha fraternity, the Phi Delta Kappa educational honorary society, and various state and national professional organizations in the fields of psychology and education.

Dr. Lloyd has served as a member of executive boards of the Highland Park Boys' Club, Rotary Club, Caucus Club, Metropolitan Detroit Bureau of School Studies, and Detroit Black United Fund. In addition, he was a member of the Highland Park Lions' Club, Highland Park City Planning Commission, and the advisory board of the Reggie McKenzie Foundation, and has served as Trustee of Mayflower Congregational Church in Detroit.

In 1997, Dr. Lloyd received the honored Golden Apple Award, from the Trailblazer's Division (Scouting for the Handicapped) of the Detroit Area Council, Boy Scouts of America.

Dr. Lloyd is survived by his wife Karen, son Thomas (Melissa), daughters Lisa (Mark) and

Charlene, stepdaughter Dawnielle, brothers Samuel and James, grandsons Kennie Hobbs, Jr., and Mark Jones, Jr., and granddaughters Danielle Mike; Jessica, Amber and Mallory Lloyd.

A private memorial service for the emergency medical service community will be held at 3 p.m. Sunday at First United Methodist Church—Westchase Campus. A public memorial will be held at Rice Stadium at 7:30 p.m.

IN REMEMBRANCE OF THREE HEROES; JOHN PITTMAN, LYNN ETHERIDGE, AND CHARLES ATTEBERRY

HON. KEN BENTSEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. BENTSEN. Mr. Speaker, I rise to honor three Texans, Mr. John Pittman, Ms. Lynn Etheridge, and Mr. Charles Atteberry who were tragically killed in a helicopter crash while en route to pick up a patient as part of the world renowned Hermann Life Flight program. Their helicopter crashed in eastern Fort Bend County this past Saturday, July 17, 1999. It was the first fatal accident for Hermann Life Flight program since its inception in 1976.

Mr. John Pittman, 58, was an accomplished pilot who worked on Hermann Life Flight for much of his career. Ms. Lynn Etheridge, 35, was flight nurse who provided quality emergency care services to injured persons. Mr. Charles ''Mac'' Atteberry, 32, was a dedicated paramedic who provided cutting-edge medical services to trauma care victims. All three were veteran Memorial Hermann Hospital System employees. Mr. Pittman had flown for more than 30 years, including 10 years as Life Flight pilot.

Hermann Life Flight is one of the most advanced emergency care helicopters in existence. Hermann Life Flight has logged more than one million air miles and flown more than 60,000 missions. This service is available 24 hours a day through the dedicated work of its 14 pilots, 13 flight nurses, 12 paramedics, 20 communications specialist and 6 mechanics. The Hermann Life Flight program includes three helicopters that provide emergency care services within 150 mile radius throughout Texas and western Louisiana. The cost of providing this service is more than $3 million annually which is solely funded through community and fundraising efforts. The Hermann Life Flight program provides advanced emergency life support equipment, including cardiac monitors and defibrillators, temporary pacemakers, oxygen and materials for immobilization and isolettes for newborns.

Mr. Speaker, I ask that my colleagues join me in honoring their service to the community and in expressing my condolences to the families of Mr. Pittman, Ms. Etheridge, and Mr. Atteberry.

The Greek Poet Homer once wrote that ''life and death are balanced on the edge of a razor.'' Their mission, indeed their job, to provide medical care to those with the greatest need was simple, but always with risk. They saved lives while balancing their own on the edge of a razor. Yet, they did this day in and day out. I know that John, Lynn and ''Mac'' were deeply committed to the services they provided to the greater Houston community. All Texans can be proud of the services they provided and the sacrifices they made. They will be missed.

RECOGNIZING THE ST. ANTHONY OF PADUA PARISH'S FORTY YEARS OF SERVICE TO ITS PRIEST AND PARISHIONERS

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. KUCINICH. Mr. Speaker, today I rise to honor the fortieth anniversary of the first mass of the Saint Anthony of Padua Parish, first formed by the Archbishop Edward H. Hoban on March 6, 1959.

The parish has come a long way from the first mass held in the Parmadale Orphanage on July 12, 1959 by the parish's founding pastor, Fr. Jeremy Fischer. It quickly became an integral part of the community and within a few months it had more than a thousand families registered and a very successful campaign to begin construction on its own building. On January 29, 1961 the new building, including a gym and school, was dedicated and served as the parish's home for twenty years until the continuously growing parish of over 3400 families required a new home.

Under the guidance of the first principal, Mr. Frank Kuhar, the parish has dedicated itself to the education of our youth and to providing them a solid foundation from which they can progress to become God-fearing leaders of the community and a source of guidance and inspiration to the next generation.

On Sunday, July 11, 1999, at noon, Most Reverend A. Edward Pevec, Archbishop of Cleveland, will preside over mass at the parish which his predecessor had founded almost exactly forty years earlier. It will be followed by a reception in the school hall and a banquet and dance later in the evening.

My fellow colleagues, please join me in recognizing the St. Anthony of Padua Parish's forty years of service and the dedication of its priests and parishioners to fostering the spiritual health and community life of its congregation.

ON THE RETIREMENT OF MR. ROBERT M. TOBIAS

HON. JAMES P. MORAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. MORAN of Virginia. Mr. Speaker, I am pleased to come to floor today to recognize the tremendous career of Bob Tobias, longtime friend and advocate to federal employees everywhere.

In August, Bob will not be seeking reelection for a fifth term as President of the National Treasury Employees Union (NTEU), an organization which represents more than 155,000 employees in 20 federal agencies and departments. During his 31 years with the NTEU, including 16 as President, he has turned it into one of the most effective voices federal employees have ever had.

Bob and I have worked together since I was first elected to Congress in 1990. Bob was extremely helpful in advising me on the complex legislation to promote fair and equitable compensation and benefits for our civil servants.

Bob earned his law degree from the George Washington University School of Law, based right here in DC. He then went on to use litigation as a tool to advance the interests of federal employees across America. Bob has led several landmark legal victories, including a successful half-billion dollar back pay suit against President Nixon, a federal court victory that gave federal workers the right to engage in informational picketing, and a Supreme Court win that overturned the ban on speaking and writing honoraria.

In fact, Bob has been involved in every major piece of legislation impacting federal employees during the last 20 years. These include the development of FERS, protecting the FEHBP, the restructuring of the IRS, and enacting the Federal Employee Pay Comparability Act. He has also been tireless in promoting the idea that partnership can make the workplace better for federal employees, providing a more efficient service to the American taxpayer. Bob also led the fight to restore political freedom to federal employees in pushing for reform of the Hatch Act.

Bob is now focusing on different priorities; a second career as a teacher and writer on public policy issues beckons, where he will be able to educate a new generation.

I have enjoyed working with you Bob, and look forward to continuing to work with you on issues that are so important to working families. I wish you the best of luck.

AMERICAN EMBASSY SECURITY ACT OF 1999

SPEECH OF

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 21, 1999

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2415) to enhance security of United States missions and personnel overseas, to authorize appropriations for the Department of State for fiscal year 2000, and for other purposes.**HD***Supp for H.R. 2415 and for Radio Free Asia

Mr. PORTER. Mr. Chairman, I rise today to support the authorizing committee in their commitment to fully authorize Radio Free Asia at $30,000,000 and to lift the sunset provision of Radio Free Asia.

I have had a longstanding interest in U.S. international broadcasting and I am proud and delighted that Radio Free Asia is running so strongly and delivering accurate and timely news to those who would not otherwise receive it. In its fourth year of existence, RFA has been able to expand its service to provide information in nine languages to listeners in Asia who do not have access to full and free news media reaching countless people living in China, Tibet, Burma, Vietnam, North Korea, Laos and Cambodia.

I want to congratulate the Chairman and the committee on lifting the sunset on Radio Free Asia and call on the other body do to the

same. RFA is the only U.S. international broadcaster to have a sunset provision. It is time to bring RFA in line with the rest of the international broadcasters.

As we continue to fight communism, dictatorships and human rights abusers in Asia, it is important democracy, freedom and the truth have a voice. RFA provides that voice.

This year the U.S. suffered first hand from the lack of free press in China in the wake of the Embassy bombing in Belgrade. RFA was one of the few news broadcasts to reach the Chinese people that provided the truth following the incident. And according to RFA call-in shows following the bombing, over half of the callers were critical of the way the Chinese government handled the situation. RFA also broadcasted a special series this summer commemorating the 10th Anniversary of the Tiananmen Square Crackdown and providing a voice for family members to remember their loved ones.

China is not the only country where Radio Free Asia is reaching out to people. In Burma, Radio Free Asia regularly interviews Aung San Suu Kyi, keeping the hope of her party alive. A series was also conducted this year on AIDS in the country which included medical information about the disease. In Korean, stories ran on North Koreans defecting to China due to its famine and on the South Korean/North Korean engagement policy.

In several of these repressive countries with closed or weak media institutions, the Chinese government—through the Xinhua News Agency and other means—has an impact on the way events are reported within the country. RFA provides an important counterweight to this creeping influence.

As these countries struggle with democracy, human rights and freedom, the importance of independent media sources cannot be underestimated. Governments are less likely to commit abuses if Radio Free Asia is shining light on their injustices while promoting democracy and U.S. interests. I am proud Radio Free Asia is available to provide this service. I look forward to its continued and expanded service to create an even greater audience to bring democracy and freedom to Asia.

MINIMUM WAGE IN VERMONT; NATIONAL HEALTH CARE SYSTEM; PEER COUNSELING

HON. BERNARD SANDERS

OF VERMONT

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. SANDERS. Mr. Speaker, I would like to have printed in the RECORD statements by high school students from my home State of Vermont, who were speaking at my recent town meeting on issues facing young people today. I am asking that you please insert these statements in the CONGRESSIONAL RECORD as I believe that the views of these young persons will benefit my colleagues.

MINIMUM WAGE IN VERMONT

(On behalf of Brandi Russin, Tonya Boutin and Nicole King)

Brandi Russin: We are here to talk about the minimum wage in Vermont. We feel that it is a little bit low for the price. The living expenses in Vermont are very high compared to the minimum wage.

Tonya Boutin: I feel that with the life that we are living now, that the expenses are very high, and the minimum wage is not enough. We have got car payments to pay, we have gas, we have other things that we need to spend our money on, and with the minimum wage, it is not enough. If you think about all the stuff—

Brandi Russin: I don't know if you are interested. We brought some forms along for you to look at. Right here, I have pay stubs from a job when I was earning regular minimum wage, and this is the net amount. We just want to note the small amounts on these checks. And we have all noticed, at the jobs when we've been getting paid minimum wage, you get like a $60 to an $80 check per week, and you are like, Oh, you know, I can just spend this here, spend this here, and you tend not to save as much money. And as we grow up a little, we know we have a lot to save for. And this is also another job where it is more than minimum wage, and, on the bottom, you can see the amounts are much larger. And with amounts like this, you think, Wow, you know, maybe I should be setting some of this aside for something.

We would like you just to see that. And we also made some forms up on some expenses that teenagers do have in their lifetime. And $5.25 is not adequate, we feel, along with most other teenagers.

We also made up a little tiny fact sheet saying that, if you want to see a movie on minimum wage, the movie price is $7.50 to get into a movie. So if you want to go to see a movie, you have to work for an hour and a half at your job to see one movie. And a lot of teenagers like to wear Levi jeans, and those cost—we did an estimate of $45. If you want to go buy a pair of jeans for yourself, you have to work nine hours for a pair of jeans.

Congressman Sanders: Anyone else that wanted to add anything?

Nicole King: When I started working, I started my first job last June, once I got out of school. I was making $5.50 at that job, but I didn't feel I was making enough to make care payments, car insurance, and my other living expenses, so I started working a second job. And between the two of those, I was working between 50 and 65 hours a week. And I could only do that for about a month and a half, and I had to quit my first job because I was getting more hours at my second job.

Congressman Sanders: Tonya, did you have anything to add to that?

Tonya Boutin: I was working at a job that was paying minimum wage, and I found that, the more hours I got was better, but my paychecks weren't satisfying. You know, I just—I worked hard to get the money that I earned, and the paycheck that I was getting just didn't satisfy me. And to try to save up money is very hard, because you only get a certain amount, and, you know, you pay your bills and what you need to do, and you only like 20 bucks at the end, and it is not enough.

Brandi Russin: As both of these, I was working two jobs also. I was working over 70 hours a week, and finally I said to myself, I can't keep doing this. And when you become a senior in high school, you realize all the college expenses coming up, and you say, Wow, where am I going to get the money from? So you start doing what we did, and panic, and you start working 50 to 70 hours a week, and you say, Where am I going to get all the money from? And you have to say no to yourself, you have to say, I need to stop and realize what I am doing to myself, and I am not getting enough sleep, and I am just going to keep working, keep working for this money.

NATIONAL HEALTH CARE SYSTEM

(On behalf of Zarina Williams and Melanie Campo)

ZARINA WILLIAMS: The United States should have a national health care system. Nationally, Americans spent $1.2 trillion on health care in 1998, and the amount is increasing each year. Thirty-seven million out of 270 million people in America do not receive adequate health care. Many Americans cannot afford private medical insurance, but do not qualify for Medicaid or Medicare. Some people who have private insurance have to do without treatment because they cannot afford the deductible.

There are other countries that have national health care. France has a national health care system, where the government reimburses 85 percent of medical costs, and you have your choice of doctors and dentists. Germany also has a national health care system, where the government pays for unemployed welfare recipients and employed people up to a certain income. People who earn high income take out private insurance, because the government does not pay for the health care. Most hospitals in Germany are run by states and municipalities, not privately owned.

Melanie Campo: In the United States, government should provide national health care. Financial means should not determine the quality of the medical services a citizen receives. If we had a national health care system, people would want to become doctors to help people, not for the money. Almost every industrialized country provides partial health care coverage for its citizens. Why shouldn't America?

A plan proposed in Massachusetts would eliminate four-fifths of the out-of-pocket health costs. Funds for this plan could come from savings in administrative costs of the system, money from the federal government, and money employers and employees now contribute to health insurance premiums. Additional money would be generated through new taxes of 1.5 percent on income and 1 percent on payroll. With this plan, everyone would receive the same coverage. This plan would negotiate drug prices and regulate medical costs.

PEER COUNSELING

(On behalf of Lee Knight, Anna Tornello and Gigi Craig)

Anna Tornello: We have changed our topic to peer counseling at Colchester High School.

In the past several months, there have been bomb threats, weapon threats, and many unfortunate deaths. When we were on vacation, the Littleton, Colorado, incident happened, and when we came back to school, we were all really scared.

Lee Knight: And that is why we want to start a peer counseling group. It's because we don't want the same tragedy that happened at Columbine High School to happen here. One of the reasons why students turn to violence was because of the way that the society looked at them. Kids and students should not be judged by the way they dress. It doesn't matter what they look like; it is who they are on the inside. It is just like philosopher John Locke said: People are not born good or evil, but they are shaped by their surroundings. In which, in our case, our surroundings are the society that we live in. And we want to stop criticism that happens in schools all around the nation.

Anna Tornello: As we know, not one student can save a whole school from the same kind of tragedy that happened at Columbine High School. And students have guidance counselors at the school, but most students

are afraid to talk to their guidance counselors, and one reason is because they are afraid that they might tell their parents or they might tell other people. That's why we feel that peers of your own age, you should be able to talk to them. And that's what we think.

Gigi Craig: What we need is full-time guidance counselors to respond quickly to students' needs, if they are feeling that they are going to hurt themselves or hurt somebody else. We can't wait a week, because we don't know what will happen by then.

Anna Tornello: We have talked to Phillip Brown, who is a licensed psychiatrist in Vermont, and he said that the peer counseling would be a really good idea, because it will help the kids be able to talk to other people better, and if there is a problem like where somebody is going to hurt themselves or somebody else, then you need to go seek professional help. But we can help people with just little problems, and that will help the students be able to talk and get out their feelings.

The group at Colchester High School, we hope, will someday help the peer counseling, and maybe someday it will be able to spread through Vermont, and maybe the nation. And we feel that students should be able to feel safer at school, and that every student needs to have somebody that cares, and somebody to talk to when they need help. And we feel that all these goals can be accomplished with the help of the community, the government, adults, and other students. We don't want to get this swept underneath the rug. We want to make a difference in the community, and, most of all, we want to help kids that are normal on the outside but are crying on the inside.

Daily Digest

HIGHLIGHTS

Senate passed Commerce/Justice/State Appropriations bill.

Senate

Chamber Action

Routine Proceedings, pages S8975–S9170

Measures Introduced: Seventeen bills and three resolutions were introduced, as follows: S. 1412–1428, and S. Res. 159–161. **Pages S9072–73**

Measures Reported: Reports were made as follows:

Special Report entitled "Further Revised Allocation To Subcommittees of Budget Totals for Fiscal Year 2000. (S. Rept. No. 106–118)

Report to accompany S. 1386, to amend the Trade Act of 1974 to extend the authorization for trade adjustment assistance. (S. Rept. No. 106–119)

S. Res. 159, authorizing expenditures by the Committee on Agriculture, Nutrition, and Forestry.

S. 438, to provide for the settlement of the water rights claims of the Chippewa Cree Tribe of the Rocky Boy's Reservation. **Page S9072**

Measures Passed:

Commerce/Justice/State Appropriations: Senate passed S. 1217, making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 2000, after taking action on the following amendments proposed thereto:

Pages S8980, S8982–85, S8988–S9069

Adopted:

Biden Amendment No. 1285, to provide additional funding for community oriented policing services. **Pages S8989–99**

Lugar Amendment No. 1289, to appropriate funds for the National Endowment for Democracy and to offset such appropriations with a reduction in the Capital Investment Fund. **Pages S9001–09**

Collins Amendment No. 1296, to express the sense of the Senate with regard to the Federal Communications Commission's report and order relating to numbering resource optimization to address the exhaustion of telephone area codes. **Pages S9014–15**

Hutchison Amendment No. 1297, to provide that any border patrol agent classified in a GS–1896 position who completes a 1-year period of service at a GS–9 grade and whose current rating of record is fully successful or higher shall be classified at a GS–11 grade and receive pay at the minimum rate of basic pay for a GS–11 position. **Page S9016**

Hutchison Amendment No. 1300, to provide that the Commissioner shall within 90 days develop a plan for coordinating and linking all relevant Immigration and Naturalization Service data bases with those of the Justice Department and other federal law enforcement agencies, to determine criminal history, fingerprint identification, and record of prior deportation. **Page S9016**

Enzi Amendment No. 1301, to prohibit the Federal Communications Commission from requiring persons to use any accounting method that does not conform to Generally Accepted Accounting Principles. (By 45 yeas to 52 nays (Vote No. 218), Senate earlier failed to table the amendment.)

Pages S9020–24

Harkin Amendment No. 1304, to provide $100,000,000 in Byrne grant funding offset by reducing funds for travel, supplies, and printing expenses in the bill by 5.8 percent and cutting funds for preliminary work on possible Supreme Court improvements. **Pages S9028–29**

Boxer Amendment No. 1305, to prohibit the transfer of a firearm or ammunition to an intoxicated person. **Pages S9029–30**

Boxer Amendment No. 1306, to ensure that parties to the tuna convention pay their fair share of the expenses of the Inter-American Tropical Tuna Commission before they are allowed to export tuna to the United States. (By 35 yeas to 61 nays (Vote No. 220), Senate earlier failed to table the amendment.)

Pages S9030–33, S9047

Gregg/Hollings Amendment No. 1308, to make certain improvements to the bill. **Pages S9033–34**

Gregg (for Domenici) Amendment No. 1309, to provide for security for certain federal personnel.

Pages S9033–34

Gregg (for Coverdell) Amendment No. 1310, to provide funds to carry out the drug-free workplace demonstration program. **Pages S9033–36**

Gregg (for Stevens), Amendment No. 1311, to amend provisions relating to the implementation of the June 3, 1999 Agreement of the United States and Canada on the Treaty Between the Government

of the United States of America and the Government of Canada Concerning Pacific Salmon.

Pages S9033, S9036

Gregg (for Stevens), Amendment No. 1312, to amend certain provisions for appropriations for costs associated with the implementation of the American Fisheries Act vessel documentation activities.

Pages S9033, S9036

Gregg (for Chafee), Amendment No. 1313, to provide funding for the Narragansett Bay cooperative study conducted by the Rhode Island Department of Environmental Management in cooperation with the Federal Government. **Pages S9033, S9037**

Gregg (for Cochran), Amendment No. 1314, to provide funding for research in addictive disorders and their connection to youth violence.

Pages S9033, S9037

Gregg (for DeWine), Amendment No. 1315, to make an amendment with respect to the Crime Identification Technology Act of 1998.

Pages S9033, S9037

Gregg (for Grams), Amendment No. 1316, to credit reimbursements owed by the United Nations to the United States to reduce United States arrearages to the United Nations. **Pages S9033, S9037**

Gregg Amendment No.1317, to provide that none of the funds appropriated or otherwise made available in this Act for the United Nations my be used by the United Nations for the promulgation or enforcement of any treaty, resolution, or regulation authorizing the United Nations, or any of its specialized agencies or affiliated organizations, to tax any aspect of the Internet. **Pages S9033, S9037**

Gregg/Hollings Amendment No. 1318, to revise certain provisions of the Immigration and Nationality Act of 1953. **Pages S9033, S9037**

Gregg (for Ashcroft) Amendment No. 1319, expressing the sense of the Senate regarding Iran.

Pages S9033, S9037

Gregg (for Hatch) Amendment No. 1320, to provide additional funding for law enforcement programs regarding hate crimes. **Pages S9033, S9037–38**

Gregg (for Snowe) Amendment No. 1321, to provide for the New England Fishery Management Council. **Pages S9033, S9038**

Gregg (for Hatch) Amendment No. 1322, to authorize a place for holding court in New York, to authorize the consolidation of clerks offices in West Virginia, and to direct the provision of space for a senior judge's chambers in Utah. **Pages S9033, S9038**

Hollings (for Kerry) Amendment No. 1323, to increase funding for Small Business Administration Microloan Technical Assistance. **Pages S9033, S9038**

Hollings (for Kennedy) Amendment No. 1324, to enhance Federal enforcement of hate crimes.

Pages S9033, S9038–44

Hollings (for Graham) Amendment No. 1325, to provide for a study on older individuals and crime.

Pages S9033, S9044

Hollings (for Reed) Amendment No. 1326, to extend temporary protected status for certain nationals of Liberia. **Pages S9033, S9044**

Hollings (for Bryan) Amendment No. 1327, to express the sense of the Senate with respect to promoting travel and tourism. **Pages S9033, S9044–45**

Hollings (for Bingaman) Amendment No. 1228, to study the benefits of establishing an electronic commerce extension program at the Department of Commerce. **Pages S9033, S9045**

Hollings (for Murray) Amendment No. 1329, to provide that, of the amounts provided, $6,000,000 shall be made available to Pacific Coastal tribes (as defined by the Secretary of Commerce) through the Department of Commerce, which shall allocate the funds to tribes in California and Oregon, and to tribes in Washington after consultation with the Washington State Salmon Recovery Funding Board.

Pages S9033, S9045

Hollings (for Boxer) Amendment No. 1330, to improve the process for deporting criminal aliens.

Pages S9033, S9045

Hollings (for Dodd) Amendment No. 1331, to require Congressional notification prior to the sale of properties that have been used as U.S. embassies, U.S. Consulates or the residences of the U.S. Ambassador, Chief of Mission or Consuls General.

Pages S9033, S9045

Hollings (for Torricelli) Amendment No. 1332, to earmark funds for a new truck safety initiative.

Pages S9033, S9045

Hollings (for Torricelli) Amendment No. 1333, to allow the City of Camden to retain funding from a fiscal year 1996 law enforcement grant.

Pages S9033, S9045–46

Hollings (for Feinstein) Amendment No. 1334, to amend the Federal Property and Administrative Services Act of 1949 to continue and extend authority for transfers to State and local governments of certain property for law enforcement, public safety, and emergency response purposes. **Pages S9033, S9046**

Hollings (for Feinstein) Amendment No. 1335, to provide for expenses necessary to establish and implement the High Intensity Interstate Gang Activity Areas Program (including grants, contracts, cooperative agreements and other assistance).

Pages S9033, S9046

Gregg (for DeWine) Amendment No. 1336, to provide funding to the National Oceanic and Atmospheric Administration to upgrade Great Lakes water gauging stations in order to ensure compliance with Year 2000 (Y2K) computer date processing requirements. **Pages S9033, S9046**

Hollings (for Kerrey) Amendment No. 1337, to provide that the total amount appropriated not to exceed $550,000 shall be available to the Lincoln Action Program's Youth Violence Alternative Project. **Pages S9033, S9046**

Hollings (for Kerrey) Amendment No. 1338, to provide that the total amount appropriated, not to

exceed $1,000,000 shall be available to the Team-Mates of Nebraska project. **Pages S9033, S9046**

Hollings (for Schumer) Amendment No. 1339, to provide for an analysis by the Securities Exchange Commission of the effects of electronic communications networks and night trading on securities markets. **Pages S9033, S9046**

Hollings (for Kohl) Amendment No. 1340, to provide funding for task forces coordinated by the United States Attorney's Office for the Eastern District of Wisconsin and the Western and Northern Districts of New York. **Pages S9033, S9046**

Gregg (for Jeffords/Leahy) Amendment No. 1341, to allocate funds for Tibetan Exchange Program. **Pages S9033, S9046**

Wellstone/Murray Amendment No. 1291, to amend title III of the Family Violence Prevention and Services Act and title IV of the Elementary and Secondary Education Act of 1965 to limit the effects of domestic violence on the lives of children. **Pages S9009–11, S9048**

Gregg (for Gorton) Amendment No. 1342, to express the sense of the Senate regarding the European Council noise rule affecting hushkitted and reengined aircraft. **Pages S9048–49**

Rejected:

By 43 yeas to 54 nays (Vote No. 217), Lautenberg Amendment No. 1302, to provide funds, from increases in the Department of Justice budget, for a media campaign to prevent alcohol consumption by individuals in the United States who have not attained the age of 21. **Pages S9019–20, S9024**

Wellstone Amendment No. 1303, to clarify the treatment of juveniles and the mentally ill by the Prison Litigation Reform Act of 1995. (By 56 yeas to 40 nays (Vote No. 219), Senate tabled the amendment.) **Pages S9025–28**

Withdrawn:

Graham Amendment No. 1292, to clarify that nothing in the Act shall be construed to prevent the use of funds to recover Federal tobacco-related health costs from responsible third parties. **Pages S9011–13**

Landrieu Amendment No. 1307, to reduce amounts appropriated by the bill and make available funds for the international criminal tribunals for the former Yugoslavia and Rwanda. **Page S9033**

Gregg Amendment No. 1272, to extend the Violent Crime Reduction Trust Fund through fiscal year 2005. **Pages S8980, S8982–83, S8988–89, S9013, S9048**

During consideration of this measure today, the following action also occurred:

Senate agreed to a modification to Gregg/Hollings Amendment No. 1271, to make certain improvements to the bill, adopted on Wednesday, July 21, 1999. **Pages S9047–48**

A unanimous-consent agreement was reached providing that when the Senate receives the House companion measure, the Senate strike all after the enacting clause and insert in lieu thereof the text of S. 1217, as passed, and the House bill, as amended, be read for a third time and passed, that the Senate insist on its amendment, request a conference with the House thereon, and the Chair be authorized to appoint conferees on the part of the Senate. Further, that upon passage of the House bill, passage of S. 1217 be vitiated and then be indefinitely postponed. **Pages S9046–47**

Printing Authorization: Senate agreed to S. Res. 161, authorizes the printing of ''Memorial Tributes to John Fitzgerald Kennedy, Jr.''. **Page S9112**

Water Resources Development Authorization: Senate passed H.R. 1480, to provide for the conservation and development of water and related resources, to authorize the United States Army Corps of Engineers to construct various projects for improvements to rivers and harbors of the United States, after striking all after the enacting clause and inserting in lieu thereof the text of S. 507, Senate companion measure, as passed by the Senate on April 19, 1999. Senate insisted on its amendment, requested a conference with the House thereon, and the Chair was authorized to appoint the following conferees on the part of the Senate: Senators Chafee, Warner, Smith (of N.H.), Voinovich, Baucus, Moynihan, and Boxer. **Pages S9112–28**

Financial Services Modernization: Senate disagreed to the amendments of the House to S. 900, to enhance competition in the financial services industry by providing a prudential framework for the affiliation of banks, securities firms, and other financial service providers, requested a conference with the House thereon, and the Chair was authorized to appoint the following conferees on the part of the Senate: Senators Gramm, Shelby, Mack, Bennett, Grams, Allard, Enzi, Hagel, Santorum, Bunning, Crapo, Sarbanes, Dodd, Kerry, Bryan, Johnson, Reed, Schumer, Bayh, and Edwards. **Pages S9128–69**

Juvenile Justice Agreement: Senate began consideration of the motion to proceed to the consideration of H.R. 1501, to amend the Omnibus Crime Control and Safe Streets Act of 1968 to provide grants to ensure increased accountability for juvenile offenders; to amend the Juvenile Justice and Delinquency Prevention Act of 1974 to provide quality prevention programs and accountability programs relating to juvenile delinquency. **Page S9014**

A motion was entered to close further debate on the motion to proceed to the consideration of the bill and, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, a vote on the cloture motion will occur on Monday, July 26, 1999. **Page S9014**

Subsequently, the motion to proceed was withdrawn. **Page S9014**

Enforcement of Rule 16/Agriculture Appropriations Agreement: A unanimous-consent-time agreement was reached providing for the consideration of and final adoption of an original resolution (S. Res. 160) to restore enforcement of Rule 16, on Monday, July 26, 1999. **Page S9028**

A further unanimous-consent agreement was reached providing that when the Senate considers the agricultural disaster relief amendment to S. 1233, making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2000, that no Rule 16 point of order lie against the amendment, or amendments thereto, relating to the same subject. **Page S9028**

Nominations Confirmed: Senate confirmed the following nominations: Jeffrey Rush, Jr., of Virginia, to be Inspector General, Department of the Treasury. **Pages S9112, S9170**

Nominations Received: Senate received the following nominations: my C. Achor, of Texas, to be a Member of the Board of Directors of the Corporation for National and Community Service for a term expiring October 6, 2003.

1 Army nomination in the rank of general. **Page S9170**

Messages From the House: **Pages S9071–72**

Measures Referred: **Page S9072**

Executive Reports of Committees: **Page S9072**

Statements on Introduced Bills: **Pages S9073–93**

Additional Cosponsors: **Pages S9093–94**

Amendments Submitted: **Pages S9095–S9109**

Notice of Hearings: **Page S9109**

Authority for Committees: **Pages S9109–10**

Additional Statements: **Pages S9110–12**

Record Votes: Four record votes were taken today. (Total—220) **Pages S9024, S9028, S9047**

Adjournment: Senate convened at 9:30 a.m., and adjourned at 10:26 p.m., until 11 a.m., on Monday, July 26, 1999. (For Senate's program, see the remarks of the Acting Majority Leader in today's Record on page S9170.)

Committee Meetings

(Committees not listed did not meet)

BUSINESS MEETING

Committee on Agriculture, Nutrition, and Forestry: On Wednesday, July 21, committee ordered favorably reported the following business items:

The nomination of William J. Rainer, of New Mexico, to be Chairman of the Commodity Futures Trading Commission, and Commissioner of the Commodity Futures Trading Commission; and

An original resolution (S. Res. 159) authorizing expenditures by the Committee on Agriculture, Nutrition, and Forestry.

NOMINATIONS

Committee on Energy and Natural Resources: Committee ordered favorably reported the nominations of Curt Hebert, Jr., of Mississippi, to be a Member of the Federal Energy Regulatory Commission, Department of Energy, and Earl E. Devaney, of Massachusetts, to be Inspector General, Department of the Interior.

Prior to this action, Committee concluded hearings on the nominations (listed above), after the nominees testified and answered questions in their own behalf. Mr. Hebert was introduced by Senators Lott and Cochran.

PUBLIC LANDS PLANNING AND MANAGEMENT IMPROVEMENT ACT

Committee on Energy and Natural Resources: Subcommittee on Forests and Public Land Management concluded hearings on S. 1320, to provide to the Federal land management agencies the authority and capability to manage effectively the Federal lands, after receiving testimony from Barry T. Hill, Associate Director, Energy, Resources, and Science Issues, Resources, Community, and Economic Development Division, General Accounting Office, who was accompanied by several of his associates.

COASTAL RESTORATION AND PROTECTION

Committee on Environment and Public Works: Committee concluded hearings on S. 835, to encourage the restoration of estuary habitat through more efficient project financing and enhanced coordination of Federal and non-Federal restoration programs, S. 878, to amend the Federal Water Pollution Control Act to permit grants for the national estuary program to be used for the development and implementation of a comprehensive conservation and management plan, to reauthorize appropriations to carry out the program, S. 492, to amend the Federal Water Pollution Act to assist in the restoration of the Chesapeake Bay, S. 1119, to amend the Act of August 9, 1950, to continue funding of the Coastal Wetlands Planning, Protection and Restoration Act, S. 522, to amend the Federal Water Pollution Control Act to improve the quality of beaches and coastal recreation water, and H.R. 999, to amend the Federal Water Pollution Control Act to improve the quality of coastal recreation waters, after receiving testimony from Senators Breaux, Sarbanes, and Torricelli; Representative Bilbray; J. Charles Fox, Assistant Administrator, Office of Water, Environmental Protection Agency; Michael L. Davis, Deputy Assistant Secretary of the Army for Civil Works; Mayor Martin L. Pagliughi, Avalon, New Jersey; Ted Danson, American Oceans Campaign, Santa Monica, California; Linda Shead, Galveston Bay Foundation, Galveston Bay, Texas, on behalf of the Restore America's Estuaries; Richard Ribb, Rhode Island Department of Environmental Management, Providence, on behalf of the Association of National Estuary Programs; Michael F. Hirshfield, Chesapeake Bay Foundation, Annapolis, Maryland; and Len Bahr, Office of the Governor, Baton Rouge, Louisiana.

MEDICARE REFORM

Committee on Finance: Committee held hearings on the President's proposal to reform Medicare and the

modernization of the current benefit package, receiving testimony from Donna E. Shalala, Secretary of Health and Human Services; David M. Walker, Comptroller General of the United States, General Accounting Office; and Dan L. Crippen, Director, Congressional Budget Office.

Hearings recessed subject to call.

U.S.-IRAN POLICY

Committee on Foreign Relations: Subcommittee on Near Eastern and South Asian Affairs held hearings on the United State's policy with Iran, focusing on rapprochement limits, receiving testimony from L. Bruce Laingen, American Academy of Diplomacy, and Azar Nafisi, Johns Hopkins University School of Advanced International Studies, both of Washington, D.C.; and Jerrold D. Green, RAND Corporation, Santa Monica, California.

Hearings recessed subject to call.

NOMINATION

Committee on Foreign Relations: Committee concluded hearings on the nomination of J. Brady Anderson, of South Carolina, to be Administrator of the Agency for International Development, after the nominee, who was introduced by Senator Lincoln, testified and answered questions in his own behalf.

BUSINESS MEETING

Committee on the Judiciary: Committee ordered favorably reported the nominations of Charles R. Wilson, of Florida, to be United States Circuit Judge for the Eleventh Circuit, William Haskell Alsup, to be United States District Judge for the Northern District of California, Adalberto Jose Jordan, to be United States District Judge for the Southern District of Florida, Carlos Murguia, to be United States District Judge for the District of Kansas, Marsha J. Pechman, to be United States District Judge for the Western District of Washington, and Ronnie L. White, to be United States District Judge for the Eastern District of Missouri.

CYBERSQUATTING AND INTERNET CONSUMER PROTECTION

Committee on the Judiciary: Committee concluded hearings on the impact of cybersquating and Internet consumer protection, focusing on domain name integrity, and S. 1255, to protect consumers and promote electronic commerce by amending certain trademark infringement, dilution, and counterfeiting laws, after receiving testimony from Anne H. Chasser, International Trademark Association, Washington, D.C.; Gregory D. Phillips, Howard, Phillips and Andersen, Salt Lake City, Utah; and Christopher D. Young, Cyveillance, Inc., Arlington, Virginia.

INTELLIGENCE

Select Committee on Intelligence: Committee held closed hearings on intelligence matters, receiving testimony from officials of the intelligence community.

Committee will meet again on Thursday, July 29.

GLOBAL CORPORATIONS Y2K IMPACT

Special Committee on the Year 2000 Technology Problem: Committee concluded hearings on the impact of the Year 2000 technology problem on global corporations, after receiving testimony from Jacquelyn L. Williams-Bridgers, Inspector General, Department of State; Ron Balls, International Telecommunications Union, London, England; Gary Beach, CIO Magazine, Framingham, Massachusetts; George Surdu, Ford Motor Company, Dearborn, Michigan; Patrick M. Roberts, Ahold USA, Inc., Atlanta, Georgia; Kevin Click, Philip Morris Companies, Inc., Washington, D.C.; Kevin Haukebo, Procter and Gamble, Cincinnati, Ohio; and Charles Krichbaum, Praxair, Inc., Danbury, Connecticut.

House of Representatives

Chamber Action

Bills Introduced: 19 public bills, H.R. 2586–2604; and 4 resolutions, H.J. Res. 62–63, and H. Con. Res. 162–163, were introduced. **Pages H6351–52**

Reports Filed: Reports were filed today as follows:

H.R. 2587, making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2000 (H. Rept. 106–249);

H.R. 1565, to amend the Trademark Act of 1946 relating to dilution of famous marks, amended (H. Rept. 106–250);

H.R. 2181, to authorize the Secretary of Commerce to acquire and equip fishery survey vessels (H. Rept. 106–251); and

H.R. 1487, to provide for public participation in the declaration of national monuments under the Act popularly known as the Antiquities Act of 1906, amended (H. Rept. 106–252). **Page H6351**

Guest Chaplain: The prayer was offered by the guest Chaplain, Rev. Ronald F. Christian of Washington, D.C. **Page H6203**

Financial Freedom Act: The House passed H.R. 2488, to amend the Internal Revenue Code of 1986 to reduce individual income tax rates, to provide marriage penalty relief, to reduce taxes on savings and investments, to provide estate and gift tax relief,

to provide incentives for education savings and health care, by a recorded vote of 223 ayes to 208 noes, Roll No. 333. Agreed to amend the title.

Pages H6203–49

Rejected the Mr. Tanner motion to recommit the bill to the Committee on Ways and Means with instructions to report the bill back to the House with an amendment that provides a net 10-year tax reduction of not more than 25 percent of the currently projected non-Social Security surpluses, and provides that the effectiveness of each tax reduction be contingent upon a certification by OMB that all of the Social Security Trust Fund surpluses and half of the non-Social Security surpluses are dedicated to reducing the national debt, that there are protections to assure that the surpluses are used accordingly, and that they shall not be available for any other purpose by a recorded vote of 211 ayes to 220 noes, Roll No. 332, **Pages H6247–49**

Rejected the Rangel amendment in the nature of a substitute that sought to provide $250 billion in tax cuts over 10 years but restricts the reductions until legislation is enacted to ensure the solvency of Medicare and Social Security by a recorded vote of 173 ayes to 258 noes, Roll No. 331. **Pages H6222–47**

H. Res. 256, as amended, the rule that provided for consideration of the bill was agreed to on July 21.

Department of Defense Appropriations: The House passed H.R. 2561, making appropriations for the Department of Defense for the fiscal year ending September 30, 2000, by a yea and nay vote of 379 yeas to 45 nays, Roll No. 334. **Pages H6253–95**

Agreed to:

The Lewis en bloc amendment that specifies particular funding provisions in Operation and Maintenance Accounts, Air Force Other Procurement Account, and Research, Development, Test and Evaluation, Defense-Wide Account and **Pages H6279–80**

The Stark amendment that prohibits the use of any funding by the Armed Forces to participate in any air show or trade exhibition held outside the United States. **Page H6293**

Rejected:

The Kucinich amendment that sought to prohibit any funding for the procurement of cluster bombs. **Page H6292**

Withdrawn:

The Barr amendment was offered, but subsequently withdrawn, that sought to deal with the elimination of procurement funding of $1.8 billion for production of the first 6 F–22 Aircraft; and

Pages H6267–79

The Kucinich amendment was offered, but subsequently withdrawn, that sought to require studies to assist Congress in evaluating the air campaign conducted by the North Atlantic Treaty Organization against the Federal Republic of Yugoslavia.

Pages H6292–93

H. Res. 257, the rule that provided for consideration of the bill was agreed to by voice vote.

Pages H6249–53

Late Reports: Committee on Appropriations received permission to have until midnight on Friday, July 23 to file privileged reports on a bill making appropriations for energy and water development for the fiscal year ending September 30, 2000; a bill making appropriations for government of the District of Columbia and other activities chargeable in whole or in part against revenues of said District for the fiscal year ending September 30, 2000; and a bill making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2000. **Page H6295**

Normal Trade Relations Treatment for China: Agreed that it be in order at any time on July 27, 1999, or any day thereafter, to consider in the House H.J. Res. 57, disapproving the extension of nondiscriminatory treatment (normal trade relations treatment) to the products of the People's Republic of China; that the joint resolution be considered as read for amendment; that all points of order against the joint resolution and against its consideration be waived; that the joint resolution be debatable for 3 hours, equally divided and controlled; that the previous question be considered as ordered on the joint resolution to final passage without intervening motion; and that the provisions of sections 152 and 153 of the Trade Act of 1974 shall not otherwise apply to any similar joint resolution disapproving the extension of most-favored-nation treatment to the People's Republic of China during the remainder of the 1st Session of the 106th Congress. **Pages H6296–97**

Regulatory Right to Know Act: Agreed to H. Res. 258, the rule providing for consideration of H.R. 1074, to provide Government-wide accounting of regulatory costs and benefits. **Pages H6297–H6302**

Conservation and Development of Water and Related Resources: The House passed S. 507, to provide for the conservation and development of water and related resources, to authorize the Secretary of the Army to construct various projects for improvements to rivers and harbors of the United States. Agreed to strike all after the enacting clause and insert in lieu thereof the text of a H.R. 1480, a similar House passed bill. Agreed to amend the title. **Pages H6302–45**

Subsequently the House insisted on its amendments to S. 507 and requested a conference. Appointed as conferees: Representatives Shuster, Young of Alaska, Boehlert, Baker, Doolittle, Sherwood, Oberstar, Borski, Tauscher, and Baird. **Page H6345**

Legislative Program: Representative Lazio announced the Legislative Program for the week of July 26. **Pages H6295–96**

Meeting Hour—July 26: Agreed that when the House adjourns today, it adjourn to meet at 12:30 p.m. on Monday, July 26 for morning-hour debates. **Page H6302**

Calendar Wednesday: Agreed that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday, July 28. **Page H6302**

Senate Messages: Message received from the Senate appears on page H6203.

Quorum Calls—Votes: One yea and nay vote and three recorded votes developed during the proceedings of the House today and appear on pages H6246–47, H6248–49, H6249, and H6294–95. There were no quorum calls.

Adjournment: The House met at 11:00 a.m. and adjourned at 7:17 p.m.

Committee Meetings

CONSERVATION RESERVE PROGRAM—USDA'S ADMINISTRATION

Committee on Agriculture: Subcommittee on General Farm Commodities, Resource Conservation, and Credit held a hearing to review the USDA's administration of the Conservation Reserve Program. Testimony was heard from the following officials of the USDA: Thomas Grau, Deputy Under Secretary, Farm and Foreign Agricultural Services; and Glenda Humiston, Deputy Under Secretary, Natural Resources and Environment; Ronald Harnack, Executive Director, Board of Water and Soil Resources, State of Minnesota; and public witnesses.

COMMERCE, JUSTICE, STATE, AND JUDICIARY APPROPRIATIONS

Committee on Appropriations: Subcommittee on Commerce, Justice, State, and Judiciary approved for the full Committee action the Commerce, Justice, State, and Judiciary appropriations for fiscal year 2000.

CONDUCT OF MONETARY POLICY

Committee on Banking and Financial Services: Held a hearing on Conduct of Monetary Policy. Testimony was heard from Alan Greenspan, Chairman, Board of Governors, Federal Reserve System.

MISCELLANEOUS MEASURES

Committee on Commerce: Subcommittee on Energy and Power held a hearing on the following bills: H.R. 667, The Power Bill; H.R. 971, Electric Power Consumer Rate Relief Act of 1999; H.R. 1138, Ratepayer Protection Act; H.R. 1486, Power Marketing Administration Reform Act of 1999; H.R. 1587, Electric Energy Empowerment Act of 1999; H.R. 1828, Comprehensive Electricity Competition Act; H.R. 2050, Electric Consumers' Power To Choose Act of 1999; and H.R. 2363, Public Utility Holding Company Act of 1999. Testimony was heard from public witnesses.

DOMAIN NAME SYSTEM PRIVATIZATION

Committee on Commerce: Subcommittee on Oversight and Investigations held a hearing on Domain Name System Privatization: Is ICANN Out of Control? Testimony was heard from the following officials of the Department of Commerce: Becky Burr, Acting Associate Administrator, Office of International Affairs, National Telecommunications Information Agency; and Andrew J. Pincus, General Counsel; and public witnesses.

HELPING DELINQUENT CHILDREN SUCCEED IN SCHOOL

Committee on Education and the Workforce: Held a hearing on Helping Migrant, Neglected, and Delinquent Children Succeed in School. Testimony was heard from Franciso Garcia, Director, Office of Migrant Education, Department of Education; and public witnesses.

GLOBAL HIV/AIDS EPIDEMIC—U.S. ROLE IN COMBATING

Committee on Government Reform: Subcommittee on Criminal Justice, Drug Policy, and Human Resources held a hearing on "What is the United States' Role in Combating the Global HIV/AIDS Epidemic?" Testimony was heard from Representatives Berry and Jackson of Illinois; Sandra Thurman, Director, Office of National AIDS Policy; Joseph Papovich, Assistant U.S. Trade Representative, Services, Investment and Intellectual Property; the following officials of the Department of Health and Human Services: John Killen, M.D., Director, Division of AIDS, National Institute of Allergy and Infectious Diseases, NIH; and Timothy Dondero, M.D., Chief, International Activities Branch, Division of HIV/AIDS Prevention, Centers for Disease Control and Prevention; and public witnesses.

CAMPAIGN REFORM

Committee on House Administration: Continued hearings on Campaign Reform. Testimony was heard from public witnesses.

SILK ROAD STRATEGY ACT

Committee on International Relations: Favorably considered the following measure and adopted a motion urging the Chairman to request that it be considered on the Suspension Calendar: H.R. 1152, amended, Silk Road Strategy Act of 1999.

U.S.-LIBYA RELATIONS

Committee on International Relations: Subcommittee on Africa held a hearing on U.S.-Libya Relations: A New Era? Testimony was heard from Ambassador Ronald E. Neumann, Deputy Assistant Secretary, Near Eastern Affairs, Department of State; and public witnesses.

U.S. TRADE DEFICIT

Committee on International Relations: Subcommittee on International Economic Policy and Trade held a

hearing on the U.S. Trade Deficit: Are We Trading Away Our Future? Testimony was heard from Pat Mulloy, Assistant Secretary, Market Access and Compliance, Department of Commerce; and public witnesses.

OVERSIGHT

Committee on the Judiciary: Subcommittee on Courts and Intellectual Property held an oversight hearing on the final report of the Commission on Structural Alternatives for the Federal Courts of Appeals. Testimony was heard from Senators Kyl, Feinstein and Murkowski; Representative Campbell; Proctor Hug, Jr., Chief Judge, Ninth Circuit Court of Appeals; Charles E. Wiggins, Senior Circuit Judge, U.S. Court of Appeals, Ninth Circuit; Pamela Ann Rymer, Circuit Judge, Ninth Circuit Court of Appeals; Diarmuid O'Scannlain, Circuit Judge, Ninth Circuit Court of Appeals; Wiliam D. Browning, District Judge, District of Arizona; David R. Thompson, Circuit Judge, Ninth Circuit Court of Appeals; Eleanor Acheson, Assistant Attorney General, Office of Policy Development, Department of Justice; and public witnesses.

OVERSIGHT—OFFICE OF JUSTICE PROGRAMS

Committee on the Judiciary: Subcommittee on Crime held an oversight hearing on the Office of Justice Programs, U.S. Department of Justice. Testimony was heard from Laurie Robinson, Assistant Attorney General, Office of Justice Programs, Department of Justice; Michael J. Anderegg, Judge, Marquette County Circuit Court, State of Michigan; and public witnesses.

OVERSIGHT—COUNTERFEITING AND MISUSE OF SOCIAL SECURITY CARD

Committee on the Judiciary: Subcommittee on Immigration and Claims held an oversight hearing on counterfeiting and misuse of the social security card and state and local identity documents. Testimony was heard from Larry F. Stewart, Chief Document Examiner, Forensic Services Division, U.S. Secret Service, Department of the Treasury; John Hotchner, Director, Office of Passport Policy, Planning and Advisory Services, Bureau of Consular Affairs, Department of State; James Hesse, Chief Intelligence Officer, Forensic Document Laboratory, Immigration and Naturalization Service, Department of Justice; Richard Stana, Associate Director, Administration of Justice Issues, General Government Division, GAO; Glenna Donnelly, Assistant Deputy Commissioner, Office of Disability and Income, SSA; and public witnesses.

OVERSIGHT

Committee on Resources: Subcommittee on Fisheries Conservation and Wildlife and Oceans held an oversight hearing on the implementation of the 1996 amendments to the Magnuson-Stevens Fishery Conservation and Management Act. Testimony was heard from Penelope Dalton, Assistant Administrator, Fisheries, National Marine Fisheries, NOAA, Department of Commerce; and a public witness.

OVERSIGHT—FOREST MANAGEMENT—WILDLIFE HABITAT

Committee on Resources: Subcommittee on Forests and Forest Health held an oversight hearing on Forest Management for Wildlife Habitat. Testimony was heard from the following officials of the Forest Service, USDA: Mike Dombeck, Chief; and Robert Lewis, Deputy Chief, Research; and public witnesses.

DOE FACILITIES—EXTERNAL REGULATION

Committee on Science: Subcommittee on Energy and Environment held a hearing on External Regulation of DOE Facilities: Pilot Project Results. Testimony was heard from David M. Michaels, Assistant Secretary, Environment, Safety and Health, Department of Energy; Jerold Mande, Deputy Assistant Secretary, Occupational Safety and Health, Department of Labor; Greta Joy Dicus, Chairman, NRC; and Victor S. Rezendes, Director, Energy, Natural Resources, and Science Issues, GAO.

OSHA'S DRAFT SAFETY AND HEALTH PROGRAMS RULE

Committee on Small Business: Held a hearing on the OSHA's Draft Safety and Health Program Rule. Testimony was heard from Charles N. Jeffress, Assistant Secretary, Occupational Safety and Health, Department of Labor; and public witnesses.

AVIATION OPERATIONS—CHANGING WEATHER CONDITIONS

Committee on Transportation and Infrastructure: Subcommittee on Aviation held a hearing on Aviation Operations During Severe or Rapidly Changing Weather Conditions. Testimony was heard from Representative Traficant; Jim Hall, Chairman, National Transportation Safety Board; Steve Brown, Associate Administrator, Air Traffic Services, FAA, Department of Transportation; John E. Jones, Jr., Deputy Assistant Administrator, National Weather Service, NOAA, Department of Commerce; and public witnesses.

VETERANS MATTERS

Committee on Veterans' Affairs: Subcommittee on Oversight and Investigations held a hearing to evaluate the Department of Veterans Affairs progress in developing their capital assets realignment plan for enhancing services to veterans. Testimony was heard from Stephen P. Backhus, Director, Veterans' Affairs and Military Health Care Issues, GAO; and the following officials of the Department of Veterans Affairs: D. Mark Catlett, Deputy Assistant Secretary, Budget; and Kenneth Clark, Chief Network Officer, Veterans Health Administration.

IRS STRUCTURING AND REFORM ACT IMPLEMENTATION

Committee on Ways and Means: Subcommittee on Oversight held a hearing on implementation of the Internal Revenue Service Restructuring and Reform Act of 1998 (Public Law 105–206). Testimony was heard from Charles O. Rossotti, Commissioner, IRS, Department of the Treasury; James R. White, Director, Tax Policy and Administration Issues, General Government Division, GAO; and a public witness.

CHINESE EMBASSY BOMBING

Permanent Select Committee on Intelligence: Held a hearing on Chinese Embassy Bombing. Testimony was heard from George J. Tenet, Director, CIA; and John J. Hamre, Deputy Secretary, Department of Defense.

NEW PUBLIC LAWS

(For last listing of Public Laws, see DAILY DIGEST, *p. D 738)*

H.R. 775, to establish certain procedures for civil actions brought for damages relating to the failure of any device or system to process or otherwise deal with the transition from the year 1999 to the year 2000. Signed July 20,1999. (P.L. 106–37)

COMMITTEE MEETINGS FOR FRIDAY, JULY 23, 1999

Senate

No meetings/hearings scheduled.

House

No Committee meetings are scheduled.

CONGRESSIONAL PROGRAM AHEAD

Week of July 26 through July 31, 1999

Senate Chamber

On *Monday,* Senate will consider S. Res. 160, to restore enforcement of Rule 16, with a vote on final adoption thereon. Also, Senate will resume consideration of the motion to proceed to the consideration of H.R. 1501, Juvenile Justice, with a vote on a motion to close further debate on the motion to proceed, to occur at 5:30 p.m.

During the balance of the week, Senate expects to begin consideration of the Reconciliation legislation and any other cleared legislative and executive business, including appropriation bills, when available.

(On Tuesday, Senate will recess from 12:30 p.m. until 2:15 p.m., for their respective party conferences.)

Senate Committees

(Committee meetings are open unless otherwise indicated)

Committee on Agriculture, Nutrition, and Forestry: July 27, to hold hearings on agricultural concentration and antitrust issues, 9:30 a.m., SR–328A.

Committee on Banking, Housing, and Urban Affairs: July 28, to hold oversight hearings on the Monetary Policy Report to Congress pursuant to the Full Employment and Balanced Growth Act of 1978, 10 a.m., SH–216.

Committee on Commerce, Science, and Transportation: July 27, Subcommittee on Communications, to hold hearings on privacy issues on the internet, 9:30 a.m., SR–253.

July 28, Full Committee, to hold hearings to examine telecommunication mergers and consolidation, 9:30 a.m., SR–253.

July 28, Full Committee, to hold hearings to examine fraud against seniors, 2:15 p.m., SR–253.

July 29, Subcommittee on Oceans and Fisheries, to hold hearings on authorizing funds for programs of the Magnuson-Stevens Fishery Conservation and Management Act, 9:30 p.m., SR–253.

Committee on Energy and Natural Resources: July 27, Subcommittee on Forests and Public Land Management, to hold hearings on S. 930, to provide for the sale of certain public land in the Ivanpah Valley, Nevada, to the Clark County, Nevada, Department of Aviation; S. 719, to provide for the orderly disposal of certain Federal land in the State of Nevada and for the acquisition of environmentally sensitive land in the State; S. 1030, to provide that the conveyance by the Bureau of Land Management of the surface estate to certain land in the State of Wyoming in exchange for certain private land will not result in the removal of the land from operation of the mining laws; S. 1288, to provide incentives for collaborative forest restoration projects on National Forest System and other public lands in New Mexico; S. 1374, to authorize the development and maintenance of a multiagency campus project in the town of Jackson, Wyoming; and S. 439, to amend the National Forest and Public Lands of Nevada Enhancement Act of 1988 to adjust the boundary of the Toiyabe National Forest, Nevada, 2:30 p.m., SD–366.

July 28, Full Committee, business meeting to consider pending calendar business, 9:30 a.m., SD–366.

July 28, Subcommittee on Water and Power, to hold hearings on S. 624, to authorize construction of the Fort Peck Reservation Rural Water System in the State of Montana; S. 1211, to amend the Colorado River Basin Salinity Control Act to authorize additional measures to carry out the control of salinity upstream of Imperial Dam in a cost-effective manner; S. 1275, to authorize the Secretary of the Interior to produce and sell products and to sell publications relating to the Hoover Dam, and to deposit revenues generated from the sales into the Colorado River Dam fund; S. 1236, to extend the deadline under the Federal Power Act for commencement of the construction of the Arrowrock Dam Hydroelectric Project in the State of Idaho; S. 1377, to amend the Central Utah Project Completion Act regarding the use of funds for water development for the Bonneville Unit; and S. 986, to direct the Secretary of the Interior to convey the Griffith Project to the Southern Nevada Water Authority, 2:30 p.m., SD–366.

July 29, Subcommittee on National Parks, Historic Preservation, and Recreation, to hold hearings on S. 710, to authorize the feasibility study on the preservation of certain Civil War battlefields along the Vicksburg Campaign Trail; S. 905, to establish the Lackawanna Valley American Heritage Area; S. 1093, to establish the Galisteo Basin Archaeological Protection Sites, to provide for the protection of archaeological sites in the Galisteo

Basin of New Mexico; S. 1117, to establish the Corinth Unit of Shiloh National Military Park, in the vicinity of the city of Corinth, Mississippi, and in the State of Tennessee; S. 1324, to expand the boundaries of the Gettysburg National Military Park to include Wills House; and S. 1349, to direct the Secretary of the Interior to conduct special resource studies to determine the national significance of specific sites as well as the suitability and feasibility of their inclusion as units of the National Park System, 2:15 p.m., SD–366.

Committee on Environment and Public Works: July 29, Subcommittee on Clean Air, Wetlands, Private Property, and Nuclear Safety, to hold hearings on the Environmental Protection Agency's proposed sulfur standard for gasoline as contained in the proposed Tier Two standards for automobiles, 9:30 a.m., SD–406.

Committee on Foreign Relations: July 26, to hold hearings on the nomination of Evelyn Simonowitz Lieberman, of New York, to be Under Secretary of State for Public Diplomacy, 3:30 p.m., SD–419.

July 27, Subcommittee on African Affairs, to hold hearings to examine barriers to trade and investment in Africa, 2:15 p.m., SD–419.

July 28, Full Committee, business meeting to mark up S. 720, to promote the development of a government in the Federal Republic of Yugoslavia (Serbia and Montenegro) based on democratic principles and the rule of law, and that respects internationally recognized human rights, to assist the victims of Serbian oppression, to apply measures against the Federal Republic of Yugoslavia, and proposed legislation to prevent the further proliferation of nuclear, chemical, and biological weapons; and to authorize appropriations for the provision of security assistance to certain foreign countries, 11 a.m., SD–419.

Committee on Governmental Affairs: July 29, Subcommittee on Oversight of Government Management, Restructuring and the District of Columbia, to hold hearings on total quality management, focusing on state success stories as a model for the Federal Government, 9:30 a.m., SD–342.

Committee on Health, Education, Labor, and Pensions: July 27, to hold hearings to examine innovations in child care programs, 9:30 a.m., SD–430.

July 28, Full Committee, business meeting to consider S. Con. Res. 28, urging the Congress and the President to increase funding for the Pell Grant Program and existing Campus-Based Aid Programs; S. 976, to amend title V of the Public Health Service Act to focus the authority of the Substance Abuse and Mental Health Services Administration on community-based services children and adolescents, to enhance flexibility and accountability, to establish programs for youth treatment, and to respond to crises, especially those related to children and violence; and S. 632, to provide assistance for poison prevention and to stabilize the funding of regional poison control centers, and pending nominations, 9:30 a.m., SD–430.

July 29, Subcommittee on Employment, Safety and Training, to hold hearings on certain implications of the Fair Act on small businesses, 9:30 a.m., SD–430.

Committee on Indian Affairs: July 28, to hold hearings on S. 979, to amend the Indian Self-Determination and Education Assistance Act to provide for further self-governance by Indian tribes, 9:30 a.m., SR–485.

Select Committee on Intelligence: July 29, to hold closed hearings on pending intelligence matters, 2 p.m., SH–219.

Committee on the Judiciary: July 27, Subcommittee on Criminal Justice Oversight, to hold oversight hearings on activities of the Criminal Division of the Department of Justice, 2 p.m., SD–628.

July 28, Full Committee, to hold hearings on combating methamphetamine proliferation in America, 10 a.m., SD–628.

Special Committee on the Year 2000 Technology Problem: July 29, to hold hearings on year 2000 Information Ordination Center, 9:30 a.m., SD–192.

House Chamber

Consideration of Suspensions, and consideration of H.R. 1074, Regulatory Right to Know Act; H.J. Res. 57, Disapproving Normal Trade Relations Treatment for China; Energy and Water Appropriations; District of Columbia Appropriations; and Foreign Operations Appropriations.

Any further schedule will be announced later.

House Committees

Committee on Agriculture, July 27, to consider H.R. 2559, Agricultural Risk Protection Act of 1999, 10 a.m., 1300 Longworth.

July 28, Subcommittee on Department Operations, Oversight, Nutrition, and Forestry, hearing to review the effects of the implementation of the Food Quality Protection Act on public health, 10:30 a.m., 1300 Longworth.

Committee on Appropriations, July 26, Subcommittee on VA, HUD and Independent Agencies, to mark up appropriations for fiscal year 2000, 5 p.m., H–140 Capitol.

Committee on Banking and Financial Services, July 28, hearing on H.R. 21, Homeowners' Insurance Availability Act of 1999, 10 a.m., 2128 Rayburn.

Committee on Commerce, July 27, Subcommittee on Energy and Power, hearing on H.R. 623, to amend the Energy Policy and Conservation Act to eliminate certain regulation of plumbing supplies, 2 p.m., 2322 Rayburn.

July 27, Subcommittee on Finance and Hazardous Materials, hearing on the Impact of Market Volatility in Securities Transaction Fees, 10 a.m., 2322 Rayburn.

July 28, Subcommittee on Health and Environment, hearing on Medicare+Choice: An Evaluation of the Program, 10 a.m., 2322 Rayburn.

July 28, Subcommittee on Telecommunications, Trade, and Consumer Protection, hearing on H.R. 1746, Schools and Libraries Internet Access Act, 10 a.m., 2123 Rayburn.

July 29, Subcommittee on Energy and Power, hearing on H.R. 1117, to provide relief from unfair interest and penalties on refunds retroactively ordered by the Federal Energy Regulatory Commission, 10 a.m., 2322 Rayburn.

July 30, Subcommittee on Oversight and Investigations, hearing on Drugstores on the Net: The Benefits and Risks of On-line Pharmacies, 10 a.m., 2322 Rayburn.

Committee on Education and the Workforce, July 27, hearing on Title I: What's Happening at the School District and School Building Level, 1:30 p.m., 2175 Rayburn.

July 30, to mark up the following bills: H.R. 1441, Truth in Employment Act of 1999; H.R. 1987, Fair Access to Indemnity and Reimbursement Act; and other pending business, 9 a.m., 2175 Rayburn.

Committee on Government Reform, July 27, Subcommittee on Civil Service, hearing on Life Insurance: New Options

for Federal Employees; and to mark up H.R. 915, to authorize a cost of living adjustment in the pay of administrative law judges, 10 a.m., 2154 Rayburn.

July 29, full Committee, hearing on the State Department's Handling of Allegations of Visa Fraud and Other Irregularities at the U.S. Embassy in Beijing, 10 a.m., 2154 Rayburn.

Committee on the Judiciary, July 27, to mark up the following bills: H.R. 1752, Federal Courts Improvement Act of 1999; H.R. 2112, Multidistrict, Multiparty, Multiforum Trial Jurisdiction Act of 1999; H.R. 2260, Pain Relief Promotion Act of 1999; and H.R. 1875, Interstate Class Action Jurisdiction Act of 1999, 10 a.m., 2141 Rayburn.

July 28, oversight hearing Competitive Issues in Electricity Deregulation, 10 a.m., 2141 Rayburn.

July 28, Subcommittee on Courts and Intellectual Property, oversight hearing on Internet Domain Names and Intellectual Property Rights, 10 a.m., 2237 Rayburn.

July 29, Subcommittee on Commercial and Administrative Law, oversight hearing on Reinvented Taxation and The Taxpayers Defense Act, 10 a.m., 2237 Rayburn,

July 29, Subcommittee on Commercial and Administrative Law, hearing on the following measures: H.J. Res. 54, granting the consent of Congress to the Missouri-Nebraska Boundary Compact; and H.J. Res. 62, to grant the consent of Congress to the boundary change between Georgia and South Carolina; and to mark up the following measures: H.R. 744, to rescind the consent of Congress to the Northeast Interstate Dairy Compact; H.R. 1604, Dairy Consumers and Producers Protection Act; H.J. Res. 54; and H.J. Res. 62, 2 p.m., 2237 Rayburn.

July 29, Subcommittee on Crime, oversight hearing on the Drug Enforcement Administration, Department of Justice, 9:30 a.m., 2141 Rayburn.

July 29, Subcommittee on Immigration and Claims, hearing on H.R. 2528, Immigration Reorganization and Improvement Act of 1999, 9:30 a.m., 2226 Rayburn.

July 30, Subcommittee on the Constitution, to mark up H.R. 2436, Unborn Victims of Violence Act of 1999, 10 a.m., 2141 Rayburn.

Committee on Resources, July 28, hearing on H.R. 2547, to provide for the conveyance of land interests to Chugach, Alaska Corporation to fulfill the intent, purpose, and promise of the Alaska Native Claims Settlement Act, 11 a.m., 1324 Longworth.

July 29, Subcommittee on Fisheries Conservation, Wildlife and Oceans, hearing on the Pribilof Islands Transition Act, 11 a.m., 1334 Longworth.

July 29, Subcommittee on Water and Power, oversight hearing on Rural Water Project Financing, 2 p.m., 1324 Longworth.

Committee on Rules, July 27, to consider the following appropriation bills for fiscal year 2000: Energy and Water Development; and District of Columbia, 5 p.m., H–313 Capitol.

July 28, Subcommittee on Legislative and Budget Process, hearing on ''The Rescissions Process After the Line Item Veto: Tools for Controlling Spending'', 10 a.m., H–313 Capitol.

Committee on Science, July 29, Subcommittee on Basic Research, hearing on Attracting a New Generation to Math and Science: The Role of Public-Private Partnerships in Education and H.R. 1265, Mathematics and Science Proficiency Partnership Act of 1999, 10 a.m., 2318 Rayburn.

Committee on Small Business, July 27, Subcommittee on Empowerment, hearing to discuss the ''The Digital Divide: Bridging The Technological Gap'', 2 p.m., 2360 Rayburn.

July 27, Subcommittee on Government Programs and Oversight, hearing on the burden that needless regulations and lack of common sense in enforcement of regulations place upon Small Businesses, 10 a.m., 2360 Rayburn.

July 28, full Committee, hearing to discuss the EPA's inclusion of propane within the Clean Act Amendments, 10 a.m., 2360 Rayburn.

July 29, to mark up legislation making changes to the SBA's 7(a) and 504 business loan programs, 10 a.m., 2360 Rayburn.

Committee on Transportation and Infrastructure, July 27, Subcommittee on Economic Development, Public Buildings, Hazardous Materials and Pipeline Transportation, hearing on reauthorization of the Natural Gas and Hazardous Liquid Pipeline Safety Program, 11 a.m., 2253 Rayburn.

July 27, Subcommittee on Ground Transportation, hearing on TEA 21 Environmental Streamlining Provisions, 2 p.m., 2167 Rayburn.

July 28, Subcommittee on Coast Guard and Maritime Transportation, hearing on H.R. 316, Cruises-to-Nowhere Act of 1999, 10 a.m., 2167 Rayburn.

Committee on Veterans' Affairs, July 28, Subcommittee on Benefits, hearing on Veterans' Employment regarding Civilian Credentialing Requirements for Military Job Skills, 10 a.m., 334 Cannon.

July 29, Subcommittee on Oversight and Investigations, hearing to evaluate the Veterans Education and Training Service (VETS) program effectiveness and strategic planning, 10 a.m., 334 Cannon.

Committee on Ways and Means, July 29, Subcommittee on Social Security, hearing on Y2K and Other Social Security Information Technology Issues, 10 a.m., B–318 Rayburn.

Next Meeting of the SENATE

11 a.m., Monday, July 26

Senate Chamber

Program for Monday: Senate will consider S. Res. 160, to restore enforcement of Rule 16, with a vote on final adoption to occur thereon.

Also, Senate will resume consideration of the motion to proceed to the consideration of H.R. 1501, Juvenile Justice, with a vote on the motion to close further debate on the motion to proceed.

Next Meeting of the HOUSE OF REPRESENTATIVES

12:30 p.m., Monday, July 26

House Chamber

Program for Monday: Consideration of Suspensions and Consideration of H.R. 1074, Regulatory Right to Know Act (open rule, 1 hour of general debate).

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