on April 30, 1998 by the United States Senate in its Resolution of Ratification of the enlargement of the Alliance to include Poland, the Czech Republic, and Hungary.

NATO may also, pursuant to Article 4 of the North Atlantic Treaty, on a case-by-case basis, engage in other missions when there is consensus among its members that there is a threat to the security and interests of NATO members. These missions have become known as non-Article 5 missions and were also reaffirmed by the Senate in the April 30, 1998 Resolution of Ratification of NATO enlargement.

ESDI's field of action should be restricted to those non-Article 5 missions in which NATO as an organization does not wish to involve itself. In practice, Mr. President, this would mean that at some future date if the need for military action arose in non-NATO Europe and the United States did not wish to become involved, the European Union could undertake the effort, utilizing, in part, NATO assets.

Mr. President, I believe that such a situation with a rejuvenated European pillar of the alliance could free up forces of this country for possible action elsewhere.

Let me emphasize, however, that in order for ESDI to accomplish both the goals of the European Union and of NATO, it must be clearly designed in a way that gives NATO the ''right of first refusal'' on non-Article 5 missions. To repeat—if NATO would not wish to become involved, then the European Union would have the option of leading the mission.

In addition, Mr. President, we must be sure that ESDI does not duplicate resources or discriminate against non-EU European NATO members (Norway, Turkey, Iceland, Poland, Czech Republic, and Hungary).

Mr. President, in my opinion the biggest danger is that ESDI could be constructed as an alternative to NATO for non-Article 5 missions. If this would happen, it could lead to an estrangement of the United States from its European allies.

Unfortunately, the June 1999 Cologne EU Summit communique subtly modified the language of the April 1999 Washington NATO Summit communique in the direction of ESDI as an autonomous EU military organ, using NATO assets, without giving NATO this necessary ''right of first refusal'' for non-Article 5 missions.

The European Union is currently involved in internal negotiations on a further elaboration of ESDI at the December EU Summit in Helsinki. The Sense of the Senate resolution that we are introducing serves as a clear message to our friends in the European Union that while we recognize their aspirations for a European Security and Defense Identity, it must complement NATO, not be in competition with, or duplicative of it.

With that in mind, our Resolution traces the development of ESDI, citing both the Washington NATO Summit and the Cologne EU Summit. It stresses that the Yugoslav air campaign demonstrated the military shortcomings of the European allies and the imbalance with the United States, both of which the allies have pledged to address through the NATO Defense Capabilities Initiative.

The Resolution then expresses several items that are the Sense of the Senate.

NATO should remain the primary institution for security issues of trans-Atlantic concern;

All NATO members should commit to improving their defense capabilities so that the Alliance can project power decisively with equitable burden-sharing;

The Defense Capabilities Initiative adopted at the Washington NATO Summit is specifically endorsed;

The resolve of the EU to have the capacity for autonomous action where the Alliance as a whole is not engaged is acknowledged;

The member states of NATO and the EU should promulgate principles that will strengthen the trans-Atlantic partnership and reinforce unity within NATO.

Then, Mr. President, cutting directly to the heart of preventing ESDI's becoming an alternative to NATO for non-Article 5 missions, the Resolution offers the Further Sense of the Senate that ''on matters of trans-Atlantic concern the European Union should make clear that it would undertake an autonomous mission through its European Security and Defense Identity only after the North Atlantic Treaty Organization had been offered the opportunity to undertake that mission but had referred it to the European Union for action.''

Further, and directly relevant to the issue of more equitable burden-sharing, the Resolution states the Sense of the Senate that ''failure of the European allies of the United States to achieve the goals established through the Defense Capabilities Initiative would weaken support for the Alliance in the United States.''

Addressing the issue of non-discrimination by the EU against non-EU NATO members, the Resolution states the Sense of the Senate that ''the European Union must implement its Cologne Summit decisions concerning its Common Foreign and Security Policy in a manner that will ensure that non-WEU NATO allies, including Canada, the Czech Republic, Denmark, Hungary, Iceland, Norway, Poland, Turkey, and the United States, will not be discriminated against, but will be fully involved when the European Union addresses issues affecting their security interests.''

Finally, the Resolution expresses the Sense of the Senate that the EU's implementation of its Cologne Summit decisions should not promote a strategic perspective on trans-Atlantic security issues that conflicts with that promoted by NATO and should not promote unnecessary duplication of the resources and capabilities provided by NATO.

Mr. President, the North Atlantic Treaty Organization remains the cornerstone of our engagement with Europe. The resolution we have introduced makes clear to our partners that we support the European Union's European Security and Defense Identity as long as it is developed in a manner to strengthen NATO, not weaken it.

I thank the Chair and yield the floor.

AMENDMENTS SUBMITTED

THE AFRICAN GROWTH AND OPPORTUNITY ACT

BINGAMAN AMENDMENT NO. 2345

(Ordered to lie on the table.)

Mr. BINGAMAN submitted an amendment intended to be proposed by him to the bill (H.R. 434) to authorize a new trade and investment policy for sub-Sahara Africa; as follows:

At the appropriate place, insert the following new section:

SEC. ___. REPORT.

(a) IN GENERAL.—Not later than 9 months after the date of enactment of this section, the Comptroller General of the United States shall submit a report to Congress regarding the efficiency and effectiveness of Federal and State coordination of unemployment and retraining activities associated with the following programs and legislation:

(1) trade adjustment assistance (including NAFTA trade adjustment assistance) provided for under title II of the Trade Act of 1974;

(2) the Job Training Partnership Act;

(3) the Workforce Investment Act; and

(4) unemployment insurance.

(b) PERIOD COVERED.—The report shall cover the activities involved in the programs and legislation listed in subsection (a) from January 1, 1994 to December 31, 1999.

(c) DATA AND RECOMMENDATIONS.—The report shall at a minimum include specific data and recommendations regarding—

(1) the compatibility of program requirements related to the employment and retraining of dislocated workers in the United States, with particular emphasis on the trade adjustment assistance programs provided for under title II of the Trade Act of 1974;

(2) the compatibility of application procedures related to the employment and retraining of dislocated workers in the United States;

(3) the capacity of these programs to assist workers negatively impacted by foreign trade and the transfer of production to other countries, measured in terms of employment and wages;

(4) the capacity of these programs to assist secondary workers negatively impacted by foreign trade and the transfer of production to other countries, measured in terms of employment and wages;

(5) how the impact of foreign trade and the transfer of production to other countries would have changed the number of beneficiaries covered under the trade adjustment assistance program if the trade adjustment assistance program covered secondary workers in the United States; and

(6) the effectiveness of the programs described in subsection (a) in achieving reemployment of United States workers and

maintaining wage levels of United States workers who have been dislocated as a result of foreign trade and the transfer of production to other countries.

SANTORUM (AND BYRD) AMENDMENT NO. 2346

(Ordered to lie on the table.)

Mr. SANTORUM (for himself and Mr. BYRD) submitted an amendment intended to be proposed by them to the bill, H.R. 434, supra; as follows:

At the appropriate place, insert the following new section:

SEC. ___. MORATORIUM ON ANTIDUMPING AND COUNTERVAILING DUTY AGREEMENTS.

(a) FINDINGS.—The Senate makes the following findings:

(1) The Senate is deeply concerned that, in connection with the World Trade Organization (''WTO'') Ministerial meeting to be held in Seattle, Washington, and the multilateral trade negotiations expected to follow, a few countries are seeking to circumvent the agreed list of negotiating topics and reopen debate over the WTO's antidumping and antisubsidy rules.

(2) Strong antidumping and antisubsidy rules are a cornerstone of the liberal trade policy of the United States and are essential to the health of the manufacturing and farm sectors in the United States.

(3) It has long been and remains the policy of the United States to support its antidumping and antisubsidy laws and to defend those laws in international negotiations.

(4) The WTO antidumping and antisubsidy rules concluded in the Uruguay Round have scarcely been tested since they entered into effect and certainly have not proved defective.

(5) Opening these rules to renegotiation could only lead to weakening them, which would in turn lead to even greater abuse of the world's open markets, particularly that of the United States.

(6) Conversely, avoiding another divisive fight over these rules is the best way to promote progress on the other, far more important, issues facing WTO members.

(7) It is therefore essential that negotiations on these antidumping and antisubsidy matters not be reopened under the auspices of the WTO or otherwise.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the President should—

(1) not participate in any international negotiation in which antidumping or antisubsidy rules are part of the negotiating agenda;

(2) refrain from submitting for congressional approval agreements that require weakening changes to the current antidumping and countervailing duty laws and enforcement policies of the United States; and

(3) enforce the antidumping and countervailing duty laws vigorously in all pending and future cases.

SPECTER (AND OTHERS) AMENDMENT NO. 2347

(Ordered to lie on the table.)

Mr. SPECTER (for himself, Mr. HOLLINGS, Mr. HATCH, Mr. SANTORUM, Mr. BYRD, and Mr. HELMS) submitted an amendment intended to be proposed by them to the bill, H.R. 434, supra; as follows:

At the appropriate place, insert the following new title:

TITLE ___—PRIVATE RIGHT OF ACTION FOR DUMPED AND SUBSIDIZED MERCHANDISE

SEC. ___01. SHORT TITLE.

This title may be cited as the ''Unfair Foreign Competition Act of 1999''.

SEC. ___02. PRIVATE ACTIONS FOR RELIEF FROM UNFAIR FOREIGN COMPETITION.

(a) CLAYTON ACT.—Section 1(a) of the Clayton Act (15 U.S.C. 12) is amended by inserting ''section 801 of the Act of September 8, 1916, entitled 'An Act to raise revenue, and for other purposes' (39 Stat. 798; 15 U.S.C. 72);'' after ''nineteen hundred and thirteen;''.

(b) ACTION FOR DUMPING VIOLATIONS.—Section 801 of the Act of September 8, 1916 (39 Stat. 798; 15 U.S.C. 72) is amended to read as follows:

''SEC. 801. IMPORTATION OR SALE OF ARTICLES AT LESS THAN FOREIGN MARKET VALUE OR CONSTRUCTED VALUE.

''(a) PROHIBITION.—No person shall import into, or sell within, the United States an article manufactured or produced in a foreign country if—

''(1) the article is imported or sold within the United States at a United States price that is less than the foreign market value or constructed value of the article; and

''(2) the importation or sale—

''(A) causes or threatens to cause material injury to industry or labor in the United States; or

''(B) prevents, in whole or in part, the establishment or modernization of any industry in the United States.

''(b) CIVIL ACTION.—An interested party whose business or property is injured by reason of an importation or sale of an article in violation of this section may bring a civil action in the Court of International Trade against any person who—

''(1) manufactures, produces, or exports the article; or

''(2) imports the article into the United States if the person is related to the manufacturer or exporter of the article.

''(c) RELIEF.—

''(1) IN GENERAL.—Upon an affirmative determination by the Court of International Trade in an action brought under subsection (b), the court shall issue an order that includes a description of the subject article in such detail as the court deems necessary and shall—

''(A) direct the Customs Service to assess an antidumping duty on the article covered by the determination in accordance with section 736(a) of the Tariff Act of 1930 (19 U.S.C. 1673e); and

''(B) require the deposit of estimated antidumping duties pending liquidation of entries of the article at the same time as estimated normal customs duties on that article are deposited.

''(d) STANDARD OF PROOF.—

''(1) PREPONDERANCE OF EVIDENCE.—The standard of proof in an action brought under subsection (b) is a preponderance of the evidence.

''(2) SHIFT OF BURDEN OF PROOF.—Upon—

''(A) a prima facie showing of the elements set forth in subsection (a), or

''(B) affirmative final determinations adverse to the defendant that are made by the administering authority and the United States International Trade Commission under section 735 of the Tariff Act of 1930 (19 U.S.C. 1673d) relating to imports of the article in question for the country in which the manufacturer of the article is located,

the burden of proof in an action brought under subsection (b) shall be upon the defendant.

''(e) OTHER PARTIES.—

''(1) IN GENERAL.—Whenever, in an action brought under subsection (b), it appears to the court that justice requires that other parties be brought before the court, the court may cause them to be summoned, without regard to where they reside, and the subpoenas to that end may be served and enforced in any judicial district of the United States.

''(2) SERVICE ON DISTRICT DIRECTOR OF CUSTOMS SERVICE.—A foreign manufacturer, producer, or exporter that sells articles, or for whom articles are sold by another party in the United States, shall be treated as having appointed the District Director of the United States Customs Service for the port through which the article that is the subject of the action is commonly imported as the true and lawful agent of the manufacturer, producer, or exporter, and all lawful process may be served on the District Director in any action brought under subsection (b) against the manufacturer, producer, or exporter.

''(f) LIMITATION.—

''(1) STATUTE OF LIMITATION.—An action under subsection (b) shall be commenced not later than 4 years after the date on which the cause of action accrues.

''(2) SUSPENSION.—The 4-year period provided for in paragraph (1) shall be suspended—

''(A) while there is pending an administrative proceeding under subtitle B of title VII of the Tariff Act of 1930 (19 U.S.C. 1673 et seq.) relating to the article that is the subject of the action or an appeal of a final determination in such a proceeding; and

''(B) for 1 year thereafter.

''(g) NONCOMPLIANCE WITH COURT ORDER.—If a defendant in an action brought under subsection (b) fails to comply with any discovery order or other order or decree of the court, the court may—

''(1) enjoin the further importation into, or the sale or distribution within, the United States by the defendant of articles that are the same as, or similar to, the articles that are alleged in the action to have been sold or imported under the conditions described in subsection (a) until such time as the defendant complies with the order or decree; or

''(2) take any other action authorized by law or by the Federal Rules of Civil Procedure, including entering judgment for the plaintiff.

''(h) CONFIDENTIALITY AND PRIVILEGED STATUS.—

''(1) IN GENERAL.—Except as provided in paragraph (2), the confidential or privileged status accorded by law to any documents, evidence, comments, or information shall be maintained in any action brought under subsection (b).

''(2) EXCEPTION.—In an action brought under subsection (b) the court may—

''(A) examine, in camera, any confidential or privileged material;

''(B) accept depositions, documents, affidavits, or other evidence under seal; and

''(C) disclose such material under such terms and conditions as the court may order.

''(i) EXPEDITION OF ACTION.—An action brought under subsection (b) shall be advanced on the docket and expedited in every way possible.

''(j) DEFINITIONS.—In this section, the terms 'United States price', 'foreign market value', 'constructed value', 'subsidy', 'interested party', and 'material injury', have the meanings given those terms under title VII of the Tariff Act of 1930 (19 U.S.C. 1671 et seq.).

''(k) INTERVENTION BY THE UNITED STATES.—The court shall permit the United States to intervene in any action brought under subsection (b) as a matter of right. The United States shall have all the rights of a party to such action.

''(l) NULLIFICATION OF ORDER.—An order by a court under this section may be set aside

by the President pursuant to section 203 of the International Emergency Economic Powers Act (50 U.S.C. 1702).''.

(c) ACTION FOR SUBSIDIES VIOLATIONS.—Title VIII of the Act of September 8, 1916 (39 U.S.C. 798; 15 U.S.C. 71 et seq.) is amended by adding at the end the following new section:

''SEC. 807. IMPORTATION OR SALE OF SUBSIDIZED ARTICLES.

''(a) PROHIBITION.—No person shall import into, or sell within, the United States an article manufactured or produced in a foreign country if—

''(1) the foreign country, any person who is a citizen or national of the foreign country, or a corporation, association, or other organization organized in the foreign country, is providing (directly or indirectly) a subsidy with respect to the manufacture, production, or exportation of the article; and

''(2) the importation or sale—

''(A) causes or threatens to cause material injury to industry or labor in the United States; or

''(B) prevents, in whole or in part, the establishment or modernization of any industry in the United States.

''(b) CIVIL ACTION.—An interested party whose business or property is injured by reason of the importation or sale of an article in violation of this section may bring a civil action in the Court of International Trade against any person who—

''(1) manufactures, produces, or exports the article; or

''(2) imports the article into the United States if the person is related to the manufacturer, producer, or exporter of the article.

''(c) RELIEF.—

''(1) IN GENERAL.—Upon an affirmative determination by the Court of International Trade in an action brought under subsection (b), the court shall issue an order that includes a description of the subject article in such detail as the court deems necessary and shall—

''(A) direct the Customs Service to assess a countervailing duty on the article covered by the determination in accordance with section 706(a) of the Tariff Act of 1930 (19 U.S.C. 1671e); and

''(B) require the deposit of estimated countervailing duties pending liquidation of entries of the article at the same time as estimated normal customs duties on that article are deposited.

''(d) STANDARD OF PROOF.—

''(1) PREPONDERANCE OF EVIDENCE.—The standard of proof in an action filed under subsection (b) is a preponderance of the evidence.

''(2) SHIFT OF BURDEN OF PROOF.—Upon—

''(A) a prima facie showing of the elements set forth in subsection (a), or

''(B) affirmative final determinations adverse to the defendant that are made by the administering authority and the United States International Trade Commission under section 705 of the Tariff Act of 1930 (19 U.S.C. 1671d) relating to imports of the article in question from the country in which the manufacturer of the article is located,

the burden of proof in an action brought under subsection (b) shall be upon the defendant.

''(e) OTHER PARTIES.—

''(1) IN GENERAL.—Whenever, in an action brought under subsection (b), it appears to the court that justice requires that other parties be brought before the court, the court may cause them to be summoned, without regard to where they reside, and the subpoenas to that end may be served and enforced in any judicial district of the United States.

''(2) SERVICE ON DISTRICT DIRECTOR OF CUSTOMS SERVICE.—A foreign manufacturer, producer, or exporter that sells articles, or for which articles are sold by another party in the United States, shall be treated as having appointed the District Director of the United States Customs Service for the port through which the article that is the subject of the action is commonly imported as the true and lawful agent of the manufacturer, producer, or exporter, and all lawful process may be served on the District Director in any action brought under subsection (b) against the manufacturer, producer, or exporter.

''(f) LIMITATION.—

''(1) STATUTE OF LIMITATIONS.—An action under subsection (b) shall be commenced not later than 4 years after the date on which the cause of action accrues.

''(2) SUSPENSION.—The 4-year period provided for in paragraph (1) shall be suspended—

''(A) while there is pending an administrative proceeding under subtitle A of title VII of the Tariff Act of 1930 (19 U.S.C. 1671 et seq.) relating to the article that is the subject of the action or an appeal of a final determination in such a proceeding; and

''(B) for 1 year thereafter.

''(g) NONCOMPLIANCE WITH COURT ORDER.—If a defendant in an action brought under subsection (b) fails to comply with any discovery order or other order or decree of the court, the court may—

''(1) enjoin the further importation into, or the sale or distribution within, the United States by the defendant of articles that are the same as, or similar to, the articles that are alleged in the action to have been sold or imported under the conditions described in subsection (a) until such time as the defendant complies with the order or decree; or

''(2) take any other action authorized by law or by the Federal Rules of Civil Procedure, including entering judgment for the plaintiff.

''(h) CONFIDENTIALITY AND PRIVILEGED STATUS.—

''(1) IN GENERAL.—Except as provided in paragraph (2), the confidential or privileged status accorded by law to any documents, evidence, comments, or information shall be maintained in any action brought under subsection (b).

''(2) EXCEPTION.—In an action brought under subsection (b) the court may—

''(A) examine, in camera, any confidential or privileged material;

''(B) accept depositions, documents, affidavits, or other evidence under seal; and

''(C) disclose such material under such terms and conditions as the court may order.

''(i) EXPEDITION OF ACTION.—An action brought under subsection (b) shall be advanced on the docket and expedited in every way possible.

''(j) DEFINITIONS.—In this section, the terms 'subsidy', 'material injury', and 'interested party' have the meanings given those terms under title VII of the Tariff Act of 1930 (19 U.S.C. 1671 et seq.).

''(k) INTERVENTION BY THE UNITED STATES.—The court shall permit the United States to intervene in any action brought under subsection (b) as a matter of right. The United States shall have all the rights of a party to such action.

''(l) NULLIFICATION OF ORDER.—An order by a court under this section may be set aside by the President pursuant to section 203 of the International Emergency Economic Powers Act (50 U.S.C. 1702).''.

(d) ACTION FOR CUSTOMS FRAUD.—

(1) AMENDMENT OF TITLE 28, UNITED STATES CODE.—Chapter 95 of title 28, United States Code, is amended by adding at the end the following new section:

''§ 1586. Private enforcement action for customs fraud

''(a) CIVIL ACTION.—An interested party whose business or property is injured by a fraudulent, grossly negligent, or negligent violation of section 592(a) of the Tariff Act of 1930 (19 U.S.C. 1592(a)) may bring a civil action in the Court of International Trade, without respect to the amount in controversy.

''(b) RELIEF.—Upon proof by an interested party that the business or property of such interested party has been injured by a fraudulent, grossly negligent, or negligent violation of section 592(a) of the Tariff Act of 1930, the interested party shall—

''(1)(A) be granted such equitable relief as may be appropriate, which may include an injunction against further importation into the United States of the merchandise in question; or

''(B) if injunctive relief cannot be timely provided or is otherwise inadequate, recover damages for the injuries sustained; and

''(2) recover the costs of suit, including reasonable attorney's fees.

''(c) DEFINITIONS.—For purposes of this section:

''(1) INTERESTED PARTY.—The term 'interested party' means—

''(A) a manufacturer, producer, or wholesaler in the United States of like or competing merchandise; or

''(B) a trade or business association a majority of whose members manufacture, produce, or wholesale like merchandise or competing merchandise in the United States.

''(2) LIKE MERCHANDISE.—The term 'like merchandise' means merchandise that is like, or in the absence of like, most similar in characteristics and users with, merchandise being imported into the United States in violation of section 592(a) of the Tariff Act of 1930 (19 U.S.C. 1592(a)).

''(3) COMPETING MERCHANDISE.—The term 'competing merchandise' means merchandise that competes with or is a substitute for merchandise being imported into the United States in violation of section 592(a) of the Tariff Act of 1930 (19 U.S.C. 1592(a)).

''(d) INTERVENTION BY THE UNITED STATES.—The court shall permit the United States to intervene in an action brought under this section, as a matter of right. The United States shall have all the rights of a party.

''(e) NULLIFICATION OF ORDER.—An order by a court under this section may be set aside by the President pursuant to section 203 of the International Emergency Economic Powers Act (50 U.S.C. 1702).''.

(2) TECHNICAL AMENDMENT.—The chapter analysis for chapter 95 of title 28, United States Code, is amended by adding at the end the following new item:

''1586. Private enforcement action for customs fraud.''.

SEC. ___03. AMENDMENTS TO THE TARIFF ACT OF 1930.

(a) IN GENERAL.—Title VII of the Tariff Act of 1930 (19 U.S.C. 1671 et seq.) is amended by inserting after section 753 the following new section:

''SEC. 754. CONTINUED DUMPING AND SUBSIDY OFFSET.

''(a) IN GENERAL.—Duties assessed pursuant to a countervailing duty order, an antidumping duty order, or a finding under the Antidumping Act of 1921 shall be distributed on an annual basis under this section to workers for damages sustained for loss of wages resulting from the loss of jobs, and to the affected domestic producers for qualifying expenditures. Such distribution shall be known as the 'continued dumping and subsidy offset'.

''(b) DEFINITIONS.—As used in this section:

''(1) AFFECTED DOMESTIC PRODUCER.—The term 'affected domestic producer' means any manufacturer, producer, farmer, rancher, or worker representative (including associations of such persons) that—

''(A) was a petitioner or interested party in support of the petition with respect to which an antidumping duty order, a finding under the Antidumping Act of 1921, or a countervailing duty order has been entered, and

''(B) remains in operation.

Companies, businesses, or persons that have ceased the production of the product covered by the order or finding or who have been acquired by a company or business that is related to a company that opposed the investigation shall not be an affected domestic producer.

''(2) COMMISSIONER.—The term 'Commissioner' means the Commissioner of Customs.

''(3) COMMISSION.—The term 'Commission' means the United States International Trade Commission.

''(4) QUALIFYING EXPENDITURE.—The term 'qualifying expenditure' means an expenditure incurred after the issuance of the antidumping duty finding or order or countervailing duty order in any of the following categories:

''(A) Plant.

''(B) Equipment.

''(C) Research and development.

''(D) Personnel training.

''(E) Acquisition of technology.

''(F) Health care benefits to employees paid for by the employer.

''(G) Pension benefits to employees paid for by the employer.

''(H) Environmental equipment, training, or technology.

''(I) Acquisition of raw materials and other inputs.

''(J) Borrowed working capital or other funds needed to maintain production.

''(5) RELATED TO.—A company, business, or person shall be considered to be 'related to' another company, business, or person if—

''(A) the company, business, or person directly or indirectly controls or is controlled by the other company, business, or person,

''(B) a third party directly or indirectly controls both companies, businesses, or persons,

''(C) both companies, businesses, or persons directly or indirectly control a third party and there is reason to believe that the relationship causes the first company, business, or persons to act differently than a nonrelated party.

For purposes of this paragraph, a party shall be considered to directly or indirectly control another party if the party is legally or operationally in a position to exercise restraint or direction over the other party.

''(6) WORKERS.—The term 'workers' refers to persons who sustained damages for loss of wages resulting from loss of jobs. The Secretary of Labor shall determine eligibility for purposes of this section.

''(c) DISTRIBUTION PROCEDURES.—The Commissioner in consultation with the Secretary of Labor shall prescribe procedures for distribution of the continued dumping or subsidies offset required by this section. Such distribution shall be made not later than 60 days after the first day of a fiscal year from duties assessed during the preceding fiscal year.

''(d) PARTIES ELIGIBLE FOR DISTRIBUTION OF ANTIDUMPING AND COUNTERVAILING DUTIES ASSESSED.—

''(1) LIST OF WORKERS AND AFFECTED DOMESTIC PRODUCERS.—The Commission shall forward to the Commissioner within 60 days after the effective date of this section in the case of orders or findings in effect on such effective date, or in any other case, within 60 days after the date an antidumping or countervailing duty order or finding is issued, a list of petitioners and persons with respect to each order and finding and a list of persons that indicate support of the petition by letter or through questionnaire response. In those cases in which a determination of injury was not required or the Commission's records do not permit an identification of those in support of a petition, the Commission shall consult with the administering authority to determine the identity of the petitioner and those domestic parties who have entered appearances during administrative reviews conducted by the administering authority under section 751.

''(2) PUBLICATION OF LIST; CERTIFICATION.—The Commissioner shall publish in the Federal Register at least 30 days before the distribution of a continued dumping and subsidy offset, a notice of intention to distribute the offset and the list of workers and affected domestic producers potentially eligible for the distribution based on the list obtained from the Commission under paragraph (1). The Commissioner shall request a certification from each potentially eligible affected domestic producer—

''(A) that the producer desires to receive a distribution;

''(B) that the producer is eligible to receive the distribution as an affected domestic producer; and

''(C) the qualifying expenditures incurred by the producer since the issuance of the order or finding for which distribution under this section has not previously been made.

''(3) DISTRIBUTION OF FUNDS.—The Commissioner in consultation with the Secretary of Labor shall distribute all funds (including all interest earned on the funds) from assessed duties received in the preceding fiscal year to workers and to the affected domestic producers based on the certifications described in paragraph (2). The distributions shall be made on a pro rata basis based on new and remaining qualifying expenditures.

''(e) SPECIAL ACCOUNTS.—

''(1) ESTABLISHMENTS.—Within 14 days after the effective date of this section, with respect to antidumping duty orders and findings and countervailing duty orders in effect on the effective date of this section, and within 14 days after the date an antidumping duty order or finding or countervailing duty order issued after the effective date takes effect, the Commissioner shall establish in the Treasury of the United States a special account with respect to each such order or finding.

''(2) DEPOSITS INTO ACCOUNTS.—The Commissioner shall deposit into the special accounts, all antidumping or countervailing duties (including interest earned on such duties) that are assessed after the effective date of this section under the antidumping order or finding or the countervailing duty order with respect to which the account was established.

''(3) TIME AND MANNER OF DISTRIBUTIONS.—Consistent with the requirements of subsections (c) and (d), the Commissioner shall by regulation prescribe the time and manner in which distribution of the funds in a special account shall made.

''(4) TERMINATION.—A special account shall terminate after—

''(A) the order or finding with respect to which the account was established has terminated;

''(B) all entries relating to the order or finding are liquidated and duties assessed collected;

''(C) the Commissioner has provided notice and a final opportunity to obtain distribution pursuant to subsection (c); and

''(D) 90 days has elapsed from the date of the notice described in subparagraph (C).

Amounts not claimed within 90 days of the date of the notice described in subparagraph (C), shall be deposited into the general fund of the Treasury.''.

(b) CONFORMING AMENDMENT.—The table of contents for title VII of the Tariff Act of 1930 is amended by inserting the following new item after the item relating to section 753:

''Sec. 754. Continued dumping and subsidy offset.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to all antidumping and countervailing duty assessments made on or after October 1, 1996.

TORRICELLI AMENDMENTS NOS. 2348–2349

(Ordered to lie on the table.)

Mr. TORRICELLI submitted two amendments intended to be proposed by him to the bill, H.R. 434, supra; as follows:

AMENDMENT NO. 2348

At the appropriate place, insert the following new section:

SEC. ___. MODIFICATIONS TO CASUALTY LOSS DEDUCTION FOR 1999 TAXABLE YEAR.

(a) LOWER ADJUSTED GROSS INCOME THRESHOLD.—Paragraph (2) of section 165(h) of the Internal Revenue Code of 1986 (relating to treatment of casualty gains and losses) is amended—

(1) by striking ''10 percent of the adjusted gross income of the individual'' in subparagraph (A)(ii) and inserting ''5 percent of the adjusted gross income of the individual (determined without regard to any deduction allowable under subsection (c)(3))'', and

(2) by striking ''10 PERCENT'' in the heading and inserting ''5 PERCENT''.

(b) ABOVE-THE-LINE DEDUCTION.—Section 62(a) of the Internal Revenue Code of 1986 (defining adjusted gross income) is amended by inserting after paragraph (17) the following:

''(18) CERTAIN DISASTER LOSSES.—The deduction allowed by section 165(c)(3).''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to losses sustained in taxable years beginning in 1999.

AMENDMENT NO. 2349

At the appropriate place, insert the following new section:

SEC. ___. TREATMENT OF CERTAIN STATE AND LOCAL DISASTER RELIEF.

(a) IN GENERAL.—With respect to a major disaster described in subsection (b), no person, business concern, or other entity shall be denied financial assistance (or required to repay financial assistance) under section 312 of the Robert T. Stafford Disaster Relief and Assistance Act (42 U.S.C. 5155) as a result of the receipt of financial assistance from a State or local government with respect to such disaster, except that such assistance may be denied (or required to be repaid) to the extent that the total assistance from all sources to the person, business concern, or other entity, exceeds the loss suffered by the person, business concern, or other entity.

(b) APPLICABILITY.—This section shall apply only to major disasters occurring after September 14, 1999, and before September 20, 1999.

DURBIN (AND SCHUMER) AMENDMENTS NOS. 2350–2351

(Ordered to lie on the table.)

Mr. DURBIN (for himself, and Mr. SCHUMER) submitted two amendments intended to be proposed by them to the bill, H.R. 434, supra; as follows:

AMENDMENT NO. 2350

On page ___, line ___, strike ''2 years'' and insert ''5 years''.

AMENDMENT NO. 2351

At the appropriate place, insert the following new section:

SEC. ___. LIMITATIONS ON PREFERENTIAL TREATMENT.

The President may not exercise the authority to extend preferential tariff treatment to any country in sub-Saharan Africa provided for in this Act, unless the President certifies to Congress, using existing authority, that the President does not need additional authority to save American jobs in the garment, textile, and wool growing industries. For purposes of the preceding sentence, ''additional authority'' includes authority to implement preferential tariff treatment for fabrics of carded or combed wool, certified by the importer as intended for use in making suits, suit-type jackets, or trousers provided for in subheading 5111.11.70, 5111.19.60, 5112.11.20, or 5112.19.90 of the Harmonized Tariff Schedule of the United States.

DURBIN AMENDMENTS NOS. 2352–2353

(Ordered to lie on the table.)

Mr. DURBIN submitted two amendments intended to be proposed by him to the bill, H.R. 434, supra; as follows:

AMENDMENT NO. 2352

At the end of the bill, insert the following new title:

TITLE ____—STEEL IMPORT NOTIFICATION

SEC. ___01. STEEL IMPORT NOTIFICATION AND MONITORING PROGRAM.

(a) IN GENERAL.—Not later than 30 days after the date of enactment of this Act, the Secretary of Commerce, in consultation with the Secretary of the Treasury, shall establish and implement a steel import notification and monitoring program. The program shall include a requirement that any person importing a product classified under chapter 72 or 73 of the Harmonized Tariff Schedule of the United States obtain an import notification certificate before such products are entered into the United States.

(b) STEEL IMPORT NOTIFICATION CERTIFICATES.—

(1) IN GENERAL.—In order to obtain a steel import notification certificate, an importer shall submit to the Secretary of Commerce an application containing—

(A) the importer's name and address;

(B) the name and address of the supplier of the goods to be imported;

(C) the name and address of the producer of the goods to be imported;

(D) the country of origin of the goods;

(E) the country from which the goods are to be imported;

(F) the United States Customs port of entry where the goods will be entered;

(G) the expected date of entry of the goods into the United States;

(H) a description of the goods, including the classification of such goods under the Harmonized Tariff Schedule of the United States;

(I) the quantity (in kilograms and net tons) of the goods to be imported;

(J) the cost insurance freight (CIF) and free alongside ship (FAS) values of the goods to be entered;

(K) whether the goods are being entered for consumption or for entry into a bonded warehouse or foreign trade zone;

(L) a certification that the information furnished in the certificate application is correct; and

(M) any other information the Secretary of Commerce determines to be necessary and appropriate.

(2) ENTRY INTO CUSTOMS TERRITORY.—In the case of merchandise classified under chapter 72 or 73 of the Harmonized Tariff Schedule of the United States that is initially entered into a bonded warehouse or foreign trade zone, a steel import notification certificate shall be required before the merchandise is entered into the customs territory of the United States.

(3) ISSUANCE OF STEEL IMPORT NOTIFICATION CERTIFICATE.—The Secretary of Commerce shall issue a steel import notification certificate to any person who files an application that meets the requirements of this section. Such certificate shall be valid for a period of 30 days from the date of issuance.

(c) STATISTICAL INFORMATION.—

(1) IN GENERAL.—The Secretary of Commerce shall compile and publish on a weekly basis information described in paragraph (2).

(2) INFORMATION DESCRIBED.—Information described in this paragraph means information obtained from steel import notification certificate applications concerning steel imported into the United States and includes with respect to such imports the Harmonized Tariff Schedule of the United States classification (to the tenth digit), the country of origin, the port of entry, quantity, value of steel imported, and whether the imports are entered for consumption or are entered into a bonded warehouse or foreign trade zone. Such information shall also be compiled in aggregate form and made publicly available by the Secretary of Commerce on a weekly basis by public posting through an Internet website. The information provided under this section shall be in addition to any information otherwise required by law.

(d) FEES.—The Secretary of Commerce may prescribe reasonable fees and charges to defray the costs of carrying out the provisions of this section, including a fee for issuing a certificate under this section.

(e) SINGLE PRODUCER AND EXPORTER COUNTRIES.—Notwithstanding any other provision of law, the Secretary of Commerce shall make publicly available all information required to be released pursuant to subsection (c), including information obtained regarding imports from a foreign producer or exporter that is the only producer or exporter of goods subject to this section from a foreign country.

(f) REGULATIONS.—The Secretary of Commerce may prescribe such rules and regulations relating to the steel import notification and monitoring program as may be necessary to carry out the provisions of this section.

AMENDMENT NO. 2353

At the end of the bill, insert the following new title:

TITLE ____—IMPORT SURGES

SEC. ___01. SHORT TITLE.

This title may be cited as the ''Fair Trade Law Enhancement Act of 1999''.

Subtitle A—Safeguard Amendments

SEC. ___11. CAUSATION STANDARD.

(a) CHANGE IN CAUSATION STANDARD.—(1) Section 201(a) of the Trade Act of 1974 (19 U.S.C. 2251(a)) is amended by striking ''substantial''.

(2) Section 202 of the Trade Act of 1974 (19 U.S.C. 2252) is amended—

(A) in subsection (b)(1)(A), by striking ''substantial'';

(B) by amending subsection (b)(1)(B) to read as follows:

''(B) Imports are a cause of serious injury, or the threat thereof, when a causal link can be established between imports and the domestic industry's injury.'';

(C) in subsection (c)(1)(C), by striking ''substantial cause'' and inserting ''the causal link'';

(D) in subsection (c)(3), by striking ''substantial''; and

(E) in subsection (d)(2)(A)(i), by striking ''substantial''.

(b) CONFORMING AMENDMENT.—Section 264(c) of the Trade Act of 1974 (19 U.S.C. 2354(c)) is amended by striking ''substantial''.

SEC. ___12. CAPTIVE PRODUCTION.

Section 202(c)(4) of the Trade Act of 1974 (19 U.S.C. 2252(c)(4)) 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 after subparagraph (C) the following:

''(D) shall, in cases in which domestic producers transfer internally, including to related parties, significant production of the like or directly competitive article for the production of a downstream article and sell significant production of the like or directly competitive article in the merchant market, focus on the merchant market when determining the domestic industry's market share and other relevant factors.

For purposes of this section, a party is related to another party if the first party controls, is controlled by, or is under common control with, that other party.''.

SEC. ___13. PRESUMPTION OF THREAT AND OF CRITICAL CIRCUMSTANCES.

Section 202 of the Trade Act of 1974 (19 U.S.C. 2252) is amended—

(1) in subsection (c)(1), by inserting at the end the following flush sentences:

''Notwithstanding subparagraph (B), if the Commission finds that, at any time during the 12-month period preceding the initiation of an investigation, there has been a rapid decline in domestic prices for the like or directly competitive article and a rapid increase in imports of the imported article, the Commission shall apply a rebuttable presumption that the domestic industry is threatened with serious injury by reason of such imports. For purposes of the preceding sentence, the term 'rapid' means a change of 10 percent or more from one calendar quarter to the next, and the price decline and the increase in imports need not be contemporaneous. In any case in which this presumption does not apply, or in which it applies but is rebutted, the Commission shall conduct a threat of serious injury analysis as if no such presumption applied.''; and

(2) in subsection (d)(2)(A), by adding at the end the following flush sentences:

''If the Commission finds that, at any time during the 12-month period preceding the initiation of an investigation, there has been a rapid decline in domestic prices for the like or directly competitive article and a rapid increase in imports of the imported article, the Commission shall apply a rebuttable presumption that the criteria in clauses (i) and (ii) are met. For purposes of this paragraph, the term 'rapid' means a change of 10 percent or more from one calendar quarter to the next, and the price decline and the increase in imports need not be contemporaneous. In any case in which this presumption does not apply, or in which it applies but is rebutted, the Commission shall conduct a critical circumstances analysis as if no such presumption applied.''.

SEC. ___14. INJURY FACTORS.

Section 202(c)(1)(A) of the Trade Act of 1974 (19 U.S.C. 2252(c)(1)(A)) is amended to read as follows:

''(A) with respect to serious injury—

''(i) the rate and amount of the increase in imports of the product concerned in absolute and relative terms;

''(ii) the share of the domestic market taken by increased imports;

''(iii) changes in the level of sales;

''(iv) production;

''(v) productivity;

''(vi) capacity utilization;

''(vii) profits and losses; and

''(viii) employment;''.

Subtitle B—Amendments to Title VII of the Tariff Act of 1930

SEC. ___21. CAPTIVE PRODUCTION.

Section 771(7)(C)(iv) of the Tariff Act of 1930 (19 U.S.C. 1677(7)(C)(iv)) is amended to read as follows:

''(iv) CAPTIVE PRODUCTION.—If domestic producers transfer internally, including to affiliated persons as defined in section 771(33), significant production of the domestic like product for the production of a downstream article and sell significant production of the domestic like product in the merchant market, then the Commission, in determining market share and the factors affecting financial performance set forth in clause (iii), shall focus on the merchant market.''.

SEC. ___22. CUMULATION.

Section 771(7)(G)(i) of the Tariff Act of 1930 (19 U.S.C. 1677(7)(G)(i)) is amended to read as follows:

''(i) IN GENERAL.—For purposes of clauses (i) and (ii) of subparagraph (C), and subject to clause (ii), the Commission shall cumulatively assess the volume and effect of imports of the subject merchandise from all countries subject to petitions filed under section 702(b) or 732(b), or subject to investigations initiated under 702(a) or 732(a), if such petitions were filed, or such investigations were initiated, within 90 days before the date on which the Commission is required to make its final injury determination, and if such imports compete with each other and with the domestic like products in the United States market.''.

SEC. ___23. CAUSAL RELATIONSHIP BETWEEN IMPORTS AND INJURY.

Section 771(7)(C) of the Tariff act of 1930 (19 U.S.C. 1677(7)(C)), as amended by section ___21, is amended by adding at the end the following new clause:

''(v) IMPORTS; BASIS FOR AFFIRMATIVE DETERMINATION.—The Commission shall not weigh against other factors the injury caused by imports found by the administering authority to be dumped or provided a countervailable subsidy. Rather, if the imports are a contributing cause of injury to the domestic industry, the Commission shall make an affirmative determination, unless the injury caused by the imports is inconsequential, immaterial, or unimportant.''.

SEC. ___24. PRESUMPTION OF THREAT OF MATERIAL INJURY.

Section 771(7)(F) of the Tariff Act of 1930 (19 U.S.C. 1677(7)(F)) is amended by redesignating clause (iii) as clause (iv) and inserting after clause (ii) the following new clause:

''(iii) PRESUMPTION OF THREAT OF MATERIAL INJURY.—Notwithstanding clauses (i) and (ii), if the Commission finds that, at any time during the 12-month period preceding the initiation of an investigation, there has been a rapid decline in domestic prices for the domestic like product and a rapid increase in imports of the subject merchandise, the Commission shall apply a rebuttable presumption that the domestic industry is threatened with material injury by reason of such imports. For purposes of this clause, the term 'rapid' means a change of 10 percent or more from one calendar quarter to the next, and the price decline and the increase in imports need not be contemporaneous. In any case in which this presumption does not apply, or in which it applies but is rebutted, the Commission shall conduct a threat of injury analysis as if no such presumption applied.''.

SEC. ___25. PRESUMPTION OF CRITICAL CIRCUMSTANCES.

(a) INITIAL FINDING BY COMMISSION.—

(1) COUNTERVAILABLE SUBSIDY.—Section 703(a) of the Tariff Act of 1930 (19 U.S.C. 1671b(a)) is amended by adding at the end the following:

''(3) DETERMINATION OF RAPID DECLINE.—Any preliminary determination by the Commission under this subsection shall include a determination of whether at any time during the 12-month period preceding the initiation of the investigation there has been a rapid decline in domestic prices for the domestic like product. For purposes of this paragraph, the term 'rapid' means a change of 10 percent or more from one calendar quarter to the next.''.

(2) DUMPING.—Section 733(a) of the Tariff Act of 1930 (19 U.S.C. 1673b(a)) is amended by adding at the end the following:

''(3) DETERMINATION OF RAPID DECLINE.—Any preliminary determination by the Commission under this subsection shall include a determination of whether at any time during the 12-month period preceding the initiation of the investigation there has been a rapid decline in domestic prices for the domestic like product. For purposes of this paragraph, the term 'rapid' means a change of 10 percent or more from one calendar quarter to the next.''.

(b) COUNTERVAILING DUTY CASES.—

(1) PRELIMINARY DETERMINATIONS BY ADMINISTERING AUTHORITY.—Section 703(e) of the Tariff Act of 1930 (19 U.S.C. 1671b(e)) is amended by redesignating paragraph (2) as paragraph (3) and inserting after paragraph (1) the following:

''(2) PRESUMPTION OF CRITICAL CIRCUMSTANCES.—Notwithstanding paragraph (1), if the Commission has found under subsection (a)(3) a rapid decline in domestic prices during a 12-month period and the administering authority finds that a rapid increase in imports of the subject merchandise occurred during the same 12-month period, the administering authority shall apply a rebuttable presumption that critical circumstances exist with respect to such imports. For purposes of this paragraph, the term 'rapid' means a change of 10 percent or more from one calendar quarter to the next, and the price decline and the increase in imports need not be contemporaneous. In any case in which this presumption does not apply, or in which it applies but is rebutted, the administering authority shall conduct a critical circumstances analysis as if no such presumption applied.''.

(2) FINAL DETERMINATIONS BY ADMINISTERING AUTHORITY.—Section 705(a) of the Tariff Act of 1930 (19 U.S.C. 1671d(a)) is amended by redesignating paragraph (3) as paragraph (4) and inserting after paragraph (2) the following new paragraph:

''(3) CRITICAL CIRCUMSTANCES DETERMINATIONS; SPECIAL RULE.—Notwithstanding paragraph (2), if the Commission has found under section 703(a)(3) a rapid decline in domestic prices during a 12-month period, and the administering authority finds that a rapid increase in imports of the subject merchandise occurred during the same 12-month period, the administering authority shall apply a rebuttable presumption that critical circumstances exist with respect to such imports. For purposes of this paragraph, the term 'rapid' means a change of 10 percent or more from one calendar quarter to the next, and the price decline and the increase in imports need not be contemporaneous. In any case in which this presumption does not apply, or in which it applies but is rebutted, the administering authority shall conduct a critical circumstances analysis as if no such presumption applied.''.

(3) FINAL DETERMINATIONS BY COMMISSION.—Section 705(b)(4)(A) of the Tariff Act of 1930 (19 U.S.C. 1671d(b)(4)(A)) is amended by inserting after clause (ii) the following new clause:

''(iii) PRESUMPTION THAT STANDARD FOR RETROACTIVE APPLICATION IS MET.—Notwithstanding clause (ii), if the Commission determines that, at any time during the 12-month period since the initiation of the investigation, there has been a rapid decline in domestic prices for the domestic like product and a rapid increase in imports of the subject merchandise, the Commission shall apply a rebuttable presumption that the imports subject to the affirmative determination under subsection (a)(2) are likely to undermine seriously the remedial effect of the countervailing duty order to be issued under section 706. For purposes of this clause, the term 'rapid' means a change of 10 percent or more from one calendar quarter to the next, and the price decline and the increase in imports need not be contemporaneous. In any case in which this presumption does not apply, or in which it applies but is rebutted, the Commission shall conduct a critical circumstances analysis as if no such presumption applied.''.

(c) ANTIDUMPING CASES.—

(1) PRELIMINARY DETERMINATIONS BY ADMINISTERING AUTHORITY.—Section 733(e) of the Tariff Act of 1930 (19 U.S.C. 1673b(e)) is amended by redesignating paragraph (2) as paragraph (3) and inserting after paragraph (1) the following new paragraph:

''(2) PRESUMPTION OF CRITICAL CIRCUMSTANCES.—Notwithstanding paragraph (1), if the Commission has found under subsection (a)(3) a rapid decline in domestic prices during a 12-month period and the administering authority finds that a rapid increase in imports of the subject merchandise occurred during the same 12-month period, the administering authority shall apply a rebuttable presumption that critical circumstances exist with respect to such imports. For purposes of this paragraph, the term 'rapid' means a change of 10 percent or more from one calendar quarter to the next, and the price decline and the increase in imports need not be contemporaneous. In any case in which this presumption does not apply, or in which it applies but is rebutted, the administering authority shall conduct a critical circumstances analysis as if no such presumption applied.''.

(2) FINAL DETERMINATIONS BY ADMINISTERING AUTHORITY.—Section 735(a) of the Tariff Act of 1930 (19 U.S.C. 1673d(a)) is amended by redesignating paragraph (4) as paragraph (5) and inserting after paragraph (3) the following:

''(4) CRITICAL CIRCUMSTANCES DETERMINATIONS; SPECIAL RULE.—Notwithstanding paragraph (3), if the Commission has found under section 733(a)(3) a rapid decline in domestic prices during a 12-month period, and the administering authority finds that a rapid increase in imports of the subject merchandise occurred during the same 12-month period, the administering authority shall apply a rebuttable presumption that critical circumstances exist with respect to such imports. For purposes of this paragraph, the term 'rapid' means a change of 10 percent or more from one calendar quarter to the next, and the price decline and the increase in imports need not be contemporaneous. In any case in which this presumption does not apply, or in which it applies but is rebutted, the administering authority shall conduct a critical circumstances analysis as if no such presumption applied.''.

(3) FINAL DETERMINATIONS BY COMMISSION.—Section 735(b)(4)(A) of the Tariff Act of 1930 (19 U.S.C. 1673d(b)(4)(A)) is amended by adding after clause (ii) the following:

''(iii) PRESUMPTION THAT STANDARD FOR RETROACTIVE APPLICATION IS MET.—Notwithstanding clause (ii), if the Commission determines that, at any time during the 12-month period since the initiation of the investigation, there has been a rapid decline in domestic prices for the domestic like product and a rapid increase in imports of the subject merchandise, the Commission shall apply a rebuttable presumption that the imports subject to the affirmative determination under subsection (a)(3) are likely to undermine seriously the remedial effect of the antidumping duty order to be issued under section 736. For purposes of this clause, the term 'rapid' means a change of 10 percent or more from one calendar quarter to the next, and the price decline and the increase in imports need not be contemporaneous. In any case in which this presumption does not apply, or in which it applies but is rebutted, the Commission shall conduct a critical circumstances analysis as if no such presumption applied.''.

SEC. ___26. PREVENTION OF CIRCUMVENTION.

Section 781(c) of the Tariff Act of 1930 (19 U.S.C. 1677j(c)) is amended to read as follows:

''(c) MINOR ALTERATIONS OF MERCHANDISE.—The class or kind of merchandise subject to—

''(1) an investigation under this subtitle,

''(2) an antidumping duty order issued under section 736,

''(3) a finding issued under the Antidumping Act, 1921, or

''(4) a countervailing duty order issued under section 706 or section 303,

shall include articles whose form or appearance has been altered in minor respects by changes in production process (including raw agricultural products that have undergone minor processing), regardless of any change in tariff classification and regardless of whether the merchandise description used in the investigation, order, or finding would otherwise exclude the altered article.''.

SEC. ___27. DOMESTIC INDUSTRY SUPPORT FOR SUSPENSION AGREEMENTS.

(a) COUNTERVAILING DUTY CASES.—Section 704(d) of the Tariff Act of 1930 (19 U.S.C. 1671c(d)(1)) is amended—

(1) in paragraph (1)—

(A) by striking ''and'' at the end of subparagraph (A);

(B) by striking the period at the end of subparagraph (B), and inserting '', and''; and

(C) by inserting after subparagraph (B) the following new subparagraph:

''(C) the domestic producers or workers who support the agreement account for more than 50 percent of the production of the domestic like product produced by those expressing an opinion on the agreement.''; and

(2) by adding at the end the following new paragraph:

''(4) SPECIAL RULES RELATING TO DOMESTIC PRODUCER AND WORKER SUPPORT.—

''(A) DETERMINATION OF INDUSTRY SUPPORT.—

''(i) CERTAIN POSITIONS DISREGARDED.—

''(I) PRODUCERS RELATED TO FOREIGN PRODUCERS.—In determining industry support under paragraph (1)(C), the administering authority shall disregard the position of domestic producers who support the agreement, if such producers are related to foreign producers, as defined in section 771(4)(B)(ii), unless such domestic producers demonstrate that their interests as domestic producers would be adversely affected if the agreement is not accepted.

''(II) PRODUCERS WHO ARE IMPORTERS.—The administering authority may disregard the position of domestic producers of a domestic like product who are importers of the subject merchandise.

''(ii) SPECIAL RULE FOR REGIONAL INDUSTRIES.—If the petition which led to the proposed suspension agreement alleges that the industry is a regional industry, the administering authority shall determine whether the agreement is supported by or on behalf of the industry by applying paragraph (1)(C) on the basis of production in the region.

''(B) NATIONAL SECURITY EXCEPTION.—In any case in which the administering authority determines that the domestic producers or workers who support the agreement do not account for more than 50 percent of the production of the domestic like product produced by those expressing an opinion on the agreement, the administering authority may accept the agreement, notwithstanding the provisions of paragraph (1)(C), if the President determines and certifies to the administering authority that failure to accept the agreement would undermine the national security interests of the United States or pose an extraordinary threat to the economy of the United States.''.

(b) ANTIDUMPING DUTY CASES.—Section 734(d) of the Tariff Act of 1930 (19 U.S.C. 1673c(d)) is amended—

(1) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(2) by striking ''The administering authority'' and inserting:

''(1) IN GENERAL.—The administering authority'';

(3) by striking ''and'' at the end of subparagraph (A), as redesignated;

(4) by striking the period at the end of subparagraph (B), as redesignated, and inserting '', and'';

(5) by inserting after subparagraph (B), as redesignated, the following new subparagraph:

''(C) the domestic producers or workers who support the agreement account for more than 50 percent of the production of the domestic like product produced by those expressing an opinion on the agreement.''; and

(6) by adding at the end the following new paragraph:

''(2) SPECIAL RULES RELATING TO DOMESTIC PRODUCER AND WORKER SUPPORT.—

''(A) DETERMINATION OF INDUSTRY SUPPORT.—

''(i) CERTAIN POSITIONS DISREGARDED.—

''(I) PRODUCERS RELATED TO FOREIGN PRODUCERS.—In determining domestic producer or worker support for purposes of paragraph (1)(C), the administering authority shall disregard the position of domestic producers who support the agreement, if such producers are related to foreign producers, as defined in section 771(4)(B)(ii), unless such domestic producers demonstrate that their interests as domestic producers would be adversely affected if the agreement is not accepted.

''(II) PRODUCERS WHO ARE IMPORTERS.—The administering authority may disregard the position of domestic producers of a domestic like product who are importers of the subject merchandise.

''(ii) SPECIAL RULE FOR REGIONAL INDUSTRIES.—If the petition which led to the proposed suspension agreement alleges the industry is a regional industry, the administering authority shall determine whether the agreement is supported by or on behalf of the industry by applying paragraph (1)(C) on the basis of production in the region.

''(B) NATIONAL SECURITY EXCEPTION.—In any case in which the administering authority determines that the domestic producers or workers who support the agreement do not account for more than 50 percent of the production of the domestic like product produced by those expressing an opinion on the agreement, the administering authority may accept the agreement, notwithstanding the provisions of paragraph (1)(C), if the President determines and certifies to the administering authority that failure to accept the agreement would undermine the national security interests of the United States or pose an extraordinary threat to the economy of the United States.''.

SEC. ___28. IMPACT OF SAFEGUARD DETERMINATIONS ON 5-YEAR REVIEW DETERMINATIONS.

Section 752(a) of the Tariff Act of 1930 (19 U.S.C. 1675a(a)) is amended by adding at the end the following new paragraph:

''(9) IMPACT OF PRIOR SERIOUS INJURY DETERMINATIONS.—

''(A) AFFIRMATIVE SERIOUS INJURY DETERMINATIONS.—If the Commission has recently determined, under chapter 1 of title II of the Trade Act of 1974, that the domestic industry producing particular merchandise suffers from or is threatened with serious injury by reason of increased imports, the Commission shall apply a rebuttable presumption that material injury is ongoing for purposes of any 5-year review under section 751(c) involving the same merchandise. The Commission shall not treat the imposition of measures under chapter 1 of title II of the Trade Act of 1974 resulting from such an affirmative determination as reducing the likelihood of continuation or recurrence of material injury for purposes of the 5-year review. For purposes of this subparagraph, the term 'recently' means within the 48-month period ending on the date on which the 5-year review is initiated.

''(B) NEGATIVE SERIOUS INJURY DETERMINATIONS.—If the Commission has previously determined, under chapter 1 of title II of the Trade Act of 1974, that a domestic industry is not suffering from or threatened with serious injury by reason of increased imports, the Commission shall treat that determination as having no impact on the Commission's determination in a subsequent 5-year review under section 751(c) involving the same merchandise as to whether material injury is likely to continue or recur if an antidumping or countervailing duty order is lifted.''.

SEC. ___29. REIMBURSEMENT OF DUTIES.

Section 772(d) of the Tariff Act of 1930 (19 U.S.C. 1677a(d)) is amended—

(1) by striking ''and'' at the end of paragraph (2);

(2) by striking the period at the end of paragraph (3) and inserting a semicolon; and

(3) by adding at the end the following new paragraphs:

''(4) if the importer is the producer or exporter, or the importer and the producer or exporter are affiliated persons, an amount equal to the dumping margin calculated under section 771(35)(A), unless the producer or exporter is able to demonstrate that the importer was in no way reimbursed for any antidumping duties paid; and

''(5) if the importer is the producer or exporter, or the importer and the producer or exporter are affiliated persons, an amount equal to the net countervailable subsidy calculated under section 771(6), unless the producer or exporter is able to demonstrate that the importer was in no way reimbursed for any antidumping duties paid.''.

SEC. ___30. TRANSACTIONS BETWEEN AFFILIATED PARTIES.

Section 773(f) of the Tariff Act of 1930 (19 U.S.C. 1677b(f)) is amended—

(1) in paragraph (2), by striking ''A transaction'' and inserting ''Regardless of whether the administering authority determines to treat affiliated persons as a single entity for other purposes, a transaction''; and

(2) in paragraph (3), by striking ''If'' and inserting ''Regardless of whether the administering authority determines to treat affiliated persons as a single entity for other purposes, if''.

SEC. ___31. PERISHABLE AGRICULTURAL PRODUCTS.

(a) DEFINITION OF INDUSTRIES.—Section 771(4)(A) of the Tariff Act of 1930 (19 U.S.C. 1677(4)(A)) is amended by adding at the end the following: ''If the Commission determines that an agricultural product has a short shelf life and is a perishable product, the Commission shall treat the producers of the product in a defined period or season as the domestic industry. If the subheading under the Harmonized Tariff Schedule of the United States for an agricultural product has a 6- or 8-digit classification based on the period of time during the calendar year in which the product is harvested or imported, such periods of time constitute a defined period or season for purposes of this paragraph.''.

(b) DETERMINATION OF INJURY.—Section 771(7)(D) of the Tariff Act of 1930 (19 U.S.C. 1677(7)(D)) is amended by adding at the end the following new clauses:

''(iii) In the case of an agricultural industry involving a perishable product with a short shelf life, if a request for seasonal evaluation has been made by the petitioners, the Commission shall consider the factors in subparagraph (C) on a seasonal basis during the period identified as relevant.

''(iv) In the case of agricultural products, partially picked or unpicked crops and abandoned acreage may be considered in lieu of other measures of capacity and capacity utilization.

''(v) The impact of other factors, such as weather, on agricultural production and producers shall not be weighed against the contribution of the imported subject merchandise to the condition of the domestic industry.''.

SEC. ___32. FULL RECOGNITION OF SUBSIDY CONFERRED THROUGH PROVISION OF GOODS AND SERVICES AND PURCHASE OF GOODS.

Section 771(5)(E) of the Tariff Act of 1930 (19 U.S.C. 1677(5)(E)) is amended by adding at the end the following: ''If transactions in the country which is the subject of the investigation or review do not reflect market conditions due to government action associated with provision of the goods or service or purchase of the goods, determination of the adequacy of remuneration shall be through comparison with the most comparable market price elsewhere in the world.''.

Subtitle C—Steel Import Notification

SEC. ___41. STEEL IMPORT NOTIFICATION AND MONITORING PROGRAM.

(a) IN GENERAL.—Not later than 30 days after the date of enactment of this Act, the Secretary of Commerce, in consultation with the Secretary of the Treasury, shall establish and implement a steel import notification and monitoring program. The program shall include a requirement that any person importing a product classified under chapter 72 or 73 of the Harmonized Tariff Schedule of the United States obtain an import notification certificate before such products are entered into the United States.

(b) STEEL IMPORT NOTIFICATION CERTIFICATES.—

(1) IN GENERAL.—In order to obtain a steel import notification certificate, an importer shall submit to the Secretary of Commerce an application containing—

(A) the importer's name and address;

(B) the name and address of the supplier of the goods to be imported;

(C) the name and address of the producer of the goods to be imported;

(D) the country of origin of the goods;

(E) the country from which the goods are to be imported;

(F) the United States Customs port of entry where the goods will be entered;

(G) the expected date of entry of the goods into the United States;

(H) a description of the goods, including the classification of such goods under the Harmonized Tariff Schedule of the United States;

(I) the quantity (in kilograms and net tons) of the goods to be imported;

(J) the cost insurance freight (CIF) and free alongside ship (FAS) values of the goods to be entered;

(K) whether the goods are being entered for consumption or for entry into a bonded warehouse or foreign trade zone;

(L) a certification that the information furnished in the certificate application is correct; and

(M) any other information the Secretary of Commerce determines to be necessary and appropriate.

(2) ENTRY INTO CUSTOMS TERRITORY.—In the case of merchandise classified under chapter 72 or 73 of the Harmonized Tariff Schedule of the United States that is initially entered into a bonded warehouse or foreign trade zone, a steel import notification certificate shall be required before the merchandise is entered into the customs territory of the United States.

(3) ISSUANCE OF STEEL IMPORT NOTIFICATION CERTIFICATE.—The Secretary of Commerce shall issue a steel import notification certificate to any person who files an application that meets the requirements of this section. Such certificate shall be valid for a period of 30 days from the date of issuance.

(c) STATISTICAL INFORMATION.—

(1) IN GENERAL.—The Secretary of Commerce shall compile and publish on a weekly basis information described in paragraph (2).

(2) INFORMATION DESCRIBED.—Information described in this paragraph means information obtained from steel import notification certificate applications concerning steel imported into the United States and includes with respect to such imports the Harmonized Tariff Schedule of the United States classification (to the tenth digit), the country of origin, the port of entry, quantity, value of steel imported, and whether the imports are entered for consumption or are entered into a bonded warehouse or foreign trade zone. Such information shall also be compiled in aggregate form and made publicly available by the Secretary of Commerce on a weekly basis by public posting through an Internet website. The information provided under this section shall be in addition to any information otherwise required by law.

(d) FEES.—The Secretary of Commerce may prescribe reasonable fees and charges to defray the costs of carrying out the provisions of this section, including a fee for issuing a certificate under this section.

(e) SINGLE PRODUCER AND EXPORTER COUNTRIES.—Notwithstanding any other provision of law, the Secretary of Commerce shall make publicly available all information required to be released pursuant to subsection (c), including information obtained regarding imports from a foreign producer or exporter that is the only producer or exporter of goods subject to this section from a foreign country.

(f) REGULATIONS.—The Secretary of Commerce may prescribe such rules and regulations relating to the steel import notification and monitoring program as may be necessary to carry out the provisions of this section.

LEVIN AMENDMENT NO. 2354

(Ordered to lie on the table.)

Mr. LEVIN submitted an amendment intended to be proposed by him to the bill, H.R. 434, supra; as follows:

The amendment in the nature of a substitute is amended in subtitle B of Title II thereof as follows:

At page 36 between lines 19 and 20 insert the following:

''(VI) undertake its obligations it has already undertaken in treaties and conventions it has freely entered into relative to child labor, collective bargaining, use of forced or coerced labor, occupational health and safety and other worker rights.''

FEINSTEIN (AND FEINGOLD) AMENDMENT NO. 2355

(Ordered to lie on the table.)

Mrs. FEINSTEIN (for herself and Mr. FEINGOLD) submitted an amendment intended to be proposed by them to the bill, H.R. 434, supra; as follows:

At the end of title I, insert the following:

SEC. ___. INTELLECTUAL PROPERTY AND COMPETITION LAWS AND POLICIES DESIGNED TO PROMOTE ACCESS TO PHARMACEUTICALS AND OTHER MEDICAL TECHNOLOGIES.

(a) FINDINGS.—Congress finds that—

(1) since the onset of the worldwide HIV/AIDS epidemic, approximately 34,000,000 people living in sub-Saharan Africa have been infected with the disease;

(2) of those infected, approximately 11,500,000 have died; and

(3) the deaths represent 83 percent of the total HIV/AIDS-related deaths worldwide.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) it is in the interest of the United States to take all necessary steps to prevent further spread of infectious disease, particularly HIV/AIDS; and

(2) individual countries should have the ability to determine the availability of pharmaceuticals and health care for their citizens in general, and particularly with respect to the HIV/AIDS epidemic.

(c) LIMITATION ON USE OF FUNDS.—Funds appropriated or otherwise made available to any department or agency of the United States may not be obligated or expended to seek, through negotiation or otherwise, the revocation or revision of any intellectual property or competition law or policy of a beneficiary developing country or beneficiary sub-Saharan African country if the law or policy is designed to promote access to pharmaceuticals or other medical technologies and the law or policy, as the case may be, complies with the Agreement on Trade-Related Aspects of Intellectual Property Rights referred to in section 101(d)(15) of the Uruguay Round Agreements Act. For purposes of the preceding sentence, the terms ''beneficiary developing country'' and ''beneficiary sub-Saharan African country'' mean any country with respect to which there is in effect an Executive order or Presidential proclamation by the President designating such country as a beneficiary developing country for purposes of title V of the Trade Act of 1974 or the African Growth and Opportunity Act.

FEINSTEIN AMENDMENT NO. 2356

(Ordered to lie on the table.)

Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill, H.R. 434, supra; as follows:

At the appropriate place in the bill, insert the following:

SEC. ___. TAX CREDIT FOR DOMESTIC GARMENT MANUFACTURERS.

(a) IN GENERAL.—Subpart F of part IV of subchapter A of chapter 1 of the Internal

Revenue Code of 1986 (relating to rules for computing work opportunity credit) is amended by inserting after section 51A the following new section:

"SEC. 51B. GARMENT MANUFACTURER HIRING CREDIT.

''(a) DETERMINATION OF AMOUNT.—For purposes of section 38, the amount of garment manufacturer hiring credit determined under this section for the taxable year shall be equal to—

''(1) 30 percent of the qualified first-year wages for such year,

''(2) 35 percent of the qualified second-year wages for such year,

''(3) 40 percent of the qualified third-year wages for such year,

''(4) 45 percent of the qualified fourth-year wages for such year, and

''(5) 50 percent of the qualified employment wages for such year.

''(b) QUALIFIED WAGES DEFINED.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified wages' means the wages paid or incurred by a domestic garment manufacturer or sewn product manufacturer during the taxable year to individuals who are low-income workers for services rendered in the United States.

''(2) QUALIFIED FIRST-YEAR WAGES.—The term 'qualified first-year wages' means, with respect to any individual, qualified wages attributable to service rendered during the 1-year period beginning with the day the individual begins work for the employer.

''(3) QUALIFIED SECOND-YEAR WAGES.—The term 'qualified second-year wages' means, with respect to any individual, qualified wages attributable to service rendered during the 1-year period beginning on the day after the last day of the 1-year period with respect to such individual determined under paragraph (2).

''(4) QUALIFIED THIRD-YEAR WAGES.—The term 'qualified third-year wages' means, with respect to any individual, qualified wages attributable to service rendered during the 1-year period beginning with the day after the last day of the 1-year period with respect to such individual determined under paragraph (3).

''(5) QUALIFIED FOURTH-YEAR WAGES.—The term 'qualified fourth-year wages' means, with respect to any individual, qualified wages attributable to service rendered during the 1-year period beginning with the day after the last day of the 1-year period with respect to such individual determined under paragraph (4).

''(6) QUALIFIED EMPLOYMENT WAGES.—The term 'qualified employment wages' means, with respect to any individual, qualified wages attributable to service rendered during any 1-year period beginning after the last day of the 1-year period with respect to such individual determined under paragraph (5).

''(7) WAGES.—The term 'wages' has the meaning given such term by section 51A(b)(5), without regard to subparagraph (C) thereof.

''(c) LOW-INCOME WORKER.—

''(1) IN GENERAL.—The term 'low-income worker' means any individual who is certified by the designated local agency (as defined in section 51(d)(11)) as being at or below the poverty line (as defined by the Office of Management and Budget) for the taxable year ending immediately prior to the hiring date.

''(2) HIRING DATE.—The term 'hiring date' has the meaning given such term by section 51(d).

''(d) CERTAIN RULES TO APPLY.—

''(1) IN GENERAL.—Rules similar to the rules of section 52, and subsections (d)(12), (f), (g), (i) (without regard to paragraph (3) thereof), (j), and (k) of section 51, shall apply for purposes of this section.

''(2) CREDIT TO BE PART OF GENERAL BUSINESS CREDIT.—References to sections 51 in section 38(b), 280C(a), and 1396(c)(3) shall be treated as including references to this section.

''(e) COORDINATION WITH OTHER PROVISIONS.—If a credit is allowed under this section to an employer with respect to an individual for any taxable year, then—

''(1) for purposes of applying section 51 to such employer, such individual shall not be treated as a member of a targeted group for such taxable year, and

''(2) for purposes of applying section 51A to such employer, such individual shall not be treated as a long-term family assistance recipient for such taxable year.''.

(b) CONFORMING AMENDMENT.—The table of sections for subpart F of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 51A the following:

''Sec. 51B. Garment manufacturer hiring credit.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1999, and to individuals who begin work for an employer after such date.

BYRD AMENDMENT NO. 2357

(Ordered to lie on the table.)

Mr. BYRD submitted an amendment intended to be proposed by him to the bill, H.R. 434, supra; as follows:

At the appropriate place, insert the following new section:

SEC. ___. SENSE OF CONGRESS; REPORT ON ANTIDUMPING AND COUNTERVAILING DUTY NEGOTIATIONS.

(a) SENSE OF CONGRESS.—Congress recognizes the importance of the new round of international trade negotiations that will be launched at the World Trade Organization (WTO) Ministerial Conference in Seattle, Washington, from November 30 to December 3, 1999.

(b) REPORT.—Not later than February 3, 2000, the United States Trade Representative shall submit a report to Congress regarding discussions on antidumping and countervailing duty laws during the Seattle Ministerial Conference. The report shall include a complete description of such discussions, including proposals made to renegotiate antidumping and countervailing duty laws, the member government making the proposal, and the United States Trade Representative's response to the proposal, with a description as to how the response achieves United States trade goals.

MACK (AND SARBANES) AMENDMENT NO. 2358

(Ordered to lie on the table.)

Mr. MACK (for himself and Mr. SARBANES) submitted an amendment intended to be proposed by them to the bill, H.R. 434, supra; as follows:

At the appropriate place, insert the following:

SEC. __. SENSE OF CONGRESS REGARDING COMPREHENSIVE DEBT RELIEF FOR THE WORLD'S POOREST COUNTRIES.

(a) FINDINGS.—Congress makes the following findings:

(1) The burden of external debt has become a major impediment to economic growth and poverty reduction in many of the world's poorest countries.

(2) Until recently, the United States Government and other official creditors sought to address this problem by rescheduling loans and in some cases providing limited debt reduction.

(3) Despite such efforts, the cumulative debt of many of the world's poorest countries continued to grow beyond their capacity to repay.

(4) In 1997, the Group of Seven, the World Bank, and the International Monetary Fund adopted the Heavily Indebted Poor Countries Initiative (HIPC), a commitment by the international community that all multilateral and bilateral creditors, acting in a coordinated and concerted fashion, would reduce poor country debt to a sustainable level.

(5) The HIPC Initiative is currently undergoing reforms to address concerns raised about country conditionality, the amount of debt forgiven, and the allocation of savings realized through the debt forgiveness program to ensure that the Initiative accomplishes the goals of economic growth and poverty alleviation in the world's poorest countries.

(6) Recently, the President requested Congress to provide additional resources for bilateral debt forgiveness and additional United States contributions to the HIPC Trust Fund.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) Congress and the President should work together, without undue delay and in concert with the international community, to make comprehensive debt relief available to the world's poorest countries in a manner that promotes economic growth and poverty alleviation;

(2) this program of bilateral and multilateral debt relief should be designed to strengthen and expand the private sector, encourage increased trade and investment, support the development of free markets, and promote broad-scale economic growth in benficiary countries;

(3) this program of debt relief should also support the adoption of policies to alleviate poverty and to ensure that benefits are shared widely among the population, such as through initiatives to advance education, improve health, combat AIDS, and promote clean water and environmental protection;

(4) these debt relief agreements should be designed and implemented in a transparent manner and with the broad participation of the citizenry of the debtor country and should ensure that country circumstances are adequately taken into account;

(5) no country should receive the benefits of debt relief if that country does not cooperate with the United States on terrorism or narcotics enforcement, is a gross violator of the human rights of its citizens, or is engaged in conflict or spends excessively on its military; and

(6) in order to prevent adverse impact on a key industry in many developing countries, the International Monetary Fund must mobilize its own resources for providing debt relief to eligible countries without allowing gold to reach the open market, or otherwise adversely affecting the market price of gold.

CONRAD (AND GRASSLEY) AMENDMENTS NOS. 2359–2360

(Ordered to lie on the table.)

Mr. CONRAD (for himself and Mr. GRASSLEY) submitted two amendments intended to be proposed by them to the bill, H.R. 434, supra; as follows:

AMENDMENT NO. 2359

At the end, insert the following new title:

TITLE ___—TRADE ADJUSTMENT ASSISTANCE FOR FARMERS AND FISHERMEN

Subtitle A—Amendments to the Trade Act of 1974

SEC. ___01. SHORT TITLE.

This title may be cited as the ''Trade Adjustment Assistance for Farmers and Fishermen Act''.

SEC. ___02. TRADE ADJUSTMENT ASSISTANCE FOR FARMERS.

(a) IN GENERAL.—Title II of the Trade Act of 1974 (19 U.S.C. 2251 et seq.) is amended by adding at the end the following new chapter:

''CHAPTER 6—ADJUSTMENT ASSISTANCE FOR FARMERS

''SEC. 291. DEFINITIONS.

''In this chapter:

''(1) AGRICULTURAL COMMODITY PRODUCER.—The term 'agricultural commodity producer' means any person who is engaged in the production and sale of an agricultural commodity in the United States and who owns or shares the ownership and risk of loss of the agricultural commodity.

''(2) AGRICULTURAL COMMODITY.—The term 'agricultural commodity' means any agricultural commodity (including livestock, fish, or harvested seafood) in its raw or natural state.

''(3) DULY AUTHORIZED REPRESENTATIVE.—The term 'duly authorized representative' means an association of agricultural commodity producers.

''(4) NATIONAL AVERAGE PRICE.—The term 'national average price' means the national average price paid to an agricultural commodity producer for an agricultural commodity in a marketing year as determined by the Secretary of Agriculture.

''(5) CONTRIBUTED IMPORTANTLY.—

''(A) IN GENERAL.—The term 'contributed importantly' means a cause which is important but not necessarily more important than any other cause.

''(B) DETERMINATION OF CONTRIBUTED IMPORTANTLY.—The determination of whether imports of articles like or directly competitive with an agricultural commodity with respect to which the petition under this chapter was filed contributed importantly to a decline in the price of the agricultural commodity shall be made by the Secretary of Agriculture.

''(6) SECRETARY.—The term 'Secretary' means the Secretary of Agriculture.

''SEC. 292. PETITIONS; GROUP ELIGIBILITY.

''(a) IN GENERAL.—A petition for a certification of eligibility to apply for adjustment assistance under this chapter may be filed with the Secretary by a group of agricultural commodity producers or by their duly authorized representative. Upon receipt of the petition, the Secretary shall promptly publish notice in the Federal Register that the Secretary has received the petition and initiated an investigation.

''(b) HEARINGS.—If the petitioner, or any other person found by the Secretary to have a substantial interest in the proceedings, submits not later than 10 days after the date of the Secretary's publication under subsection (a) a request for a hearing, the Secretary shall provide for a public hearing and afford such interested persons an opportunity to be present, to produce evidence, and to be heard.

''(c) GROUP ELIGIBILITY REQUIREMENTS.—The Secretary shall certify a group of agricultural commodity producers as eligible to apply for adjustment assistance under this chapter if the Secretary determines—

''(1) that the national average price for the agricultural commodity, or a class of goods within the agricultural commodity, produced by the group for the most recent marketing year for which the national average price is available is less than 80 percent of the average of the national average price for such agricultural commodity, or such class of goods, for the 5 marketing years preceding the most recent marketing year; and

''(2) that either—

''(A) increases in imports of articles like or directly competitive with the agricultural commodity, or class of goods within the agricultural commodity, produced by the group contributed importantly to the decline in price described in paragraph (1); or

''(B) imports of articles like or directly competitive with the agricultural commodity, or class of goods within the agricultural commodity, produced by the group account for a significant percentage of the domestic market for the agricultural commodity (or class of goods) and have contributed importantly to the decline in price described in paragraph (1).

''(d) SPECIAL RULE FOR QUALIFIED SUBSEQUENT YEARS.—A group of agricultural commodity producers certified as eligible under section 293 shall be eligible to apply for assistance under this chapter in any qualified year after the year the group is first certified, if the Secretary determines that—

''(1) the national average price for the agricultural commodity, or class of goods within the agricultural commodity, produced by the group for the most recent marketing year for which the national average price is available is equal to or less than the price determined under subsection (c)(1); and

''(2) the requirements of subsection (c)(2)(A) or (B) are met.

''(e) DETERMINATION OF QUALIFIED YEAR AND COMMODITY.—In this chapter:

''(1) QUALIFIED YEAR.—The term 'qualified year', with respect to a group of agricultural commodity producers certified as eligible under section 293, means each consecutive year after the year in which the group is certified that the Secretary makes the determination under subsection (c) or (d), as the case may be.

''(2) CLASSES OF GOODS WITHIN A COMMODITY.—In any case in which there are separate classes of goods within an agricultural commodity, the Secretary shall treat each class as a separate commodity in determining group eligibility, the national average price, and level of imports under this section and section 296.

''SEC. 293. DETERMINATIONS BY SECRETARY.

''(a) IN GENERAL.—As soon as possible after the date on which a petition is filed under section 292, but in any event not later than 60 days after that date, the Secretary shall determine whether the petitioning group meets the requirements of section 292(c) (or (d), as the case may be) and shall, if so, issue a certification of eligibility to apply for assistance under this chapter covering agricultural commodity producers in any group that meet the requirements. Each certification shall specify the date on which eligibility under this chapter begins.

''(b) NOTICE.—Upon making a determination on a petition, the Secretary shall promptly publish a summary of the determination in the Federal Register together with the Secretary's reasons for making the determination.

''(c) TERMINATION OF CERTIFICATION.—Whenever the Secretary determines, with respect to any certification of eligibility under this chapter, that the decline in price for the agricultural commodity covered by the certification is no longer attributable to the conditions described in section 292, the Secretary shall terminate such certification and promptly cause notice of such termination to be published in the Federal Register together with the Secretary's reasons for making such determination.

''SEC. 294. STUDY BY SECRETARY WHEN INTERNATIONAL TRADE COMMISSION BEGINS INVESTIGATION.

''(a) IN GENERAL.—Whenever the International Trade Commission (in this chapter referred to as the 'Commission') begins an investigation under section 202 with respect to an agricultural commodity, the Commission shall immediately notify the Secretary of the investigation. Upon receipt of the notification, the Secretary shall immediately begin a study of—

''(1) the number of agricultural commodity producers producing a like or directly competitive agricultural commodity who have been or are likely to be certified as eligible for adjustment assistance under this chapter, and

''(2) the extent to which the adjustment of such producers to the import competition may be facilitated through the use of existing programs.

''(b) REPORT.—The report of the Secretary of the study under subsection (a) shall be made to the President not later than 15 days after the day on which the Commission makes its report under section 202(f). Upon making his report to the President, the Secretary shall also promptly make it public (with the exception of information which the Secretary determines to be confidential) and shall have a summary of it published in the Federal Register.

''SEC. 295. BENEFIT INFORMATION TO AGRICULTURAL COMMODITY PRODUCERS.

''(a) IN GENERAL.—The Secretary shall provide full information to producers about the benefit allowances, training, and other employment services available under this title and about the petition and application procedures, and the appropriate filing dates, for such allowances, training, and services. The Secretary shall provide whatever assistance is necessary to enable groups to prepare petitions or applications for program benefits under this title.

''(b) NOTICE OF BENEFITS.—

''(1) IN GENERAL.—The Secretary shall mail written notice of the benefits available under this chapter to each agricultural commodity producer that the Secretary has reason to believe is covered by a certification made under this chapter.

''(2) OTHER NOTICE.—The Secretary shall publish notice of the benefits available under this chapter to agricultural commodity producers that are covered by each certification made under this chapter in newspapers of general circulation in the areas in which such producers reside.

''SEC. 296. QUALIFYING REQUIREMENTS FOR AGRICULTURAL COMMODITY PRODUCERS.

''(a) IN GENERAL.—Payment of a trade adjustment allowance shall be made to an adversely affected agricultural commodity producer covered by a certification under this chapter who files an application for such allowance within 90 days after the date on which the Secretary makes a determination and issues a certification of eligibility under section 293, if the following conditions are met:

''(1) The producer submits to the Secretary sufficient information to establish the amount of agricultural commodity covered by the application filed under subsection (a), that was produced by the producer in the most recent year.

''(2) The producer certifies that the producer has not received cash benefits under any provision of this title other than this chapter.

''(3) The producer's net farm income (as determined by the Secretary) for the most recent year is less than the producer's net farm income for the latest year in which no adjustment assistance was received by the producer under this chapter.

''(4) The producer certifies that the producer has met with an Extension Service employee or agent to obtain, at no cost to the producer, information and technical assistance that will assist the producer in adjusting to import competition with respect to the adversely affected agricultural commodity, including—

''(A) information regarding the feasibility and desirability of substituting 1 or more alternative commodities for the adversely affected agricultural commodity; and

''(B) technical assistance that will improve the competitiveness of the production and marketing of the adversely affected agricultural commodity by the producer, including yield and marketing improvements.

''(b) AMOUNT OF CASH BENEFITS.—

''(1) IN GENERAL.—Subject to the provisions of section 298, an adversely affected agricultural commodity producer described in subsection (a) shall be entitled to adjustment assistance under this chapter in an amount equal to the product of—

''(A) one-half of the difference between—

''(i) an amount equal to 80 percent of the average of the national average price of the agricultural commodity covered by the application described in subsection (a) for the 5 marketing years preceding the most recent marketing year, and

''(ii) the national average price of the agricultural commodity for the most recent marketing year, and

''(B) the amount of the agricultural commodity produced by the agricultural commodity producer in the most recent marketing year.

''(2) SPECIAL RULE FOR SUBSEQUENT QUALIFIED YEARS.—The amount of cash benefits for a qualified year shall be determined in the same manner as cash benefits are determined under paragraph (1) except that the average national price of the agricultural commodity shall be determined under paragraph (1)(A)(i) by using the 5-marketing-year period used to determine the amount of cash benefits for the first certification.

''(c) MAXIMUM AMOUNT OF CASH ASSISTANCE.—The maximum amount of cash benefits an agricultural commodity producer may receive in any 12-month period shall not exceed $10,000.

''(d) LIMITATIONS ON OTHER ASSISTANCE.—An agricultural commodity producer entitled to receive a cash benefit under this chapter—

''(1) shall not be eligible for any other cash benefit under this title, and

''(2) shall be entitled to employment services and training benefits under sections 235 and 236.

''SEC. 297. FRAUD AND RECOVERY OF OVERPAYMENTS.

''(a) IN GENERAL.—

''(1) REPAYMENT.—If the Secretary, or a court of competent jurisdiction, determines that any person has received any payment under this chapter to which the person was not entitled, such person shall be liable to repay such amount to the Secretary, except that the Secretary may waive such repayment if the Secretary determines, in accordance with guidelines prescribed by the Secretary that—

''(A) the payment was made without fault on the part of such person, and

''(B) requiring such repayment would be contrary to equity and good conscience.

''(2) RECOVERY OF OVERPAYMENT.—Unless an overpayment is otherwise recovered, or waived under paragraph (1), the Secretary shall recover the overpayment by deductions from any sums payable to such person under this chapter.

''(b) FALSE STATEMENTS.—If the Secretary, or a court of competent jurisdiction, determines that a person—

''(1) knowingly has made, or caused another to make, a false statement or representation of a material fact, or

''(2) knowingly has failed, or caused another to fail, to disclose a material fact,

and as a result of such false statement or representation, or of such nondisclosure, such person has received any payment under this chapter to which the person was not entitled, such person shall, in addition to any other penalty provided by law, be ineligible for any further payments under this chapter.

''(c) NOTICE AND DETERMINATION.—Except for overpayments determined by a court of competent jurisdiction, no repayment may be required, and no deduction may be made, under this section until a determination under subsection (a)(1) by the Secretary has been made, notice of the determination and an opportunity for a fair hearing thereon has been given to the person concerned, and the determination has become final.

''(d) PAYMENT TO TREASURY.—Any amount recovered under this section shall be returned to the Treasury of the United States.

''(e) PENALTIES.—Whoever makes a false statement of a material fact knowing it to be false, or knowingly fails to disclose a material fact, for the purpose of obtaining or increasing for himself or for any other person any payment authorized to be furnished under this chapter shall be fined not more than $10,000 or imprisoned for not more than 1 year, or both.

''SEC. 298. AUTHORIZATION OF APPROPRIATIONS.

''(a) IN GENERAL.—There are authorized to be appropriated and there are appropriated to the Department of Agriculture for fiscal years 2000 through 2001, such sums as may be necessary to carry out the purposes of this chapter not to exceed $100,000,000 for each fiscal year.''.

''(b) PROPORTIONATE REDUCTION.—If in any year, the amount appropriated under this chapter is insufficient to meet the requirements for adjustment assistance payable under this chapter, the amount of assistance payable under this chapter shall be reduced proportionately.''.

(b) CONFORMING AMENDMENT.—The table of contents for title II of the Trade Act of 1974 is amended by inserting after the items relating to chapter 5, the following:

''CHAPTER 6—ADJUSTMENT ASSISTANCE FOR FARMERS

''Sec. 291. Definitions.
''Sec. 292. Petitions; group eligibility.
''Sec. 293. Determinations by Secretary.
''Sec. 294. Study by Secretary when International Trade Commission begins investigation.
''Sec. 295. Benefit information to agricultural commodity producers.
''Sec. 296. Qualifying requirements for agricultural commodity producers.
''Sec. 297. Fraud and recovery of overpayments.
''Sec. 298. Authorization of appropriations.''.

Subtitle B—Revenue Provisions Relating to Trade Adjustment Assistance

SEC. ___10. REFERENCE.

Except as otherwise expressly provided, whenever in this subtitle 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.

SEC. ___11. MODIFICATIONS TO ASSET DIVERSIFICATION TEST.

(a) IN GENERAL.—Subparagraph (B) of section 856(c)(4) is amended to read as follows:

''(B)(i) not more than 25 percent of the value of its total assets is represented by securities (other than those includible under subparagraph (A)), and

''(ii) except with respect to a taxable REIT subsidiary and securities includible under subparagraph (A)—

''(I) not more than 5 percent of the value of its total assets is represented by securities of any one issuer,

''(II) the trust does not hold securities possessing more than 10 percent of the total voting power of the outstanding securities of any one issuer, and

''(III) the trust does not hold securities having a value of more than 10 percent of the total value of the outstanding securities of any one issuer.''.

(b) EXCEPTION FOR STRAIGHT DEBT SECURITIES.—Subsection (c) of section 856 is amended by adding at the end the following new paragraph:

''(7) STRAIGHT DEBT SAFE HARBOR IN APPLYING PARAGRAPH (4).—Securities of an issuer which are straight debt (as defined in section 1361(c)(5) without regard to subparagraph (B)(iii) thereof) shall not be taken into account in applying paragraph (4)(B)(ii)(III) if—

''(A) the issuer is an individual, or

''(B) the only securities of such issuer which are held by the trust or a taxable REIT subsidiary of the trust are straight debt (as so defined), or

''(C) the issuer is a partnership and the trust holds at least a 20 percent profits interest in the partnership.''.

SEC. ___12. TREATMENT OF INCOME AND SERVICES PROVIDED BY TAXABLE REIT SUBSIDIARIES.

(a) INCOME FROM TAXABLE REIT SUBSIDIARIES NOT TREATED AS IMPERMISSIBLE TENANT SERVICE INCOME.—Clause (i) of section 856(d)(7)(C) (relating to exceptions to impermissible tenant service income) is amended by inserting ''or through a taxable REIT subsidiary of such trust'' after ''income''.

(b) CERTAIN INCOME FROM TAXABLE REIT SUBSIDIARIES NOT EXCLUDED FROM RENTS FROM REAL PROPERTY.—

(1) IN GENERAL.—Subsection (d) of section 856 (relating to rents from real property defined) is amended by adding at the end the following new paragraphs:

''(8) SPECIAL RULE FOR TAXABLE REIT SUBSIDIARIES.—For purposes of this subsection, amounts paid to a real estate investment trust by a taxable REIT subsidiary of such trust shall not be excluded from rents from real property by reason of paragraph (2)(B) if the requirements of either of the following subparagraphs are met:

''(A) LIMITED RENTAL EXCEPTION.—The requirements of this subparagraph are met with respect to any property if at least 90 percent of the leased space of the property is rented to persons other than taxable REIT subsidiaries of such trust and other than persons described in section 856(d)(2)(B). The preceding sentence shall apply only to the extent that the amounts paid to the trust as rents from real property (as defined in paragraph (1) without regard to paragraph (2)(B)) from such property are substantially comparable to such rents made by the other tenants of the trust's property for comparable space.

''(B) EXCEPTION FOR CERTAIN LODGING FACILITIES.—The requirements of this subparagraph are met with respect to an interest in real property which is a qualified lodging facility leased by the trust to a taxable REIT subsidiary of the trust if the property is operated on behalf of such subsidiary by a person who is an eligible independent contractor.

''(9) ELIGIBLE INDEPENDENT CONTRACTOR.—For purposes of paragraph (8)(B)—

''(A) IN GENERAL.—The term 'eligible independent contractor' means, with respect to

any qualified lodging facility, any independent contractor if, at the time such contractor enters into a management agreement or other similar service contract with the taxable REIT subsidiary to operate the facility, such contractor (or any related person) is actively engaged in the trade or business of operating qualified lodging facilities for any person who is not a related person with respect to the real estate investment trust or the taxable REIT subsidiary.

''(B) SPECIAL RULES.—Solely for purposes of this paragraph and paragraph (8)(B), a person shall not fail to be treated as an independent contractor with respect to any qualified lodging facility by reason of any of the following:

''(i) The taxable REIT subsidiary bears the expenses for the operation of the facility pursuant to the management agreement or other similar service contract.

''(ii) The taxable REIT subsidiary receives the revenues from the operation of such facility, net of expenses for such operation and fees payable to the operator pursuant to such agreement or contract.

''(iii) The real estate investment trust receives income from such person with respect to another property that is attributable to a lease of such other property to such person that was in effect as of the later of—

''(I) January 1, 1999, or

''(II) the earliest date that any taxable REIT subsidiary of such trust entered into a management agreement or other similar service contract with such person with respect to such qualified lodging facility.

''(C) RENEWALS, ETC., OF EXISTING LEASES.—For purposes of subparagraph (B)(iii)—

''(i) a lease shall be treated as in effect on January 1, 1999, without regard to its renewal after such date, so long as such renewal is pursuant to the terms of such lease as in effect on whichever of the dates under subparagraph (B)(iii) is the latest, and

''(ii) a lease of a property entered into after whichever of the dates under subparagraph (B)(iii) is the latest shall be treated as in effect on such date if—

''(I) on such date, a lease of such property from the trust was in effect, and

''(II) under the terms of the new lease, such trust receives a substantially similar or lesser benefit in comparison to the lease referred to in subclause (I).

''(D) QUALIFIED LODGING FACILITY.—For purposes of this paragraph—

''(i) IN GENERAL.—The term 'qualified lodging facility' means any lodging facility unless wagering activities are conducted at or in connection with such facility by any person who is engaged in the business of accepting wagers and who is legally authorized to engage in such business at or in connection with such facility.

''(ii) LODGING FACILITY.—The term 'lodging facility' means a hotel, motel, or other establishment more than one-half of the dwelling units in which are used on a transient basis.

''(iii) CUSTOMARY AMENITIES AND FACILITIES.—The term 'lodging facility' includes customary amenities and facilities operated as part of, or associated with, the lodging facility so long as such amenities and facilities are customary for other properties of a comparable size and class owned by other owners unrelated to such real estate investment trust.

''(E) OPERATE INCLUDES MANAGE.—References in this paragraph to operating a property shall be treated as including a reference to managing the property.

''(F) RELATED PERSON.—Persons shall be treated as related to each other if such persons are treated as a single employer under subsection (a) or (b) of section 52.''.

(2) CONFORMING AMENDMENT.—Subparagraph (B) of section 856(d)(2) is amended by inserting ''except as provided in paragraph (8),'' after ''(B)''.

(3) DETERMINING RENTS FROM REAL PROPERTY.—

(A)(i) Paragraph (1) of section 856(d) is amended by striking ''adjusted bases'' each place it occurs and inserting ''fair market values''.

(ii) The amendment made by this subparagraph shall apply to taxable years beginning after December 31, 2000.

(B)(i) Clause (i) of section 856(d)(2)(B) is amended by striking ''number'' and inserting ''value''.

(ii) The amendment made by this subparagraph shall apply to amounts received or accrued in taxable years beginning after December 31, 2000, except for amounts paid pursuant to leases in effect on July 12, 1999, or pursuant to a binding contract in effect on such date and at all times thereafter.

SEC. ___13. TAXABLE REIT SUBSIDIARY.

(a) IN GENERAL.—Section 856 is amended by adding at the end the following new subsection:

''(l) TAXABLE REIT SUBSIDIARY.—For purposes of this part—

''(1) IN GENERAL.—The term 'taxable REIT subsidiary' means, with respect to a real estate investment trust, a corporation (other than a real estate investment trust) if—

''(A) such trust directly or indirectly owns stock in such corporation, and

''(B) such trust and such corporation jointly elect that such corporation shall be treated as a taxable REIT subsidiary of such trust for purposes of this part.

Such an election, once made, shall be irrevocable unless both such trust and corporation consent to its revocation. Such election, and any revocation thereof, may be made without the consent of the Secretary.

''(2) 35 PERCENT OWNERSHIP IN ANOTHER TAXABLE REIT SUBSIDIARY.—The term 'taxable REIT subsidiary' includes, with respect to any real estate investment trust, any corporation (other than a real estate investment trust) with respect to which a taxable REIT subsidiary of such trust owns directly or indirectly—

''(A) securities possessing more than 35 percent of the total voting power of the outstanding securities of such corporation, or

''(B) securities having a value of more than 35 percent of the total value of the outstanding securities of such corporation.

The preceding sentence shall not apply to a qualified REIT subsidiary (as defined in subsection (i)(2)). The rule of section 856(c)(7) shall apply for purposes of subparagraph (B).

''(3) EXCEPTIONS.—The term 'taxable REIT subsidiary' shall not include—

''(A) any corporation which directly or indirectly operates or manages a lodging facility or a health care facility, and

''(B) any corporation which directly or indirectly provides to any other person (under a franchise, license, or otherwise) rights to any brand name under which any lodging facility or health care facility is operated.

Subparagraph (B) shall not apply to rights provided to an eligible independent contractor to operate or manage a lodging facility if such rights are held by such corporation as a franchisee, licensee, or in a similar capacity and such lodging facility is either owned by such corporation or is leased to such corporation from the real estate investment trust.

''(4) DEFINITIONS.—For purposes of paragraph (3)—

''(A) LODGING FACILITY.—The term 'lodging facility' has the meaning given to such term by paragraph (9)(D)(ii).

''(B) HEALTH CARE FACILITY.—The term 'health care facility' has the meaning given to such term by subsection (e)(6)(D)(ii).''.

(b) CONFORMING AMENDMENT.—Paragraph (2) of section 856(i) is amended by adding at the end the following new sentence: ''Such term shall not include a taxable REIT subsidiary.''.

SEC. ___14. LIMITATION ON EARNINGS STRIPPING.

Paragraph (3) of section 163(j) (relating to limitation on deduction for interest on certain indebtedness) is amended by striking ''and'' at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting '', and'', and by adding at the end the following new subparagraph:

''(C) any interest paid or accrued (directly or indirectly) by a taxable REIT subsidiary (as defined in section 856(l)) of a real estate investment trust to such trust.''.

SEC. ___15. 100 PERCENT TAX ON IMPROPERLY ALLOCATED AMOUNTS.

(a) IN GENERAL.—Subsection (b) of section 857 (relating to method of taxation of real estate investment trusts and holders of shares or certificates of beneficial interest) is amended by redesignating paragraphs (7) and (8) as paragraphs (8) and (9), respectively, and by inserting after paragraph (6) the following new paragraph:

''(7) INCOME FROM REDETERMINED RENTS, REDETERMINED DEDUCTIONS, AND EXCESS INTEREST.—

''(A) IMPOSITION OF TAX.—There is hereby imposed for each taxable year of the real estate investment trust a tax equal to 100 percent of redetermined rents, redetermined deductions, and excess interest.

''(B) REDETERMINED RENTS.—

''(i) IN GENERAL.—The term 'redetermined rents' means rents from real property (as defined in subsection 856(d)) the amount of which would (but for subparagraph (E)) be reduced on distribution, apportionment, or allocation under section 482 to clearly reflect income as a result of services furnished or rendered by a taxable REIT subsidiary of the real estate investment trust to a tenant of such trust.

''(ii) EXCEPTION FOR CERTAIN SERVICES.—Clause (i) shall not apply to amounts received directly or indirectly by a real estate investment trust for services described in paragraph (1)(B) or (7)(C)(i) of section 856(d).

''(iii) EXCEPTION FOR DE MINIMIS AMOUNTS.—Clause (i) shall not apply to amounts described in section 856(d)(7)(A) with respect to a property to the extent such amounts do not exceed the one percent threshold described in section 856(d)(7)(B) with respect to such property.

''(iv) EXCEPTION FOR COMPARABLY PRICED SERVICES.—Clause (i) shall not apply to any service rendered by a taxable REIT subsidiary of a real estate investment trust to a tenant of such trust if—

''(I) such subsidiary renders a significant amount of similar services to persons other than such trust and tenants of such trust who are unrelated (within the meaning of section 856(d)(8)(F)) to such subsidiary, trust, and tenants, but

''(II) only to the extent the charge for such service so rendered is substantially comparable to the charge for the similar services rendered to persons referred to in subclause (I).

''(v) EXCEPTION FOR CERTAIN SEPARATELY CHARGED SERVICES.—Clause (i) shall not apply to any service rendered by a taxable REIT subsidiary of a real estate investment trust to a tenant of such trust if—

''(I) the rents paid to the trust by tenants (leasing at least 25 percent of the net leasable space in the trust's property) who

leasable space in the trust's property) who are not receiving such service from such subsidiary are substantially comparable to the rents paid by tenants leasing comparable space who are receiving such service from such subsidiary, and

''(II) the charge for such service from such subsidiary is separately stated.

''(vi) EXCEPTION FOR CERTAIN SERVICES BASED ON SUBSIDIARY'S INCOME FROM THE SERVICES.—Clause (i) shall not apply to any service rendered by a taxable REIT subsidiary of a real estate investment trust to a tenant of such trust if the gross income of such subsidiary from such service is not less than 150 percent of such subsidiary's direct cost in furnishing or rendering the service.

''(vii) EXCEPTIONS GRANTED BY SECRETARY.—The Secretary may waive the tax otherwise imposed by subparagraph (A) if the trust establishes to the satisfaction of the Secretary that rents charged to tenants were established on an arms' length basis even though a taxable REIT subsidiary of the trust provided services to such tenants.

''(C) REDETERMINED DEDUCTIONS.—The term 'redetermined deductions' means deductions (other than redetermined rents) of a taxable REIT subsidiary of a real estate investment trust if the amount of such deductions would (but for subparagraph (E)) be decreased on distribution, apportionment, or allocation under section 482 to clearly reflect income as between such subsidiary and such trust.

''(D) EXCESS INTEREST.—The term 'excess interest' means any deductions for interest payments by a taxable REIT subsidiary of a real estate investment trust to such trust to the extent that the interest payments are in excess of a rate that is commercially reasonable.

''(E) COORDINATION WITH SECTION 482.—The imposition of tax under subparagraph (A) shall be in lieu of any distribution, apportionment, or allocation under section 482.

''(F) REGULATORY AUTHORITY.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this paragraph. Until the Secretary prescribes such regulations, real estate investment trusts and their taxable REIT subsidiaries may base their allocations on any reasonable method.''.

(b) AMOUNT SUBJECT TO TAX NOT REQUIRED TO BE DISTRIBUTED.—Subparagraph (E) of section 857(b)(2) (relating to real estate investment trust taxable income) is amended by striking ''paragraph (5)'' and inserting ''paragraphs (5) and (7)''.

SEC. ___16. EFFECTIVE DATE.

(a) IN GENERAL.—The amendments made by sections ___11 through ___15 shall apply to taxable years beginning after December 31, 2000.

(b) TRANSITIONAL RULES RELATED TO SECTION ___11.—

(1) EXISTING ARRANGEMENTS.—

(A) IN GENERAL.—Except as otherwise provided in this paragraph, the amendment made by section ___11 shall not apply to a real estate investment trust with respect to—

(i) securities of a corporation held directly or indirectly by such trust on July 12, 1999,

(ii) securities of a corporation held by an entity on July 12, 1999, if such trust acquires control of such entity pursuant to a written binding contract in effect on such date and at all times thereafter before such acquisition,

(iii) securities received by such trust (or a successor) in exchange for, or with respect to, securities described in clause (i) or (ii) in a transaction in which gain or loss is not recognized, and

(iv) securities acquired directly or indirectly by such trust as part of a reorganization (as defined in section 368(a)(1) of the Internal Revenue Code of 1986) with respect to such trust if such securities are described in clause (i), (ii), or (iii) with respect to any other real estate investment trust.

(B) NEW TRADE OR BUSINESS OR SUBSTANTIAL NEW ASSETS.—Subparagraph (A) shall cease to apply to securities of a corporation as of the first day after July 12, 1999, on which such corporation engages in a substantial new line of business, or acquires any substantial asset, other than—

(i) pursuant to a binding contract in effect on such date and at all times thereafter before the acquisition of such asset,

(ii) in a transaction in which gain or loss is not recognized by reason of section 1031 or 1033 of the Internal Revenue Code of 1986, or

(iii) in a reorganization (as so defined) with another corporation the securities of which are described in paragraph (1)(A) of this subsection.

(C) LIMITATION ON TRANSITION RULES.—Subparagraph (A) shall cease to apply to securities of a corporation held, acquired, or received, directly or indirectly, by a real estate investment trust as of the first day after July 12, 1999, on which such trust acquires any additional securities of such corporation other than—

(i) pursuant to a binding contract in effect on July 12, 1999, and at all times thereafter, or

(ii) in a reorganization (as so defined) with another corporation the securities of which are described in paragraph (1)(A) of this subsection.

(2) TAX-FREE CONVERSION.—If—

(A) at the time of an election for a corporation to become a taxable REIT subsidiary, the amendment made by section ___11 does not apply to such corporation by reason of paragraph (1), and

(B) such election first takes effect before January 1, 2004,

such election shall be treated as a reorganization qualifying under section 368(a)(1)(A) of such Code.

SEC. ___17. HEALTH CARE REITS.

(a) SPECIAL FORECLOSURE RULE FOR HEALTH CARE PROPERTIES.—Subsection (e) of section 856 (relating to special rules for foreclosure property) is amended by adding at the end the following new paragraph:

''(6) SPECIAL RULE FOR QUALIFIED HEALTH CARE PROPERTIES.—For purposes of this subsection—

''(A) ACQUISITION AT EXPIRATION OF LEASE.—The term 'foreclosure property' shall include any qualified health care property acquired by a real estate investment trust as the result of the termination of a lease of such property (other than a termination by reason of a default, or the imminence of a default, on the lease).

''(B) GRACE PERIOD.—In the case of a qualified health care property which is foreclosure property solely by reason of subparagraph (A), in lieu of applying paragraphs (2) and (3)—

''(i) the qualified health care property shall cease to be foreclosure property as of the close of the second taxable year after the taxable year in which such trust acquired such property, and

''(ii) if the real estate investment trust establishes to the satisfaction of the Secretary that an extension of the grace period in clause (i) is necessary to the orderly leasing or liquidation of the trust's interest in such qualified health care property, the Secretary may grant one or more extensions of the grace period for such qualified health care property.

Any such extension shall not extend the grace period beyond the close of the 6th year after the taxable year in which such trust acquired such qualified health care property.

''(C) INCOME FROM INDEPENDENT CONTRACTORS.—For purposes of applying paragraph (4)(C) with respect to qualified health care property which is foreclosure property by reason of subparagraph (A) or paragraph (1), income derived or received by the trust from an independent contractor shall be disregarded to the extent such income is attributable to—

''(i) any lease of property in effect on the date the real estate investment trust acquired the qualified health care property (without regard to its renewal after such date so long as such renewal is pursuant to the terms of such lease as in effect on such date), or

''(ii) any lease of property entered into after such date if—

''(I) on such date, a lease of such property from the trust was in effect, and

''(II) under the terms of the new lease, such trust receives a substantially similar or lesser benefit in comparison to the lease referred to in subclause (I).

''(D) QUALIFIED HEALTH CARE PROPERTY.—

''(i) IN GENERAL.—The term 'qualified health care property' means any real property (including interests therein), and any personal property incident to such real property, which—

''(I) is a health care facility, or

''(II) is necessary or incidental to the use of a health care facility.

''(ii) HEALTH CARE FACILITY.—For purposes of clause (i), the term 'health care facility' means a hospital, nursing facility, assisted living facility, congregate care facility, qualified continuing care facility (as defined in section 7872(g)(4)), or other licensed facility which extends medical or nursing or ancillary services to patients and which, immediately before the termination, expiration, default, or breach of the lease of or mortgage secured by such facility, was operated by a provider of such services which was eligible for participation in the medicare program under title XVIII of the Social Security Act with respect to such facility.''.

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

SEC. ___18. CONFORMITY WITH REGULATED INVESTMENT COMPANY RULES.

(a) DISTRIBUTION REQUIREMENT.—Clauses (i) and (ii) of section 857(a)(1)(A) (relating to requirements applicable to real estate investment trusts) are each amended by striking ''95 percent (90 percent for taxable years beginning before January 1, 1980)'' and inserting ''90 percent''.

(b) IMPOSITION OF TAX.—Clause (i) of section 857(b)(5)(A) (relating to imposition of tax in case of failure to meet certain requirements) is amended by striking ''95 percent (90 percent in the case of taxable years beginning before January 1, 1980)'' and inserting ''90 percent''.

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

SEC. ___19. CLARIFICATION OF EXCEPTION FOR INDEPENDENT OPERATORS.

(a) IN GENERAL.—Paragraph (3) of section 856(d) (relating to independent contractor defined) is amended by adding at the end the following flush sentence:

''In the event that any class of stock of either the real estate investment trust or such person is regularly traded on an established securities market, only persons who own, directly or indirectly, more than 5 percent of such class of stock shall be taken into account as owning any of the stock of such class for purposes of applying the 35 percent limitation set forth in subparagraph (B) (but all of the outstanding stock of such class shall be considered outstanding in order to

compute the denominator for purpose of determining the applicable percentage of ownership).''.

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

SEC. ___20. MODIFICATION OF EARNINGS AND PROFITS RULES.

(a) RULES FOR DETERMINING WHETHER REGULATED INVESTMENT COMPANY HAS EARNINGS AND PROFITS FROM NON-RIC YEAR.—Subsection (c) of section 852 is amended by adding at the end the following new paragraph:

''(3) DISTRIBUTIONS TO MEET REQUIREMENTS OF SUBSECTION (a)(2)(B).—Any distribution which is made in order to comply with the requirements of subsection (a)(2)(B)—

''(A) shall be treated for purposes of this subsection and subsection (a)(2)(B) as made from the earliest earnings and profits accumulated in any taxable year to which the provisions of this part did not apply rather than the most recently accumulated earnings and profits, and

''(B) to the extent treated under subparagraph (A) as made from accumulated earnings and profits, shall not be treated as a distribution for purposes of subsection (b)(2)(D) and section 855.''.

(b) CLARIFICATION OF APPLICATION OF REIT SPILLOVER DIVIDEND RULES TO DISTRIBUTIONS TO MEET QUALIFICATION REQUIREMENT.—Subparagraph (B) of section 857(d)(3) is amended by inserting before the period ''and section 858''.

(c) APPLICATION OF DEFICIENCY DIVIDEND PROCEDURES.—Paragraph (1) of section 852(e) is amended by adding at the end the following new sentence: ''If the determination under subparagraph (A) is solely as a result of the failure to meet the requirements of subsection (a)(2), the preceding sentence shall also apply for purposes of applying subsection (a)(2) to the non-RIC year.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions after December 31, 2000.

SEC. ___21. MODIFICATION OF ESTIMATED TAX RULES FOR CLOSELY HELD REAL ESTATE INVESTMENT TRUSTS.

(a) IN GENERAL.—Subsection (e) of section 6655 (relating to estimated tax by corporations) is amended by adding at the end the following new paragraph:

''(5) TREATMENT OF CERTAIN REIT DIVIDENDS.—

''(A) IN GENERAL.—Any dividend received from a closely held real estate investment trust by any person which owns (after application of subsections (d)(5) and (l)(3)(B) of section 856) 10 percent or more (by vote or value) of the stock or beneficial interests in the trust shall be taken into account in computing annualized income installments under paragraph (2) in a manner similar to the manner under which partnership income inclusions are taken into account.

''(B) CLOSELY HELD REIT.—For purposes of subparagraph (A), the term 'closely held real estate investment trust' means a real estate investment trust with respect to which 5 or fewer persons own (after application of subsections (d)(5) and (l)(3)(B) of section 856) 50 percent or more (by vote or value) of the stock or beneficial interests in the trust.''

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to estimated tax payments due on or after November 15, 1999.

SEC. ___22. 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; except that section 318(a)(3)(C) shall not be applied under such rules to treat stock owned by a qualified entity as being owned by a person which is not a qualified entity.

''(B) STAPLED ENTITIES.—A group of entities which are stapled entities (as defined in section 269B(c)(2)) shall be treated as one 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 corporation annually increases the value of its real estate assets by at least 10 percent.

''(vi) 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.—

''(i) IN GENERAL.—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, except that the REIT may, subject to clauses (ii), (iii), and (iv), elect to extend such period for an additional 2 taxable years.

''(ii) GOING PUBLIC TRANSACTION.—A REIT may not elect to extend the eligibility period under clause (i) unless it enters into an agreement with the Secretary 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.

''(iii) RETURNS, INTEREST, AND NOTICE.—

''(I) RETURNS.—In the event the corporation ceases to be treated as a REIT by operation of clause (ii), the corporation shall file any appropriate amended returns reflecting the change in status within 3 months of the close of the extended eligibility period.

''(II) INTEREST.—Interest shall be payable on any tax imposed by reason of clause (ii) for any taxable year but, unless there was a finding under subparagraph (D), no substantial underpayment penalties shall be imposed.

''(III) NOTICE.—The corporation shall, at the same time it files its returns under subclause (I), 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.

''(IV) REGULATIONS.—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.

''(iv) Clauses (ii) and (iii) 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 if the corporation is not a controlled entity as of the beginning of 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 shall 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 14, 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 14, 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. For purposes of the preceding sentence, an entity shall be treated as such a controlled entity on July 14, 1999, if it becomes such an entity after such date in a transaction—

(A) made pursuant to a written agreement which was binding on such date and at all times thereafter, or

(B) described on or before such date in a filing with the Securities and Exchange Commission required solely by reason of the transaction.

SEC. ___23. MODIFICATION OF INDIVIDUAL ESTIMATED TAX SAFE HARBOR.

(a) IN GENERAL.—The table contained in clause (i) of section 6654(d)(1)(C) (relating to limitation on use of preceding year's tax) is amended by striking all matter beginning with the item relating to 1999 or 2000 and inserting the following new items:

''1999	106.5
2000	106
2001	112
2002 or thereafter	110''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to any installment payment for taxable years beginning after December 31, 1999.

AMENDMENT NO. 2360

At the appropriate place, insert the following new section:

SEC. ___. AGRICULTURE TRADE NEGOTIATING OBJECTIVES AND CONSULTATIONS WITH CONGRESS.

(a) FINDINGS.—Congress finds that—

(1) United States agriculture contributes positively to the United States balance of trade and United States agricultural exports support in excess of 1,000,000 United States jobs;

(2) United States agriculture competes successfully worldwide despite the fact that United States producers are at a competitive disadvantage because of the trade distorting support and subsidy practices of other countries and despite the fact that significant tariff and nontariff barriers exist to United States exports; and

(3) a successful conclusion of the next round of World Trade Organization negotiations is critically important to the United States agricultural sector.

(b) OBJECTIVES.—The agricultural trade negotiating objectives of the United States with respect to the World Trade Organization negotiations include—

(1) immediately eliminating all export subsidies worldwide while maintaining bona fide food aid and preserving United States market development and export credit programs that allow the United States to compete with other foreign export promotion efforts;

(2) leveling the playing field for United States producers of agricultural products by eliminating blue box subsidies and disciplining domestic supports in a way that forces producers to face world prices on all production in excess of domestic food security needs while allowing the preservation of non-trade distorting programs to support family farms and rural communities;

(3) disciplining state trading enterprises by insisting on transparency and banning discriminatory pricing practices that amount to de facto export subsidies so that the enterprises do not (except in cases of bona fide food aid) sell in foreign markets at prices below domestic market prices or prices below the full costs of acquiring and delivering agricultural products to the foreign markets;

(4) insisting that the Sanitary and Phytosanitary Accord agreed to in the Uruguay Round applies to new technologies, including biotechnology, and clarifying that labeling requirements to allow consumers to make choices regarding biotechnology products or other regulatory requirements cannot be used as disguised barriers to trade;

(5) increasing opportunities for United States exports of agricultural products by first reducing tariff and nontariff barriers to trade to the same or lower levels than exist in the United States and then eliminating barriers, such as—

(A) restrictive or trade distorting practices that adversely impact perishable or cyclical products;

(B) restrictive rules in the administration of tariff-rate quotas; and

(C) unjustified sanitary and phytosanitary restrictions or other unjustified technical barriers to agricultural trade;

(6) encouraging government policies that avoid price-depressing surpluses; and

(7) strengthening dispute settlement procedures so that countries cannot maintain unjustified restrictions on United States exports in contravention of their commitments.

(c) CONSULTATION WITH CONGRESSIONAL COMMITTEES.—

(1) CONSULTATION BEFORE OFFER MADE.—Before the United States Trade Representative negotiates a trade agreement that would reduce tariffs on agricultural products or require a change in United States agricultural law, the United States Trade Representative shall consult with the Committee on Agriculture, Nutrition, and Forestry and the Committee on Finance of the Senate and the Committee on Agriculture and the Committee on Ways and Means of the House of Representatives.

(2) CONSULTATION BEFORE AGREEMENT INITIALED.—Not less than 48 hours before initialing an agreement relating to agricultural trade negotiated under the auspices of the World Trade Organization, the United States Trade Representative shall consult closely with the committees referred to in paragraph (1) regarding—

(A) the details of the agreement;

(B) the potential impact of the agreement on United States agricultural producers; and

(C) any changes in United States law necessary to implement the agreement.

(3) NO SECRET SIDE DEALS.—Any agreement or other understanding (whether verbal or in writing) that relates to agricultural trade that is not disclosed to the Congress before legislation implementing a trade agreement is introduced in either house of Congress shall not be considered to be part of the agreement approved by Congress and shall have no force and effect under United States law or in any dispute settlement body.

(d) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) reaching a successful agreement on agriculture should be the top priority of United States negotiators; and

(2) if the primary competitors of the United States do not reduce their trade distorting domestic supports and export subsidies in accordance with the negotiating objectives expressed in this section, the United States should increase its support and subsidy levels to level the playing field in order to improve United States farm income and to encourage United States competitors to eliminate export subsidies and domestic supports that are harmful to United States farmers and ranchers.

CONRAD AMENDMENT NO. 2361

(Ordered to lie on the table.)

Mr. CONRAD submitted an amendment intended to be proposed by him to the bill, H.R. 434, supra; as follows:

At the end, insert the following new title:

TITLE ____—CONGRESSIONAL APPROVAL FOR UNILATERAL SANCTIONS

SEC.___01. SHORT TITLE.

This title may be cited as the ''Food and Medicine for the World Act''.

SEC. ___02. REQUIREMENT OF CONGRESSIONAL APPROVAL OF ANY UNILATERAL AGRICULTURAL OR MEDICAL SANCTION.

(a) DEFINITIONS.—In this section:

(1) AGRICULTURAL COMMODITY.—The term ''agricultural commodity'' has the meaning given the term in section 102 of the Agricultural Trade Act of 1978 (7 U.S.C. 5602).

(2) AGRICULTURAL PROGRAM.—The term ''agricultural program'' means—

(A) any program administered under the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1691 et. seq.);

(B) any program administered under section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431);

(C) any program administered under the Agricultural Trade Act of 1978 (7 U.S.C. 5601 et. seq.);

(D) the dairy export incentive program administered under section 153 of the Food Security Act of 1985 (15 U.S.C. 713a–14);

(E) any commercial export sale of agricultural commodities; or

(F) any export financing (including credits or credit guarantees) provided by the United States Government for agricultural commodities.

(3) JOINT RESOLUTION.—The term ''joint resolution'' means—

(A) in the case of subsection (b)(1)(B), only a joint resolution introduced within 10 session days of Congress after the date on which the report of the President under subsection (b)(1)(A) is received by Congress, the matter after the resolving clause of which is as follows: ''That Congress approves the report of the President pursuant to section ___02(b)(1)(A) of the Food and Medicine for the World Act, transmitted on _____.'', with the blank completed with the appropriate date; and

(B) in the case of subsection (e)(2), only a joint resolution introduced within 10 session days of Congress after the date on which the report of the President under subsection (e)(1) is received by Congress, the matter after the resolving clause of which is as follows: ''That Congress approves the report of the President pursuant to section ___02(e)(1) of the Food and Medicine for the World Act, transmitted on _____.'', with the blank completed with the appropriate date.

(4) MEDICAL DEVICE.—The term ''medical device'' has the meaning given the term ''device'' in section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321).

(5) MEDICINE.—The term ''medicine'' has the meaning given the term ''drug'' in section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321).

(6) UNILATERAL AGRICULTURAL SANCTION.—The term ''unilateral agricultural sanction'' means any prohibition, restriction, or condition on carrying out an agricultural program with respect to a foreign country or foreign entity that is imposed by the United States for reasons of foreign policy or national security, except in a case in which the United States imposes the measure pursuant to a multilateral regime and the other member countries of that regime have agreed to impose substantially equivalent measures.

(7) UNILATERAL MEDICAL SANCTION.—The term ''unilateral medical sanction'' means any prohibition, restriction, or condition on

exports of, or the provision of assistance consisting of, medicine or a medical device with respect to a foreign country or foreign entity that is imposed by the United States for reasons of foreign policy or national security, except in a case in which the United States imposes the measure pursuant to a multilateral regime and the other member countries of that regime have agreed to impose substantially equivalent measures.

(b) RESTRICTION.—

(1) NEW SANCTIONS.—Except as provided in subsections (c) and (d) and notwithstanding any other provision of law, the President may not impose a unilateral agricultural sanction or unilateral medical sanction against a foreign country or foreign entity, unless—

(A) not later than 60 days before the sanction is proposed to be imposed, the President submits a report to Congress that—

(i) describes the activity proposed to be prohibited, restricted, or conditioned; and

(ii) describes the actions by the foreign country or foreign entity that justify the sanction; and

(B) Congress enacts a joint resolution stating the approval of Congress for the report submitted under subparagraph (A).

(2) EXISTING SANCTIONS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), with respect to any unilateral agricultural sanction or unilateral medical sanction that is in effect as of the date of enactment of this Act, the President shall terminate the sanction.

(B) EXEMPTIONS.—Subparagraph (A) shall not apply to a unilateral agricultural sanction or unilateral medical sanction imposed with respect to—

(i) any program administered under section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431);

(ii) the Export Credit Guarantee Program (GSM-102) or the Intermediate Export Credit Guarantee Program (GSM-103) established under section 202 of the Agricultural Trade Act of 1978 (7 U.S.C. 5622); or

(iii) the dairy export incentive program administered under section 153 of the Food Security Act of 1985 (15 U.S.C. 713a–14).

(c) EXCEPTIONS.—Subsection (b) shall not affect any authority or requirement to impose (or continue to impose) a sanction referred to in subsection (b)—

(1) against a foreign country or foreign entity with respect to which Congress has enacted a declaration of war that is in effect on or after the date of enactment of this Act; or

(2) to the extent that the sanction would prohibit, restrict, or condition the provision or use of any agricultural commodity, medicine, or medical device that is—

(A) controlled on the United States Munitions List established under section 38 of the Arms Export Control Act (22 U.S.C. 2778);

(B) controlled on any control list established under the Export Administration Act of 1979 (50 U.S.C. App. 2401 et seq.); or

(C) used to facilitate the development or production of a chemical or biological weapon or weapon of mass destruction.

(d) COUNTRIES SUPPORTING INTERNATIONAL TERRORISM.—Subsection (b) shall not affect the prohibitions in effect on or after the date of enactment of this Act under section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371) on providing, to the government of any country supporting international terrorism, United States government assistance, including United States foreign assistance, United States export assistance, or any United States credits or credit guarantees.

(e) TERMINATION OF SANCTIONS.—Any unilateral agricultural sanction or unilateral medical sanction that is imposed pursuant to the procedures described in subsection (b)(1) shall terminate not later than 2 years after the date on which the sanction became effective unless—

(1) not later than 60 days before the date of termination of the sanction, the President submits to Congress a report containing the recommendation of the President for the continuation of the sanction for an additional period of not to exceed 2 years and the request of the President for approval by Congress of the recommendation; and

(2) Congress enacts a joint resolution stating the approval of Congress for the report submitted under paragraph (1).

(f) CONGRESSIONAL PRIORITY PROCEDURES.—

(1) REFERRAL OF REPORT.—A report described in subsection (b)(1)(A) or (e)(1) shall be referred to the appropriate committee or committees of the House of Representatives and to the appropriate committee or committees of the Senate.

(2) REFERRAL OF JOINT RESOLUTION.—

(A) IN GENERAL.—A joint resolution shall be referred to the committees in each House of Congress with jurisdiction.

(B) REPORTING DATE.—A joint resolution referred to in subparagraph (A) may not be reported before the eighth session day of Congress after the introduction of the joint resolution.

(3) DISCHARGE OF COMMITTEE.—If the committee to which is referred a joint resolution has not reported the joint resolution (or an identical joint resolution) at the end of 30 session days of Congress after the date of introduction of the joint resolution—

(A) the committee shall be discharged from further consideration of the joint resolution; and

(B) the joint resolution shall be placed on the appropriate calendar of the House concerned.

(4) FLOOR CONSIDERATION.—

(A) MOTION TO PROCEED.—

(i) IN GENERAL.—When the committee to which a joint resolution is referred has reported, or when a committee is discharged under paragraph (3) from further consideration of, a joint resolution—

(I) it shall be at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) for any member of the House concerned to move to proceed to the consideration of the joint resolution; and

(II) all points of order against the joint resolution (and against consideration of the joint resolution) are waived.

(ii) PRIVILEGE.—The motion to proceed to the consideration of the joint resolution—

(I) shall be highly privileged in the House of Representatives and privileged in the Senate; and

(II) not debatable.

(iii) AMENDMENTS AND MOTIONS NOT IN ORDER.—The motion to proceed to the consideration of the joint resolution shall not be subject to—

(I) amendment;

(II) a motion to postpone; or

(III) a motion to proceed to the consideration of other business.

(iv) MOTION TO RECONSIDER NOT IN ORDER.—A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order.

(v) BUSINESS UNTIL DISPOSITION.—If a motion to proceed to the consideration of the joint resolution is agreed to, the joint resolution shall remain the unfinished business of the House concerned until disposed of.

(B) LIMITATIONS ON DEBATE.—

(i) IN GENERAL.—Debate on the joint resolution, and on all debatable motions and appeals in connection with the joint resolution, shall be limited to not more than 10 hours, which shall be divided equally between those favoring and those opposing the joint resolution.

(ii) FURTHER DEBATE LIMITATIONS.—A motion to limit debate shall be in order and shall not be debatable.

(iii) AMENDMENTS AND MOTIONS NOT IN ORDER.—An amendment to, a motion to postpone, a motion to proceed to the consideration of other business, a motion to recommit the joint resolution, or a motion to reconsider the vote by which the joint resolution is agreed to or disagreed to shall not be in order.

(C) VOTE ON FINAL PASSAGE.—Immediately following the conclusion of the debate on a joint resolution, and a single quorum call at the conclusion of the debate if requested in accordance with the rules of the House concerned, the vote on final passage of the joint resolution shall occur.

(D) RULINGS OF THE CHAIR ON PROCEDURE.—An appeal from a decision of the Chair relating to the application of the rules of the Senate or House of Representatives, as the case may be, to the procedure relating to a joint resolution shall be decided without debate.

(5) COORDINATION WITH ACTION BY OTHER HOUSE.—If, before the passage by 1 House of a joint resolution of that House, that House receives from the other House a joint resolution, the following procedures shall apply:

(A) NO COMMITTEE REFERRAL.—The joint resolution of the other House shall not be referred to a committee.

(B) FLOOR PROCEDURE.—With respect to a joint resolution of the House receiving the joint resolution—

(i) the procedure in that House shall be the same as if no joint resolution had been received from the other House; but

(ii) the vote on final passage shall be on the joint resolution of the other House.

(C) DISPOSITION OF JOINT RESOLUTIONS OF RECEIVING HOUSE.—On disposition of the joint resolution received from the other House, it shall no longer be in order to consider the joint resolution originated in the receiving House.

(6) PROCEDURES AFTER ACTION BY BOTH THE HOUSE AND SENATE.—If a House receives a joint resolution from the other House after the receiving House has disposed of a joint resolution originated in that House, the action of the receiving House with regard to the disposition of the joint resolution originated in that House shall be deemed to be the action of the receiving House with regard to the joint resolution originated in the other House.

(7) RULEMAKING POWER.—This paragraph is enacted by Congress—

(A) as an exercise of the rulemaking power of the Senate and House of Representatives, respectively, and as such this paragraph—

(i) is deemed to be a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of a joint resolution; and

(ii) supersedes other rules only to the extent that this paragraph is inconsistent with those rules; and

(B) with full recognition of the constitutional right of either House to change the rules (so far as the rules relate to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

(g) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), this section takes effect on the date of enactment of this Act.

(2) EXISTING SANCTIONS.—In the case of any unilateral agricultural sanction or unilateral medical sanction that is in effect as of the date of enactment of this Act, this section takes effect 180 days after the date of enactment of this Act.

WELLSTONE AMENDMENTS NOS. 2362–2366

(Ordered to lie on the table.)

Mr. WELLSTONE submitted five amendments intended to be proposed by him to the bill, H.R. 434, supra; as follows:

AMENDMENT NO. 2362

At the appropriate place insert the following:

SEC. ___. STATE PROVIDED VOLUNTARY PUBLIC FINANCING OF FEDERAL CANDIDATES.

Section 403 of the Federal Election Campaign Act of 1971 (2 U.S.C. 453) is amended by adding at the end the following: ''The preceding sentence shall not be interpreted to prohibit a State from enacting a voluntary public financing system which applies to a candidate for election to Federal office, other than the office of President or Vice-President, from such State who agrees to limit acceptance of contributions, use of personal funds, and the making of expenditures in connection with the election in exchange for full or partial public financing from a State fund with respect to the election, except that such system shall not allow any person to take any action in violation of the provisions of this Act.''.

AMENDMENT NO. 2363

At the appropriate place insert the following:

SEC. ___. STATE PROVIDED VOLUNTARY PUBLIC FINANCING OF FEDERAL CANDIDATES.

Section 403 of the Federal Election Campaign Act of 1971 (2 U.S.C. 453) is amended by adding at the end the following: ''The preceding sentence shall not be interpreted to prohibit a State from enacting a voluntary public financing system which applies to a candidate for election to Federal office, other than the office of President or Vice-President, from such State who agrees to limit acceptance of contributions, use of personal funds, and the making of expenditures in connection with the election in exchange for full or partial public financing from a State fund with respect to the election, except that such system shall not allow any person to take any action in violation of the provisions of this Act.''.

AMENDMENT NO. 2364

At the appropriate place insert the following:

SEC. ___. STATE PROVIDED VOLUNTARY PUBLIC FINANCING OF FEDERAL CANDIDATES.

Section 403 of the Federal Election Campaign Act of 1971 (2 U.S.C. 453) is amended by adding at the end the following: ''The preceding sentence shall not be interpreted to prohibit a State from enacting a voluntary public financing system which applies to a candidate for election to Federal office, other than the office of President or Vice-President, from such State who agrees to limit acceptance of contributions, use of personal funds, and the making of expenditures in connection with the election in exchange for full or partial public financing from a State fund with respect to the election, except that such system shall not allow any person to take any action in violation of the provisions of this Act.''.

AMENDMENT NO. 2365

At the appropriate place insert the following:

SEC. ___. STATE PROVIDED VOLUNTARY PUBLIC FINANCING OF FEDERAL CANDIDATES.

Section 403 of the Federal Election Campaign Act of 1971 (2 U.S.C. 453) is amended by adding at the end the following: ''The preceding sentence shall not be interpreted to prohibit a State from enacting a voluntary public financing system which applies to a candidate for election to Federal office, other than the office of President or Vice-President, from such State who agrees to limit acceptance of contributions, use of personal funds, and the making of expenditures in connection with the election in exchange for full or partial public financing from a State fund with respect to the election, except that such system shall not allow any person to take any action in violation of the provisions of this Act.''.

AMENDMENT NO. 2366

At the appropriate place insert the following:

SEC. ___. STATE PROVIDED VOLUNTARY PUBLIC FINANCING OF FEDERAL CANDIDATES.

Section 403 of the Federal Election Campaign Act of 1971 (2 U.S.C. 453) is amended by adding at the end the following: ''The preceding sentence shall not be interpreted to prohibit a State from enacting a voluntary public financing system which applies to a candidate for election to Federal office, other than the office of President or Vice-President, from such State who agrees to limit acceptance of contributions, use of personal funds, and the making of expenditures in connection with the election in exchange for full or partial public financing from a State fund with respect to the election, except that such system shall not allow any person to take any action in violation of the provisions of this Act.''.

DODD (AND OTHERS) AMENDMENT NO. 2367

(Ordered to lie on the table.)

Mr. DODD (for himself, Mr. LIEBERMAN, Mr. ASHCROFT, and Mr. BOND) submitted an amendment intended to be proposed by them to the bill, H.R. 434, supra; as follows:

At the appropriate place, insert the following new section:

SEC. ___. RELIQUIDATION OF CERTAIN NUCLEAR FUEL ASSEMBLIES.

(a) IN GENERAL.—Notwithstanding section 514 of the Tariff Act of 1930 (19 U.S.C. 1514) or any other provision of law, upon proper request filed with the Secretary of the Treasury not later than 90 days after the date of the enactment of this Act, the Secretary shall—

(1) reliquidate as free of duty the entries listed in subsection (b); and

(2) refund any duties paid with respect to such entries as shown on Customs Service Collection Receipt Number 527006753.

(b) ENTRIES.—The entries referred to in subsection (a) are as follows:

Entry Number	Date of Entry
062-2320014-5	January 16, 1996
062-2320085-5	February 13, 1996
839-4030989-7	January 25, 1996
839-4031053-1	December 2, 1996
839-4031591-0	January 21, 1997.

BAUCUS (AND OTHERS) AMENDMENT NO. 2368

(Ordered to lie on the table.)

Mr. BAUCUS (for himself, Mr. BINGAMAN, and Mrs. MURRAY) submitted an amendment intended to be proposed by them to the bill, H.R. 434, supra; as follows:

At the appropriate place, add the following new title:

TITLE ___—FOREIGN AGRICULTURAL EXPORT SUBSIDIES

SEC. ___01. SHORT TITLE.

This title may be cited as the ''Agricultural Trade Fairness Act of 1999''.

SEC. ___02. FINDINGS.

Congress finds that—

(1) United States agricultural producers are facing financial ruin due to unanticipated declines in prices for agricultural commodities;

(2) foreign export subsidies of agricultural commodities depress prices further and prevent access to export markets by United States agricultural producers;

(3) the European Union, the entity that provides by far the largest agricultural export subsidies, provides 84 percent of the agricultural export subsidies provided in the world;

(4) the export enhancement program carried out by the United States under section 301 of the Agricultural Trade Act of 1978 (7 U.S.C. 5651) is authorized to be funded at over $500,000,000 for each of fiscal years 1998 through 2000 (consistent with the Uruguay Round reduction commitments), but has been funded at well below the authorized levels; and

(5) the European Union continues to use agricultural export subsidies to bridge the gap between high domestic support prices and lower world prices, resulting in extreme market distortions.

SEC. ___03. RESPONSE TO UNFAIR TRADE PRACTICES BY EUROPEAN UNION.

Title III of the Agricultural Trade Act of 1978 (7 U.S.C. 5651 et seq.) is amended by adding at the end the following:

''SEC. 304. RESPONSE TO UNFAIR TRADE PRACTICES BY EUROPEAN UNION.

''(a) REDUCTION OF AGRICULTURAL EXPORT SUBSIDIES.—

''(1) IN GENERAL.—If by January 1, 2002, the European Union does not reduce agricultural export subsidies by at least 50 percent of the level of agricultural export subsidies provided as of October 1, 1999 (as determined by the Secretary), the Secretary shall take appropriate measures to protect the interests of producers of United States agricultural commodities and ensure the international competitiveness of United States agriculture.

''(2) MEASURES.—In carrying out paragraph (1), the Secretary shall, to the maximum extent practicable—

''(A) target the European Union's most sensitive export markets for feed grains; and

''(B) make available to carry out the export enhancement program under section 301(e)(1) not more than $1,000,000,000 to encourage the commercial sale of United States agricultural commodities in the chief export markets of the European Union.

''(b) ELIMINATION OF AGRICULTURAL EXPORT SUBSIDIES.—

''(1) IN GENERAL.—If by January 1, 2003, the European Union and the United States do not enter into an agricultural trade agreement under which the European Union agrees to eliminate agricultural export subsidies (as determined by the Secretary), the Secretary shall take appropriate measures to protect the interests of producers of United States agricultural commodities and ensure the international competitiveness of United States agriculture.

''(2) MEASURES.—In carrying out paragraph (1), the Secretary shall, to the maximum extent practicable—

''(A) target the European Union's most sensitive export markets for feed grains;

''(B) make available to carry out the export enhancement program under section 301(e)(1) not more than $2,000,000,000 to encourage the commercial sale of United

courage the commercial sale of United States agricultural commodities in the chief export markets of the European Union;

''(C) increase the amount of funds made available to carry out direct credit programs and export credit guarantee programs under subsections (a) and (b) of section 211 to promote the commercial export sale of United States agricultural commodities in the chief export markets of the European Union; and

''(D) increase the amount of funds made available to carry out the market access program under section 211(c)(1) to encourage the development, maintenance, and expansion of commercial export markets for United States agricultural commodities in the chief export markets of the European Union.''.

BAUCUS (AND OTHERS) AMENDMENT NO. 2369

(Ordered to lie on the table.)

Mr. BAUCUS (for himself, Mr. GRAMS, Mrs. MURRAY, and Mr. WYDEN) submitted an amendment intended to be proposed by them to the bill, H.R. 434, supra; as follows:

At the appropriate place, insert the following new section:

SEC. ___. ENVIRONMENTAL GOODS.

(a) FINDINGS.—Congress makes the following findings:

(1) United States trade policy should facilitate export of American products which improve the quality of life.

(2) United States firms possess a variety of technologies which can measure, limit, and prevent environmental damage.

(3) The World Trade Organization is considering a proposal generated in the Asia Pacific Economic Cooperation (APEC) to reduce barriers to trade in environmental products. The proposal includes the elimination of tariff barriers on such products.

(4) Eliminating such tariffs would benefit both the environment and United States exporters.

(5) The President, after consultation with Congress, should have the authority to enter into a broad-based agreement to eliminate tariff barriers with respect to environmental products under the auspices of the World Trade Organization.

(b) PURPOSE.—The purpose of this section is to reduce barriers to international trade in environmental products.

(c) PROCLAMATION AUTHORITY.—

(1) IN GENERAL.—If the President determines that any existing duty or other import restriction of any foreign country or the United States is unduly burdening or restricting the foreign trade of the United States with respect to an environmental product described in paragraph (2) and the United States enters into an agreement to eliminate or reduce the duty or remove the burden or restriction with respect to such product as part of a multilateral negotiation under the auspices of the World Trade Organization, the President may proclaim the elimination or staged rate reductions of any duty on such environmental product.

(2) ENVIRONMENTAL PRODUCT DESCRIBED.—An environmental product described in this paragraph means—

(A) any product used to measure, prevent, limit, or correct environmental damage to water, air, and soil;

(B) any product used to address environmental problems related to waste, noise, and ecosystems; and

(C) any technology, process, and product which reduces environmental risk and minimizes pollution or use of materials.

(3) CONSULTATION AND LAYOVER.—Any duty elimination or staged rate reduction provided for in this section may be proclaimed only if the President—

(A) has obtained advice regarding the proposed action from the appropriate advisory committees established under section 135 of the Trade Act of 1974 (19 U.S.C. 2155) and the International Trade Commission;

(B) has submitted a report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate that sets forth—

(i) the action proposed to be proclaimed;

(ii) the reasons for such action; and

(iii) the advice obtained under subparagraph (A); and

(C) has consulted with the committees regarding the proposed action during the 60-calendar day period, beginning on the first day after the day on which the President has met the requirements of subparagraphs (A) and (B).

KERRY AMENDMENT NO. 2370

(Ordered to lie on the table.)

Mr. KERRY submitted an amendment intended to be proposed by him to the bill, H.R. 434, supra; as follows:

At the appropriate place, insert:

SEC. ___. CREDIT FOR MEDICAL RESEARCH RELATED TO DEVELOPING VACCINES AGAINST WIDESPREAD DISEASES.

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

''SEC. 45D. CREDIT FOR MEDICAL RESEARCH RELATED TO DEVELOPING VACCINES AGAINST WIDESPREAD DISEASES.

''(a) GENERAL RULE.—For purposes of section 38, the vaccine research credit determined under this section for the taxable year is an amount equal to 30 percent of the qualified vaccine research expenses for the taxable year.

''(b) QUALIFIED VACCINE RESEARCH EXPENSES.—For purposes of this section—

''(1) QUALIFIED VACCINE RESEARCH EXPENSES.—

''(A) IN GENERAL.—Except as otherwise provided in this paragraph, the term 'qualified vaccine research expenses' means the amounts which are paid or incurred by the taxpayer during the taxable year which would be described in subsection (b) of section 41 if such subsection were applied with the modifications set forth in subparagraph (B).

''(B) MODIFICATIONS.—For purposes of subparagraph (A), subsection (b) of section 41 shall be applied—

''(i) by substituting 'vaccine research' for 'qualified research' each place it appears in paragraphs (2) and (3) of such subsection, and

''(ii) by substituting '75 percent' for '65 percent' in paragraph (3)(A) of such subsection.

''(C) EXCLUSION FOR AMOUNTS FUNDED BY GRANTS, ETC.—The term 'qualified vaccine research expenses' shall not include any amount to the extent such amount is funded by any grant, contract, or otherwise by another person (or any governmental entity).

''(2) VACCINE RESEARCH.—The term 'vaccine research' means research to develop vaccines and microbicides for—

''(A) malaria,

''(B) tuberculosis, or

''(C) HIV.

''(c) COORDINATION WITH CREDIT FOR INCREASING RESEARCH EXPENDITURES.—

''(1) IN GENERAL.—Except as provided in paragraph (2), any qualified vaccine research expenses for a taxable year to which an election under this section applies shall not be taken into account for purposes of determining the credit allowable under section 41 for such taxable year.

''(2) EXPENSES INCLUDED IN DETERMINING BASE PERIOD RESEARCH EXPENSES.—Any qualified vaccine research expenses for any taxable year which are qualified research expenses (within the meaning of section 41(b)) shall be taken into account in determining base period research expenses for purposes of applying section 41 to subsequent taxable years.

''(d) SPECIAL RULES.—

''(1) LIMITATIONS ON FOREIGN TESTING.—No credit shall be allowed under this section with respect to any vaccine research (other than human clinical testing) conducted outside the United States by any entity which is not registered with the Secretary.

''(2) CERTAIN RULES MADE APPLICABLE.—Rules similar to the rules of paragraphs (1) and (2) of section 41(f) shall apply for purposes of this section.

''(3) ELECTION.—This section (other than subsection (e)) shall apply to any taxpayer for any taxable year only if such taxpayer elects to have this section apply for such taxable year.

''(e) SHAREHOLDER EQUITY INVESTMENT CREDIT IN LIEU OF RESEARCH CREDIT.—

''(1) IN GENERAL.—For purposes of section 38, the vaccine research credit determined under this section for the taxable year shall include an amount equal to 20 percent of the amount paid by the taxpayer to acquire qualified research stock in a corporation if—

''(A) the amount received by the corporation for such stock is used within 18 months after the amount is received to pay qualified vaccine research expenses of the corporation for which a credit would (but for subparagraph (B) and subsection (d)(3)) be determined under this section, and

''(B) the corporation waives its right to the credit determined under this section for the qualified vaccine research expenses which are paid with such amount.

''(2) QUALIFIED RESEARCH STOCK.—For purposes of paragraph (1), the term 'qualified research stock' means any stock in a C corporation—

''(A) which is originally issued after the date of the enactment of the Lifesaving Vaccine Technology Act of 1999,

''(B) which is acquired by the taxpayer at its original issue (directly or through an underwriter) in exchange for money or other property (not including stock), and

''(C) as of the date of issuance, such corporation meets the gross assets tests of subparagraphs (A) and (B) of section 1202(d)(1).''

(b) INCLUSION IN GENERAL BUSINESS CREDIT.—

(1) IN GENERAL.—Section 38(b) of the Internal Revenue Code of 1986 (relating to current year business credit) is amended by striking ''plus'' at the end of paragraph (11), by striking the period at the end of paragraph (12) and inserting '', plus'', and by adding at the end the following new paragraph:

''(13) the vaccine research credit determined under section 45D.''.

(2) TRANSITION RULE.—Section 39(d) of such Code (relating to transitional rules) is amended by adding at the end the following new paragraph:

''(9) NO CARRYBACK OF SECTION 45D CREDIT BEFORE ENACTMENT.—No portion of the unused business credit for any taxable year which is attributable to the vaccine research credit determined under section 45D may be carried back to a taxable year ending before the date of the enactment of section 45D.''.

(c) DENIAL OF DOUBLE BENEFIT.—Section 280C of the Internal Revenue Code of 1986 (relating to certain expenses for which credits are allowable) is amended by adding at the end the following new subsection:

''(d) CREDIT FOR QUALIFIED VACCINE RESEARCH EXPENSES.—

''(1) IN GENERAL.—No deduction shall be allowed for that portion of the qualified vaccine research expenses (as defined in section

45D(b)) otherwise allowable as a deduction for the taxable year which is equal to the amount of the credit determined for such taxable year under section 45D(a).

''(2) CERTAIN RULES TO APPLY.—Rules similar to the rules of paragraphs (2), (3), and (4) of subsection (c) shall apply for purposes of this subsection.''.

(d) DEDUCTION FOR UNUSED PORTION OF CREDIT.—Section 196(c) of the Internal Revenue Code of 1986 (defining qualified business credits) 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 vaccine research credit determined under section 45D(a) (other than such credit determined under the rules of section 280C(d)(2)).''.

(e) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

''Sec. 45D. Credit for medical research related to developing vaccines against widespread diseases.''.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred after December 31, 1999, in taxable years ending after such date.

(g) DISTRIBUTION OF VACCINES DEVELOPED USING CREDIT.—It is the sense of Congress that if a tax credit is allowed under section 45D of the Internal Revenue Code of 1986 (as added by subsection (a)) to any corporation or shareholder of a corporation by reason of vaccine research expenses incurred by the corporation in the development of a vaccine, such corporation should certify to the Secretary of the Treasury that, within 1 year after that vaccine is first licensed, such corporation will establish a good faith plan to maximize international access to high quality and affordable vaccines.

(h) STUDY.—The Secretary of the Treasury, in consultation with the Institute of Medicine, shall conduct a study of the effectiveness of the credit under section 45D of the Internal Revenue Code of 1986 (as so added) in stimulating vaccine research. Not later than the date which is 4 years after the date of the enactment of this Act, the Secretary shall submit to the Congress the results of such study together with any recommendations the Secretary may have to improve the effectiveness of such credit in stimulating vaccine research.

(i) ACCELERATION OF INTRODUCTION OF PRIORITY VACCINES.—It is the sense of Congress that the President and Federal agencies (including the Department of State, the Department of Health and Human Services, and the Department of the Treasury) should work together in vigorous support of the creation and funding of a multi-lateral, international effort, such as a vaccine purchase fund, to accelerate the introduction of vaccines to which the tax credit under section 45D of the Internal Revenue Code of 1986 (as so added) applies and of other priority vaccines into the poorest countries in the world.

(j) FLEXIBLE PRICING.—It is the sense of Congress that flexible or differential pricing for vaccines, providing lowered prices for the poorest countries, is one of several valid strategies to accelerate the introduction of vaccines in developing countries.

HARKIN AMENDMENT NO. 2371

(Ordered to lie on the table.)

Mr. HARKIN submitted an amendment intended to be proposed by him to the bill, H.R. 434, supra; as follows:

At the appropriate place, insert the following new section:

SEC. ___. GOODS MADE WITH FORCED OR INDENTURED LABOR.

(a) IN GENERAL.—Section 307 of the Tariff Act of 1930 (19 U.S.C. 1307) is amended—

(1) in the second sentence, by striking ''; but in no case'' and all that follows to the end period; and

(2) by adding at the end the following new sentence: ''For purposes of this section, the term 'forced labor or/and indentured labor' includes forced or indentured child labor.''.

(b) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendment made by subsection (a)(1) applies to goods entered, or withdrawn from warehouse for consumption, on or after the date that is 15 days after the date of enactment of this Act.

(2) CHILD LABOR.—The amendment made by subsection (a)(2) takes effect on the date of enactment of this Act.

SANTORUM AMENDMENT NO. 2372

(Ordered to lie on the table.)

Mr. SANTORUM submitted an amendment intended to be proposed by him to the bill, H.R. 434, supra; as follows:

On page 22, between lines 5 and 6, insert the following new section:

SEC. 116. STUDY ON IMPROVING AFRICAN AGRICULTURAL PRACTICES.

(a) IN GENERAL.—The United States Department of Agriculture, in consultation with American Land Grant Colleges and Universities and not-for-profit international organizations, is authorized to conduct a two-year study on ways to improve the flow of American farming techniques and practices to African farmers. The study conducted by the Department of Agriculture shall include an examination of ways of improving or utilizing—

(1) knowledge of insect and sanitation procedures;

(2) modern farming and soil conservation techniques;

(3) modern farming equipment (including maintaining the equipment);

(4) marketing crop yields to prospective purchasers; and

(5) crop maximization practices.

The study shall be submitted to the Committee on Agriculture, Nutrition, and Forestry of the Senate and the Committee on Agriculture of the House of Representatives not later than September 30, 2001.

(b) LAND GRANT COLLEGES AND NOT-FOR-PROFIT INSTITUTIONS.—The Department of Agriculture is encouraged to consult with American Land Grant Colleges and not-for-profit international organizations that have firsthand knowledge of current African farming practices.

(c) AUTHORIZATION OF FUNDING.—There is authorized to be appropriated $2,000,000 to conduct the study described in subsection (a).

COVERDELL AMENDMENT NO. 2373

(Ordered to lie on the table.)

Mr. COVERDELL submitted an amendment intended to be proposed by him to the bill, H.R. 434, supra; as follows:

At the appropriate place, insert the following new section:

SEC. ___. LIMITATION ON BENEFITS.

Notwithstanding any other provision of law, a country that is otherwise entitled to receive beneficial trade preferences or treatment with the United States under this Act shall not be entitled to such benefits unless and until the President certifies to Congress that such country has in place, and enforces, laws adequate to prevent their country's financial systems from being used to circumvent the criminal laws of the United States relating to money laundering and other illegal financial activities.

HOLLINGS AMENDMENT NOS. 2374–2391

(Ordered to lie on the table.)

Mr. HOLLINGS submitted 18 amendments intended to be proposed by him to the bill, H.R. 434, supra; as follows:

AMENDMENT NO. 2374

Strike all after the first word and insert the following:

SEC.___. MINIMUM WAGE.

(a) INCREASE.—Paragraph (1) of section 6(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) is amended to read as follows:

''(1) except as otherwise provided in this section, not less than—

''(A) $5.65 an hour during the year beginning on December 1, 2000; and

''(B) $6.15 an hour beginning on January 1, 2001;''.

(b) APPLICATION TO COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS.—The provisions of section 6 of the Fair Labor Standards Act of 1938 (29 U.S.C. 206) shall apply to the Commonwealth of the Northern Mariana Islands.

AMENDMENT NO. 2375

Strike all after the first word and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Bipartisan Campaign Finance Reform Act of 1999''.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—REDUCTION OF SPECIAL INTEREST INFLUENCE

Sec. 101. Soft money of political parties.
Sec. 102. Increased contribution limits for State committees of political parties and aggregate contribution limit for individuals.
Sec. 103. Reporting requirements.

TITLE II—INDEPENDENT AND COORDINATED EXPENDITURES

Sec. 201. Definitions.
Sec. 202. Express advocacy determined without regard to background music.
Sec. 203. Civil penalty.
Sec. 204. Reporting requirements for certain independent expenditures.
Sec. 205. Independent versus coordinated expenditures by party.
Sec. 206. Coordination with candidates.

TITLE III—DISCLOSURE

Sec. 301. Filing of reports using computers and facsimile machines.
Sec. 302. Prohibition of deposit of contributions with incomplete contributor information.
Sec. 303. Audits.
Sec. 304. Reporting requirements for contributions of $50 or more.
Sec. 305. Use of candidates' names.
Sec. 306. Prohibition of false representation to solicit contributions.
Sec. 307. Soft money of persons other than political parties.
Sec. 308. Campaign advertising.

TITLE IV—PERSONAL WEALTH OPTION

Sec. 401. Voluntary personal funds expenditure limit.
Sec. 402. Political party committee coordinated expenditures.

TITLE V—MISCELLANEOUS
Sec. 501. Codification of Beck decision.
Sec. 502. Use of contributed amounts for certain purposes.
Sec. 503. Limit on congressional use of the franking privilege.
Sec. 504. Prohibition of fundraising on Federal property.
Sec. 505. Penalties for violations.
Sec. 506. Strengthening foreign money ban.
Sec. 507. Prohibition of contributions by minors.
Sec. 508. Expedited procedures.
Sec. 509. Initiation of enforcement proceeding.
Sec. 510. Protecting equal participation of eligible voters in campaigns and elections.
Sec. 511. Penalty for violation of prohibition against foreign contributions.
Sec. 512. Expedited court review of certain alleged violations of Federal Election Campaign Act of 1971.
Sec. 513. Conspiracy to violate presidential campaign spending limits.
Sec. 514. Deposit of certain contributions and donations in Treasury account.
Sec. 515. Establishment of a clearinghouse of information on political activities within the Federal Election Commission.
Sec. 516. Enforcement of spending limit on presidential and vice presidential conditions who received public financing.
Sec. 517. Clarification of right of nationals of the United States to make political contributions.

TITLE VI—INDEPENDENT COMMISSION ON CAMPAIGN FINANCE REFORM
Sec. 601. Establishment and purpose of Commission.
Sec. 602. Membership of Commission.
Sec. 603. Powers of Commission.
Sec. 604. Administrative provisions.
Sec. 605. Report and recommended legislation.
Sec. 606. Expedited congressional consideration of legislation.
Sec. 607. Termination.
Sec. 608. Authorization of appropriations.

TITLE VII—PROHIBITING USE OF WHITE HOUSE MEALS AND ACCOMMODATIONS FOR POLITICAL FUNDRAISING
Sec. 701. Prohibiting use of White House means and accommodations for political fundraising.

TITLE VIII—SENSE OF THE CONGRESS REGARDING FUNDRAISING ON FEDERAL GOVERNMENT PROPERTY
Sec. 801. Sense of the Congress regarding applicability of controlling legal authority of fundraising on Federal government property.

TITLE IX—PROHIBITING SOLICITATION TO OBTAIN ACCESS TO CERTAIN FEDERAL GOVERNMENT PROPERTY
Sec. 901. Prohibition against acceptance or solicitation to obtain access to certain Federal government property.

TITLE X—REIMBURSEMENT FOR USE OF GOVERNMENT PROPERTY FOR CAMPAIGN ACTIVITY
Sec. 1001. Requiring national parties to reimburse at cost for use of Air Force One for political fundraising.

TITLE XI—PROHIBITING USE OF WALKING AROUND MONEY
Sec. 1101. Prohibiting campaigns from providing currently to individuals for purposes of encouraging turnout on date of election.

TITLE XII—ENHANCING ENFORCEMENT OF CAMPAIGN LAW
Sec. 1201. Enhancing enforcement of campaign finance law.

TITLE XIII—BAN ON COORDINATED SOFT MONEY ACTIVITIES BY PRESIDENTIAL CANDIDATES
Sec. 1301. Ban on coordination of soft money for issue advocacy by presidential candidates receiving public financing.

TITLE XIV—POSTING NAMES OF CERTAIN AIR FORCE ONE PASSENGERS ON INTERNET
Sec. 1401. Requirement that names of passengers on Air Force One and Air Force Two be made available through the Internet.

TITLE XV—EXPLUSION PROCEEDINGS FOR HOUSE MEMBERS RECEIVING FOREIGN CONTRIBUTIONS
Sec. 1501. Permitting consideration of privileged motion to expel House member accepting illegal foreign contribution.

TITLE XVI—SEVERABILITY; CONSTITUTIONALITY; EFFECTIVE DATE; REGULATIONS
Sec. 1601. Severability.
Sec. 1602. Review of constitutional issues.
Sec. 1603. Effective date.
Sec. 1604. Regulations.

TITLE I—REDUCTION OF SPECIAL INTEREST INFLUENCE

SEC. 101. SOFT MONEY OF POLITICAL PARTIES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following new section.—

''SOFT MONEY OF POLITICAL PARTIES

''SEC. 323. (a) NATIONAL COMMITTEE.—

''(1) IN GENERAL.—A national committee of a political party (including a national congressional campaign committee of a political party) and any officers or agents of such party committees, shall not solicit, receive, or direct to another person a contribution, donation, or transfer of funds, or spend any funds, that are not subject to the limitations, prohibitions, and reporting requirements of this Act.

''(2) APPLICABILITY.— This subsection shall apply to an entity that is directly or indirectly established, financed, maintained, or controlled by a national committee of a political party (including a national congressional campaign committee of a political party), or an entity acting on behalf of a national committee and an officer or agent acting on behalf of any such committee or entity.

''(b) STATE, DISTRICT, AND LOCAL COMMITTEES.—

''(1) IN GENERAL.—An amount that is expended or disbursed by a State, district, or local committee of a political party (including an entity that is directly or indirectly established, financed, maintained, or controlled by a State, district, or local committee of a political party and an officer or agent acting on behalf of such committee or entity) for Federal election activity shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

''(2) FEDERAL ELECTION ACTIVITY.—

''(A) IN GENERAL.—The term 'Federal election activity' means—

''(i) voter registration activity during the period that begins on the date that is 120 days before the date a regularly scheduled Federal election is held and ends on the date of the election;

''(ii) voter identification, get-out-the-vote activity, or generic campaign activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot); and

''(iii) a communication that refers to a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and is made for the purpose of influencing a Federal election (regardless of whether the communication is express advocacy).

''(B) EXCLUDED ACTIVITY.—The term 'Federal election activity' does not include an amount expended or disbursed by a State, district, or local committee of a political party for—

''(i) campaign activity conducted solely on behalf of a clearly identified candidate for State or local office, provided the campaign activity is not a Federal election activity described in subparagraph (A);

''(ii) a contribution to a candidate for State or local office, provided the contribution is not designated or used to pay for a Federal election activity described in subparagraph (A);

''(iii) the costs of a State, district, or local political convention;

''(iv) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs, that name or depict only a candidate for State or local office;

''(v) the non-Federal share of a State, district, or local party committee's administrative and overhead expenses (but not including the compensation in any month of an individual who spends more than 20 percent of the individual's time on Federal election activity) as determined by a regulation promulgated by the Commission to determine the non-Federal share of a State, district, or local party committee's administrative and overhead expenses; and

''(vi) the cost of constructing or purchasing an office facility or equipment for a State, district or local committee.

''(c) FUNDRAISING COSTS.—An amount spent by a national, State, district, or local committee of a political party, by an entity that is established, financed, maintained, or controlled by a national, State, district, or local committee of a political party, or by an agent or officer of any such committee or entity, to raise funds that are used, in whole or in part, to pay the costs of a Federal election activity shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

''(d) TAX-EXEMPT ORGANIZATIONS.—A national, State, district, or local committee of a political party (including a national congressional campaign committee of a political party), an entity that is directly or indirectly established, financed, maintained, or controlled by any such national, State, district, or local committee or its agent, and an officer or agent acting on behalf of any such party committee or entity, shall not solicit any funds for, or make or direct any donations to, an organization that is described in section 501(c) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code (or has submitted an application to the Commissioner of the Internal Revenue Service for determination of tax-exemption under such section).

''(e) CANDIDATES.—

''(1) IN GENERAL.—A candidate, individual holding Federal office, agent of a candidate or individual holding Federal office, or an entity directly or indirectly established, financed, maintained or controlled by or acting on behalf of one or more candidates or individuals holding Federal office, shall not—

''(A) solicit, receive, direct, transfer, or spend funds in connection with an election for Federal office, including funds for any Federal election activity, unless the funds are subject to the limitations. prohibitions, and reporting requirements of this Act; or

''(B) solicit, receive, direct, transfer, or spend funds in connection with any election

other than an election for Federal office or disburse funds in connection with such an election unless the funds—

''(i) are not in excess of the amounts permitted with respect to contributions to candidates and political committees under paragraphs (1) and (2) of section 315(a); and

''(ii) are not from sources prohibited by this Act from making contributions with respect to an election for Federal office.

''(2) STATE LAW.—Paragraph (1) does not apply to the solicitation, receipt, or spending of funds by an individual who is a candidate for a State or local office in connection with such election for State or local office if the solicitation, receipt, or spending of funds is permitted under State law for any activity other than a Federal election activity.

''(3) FUNDRAISING EVENTS.—Notwithstanding paragraph (1), a candidate may attend, speak, or be a featured guest at a fund raising event for a State, district, or local committee of a political party.''.

SEC. 102. INCREASED CONTRIBUTION LIMITS FOR STATE COMMITTEES OF POLITICAL PARTIES AND AGGREGATE CONTRIBUTION LIMIT FOR INDIVIDUALS.

(a) CONTRIBUTION LIMIT FOR STATE COMMITTEES OF POLITICAL PARTIES.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (B), by striking ''or'' at the end;

(2) in subparagraph (C)—

(A) by inserting ''(other than a committee described in subparagraph (D))'' after ''committee''; and

(B) by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following—

''(D) to a political committee established and maintained by a State committee of a political party in any calendar year that, in the aggregate, exceed $10,000''.

(b) AGGREGATE CONTRIBUTION LIMIT FOR INDIVIDUAL.—Section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(3)) is amended by striking ''$25,000'' and inserting ''$30,000''.

SEC. 103. REPORTING REQUIREMENTS.

(a) REPORTING REQUIREMENTS.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by section 204) is amended by inserting after subsection (d) the following.—

''(e) POLITICAL COMMITTEES.—

''(1) NATIONAL AND CONGRESSIONAL POLITICAL COMMITTEES.—The national committee of a political party, any national congressional campaign committee of a political party, and any subordinate committee of either, shall report all receipts and disbursements during the reporting period.

''(2) OTHER POLITICAL COMMITTEES TO WHICH SECTION 323 APPLIES: In addition to any other reporting requirements applicable under this Act, a political committee (not described in paragraph (1)) to which section 323(b)(1) applies shall report all receipts and disbursements made for activities described in paragraphs (2)(A) and (2)(B)(v) of section 323(b).

''(3) ITEMIZATION.—If a political committee has receipts or disbursements to which this subsection applies from any person aggregating in excess of $200 for any calendar year, the political committee shall separately itemize its reporting for such person in the same manner as required in paragraphs (3)(A), (5), and (6) of subsection (b).

''(4) REPORTING PERIODS.—Reports required to be filed under this subsection shall be filed for the same time periods required for political committees under subsection (a)''.

(b) BUILDING FUND EXCEPTION TO THE DEFINITION OF CONTRIBUTION.—Section 301(8)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)) is amended—

(1) by striking clause (viii); and

(2) by redesignating clauses (ix) through (xiv) as clauses (viii) through (xiii), respectively.

TITLE II—INDEPENDENT AND COORDINATED EXPENDITURES

SEC. 201. DEFINITIONS.

(a) DEFINITION OF INDEPENDENT EXPENDITURE.—Section 301 of the Federal Election Campaign Act (2 U.S.C. 431) is amended by striking paragraph (17) and inserting the following:

''(17) INDEPENDENT EXPENDITURE.—

''(A) IN GENERAL.— The term 'independent expenditure' means an expenditure by a person—

''(i) for a communication that is express advocacy; and

''(ii) that is not coordinated activity or is not provided in coordination with a candidate or a candidate's agent or a person who is coordinating with a candidate or a candidate's agent.''.

(b) DEFINITION OF EXPRESS ADVOCACY.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by adding at the end the following:

''(20) EXPRESS ADVOCACY.—

''(A) IN GENERAL.—The term 'express advocacy' means a communication that advocates the election or defeat of a candidate by—

''(i) containing a phrase such as 'vote for', 're-elect', 'support', 'cast your ballot for', '(name of candidate) for Congress', '(name of candidate) in 1997', 'vote against', 'defeat', 'reject', or a campaign slogan or words that in context can have no reasonable meaning other than to advocate the election or defeat of one or more clearly identified candidates;

''(ii) referring to one or more clearly identified candidates in a paid advertisement that is transmitted through radio or television within 60 calendar days preceding the date of an election of the candidate and that appears in the State in which the election is occurring, except that with respect to a candidate for the office of Vice President or President, the time period is within 60 calendar days preceding the date of a general election; or

''(iii) expressing unmistakable and unambiguous support for or opposition to one or more clearly identified candidates when taken as a whole and with limited reference to external events, such as proximity to an election.

''(B) VOTING RECORD AND VOTING GUIDE EXCEPTION.—The term 'express advocacy' does not include a communication which is in printed form or posted on the Internet that—

''(i) presents information solely about the voting record or position on a campaign issue of one or more candidates (including any statement by the sponsor of the voting record or voting guide of its agreement or disagreement with the record or position of a candidate), so long as the voting record or voting guide when taken as a whole does not express unmistakable and unambiguous support for or opposition to one or more clearly identified candidates;

''(ii) is not coordinated activity or is not made in coordination with a candidate, political party, or agent of the candidate or party, or a candidate's agent or a person who is coordinating with a candidate or a candidate's agent, except that nothing in this clause may be construed to prevent the sponsor of the voting guide from directing questions in writing to a candidate about the candidate's position on issues for purposes of preparing a voter guide or to prevent the candidate from responding in writing to such questions; and

''(iii) does not contain a phrase such as 'vote for', 're-elect', 'support', 'cast your ballot for', '(name of candidate) for Congress', '(name of candidate) in 1997', 'vote against', 'defeat', 'reject', or a campaign slogan or words that in context can have no reasonable meaning other than to urge the election or defeat of one or more clearly identified candidates.''.

(c) DEFINITION OF EXPENDITURE.—Section 301(9)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(A)) is amended—

(1) in clause (i), by striking ''and'' at the end;

(2) in clause (ii), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(iii) a payment made by a political committee for a communication that—

''(I) refers to a clearly identified candidate; and

''(II) is for the purpose of influencing a Federal election (regardless of whether the communication is express advocacy).''.

SEC. 202. EXPRESS ADVOCACY DETERMINED WITHOUT REGARD TO BACKGROUND MUSIC.

Section 301(20) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(20)), as added by section 201(b), is amended by adding at the end the following new subparagraph:

''(C) BACKGROUND MUSIC.—In determining whether any communication by television or radio broadcast constitutes express advocacy for purposes of this Act, there shall not be taken into account any background music not including lyrics used in such broadcast.''.

SEC. 203. CIVIL PENALTY.

Section 309 of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g) is amended—

(1) in subsection (a)—

(A) in paragraph (4)(A)—

(1) in clause (i), by striking ''clause (ii)'' and inserting ''clauses (ii) and (iii)''; and

(ii) by adding at the end the following:

''(iii) If the Commission determines by an affirmative vote of 4 of its members that there is probable cause to believe that a person has made a knowing and willful violation of section 304(c), the Commission shall not enter into a conciliation agreement under this paragraph and may institute a civil action for relief under paragraph (6)(A).''; and

(B) in paragraph (6)(B), by inserting ''(except an action instituted in connection with a knowing and willful violation of section 304(c))' after 'subparagraph (A)''; and

(2) in subsection (d)(1)—

(A) in subparagraph (A), by striking ''Any person'' and inserting ''Except as provided in subparagraph (D), any person''; and

(B) by adding at the end the following.—

''(D) In the case of a knowing and willful violation of section 304(c) that involves the reporting of an independent expenditure, the violation shall not be subject to this subsection.''.

SEC. 204. REPORTING REQUIREMENTS FOR CERTAIN INDEPENDENT EXPENDITURES.

Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended—

(1) in subsection (c)(2), by striking the undesignated matter after subparagraph (C);

(2) by redesignating paragraph (3) of subsection (c) as subsection (f); and

(3) by inserting after subsection (c)(2) (as amended by paragraph (1)) the following.—

''(d) TIME FOR REPORTING CERTAIN EXPENDITURES.—

''(1) EXPENDITURES AGGREGATING $1,000.—

''(A) INITIAL REPORT.—A person (including a political committee) that makes or contracts to make independent expenditures aggregating $1,000 or more after the 20th day, but more than 24 hours, before the date of an election shall file a report describing the expenditures within 24 hours after that amount of independent expenditures has been made.

''(B) ADDITIONAL REPORTS.—After a person files a report under subparagraph (A), the

person shall file an additional report within 24 hours after each time the person makes or contracts to make independent expenditures aggregating an additional $1,000 with respect to the same election as that to which the initial report relates.

''(2) EXPENDITURES AGGREGATING $10,000.—

''(A) INITIAL REPORT.—A person (including a political committee) that makes or contracts to make independent expenditures aggregating $10,000 or more at any time up to and including the 20th day before the date of an election shall file a report describing the expenditures within 48 hours after that amount of independent expenditures has been made.

''(B) ADDITIONAL REPORTS.—After a person files a report under subparagraph (A), the person shall file an additional report within 48 hours after each time the person makes or contracts to make independent expenditures aggregating an additional $10,000 with respect to the same election as that to which the initial report relates.

''(3) PLACE OF FILING; CONTENTS.—A report under this subsection—

''(A) shall be filed with the Commission; and

''(B) shall contain the information required by subsection (b)(6)(B)(iii), including the name of each candidate whom an expenditure is intended to support or oppose.''.

SEC. 205. INDEPENDENT VERSUS COORDINATED EXPENDITURES BY PARTY.

Section 315(d) of the Federal Election Campaign Act (2 U.S.C. 441a(d)) is amended—

(1) in paragraph (1), by striking ''and (3)'' and inserting, ''(3), and (4)''; and

(2) by adding at the end the following:

''(4) INDEPENDENT VERSUS COORDINATED EXPENDITURES BY PARTY.—

''(A) IN GENERAL.—On or after the date on which a political party nominates a candidate, a committee of the political party shall not make both expenditures under this subsection and independent expenditures (as defined in section 301(17)) with respect to the candidate during the election cycle.

''(B) CERTIFICATION.—Before making a coordinated expenditure under this subsection with respect to a candidate, a committee of a political party shall file with the Commission a certification, signed by the treasurer of the committee, that the committee has not and shall not make any independent expenditure with respect to the candidate during the same election cycle.

''(C) APPLICATION.—For purposes of this paragraph, all political committees established and maintained by a national political party (including all congressional campaign committees) and all political committees established and maintained by a State political party (including any subordinate committee of a State committee) shall be considered to be a single political committee.

''(D) TRANSFERS.—A committee of a political party that submits a certification under subparagraph (B) with respect to a candidate shall not, during an election cycle, transfer any funds to, assign authority to make coordinated expenditures under this subsection to, or receive a transfer of funds from, a committee of the political party that has made or intends to make an independent expenditure with respect to the candidate.''.

SEC. 206. COORDINATION WITH CANDIDATES.

(a) DEFINITION OF COORDINATION WITH CANDIDATES.—

(1) SECTION 301(8).—Section 301(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)) is amended—

(A) in subparagraph (A)—

(i) by striking ''or'' at the end of clause (i);

(ii) by striking the period at the end of clause (ii) and inserting ''; or''; and

(iii) by adding at the end the following:

''(iii) coordinated activity (as defined in subparagraph (C)).''; and

(B) by adding at the end the following.—

''(C) ''Coordinated activity'' means anything of value provided by a person in coordination with a candidate, an agent of the candidate, or the political party of the candidate or its agent for the purpose of influencing a Federal election (regardless of whether the value being provided is a communication that is express advocacy) in which such candidate seeks nomination or election to Federal office, and includes any of the following.—

''(i) A payment made by a person in cooperation, consultation, or concert with, at the request or suggestion of, or pursuant to any general or particular understanding with a candidate, the candidate's authorized committee, the political party of the candidate, or an agent acting on behalf of a candidate, authorized committee, or the political party of the candidate.

''(ii) A payment made by a person for the production, dissemination, distribution, or republication, in whole or in part, of any broadcast or any written graphic, or other form of campaign material prepared by a candidate, a candidate's authorized committee, or an agent of a candidate or authorized committee (not including a communication described in paragraph (9)(B)(i) or a communication that expressly advocates the candidate's defeat).

''(iii) A payment made by a person based on information about a candidate's plans, projects, or needs provided to the person making the payment by the candidate or the candidate's agent who provides the information with the intent that the payment be made.

''(iv) A payment made by a person if, in the same election cycle in which the payment is made, the person making the payment is serving or has served as a member, employee, fundraiser, or agent of the candidate's authorized committee in an executive or policymaking position.

''(v) A payment made by a person if the person making the payment has served in any formal policy making or advisory position with the candidate's campaign or has participated in formal strategic or formal policymaking discussions (other than any discussion treated as a lobbying contact under the Lobbying Disclosure Act of 1995 in the case of a candidate holding Federal office or as a similar lobbying activity in the case of a candidate holding State or other elective office) with the candidate's campaign relating to the candidate's pursuit of nomination for election, or election, to Federal office, in the same election cycle as the election cycle in which the payment is made.

''(vi) A payment made by a person if, in the same election cycle, the person making the payment retains the professional services of any person that has provided or is providing campaign-related services in the same election cycle to a candidate (including services provided through a political committee of the candidate's political party) in connection with the candidate's pursuit of nomination for election, or election, to Federal office, including services relating to the candidate's decision to seek Federal office, and the person retained is retained to work on activities relating to that candidate's campaign.

''(vii) A payment made by a person who has directly participated in fundraising activities with the candidate or in the solicitation or receipt of contributions on behalf of the candidate.

''(viii) A payment made by a person who has communicated with the candidate or an agent of the candidate (including a communication through a political committee of the candidate's political party) after the declaration of candidacy (including a pollster, media consultant, vendor, advisor, or staff member acting on behalf of the candidate), about advertising message, allocation of resource, fundraising, or other campaign matters related to the candidate's campaign, including campaign operations, staffing, tactics, or strategy.

''(ix) The provision of in-kind professional services or polling data (including services or data provided through a political committee of the candidate's political party) to the candidate or candidate's agent.

''(x) A payment made by a person who has engaged in a coordinated activity with a candidate described in clauses (i) through (ix) for a communication that clearly refers to the candidate or the candidate's opponent and is for the purpose of influencing that candidate's election (regardless of whether the communication is express advocacy).

''(D) For purposes of subparagraph (C), the term 'professional services' means polling, media advice, fundraising, campaign research or direct mail (except for mailhouse services solely for the distribution of voter guides as defined in section 431(20)(B)) services in support of a candidate's pursuit of nomination for election, or election, to Federal office.

''(E) For purposes of subparagraph (C), all political committees established and maintained by a national political party (including all congressional campaign committees) and all political committees established and maintained by a State political party (including any subordinate committee of a State committee) shall be considered to be a single political committee.''.

(2) SECTION 315(a)(7).—Section 315(a)(7) (2 U.S.C. 441a(a)(7)) is amended by striking subparagraph (B) and inserting the following—

''(B) a coordinated activity, as described in section 301(8)(C), shall be considered to be a contribution to the candidate, and in the case of a limitation on expenditures, shall be treated as an expenditure by the candidate.

''(b) MEANING OF CONTRIBUTION OR EXPENDITURE FOR THE PURPOSES OF SECTION 316.—Section 316(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)) is amended by striking shall include' and inserting 'includes a contribution or expenditure, as those terms are defined in section 301, and also includes' ''.

TITLE III—DISCLOSURE

SEC. 301. FILING OF REPORTS USING COMPUTERS AND FACSIMILE MACHINES.

Section 304(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended by striking paragraph (11) and inserting the following—

''(11)(A) The Commission shall promulgate a regulation under which a person required to file a designation, statement, or report under this Act—

''(i) is required to maintain and file a designation, statement, or report for any calendar year in electronic form accessible by computers if the person has, or has reason to expect to have, aggregate contributions or expenditures in excess of a threshold amount determined by the Commission; and

''(ii) may maintain and file a designation, statement, or report in electronic form or an alternative form, including the use of a facsimile machine, if not required to do so under the regulation promulgated under clause (i).

''(B) The Commission shall make a designation, statement, report, or notification that is filed electronically with the Commission accessible to the public on the Internet not later than 24 hours after the designation, statement, report, or notification is received by the Commission.

''(C) In promulgating a regulation under this paragraph, the Commission shall provide methods (other than requiring a signature on the document being filed) for verifying designations, statements, and reports covered by the regulation. Any document verified under any of the methods shall be treated for all purposes (including penalties for perjury) in the same manner as a document verified by signature.''.

SEC. 302. PROHIBITION OF DEPOSIT OF CONTRIBUTIONS WITH INCOMPLETE CONTRIBUTOR INFORMATION.

Section 302 of Federal Election Campaign Act of 1971 (2 U.S.C. 432) is amended by adding at the end the following:

''(j) DEPOSIT OF CONTRIBUTIONS.—The treasurer of a candidate's authorized committee shall not deposit, except in an escrow account, or otherwise negotiate a contribution from a person who makes an aggregate amount of contributions in excess of $200 during a calendar year unless the treasurer verifies that the information required by this section with respect to the contributor is complete.'.

SEC. 303. AUDITS.

(a) RANDOM AUDITS.—Section 311(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 438(b)) is amended—

(1) by inserting ''(1) IN GENERAL.—'' before ''The Commission'';

(2) by moving the text 2 ems to the right; and

(3) by adding at the end the following:

''(2) RANDOM AUDITS.—

''(A) IN GENERAL.—Notwithstanding paragraph (1), the Commission may conduct random audits and investigations to ensure voluntary compliance with this Act. The selection of any candidate for a random audit or investigation shall be based on criteria adopted by a vote of at least four members of the Commission.

''(B) LIMITATION.—The Commission shall not conduct an audit or investigation of a candidate's authorized committee under subparagraph (A) until the candidate is no longer a candidate for the office sought by the candidate in an election cycle.

''(C) APPLICABILITY.—This paragraph does not apply to an authorized committee of a candidate for President or Vice President subject to audit under section 9007 or 9038 of the Internal Revenue Code of 1986.''.

(b) EXTENSION OF PERIOD DURING WHICH CAMPAIGN AUDITS MAY BE BEGUN.—Section 311(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 438(b)) is amended by striking '6 months' and inserting ''12 months''.

SEC. 304. REPORTING REQUIREMENTS FOR CONTRIBUTIONS OF $50 OR MORE

Section 304(b)(3)(A) of the Federal Election Campaign Act at 1971 (2 U.S.C. 434(b)(3)(A) is amended—

(1) by striking ''$200'' and inserting ''$50''; and

(2) by striking the semicolon and inserting '', except that in the case of a person who makes contributions aggregating at least $50 but not more than $200 during the calendar year, the identification need include only the name and address of the person;''.

SEC. 305. USE OF CANDIDATES' NAMES.

Section 302(e) of the Federal Election Campaign Act of 1971 (2 U.S.C. 432(e)) is amended by striking paragraph (4) and inserting the following:

''(4)(A) The name of each authorized committee shall include the name of the candidate who authorized the committee under paragraph (1).

''(B) A political committee that is not an authorized committee shall not—

''(i) include the name of any candidate in its name; or

''(ii) except in the case of a national, State, or local party committee, use the name of any candidate in any activity on behalf of the committee in such a context as to suggest that the committee is an authorized committee of the candidate or that the use of the candidate's name has been authorized by the candidate.''.

SEC. 306. PROHIBITION OF FALSE REPRESENTATION TO SOLICIT CONTRIBUTIONS.

Section 322 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441h) is amended—

(1) by inserting after ''SEC. 322.'' the following: ''(a) IN GENERAL:''; and

(2) by adding at the end the following:

''(b) SOLICITATION OF CONTRIBUTIONS.—No person shall solicit contributions by falsely representing himself or herself as a candidate or as a representative of a candidate, a political committee, or a political party.''.

SEC. 307. SOFT MONEY OF PERSONS OTHER THAN POLITICAL PARTIES.

(a) IN GENERAL.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by section 103(c) and section 204) is amended by adding at the end the following:

''(g) DISBURSEMENTS OF PERSONS OTHER THAN POLITICAL PARTIES.—

''(1) IN GENERAL.—A person, other than a political committee of a political party or a person described in section 501(d) of the Internal Revenue Code of 1986, that makes an aggregate amount of disbursements in excess of $50,000 during a calendar year for activities described in paragraph (2) shall file a statement with the Commission—

''(A) on a monthly basis as described in subsection (a)(4)(B); or

''(B) in the case of disbursements that are made within 20 days of an election, within 24 hours after the disbursement are made.

''(2) ACTIVITY.—The activity described in this paragraph is—

''(A) Federal election activity;

''(B) an activity described in section 316(b)(2)(A) that expresses support for or opposition to a candidate for Federal office or a political party; and

''(C) an activity described in subparagraph (B) or (C) of section 316(b)(2).

''(3) APPLICABILITY.—This subsection does not apply to—

''(A) a candidate or a candidate's authorized committees; or

''(B) an independent expenditure.

''(4) CONTENTS.—A statement under this section shall contain such information about the disbursements made during the reporting period as the Commission shall prescribe, including—

''(A) the aggregate amount of disbursements made;

''(B) the name and address of the person or entity to whom a disbursement is made in an aggregate amount in excess of $200;

''(C) the date made, amount, and purpose of the disbursement; and

''(D) if applicable, whether the disbursement was in support of, or in opposition to, a candidate or a political party, and the name of the candidate or the political party.''.

(b) DEFINITION OF GENERIC CAMPAIGN ACTIVITY.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) (as amended by section 201(b)) is further amended by adding at the end the following:

''(21) GENERIC CAMPAIGN ACTIVITY.—The term 'generic campaign activity' means an activity that promotes a political party and does not promote a candidate or non-Federal candidate.''

SEC. 308. CAMPAIGN ADVERTISING.

Section 318 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441d) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1)—

(i) by striking ''Whenever'' and inserting ''Whenever a political committee makes a disbursement for the purpose of financing any communication through any broadcasting station, newspaper, magazine, outdoor advertising facility, mailing, or any other type of general public political advertising, or whenever'';

(ii) by striking ''an expenditure'' and inserting ''a disbursement''; and

(iii) by striking ''direct''; and

(B) in paragraph (3), by inserting ''and permanent street address'' and ''name''; and

(2) by adding at the end the following:

''(c) Any printed communication described in subsection (a) shall—

''(1) be of sufficient type size to be clearly readable by the recipient of the communication;

''(2) be contained in a printed box set apart from the other contents of the communication; and

''(3) be printed with a reasonable degree of color contrast between the background and the printed statement.

''(d)(1) Any communication described in paragraphs (1) or (2) of subsection (a) which is transmitted through radio or television shall include, in addition to the requirements of that paragraph, an audio statement by the candidate that identifies the candidate and states that the candidate has approved the communication.

''(2) If a communication described in paragraph (1) is transmitted through television, the communication shall include, in addition to the audio statement under paragraph (1), a written statement that—

''(A) appears at the end of the communication in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds; and

''(B) is accompanied by a clearly identifiable photographic or similar image of the candidate.

''(e) Any communication described in paragraph (3) of subsection (a) which is transmitted through radio or television shall include, in addition to the requirements of that paragraph, in a clearly spoken manner, the following statement: 'XXXXXXX is responsible for the content of this advertisement.' (with the blank to be filled in with the name of the political committee or other person paying for the communication and the name of any connected organization of the payor). If transmitted through television, the statement shall also appear in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds.''

TITLE IV—PERSONAL WEALTH OPTION

SEC. 401. VOLUNTARY PERSONAL FUNDS EXPENDITURE LIMIT.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by section 101, is further amended by adding at the end the following new section:

''VOLUNTARY PERSONAL FUNDS EXPENDITURE LIMIT

Sec. 324. (a) ELIGIBLE CONGRESSIONAL CANDIDATE.—

(1) PRIMARY ELECTION.—

''(A) DECLARATION.—A candidate for election for Senator or Representative in or Delegate or Resident Commissioner to the Congress is an eligible primary election Congressional candidate if the candidate files with the Commission a declaration that the candidate and the candidate's authorized committees will not make expenditures in excess of the personal funds expenditure limit.

''(B) TIME TO FILE.—The declaration under subparagraph (A) shall be filed not later than the date on which the candidate files with the appropriate State officer as a candidate for the primary election.

''(2) GENERAL ELECTION.—

''(A) DECLARATION.—A candidate for election for Senator or Representative in or Delegate or Resident Commissioner to the Congress is an eligible general election Congressional candidate if the candidate files with the Commission—

''(i) a declaration under penalty of perjury, with supporting documentation as required by the Commission, that the candidate and the candidate's authorized committees did not exceed the personal funds expenditure limit in connection with the primary election; and

''(ii) a declaration that the candidate and the candidate's authorized committees will not make expenditures in excess of the personal funds expenditure limit.

''(B) TIME TO FILE.—The declaration under subparagraph (A) shall be filed not later than 7 days after the earlier of—

''(i) the date on which the candidate qualifies for the general election ballot under State law; or

''(ii) if under State law, a primary or runoff election to qualify for the general ballot occurs after September 1, the date on which the candidate wins the primary or runoff election.

''(b) PERSONAL FUNDS EXPENDITURE LIMIT.—

''(1) IN GENERAL.—The aggregate amount of expenditures that may be made in connection with an election by an eligible Congressional candidate or the candidate's authorized committees from the sources described in paragraph (2) shall not exceed $50,000.

''(2) SOURCES.—A source is described in this paragraph if the source is—

''(A) personal funds of the candidate and members of the candidate's immediate family; or

''(B) proceeds of indebtedness incurred by the candidate or a member of the candidate's immediate family.

''(C) CERTIFICATION BY THE COMMISSION.—

''(1) IN GENERAL.—The Commission shall determine whether a candidate has met the requirements of this section and, based on the determination, issue a certification stating whether the candidate is an eligible Congressional candidate.

''(2) TIME FOR CERTIFICATION.—Not later than 7 business days after a candidate files a declaration under paragraph (1) or (2) of subsection (a), the Commission shall certify whether the candidate is an eligible Congressional candidate.

''(3) REVOCATION.—The Commission shall revoke a certification under paragraph (1), based on information submitted in such form and manner as the Commission may require or on information that comes to the Commission by other means, if the Commission determines that a candidate violates the personal funds expenditure limit.

''(4) DETERMINATIONS BY COMMISSION.—A determination made by the Commission under this subsection shall be final, except to the extent that the determination is subject to examination and audit by the Commission and to judicial review.

''(d) PENALTY.—If the Commission revokes the certification of an eligible Congressional candidate—

''(1) the Commission shall notify the candidate of the revocation; and

''(2) the candidate and a candidate's authorized committees shall pay to the Commission an amount equal to the amount of expenditures made by a national committee of a political party or a State committee of a political party in connection with the general election campaign of the candidate under section 315(d).''.

SEC. 402. POLITICAL PARTY COMMITTEE COORDINATED EXPENDITURES.

Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) (as amended by section 204) is amended by adding at the end the following:

''(5) This subsection does not apply to expenditures made in connection with the general election campaign of a candidate for Senator or Representative in or Delegate or Resident Commissioner to the Congress who is not an eligible Congressional candidate (as defined in section 324(a)).''.

TITLE V—MISCELLANEOUS

SEC. 501 CODIFICATION OF BECK DECISION.

Section 8 of the National Labor Relations Act (29 U.S.C. 158) is amended by adding at the end the following new subsection:

''(h) NONUNION MEMBER PAYMENTS TO LABOR ORGANIZATION.—

''(1) IN GENERAL.—It shall be an unfair labor practice for any labor organization which receives a payment from an employee pursuant to an agreement that requires employees who are not members of the organization to make payments to such organization in lieu of organization dues or fees not to establish and implement the objection procedure described in paragraph (2).

''(2) OBJECTION PROCEDURE:—The objection procedure required under paragraph (1) shall meet the following requirements:

''(A) The labor organization shall annually provide to employees who are covered by such agreement but are not members of the organization—

''(i) reasonable personal notice of the objection procedure, a list of the employees eligible to invoke the procedure, and the time, place, and manner for filing an objection; and

''(ii) reasonable opportunity to file an objection to paying for organization expenditures supporting political activities unrelated to collective bargaining, including but not limited to the opportunity to file such objection by mail.

''(B) If an employee who is not a member of the labor organization files an objection under the procedure in subparagraph (A), such organization shall—

''(i) reduce the payments in lieu of organization dues or fees by such employee by an amount which reasonably reflects the ratio that the organization's expenditures supporting political activities unrelated to collective bargaining bears to such organization's total expenditures; and

''(ii) provide such employee with a reasonable explanation of the organization's calculation of such reduction, including calculating the amount of organization expenditures supporting political activities unrelated to collective bargaining.

''(3) DEFINITION.—In this subsection, the term 'expenditures supporting political activities unrelated to collective bargaining' means expenditures in connection with a Federal, State, or local election or in connection with efforts to influence legislation unrelated to collective bargaining.''.

SEC. 502. USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by striking section 313 and inserting the following:

''USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES

''SEC. 313. (a) PERMITTED USES.—A contribution accepted by a candidate, and any other amount received by an individual as support for activities of the individual as a holder of Federal office, may be used by the candidate or individual—

''(1) for expenditures in connection with the campaign for Federal office of the candidate or individual;

''(2) for ordinary and necessary expenses incurred in connection with duties of the individual as a holder of Federal office;

''(3) for contributions to an organization described in section 170(c) of the Internal Revenue Code of 1986; or

''(4) for transfers to a national, State, or local committee of a political party.

''(b) PROHIBITED USE.—

''(1) IN GENERAL.—A contribution or amount described in subsection (a) shall not be converted by any person to personal use.

''(2) CONVERSION.—For the purposes of paragraph (1), a contribution or amount shall be considered to be converted to personal use if the contribution or amount is used to fulfill any commitment, obligation, or expense of a person that would exist irrespective of the candidate's election campaign or individual's duties as a holder of Federal officeholder, including—

''(A) a home mortgage, rent, or utility payment;

''(B) a clothing purchase;

''(C) a noncampaign-related automobile expense;

''(D) a country club membership;

''(E) a vacation or other noncampaign-related trip;

''(F) a household food item;

''(G) a tuition payment;

''(H) admission to a sporting event, concert, theater, or other form of entertainment not associated with an election campaign; and

''(I) dues, fees, and other payments to a health club or recreational facility.''.

SEC. 503. LIMIT ON CONGRESSIONAL USE OF THE FRANKING PRIVILEGE.

Section 3210(a)(6) of title 39, United States Code, is amended by striking subparagraph (A) and inserting the following:

''(A) A Member of Congress shall not mail any mass mailing as franked mail during the 180-day period which ends on the date of the general election for the office held by the Member or during the 90-day period which ends on the date of any primary election for that office, unless the Member has made a public announcement that the Member will not be a candidate for reelection during that year or for election to any other Federal office.''.

SEC. 504. PROHIBITION OF FUNDRAISING ON FEDERAL PROPERTY.

Section 607 of title 18, United States Code, is amended—

(1) by striking subsection (a) and inserting the following:

''(a) PROHIBITION.—

''(1) IN GENERAL.—It shall be unlawful for any person to solicit or receive a donation of money or other thing of value in connection with a Federal, State, or local election from a person who is located in a room or building occupied in the discharge of official duties by an officer or employee of the United States. An individual who is an officer or employee of the Federal Government, including the President, Vice President, and Members of Congress, shall not solicit a donation of money or other thing of value in connection with a Federal, State, or local election while in any room or building occupied in the discharge of official duties by an officer or employee of the United States, from any person.

''(2) PENALTY.—A person who violates this section shall be fined not more than $5,000, imprisoned more than 3 years, or both.''; and

(2) in subsection (b), by inserting ''or Executive Office of the President'' after ''Congress''.

SEC. 505. PENALTIES FOR VIOLATIONS.

(a) INCREASED PENALTIES.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) is amended—

(1) in paragraphs (5)(A), (6)(A), and (6)(B), by striking ''$5,000'' and inserting ''$10,000''; and

(2) in paragraphs (5)(B) and (6)(C), by striking ''$10,000 or an amount equal to 200 percent'' and inserting ''$20,000 or an amount equal to 300 percent''.

(b) EQUITABLE REMEDIES.—Section 309(a)(5)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(5)) is amended by striking the period at the end and inserting '', and may include equitable remedies or penalties, including disgorgement of funds to the Treasury or community service requirements (including requirements to participate in public education programs).''.

(c) AUTOMATIC PENALTY FOR LATE FILING.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) is amended—

(1) by adding at the end the following:

''(13) PENALTY FOR LATE FILING.—

''(A) IN GENERAL.—

''(i) MONETARY PENALTIES.—The Commission shall establish a schedule of mandatory monetary penalties that shall be imposed by the Commission for failure to meet a time requirement for filing under section 304.

''(ii) REQUIRED FILING.—In addition to imposing a penalty, the Commission may require a report that has not been filed within the time requirements of section 304 to be filed by specific date.

''(iii) PROCEDURE.—A penalty or filing requirement imposed under this paragraph shall not be subject to paragraph (1), (2), (3), (4), (5), or (12).

''(B) FILING AN EXCEPTION.—

''(i) TIME TO FILE.—A political committee shall have 30 days after the imposition of a penalty or filing requirement by the Commission under this paragraph in which to file an exception with the Commission.

''(ii) TIME FOR COMMISSION TO RULE.—Within 30 days after receiving an exception, the Commission shall make a determination that is a final agency action subject to exclusive review by the United States Court of Appeals for the District of Columbia Circuit under section 706 of title 5, United States Code, upon petition filed in that court by the political committee or treasurer that is the subject of the agency action, if the petition is filed within 30 days after the date of the Commission action for which review is sought.'';

(2) in paragraph (5)(D)—

(A) by inserting after the first sentence the following: ''In any case in which a penalty or filing requirement imposed on a political committee or treasurer under paragraph (13) has not been satisfied, the Commission may institute a civil action for enforcement under paragraph (6)(A).''; and

(B) by inserting before the period at the end of the last sentence the following: ''or has failed to pay a penalty or meet a filing requirement imposed under paragraph (13)''; and

(3) in paragraph (6)(A), by striking ''paragraph (4)(A)'' and inserting ''paragraph (4)(A) or (13)''.

SEC. 506. STRENGTHENING FOREIGN MONEY BAN.

(a) IN GENERAL.—Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended—

(1) by striking the heading and inserting the following: ''CONTRIBUTIONS AND DONATIONS BY FOREIGN NATIONALS''; and

(2) by striking subsection (a) and inserting the following:

''(a) PROHIBITION.—It shall be unlawful for—

''(1) a foreign national, directly or indirectly, to make—

''(A) a donation of money or other thing of value, or to promise expressly or impliedly to make a donation, in connection with a Federal, State, or local election; or

''(B) a contribution or donation to a committee of a political party; or

''(2) a person to solicit, accept, or receive such a contribution or donation from a foreign national.''.

(b) PROHIBITING USE OF WILLFUL BLINDNESS AS DEFENSE AGAINST CHARGE OF VIOLATING FOREIGN CONTRIBUTION BAN.—

(1) IN GENERAL.—Section 319 of such Act (2 U.S.C. 441(e) is amended—

(A) by redesignating subsection (b) as subsection (c); and

(B) by inserting after subsection (a) the following new subsection.—

''(b) PROHIBITING USE OF WILLFUL BLINDNESS DEFENSE.—It shall not be a defense to a violation of subsection (a) that the defendant did not know that the contribution originated from a foreign national if the defendant should have known that the contribution originated from a foreign national, except that the trier of fact may not find that the defendant should have known that the contribution originated from a foreign national solely because of the name of the contributor.''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply with respect to violations occurring on or after the date of the enactment of this Act.

SEC. 507. PROHIBITION OF CONTRIBUTIONS BY MINORS.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101 and 401, is further amended by adding at the end the following new section.—

''PROHIBITION OF CONTRIBUTIONS BY MINORS

''SEC. 325. An individual who is 17 years old or younger shall not make a contribution to a candidate or a contribution or donation to a committee of a political party.''.

SEC. 508. EXPEDITED PROCEDURES.

(a) IN GENERAL.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) (as amended by section 505(c)) is amended by adding at the end the following.—

''(14)(A) If the complaint in a proceeding was filed within 60 days preceding the date of a general election, the Commission may take action described in this subparagraph.

''(B) If the Commission determines, on the basis of facts alleged in the complaint and other facts available to the Commission, that there is clear and convincing evidence that a violation of this Act has occurred, is occurring, or is about to occur, the Commission may order expedited proceedings, shortening the time periods for proceedings under paragraphs (1), (2), (3), and (4) as necessary to allow the matter to be resolved in sufficient time before the election to avoid harm or prejudice to the interests of the parties.

''(C) If the Commission determines, on the basis of facts alleged in the complaint and other facts available to the Commission, that the complaint is clearly without merit, the Commission may—

''(i) order expedited proceedings, shortening the time periods for proceedings under paragraphs (1), (2), (3), and (4) as necessary to allow the matter to be resolved in sufficient time before the election to avoid harm or prejudice to the interests of the parties; or

''(ii) if the Commission determines that there is insufficient time to conduct proceedings before the election, summarily dismiss the complaint.''.

(b) REFERRAL TO ATTORNEY GENERAL.—Section 309(a)(5) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(5)) is amended by striking subparagraph (C) and inserting the following.—

''(C) The Commission may at any time, by an affirmative vote of at least 4 of its members, refer a possible violation of this Act or chapter 95 or 96 of the Internal Revenue Code of 1986, to the Attorney General of the United States, without regard to any limitation set forth in this section.''.

SEC. 509. INITIATION OF ENFORCEMENT PROCEEDING.

Section 309(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(2)) is amended by striking ''reason to believe that'' and inserting ''reason to investigate whether''.

SEC. 510. PROTECTING EQUAL PARTICIPATION OF ELIGIBLE VOTERS IN CAMPAIGNS AND ELECTIONS.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, and 507, is further amended by adding at the end the following new section.—

''PROTECTING EQUAL PARTICIPATION OF ELIGIBLE VOTERS IN CAMPAIGNS AND ELECTIONS

''SEC. 326. (a) IN GENERAL.—Nothing in this Act may be construed to prohibit any individual eligible to vote in an election for Federal office from making contributions or expenditures in support of a candidate for such an election (including voluntary contributions or expenditures made through a separate segregated fund established by the individual's employer or labor organization) or otherwise participating in any campaign for such an election in the same manner and to the same extent as any other individual eligible to vote in an election for such office.

''(b) NO EFFECT ON GEOGRAPHIC RESTRICTIONS ON CONTRIBUTIONS.—Subsection (a) may not be construed to affect any restriction under this title regarding the portion of contributions accepted by a candidate from persons residing in a particular geographic area.''.

SEC. 511. PENALTY FOR VIOLATION OF PROHIBITION AGAINST FOREIGN CONTRIBUTIONS.

(a) IN GENERAL.—Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e), as amended by section 506(b), is further amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following new subsection:

''(c) PENALTY.—

''(1) IN GENERAL.—Except as provided in paragraph (2), notwithstanding any other provision of this title any person who violates subsection (a) shall be sentenced to a term of imprisonment which may not be more than 10 years, fined in an amount not to exceed $1,000,000, or both.

''(2) EXCEPTION.—Paragraph (1) shall not apply with respect to any violation of subsection (a) arising from a contribution or donation made by an individual who is lawfully admitted for permanent residence (as defined in section 101(a)(22) of the Immigration and Nationality Act).''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to violations occurring on or after the date of the enactment of this Act.

SEC. 512. EXPEDITED COURT REVIEW OF CERTAIN ALLEGED VIOLATIONS OF FEDERAL ELECTION CAMPAIGN ACT OF 1971.

(a) IN GENERAL.—Section 309 of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g) is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following new subsection:

''(d) Notwithstanding any other provision of this section, if a candidate (or the candidate's authorized committee) believes that a violation described in paragraph (2) has been committed with respect to an election

during the 90-day period preceding the date of the election, the candidate or committee may institute a civil action on behalf of the Commission for relief (including injunctive relief) against the alleged violator in the same manner and under the same terms and conditions as an action instituted by the Commission under subsection (a)(6), except that the court involved shall issue a decision regarding the action as soon as practicable after the action is instituted and to the greatest extent possible issue the decision prior to the date of the election involved.

''(2) A violation described in this paragraph is a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1986 relating to—

''(A) whether a contribution is in excess of an applicable limit or is otherwise prohibited under this Act; or

''(B) whether an expenditure is an independent expenditure under section 301(17).''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to elections occurring after the date of the enactment of this Act.

SEC. 513. CONSPIRACY TO VIOLATE PRESIDENTIAL CAMPAIGN SPENDING LIMITS.

(a) IN GENERAL.—Section 9003 of the Internal Revenue Code of 1986 (26 U.S.C. 9003) is amended by adding at the end the following new subsection:

''(g) PROHIBITING CONSPIRACY TO VIOLATE LIMIT.—

''(1) VIOLATION OF LIMITS DESCRIBED.—If a candidate for election to the office of President or Vice President who receives amounts from the Presidential Election Campaign Fund under chapter 95 or 96 of the Internal Revenue Code of 1986, or the agent of such a candidate, seeks to avoid the spending limits applicable to the candidate under such chapter or under the Federal Election Campaign Act of 1971 by soliciting, receiving, transferring, or directing funds from any source other than such Fund for the direct or indirect benefit of such candidate's campaign, such candidate or agent shall be fined not more than $1,000,000, or imprisoned for a term of no more than 3 years, or both.

''(2) CONSPIRACY TO VIOLATE LIMITS DEFINED.—If two or more persons conspire to violate paragraph (1), and one or more of such persons do any act to effect the object of the conspiracy, each shall be fined not more than $1,000,000, or imprisoned for a term of not more than 3 years, or both.''.

EFFECTIVE DATE.—The amendment made by this section shall apply with respect to elections occurring on or after the date of the enactment of this Act.

SEC. 514. DEPOSIT OF CERTAIN CONTRIBUTIONS AND DONATIONS IN TREASURY ACCOUNT.

''(a) IN GENERAL.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, 507, and 510, is further amended by adding at the end the following new section:

''TREATMENT OF CERTAIN CONTRIBUTIONS AND DONATIONS TO BE RETURNED TO DONORS

''SEC. 327. (a) TRANSFER TO COMMISSION.—

''(1) IN GENERAL.—Notwithstanding any other provision of this Act, if a political committee intends to return any contribution or donation given to the political committee, the committee shall transfer the contribution or donation to the Commission if—

''(A) the contribution or donation is in an amount equal to or greater than $500 (other than a contribution or donation returned within 60 days of receipt by the committee); or

''(B) the contribution or donation was made in violation of section 315, 316, 317, 319, 320, or 325 (other than a contribution or donation returned within 30 days of receipt by the committee).

''(2) INFORMATION INCLUDED WITH TRANSFERRED CONTRIBUTION OR DONATION.—A political committee shall include with any contribution or donation transferred under paragraph (1)—

''(A) a request that the Commission return the contribution or donation to the person making the contribution or donation; and

''(B) information regarding the circumstances surrounding the making of the contribution or donation and any opinion of the political committee concerning whether the contribution or donation may have been made in violation of this Act.

''(3) ESTABLISHMENT OF ESCROW ACCOUNT.—

''(A) IN GENERAL.—The Commission shall establish a single interest-bearing escrow account for deposit of amounts transferred under paragraph (1).

''(B) DISPOSITION OF AMOUNTS RECEIVED.—On receiving an amount from a political committee under paragraph (1), the Commission shall—

''(i) deposit the amount in the escrow account established under subparagraph (A); and

''(ii) notify the Attorney General and the Commissioner of the Internal Revenue Service of the receipt of the amount from the political committee.

''(C) USE OF INTEREST.—Interest earned on amounts in the escrow account established under subparagraph (A) shall be applied or used for the same purposes as the donation or contribution on which it is earned.

''(4) TREATMENT OF RETURNED CONTRIBUTION OR DONATION AS A COMPLAINT.—The transfer of any contribution or donation to the Commission under this section shall be treated as the filing of a complaint under section 309(a).

''(b) USE OF AMOUNTS PLACED IN ESCROW TO COVER FINES AND PENALTIES.—The Commission or the Attorney General may require any amount deposited in the escrow account under subsection (a)(3) to be applied toward the payment of any fine or penalty imposed under this Act or title 18, United States Code, against the person making the contribution or donation.

''(c) RETURN OF CONTRIBUTION OR DONATION AFTER DEPOSIT IN ESCROW.—

''(1) IN GENERAL.—The Commission shall return a contribution or donation deposited in the escrow account under subsection (a)(3) to the person making the contribution or donation if—

''(A) within 180 days after the date the contribution or donation is transferred, the Commission has not made a determination under section 309(a)(2) that the Commission has reason to investigate whether that the making of the contribution or donation was made in violation of this Act; or

''(B)(i) the contribution or donation will not be used to cover fines, penalties, or costs pursuant to subsection (b); or

''(ii) if the contribution or donation will be used for those purposes, that the amounts required for those purposes have been withdrawn from the escrow account and subtracted from the returnable contribution or donation.

''(2) NO EFFECT ON STATUS OF INVESTIGATION.—The return of a contribution or donation by the Commission under this subsection shall not be construed as having an effect on the status of an investigation by the Commission or the Attorney General of the contribution or donation or the circumstances surrounding the contribution or donation, or on the ability of the Commission or the Attorney General to take future actions with respect to the contribution or donation.''

''(b) AMOUNTS USED TO DETERMINE AMOUNT OF PENALTY FOR VIOLATION.—Section 309(a) of such Act (2 U.S.C. 437g(a)) is amended by inserting after paragraph (9) the following new paragraph.—

''(10) For purposes of determining the amount of a civil penalty imposed under this subsection for violations of section 326, the amount of the donation involved shall be treated as the amount of the contribution involved.''

(c) DISGORGEMENT AUTHORITY.—Section 309 of such Act (2 U.S.C. 437g) is amended by adding at the end the following new subsection:

''(e) Any conciliation agreement, civil action, or criminal action entered into or instituted under this section may require a person to forfeit to the Treasury any contribution, donation, or expenditure that is the subject of the agreement or action for transfer to the Commission for deposit in accordance with section 326.''.

''(d) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to contributions or donations refunded on or after the date of the enactment of this Act, without regard to whether the Federal Election Commission or Attorney General has issued regulations to carry out section 326 of the Federal Election Campaign Act of 1971 (as added by subsection (a)) by such date.

SEC. 515. ESTABLISHMENT OF A CLEARINGHOUSE OF INFORMATION ON POLITICAL ACTIVITIES WITHIN THE FEDERAL ELECTION COMMISSION.

(a) ESTABLISHMENT.—There shall be established within the Federal Election Commission a clearinghouse of public information regarding the political activities of foreign principals and agents of foreign principals. The information comprising this clearinghouse shall include only the following:

(1) All registrations and reports filed pursuant to the Lobbying Disclosure Act of 1995 (2 U.S.C. 1601 et seq.) during the preceding 5-year period.

(2) All registrations and reports filed pursuant to the Foreign Agents Registration Act, as amended (22 U.S.C. 611 et seq.), during the preceding 5-year period.

(3) The listings of public hearings, hearing witnesses, and witness affiliations printed in the Congressional Record during the preceding 5-year period.

(4) Public information disclosed pursuant to the rules of the Senate or the House of Representatives regarding honoraria, the receipt of gifts, travel, and earned and unearned income.

(5) All reports filed pursuant to title I of the Ethics in Government Act of 1978 (5 U.S.C. App.) during the preceding 5-year period.

(6) All public information filed with the Federal Election Commission pursuant to the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) during the preceding 5-year period.

(b) DISCLOSURE OF OTHER INFORMATION PROHIBITED.—The disclosure by the clearinghouse, or any officer or employee thereof, of any information other than that set forth in subsection (a) is prohibited, except as otherwise provided by law.

(c) DIRECTOR OF CLEARINGHOUSE.—

(1) DUTIES.—The clearinghouse shall have a Director, who shall administer and manage the responsibilities and all activities of the clearinghouse. In carrying out such duties, the Director shall—

(A) develop a filing, coding, and cross-indexing system to carry out the purposes of this section (which shall include an index of all persons identified in the reports, registrations, and other information comprising the clearinghouse);

(B) notwithstanding any other provision of law, make copies of registrations, reports, and other information comprising the clearinghouse available for public inspection and

coping, beginning not later than 30 days after the information is first available to the public, and permit copying of any such registration, report, or other information by hand or by copying machine or, at the request of any person, furnish a copy of any such registration, report, or other information upon payment of the cost of making and furnishing such copy, except that no information contained in such registration or report and no such other information shall be sold or used by any person for the purpose of soliciting contributions or for any profit-making purpose; and

(C) not later than 150 days after the date of the enactment of this Act and at any time thereafter, to prescribe, in consultation with the Comptroller General, such rules, regulations, and forms, in conformity with the provisions of chapter 5 of title 5, United States Code, as are necessary to carry out the provisions of this section in the most effective and efficient manner.

(2) APPOINTMENT.—The Director shall be appointed by the Federal Election Commission.

(3) TERM OF SERVICE.—The Director shall serve a single term of a period of time determined by the Commission, but not to exceed 5 years.

(d) PENALTIES FOR DISCLOSURE OF INFORMATION.—Any person who discloses information in violation of subsection (b), and any person who sells or uses information for the purpose of soliciting contributions or for any profit-making purpose in violation of subsection (c)(1)(B), shall be imprisoned for a period of not more than 1 year, or fined in the amount provided in title 18, United States Code, or both.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to conduct the activities of the clearinghouse.

(f) FOREIGN PRINCIPAL.—In this section, the term ''foreign principal'' shall have the same meaning given the term ''foreign national'' under section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e), as in effect as of the date of the enactment of this Act.

SEC. 516. ENFORCEMENT OF SPENDING LIMIT ON PRESIDENTIAL AND VICE PRESIDENTIAL CANDIDATES WHO RECEIVE PUBLIC FINANCING.

(a) IN GENERAL.—Section 9003 of the Internal Revenue Code of 1986 (26 U.S.C. 9003) is amended by adding at the end the following new subsection.—

''(f) ILLEGAL SOLICITATION OF SOFT MONEY.—No candidate for election to the office of President or Vice President may receive amounts from the Presidential Election Campaign Fund under this chapter or chapter 96 unless the candidate certifies that the candidate shall not solicit any funds for the purposes of influencing such election, including any funds used for an independent expenditure under the Federal Election Campaign Act of 1971, unless the funds are subject to the limitations, prohibitions, and reporting requirements of the Federal Election Campaign Act of 1971.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to elections occurring on or after the date of the enactment of this Act.

SEC. 517. CLARIFICATION OF RIGHT OF NATIONALS OF THE UNITED STATES TO MAKE POLITICAL CONTRIBUTIONS.

Section 319(d)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e(d)(2)), as amended by sections 506(b) and 511(a), is further amended by inserting after ''United States'' the following: ''or a national of the United States (as defined in section 101(a)(22) of the Immigration and Nationality Act)''.

TITLE VI—INDEPENDENT COMMISSION ON CAMPAIGN FINANCE REFORM

SEC. 601. ESTABLISHMENT AND PURPOSE OF COMMISSION.

There is established a commission to be known as the ''Independent Commission on Campaign Finance Reform'' (referred to in this title as the ''Commission''). The purposes of the Commission are to study the laws relating to the financing of political activity and to report and recommend legislation to reform those laws.

SEC. 602. MEMBERSHIP OF COMMISSION.

(a) COMPOSITION.—The Commission shall be composed of 12 members appointed within 15 days after the date of the enactment of this Act by the President from among individuals who are not incumbent Members of Congress and who are specially qualified to serve on the Commission by reason of education, training, or experience.

(b) APPOINTMENT.—

(1) IN GENERAL.—Members shall be appointed as follows.—

(A) Three members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the Speaker of the House of Representatives.

(B) Three members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the majority leader of the Senate.

(C) Three members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the minority leader of the House of Representatives.

(D) Three members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the minority leader of the Senate.

(2) FAILURE TO SUBMIT LIST OF NOMINEES.—If an official described in any of the subparagraphs of paragraph (1) fails to submit a list of nominees to the President during the 15-day period which begins on the date of the enactment of this Act—

(A) such subparagraph shall no longer apply; and

(B) the President shall appoint three members (one of whom shall be a political independent) who meet the requirements described in subsection (a) and such other criteria as the President may apply.

(3) POLITICAL INDEPENDENT DEFINED.—In this subsection, the term ''political independent'' means an individual who at no time after January 1992—

(A) has held elective office as a member of the Democratic or Republican party;

(B) has received any wages or salary from the Democratic or Republican party or from a Democratic or Republican party office-holder or candidate; or

(C) has provided substantial volunteer services or made any substantial contribution to the Democratic or Republican party or to a Democratic or Republican party office-holder or candidate.

(c) CHAIRMAN.—At the time of the appointment, the President shall designate one member of the Commission as Chairman of the Commission.

(d) TERMS.—The members of the Commission shall serve for the life of the Commission.

(e) VACANCIES.—A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(f) POLITICAL AFFILIATION.—Not more than four members of the Commission may be of the same political party.

SEC. 603. POWERS OF COMMISSION.

(a) HEARINGS.—The Commission may, for the purpose of carrying out this title, hold hearings, sit and act at times and places, take testimony, and receive evidence as the Commission considers appropriate. In carrying out the preceding sentence, the Commission shall ensure that a substantial number of its meetings are open meetings, with significant opportunities for testimony from members of the general public.

(b) QUORUM.—Seven members of the Commission shall constitute a quorum, but a lesser number may hold hearings. The approval of at least nine members of the Commission is required when approving all or a portion of the recommended legislation. Any member of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take under this section.

SEC. 604. ADMINISTRATIVE PROVISIONS.

(a) PAY AND TRAVEL EXPENSES OF MEMBERS.—(1) Each member of the Commission shall be paid at a rate equal to the daily equivalent of the annual rate of basic pay payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which the member is engaged in the actual performance of duties vested in the Commission.

(2) Members of the Commission shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

(b) STAFF DIRECTOR.—The Commission shall, without regard to section 5311(b) of title 5, United States Code, appoint a staff director, who shall be paid at the rate of basic pay payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

(c) STAFF OF COMMISSION; SERVICE.—

(1) IN GENERAL.—With the approval of the Commission, the staff director of the Commission may appoint and fix the pay of additional personnel. The Director may make such appointments without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and any personnel so appointed may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates, except that an individual so appointed may not receive pay in excess of the maximum annual rate of basic pay payable for grade GS–15 of the General Schedule under section 5332 of title 5, United States Code.

(2) EXPERTS AND CONSULTANTS.—The Commission may procure by contract the temporary or intermittent services of experts or consultants pursuant to section 3109 of title 5, United States Code.

SEC. 605. REPORT AND RECOMMENDED LEGISLATION.

(a) REPORT.—Not later than the expiration of the 180-day period which begins on the date on which the second session of the One Hundred Sixth Congress adjourns sine die, the Commission shall submit to the President, the Speaker and minority leader of the House of Representatives, and the majority and minority leaders of the Senate a report of the activities of the Commission.

(b) RECOMMENDATIONS; DRAFT OF LEGISLATION.—The report under subsection (a) shall include any recommendations for changes in the laws (including regulations) governing the financing of political activity (taking into account the provisions of this Act and the amendments made by this Act), including any changes in the rules of the Senate or the House of Representatives, to which nine or more members of the Commission may agree, together with drafts of—

(1) any legislation (including technical and conforming provisions) recommended by the Commission to implement such recommendations; and

(2) any proposed amendment to the Constitution recommended by the Commission as necessary to implement such recommendations, except that if the Commission includes such a proposed amendment in its report, it shall also include recommendations (and drafts) for legislation which may be implemented prior to the adoption of such proposed amendment.

(c) GOALS OF RECOMMENDATIONS AND LEGISLATION.—In making recommendations and preparing drafts of legislation under this section, the Commission shall consider the following to be its primary goals:

(1) Encouraging fair and open Federal elections which provide voters with meaningful information about candidates and issues.

(2) Eliminating the disproportionate influence of special interest financing of Federal elections.

(3) Creating a more equitable electoral system for challengers and incumbents.

SEC. 606. EXPEDITED CONGRESSIONAL CONSIDERATION OF LEGISLATION.

(a) IN GENERAL.—If any legislation is introduced the substance of which implements a recommendation of the Commission submitted under section 605(b) (including a joint resolution proposing an amendment to the Constitution), subject to subsection (b), the provisions of section 2908 (other than subsection (a)) of the Defense Base Closure and Realignment Act of 1990 shall apply to the consideration of the legislation in the same manner as such provisions apply to a joint resolution described in section 2908(a) of such Act.

(b) SPECIAL RULES.—For purposes of applying subsection (a) with respect to such provisions, the following rules shall apply:

(1) Any reference to the Committee on Armed Services of the House of Representatives shall be deemed a reference to the Committee on House Oversight of the House of Representatives and any reference to the Committee on Armed Services of the Senate shall be deemed a reference to the Committee on Rules and Administration of the Senate.

(2) Any reference to the date on which the President transmits a report shall be deemed a reference to the date on which the recommendation involved is submitted under section 605(b).

(3) Notwithstanding subsection (d)(2) of section 2908 of such Act—

(A) debate on the legislation in the House of Representatives, and on all debatable motions and appeals in connection with the legislation, shall be limited to not more than 10 hours, divided equally between those favoring and those opposing the legislation;

(B) debate on the legislation in the Senate, and on all debatable motions and appeals in connection with the legislation, shall be limited to not more than 10 hours, divided equally between those favoring and those opposing the legislation; and

(C) debate in the Senate on any single debatable motion and appeal in connection with the legislation shall be limited to not more than 1 hour, divided equally between the mover and the manager of the bill (except that in the event the manager of the bill is in favor of any such motion of appeal, the time in opposition thereto shall be controlled by the minority leader or his designee), and the majority and minority leader may each allot additional time from time under such leader's control to any Senator during the consideration of any debatable motion or appeal.

SEC. 607. TERMINATION

The Commission shall cease to exist 90 days after the date of the submission of its report under section 605.

SEC. 608. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Commission such sums as are necessary to carry out its duties under this title.

TITLE VII—PROHIBITING USE OF WHITE HOUSE MEALS AND ACCOMMODATIONS FOR POLITICAL FUNDRAISING

SEC. 701. PROHIBITING USE OF WHITE HOUSE MEALS AND ACCOMMODATIONS FOR POLITICAL FUNDRAISING.

(a) IN GENERAL.—Chapter 29 of title 18, United States code, is amended by adding at the end the following new section:

''612. Prohibiting use of meals and accommodations at White House for political fundraising

''(a) It shall be unlawful for any person to provide or offer to provide any meals or accommodations at the White House in exchange for any money or other thing of value, or as a reward for the provision of any money or other thing of value, in support of any political party of the campaign for electoral office of any candidate.

''(b) Any person who violates this section shall be fined under this title or imprisoned not more than 3 years, or both.

''(c) For purposes of this section, any official residence or retreat of the President (including private residential areas and the grounds of such a residence or retreat) shall be treated as part of the White House.''.

(b) CLERICAL AMENDMENT.—The table of sections for chapter 29 of title 18, United States Code, is amended by adding at the end the following new item:

''612. Prohibiting use of meals and accommodations at White House for political fundraising.''.

TITLE VIII—SENSE OF THE CONGRESS REGARDING FUNDRAISING ON FEDERAL GOVERNMENT PROPERTY

SEC. 801. SENSE OF THE CONGRESS REGARDING APPLICABILITY OF CONTROLLING LEGAL AUTHORITY TO FUNDRAISING ON FEDERAL GOVERNMENT PROPERTY.

It is the sense of the Congress that Federal law clearly demonstrates that 'controlling legal authority' under title 18, United States Code, prohibits the use of Federal Government property to raise campaign funds.

TITLE IX—PROHIBITING SOLICITATION TO OBTAIN ACCESS TO CERTAIN FEDERAL GOVERNMENT PROPERTY

SEC. 901. PROHIBITION AGAINST ACCEPTANCE OR SOLICITATION TO OBTAIN ACCESS TO CERTAIN FEDERAL GOVERNMENT PROPERTY.

(a) IN GENERAL.—Chapter 11 of title 18, United States Code, is amended by adding at the end the following new section:

''226. Acceptance or solicitation to obtain access to certain Federal Government property

''Whoever solicits or receives anything of value in consideration of providing a person with access to Air Force One, Marine One, Air Force Two, Marine Two, the White House, or the Vice President's residence, shall be fined under this title, or imprisoned not more than one year, or both.''.

(b) CLERICAL AMENDMENT.—The table of sections for chapter 11 of title 18, United States Code, is amended by adding at the end the following new item:

''226. Acceptance or solicitation to obtain access to certain Federal Government property.''.

TITLE X—REIMBURSEMENT FOR USE OF GOVERNMENT PROPERTY FOR CAMPAIGN ACTIVITY

SEC. 1001. REQUIRING NATIONAL PARTIES TO REIMBURSE AT COST FOR USE OF AIR FORCE ONE FOR POLITICAL FUNDRAISING.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), an amended by sections 101, 401, 507, 510, and 515, is further amended by adding at the end the following new section:

''REIMBURSEMENT BY POLITICAL PARTIES FOR USE OF AIR FORCE ONE FOR POLITICAL FUNDRAISING

''SEC. 328. (a) IN GENERAL. If the President, Vice President, or the head of any executive department (as defined in section 101 of title 5, United States Code) uses Air Force One for transportation for any travel which includes a fundraising event for the benefit of any political committee of a national political party, such political committee shall reimburse the Federal Government for the fair market value of the transportation of the individual involved, based on the cost of an equivalent commercial chartered flight.

''(b) AIR FORCE ONE DEFINED.—In subsection (a), the term 'Air Force One' means the airplane operated by the Air Force which has been specially configured to carry out the mission of transporting the President.''.

TITLE XI—PROHIBITING USE OF WALKING AROUND MONEY

SEC. 1101. PROHIBITING CAMPAIGNS FROM PROVIDING CURRENCY TO INDIVIDUALS FOR PURPOSES OF ENCOURAGING TURNOUT ON DATE OF ELECTION.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, 507, 510, 515, and 1001, is further amended by adding at the end the following new section:

''PROHIBITING USE OF CURRENCY TO PROMOTE ELECTION DAY TURNOUT

''SEC. 329. It shall be unlawful for any political committee to provide currency to any individual (directly or through an agent of the committee) for purposes of encouraging the individual to appear at the polling place for the election.''.

TITLE XII—ENHANCING ENFORCEMENT OF CAMPAIGN LAW

SEC. 1201. ENHANCING ENFORCEMENT OF CAMPAIGN FINANCE LAW.

(a) MANDATORY IMPRISONMENT FOR CRIMINAL CONDUCT.—Section 309(d)(1)(A) of the Federal Election Campaign Act of 1971'' (2 U.S.C. 437g(d)(1)(A)) is amended—

(1) in the first sentence, by striking ''shall be fined, or imprisoned for not more than one year, or both'' and inserting ''shall be imprisoned for not fewer than 1 year and not more than 10 years''; and

(2) by striking the second sentence.

(b) CONCURRENT AUTHORITY OF ATTORNEY GENERAL TO BRING CRIMINAL ACTIONS.—Section 309(d) of such Act (2 U.S.C. 437g(d)) is amended by adding at the end the following new paragraph:

''(4) In addition to the authority to bring cases referred pursuant to subsection (a)(5), the Attorney General may at any time bring a criminal action for a violation of this Act or of chapter 95 chapter 96 of the Internal Revenue Code of 1986.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to actions brought with respect to elections occurring after January 1999.

TITLE XIII—BAN ON COORDINATED SOFT MONEY ACTIVITIES BY PRESIDENTIAL CANDIDATES

SEC. 1301. BAN ON COORDINATION OF SOFT MONEY FOR ISSUE ADVOCACY BY PRESIDENTIAL CANDIDATES RECEIVING PUBLIC FINANCING.

(a) IN GENERAL.—Section 9003 of the Internal Revenue Code of 1986 (26 U.S.C. 9003) is amended by adding at the end the following new subsection.

''(f) BAN ON COORDINATION OF SOFT MONEY FOR ISSUE ADVOCACY.—

''(1) IN GENERAL.—No candidate for election to the office of President or Vice President who is certified to receive amounts from the Presidential Election Fund under this chapter or chapter 96 may coordinate the expenditure of any funds for issue advocacy with

any political party unless the funds are subject to the limitations, prohibitions, and reporting requirements of the Federal Election Campaign Act of 1971.

''(2) ISSUE ADVOCACY DEFINED.—In this section, the term 'issue advocacy' means any activity carried out for the purpose of influencing the consideration or outcome of any Federal legislation or the issuance or outcome of any Federal regulations, or educating individuals about candidates for election for Federal office or any Federal legislation, law, or regulations (without regard to whether the activity is carried out for the purpose of influencing any election for Federal office).''.

EFFECTIVE DATE.—The amendment made by this section shall apply with respect to elections occurring on or after the date of the enactment of this Act.

TITLE XIV—POSTING NAMES OF CERTAIN AIR FORCE ONE PASSENGERS ON INTERNET

SEC. 1401. REQUIREMENT THAT NAMES OF PASSENGERS ON AIR FORCE ONE AND AIR FORCE TWO BE MADE AVAILABLE THROUGH THE INTERNET.

(a) IN GENERAL.—The President shall make available through the Internet the name of any non-Government person who is a passenger on an aircraft designated as Air Force One or Air Force Two not later than 30 days after the date that the person is a passenger on such aircraft.

(b) EXCEPTION.—Subsection (a) shall not apply in a case in which the President determines that compliance with such subsection would be contrary to the national security interests of the United States. In any such case, not later than 30 days after the date that the person whose name will not be made available through the Internet was a passenger on the aircraft, the President shall submit to the chairman and ranking member of the Permanent Select Committee on Intelligence of the House of Representatives and of the Select Committee on Intelligence of the Senate—

(1) the name of the person; and

(2) the justification for not making such name available through the Internet.

(c) DEFINITION OF PERSON.—As used in this Act, the term ''non-Government person'' means a person who is not an officer or employee of the United States, a member of the Armed Forces, or a Member of Congress.

TITLE XV—EXPULSION PROCEEDINGS F0R HOUSE MEMBERS RECEIVING FOREIGN CONTRIBUTIONS

SEC. 1501. PERMITTING CONSIDERATION OF PRIVILEGED MOTION TO EXPEL HOUSE MEMBER ACCEPTING ILLEGAL FOREIGN CONTRIBUTION.

(a) IN GENERAL.—If a Member of the House of Representatives is convicted of a violation of section 319 of the Federal Election Campaign Act of 1971 (or any successor provision prohibiting the solicitation, receipt, or acceptance of a contribution from a foreign national), the Committee on Standards of Official Conduct, shall immediately consider the conduct of the Member and shall make a report and recommendations to the House forthwith concerning that Member which may include a recommendation for expulsion.

(b) EXERCISE OF RULEMAKING AUTHORITY.—This section is enacted by Congress—

(1) as an exercise of the rulemaking power of the House of Representatives, and as such it is deemed a part of the rules of the House of Representatives, and it supersedes other rules only to the extent that it is inconsistent therewith; and

(2) with full recognition of the constitutional right of the House of Representatives to change the rule at any time, in the same manner and to the same extent as in the case of any other rule of the House of Representatives.

TITLE XVI—SEVERABILITY; CONSTITUTIONALITY; EFFECTIVE DATE; REGULATIONS

SEC. 1601. SEVERABILITY.

If any provision of this Act or amendment made by this Act, or the application of a provision or amendment to any person or circumstance, is held to be unconstitutional, the remainder of this Act and amendments made by this Act, and the application of the provisions and amendment to any person or circumstance, shall not be affected by the holding.

SEC. 1602. REVIEW OF CONSTITUTIONAL ISSUES.

An appeal may be taken directly to the Supreme Court of the United States from any final judgment, decree, or order issued by any Court ruling on the constitutionality of any provision of this Act or amendment made by this Act.

SEC. 1603. EFFECTIVE DATE.

Except as otherwise provided in this Act, this Act and the amendments made by this Act shall take effect upon the expiration of the 90-day period which begins on the date of the enactment of this Act.

SEC. 1604. REGULATIONS.

The Federal Election Commission shall prescribe any regulations required to carry out this Act and the amendments made by this Act not later than 45 days after the date of the enactment of this Act.

SEC. DISCLOSURE REQUIREMENTS FOR CERTAIN MONEY EXPENDITURES OF POLITICAL PARTIES.

(a) TRANSFERS OF FUNDS BY NATIONAL POLITICAL PARTIES.—Section 304(b)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(4)) is amended—

(1) by striking ''and'' at the end of subparagraph (H);

(2) by adding ''and'' at the end of subparagraph (I); and

(3) by adding at the end the following new subparagraph:

''(J) in the case of a political committee of a national political party, all funds transferred to any political committee of a State or local political party, without regard to whether or not the funds are otherwise treated as contributions or expenditures under this title;''.

(b) DISCLOSURE BY STATE AND LOCAL POLITICAL PARTIES OF INFORMATION, REPORTED UNDER STATE LAW.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434), as amended by section 4, is amended by adding at the end the following:

''(e) If a political committee of a State or local political party is required under a State or local law to submit a report to an entity of State or local government regarding its disbursements, the committee shall file a copy of the report with the Commission at the same time it submits the report to such entity.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to elections occurring after January 2001.

SEC. . PROMOTING EXPEDITED AVAILABILITY OF FEC REPORTS.

(a) MANDATORY ELECTRONIC FILING.—Section 304(a)(11)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(11)(A)) is amended by striking ''permit reports required by'' and inserting ''require reports under.''

(b) REQUIRING REPORTS FOR ALL CONTRIBUTIONS MADE TO ANY POLITICAL COMMITTEE WITHIN 90 DAYS OF ELECTION; REQUIRING REPORTS TO BE MADE WITHIN 24 HOURS.—Section 304(a)(6) of Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(6)) is amended to read as follows:

''(6)(A) Each political committee shall notify the Secretary or the Commission, and the Secretary of State, as appropriate, in writing, of any contribution received by the committee during the period which begins on the 90th day before an election and ends at the time the polls close for such election. This notification shall be made within 24 hours (or, if earlier, by midnight of the day on which the contribution is deposited) after the receipt of such contribution and shall include the name of the candidate involved (as appropriate) and the office sought by the candidate, the identification of the contributor, and the date of receipt and amount of the contribution.

''(B) The notification required under this paragraph shall be in addition to all other reporting requirements under this Act.''.

(c) INCREASING ELECTRONIC DISCLOSURE.—Section 304 of Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)), as amended by section 6(b), is amended by adding at the end the following:

''(f) The Commission shall make the information contained in the reports submitted under this section available on the Internet and publicly available at the offices of the Commission as soon as practicable (but in no case later than 24 hours) after the information is received by the Commission.''.

(d) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to reports for periods beginning on or after January 2, 2001.

AMENDMENT NO. 2376

At the appropriate place insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Bipartisan Campaign Finance Reform Act of 1999''.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—REDUCTION OF SPECIAL INTEREST INFLUENCE

Sec. 101. Soft money of political parties.
Sec. 102. Increased contribution limits for State committees of political parties and aggregate contribution limit for individuals.
Sec. 103. Reporting requirements.

TITLE II—INDEPENDENT AND COORDINATED EXPENDITURES

Sec. 201. Definitions.
Sec. 202. Express advocacy determined without regard to background music.
Sec. 203. Civil penalty.
Sec. 204. Reporting requirements for certain independent expenditures.
Sec. 205. Independent versus coordinated expenditures by party.
Sec. 206. Coordination with candidates.

TITLE III—DISCLOSURE

Sec. 301. Filing of reports using computers and facsimile machines.
Sec. 302. Prohibition of deposit of contributions with incomplete contributor information.
Sec. 303. Audits.
Sec. 304. Reporting requirements for contributions of $50 or more.
Sec. 305. Use of candidates' names.
Sec. 306. Prohibition of false representation to solicit contributions.
Sec. 307. Soft money of persons other than political parties.
Sec. 308. Campaign advertising.

TITLE IV—PERSONAL WEALTH OPTION

Sec. 401. Voluntary personal funds expenditure limit.
Sec. 402. Political party committee coordinated expenditures.

TITLE V—MISCELLANEOUS

Sec. 501. Codification of Beck decision.

Sec. 502. Use of contributed amounts for certain purposes.
Sec. 503. Limit on congressional use of the franking privilege.
Sec. 504. Prohibition of fundraising on Federal property.
Sec. 505. Penalties for violations.
Sec. 506. Strengthening foreign money ban.
Sec. 507. Prohibition of contributions by minors.
Sec. 508. Expedited procedures.
Sec. 509. Initiation of enforcement proceeding.
Sec. 510. Protecting equal participation of eligible voters in campaigns and elections.
Sec. 511. Penalty for violation of prohibition against foreign contributions.
Sec. 512. Expedited court review of certain alleged violations of Federal Election Campaign Act of 1971.
Sec. 513. Conspiracy to violate presidential campaign spending limits.
Sec. 514. Deposit of certain contributions and donations in Treasury account.
Sec. 515. Establishment of a clearinghouse of information on political activities within the Federal Election Commission.
Sec. 516. Enforcement of spending limit on presidential and vice presidential conditions who received public financing.
Sec. 517. Clarification of right of nationals of the United States to make political contributions.

TITLE VI—INDEPENDENT COMMISSION ON CAMPAIGN FINANCE REFORM

Sec. 601. Establishment and purpose of Commission.
Sec. 602. Membership of Commission.
Sec. 603. Powers of Commission.
Sec. 604. Administrative provisions.
Sec. 605. Report and recommended legislation.
Sec. 606. Expedited congressional consideration of legislation.
Sec. 607. Termination.
Sec. 608. Authorization of appropriations.

TITLE VII—PROHIBITING USE OF WHITE HOUSE MEALS AND ACCOMMODATIONS FOR POLITICAL FUNDRAISING

Sec. 701. Prohibiting use of White House means and accommodations for political fundraising.

TITLE VIII—SENSE OF THE CONGRESS REGARDING FUNDRAISING ON FEDERAL GOVERNMENT PROPERTY

Sec. 801. Sense of the Congress regarding applicability of controlling legal authority of fundraising on Federal government property.

TITLE IX—PROHIBITING SOLICITATION TO OBTAIN ACCESS TO CERTAIN FEDERAL GOVERNMENT PROPERTY

Sec. 901. Prohibition against acceptance or solicitation to obtain access to certain Federal government property.

TITLE X—REIMBURSEMENT FOR USE OF GOVERNMENT PROPERTY FOR CAMPAIGN ACTIVITY

Sec. 1001. Requiring national parties to reimburse at cost for use of Air Force One for political fundraising.

TITLE XI—PROHIBITING USE OF WALKING AROUND MONEY

Sec. 1101. Prohibiting campaigns from providing currently to individuals for purposes of encouraging turnout on date of election.

TITLE XII—ENHANCING ENFORCEMENT OF CAMPAIGN LAW

Sec. 1201. Enhancing enforcement of campaign finance law.

TITLE XIII—BAN ON COORDINATED SOFT MONEY ACTIVITIES BY PRESIDENTIAL CANDIDATES

Sec. 1301. Ban on coordination of soft money for issue advocacy by presidential candidates receiving public financing.

TITLE XIV—POSTING NAMES OF CERTAIN AIR FORCE ONE PASSENGERS ON INTERNET

Sec. 1401. Requirement that names of passengers on Air Force One and Air Force Two be made available through the Internet.

TITLE XV—EXPLUSION PROCEEDINGS FOR HOUSE MEMBERS RECEIVING FOREIGN CONTRIBUTIONS

Sec. 1501. Permitting consideration of privileged motion to expel House member accepting illegal foreign contribution.

TITLE XVI—SEVERABILITY; CONSTITUTIONALITY; EFFECTIVE DATE; REGULATIONS

Sec. 1601. Severability.
Sec. 1602. Review of constitutional issues.
Sec. 1603. Effective date.
Sec. 1604. Regulations.

TITLE I—REDUCTION OF SPECIAL INTEREST INFLUENCE

SEC. 101. SOFT MONEY OF POLITICAL PARTIES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following new section.—

''SOFT MONEY OF POLITICAL PARTIES

''SEC.—323. (a) NATIONAL COMMITTEE.—

''(1) IN GENERAL: A national committee of a political party (including a national congressional campaign committee of a political party) and any officers or agents of such party committees, shall not solicit, receive, or direct to another person a contribution, donation, or transfer of funds, or spend any funds, that are not subject to the limitations, prohibitions, and reporting requirements of this Act.

''(2) APPLICABILITY.— This subsection shall apply to an entity that is directly or indirectly established, financed, maintained, or controlled by a national committee of a political party (including a national congressional campaign committee of a political party), or an entity acting on behalf of a national committee and an officer or agent acting on behalf of any such committee or entity.

''(b) STATE, DISTRICT, AND LOCAL COMMITTEES.—

''(1) IN GENERAL.—An amount that is expended or disbursed by a State, district, or local committee of a political party (including an entity that is directly or indirectly established, financed, maintained, or controlled by a State, district, or local committee of a political party and an officer or agent acting on behalf of such committee or entity) for Federal election activity shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

''(2) FEDERAL ELECTION ACTIVITY.—

''(A) IN GENERAL.—The term 'Federal election activity' means—

''(i) voter registration activity during the period that begins on the date that is 120 days before the date a regularly scheduled Federal election is held and ends on the date of the election;

''(ii) voter identification, get-out-the-vote activity, or generic campaign activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot); and

''(iii) a communication that refers to a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and is made for the purpose of influencing a Federal election (regardless of whether the communication is express advocacy).

''(B) EXCLUDED ACTIVITY.—The term 'Federal election activity' does not include an amount expended or disbursed by a State, district, or local committee of a political party for—

''(i) campaign activity conducted solely on behalf of a clearly identified candidate for State or local office, provided the campaign activity is not a Federal election activity described in subparagraph (A);

''(ii) a contribution to a candidate for State or local office, provided the contribution is not designated or used to pay for a Federal election activity described in subparagraph (A);

''(iii) the costs of a State, district, or local political convention;

''(iv) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs, that name or depict only a candidate for State or local office;

''(v) the non-Federal share of a State, district, or local party committee's administrative and overhead expenses (but not including the compensation in any month of an individual who spends more than 20 percent of the individual's time on Federal election activity) as determined by a regulation promulgated by the Commission to determine the non-Federal share of a State, district, or local party committee's administrative and overhead expenses; and

''(vi) the cost of constructing or purchasing an office facility or equipment for a State, district or local committee.

''(c) FUNDRAISING COSTS.—An amount spent by a national, State, district, or local committee of a political party, by an entity that is established, financed, maintained, or controlled by a national, State, district, or local committee of a political party, or by an agent or officer of any such committee or entity, to raise funds that are used, in whole or in part, to pay the costs of a Federal election activity shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

''(d) TAX-EXEMPT ORGANIZATIONS.—A national, State, district, or local committee of a political party (including a national congressional campaign committee of a political party), an entity that is directly or indirectly established, financed, maintained, or controlled by any such national, State, district, or local committee or its agent, and an officer or agent acting on behalf of any such party committee or entity, shall not solicit any funds for, or make or direct any donations to, an organization that is described in section 501(c) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code (or has submitted an application to the Commissioner of the Internal Revenue Service for determination of tax-exemption under such section).

''(e) CANDIDATES.—

''(1) IN GENERAL.—A candidate, individual holding Federal office, agent of a candidate or individual holding Federal office, or an entity directly or indirectly established, financed, maintained or controlled by or acting on behalf of one or more candidates or individuals holding Federal office, shall not—

''(A) solicit, receive, direct, transfer, or spend funds in connection with an election for Federal office, including funds for any Federal election activity, unless the funds are subject to the limitations. prohibitions, and reporting requirements of this Act; or

''(B) solicit, receive, direct, transfer, or spend funds in connection with any election

other than an election for Federal office or disburse funds in connection with such an election unless the funds—

''(i) are not in excess of the amounts permitted with respect to contributions to candidates and political committees under paragraphs (1) and (2) of section 315(a); and

''(ii) are not from sources prohibited by this Act from making contributions with respect to an election for Federal office.

''(2) STATE LAW.—Paragraph (1) does not apply to the solicitation, receipt, or spending of funds by an individual who is a candidate for a State or local office in connection with such election for State or local office if the solicitation, receipt, or spending of funds is permitted under State law for any activity other than a Federal election activity.

''(3) FUNDRAISING EVENTS.—Notwithstanding paragraph (1), a candidate may attend, speak, or be a featured guest at a fund raising event for a State, district, or local committee of a political party.''.

SEC. 102. INCREASED CONTRIBUTION LIMITS FOR STATE COMMITTEES OF POLITICAL PARTIES AND AGGREGATE CONTRIBUTION LIMIT FOR INDIVIDUALS.

(a) CONTRIBUTION LIMIT FOR STATE COMMITTEES OF POLITICAL PARTIES.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (B), by striking ''or'' at the end;

(2) in subparagraph (C)—

(A) by inserting ''(other than a committee described in subparagraph (D))'' after ''committee''; and

(B) by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following.—

''(D) to a political committee established and maintained by a State committee of a political party in any calendar year that, in the aggregate, exceed $10,000''.

(b) AGGREGATE CONTRIBUTION LIMIT FOR INDIVIDUAL.—Section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(3)) is amended by striking ''$25,000'' and inserting ''$30,000''.

SEC. 103. REPORTING REQUIREMENTS.

(a) REPORTING REQUIREMENTS.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by section 204) is amended by inserting after subsection (d) the following.—

''(e) POLITICAL COMMITTEES.—

''(1) NATIONAL AND CONGRESSIONAL POLITICAL COMMITTEES.—The national committee of a political party, any national congressional campaign committee of a political party, and any subordinate committee of either, shall report all receipts and disbursements during the reporting period.

''(2) OTHER POLITICAL COMMITTEES TO WHICH SECTION 323 APPLIES: In addition to any other reporting requirements applicable under this Act, a political committee (not described in paragraph (1)) to which section 323(b)(1) applies shall report all receipts and disbursements made for activities described in paragraphs (2)(A) and (2)(B)(v) of section 323(b).

''(3) ITEMIZATION.—If a political committee has receipts or disbursements to which this subsection applies from any person aggregating in excess of $200 for any calendar year, the political committee shall separately itemize its reporting for such person in the same manner as required in paragraphs (3)(A), (5), and (6) of subsection (b).

''(4) REPORTING PERIODS.—Reports required to be filed under this subsection shall be filed for the same time periods required for political committees under subsection (a)''.

(b) BUILDING FUND EXCEPTION TO THE DEFINITION OF CONTRIBUTION.—Section 301(8)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)) is amended—

(1) by striking clause (viii); and

(2) by redesignating clauses (ix) through (xiv) as clauses (viii) through (xiii), respectively.

TITLE II—INDEPENDENT AND COORDINATED EXPENDITURES

SEC. 201. DEFINITIONS.

(a) DEFINITION OF INDEPENDENT EXPENDITURE.—Section 301 of the Federal Election Campaign Act (2 U.S.C. 431) is amended by striking paragraph (17) and inserting the following:

''(17) INDEPENDENT EXPENDITURE.—

''(A) IN GENERAL.— The term 'independent expenditure' means an expenditure by a person—

''(i) for a communication that is express advocacy; and

''(ii) that is not coordinated activity or is not provided in coordination with a candidate or a candidate's agent or a person who is coordinating with a candidate or a candidate's agent.''.

(b) DEFINITION OF EXPRESS ADVOCACY.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by adding at the end the following:

''(20) EXPRESS ADVOCACY.—

''(A) IN GENERAL.—The term 'express advocacy' means a communication that advocates the election or defeat of a candidate by—

''(i) containing a phrase such as 'vote for', 're-elect', 'support', 'cast your ballot for', '(name of candidate) for Congress', '(name of candidate) in 1997', 'vote against', 'defeat', 'reject', or a campaign slogan or words that in context can have no reasonable meaning other than to advocate the election or defeat of one or more clearly identified candidates;

''(ii) referring to one or more clearly identified candidates in a paid advertisement that is transmitted through radio or television within 60 calendar days preceding the date of an election of the candidate and that appears in the State in which the election is occurring, except that with respect to a candidate for the office of Vice President or President, the time period is within 60 calendar days preceding the date of a general election; or

''(iii) expressing unmistakable and unambiguous support for or opposition to one or more clearly identified candidates when taken as a whole and with limited reference to external events, such as proximity to an election.

''(B) VOTING RECORD AND VOTING GUIDE EXCEPTION.—The term 'express advocacy' does not include a communication which is in printed form or posted on the Internet that—

''(i) presents information solely about the voting record or position on a campaign issue of one or more candidates (including any statement by the sponsor of the voting record or voting guide of its agreement or disagreement with the record or position of a candidate), so long as the voting record or voting guide when taken as a whole does not express unmistakable and unambiguous support for or opposition to one or more clearly identified candidates;

''(ii) is not coordinated activity or is not made in coordination with a candidate, political party, or agent of the candidate or party, or a candidate's agent or a person who is coordinating with a candidate or a candidate's agent, except that nothing in this clause may be construed to prevent the sponsor of the voting guide from directing questions in writing to a candidate about the candidate's position on issues for purposes of preparing a voter guide or to prevent the candidate from responding in writing to such questions; and

''(iii) does not contain a phrase such as 'vote for', 're-elect', 'support', 'cast your ballot for', '(name of candidate) for Congress', '(name of candidate) in 1997', 'vote against', 'defeat', 'reject', or a campaign slogan or words that in context can have no reasonable meaning other than to urge the election or defeat of one or more clearly identified candidates.''.

(c) DEFINITION OF EXPENDITURE.—Section 301(9)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(A)) is amended—

(1) in clause (i), by striking ''and'' at the end;

(2) in clause (ii), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(iii) a payment made by a political committee for a communication that—

''(I) refers to a clearly identified candidate; and

''(II) is for the purpose of influencing a Federal election (regardless of whether the communication is express advocacy).''.

SEC. 202. EXPRESS ADVOCACY DETERMINED WITHOUT REGARD TO BACKGROUND MUSIC.

Section 301(20) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(20)), as added by section 201(b), is amended by adding at the end the following new subparagraph:

''(C) BACKGROUND MUSIC.—In determining whether any communication by television or radio broadcast constitutes express advocacy for purposes of this Act, there shall not be taken into account any background music not including lyrics used in such broadcast.''.

SEC. 203. CIVIL PENALTY.

Section 309 of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g) is amended—

(1) in subsection (a)—

(A) in paragraph (4)(A)—

(1) in clause (i), by striking ''clause (ii)'' and inserting ''clauses (ii) and (iii)''; and

(ii) by adding at the end the following:

''(iii) If the Commission determines by an affirmative vote of 4 of its members that there is probable cause to believe that a person has made a knowing and willful violation of section 304(c), the Commission shall not enter into a conciliation agreement under this paragraph and may institute a civil action for relief under paragraph (6)(A).''; and

(B) in paragraph (6)(B), by inserting ''(except an action instituted in connection with a knowing and willful violation of section 304(c))' after 'subparagraph (A)''; and

(2) in subsection (d)(1)—

(A) in subparagraph (A), by striking ''Any person'' and inserting ''Except as provided in subparagraph (D), any person''; and

(B) by adding at the end the following.—

''(D) In the case of a knowing and willful violation of section 304(c) that involves the reporting of an independent expenditure, the violation shall not be subject to this subsection.''.

SEC. 204. REPORTING REQUIREMENTS FOR CERTAIN INDEPENDENT EXPENDITURES.

Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended—

(1) in subsection (c)(2), by striking the undesignated matter after subparagraph (C);

(2) by redesignating paragraph (3) of subsection (c) as subsection (f); and

(3) by inserting after subsection (c)(2) (as amended by paragraph (1)) the following.—

''(d) TIME FOR REPORTING CERTAIN EXPENDITURES.—

''(1) EXPENDITURES AGGREGATING $1,000.—

''(A) INITIAL REPORT.—A person (including a political committee) that makes or contracts to make independent expenditures aggregating $1,000 or more after the 20th day, but more than 24 hours, before the date of an election shall file a report describing the expenditures within 24 hours after that amount of independent expenditures has been made.

''(B) ADDITIONAL REPORTS.—After a person files a report under subparagraph (A), the

person shall file an additional report within 24 hours after each time the person makes or contracts to make independent expenditures aggregating an additional $1,000 with respect to the same election as that to which the initial report relates.

''(2) EXPENDITURES AGGREGATING $10,000.—

''(A) INITIAL REPORT.—A person (including a political committee) that makes or contracts to make independent expenditures aggregating $10,000 or more at any time up to and including the 20th day before the date of an election shall file a report describing the expenditures within 48 hours after that amount of independent expenditures has been made.

''(B) ADDITIONAL REPORTS.—After a person files a report under subparagraph (A), the person shall file an additional report within 48 hours after each time the person makes or contracts to make independent expenditures aggregating an additional $10,000 with respect to the same election as that to which the initial report relates.

''(3) PLACE OF FILING; CONTENTS.—A report under this subsection—

''(A) shall be filed with the Commission; and

''(B) shall contain the information required by subsection (b)(6)(B)(iii), including the name of each candidate whom an expenditure is intended to support or oppose.''.

SEC. 205. INDEPENDENT VERSUS COORDINATED EXPENDITURES BY PARTY.

Section 315(d) of the Federal Election Campaign Act (2 U.S.C. 441a(d)) is amended—

(1) in paragraph (1), by striking ''and (3)'' and inserting, ''(3), and (4)''; and

(2) by adding at the end the following:

''(4) INDEPENDENT VERSUS COORDINATED EXPENDITURES BY PARTY.—

''(A) IN GENERAL.—On or after the date on which a political party nominates a candidate, a committee of the political party shall not make both expenditures under this subsection and independent expenditures (as defined in section 301(17)) with respect to the candidate during the election cycle.

''(B) CERTIFICATION.—Before making a coordinated expenditure under this subsection with respect to a candidate, a committee of a political party shall file with the Commission a certification, signed by the treasurer of the committee, that the committee has not and shall not make any independent expenditure with respect to the candidate during the same election cycle.

''(C) APPLICATION.—For purposes of this paragraph, all political committees established and maintained by a national political party (including all congressional campaign committees) and all political committees established and maintained by a State political party (including any subordinate committee of a State committee) shall be considered to be a single political committee.

''(D) TRANSFERS.—A committee of a political party that submits a certification under subparagraph (B) with respect to a candidate shall not, during an election cycle, transfer any funds to, assign authority to make coordinated expenditures under this subsection to, or receive a transfer of funds from, a committee of the political party that has made or intends to make an independent expenditure with respect to the candidate.''.

SEC. 206. COORDINATION WITH CANDIDATES.

(a) DEFINITION OF COORDINATION WITH CANDIDATES.—

(1) SECTION 301(8).—Section 301(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)) is amended—

(A) in subparagraph (A)—

(i) by striking ''or'' at the end of clause (i);

(ii) by striking the period at the end of clause (ii) and inserting ''; or''; and

(iii) by adding at the end the following:

''(iii) coordinated activity (as defined in subparagraph (C)).''; and

(B) by adding at the end the following.—

''(C) ''Coordinated activity'' means anything of value provided by a person in coordination with a candidate, an agent of the candidate, or the political party of the candidate or its agent for the purpose of influencing a Federal election (regardless of whether the value being provided is a communication that is express advocacy) in which such candidate seeks nomination or election to Federal office, and includes any of the following.—

''(i) A payment made by a person in cooperation, consultation, or concert with, at the request or suggestion of, or pursuant to any general or particular understanding with a candidate, the candidate's authorized committee, the political party of the candidate, or an agent acting on behalf of a candidate, authorized committee, or the political party of the candidate.

''(ii) A payment made by a person for the production, dissemination, distribution, or republication, in whole or in part, of any broadcast or any written graphic, or other form of campaign material prepared by a candidate, a candidate's authorized committee, or an agent of a candidate or authorized committee (not including a communication described in paragraph (9)(B)(i) or a communication that expressly advocates the candidate's defeat).

''(iii) A payment made by a person based on information about a candidate's plans, projects, or needs provided to the person making the payment by the candidate or the candidate's agent who provides the information with the intent that the payment be made.

''(iv) A payment made by a person if, in the same election cycle in which the payment is made, the person making the payment is serving or has served as a member, employee, fundraiser, or agent of the candidate's authorized committee in an executive or policymaking position.

''(v) A payment made by a person if the person making the payment has served in any formal policy making or advisory position with the candidate's campaign or has participated in formal strategic or formal policymaking discussions (other than any discussion treated as a lobbying contact under the Lobbying Disclosure Act of 1995 in the case of a candidate holding Federal office or as a similar lobbying activity in the case of a candidate holding State or other elective office) with the candidate's campaign relating to the candidate's pursuit of nomination for election, or election, to Federal office, in the same election cycle as the election cycle in which the payment is made.

''(vi) A payment made by a person if, in the same election cycle, the person making the payment retains the professional services of any person that has provided or is providing campaign-related services in the same election cycle to a candidate (including services provided through a political committee of the candidate's political party) in connection with the candidate's pursuit of nomination for election, or election, to Federal office, including services relating to the candidate's decision to seek Federal office, and the person retained is retained to work on activities relating to that candidate's campaign.

''(vii) A payment made by a person who has directly participated in fundraising activities with the candidate or in the solicitation or receipt of contributions on behalf of the candidate.

''(viii) A payment made by a person who has communicated with the candidate or an agent of the candidate (including a communication through a political committee of the candidate's political party) after the declaration of candidacy (including a pollster, media consultant, vendor, advisor, or staff member acting on behalf of the candidate), about advertising message, allocation of resource, fundraising, or other campaign matters related to the candidate's campaign, including campaign operations, staffing, tactics, or strategy.

''(ix) The provision of in-kind professional services or polling data (including services or data provided through a political committee of the candidate's political party) to the candidate or candidate's agent.

''(x) A payment made by a person who has engaged in a coordinated activity with a candidate described in clauses (i) through (ix) for a communication that clearly refers to the candidate or the candidate's opponent and is for the purpose of influencing that candidate's election (regardless of whether the communication is express advocacy).

''(D) For purposes of subparagraph (C), the term 'professional services' means polling, media advice, fundraising, campaign research or direct mail (except for mailhouse services solely for the distribution of voter guides as defined in section 431(20)(B)) services in support of a candidate's pursuit of nomination for election, or election, to Federal office.

''(E) For purposes of subparagraph (C), all political committees established and maintained by a national political party (including all congressional campaign committees) and all political committees established and maintained by a State political party (including any subordinate committee of a State committee) shall be considered to be a single political committee.''.

(2) SECTION 315(a)(7).—Section 315(a)(7) (2 U.S.C. 441a(a)(7)) is amended by striking subparagraph (B) and inserting the following—

''(B) a coordinated activity, as described in section 301(8)(C), shall be considered to be a contribution to the candidate, and in the case of a limitation on expenditures, shall be treated as an expenditure by the candidate.

''(b) MEANING OF CONTRIBUTION OR EXPENDITURE FOR THE PURPOSES OF SECTION 316.—Section 316(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)) is amended by striking shall include' and inserting 'includes a contribution or expenditure, as those terms are defined in section 301, and also includes' ''.

TITLE III—DISCLOSURE

SEC. 301. FILING OF REPORTS USING COMPUTERS AND FACSIMILE MACHINES.

Section 304(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)) is amended by striking paragraph (11) and inserting the following—

''(11)(A) The Commission shall promulgate a regulation under which a person required to file a designation, statement, or report under this Act—

''(i) is required to maintain and file a designation, statement, or report for any calendar year in electronic form accessible by computers if the person has, or has reason to expect to have, aggregate contributions or expenditures in excess of a threshold amount determined by the Commission; and

''(ii) may maintain and file a designation, statement, or report in electronic form or an alternative form, including the use of a facsimile machine, if not required to do so under the regulation promulgated under clause (i).

''(B) The Commission shall make a designation, statement, report, or notification that is filed electronically with the Commission accessible to the public on the Internet not later than 24 hours after the designation, statement, report, or notification is received by the Commission.

''(C) In promulgating a regulation under this paragraph, the Commission shall provide methods (other than requiring a signature on the document being filed) for verifying designations, statements, and reports covered by the regulation. Any document verified under any of the methods shall be treated for all purposes (including penalties for perjury) in the same manner as a document verified by signature.''.

SEC. 302. PROHIBITION OF DEPOSIT OF CONTRIBUTIONS WITH INCOMPLETE CONTRIBUTOR INFORMATION.

Section 302 of Federal Election Campaign Act of 1971 (2 U.S.C. 432) is amended by adding at the end the following:

''(j) DEPOSIT OF CONTRIBUTIONS.—The treasurer of a candidate's authorized committee shall not deposit, except in an escrow account, or otherwise negotiate a contribution from a person who makes an aggregate amount of contributions in excess of $200 during a calendar year unless the treasurer verifies that the information required by this section with respect to the contributor is complete.'.

SEC. 303. AUDITS.

(a) RANDOM AUDITS.—Section 311(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 438(b)) is amended—

(1) by inserting ''(1) IN GENERAL.—'' before ''The Commission'';

(2) by moving the text 2 ems to the right; and

(3) by adding at the end the following:

''(2) RANDOM AUDITS.—

''(A) IN GENERAL.—Notwithstanding paragraph (1), the Commission may conduct random audits and investigations to ensure voluntary compliance with this Act. The selection of any candidate for a random audit or investigation shall be based on criteria adopted by a vote of at least four members of the Commission.

''(B) LIMITATION.—The Commission shall not conduct an audit or investigation of a candidate's authorized committee under subparagraph (A) until the candidate is no longer a candidate for the office sought by the candidate in an election cycle.

''(C) APPLICABILITY.—This paragraph does not apply to an authorized committee of a candidate for President or Vice President subject to audit under section 9007 or 9038 of the Internal Revenue Code of 1986.''.

(b) EXTENSION OF PERIOD DURING WHICH CAMPAIGN AUDITS MAY BE BEGUN.—Section 311(b) of the Federal Election Campaign Act of 1971 (2 U.S.C. 438(b)) is amended by striking '6 months' and inserting ''12 months''.

SEC. 304. REPORTING REQUIREMENTS FOR CONTRIBUTIONS OF $50 OR MORE

Section 304(b)(3)(A) of the Federal Election Campaign Act at 1971 (2 U.S.C. 434(b)(3)(A) is amended—

(1) by striking ''$200'' and inserting ''$50''; and

(2) by striking the semicolon and inserting '', except that in the case of a person who makes contributions aggregating at least $50 but not more than $200 during the calendar year, the identification need include only the name and address of the person;''.

SEC. 305. USE OF CANDIDATES' NAMES.

Section 302(e) of the Federal Election Campaign Act of 1971 (2 U.S.C. 432(e)) is amended by striking paragraph (4) and inserting the following:

''(4)(A) The name of each authorized committee shall include the name of the candidate who authorized the committee under paragraph (1).

''(B) A political committee that is not an authorized committee shall not—

''(i) include the name of any candidate in its name; or

''(ii) except in the case of a national, State, or local party committee, use the name of any candidate in any activity on behalf of the committee in such a context as to suggest that the committee is an authorized committee of the candidate or that the use of the candidate's name has been authorized by the candidate.''.

SEC. 306. PROHIBITION OF FALSE REPRESENTATION TO SOLICIT CONTRIBUTIONS.

Section 322 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441h) is amended—

(1) by inserting after ''SEC. 322.'' the following: ''(a) IN GENERAL:''; and

(2) by adding at the end the following:

''(b) SOLICITATION OF CONTRIBUTIONS.—No person shall solicit contributions by falsely representing himself or herself as a candidate or as a representative of a candidate, a political committee, or a political party.''.

SEC. 307. SOFT MONEY OF PERSONS OTHER THAN POLITICAL PARTIES.

(a) IN GENERAL.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) (as amended by section 103(c) and section 204) is amended by adding at the end the following:

''(g) DISBURSEMENTS OF PERSONS OTHER THAN POLITICAL PARTIES.—

''(1) IN GENERAL.—A person, other than a political committee of a political party or a person described in section 501(d) of the Internal Revenue Code of 1986, that makes an aggregate amount of disbursements in excess of $50,000 during a calendar year for activities described in paragraph (2) shall file a statement with the Commission—

''(A) on a monthly basis as described in subsection (a)(4)(B); or

''(B) in the case of disbursements that are made within 20 days of an election, within 24 hours after the disbursement are made.

''(2) ACTIVITY.—The activity described in this paragraph is—

''(A) Federal election activity;

''(B) an activity described in section 316(b)(2)(A) that expresses support for or opposition to a candidate for Federal office or a political party; and

''(C) an activity described in subparagraph (B) or (C) of section 316(b)(2).

''(3) APPLICABILITY.—This subsection does not apply to—

''(A) a candidate or a candidate's authorized committees; or

''(B) an independent expenditure.

''(4) CONTENTS.—A statement under this section shall contain such information about the disbursements made during the reporting period as the Commission shall prescribe, including—

''(A) the aggregate amount of disbursements made;

''(B) the name and address of the person or entity to whom a disbursement is made in an aggregate amount in excess of $200;

''(C) the date made, amount, and purpose of the disbursement; and

''(D) if applicable, whether the disbursement was in support of, or in opposition to, a candidate or a political party, and the name of the candidate or the political party.''.

(b) DEFINITION OF GENERIC CAMPAIGN ACTIVITY.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) (as amended by section 201(b)) is further amended by adding at the end the following:

''(21) GENERIC CAMPAIGN ACTIVITY.—The term 'generic campaign activity' means an activity that promotes a political party and does not promote a candidate or non-Federal candidate.''

SEC. 308. CAMPAIGN ADVERTISING.

Section 318 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441d) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1)—

(i) by striking ''Whenever'' and inserting ''Whenever a political committee makes a disbursement for the purpose of financing any communication through any broadcasting station, newspaper, magazine, outdoor advertising facility, mailing, or any other type of general public political advertising, or whenever'';

(ii) by striking ''an expenditure'' and inserting ''a disbursement''; and

(iii) by striking ''direct''; and

(B) in paragraph (3), by inserting ''and permanent street address'' and ''name''; and

(2) by adding at the end the following:

''(c) Any printed communication described in subsection (a) shall—

''(1) be of sufficient type size to be clearly readable by the recipient of the communication;

''(2) be contained in a printed box set apart from the other contents of the communication; and

''(3) be printed with a reasonable degree of color contrast between the background and the printed statement.

''(d)(1) Any communication described in paragraphs (1) or (2) of subsection (a) which is transmitted through radio or television shall include, in addition to the requirements of that paragraph, an audio statement by the candidate that identifies the candidate and states that the candidate has approved the communication.

''(2) If a communication described in paragraph (1) is transmitted through television, the communication shall include, in addition to the audio statement under paragraph (1), a written statement that—

''(A) appears at the end of the communication in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds; and

''(B) is accompanied by a clearly identifiable photographic or similar image of the candidate.

''(e) Any communication described in paragraph (3) of subsection (a) which is transmitted through radio or television shall include, in addition to the requirements of that paragraph, in a clearly spoken manner, the following statement: 'XXXXXXX is responsible for the content of this advertisement.' (with the blank to be filled in with the name of the political committee or other person paying for the communication and the name of any connected organization of the payor). If transmitted through television, the statement shall also appear in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds.''

TITLE IV—PERSONAL WEALTH OPTION

SEC. 401. VOLUNTARY PERSONAL FUNDS EXPENDITURE LIMIT.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by section 101, is further amended by adding at the end the following new section:

''VOLUNTARY PERSONAL FUNDS EXPENDITURE LIMIT

Sec. 324. (a) ELIGIBLE CONGRESSIONAL CANDIDATE.—

(1) PRIMARY ELECTION.—

''(A) DECLARATION.—A candidate for election for Senator or Representative in or Delegate or Resident Commissioner to the Congress is an eligible primary election Congressional candidate if the candidate files with the Commission a declaration that the candidate and the candidate's authorized committees will not make expenditures in excess of the personal funds expenditure limit.

''(B) TIME TO FILE.—The declaration under subparagraph (A) shall be filed not later than the date on which the candidate files with the appropriate State officer as a candidate for the primary election.

''(2) GENERAL ELECTION.—

''(A) DECLARATION.—A candidate for election for Senator or Representative in or Delegate or Resident Commissioner to the Congress is an eligible general election Congressional candidate if the candidate files with the Commission—

''(i) a declaration under penalty of perjury, with supporting documentation as required by the Commission, that the candidate and the candidate's authorized committees did not exceed the personal funds expenditure limit in connection with the primary election; and

''(ii) a declaration that the candidate and the candidate's authorized committees will not make expenditures in excess of the personal funds expenditure limit.

''(B) TIME TO FILE.—The declaration under subparagraph (A) shall be filed not later than 7 days after the earlier of—

''(i) the date on which the candidate qualifies for the general election ballot under State law; or

''(ii) if under State law, a primary or runoff election to qualify for the general ballot occurs after September 1, the date on which the candidate wins the primary or runoff election.

''(b) PERSONAL FUNDS EXPENDITURE LIMIT.—

''(1) IN GENERAL.—The aggregate amount of expenditures that may be made in connection with an election by an eligible Congressional candidate or the candidate's authorized committees from the sources described in paragraph (2) shall not exceed $50,000.

''(2) SOURCES.—A source is described in this paragraph if the source is—

''(A) personal funds of the candidate and members of the candidate's immediate family; or

''(B) proceeds of indebtedness incurred by the candidate or a member of the candidate's immediate family.

''(C) CERTIFICATION BY THE COMMISSION.—

''(1) IN GENERAL.—The Commission shall determine whether a candidate has met the requirements of this section and, based on the determination, issue a certification stating whether the candidate is an eligible Congressional candidate.

''(2) TIME FOR CERTIFICATION.—Not later than 7 business days after a candidate files a declaration under paragraph (1) or (2) of subsection (a), the Commission shall certify whether the candidate is an eligible Congressional candidate.

''(3) REVOCATION.—The Commission shall revoke a certification under paragraph (1), based on information submitted in such form and manner as the Commission may require or on information that comes to the Commission by other means, if the Commission determines that a candidate violates the personal funds expenditure limit.

''(4) DETERMINATIONS BY COMMISSION.—A determination made by the Commission under this subsection shall be final, except to the extent that the determination is subject to examination and audit by the Commission and to judicial review.

''(d) PENALTY.—If the Commission revokes the certification of an eligible Congressional candidate—

''(1) the Commission shall notify the candidate of the revocation; and

''(2) the candidate and a candidate's authorized committees shall pay to the Commission an amount equal to the amount of expenditures made by a national committee of a political party or a State committee of a political party in connection with the general election campaign of the candidate under section 315(d).''.

SEC. 402. POLITICAL PARTY COMMITTEE COORDINATED EXPENDITURES.

Section 315(d) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(d)) (as amended by section 204) is amended by adding at the end the following:

''(5) This subsection does not apply to expenditures made in connection with the general election campaign of a candidate for Senator or Representative in or Delegate or Resident Commissioner to the Congress who is not an eligible Congressional candidate (as defined in section 324(a)).''.

TITLE V—MISCELLANEOUS

SEC. 501 CODIFICATION OF BECK DECISION.

Section 8 of the National Labor Relations Act (29 U.S.C. 158) is amended by adding at the end the following new subsection:

''(h) NONUNION MEMBER PAYMENTS TO LABOR ORGANIZATION.—

''(1) IN GENERAL.—It shall be an unfair labor practice for any labor organization which receives a payment from an employee pursuant to an agreement that requires employees who are not members of the organization to make payments to such organization in lieu of organization dues or fees not to establish and implement the objection procedure described in paragraph (2).

''(2) OBJECTION PROCEDURE:—The objection procedure required under paragraph (1) shall meet the following requirements:

''(A) The labor organization shall annually provide to employees who are covered by such agreement but are not members of the organization—

''(i) reasonable personal notice of the objection procedure, a list of the employees eligible to invoke the procedure, and the time, place, and manner for filing an objection; and

''(ii) reasonable opportunity to file an objection to paying for organization expenditures supporting political activities unrelated to collective bargaining, including but not limited to the opportunity to file such objection by mail.

''(B) If an employee who is not a member of the labor organization files an objection under the procedure in subparagraph (A), such organization shall—

''(i) reduce the payments in lieu of organization dues or fees by such employee by an amount which reasonably reflects the ratio that the organization's expenditures supporting political activities unrelated to collective bargaining bears to such organization's total expenditures; and

''(ii) provide such employee with a reasonable explanation of the organization's calculation of such reduction, including calculating the amount of organization expenditures supporting political activities unrelated to collective bargaining.

''(3) DEFINITION.—In this subsection, the term 'expenditures supporting political activities unrelated to collective bargaining' means expenditures in connection with a Federal, State, or local election or in connection with efforts to influence legislation unrelated to collective bargaining.''.

SEC. 502. USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by striking section 313 and inserting the following:

''USE OF CONTRIBUTED AMOUNTS FOR CERTAIN PURPOSES

''SEC. 313. (a) PERMITTED USES.—A contribution accepted by a candidate, and any other amount received by an individual as support for activities of the individual as a holder of Federal office, may be used by the candidate or individual—

''(1) for expenditures in connection with the campaign for Federal office of the candidate or individual;

''(2) for ordinary and necessary expenses incurred in connection with duties of the individual as a holder of Federal office;

''(3) for contributions to an organization described in section 170(c) of the Internal Revenue Code of 1986; or

''(4) for transfers to a national, State, or local committee of a political party.

''(b) PROHIBITED USE.—

''(1) IN GENERAL.—A contribution or amount described in subsection (a) shall not be converted by any person to personal use.

''(2) CONVERSION.—For the purposes of paragraph (1), a contribution or amount shall be considered to be converted to personal use if the contribution or amount is used to fulfill any commitment, obligation, or expense of a person that would exist irrespective of the candidate's election campaign or individual's duties as a holder of Federal officeholder, including—

''(A) a home mortgage, rent, or utility payment;

''(B) a clothing purchase;

''(C) a noncampaign-related automobile expense;

''(D) a country club membership;

''(E) a vacation or other noncampaign-related trip;

''(F) a household food item;

''(G) a tuition payment;

''(H) admission to a sporting event, concert, theater, or other form of entertainment not associated with an election campaign; and

''(I) dues, fees, and other payments to a health club or recreational facility.''.

SEC. 503. LIMIT ON CONGRESSIONAL USE OF THE FRANKING PRIVILEGE.

Section 3210(a)(6) of title 39, United States Code, is amended by striking subparagraph (A) and inserting the following:

''(A) A Member of Congress shall not mail any mass mailing as franked mail during the 180-day period which ends on the date of the general election for the office held by the Member or during the 90-day period which ends on the date of any primary election for that office, unless the Member has made a public announcement that the Member will not be a candidate for reelection during that year or for election to any other Federal office.''.

SEC. 504. PROHIBITION OF FUNDRAISING ON FEDERAL PROPERTY.

Section 607 of title 18, United States Code, is amended—

(1) by striking subsection (a) and inserting the following:

''(a) PROHIBITION.—

''(1) IN GENERAL.—It shall be unlawful for any person to solicit or receive a donation of money or other thing of value in connection with a Federal, State, or local election from a person who is located in a room or building occupied in the discharge of official duties by an officer or employee of the United States. An individual who is an officer or employee of the Federal Government, including the President, Vice President, and Members of Congress, shall not solicit a donation of money or other thing of value in connection with a Federal, State, or local election while in any room or building occupied in the discharge of official duties by an officer or employee of the United States, from any person.

''(2) PENALTY.—A person who violates this section shall be fined not more than $5,000, imprisoned more than 3 years, or both.''; and

(2) in subsection (b), by inserting ''or Executive Office of the President'' after ''Congress''.

SEC. 505. PENALTIES FOR VIOLATIONS.

(a) INCREASED PENALTIES.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) is amended—

(1) in paragraphs (5)(A), (6)(A), and (6)(B), by striking ''$5,000'' and inserting ''$10,000''; and

(2) in paragraphs (5)(B) and (6)(C), by striking ''$10,000 or an amount equal to 200 percent'' and inserting ''$20,000 or an amount equal to 300 percent''.

(b) EQUITABLE REMEDIES.—Section 309(a)(5)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(5)) is amended by striking the period at the end and inserting '', and may include equitable remedies or penalties, including disgorgement of funds to the Treasury or community service requirements (including requirements to participate in public education programs).''.

(c) AUTOMATIC PENALTY FOR LATE FILING.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) is amended—

(1) by adding at the end the following:

''(13) PENALTY FOR LATE FILING.—

''(A) IN GENERAL.—

''(i) MONETARY PENALTIES.—The Commission shall establish a schedule of mandatory monetary penalties that shall be imposed by the Commission for failure to meet a time requirement for filing under section 304.

''(ii) REQUIRED FILING.—In addition to imposing a penalty, the Commission may require a report that has not been filed within the time requirements of section 304 to be filed by specific date.

''(iii) PROCEDURE.—A penalty or filing requirement imposed under this paragraph shall not be subject to paragraph (1), (2), (3), (4), (5), or (12).

''(B) FILING AN EXCEPTION.—

''(i) TIME TO FILE.—A political committee shall have 30 days after the imposition of a penalty or filing requirement by the Commission under this paragraph in which to file an exception with the Commission.

''(ii) TIME FOR COMMISSION TO RULE.—Within 30 days after receiving an exception, the Commission shall make a determination that is a final agency action subject to exclusive review by the United States Court of Appeals for the District of Columbia Circuit under section 706 of title 5, United States Code, upon petition filed in that court by the political committee or treasurer that is the subject of the agency action, if the petition is filed within 30 days after the date of the Commission action for which review is sought.'';

(2) in paragraph (5)(D)—

(A) by inserting after the first sentence the following: ''In any case in which a penalty or filing requirement imposed on a political committee or treasurer under paragraph (13) has not been satisfied, the Commission may institute a civil action for enforcement under paragraph (6)(A).''; and

(B) by inserting before the period at the end of the last sentence the following: ''or has failed to pay a penalty or meet a filing requirement imposed under paragraph (13)''; and

(3) in paragraph (6)(A), by striking ''paragraph (4)(A)'' and inserting ''paragraph (4)(A) or (13)''.

SEC. 506. STRENGTHENING FOREIGN MONEY BAN.

(a) IN GENERAL.—Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended—

(1) by striking the heading and inserting the following: ''CONTRIBUTIONS AND DONATIONS BY FOREIGN NATIONALS''; and

(2) by striking subsection (a) and inserting the following:

''(a) PROHIBITION.—It shall be unlawful for—

''(1) a foreign national, directly or indirectly, to make—

''(A) a donation of money or other thing of value, or to promise expressly or impliedly to make a donation, in connection with a Federal, State, or local election; or

''(B) a contribution or donation to a committee of a political party; or

''(2) a person to solicit, accept, or receive such a contribution or donation from a foreign national.''.

(b) PROHIBITING USE OF WILLFUL BLINDNESS AS DEFENSE AGAINST CHARGE OF VIOLATING FOREIGN CONTRIBUTION BAN.—

(1) IN GENERAL.—Section 319 of such Act (2 U.S.C. 441(e) is amended—

(A) by redesignating subsection (b) as subsection (c); and

(B) by inserting after subsection (a) the following new subsection.—

''(b) PROHIBITING USE OF WILLFUL BLINDNESS DEFENSE.—It shall not be a defense to a violation of subsection (a) that the defendant did not know that the contribution originated from a foreign national if the defendant should have known that the contribution originated from a foreign national, except that the trier of fact may not find that the defendant should have known that the contribution originated from a foreign national solely because of the name of the contributor.''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply with respect to violations occurring on or after the date of the enactment of this Act.

SEC. 507. PROHIBITION OF CONTRIBUTIONS BY MINORS.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101 and 401, is further amended by adding at the end the following new section.—

''PROHIBITION OF CONTRIBUTIONS BY MINORS

''SEC. 325. An individual who is 17 years old or younger shall not make a contribution to a candidate or a contribution or donation to a committee of a political party.''.

SEC. 508. EXPEDITED PROCEDURES.

(a) IN GENERAL.—Section 309(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)) (as amended by section 505(c)) is amended by adding at the end the following.—

''(14)(A) If the complaint in a proceeding was filed within 60 days preceding the date of a general election, the Commission may take action described in this subparagraph.

''(B) If the Commission determines, on the basis of facts alleged in the complaint and other facts available to the Commission, that there is clear and convincing evidence that a violation of this Act has occurred, is occurring, or is about to occur, the Commission may order expedited proceedings, shortening the time periods for proceedings under paragraphs (1), (2), (3), and (4) as necessary to allow the matter to be resolved in sufficient time before the election to avoid harm or prejudice to the interests of the parties.

''(C) If the Commission determines, on the basis of facts alleged in the complaint and other facts available to the Commission, that the complaint is clearly without merit, the Commission may—

''(i) order expedited proceedings, shortening the time periods for proceedings under paragraphs (1), (2), (3), and (4) as necessary to allow the matter to be resolved in sufficient time before the election to avoid harm or prejudice to the interests of the parties; or

''(ii) if the Commission determines that there is insufficient time to conduct proceedings before the election, summarily dismiss the complaint.''.

(b) REFERRAL TO ATTORNEY GENERAL.—Section 309(a)(5) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(5)) is amended by striking subparagraph (C) and inserting the following.—

''(C) The Commission may at any time, by an affirmative vote of at least 4 of its members, refer a possible violation of this Act or chapter 95 or 96 of the Internal Revenue Code of 1986, to the Attorney General of the United States, without regard to any limitation set forth in this section.''.

SEC. 509. INITIATION OF ENFORCEMENT PROCEEDING.

Section 309(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g(a)(2)) is amended by striking ''reason to believe that'' and inserting ''reason to investigate whether''.

SEC. 510. PROTECTING EQUAL PARTICIPATION OF ELIGIBLE VOTERS IN CAMPAIGNS AND ELECTIONS.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, and 507, is further amended by adding at the end the following new section.—

''PROTECTING EQUAL PARTICIPATION OF ELIGIBLE VOTERS IN CAMPAIGNS AND ELECTIONS

''SEC. 326. (a) IN GENERAL.—Nothing in this Act may be construed to prohibit any individual eligible to vote in an election for Federal office from making contributions or expenditures in support of a candidate for such an election (including voluntary contributions or expenditures made through a separate segregated fund established by the individual's employer or labor organization) or otherwise participating in any campaign for such an election in the same manner and to the same extent as any other individual eligible to vote in an election for such office.

''(b) NO EFFECT ON GEOGRAPHIC RESTRICTIONS ON CONTRIBUTIONS.—Subsection (a) may not be construed to affect any restriction under this title regarding the portion of contributions accepted by a candidate from persons residing in a particular geographic area.''.

SEC. 511. PENALTY FOR VIOLATION OF PROHIBITION AGAINST FOREIGN CONTRIBUTIONS.

(a) IN GENERAL.—Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e), as amended by section 506(b), is further amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following new subsection:

''(c) PENALTY.—

''(1) IN GENERAL.—Except as provided in paragraph (2), notwithstanding any other provision of this title any person who violates subsection (a) shall be sentenced to a term of imprisonment which may not be more than 10 years, fined in an amount not to exceed $1,000,000, or both.

''(2) EXCEPTION.—Paragraph (1) shall not apply with respect to any violation of subsection (a) arising from a contribution or donation made by an individual who is lawfully admitted for permanent residence (as defined in section 101(a)(22) of the Immigration and Nationality Act).''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to violations occurring on or after the date of the enactment of this Act.

SEC. 512. EXPEDITED COURT REVIEW OF CERTAIN ALLEGED VIOLATIONS OF FEDERAL ELECTION CAMPAIGN ACT OF 1971.

(a) IN GENERAL.—Section 309 of the Federal Election Campaign Act of 1971 (2 U.S.C. 437g) is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following new subsection:

''(d) Notwithstanding any other provision of this section, if a candidate (or the candidate's authorized committee) believes that a violation described in paragraph (2) has been committed with respect to an election

during the 90-day period preceding the date of the election, the candidate or committee may institute a civil action on behalf of the Commission for relief (including injunctive relief) against the alleged violator in the same manner and under the same terms and conditions as an action instituted by the Commission under subsection (a)(6), except that the court involved shall issue a decision regarding the action as soon as practicable after the action is instituted and to the greatest extent possible issue the decision prior to the date of the election involved.

''(2) A violation described in this paragraph is a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1986 relating to—

''(A) whether a contribution is in excess of an applicable limit or is otherwise prohibited under this Act; or

''(B) whether an expenditure is an independent expenditure under section 301(17).''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to elections occurring after the date of the enactment of this Act.

SEC. 513. CONSPIRACY TO VIOLATE PRESIDENTIAL CAMPAIGN SPENDING LIMITS.

(a) IN GENERAL.—Section 9003 of the Internal Revenue Code of 1986 (26 U.S.C. 9003) is amended by adding at the end the following new subsection:

''(g) PROHIBITING CONSPIRACY TO VIOLATE LIMIT.—

''(1) VIOLATION OF LIMITS DESCRIBED.—If a candidate for election to the office of President or Vice President who receives amounts from the Presidential Election Campaign Fund under chapter 95 or 96 of the Internal Revenue Code of 1986, or the agent of such a candidate, seeks to avoid the spending limits applicable to the candidate under such chapter or under the Federal Election Campaign Act of 1971 by soliciting, receiving, transferring, or directing funds from any source other than such Fund for the direct or indirect benefit of such candidate's campaign, such candidate or agent shall be fined not more than $1,000,000, or imprisoned for a term of no more than 3 years, or both.

''(2) CONSPIRACY TO VIOLATE LIMITS DEFINED.—If two or more persons conspire to violate paragraph (1), and one or more of such persons do any act to effect the object of the conspiracy, each shall be fined not more than $1,000,000, or imprisoned for a term of not more than 3 years, or both.''.

EFFECTIVE DATE.—The amendment made by this section shall apply with respect to elections occurring on or after the date of the enactment of this Act.

SEC. 514. DEPOSIT OF CERTAIN CONTRIBUTIONS AND DONATIONS IN TREASURY ACCOUNT.

''(a) IN GENERAL.—Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, 507, and 510, is further amended by adding at the end the following new section:

''TREATMENT OF CERTAIN CONTRIBUTIONS AND DONATIONS TO BE RETURNED TO DONORS

''SEC. 327. (a) TRANSFER TO COMMISSION.—

''(1) IN GENERAL.—Notwithstanding any other provision of this Act, if a political committee intends to return any contribution or donation given to the political committee, the committee shall transfer the contribution or donation to the Commission if—

''(A) the contribution or donation is in an amount equal to or greater than $500 (other than a contribution or donation returned within 60 days of receipt by the committee); or

''(B) the contribution or donation was made in violation of section 315, 316, 317, 319, 320, or 325 (other than a contribution or donation returned within 30 days of receipt by the committee).

''(2) INFORMATION INCLUDED WITH TRANSFERRED CONTRIBUTION OR DONATION.—A political committee shall include with any contribution or donation transferred under paragraph (1)—

''(A) a request that the Commission return the contribution or donation to the person making the contribution or donation; and

''(B) information regarding the circumstances surrounding the making of the contribution or donation and any opinion of the political committee concerning whether the contribution or donation may have been made in violation of this Act.

''(3) ESTABLISHMENT OF ESCROW ACCOUNT.—

''(A) IN GENERAL.—The Commission shall establish a single interest-bearing escrow account for deposit of amounts transferred under paragraph (1).

''(B) DISPOSITION OF AMOUNTS RECEIVED.—On receiving an amount from a political committee under paragraph (1), the Commission shall—

''(i) deposit the amount in the escrow account established under subparagraph (A); and

''(ii) notify the Attorney General and the Commissioner of the Internal Revenue Service of the receipt of the amount from the political committee.

''(C) USE OF INTEREST.—Interest earned on amounts in the escrow account established under subparagraph (A) shall be applied or used for the same purposes as the donation or contribution on which it is earned.

''(4) TREATMENT OF RETURNED CONTRIBUTION OR DONATION AS A COMPLAINT.—The transfer of any contribution or donation to the Commission under this section shall be treated as the filing of a complaint under section 309(a).

''(b) USE OF AMOUNTS PLACED IN ESCROW TO COVER FINES AND PENALTIES.—The Commission or the Attorney General may require any amount deposited in the escrow account under subsection (a)(3) to be applied toward the payment of any fine or penalty imposed under this Act or title 18, United States Code, against the person making the contribution or donation.

''(c) RETURN OF CONTRIBUTION OR DONATION AFTER DEPOSIT IN ESCROW.—

''(1) IN GENERAL.—The Commission shall return a contribution or donation deposited in the escrow account under subsection (a)(3) to the person making the contribution or donation if—

''(A) within 180 days after the date the contribution or donation is transferred, the Commission has not made a determination under section 309(a)(2) that the Commission has reason to investigate whether that the making of the contribution or donation was made in violation of this Act; or

''(B)(i) the contribution or donation will not be used to cover fines, penalties, or costs pursuant to subsection (b); or

''(ii) if the contribution or donation will be used for those purposes, that the amounts required for those purposes have been withdrawn from the escrow account and subtracted from the returnable contribution or donation.

''(2) NO EFFECT ON STATUS OF INVESTIGATION.—The return of a contribution or donation by the Commission under this subsection shall not be construed as having an effect on the status of an investigation by the Commission or the Attorney General of the contribution or donation or the circumstances surrounding the contribution or donation, or on the ability of the Commission or the Attorney General to take future actions with respect to the contribution or donation.''

''(b) AMOUNTS USED TO DETERMINE AMOUNT OF PENALTY FOR VIOLATION.—Section 309(a) of such Act (2 U.S.C. 437g(a)) is amended by inserting after paragraph (9) the following new paragraph.—

''(10) For purposes of determining the amount of a civil penalty imposed under this subsection for violations of section 326, the amount of the donation involved shall be treated as the amount of the contribution involved.''

(c) DISGORGEMENT AUTHORITY.—Section 309 of such Act (2 U.S.C. 437g) is amended by adding at the end the following new subsection:

''(e) Any conciliation agreement, civil action, or criminal action entered into or instituted under this section may require a person to forfeit to the Treasury any contribution, donation, or expenditure that is the subject of the agreement or action for transfer to the Commission for deposit in accordance with section 326.''.

''(d) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to contributions or donations refunded on or after the date of the enactment of this Act, without regard to whether the Federal Election Commission or Attorney General has issued regulations to carry out section 326 of the Federal Election Campaign Act of 1971 (as added by subsection (a)) by such date.

SEC. 515. ESTABLISHMENT OF A CLEARINGHOUSE OF INFORMATION ON POLITICAL ACTIVITIES WITHIN THE FEDERAL ELECTION COMMISSION.

(a) ESTABLISHMENT.—There shall be established within the Federal Election Commission a clearinghouse of public information regarding the political activities of foreign principals and agents of foreign principals. The information comprising this clearinghouse shall include only the following:

(1) All registrations and reports filed pursuant to the Lobbying Disclosure Act of 1995 (2 U.S.C. 1601 et seq.) during the preceding 5-year period.

(2) All registrations and reports filed pursuant to the Foreign Agents Registration Act, as amended (22 U.S.C. 611 et seq.), during the preceding 5-year period.

(3) The listings of public hearings, hearing witnesses, and witness affiliations printed in the Congressional Record during the preceding 5-year period.

(4) Public information disclosed pursuant to the rules of the Senate or the House of Representatives regarding honoraria, the receipt of gifts, travel, and earned and unearned income.

(5) All reports filed pursuant to title I of the Ethics in Government Act of 1978 (5 U.S.C. App.) during the preceding 5-year period.

(6) All public information filed with the Federal Election Commission pursuant to the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) during the preceding 5-year period.

(b) DISCLOSURE OF OTHER INFORMATION PROHIBITED.—The disclosure by the clearinghouse, or any officer or employee thereof, of any information other than that set forth in subsection (a) is prohibited, except as otherwise provided by law.

(c) DIRECTOR OF CLEARINGHOUSE.—

(1) DUTIES.—The clearinghouse shall have a Director, who shall administer and manage the responsibilities and all activities of the clearinghouse. In carrying out such duties, the Director shall—

(A) develop a filing, coding, and cross-indexing system to carry out the purposes of this section (which shall include an index of all persons identified in the reports, registrations, and other information comprising the clearinghouse);

(B) notwithstanding any other provision of law, make copies of registrations, reports, and other information comprising the clearinghouse available for public inspection and

coping, beginning not later than 30 days after the information is first available to the public, and permit copying of any such registration, report, or other information by hand or by copying machine or, at the request of any person, furnish a copy of any such registration, report, or other information upon payment of the cost of making and furnishing such copy, except that no information contained in such registration or report and no such other information shall be sold or used by any person for the purpose of soliciting contributions or for any profit-making purpose; and

(C) not later than 150 days after the date of the enactment of this Act and at any time thereafter, to prescribe, in consultation with the Comptroller General, such rules, regulations, and forms, in conformity with the provisions of chapter 5 of title 5, United States Code, as are necessary to carry out the provisions of this section in the most effective and efficient manner.

(2) APPOINTMENT.—The Director shall be appointed by the Federal Election Commission.

(3) TERM OF SERVICE.—The Director shall serve a single term of a period of time determined by the Commission, but not to exceed 5 years.

(d) PENALTIES FOR DISCLOSURE OF INFORMATION.—Any person who discloses information in violation of subsection (b), and any person who sells or uses information for the purpose of soliciting contributions or for any profit-making purpose in violation of subsection (c)(1)(B), shall be imprisoned for a period of not more than 1 year, or fined in the amount provided in title 18, United States Code, or both.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to conduct the activities of the clearinghouse.

(f) FOREIGN PRINCIPAL.—In this section, the term ''foreign principal'' shall have the same meaning given the term ''foreign national'' under section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e), as in effect as of the date of the enactment of this Act.

SEC. 516. ENFORCEMENT OF SPENDING LIMIT ON PRESIDENTIAL AND VICE PRESIDENTIAL CANDIDATES WHO RECEIVE PUBLIC FINANCING.

(a) IN GENERAL.—Section 9003 of the Internal Revenue Code of 1986 (26 U.S.C. 9003) is amended by adding at the end the following new subsection.—

''(f) ILLEGAL SOLICITATION OF SOFT MONEY.—No candidate for election to the office of President or Vice President may receive amounts from the Presidential Election Campaign Fund under this chapter or chapter 96 unless the candidate certifies that the candidate shall not solicit any funds for the purposes of influencing such election, including any funds used for an independent expenditure under the Federal Election Campaign Act of 1971, unless the funds are subject to the limitations, prohibitions, and reporting requirements of the Federal Election Campaign Act of 1971.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to elections occurring on or after the date of the enactment of this Act.

SEC. 517. CLARIFICATION OF RIGHT OF NATIONALS OF THE UNITED STATES TO MAKE POLITICAL CONTRIBUTIONS.

Section 319(d)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e(d)(2)), as amended by sections 506(b) and 511(a), is further amended by inserting after ''United States'' the following: ''or a national of the United States (as defined in section 101(a)(22) of the Immigration and Nationality Act)''.

TITLE VI—INDEPENDENT COMMISSION ON CAMPAIGN FINANCE REFORM

SEC. 601. ESTABLISHMENT AND PURPOSE OF COMMISSION.

There is established a commission to be known as the ''Independent Commission on Campaign Finance Reform'' (referred to in this title as the ''Commission''). The purposes of the Commission are to study the laws relating to the financing of political activity and to report and recommend legislation to reform those laws.

SEC. 602. MEMBERSHIP OF COMMISSION.

(a) COMPOSITION.—The Commission shall be composed of 12 members appointed within 15 days after the date of the enactment of this Act by the President from among individuals who are not incumbent Members of Congress and who are specially qualified to serve on the Commission by reason of education, training, or experience.

(b) APPOINTMENT.—

(1) IN GENERAL.—Members shall be appointed as follows.—

(A) Three members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the Speaker of the House of Representatives.

(B) Three members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the majority leader of the Senate.

(C) Three members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the minority leader of the House of Representatives.

(D) Three members (one of whom shall be a political independent) shall be appointed from among a list of nominees submitted by the minority leader of the Senate.

(2) FAILURE TO SUBMIT LIST OF NOMINEES.—If an official described in any of the subparagraphs of paragraph (1) fails to submit a list of nominees to the President during the 15-day period which begins on the date of the enactment of this Act—

(A) such subparagraph shall no longer apply; and

(B) the President shall appoint three members (one of whom shall be a political independent) who meet the requirements described in subsection (a) and such other criteria as the President may apply.

(3) POLITICAL INDEPENDENT DEFINED.—In this subsection, the term ''political independent'' means an individual who at no time after January 1992—

(A) has held elective office as a member of the Democratic or Republican party;

(B) has received any wages or salary from the Democratic or Republican party or from a Democratic or Republican party office-holder or candidate; or

(C) has provided substantial volunteer services or made any substantial contribution to the Democratic or Republican party or to a Democratic or Republican party office-holder or candidate.

(c) CHAIRMAN.—At the time of the appointment, the President shall designate one member of the Commission as Chairman of the Commission.

(d) TERMS.—The members of the Commission shall serve for the life of the Commission.

(e) VACANCIES.—A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(f) POLITICAL AFFILIATION.—Not more than four members of the Commission may be of the same political party.

SEC. 603. POWERS OF COMMISSION.

(a) HEARINGS.—The Commission may, for the purpose of carrying out this title, hold hearings, sit and act at times and places, take testimony, and receive evidence as the Commission considers appropriate. In carrying out the preceding sentence, the Commission shall ensure that a substantial number of its meetings are open meetings, with significant opportunities for testimony from members of the general public.

(b) QUORUM.—Seven members of the Commission shall constitute a quorum, but a lesser number may hold hearings. The approval of at least nine members of the Commission is required when approving all or a portion of the recommended legislation. Any member of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take under this section.

SEC. 604. ADMINISTRATIVE PROVISIONS.

(a) PAY AND TRAVEL EXPENSES OF MEMBERS.—(1) Each member of the Commission shall be paid at a rate equal to the daily equivalent of the annual rate of basic pay payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which the member is engaged in the actual performance of duties vested in the Commission.

(2) Members of the Commission shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

(b) STAFF DIRECTOR.—The Commission shall, without regard to section 5311(b) of title 5, United States Code, appoint a staff director, who shall be paid at the rate of basic pay payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

(c) STAFF OF COMMISSION; SERVICE.—

(1) IN GENERAL.—With the approval of the Commission, the staff director of the Commission may appoint and fix the pay of additional personnel. The Director may make such appointments without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and any personnel so appointed may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates, except that an individual so appointed may not receive pay in excess of the maximum annual rate of basic pay payable for grade GS–15 of the General Schedule under section 5332 of title 5, United States Code.

(2) EXPERTS AND CONSULTANTS.—The Commission may procure by contract the temporary or intermittent services of experts or consultants pursuant to section 3109 of title 5, United States Code.

SEC. 605. REPORT AND RECOMMENDED LEGISLATION.

(a) REPORT.—Not later than the expiration of the 180-day period which begins on the date on which the second session of the One Hundred Sixth Congress adjourns sine die, the Commission shall submit to the President, the Speaker and minority leader of the House of Representatives, and the majority and minority leaders of the Senate a report of the activities of the Commission.

(b) RECOMMENDATIONS; DRAFT OF LEGISLATION.—The report under subsection (a) shall include any recommendations for changes in the laws (including regulations) governing the financing of political activity (taking into account the provisions of this Act and the amendments made by this Act), including any changes in the rules of the Senate or the House of Representatives, to which nine or more members of the Commission may agree, together with drafts of—

(1) any legislation (including technical and conforming provisions) recommended by the Commission to implement such recommendations; and

(2) any proposed amendment to the Constitution recommended by the Commission as necessary to implement such recommendations, except that if the Commission includes such a proposed amendment in its report, it shall also include recommendations (and drafts) for legislation which may be implemented prior to the adoption of such proposed amendment.

(c) GOALS OF RECOMMENDATIONS AND LEGISLATION.—In making recommendations and preparing drafts of legislation under this section, the Commission shall consider the following to be its primary goals:

(1) Encouraging fair and open Federal elections which provide voters with meaningful information about candidates and issues.

(2) Eliminating the disproportionate influence of special interest financing of Federal elections.

(3) Creating a more equitable electoral system for challengers and incumbents.

SEC. 606. EXPEDITED CONGRESSIONAL CONSIDERATION OF LEGISLATION.

(a) IN GENERAL.—If any legislation is introduced the substance of which implements a recommendation of the Commission submitted under section 605(b) (including a joint resolution proposing an amendment to the Constitution), subject to subsection (b), the provisions of section 2908 (other than subsection (a)) of the Defense Base Closure and Realignment Act of 1990 shall apply to the consideration of the legislation in the same manner as such provisions apply to a joint resolution described in section 2908(a) of such Act.

(b) SPECIAL RULES.—For purposes of applying subsection (a) with respect to such provisions, the following rules shall apply:

(1) Any reference to the Committee on Armed Services of the House of Representatives shall be deemed a reference to the Committee on House Oversight of the House of Representatives and any reference to the Committee on Armed Services of the Senate shall be deemed a reference to the Committee on Rules and Administration of the Senate.

(2) Any reference to the date on which the President transmits a report shall be deemed a reference to the date on which the recommendation involved is submitted under section 605(b).

(3) Notwithstanding subsection (d)(2) of section 2908 of such Act—

(A) debate on the legislation in the House of Representatives, and on all debatable motions and appeals in connection with the legislation, shall be limited to not more than 10 hours, divided equally between those favoring and those opposing the legislation;

(B) debate on the legislation in the Senate, and on all debatable motions and appeals in connection with the legislation, shall be limited to not more than 10 hours, divided equally between those favoring and those opposing the legislation; and

(C) debate in the Senate on any single debatable motion and appeal in connection with the legislation shall be limited to not more than 1 hour, divided equally between the mover and the manager of the bill (except that in the event the manager of the bill is in favor of any such motion of appeal, the time in opposition thereto shall be controlled by the minority leader or his designee), and the majority and minority leader may each allot additional time from time under such leader's control to any Senator during the consideration of any debatable motion or appeal.

SEC. 607. TERMINATION

The Commission shall cease to exist 90 days after the date of the submission of its report under section 605.

SEC. 608. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Commission such sums as are necessary to carry out its duties under this title.

TITLE VII—PROHIBITING USE OF WHITE HOUSE MEALS AND ACCOMMODATIONS FOR POLITICAL FUNDRAISING

SEC. 701. PROHIBITING USE OF WHITE HOUSE MEALS AND ACCOMMODATIONS FOR POLITICAL FUNDRAISING.

(a) IN GENERAL.—Chapter 29 of title 18, United States code, is amended by adding at the end the following new section:

''612. Prohibiting use of meals and accommodations at White House for political fundraising

''(a) It shall be unlawful for any person to provide or offer to provide any meals or accommodations at the White House in exchange for any money or other thing of value, or as a reward for the provision of any money or other thing of value, in support of any political party of the campaign for electoral office of any candidate.

''(b) Any person who violates this section shall be fined under this title or imprisoned not more than 3 years, or both.

''(c) For purposes of this section, any official residence or retreat of the President (including private residential areas and the grounds of such a residence or retreat) shall be treated as part of the White House.''.

(b) CLERICAL AMENDMENT.—The table of sections for chapter 29 of title 18, United States Code, is amended by adding at the end the following new item:

''612. Prohibiting use of meals and accommodations at White House for political fundraising.''.

TITLE VIII—SENSE OF THE CONGRESS REGARDING FUNDRAISING ON FEDERAL GOVERNMENT PROPERTY

SEC. 801. SENSE OF THE CONGRESS REGARDING APPLICABILITY OF CONTROLLING LEGAL AUTHORITY TO FUNDRAISING ON FEDERAL GOVERNMENT PROPERTY.

It is the sense of the Congress that Federal law clearly demonstrates that 'controlling legal authority' under title 18, United States Code, prohibits the use of Federal Government property to raise campaign funds.

TITLE IX—PROHIBITING SOLICITATION TO OBTAIN ACCESS TO CERTAIN FEDERAL GOVERNMENT PROPERTY

SEC. 901. PROHIBITION AGAINST ACCEPTANCE OR SOLICITATION TO OBTAIN ACCESS TO CERTAIN FEDERAL GOVERNMENT PROPERTY.

(a) IN GENERAL.—Chapter 11 of title 18, United States Code, is amended by adding at the end the following new section:''

ACCEPTANCE OR SOLICITATION TO OBTAIN ACCESS TO CERTAIN FEDERAL GOVERNMENT PROPERTY

''SEC. 226. Whoever solicits or receives anything of value in consideration of providing a person with access to Air Force One, Marine One, Air Force Two, Marine Two, the White House, or the Vice President's residence, shall be fined under this title, or imprisoned not more than one year, or both.''.

(b) CLERICAL AMENDMENT.—The table of sections for chapter 11 of title 18, United States Code, is amended by adding at the end the following new item:

''226. Acceptance or solicitation to obtain access to certain Federal Government property.''.

TITLE X—REIMBURSEMENT FOR USE OF GOVERNMENT PROPERTY FOR CAMPAIGN ACTIVITY

SEC. 1001. REQUIRING NATIONAL PARTIES TO REIMBURSE AT COST FOR USE OF AIR FORCE ONE FOR POLITICAL FUNDRAISING.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), an amended by sections 101, 401, 507, 510, and 515, is further amended by adding at the end the following new section:

''REIMBURSEMENT BY POLITICAL PARTIES FOR USE OF AIR FORCE ONE FOR POLITICAL FUNDRAISING

''SEC. 328. (a) IN GENERAL. If the President, Vice President, or the head of any executive department (as defined in section 101 of title 5, United States Code) uses Air Force One for transportation for any travel which includes a fundraising event for the benefit of any political committee of a national political party, such political committee shall reimburse the Federal Government for the fair market value of the transportation of the individual involved, based on the cost of an equivalent commercial chartered flight.

''(b) AIR FORCE ONE DEFINED.—In subsection (a), the term 'Air Force One' means the airplane operated by the Air Force which has been specially configured to carry out the mission of transporting the President.''.

TITLE XI—PROHIBITING USE OF WALKING AROUND MONEY

SEC. 1101. PROHIBITING CAMPAIGNS FROM PROVIDING CURRENCY TO INDIVIDUALS FOR PURPOSES OF ENCOURAGING TURNOUT ON DATE OF ELECTION.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.), as amended by sections 101, 401, 507, 510, 515, and 1001, is further amended by adding at the end the following new section:

''PROHIBITING USE OF CURRENCY TO PROMOTE ELECTION DAY TURNOUT

''SEC. 329. It shall be unlawful for any political committee to provide currency to any individual (directly or through an agent of the committee) for purposes of encouraging the individual to appear at the polling place for the election.''.

TITLE XII—ENHANCING ENFORCEMENT OF CAMPAIGN LAW

SEC. 1201. ENHANCING ENFORCEMENT OF CAMPAIGN FINANCE LAW.

(a) MANDATORY IMPRISONMENT FOR CRIMINAL CONDUCT.—Section 309(d)(1)(A) of the Federal Election Campaign Act of 1971'' (2 U.S.C. 437g(d)(1)(A)) is amended—

(1) in the first sentence, by striking ''shall be fined, or imprisoned for not more than one year, or both'' and inserting ''shall be imprisoned for not fewer than 1 year and not more than 10 years''; and

(2) by striking the second sentence.

(b) CONCURRENT AUTHORITY OF ATTORNEY GENERAL TO BRING CRIMINAL ACTIONS.—Section 309(d) of such Act (2 U.S.C. 437g(d)) is amended by adding at the end the following new paragraph:

''(4) In addition to the authority to bring cases referred pursuant to subsection (a)(5), the Attorney General may at any time bring a criminal action for a violation of this Act or of chapter 95 chapter 96 of the Internal Revenue Code of 1986.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to actions brought with respect to elections occurring after January 1999.

TITLE XIII—BAN ON COORDINATED SOFT MONEY ACTIVITIES BY PRESIDENTIAL CANDIDATES

SEC. 1301. BAN ON COORDINATION OF SOFT MONEY FOR ISSUE ADVOCACY BY PRESIDENTIAL CANDIDATES RECEIVING PUBLIC FINANCING.

(a) IN GENERAL.—Section 9003 of the Internal Revenue Code of 1986 (26 U.S.C. 9003) is amended by adding at the end the following new subsection.

''(f) BAN ON COORDINATION OF SOFT MONEY FOR ISSUE ADVOCACY.—

''(1) IN GENERAL.—No candidate for election to the office of President or Vice President who is certified to receive amounts from the Presidential Election Fund under this chapter or chapter 96 may coordinate the expenditure of any funds for issue advocacy with

any political party unless the funds are subject to the limitations, prohibitions, and reporting requirements of the Federal Election Campaign Act of 1971.

''(2) ISSUE ADVOCACY DEFINED.—In this section, the term 'issue advocacy' means any activity carried out for the purpose of influencing the consideration or outcome of any Federal legislation or the issuance or outcome of any Federal regulations, or educating individuals about candidates for election for Federal office or any Federal legislation, law, or regulations (without regard to whether the activity is carried out for the purpose of influencing any election for Federal office).''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to elections occurring on or after the date of the enactment of this Act.

TITLE XIV—POSTING NAMES OF CERTAIN AIR FORCE ONE PASSENGERS ON INTERNET

SEC. 1401. REQUIREMENT THAT NAMES OF PASSENGERS ON AIR FORCE ONE AND AIR FORCE TWO BE MADE AVAILABLE THROUGH THE INTERNET.

(a) IN GENERAL.—The President shall make available through the Internet the name of any non-Government person who is a passenger on an aircraft designated as Air Force One or Air Force Two not later than 30 days after the date that the person is a passenger on such aircraft.

(b) EXCEPTION.—Subsection (a) shall not apply in a case in which the President determines that compliance with such subsection would be contrary to the national security interests of the United States. In any such case, not later than 30 days after the date that the person whose name will not be made available through the Internet was a passenger on the aircraft, the President shall submit to the chairman and ranking member of the Permanent Select Committee on Intelligence of the House of Representatives and of the Select Committee on Intelligence of the Senate—

(1) the name of the person; and

(2) the justification for not making such name available through the Internet.

(c) DEFINITION OF PERSON.—As used in this Act, the term ''non-Government person'' means a person who is not an officer or employee of the United States, a member of the Armed Forces, or a Member of Congress.

TITLE XV—EXPULSION PROCEEDINGS F0R HOUSE MEMBERS RECEIVING FOREIGN CONTRIBUTIONS

SEC. 1501. PERMITTING CONSIDERATION OF PRIVILEGED MOTION TO EXPEL HOUSE MEMBER ACCEPTING ILLEGAL FOREIGN CONTRIBUTION.

(a) IN GENERAL.—If a Member of the House of Representatives is convicted of a violation of section 319 of the Federal Election Campaign Act of 1971 (or any successor provision prohibiting the solicitation, receipt, or acceptance of a contribution from a foreign national), the Committee on Standards of Official Conduct, shall immediately consider the conduct of the Member and shall make a report and recommendations to the House forthwith concerning that Member which may include a recommendation for expulsion.

(b) EXERCISE OF RULEMAKING AUTHORITY.—This section is enacted by Congress—

(1) as an exercise of the rulemaking power of the House of Representatives, and as such it is deemed a part of the rules of the House of Representatives, and it supersedes other rules only to the extent that it is inconsistent therewith; and

(2) with full recognition of the constitutional right of the House of Representatives to change the rule at any time, in the same manner and to the same extent as in the case of any other rule of the House of Representatives.

TITLE XVI—SEVERABILITY; CONSTITUTIONALITY; EFFECTIVE DATE; REGULATIONS

SEC. 1601. SEVERABILITY.

If any provision of this Act or amendment made by this Act, or the application of a provision or amendment to any person or circumstance, is held to be unconstitutional, the remainder of this Act and amendments made by this Act, and the application of the provisions and amendment to any person or circumstance, shall not be affected by the holding.

SEC. 1602. REVIEW OF CONSTITUTIONAL ISSUES.

An appeal may be taken directly to the Supreme court of the United States from any final judgment, decree, or order issued by any Court ruling on the constitutionality of any provision of this Act or amendment made by this Act.

SEC. 1603. EFFECTIVE DATE.

Except as otherwise provided in this Act, this Act and the amendments made by this Act shall take effect upon the expiration of the 90-day period which begins on the date of the enactment of this Act.

SEC. 1604. REGULATIONS.

The Federal Election Commission shall prescribe any regulations required to carry out this Act and the amendments made by this Act not later than 45 days after the date of the enactment of this Act.

SEC. DISCLOSURE REQUIREMENTS FOR CERTAIN MONEY EXPENDITURES OF POLITICAL PARTIES.

(a) TRANSFERS OF FUNDS BY NATIONAL POLITICAL PARTIES.—Section 304(b)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(4)) is amended—

(1) by striking ''and'' at the end of subparagraph (H);

(2) by adding ''and'' at the end of subparagraph (I); and

(3) by adding at the end the following new subparagraph.:

''(J) in the case of a political committee of a national political party, all funds transferred to any political committee of a State or local political party, without regard to whether or not the funds are otherwise treated as contributions or expenditures under this title;''.

(b) DISCLOSURE BY STATE AND LOCAL POLITICAL PARTIES OF INFORMATION, REPORTED UNDER STATE LAW.—Section 304 of Federal Election Campaign Act of 1971 (2 U.S.C. 434), as amended by section 4, is amended by adding at the end the following:—

''(e) If a political committee of a State or local political party is required under a State or local law to submit a report to an entity of State or local government regarding its disbursements, the committee shall file a copy of the report with the Commission at the same time it submits the report to such entity.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to elections occurring after January 2001.

SEC. . PROMOTING EXPEDITED AVAILABILITY OF FEC REPORTS.

(a) MANDATORY ELECTRONIC FILING.—Section 304(a)(11)(A) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(11)(A)) is amended by striking ''permit reports required by'' and inserting ''require reports under.''

(b) REQUIRING REPORTS FOR ALL CONTRIBUTIONS MADE TO ANY POLITICAL COMMITTEE WITHIN 90 DAYS OF ELECTION; REQUIRING REPORTS TO BE MADE WITHIN 24 HOURS.—Section 304(a)(6) of Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(6)) is amended to read as follows:

''(6)(A) Each political committee shall notify the Secretary or the Commission, and the Secretary of State, as appropriate, in writing, of any contribution received by the committee during the period which begins on the 90th day before an election and ends at the time the polls close for such election. This notification shall be made within 24 hours (or, if earlier, by midnight of the day on which the contribution is deposited) after the receipt of such contribution and shall include the name of the candidate involved (as appropriate) and the office sought by the candidate, the identification of the contributor, and the date of receipt and amount of the contribution.

''(B) The notification required under this paragraph shall be in addition to all other reporting requirements under this Act.''.

(c) INCREASING ELECTRONIC DISCLOSURE.—Section 304 of Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)), as amended by section 6(b), is amended by adding at the end the following:

''(f) The Commission shall make the information contained in the reports submitted under this section available on the Internet and publicly available at the offices of the Commission as soon as practicable (but in no case later than 24 hours) after the information is received by the Commission.''.

(d) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to reports for periods beginning on or after January 2, 2001.

AMENDMENT NO. 2377

At the appropriate place, insert the following:

SEC. . MINIMUM WAGE.

(a) INCREASE.—Paragraph (1) of section 6(a) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) is amended to read as follows:

''(1) except as otherwise provided in this section, not less than—

''(A) $5.65 an hour during the year beginning on January 1, 2000; and

''(B) $6.15 an hour beginning on January 1, 2001;''.

(b) APPLICATION TO COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS.—The provisions of section 6 of the Fair Labor Standards Act of 1938 (29 U.S.C. 206) shall apply to the Commonwealth of the Northern Mariana Islands.

AMENDMENT NO. 2378

On page 41, between lines 21 and 22, insert the following:

''(iii) LABOR AGREEMENT REQUIRED.—The President may not designate a country as a CBTEA beneficiary country until the President has negotiated with that country a side agreement concerning labor standards, similar to the North American Agreement on Labor Cooperation (as defined in section 532(b)(2) of the Trade Agreement Act of 1979 (19 U.S.C. 3471(b)(2)), and submitted the agreement to the Congress.

AMENDMENT NO. 2379

At the appropriate place, insert the following:

SEC. . LABOR AGREEMENT REQUIRED.

The benefits provided by the amendments made by this Act shall not become available to any country until—

(1) the President has negotiated with that country a side agreement concerning labor standards, similar to the North American Agreement on Labor Cooperation (as defined in section 532(b)(2) of the Trade Agreements Act of 1979 (19 U.S.C. 3471(b)(2)); and

(2) submitted that agreement to the Congress.

AMENDMENT NO. 2380

On page 13, strike lines 1 through 7 and insert the following:

''(c) BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES, ETC.—For purposes of this title, the terms 'beneficiary sub-Saharan African country' and 'beneficiary sub-Saharan African countries' mean a country or countries listed in section 4 of the African Growth and Opportunity Act that the President has determined is eligible under subsection (a) of this section.

''(d) LABOR REQUIREMENT.—The President may not designate a country listed in section 4 of the African Growth and Opportunity Act as a beneficiary sub-Saharan African country eligible for the benefits described in subsection (b) until the President has negotiated with that country a side agreement concerning labor standards, similar to the North American Agreement on Labor Cooperation (as defined in section 532(b)(2) of the Trade Agreements Act of 1979 (19 U.S.C. 3471(b)(2)), and submitted those agreements to the Congress.''.

AMENDMENT NO. 2381

At the appropriate place in the bill, insert the following:

SEC. . LABOR AND ENVIRONMENTAL AGREEMENTS REQUIRED.

The benefits provided by the amendments made by this Act shall not be available to any country until the President has negotiated with that country a side agreement concerning—

(1) labor standards similar to the North American Agreement on Labor Cooperation (as defined in section 532(b)(2) of the Trade Agreements Act of 1979 (19 U.S.C. 3471(b)(2)), and

(2) the environment similar to the Border Environment Cooperation Agreement (as defined in section 533(c)(1) of the Trade Agreements Act of 1979 (19 U.S.C. 3473(c)(1)), and

submitted those agreements to the Congress.

AMENDMENT NO. 2382

At the appropriate place insert the following:

SEC. . TERMINATION OF BENEFITS IF DOMESTIC INDUSTRY SUFFERS.

The benefits provided by this Act and the amendments made by this Act shall terminate immediately if the Bureau of Labor Statistics determines that United States textile and apparel industries have lost 50,000 or more jobs at any time during the first 24 months after the date of enactment of this Act.

AMENDMENT NO. 2383

At the appropriate place insert the following:

SEC. . TERMINATION OF BENEFITS IF DOMESTIC INDUSTRY SUFFERS.

The benefits provided by this Act and the amendments made by this Act shall terminate immediately if the Bureau of Labor Statistics determines that United States textile and apparel industries have lost 100,000 or more jobs at any time during the first 24 months after the date of enactment of this Act.

AMENDMENT NO. 2384

On page 41, between lines 21 and 22, insert the following:

''(iii) ENVIRONMENTAL AGREEMENT REQUIRED.—The President may not designate a country as a CBTEA beneficiary country until the President has negotiated with that country a side agreement concerning the environment, similar to the Border Environment Cooperation Agreement (as defined in section 533(c)(1) of the Trade Agreements Act of 1979 (19 U.S.C. 3473(e)(1)), and submitted that agreement to the Congress.

AMENDMENT NO. 2385

At the appropriate place in the bill, insert the following:

SEC. . ENVIRONMENTAL AGREEMENT REQUIRED.

The benefits provided by the amendments made by this Act shall not be available to any country until—

(1) the President has negotiated with that country a side agreement concerning the environment, similar to the Border Environment Cooperation Agreement (as defined in section 533(c)(1) of the Trade Agreements Act of 1979 (19 U.S.C. 3473(e)(1)); and

(2) submitted that agreement to the Congress.

AMENDMENT NO. 2386

On page 13, strike lines 1 through 7 and insert the following:

''(c) BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES, ETC.—For purposes of this title, the terms 'beneficiary sub-Saharan African country' and 'beneficiary sub-Saharan African countries' mean a country or countries listed in section 4 of the African Growth and Opportunity Act that the President has determined is eligible under subsection (a) of this section.

''(d) ENVIRONMENT REQUIREMENT.—The President may not designate a country listed in section 4 of the African Growth and Opportunity Act as a beneficiary sub-Saharan African country eligible for the benefits described in subsection (b) until the President has negotiated with that country a side agreement concerning the environment, similar to the Border Environment Cooperation Agreement (as defined in section 533(c)(1) of the Trade Agreements Act of 1979 (19 U.S.C. 3473(c)(1)), and submitted the agreement to the Congress.''.

AMENDMENT NO. 2387

At the appropriate place in the bill, insert the following:

SEC. . RECIPROCAL TRADE AGREEMENTS REQUIRED.

The benefits provided by the amendments made by this Act shall not be available to any country until the President has negotiated, obtained, and implemented an agreement with that country providing tariff concessions for the importation of United States-made goods that reduces any such import tariffs to a rate that is within 20 percent of the rates applicable to Mexico under the North American Free Trade Agreement for imports of United States-made goods.

AMENDMENT NO. 2388

On page 13, strike lines 1 through 7 and insert the following:

''(c) BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES, ETC.—For purposes of this title, the terms 'beneficiary sub-Saharan African country' and 'beneficiary sub-Saharan African countries' mean a country or countries listed in section 4 of the African Growth and Opportunity Act that the President has determined is eligible under subsection (a) of this section.

''(d) MINIMUM WAGE REQUIREMENT.—The President may not designate a country listed in section 4 of the African Growth and Opportunity Act as a beneficiary sub-Saharan African country eligible for the benefits described in subsection (b) unless the President determines that—

''(1) the country has established by law a requirement that employees in that country who are compensated on an hourly basis be compensated at a rate of not less than one dollar per hour; and

''(2) the goods imported from that country under subsection (b) are produced in accordance with that law.''.

AMENDMENT NO. 2389

At the appropriate place, insert the following:

SEC. . MINIMUM WAGE REQUIREMENT.

The benefits provided by the amendments made by this Act shall not be available to any country unless the President determines that—

(1) the country has established by law a requirement that employees in that country who are compensated on an hourly basis be compensated at a rate of not less than $1 per hour; and

(2) the goods imported from that country that are eligible for such benefits are produced in accordance with that law.

AMENDMENT NO. 2390

On page 13, strike lines 1 through 7 and insert the following:

''(c) BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES, ETC.—For purposes of this title, the terms 'beneficiary sub-Saharan African country' and 'beneficiary sub-Saharan African countries' mean a country or countries listed in section 4 of the African Growth and Opportunity Act that the President has determined is eligible under subsection (a) of this section.

''(d) CHILD LABOR REQUIREMENT.—The President may not designate a country listed in section 4 of the African Growth and Opportunity Act as a beneficiary sub-Saharan African country eligible for the benefits described in subsection (b) unless the President determines that—

''(1) the country prohibits by law the employment of children under the age of 14 in the manufacture and production of goods; and

''(2) no goods exported from that country to the United States produced in violation of that law receive those benefits.''.

AMENDMENT NO. 2391

At the appropriate place, insert the following:

SEC. . CHILD LABOR LAW REQUIREMENT.

The benefits provided by the amendments made by this Act shall not be available to any country unless the President determines that—

(1) the country prohibits by law the employment of children under the age of 14 in the manufacture and production of goods; and

(2) no goods exported from that country to the United States produced in violation of that law receive those benefits.

LEVIN (AND MOYNIHAN) AMENDMENT NO. 2392

(Ordered to lie on the table.)

Mr. LEVIN (for himself and Mr. MOYNIHAN) submitted an amendment intended to be proposed by them to the bill, H.R. 434, supra; as follows:

On page 36, beginning on line 3, strike all through page 41, line 21, and insert the following:

''(B) CBTEA BENEFICIARY COUNTRY.—The term 'CBTEA beneficiary country' means any 'beneficiary country', as defined by section 212(a)(1)(A) of this title, which the President designates as a CBTEA beneficiary country, taking into account the following criteria:

''(i) Whether a beneficiary country has demonstrated a commitment to—

''(I) undertake its obligations under the WTO on or ahead of schedule;

''(II) participate in negotiations toward the completion of the FTAA or a comparable trade agreement; and

''(III) undertake other steps necessary for that country to become a party to the FTAA or a comparable trade agreement.

''(ii) The extent to which the country follows accepted rules of international trade provided for under the agreements listed in section 101(d) of the Uruguay Round Agreements Act.

''(iii) The extent to which the country provides protection of intellectual property rights—

''(I) in accordance with standards established in the Agreement on Trade-Related Aspects of Intellectual Property Rights described in section 101(d)(15) of the Uruguay Round Agreements Act;

''(II) in accordance with standards established in chapter 17 of the NAFTA; and

''(III) by granting the holders of copyrights the ability to control the importation and sale of products that embody copyrighted works, extending the period set forth in Article 1711(6) of NAFTA for protecting test data for agricultural chemicals to 10 years, protecting trademarks regardless of their subsequent designation as geographic indications, and providing enforcement against the importation of infringing products at the border.

''(iv) The extent to which the country provides protections to investors and investments of the United States substantially equivalent to those set forth in chapter 11 of the NAFTA.

''(v) The extent to which the country provides the United States and other WTO members nondiscriminatory, equitable, and reasonable market access with respect to the products for which benefits are provided under paragraphs (2) and (3), and in other relevant product sectors as determined by the President.

''(vi) The extent to which the country provides internationally recognized worker rights, including—

''(I) the right of association,

''(II) the right to organize and bargain collectively,

''(III) prohibition on the use of any form of coerced or compulsory labor,

''(IV) a minimum age for the employment of children, and

''(V) acceptable conditions of work with respect to minimum wages, hours of work, and occupational safety and health;

''(vii) Whether the country has met the counter-narcotics certification criteria set forth in section 490 of the Foreign Assistance Act of 1961 (22 U.S.C. 2291j) for eligibility for United States assistance.

''(viii) The extent to which the country becomes a party to and implements the Inter-American Convention Against Corruption, and becomes party to a convention regarding the extradition of its nationals.

''(ix) The extent to which the country—

''(I) supports the multilateral and regional objectives of the United States with respect to government procurement, including the negotiation of government procurement provisions as part of the FTAA and conclusion of a WTO transparency agreement as provided in the declaration of the WTO Ministerial Conference held in Singapore on December 9 through 13, 1996; and

''(II) applies transparent and competitive procedures in government procurement equivalent to those contained in the WTO Agreement on Government Procurement (described in section 101(d)(17) of the Uruguay Round Agreements Act).

''(x) The extent to which the country follows the rules on customs valuation set forth in the WTO Agreement on Implementation of Article VII of the GATT 1994 (described in section 101(d)(8) of the Uruguay Round Agreements Act).

''(xi) The extent to which the country affords to products of the United States which the President determines to be of commercial importance to the United States with respect to such country, and on a nondiscriminatory basis to like products of other WTO members, tariff treatment that is no less favorable than the most favorable tariff treatment provided by the country to any other country pursuant to any free trade agreement to which such country is a party, other than the Central American Common Market or the Caribbean Community and Common Market.

BOXER (AND JEFFORDS) AMENDMENT NO. 2393

(Ordered to lie on the table.)

Mrs. BOXER (for herself and Mr. JEFFORDS) submitted an amendment intended to be proposed by them to the bill, H.R. 434, supra; as follows:

At the appropriate place, add the following:

SEC. . (a) FINDINGS.—Congress finds that:

(1) Decertification affects approximately one-sixth of the world's population and one-quarter of the total land area;

(2) Over one million hectares of Africa are affected by desertification;

(3) Dryland degradation is an underlying cause of recurrent famine in Africa;

(4) The United Nations Environment Programme estimates that desertification costs the world $42 billion a year, not including incalculable costs in human suffering; and

(5) The United States can strengthen its partnerships throughout Africa and other nations affected by desertification, help alleviate social and economic crises caused by misuse of natural resources, and reduce dependence on foreign aid, by taking a leading role to combat desertification.

(b) SENSE OF THE SENATE.—It is the Sense of the Senate that the United States should expeditiously work with the international community, particularly Africa and other nations affected by desertification, to:

(1) strengthen international cooperation to combat desertification;

(2) promote the development of national and regional strategies to address desertification;

(3) develop and implement national action programs that identify the causes of desertification and measures to address it; and

(4) recognize the essential role of local governments and non-governmental organizations in developing and implementing measures to address by desertification.

JOHNSON AMENDMENT NO. 2394

(Ordered to lie on the table.)

Mr. JOHNSON submitted an amendment intended to be proposed by him to the bill, H.R. 434, supra; as follows:

At the appropriate place, insert the following:

SEC. ___LABELING OF IMPORTED MEAT AND MEAT FOOD PRODUCTS.

(a) DEFINITIONS.—Section 1 of the Federal Meat Inspection Act (21 U.S.C. 601) is amended by adding at the end the following:

''(w) BEEF.—The term 'beef' means meat produced from cattle (including veal).

''(x) IMPORTED BEEF.—The term 'imported beef' means beef that is not United States beef, whether or not the beef is graded with a quality grade issued by the Secretary.

''(y) IMPORTED LAMB.—The term 'imported lamb' means lamb that is not United States lamb, whether or not the lamb is graded with a quality grade issued by the Secretary.

''(z) IMPORTED PORK.—The term 'imported pork' means pork that is not United States pork.

''(aa) LAMB.—The term 'lamb' means meat, other than mutton, produced from sheep.

''(bb) PORK.—The term 'pork' means meat produced from hogs.

''(cc) UNITED STATES BEEF.—

''(1) IN GENERAL.—The term 'United States beef' means beef produced from cattle slaughtered in the United States.

''(2) EXCLUSION.—The term 'United States beef' does not include beef produced from cattle imported into the United States in sealed trucks for slaughter.

''(dd) UNITED STATES LAMB.—

''(1) IN GENERAL.—The term 'United States lamb' means lamb produced from sheep slaughtered in the United States.

''(2) EXCLUSION.—The term 'United States lamb' does not include lamb produced from sheep imported into the United States in sealed trucks for slaughter.

''(ee) UNITED STATES PORK.—

''(1) IN GENERAL.—The term 'United States pork' means pork produced from hogs slaughtered in the United States.

''(2) EXCLUSION.—The term 'United States pork' does not include pork produced from hogs imported into the United States in sealed trucks for slaughter.''.

(b) MISBRANDING.—Section 1(n) of the Federal Meat Inspection Act (21 U.S.C. 601(n)) is amended—

(1) in paragraph (11), by striking ''or'' at the end;

(2) in paragraph (12), by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(13)(A) if it is imported beef, imported lamb, or imported pork offered for retail sale as muscle cuts of beef, lamb, or pork and does not bear a label that identifies its country of origin;

''(B) if it is United States beef, United States lamb, or United States pork offered for retail sale as muscle cuts of beef, lamb, or pork, and does not bear a label that identifies its country of origin; or

''(C) if it is United States or imported ground beef, ground lamb, or ground pork and is not accompanied by labeling that identifies it as United States beef, United States lamb, United States pork, imported beef, imported lamb, imported pork, or other designation that identifies the content of United States beef, imported beef, United States lamb, imported lamb, United States pork, and imported pork contained in the product, as determined by the Secretary.''.

(c) LABELING.—Section 7 of the Federal Meat Inspection Act (21 U.S.C. 607) is amended by adding at the end the following:

''(g) MANDATORY LABELING.—The Secretary shall provide by regulation that the following offered for retail sale bear a label that identifies its country of origin:

''(1) Muscle cuts of United States beef, United States lamb, United States pork, imported beef, imported lamb, and imported pork.

''(2) Ground beef, ground lamb, and ground pork.

''(h) AUDIT VERIFICATION SYSTEM FOR UNITED STATES AND IMPORTED MUSCLE CUTS OF BEEF, LAMB, AND PORK AND GROUND BEEF, LAMB, AND PORK.—The Secretary may require by regulation that any person that prepares, stores, handles, or distributes muscle cuts of United States beef, imported beef, United States lamb, imported lamb, United States pork, imported pork, ground beef, ground lamb, or ground pork for retail sale maintain a verifiable recordkeeping audit

trail that will permit the Secretary to ensure compliance with the regulations promulgated under subsection (g).''.

(d) REGULATIONS.—Not later than 1 year after the date of enactment of this Act, the Secretary of Agriculture shall promulgate final regulations to carry out the amendments made by this section.

(e) EFFECTIVE DATE.—The amendments made by this section take effect 60 days after the date on which final regulations are promulgated under subsection (e).

SANTORUM (AND BYRD) AMENDMENT NO. 2395

(Ordered to lie on the table.)

Mr. SANTORUM (for himself, and Mr. BYRD) submitted an amendment intended to be proposed by them to the bill, H.R. 434, supra; as follows:

At the appropriate place, insert the following new section:

SEC. ___. MORATORIUM ON ANTIDUMPING AND COUNTERVAILING DUTY AGREEMENTS.

(a) FINDINGS.—The Senate makes the following findings:

(1) The Senate is deeply concerned that, in connection with the World Trade Organization (''WTO'') Ministerial meeting to be held in Seattle, Washington, and the multilateral trade negotiations expected to follow, a few countries are seeking to circumvent the agreed list of negotiating topics and reopen debate over the WTO's antidumping and antisubsidy rules.

(2) Strong antidumping and antisubsidy rules are a cornerstone of the liberal trade policy of the United States and are essential to the health of the manufacturing and farm sectors in the United States.

(3) It has long been and remains the policy of the United States to support its antidumping and antisubsidy laws and to defend those laws in international negotiations.

(4) The WTO antidumping and antisubsidy rules concluded in the Uruguay Round have scarcely been tested since they entered into effect and certainly have not proved defective.

(5) Opening these rules to renegotiation could only lead to weakening them, which would in turn lead to even greater abuse of the world's open markets, particularly that of the United States.

(6) Conversely, avoiding another divisive fight over these rules is the best way to promote progress on the other, far more important, issues facing WTO members.

(7) It is therefore essential that negotiations on these antidumping and antisubsidy matters not be reopened under the auspices of the WTO or otherwise.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the President should—

(1) not participate in any international negotiation in which antidumping or antisubsidy rules are part of the negotiating agenda;

(2) refrain from submitting for congressional approval agreements that require changes to the current antidumping and countervailing duty laws and enforcement policies of the United States; and

(3) enforce the antidumping and countervailing duty laws vigorously in all pending and future cases.

BROWNBACK AMENDMENT NO. 2396

(Ordered to lie on the table.)

Mr. BROWNBACK submitted an amendment intended to be proposed by him to the bill, H.R. 434, supra; as follows:

At the end of the bill, insert the following new title:

TITLE ____—RECIPROCAL TRADE AGREEMENTS

SEC. ___01. SHORT TITLE.

This title may be cited as the ''Reciprocal Trade Agreements Act of 1999''.

SEC. ___02. TRADE NEGOTIATING OBJECTIVES OF THE UNITED STATES.

(a) STATEMENT OF PURPOSES.—The purposes of this title are to achieve, through trade agreements affording mutual benefits—

(1) more open, equitable, and reciprocal market access for United States goods, services, and investment;

(2) the reduction or elimination of barriers and other trade-distorting policies and practices;

(3) a more effective system of international trading disciplines and procedures; and

(4) economic growth, higher living standards, and full employment in the United States, and economic growth and development among United States trading partners.

(b) PRINCIPAL TRADE NEGOTIATING OBJECTIVES.—The principal trade negotiating objectives of the United States for agreements subject to the provisions of section ____03 include the following:

(1) REDUCTION OF BARRIERS TO TRADE IN GOODS.—The principal negotiating objective of the United States regarding barriers to trade in goods is to obtain competitive opportunities for United States exports in foreign markets substantially equivalent to the opportunities afforded foreign exports to United States markets, including the reduction or elimination of tariff and nontariff trade barriers, including—

(A) tariff and nontariff disparities remaining from previous rounds of multilateral trade negotiations that have put United States exports at a competitive disadvantage in world markets;

(B) measures identified in the annual report prepared under section 181 of the Trade Act of 1974 (19 U.S.C. 2241); and

(C) tariff elimination for products identified in section 111(b) of the Uruguay Round Agreements Act (19 U.S.C. 3521(b)) and the accompanying Statement of Administrative Action related to that section.

(2) TRADE IN SERVICES.—

(A) The principal negotiating objectives of the United States regarding trade in services are—

(i) to reduce or eliminate barriers to, or other distortions of, international trade in services, including regulatory and other barriers that deny national treatment or unreasonably restrict the establishment and operation of service suppliers in foreign markets; and

(ii) to develop internationally agreed rules, including dispute settlement procedures, that—

(I) are consistent with the commercial policies of the United States, and

(II) will reduce or eliminate such barriers or distortions, and help ensure fair, equitable opportunities for foreign markets.

(B) In pursuing the negotiating objectives described in subparagraph (A), United States negotiators shall take into account legitimate United States domestic objectives, including protection of legitimate health, safety, essential security, environmental, consumer, and employment opportunity interests. The preceding sentence shall not be construed to authorize any modification of United States law.

(3) FOREIGN INVESTMENT.—

(A) The principal negotiating objectives of the United States regarding foreign investment are—

(i) to reduce or eliminate artificial or trade-distorting barriers to foreign investment, to expand the principle of national treatment, and to reduce unreasonable barriers to establishment; and

(ii) to develop internationally agreed rules through the negotiation of investment agreements, including dispute settlement procedures, that—

(I) will help ensure a free flow of foreign investment, and

(II) will reduce or eliminate the trade distortive effects of certain trade-related investment measures.

(B) In pursuing the negotiating objectives described in subparagraph (A), United States negotiators shall take into account legitimate United States domestic objectives, including protection of legitimate health, safety, essential security, environmental, consumer, and employment opportunity interests. The preceding sentence shall not be construed to authorize any modification of United States law.

(4) INTELLECTUAL PROPERTY.—The principal negotiating objectives of the United States regarding intellectual property are—

(A) to further promote adequate and effective protection of intellectual property rights, by—

(i) seeking the enactment and effective enforcement by foreign countries of laws that—

(I) recognize and adequately protect intellectual property, including copyrights, patents, trademarks, semiconductor chip layout designs, and trade secrets, and

(II) provide protection against unfair competition;

(ii) accelerating and ensuring the full implementation of the Agreement on Trade-Related Aspects of Intellectual Property Rights referred to in section 101(d)(15) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(15)), and achieving improvements in the standards of that Agreement;

(iii) providing strong protection for new and emerging technologies and new methods of transmitting and distributing products embodying intellectual property;

(iv) preventing or eliminating discrimination with respect to matters affecting the availability, acquisition, scope, maintenance, use, and enforcement of intellectual property rights; and

(v) providing for strong enforcement of intellectual property rights through accessible, expeditious, and effective civil, administrative, and criminal enforcement mechanisms;

(B) to secure fair, equitable, and nondiscriminatory market access opportunities for United States persons that rely on intellectual property protection; and

(C) to recognize that the inclusion in the WTO of—

(i) adequate and effective substantive norms and standards for the protection and enforcement of intellectual property rights, and

(ii) dispute settlement provisions and enforcement procedures,

is without prejudice to other complementary initiatives undertaken in other international organizations.

(5) AGRICULTURE.—The principal negotiating objectives of the United States with respect to agriculture are, in addition to those set forth in section 1123(b) of the Food Security Act of 1985 (7 U.S.C. 1736r(b)), to achieve, on an expedited basis to the maximum extent feasible, more open and fair conditions of trade in agricultural commodities by—

(A) developing, strengthening, and clarifying rules for agricultural trade, including disciplines on restrictive or trade-distorting import and export practices such as those that would impact perishable or cyclical products;

(B) increasing United States agricultural exports by eliminating barriers to trade (including transparent and nontransparent barriers) and reducing or eliminating the subsidization of agricultural production consistent with the United States policy of agricultural stabilization in cyclical and unpredictable markets;

(C) creating a free and more open world agricultural trading system by resolving questions pertaining to export and other trade-distorting subsidies, market pricing, and market access;

(D) eliminating or reducing substantially other specific constraints to fair trade and more open market access, such as tariffs, quotas, and other nontariff practices; and

(E) developing, strengthening, and clarifying rules that address practices that unfairly decrease United States market access opportunities or distort agricultural markets to the detriment of the United States, including—

(i) unfair or trade-distorting activities of state trading enterprises and other administrative mechanisms, including lack of price transparency;

(ii) unjustified restrictions or commercial requirements affecting new technologies, including biotechnology;

(iii) unjustified sanitary or phytosanitary restrictions;

(iv) other unjustified technical barriers to trade; and

(v) restrictive rules in the administration of tariff-rate quotas.

(6) UNFAIR TRADE PRACTICES.—The principal negotiating objectives of the United States with respect to unfair trade practices are—

(A) to enhance the operation and effectiveness of the relevant Uruguay Round Agreements and any other agreements designed to define, deter, discourage the persistent use of, and otherwise discipline, unfair trade practices having adverse trade effects, including forms of subsidy and dumping not adequately disciplined, such as resource input subsidies, diversionary dumping, dumped or subsidized inputs, third country dumping, circumvention of antidumping or countervailing duty orders, and export targeting practices; and

(B) to obtain the enforcement of WTO rules against—

(i) trade-distorting practices of state trading enterprises, and

(ii) the acts, practices, or policies of any foreign government which, as a practical matter, unreasonably require that—

(I) substantial direct investment in the foreign country be made,

(II) intellectual property be licensed to the foreign country or to any firm of the foreign country, or

(III) other collateral concessions be made, as a condition for the importation of any product or service of the United States into the foreign country or as a condition for carrying on business in the foreign country.

(7) SAFEGUARDS.—The principal negotiating objectives of the United States regarding safeguards are—

(A) to improve and expand rules and procedures covering safeguard measures;

(B) to ensure that safeguard measures are—

(i) transparent,

(ii) temporary,

(iii) degressive, and

(iv) subject to review and termination when no longer necessary to remedy injury and to facilitate adjustment; and

(C) to require notification of, and to monitor the use by, WTO members of import relief actions for their domestic industries.

(8) IMPROVEMENT OF THE WTO AND MULTILATERAL TRADE AGREEMENTS.—The principal negotiating objectives of the United States regarding the improvement of the WTO and other multilateral trade agreements are—

(A) to improve the operation and extend the coverage of the WTO and such agreements to products, sectors, and conditions of trade not adequately covered; and

(B) to expand country participation in particular agreements, where appropriate.

(9) DISPUTE SETTLEMENT.—The principal negotiating objectives of the United States with respect to dispute settlement are—

(A) to provide for effective and expeditious dispute settlement mechanisms and procedures in any trade agreement entered into under this authority; and

(B) to ensure that such mechanisms within the WTO and agreements concluded under the auspices of the WTO provide for more effective and expeditious resolution of disputes and enable better enforcement of United States rights.

(10) TRANSPARENCY.—The principal negotiating objective of the United States regarding transparency is to obtain broader application of the principle of transparency through increased public access to information regarding trade issues, clarification of the costs and benefits of trade policy actions, and the observance of open and equitable procedures by United States trading partners and within the WTO.

(11) DEVELOPING COUNTRIES.—The principal negotiating objectives of the United States regarding developing countries are—

(A) to ensure that developing countries promote economic development by assuming the fullest possible measure of responsibility for achieving and maintaining an open international trading system by providing reciprocal benefits and assuming equivalent obligations with respect to their import and export practices; and

(B) to establish procedures for reducing nonreciprocal trade benefits for the more advanced developing countries.

(12) CURRENT ACCOUNT SURPLUSES.—The principal negotiating objective of the United States regarding current account surpluses is to promote policies to address large and persistent global current account imbalances of countries (including imbalances which threaten the stability of the international trading system), by imposing greater responsibility on such countries to undertake policy changes aimed at restoring current account equilibrium through expedited implementation of trade agreements where feasible and appropriate.

(13) ACCESS TO HIGH TECHNOLOGY.—

(A) The principal negotiating objective of the United States regarding access to high technology is to obtain the elimination or reduction of foreign barriers to, and acts, policies, or practices by foreign governments which limit, equitable access by United States persons to foreign-developed technology, including barriers, acts, policies, or practices which have the effect of—

(i) restricting the participation of United States persons in government-supported research and development projects;

(ii) denying equitable access by United States persons to government-held patents;

(iii) requiring the approval of government entities, or imposing other forms of government intervention, as a condition of granting licenses to United States persons by foreign persons (other than approval which may be necessary for national security purposes to control the export of critical military technology); and

(iv) otherwise denying equitable access by United States persons to foreign-developed technology or contributing to the inequitable flow of technology between the United States and its trading partners.

(B) In pursuing the negotiating objective described in subparagraph (A), the United States negotiators shall take into account United States Government policies in licensing or otherwise making available to foreign persons technology and other information developed by United States laboratories.

(14) BORDER TAXES.—The principal negotiating objective of the United States regarding border taxes is, within the WTO, to obtain a revision of the treatment of border adjustments for internal taxes in order to redress the disadvantage to countries that rely primarily on direct taxes rather than indirect taxes for revenue.

(15) REGULATORY COMPETITION.—The principal trade negotiating objectives of the United States regarding the use of government regulation or other practices by foreign governments to provide a competitive advantage to their domestic producers, service providers, or investors and thereby reduce market access for United States goods, services, and investment are—

(A) to ensure that government regulation and other government practices do not unfairly discriminate against United States goods, services, or investment; and

(B) to prevent the use of foreign government regulation and other government practices, including the lowering of, or derogation from, existing labor (including child labor), health and safety, or environmental standards, for the purpose of attracting investment or inhibiting United States exports.

Nothing in subparagraph (B) shall be construed to authorize in an implementing bill, or in an agreement subject to an implementing bill, the inclusion of provisions that would restrict the autonomy of the United States in these areas.

(c) INTERNATIONAL ECONOMIC POLICY OBJECTIVES DESIGNED TO REINFORCE THE TRADE AGREEMENTS PROCESS.—

(1) IN GENERAL.—It is the policy of the United States to reinforce the trade agreements process by—

(A) fostering stability in international currency markets and developing mechanisms to assure greater coordination, consistency, and cooperation between international trade and monetary systems and institutions in order to protect against the trade consequences of significant and unanticipated currency movements;

(B) supplementing and strengthening standards for protection of intellectual property rights under conventions designed to protect such rights that are administered by international organizations other than the WTO, expanding the conventions to cover new and emerging technologies, and eliminating discrimination and unreasonable exceptions or preconditions to such protection;

(C) promoting respect for workers' rights, by—

(i) reviewing the relationship between workers' rights and the operation of international trading systems and specific trade arrangements; and

(ii) seeking to establish in the International Labor Organization (referred to in this title as the ''ILO'') a mechanism for the systematic examination of, and reporting on, the extent to which ILO members promote and enforce the freedom of association, the right to organize and bargain collectively, a prohibition on the use of forced labor, a prohibition on exploitative child labor, and a prohibition on discrimination in employment; and

(D) expanding the production of goods and trade in goods and services to ensure the optimal use of the world's resources, while seeking to protect and preserve the environment and to enhance the international means for doing so.

(2) APPLICATION OF PROCEDURES.—Nothing in this subsection shall be construed to authorize the use of the trade agreement approval procedures described in section ___03 to modify United States law.

SEC. ___03. TRADE AGREEMENT NEGOTIATING AUTHORITY.

(a) AGREEMENTS REGARDING TARIFF BARRIERS.—

(1) IN GENERAL.—Whenever the President determines that 1 or more existing duties or other import restrictions of any foreign country or the United States are unduly burdening and restricting the foreign trade of the United States and that the purposes, policies, and objectives of this title will be promoted thereby, the President—

(A) may enter into trade agreements with foreign countries before—

(i) October 1, 2001, or

(ii) October 1, 2005, if the authority provided by this title is extended under subsection (c); and

(B) may, consistent with paragraphs (2) through (5), proclaim—

(i) such modification or continuance of any existing duty,

(ii) such continuance of existing duty-free or excise treatment, or

(iii) such additional duties,

as the President determines to be required or appropriate to carry out any such trade agreement.

(2) LIMITATIONS.—No proclamation may be made under paragraph (1) that—

(A) reduces any rate of duty (other than a rate of duty that does not exceed 5 percent ad valorem on the date of enactment of this Act) to a rate which is less than 50 percent of the rate of such duty that applies on such date of enactment;

(B) provides for a reduction of duty on an article to take effect on a date that is more than 10 years after the first reduction that is proclaimed to carry out a trade agreement with respect to such article; or

(C) increases any rate of duty above the rate that applied on the date of enactment of this Act.

(3) AGGREGATE REDUCTION; EXEMPTION FROM STAGING.—

(A) AGGREGATE REDUCTION.—Except as provided in subparagraph (B), the aggregate reduction in the rate of duty on any article which is in effect on any day pursuant to a trade agreement entered into under paragraph (1) shall not exceed the aggregate reduction which would have been in effect on such day if—

(i) a reduction of 3 percent ad valorem or a reduction of one-tenth of the total reduction, whichever is greater, had taken effect on the effective date of the first reduction proclaimed under paragraph (1) to carry out such agreement with respect to such article; and

(ii) a reduction equal to the amount applicable under clause (i) had taken effect at 1-year intervals after the effective date of such first reduction.

(B) EXEMPTION FROM STAGING.—No staging under subparagraph (A) is required with respect to a rate reduction that is proclaimed under paragraph (1) for an article of a kind that is not produced in the United States. The United States International Trade Commission shall advise the President of the identity of articles that may be exempted from staging under this subparagraph.

(4) ROUNDING.—If the President determines that such action will simplify the computation of reductions under paragraph (3), the President may round an annual reduction by the lesser of—

(A) the difference between the reduction without regard to this paragraph and the next lower whole number; or

(B) one-half of 1 percent ad valorem.

(5) OTHER LIMITATIONS.—A rate of duty reduction or increase that may not be proclaimed by reason of paragraph (2) may take effect only if a provision authorizing such reduction or increase is included within an implementing bill provided for under section ___05 and that bill is enacted into law.

(6) EXPANDED TARIFF PROCLAMATION AUTHORITY.—

(A) IN GENERAL.—Notwithstanding the provisions of paragraphs (1) through (5), before October 1, 2001 (or before October 1, 2005, if the authority provided by this title is extended under subsection (c)), and subject to the consultation and layover requirements of section 115 of the Uruguay Round Agreements Act (19 U.S.C. 3524) and the notification and consultation requirements of section ___04(a) of this title, the President may proclaim the modification of any duty or staged rate reduction of any duty set forth in Schedule XX, as defined in section 2(5) of the Uruguay Round Agreements Act, if the United States has agreed to such modification or staged rate reduction in a negotiation for the reciprocal elimination or harmonization of duties, within the same tariff categories, under the auspices of the World Trade Organization or as part of an interim agreement leading to the formation of a regional free-trade area.

(B) NOTICE REQUIRED.—The modification or staged rate reduction authorized under subparagraph (A) with respect to any negotiation initiated after the date of enactment of this Act may be proclaimed only on articles in tariff categories with respect to which the President has provided notice in accordance with section ___04(a).

(7) TARIFF MODIFICATIONS UNDER URUGUAY ROUND AGREEMENTS ACT.—Nothing in this subsection shall limit the authority provided to the President under section 111(b) of the Uruguay Round Agreements Act.

(b) AGREEMENTS REGARDING TARIFF AND NONTARIFF BARRIERS.—

(1) IN GENERAL.—

(A) DETERMINATION BY PRESIDENT.—Whenever the President determines that—

(i) any duty or other import restriction imposed by any foreign country or the United States or any other barrier to, or other distortion of, international trade—

(I) unduly burdens or restricts the foreign trade of the United States or adversely affects the United States economy, or

(II) is likely to result in such a burden, restriction, or effect, and

(ii) the purposes, policies, and objectives of this title will be promoted thereby,

the President may, before October 1, 2001 (or before October 1, 2005, if the authority provided under this title is extended under subsection (c)) enter into a trade agreement described in subparagraph (B).

(B) TRADE AGREEMENT DESCRIBED.—A trade agreement described in this subparagraph means an agreement with a foreign country that provides for—

(i) the reduction or elimination of such duty, restriction, barrier, or other distortion; or

(ii) the prohibition of, or limitation on the imposition of, such barrier or other distortion.

(2) CONDITIONS.—A trade agreement may be entered into under this subsection only if—

(A) such agreement makes progress in meeting the applicable objectives described in section ___02(b); and

(B) the President satisfies the conditions set forth in section ___04 with respect to such agreement.

(3) BILLS QUALIFYING FOR TRADE AGREEMENT APPROVAL PROCEDURES.—The provisions of section 151 of the Trade Act of 1974 (in this title referred to as ''trade agreement approval procedures'') apply to implementing bills submitted with respect to trade agreements entered into under this subsection, except that, for purposes of applying section 151(b)(1), such implementing bills shall contain only—

(A) provisions that approve a trade agreement entered into under this subsection that achieves one or more of the principal negotiating objectives set forth in section ___02(b) and the statement of administrative action (if any) proposed to implement such trade agreement;

(B) provisions that are—

(i) necessary to implement such agreement; or

(ii) otherwise related to the implementation, enforcement, and adjustment to the effects of such trade agreement and are directly related to trade; and

(C) provisions necessary for purposes of complying with section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 in implementing the applicable trade agreement.

(c) EXTENSION PROCEDURES.—

(1) IN GENERAL.—Except as provided in section ___05(b)—

(A) subsections (a) and (b) shall apply with respect to agreements entered into before October 1, 2001; and

(B) subsections (a) and (b) shall be extended to apply with respect to agreements entered into on or after October 1, 2001, and before October 1, 2005, if (and only if)—

(i) the President requests such extension under paragraph (2); and

(ii) neither House of Congress adopts an extension disapproval resolution under paragraph (5) before October 1, 2001.

(2) REPORT TO CONGRESS BY THE PRESIDENT.—If the President is of the opinion that the authority under subsections (a) and (b) should be extended, the President shall submit to Congress, not later than July 1, 2001, a written report that contains a request for such extension, together with—

(A) a description of all trade agreements that have been negotiated under subsections (a) and (b) and, where applicable, the anticipated schedule for submitting such agreements to Congress for approval;

(B) a description of the progress that has been made in negotiations to achieve the purposes, policies, and objectives set out in section ___02 (a) and (b) of this title, and a statement that such progress justifies the continuation of negotiations; and

(C) a statement of the reasons why the extension is needed to complete the negotiations.

(3) REPORT TO CONGRESS BY THE ADVISORY COMMITTEE.—The President shall promptly inform the Advisory Committee for Trade Policy and Negotiations established under section 135 of the Trade Act of 1974 (19 U.S.C. 2155) of the President's decision to submit a report to Congress under paragraph (2). The Advisory Committee shall submit to Congress as soon as practicable, but not later than August 1, 2001, a written report that contains—

(A) its views regarding the progress that has been made in negotiations to achieve the purposes, policies, and objectives of this title; and

(B) a statement of its views, and the reasons therefor, regarding whether the extension requested under paragraph (2) should be approved or disapproved.

(4) REPORTS MAY BE CLASSIFIED.—The reports submitted to Congress under paragraphs (2) and (3), or any portion of the reports, may be classified to the extent the President determines appropriate.

(5) EXTENSION DISAPPROVAL RESOLUTIONS.—

(A) IN GENERAL.—For purposes of this subsection, the term ''extension disapproval resolution'' means a resolution of either House

of Congress, the sole matter after the resolving clause of which is as follows: ''That the ___ disapproves the request of the President for an extension, under section ___03(c) of the Reciprocal Trade Agreements Act of 1999, of _____ after September 30, 2001.'', with the first blank space being filled with the name of the resolving House of Congress and the second blank space being filled with one or both of the following phrases: ''the tariff proclamation authority provided under section ___03(a) of the Reciprocal Trade Agreements Act of 1999'' or ''the trade agreement approval procedures provided under section ___03(b) of the Reciprocal Trade Agreements Act of 1999''.

(B) INTRODUCTION AND REFERRAL.—Extension disapproval resolutions—

(i) may be introduced in either House of Congress by any member of such House;

(ii) shall be jointly referred, in the House of Representatives, to the Committee on Ways and Means and the Committee on Rules; and

(iii) shall be referred, in the Senate, to the Committee on Finance.

(C) FLOOR CONSIDERATION.—The provisions of sections 152(d) and (e) of the Trade Act of 1974 (19 U.S.C. 2192(d) and (e)) (relating to the floor consideration of certain resolutions in the House and Senate) apply to extension disapproval resolutions.

(D) COMMITTEE ACTION REQUIRED.—It is not in order for—

(i) the Senate to consider any extension disapproval resolution not reported by the Committee on Finance;

(ii) the House of Representatives to consider any extension disapproval resolution not reported by the Committee on Ways and Means and the Committee on Rules; or

(iii) either House of Congress to consider an extension disapproval resolution after September 30, 2001.

SEC. ___04. NOTICE AND CONSULTATIONS.

(a) NOTICE AND CONSULTATION BEFORE NEGOTIATION.—With respect to any agreement subject to the provisions of section ___03 (a) or (b), the President shall—

(1) not later than 90 calendar days before initiating negotiations, provide written notice to Congress regarding—

(A) the President's intent to initiate the negotiations;

(B) the date the President intends to initiate such negotiations;

(C) the specific United States objectives for the negotiations; and

(D) whether the President intends to seek an agreement or changes to an existing agreement;

(2) consult regarding the negotiations—

(A) before and promptly after submission of the notice described in paragraph (1), with the Committee on Finance of the Senate, the Committee on Ways and Means of the House of Representatives, and such other committees of the House and Senate as the President deems appropriate; and

(B) with any other committee that requests consultations in writing; and

(3) consult with the appropriate industry sector advisory groups established under section 135 of the Trade Act of 1974 before initiating negotiations.

(b) CONSULTATION WITH CONGRESS BEFORE AGREEMENT ENTERED INTO.—

(1) CONSULTATION.—Before entering into any trade agreement under section ___03 (a) or (b), the President shall consult with—

(A) the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate; and

(B) each other committee of the House and the Senate, and each joint committee of Congress, which has jurisdiction over legislation involving subject matters that would be affected by the trade agreement.

(2) SCOPE.—The consultation described in paragraph (1) shall include consultation with respect to—

(A) the nature of the agreement;

(B) how and to what extent the agreement will achieve the applicable purposes, policies, and objectives of this title;

(C) where applicable, the implementation of the agreement under section ___05, including whether the agreement includes subject matter for which supplemental implementing legislation may be required which is not subject to trade agreement approval procedures; and

(D) any other agreement the President has entered into or intends to enter into with the country or countries in question.

(c) ADVISORY COMMITTEE REPORTS.—The report required under section 135(e)(1) of the Trade Act of 1974 regarding any trade agreement entered into under section ___03(b) of this title shall be provided to the President, Congress, and the United States Trade Representative not later than 30 calendar days after the date on which the President notifies Congress under section ___05(a)(1)(A) of the President's intention to enter into the agreement.

(d) CONSULTATION BEFORE AGREEMENT INITIALED.—In the course of negotiations conducted under this title, the United States Trade Representative shall consult closely and on a timely basis (including immediately before initialing an agreement) with, and keep fully apprised of the negotiations, the congressional advisers for trade policy and negotiations appointed under section 161 of the Trade Act of 1974 (19 U.S.C. 2211), the Committee on Finance of the Senate, and the Committee on Ways and Means of the House of Representatives.

SEC. ___05. IMPLEMENTATION OF TRADE AGREEMENTS.

(a) IN GENERAL.—

(1) NOTIFICATION AND SUBMISSION.—Any agreement entered into under section ___03(b) shall enter into force with respect to the United States if (and only if)—

(A) the President, at least 90 calendar days before the day on which the President enters into the trade agreement, notifies the House of Representatives and the Senate of the President's intention to enter into the agreement, and promptly thereafter publishes notice of such intention in the Federal Register;

(B) within 60 calendar days after entering into the agreement, the President submits to Congress a description of those changes to existing laws that the President considers would be required in order to bring the United States into compliance with the agreement;

(C) after entering into the agreement, the President submits a copy of the final legal text of the agreement, together with—

(i) a draft of an implementing bill described in section ___03(b)(3);

(ii) a statement of any administrative action proposed to implement the trade agreement; and

(iii) the supporting information described in paragraph (2); and

(D) the implementing bill is enacted into law.

(2) SUPPORTING INFORMATION.—The supporting information required under paragraph (1)(C)(iii) consists of—

(A) an explanation as to how the implementing bill and proposed administrative action will change or affect existing law; and

(B) a statement—

(i) asserting that the agreement makes progress in achieving the applicable purposes, policies, and objectives of this title; and

(ii) setting forth the reasons of the President regarding—

(I) how and to what extent the agreement makes progress in achieving the applicable purposes, policies, and objectives referred to in clause (i), and why and to what extent the agreement does not achieve other applicable purposes, policies, and objectives;

(II) whether and how the agreement changes provisions of an agreement previously negotiated;

(III) how the agreement serves the interests of United States commerce;

(IV) why the implementing bill qualifies for trade agreement approval procedures under section ___03(b)(3); and

(V) any proposed administrative action.

(3) RECIPROCAL BENEFITS.—To ensure that a foreign country which receives benefits under a trade agreement entered into under section ___03 (a) or (b) is subject to the obligations imposed by such agreement, the President shall recommend to Congress in the implementing bill and statement of administrative action submitted with respect to such agreement that the benefits and obligations of such agreement apply solely to the parties to such agreement, if such application is consistent with the terms of such agreement. The President may also recommend with respect to any such agreement that the benefits and obligations of such agreement not apply uniformly to all parties to such agreement, if such application is consistent with the terms of such agreement.

(b) LIMITATIONS ON TRADE AGREEMENT APPROVAL PROCEDURES.—

(1) DISAPPROVAL OF THE NEGOTIATION.—The trade agreement approval procedures shall not apply to any implementing bill that contains a provision approving any trade agreement that is entered into under section ___03(b) with any foreign country if the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives disapprove of the negotiation of the agreement before the close of the 90-calendar day period that begins on the date notice is provided under section ___04(a)(1) with respect to the negotiation of such agreement.

(2) FOR LACK OF NOTICE OR CONSULTATIONS.—

(A) IN GENERAL.—The trade agreement approval procedures shall not apply to any implementing bill submitted with respect to a trade agreement entered into under section ___03(b) if during the 60-day period beginning on the date that one House of Congress agrees to a procedural disapproval resolution for lack of notice or consultations with respect to that trade agreement, the other House separately agrees to a procedural disapproval resolution with respect to that agreement.

(B) PROCEDURAL DISAPPROVAL RESOLUTION.—For purposes of this paragraph, the term ''procedural disapproval resolution'' means a resolution of either House of Congress, the sole matter after the resolving clause of which is as follows: ''That the President has failed or refused to notify or consult (as the case may be) with Congress in accordance with sections ___04 and ___05 of the Reciprocal Trade Agreements Act of 1999 with respect to ___ and, therefore, the trade agreement approval procedures set forth in section ___03(b) of that Act shall not apply to any implementing bill submitted with respect to that trade agreement.'', with the blank space being filled with a description of the trade agreement with respect to which the President is considered to have failed or refused to notify or consult.

(C) COMPUTATION OF CERTAIN PERIODS OF TIME.—The 60-day period of time described in subparagraph (A) shall be computed without regard to—

(i) the days on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain or an adjournment of the Congress sine die; and

(ii) any Saturday and Sunday, not excluded under clause (i), when either House of Congress is not in session.

(3) PROCEDURES FOR CONSIDERING PROCEDURAL DISAPPROVAL RESOLUTIONS.—

(A) PROCEDURAL DISAPPROVAL RESOLUTIONS.—Procedural disapproval resolutions—

(i) in the House of Representatives—

(I) shall be introduced by the chairman or ranking minority member of the Committee on Ways and Means or the chairman or ranking minority member of the Committee on Rules;

(II) shall be jointly referred to the Committee on Ways and Means and the Committee on Rules; and

(III) may not be amended by either Committee; and

(ii) in the Senate shall be original resolutions of the Committee on Finance.

(B) FLOOR CONSIDERATION.—The provisions of section 152 (d) and (e) of the Trade Act of 1974 (19 U.S.C. 2192 (d) and (e)) (relating to the floor consideration of certain resolutions in the House and Senate) apply to procedural disapproval resolutions.

(C) COMMITTEE ACTION REQUIRED.—

(i) HOUSE OF REPRESENTATIVES.—It is not in order for the House of Representatives to consider any procedural disapproval resolution not reported by the Committee on Ways and Means and the Committee on Rules.

(ii) SENATE.—It is not in order for the Senate to consider any procedural disapproval resolution not reported by the Committee on Finance.

(c) RULES OF HOUSE OF REPRESENTATIVES AND SENATE.—Subsection (b) of this section and section ___03(c) are enacted by Congress—

(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such are deemed a part of the rules of each House, respectively, and such procedures supersede other rules only to the extent that they are inconsistent with such other rules; and

(2) with the full recognition of the constitutional right of either House to change the rules (so far as relating to the procedures of that House) at any time, in the same manner, and to the same extent as any other rule of that House.

SEC. ___06. TREATMENT OF CERTAIN TRADE AGREEMENTS.

(a) IN GENERAL.—Notwithstanding section ___03(a)(6)(B) and section ___03(b)(2), the provisions of section ___04(a) shall not apply with respect to agreements that result from—

(1) negotiations under the auspices of the World Trade Organization regarding trade in information technology products;

(2) negotiations or work programs initiated pursuant to a Uruguay Round Agreement, as defined in section 2 of the Uruguay Round Agreements Act; or

(3) negotiations with Chile,

that were commenced before the date of enactment of this Act, and the applicability of trade agreement approval procedures with respect to such agreements shall be determined without regard to the requirements of section ___04(a).

(b) PROCEDURAL DISAPPROVAL RESOLUTION NOT IN ORDER.—A procedural disapproval resolution under section ___05(b) shall not be in order with respect to an agreement described in subsection (a) of this section based on a failure or refusal to comply with section ___04(a).

SEC. ___07. CONFORMING AMENDMENTS.

(a) IN GENERAL.—Title I of the Trade Act of 1974 (19 U.S.C. 2111 et seq.) is amended as follows:

(1) IMPLEMENTING BILL.—

(A) Section 151(b)(1) (19 U.S.C. 2191(b)(1)) is amended—

(i) by striking ''section 1103(a)(1) of the Omnibus Trade and Competitiveness Act of 1988, or section 282 of the Uruguay Round Agreements Act'' and inserting ''section 282 of the Uruguay Round Agreements Act, or section ___05(a)(1) of the Reciprocal Trade Agreements Act of 1999''; and

(ii) by adding after subparagraph (C) the following flush sentence:

''For purposes of applying this paragraph to implementing bills submitted with respect to trade agreements entered into under section ___03(b) of the Reciprocal Trade Agreements Act of 1999, subparagraphs (A), (B), and (C) of section ___03(b)(3) of such Act shall be substituted for subparagraphs (A), (B), and (C) of this paragraph.''.

(B) Section 151(c)(1) (19 U.S.C. 2191(c)(1)) is amended by striking ''or section 282 of the Uruguay Round Agreements Act'' and inserting '', section 282 of the Uruguay Round Agreements Act, or section ___05(a)(1) of the Reciprocal Trade Agreements Act of 1999''.

(2) ADVICE FROM INTERNATIONAL TRADE COMMISSION.—Section 131 (19 U.S.C. 2151) is amended—

(A) in subsection (a)—

(i) in paragraph (1), by striking ''section 123 of this Act or section 1102 (a) or (c) of the Omnibus Trade and Competitiveness Act of 1988,'' and inserting ''section 123 of this Act or section ___03 (a) or (b) of the Reciprocal Trade Agreements Act of 1999,''; and

(ii) in paragraph (2), by striking ''section 1102 (b) or (c) of the Omnibus Trade and Competitiveness Act of 1988'' and inserting ''section ___03(b) of the Reciprocal Trade Agreements Act of 1999'';

(B) in subsection (b), by striking ''section 1102(a)(3)(A)'' and inserting ''section ___03(a)(3)(A) of the Reciprocal Trade Agreements Act of 1999'' before the end period; and

(C) in subsection (c), by striking ''section 1102 of the Omnibus Trade and Competitiveness Act of 1988,'' and inserting ''section ___03 of the Reciprocal Trade Agreements Act of 1999,''.

(3) HEARINGS AND ADVICE.—Sections 132, 133(a), and 134(a) (19 U.S.C. 2152, 2153(a), and 2154(a)) are each amended by striking ''section 1102 of the Omnibus Trade and Competitiveness Act of 1988,'' each place it appears and inserting ''section ___03 of the Reciprocal Trade Agreements Act of 1999,''.

(4) PREREQUISITES FOR OFFERS.—Section 134(b) (19 U.S.C. 2154(b)) is amended by striking ''section 1102 of the Omnibus Trade and Competitiveness Act of 1988'' and inserting ''section ___03 of the Reciprocal Trade Agreements Act of 1999''.

(5) ADVICE FROM PRIVATE AND PUBLIC SECTORS.—Section 135 (19 U.S.C. 2155) is amended—

(A) in subsection (a)(1)(A), by striking ''section 1102 of the Omnibus Trade and Competitiveness Act of 1988'' and inserting ''section ___03 of the Reciprocal Trade Agreements Act of 1999'';

(B) in subsection (e)(1)—

(i) by striking ''section 1102 of the Omnibus Trade and Competitiveness Act of 1988'' each place it appears and inserting ''section ___03 of the Reciprocal Trade Agreements Act of 1999''; and

(ii) by striking ''section 1103(a)(1)(A) of such Act of 1988'' and inserting ''section ___05(a)(1)(A) of the Reciprocal Trade Agreements Act of 1999''; and

(C) in subsection (e)(2), by striking ''the applicable overall and principal negotiating objectives set forth in section 1101 of the Omnibus Trade and Competitiveness Act of 1988'' and inserting ''the purposes, policies, and objectives set forth in section ___02 (a) and (b) of the Reciprocal Trade Agreements Act of 1999''.

(6) TRANSMISSION OF AGREEMENTS TO CONGRESS.—Section 162(a) (19 U.S.C. 2212(a)) is amended by striking ''or under section 1102 of the Omnibus Trade and Competitiveness Act of 1988'' and inserting ''or under section ___03 of the Reciprocal Trade Agreements Act of 1999''.

(b) APPLICATION OF CERTAIN PROVISIONS.—For purposes of applying sections 125, 126, and 127 of the Trade Act of 1974 (19 U.S.C. 2135, 2136(a), and 2137)—

(1) any trade agreement entered into under section ___03 shall be treated as an agreement entered into under section 101 or 102, as appropriate, of the Trade Act of 1974 (19 U.S.C. 2111 or 2112); and

(2) any proclamation or Executive order issued pursuant to a trade agreement entered into under section ___03 shall be treated as a proclamation or Executive order issued pursuant to a trade agreement entered into under section 102 of the Trade Act of 1974.

SEC. ___08. DEFINITIONS.

In this title:

(1) DISTORTION.—The term ''distortion'' includes, but is not limited to, a subsidy.

(2) TRADE.—The term ''trade'' includes, but is not limited to—

(A) trade in both goods and services; and

(B) foreign investment by United States persons, especially if such investment has implications for trade in goods and services.

(3) URUGUAY ROUND AGREEMENTS.— The term ''Uruguay Round Agreements'' has the meaning given such term in section 2(7) of the Uruguay Round Agreements Act (19 U.S.C. 3501(7).

(4) WORLD TRADE ORGANIZATION.—The term ''World Trade Organization'' means the organization established pursuant to the WTO Agreement.

(5) WTO AGREEMENT.—The term ''WTO Agreement'' means the Agreement Establishing the World Trade Organization entered into on April 15, 1994.

(6) WTO AND WTO MEMBER.—The terms ''WTO'' and ''WTO member'' have the meanings given those terms in section 2 of the Uruguay Round Agreements Act (19 U.S.C. 3501).

DEWINE AMENDMENT NO. 2397

(Ordered to lie on the table.)

Mr. DEWINE submitted an amendment intended to be proposed by him to amendment No. 2325 proposed by Mr. ROTH to the bill, H.R. 434, supra; as follows:

At the appropriate place, insert the following new title:

TITLE ___—DUMPING AND SUBSIDY OFFSET

SEC. ___01. SHORT TITLE.

This title may be cited as the ''Continued Dumping and Subsidy Offset Act of 1999''.

SEC. ___02. FINDINGS OF CONGRESS.

Congress makes the following findings:

(1) Consistent with the rights of the United States under the World Trade Organization, injurious dumping is to be condemned and actionable subsidies which cause injury to domestic industries must be effectively neutralized.

(2) United States unfair trade laws have as their purpose the restoration of conditions of fair trade so that jobs and investment that should be in the United States are not lost through the false market signals.

(3) The continued dumping or subsidization of imported products after the issuance of

antidumping orders or findings or countervailing duty orders can frustrate the remedial purpose of the laws by preventing market prices from returning to fair levels.

(4) Where dumping or subsidization continues, domestic producers will be reluctant to reinvest or rehire and may be unable to maintain pension and health care benefits that conditions of fair trade would permit. Similarly, small businesses and American farmers and ranchers may be unable to pay down accumulated debt, to obtain working capital, or to otherwise remain viable.

(5) United States trade laws should be strengthened to see that the remedial purpose of those laws is achieved.

SEC. ___03. AMENDMENTS TO THE TARIFF ACT OF 1930.

(a) IN GENERAL.—Title VII of the Tariff Act of 1930 (19 U.S.C. 1671 et seq.) is amended by inserting after section 753 following new section:

"SEC. 754. CONTINUED DUMPING AND SUBSIDY OFFSET.

''(a) IN GENERAL.—Duties assessed pursuant to a countervailing duty order, an antidumping duty order, or a finding under the Antidumping Act of 1921 shall be distributed on an annual basis under this section to the affected domestic producers for qualifying expenditures. Such distribution shall be known as the 'continued dumping and subsidy offset'.

''(b) DEFINITIONS.—As used in this section:

''(1) AFFECTED DOMESTIC PRODUCER.—The term 'affected domestic producer' means any manufacturer, producer, farmer, rancher, or worker representative (including associations of such persons) that—

''(A) was a petitioner or interested party in support of the petition with respect to which an antidumping duty order, a finding under the Antidumping Act of 1921, or a countervailing duty order has been entered, and

''(B) remains in operation.

Companies, businesses, or persons that have ceased the production of the product covered by the order or finding or who have been acquired by a company or business that is related to a company that opposed the investigation shall not be an affected domestic producer.

''(2) COMMISSIONER.—The term 'Commissioner' means the Commissioner of Customs.

''(3) COMMISSION.—The term 'Commission' means the United States International Trade Commission.

''(4) QUALIFYING EXPENDITURE.—The term 'qualifying expenditure' means an expenditure incurred after the issuance of the antidumping duty finding or order or countervailing duty order in any of the following categories:

''(A) Plant.

''(B) Equipment.

''(C) Research and development.

''(D) Personnel training.

''(E) Acquisition of technology.

''(F) Health care benefits to employees paid for by the employer.

''(G) Pension benefits to employees paid for by the employer.

''(H) Environmental equipment, training, or technology.

''(I) Acquisition of raw materials and other inputs.

''(J) Borrowed working capital or other funds needed to maintain production.

''(5) RELATED TO.—A company, business, or person shall be considered to be 'related to' another company, business, or person if—

''(A) the company, business, or person directly or indirectly controls or is controlled by the other company, business, or person,

''(B) a third party directly or indirectly controls both companies, businesses, or persons,

''(C) both companies, businesses, or persons directly or indirectly control a third party and there is reason to believe that the relationship causes the first company, business, or persons to act differently than a nonrelated party.

For purposes of this paragraph, a party shall be considered to directly or indirectly control another party if the party is legally or operationally in a position to exercise restraint or direction over the other party.

''(c) DISTRIBUTION PROCEDURES.—The Commissioner shall prescribe procedures for distribution of the continued dumping or subsidies offset required by this section. Such distribution shall be made not later than 60 days after the first day of a fiscal year from duties assessed during the preceding fiscal year.

''(d) PARTIES ELIGIBLE FOR DISTRIBUTION OF ANTIDUMPING AND COUNTERVAILING DUTIES ASSESSED.—

''(1) LIST OF AFFECTED DOMESTIC PRODUCERS.—The Commission shall forward to the Commissioner within 60 days after the effective date of this section in the case of orders or findings in effect on such effective date, or in any other case, within 60 days after the date an antidumping or countervailing duty order or finding is issued, a list of petitioners and persons with respect to each order and finding and a list of persons that indicate support of the petition by letter or through questionnaire response. In those cases in which a determination of injury was not required or the Commission's records do not permit an identification of those in support of a petition, the Commission shall consult with the administering authority to determine the identity of the petitioner and those domestic parties who have entered appearances during administrative reviews conducted by the administering authority under section 751.

''(2) PUBLICATION OF LIST; CERTIFICATION.—The Commissioner shall publish in the Federal Register at least 30 days before the distribution of a continued dumping and subsidy offset, a notice of intention to distribute the offset and the list of affected domestic producers potentially eligible for the distribution based on the list obtained from the Commission under paragraph (1). The Commissioner shall request a certification from each potentially eligible affected domestic producer—

''(A) that the producer desires to receive a distribution;

''(B) that the producer is eligible to receive the distribution as an affected domestic producer; and

''(C) the qualifying expenditures incurred by the producer since the issuance of the order or finding for which distribution under this section has not previously been made.

''(3) DISTRIBUTION OF FUNDS.—The Commissioner shall distribute all funds (including all interest earned on the funds) from assessed duties received in the preceding fiscal year to affected domestic producers based on the certifications described in paragraph (2). The distributions shall be made on a pro rata basis based on new and remaining qualifying expenditures.

''(e) SPECIAL ACCOUNTS.—

''(1) ESTABLISHMENTS.—Within 14 days after the effective date of this section, with respect to antidumping duty orders and findings and countervailing duty orders in effect on the effective date of this section, and within 14 days after the date an antidumping duty order or finding or countervailing duty order issued after the effective date takes effect, the Commissioner shall establish in the Treasury of the United States a special account with respect to each such order or finding.

''(2) DEPOSITS INTO ACCOUNTS.—The Commissioner shall deposit into the special accounts, all antidumping or countervailing duties (including interest earned on such duties) that are assessed after the effective date of this section under the antidumping order or finding or the countervailing duty order with respect to which the account was established.

''(3) TIME AND MANNER OF DISTRIBUTIONS.—Consistent with the requirements of subsections (c) and (d), the Commissioner shall by regulation prescribe the time and manner in which distribution of the funds in a special account shall made.

''(4) TERMINATION.—A special account shall terminate after—

''(a) the order or finding with respect to which the account was established has terminated;

''(B) all entries relating to the order or finding are liquidated and duties assessed collected;

''(C) the Commissioner has provided notice and a final opportunity to obtain distribution pursuant to subsection (c); and

''(D) 90 days has elapsed from the date of the notice described in subparagraph (C).

Amounts not claimed within 90 days of the date of the notice described in subparagraph (C), shall be deposited into the general fund of the Treasury.''.

(b) CONFORMING AMENDMENT.—The table of contents for title VII of the Tariff Act of 1930 is amended by inserting the following new item after the item relating to section 753:

''Sec. 754. Continued dumping and subsidy offset.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to all antidumping and countervailing duty assessments made on or after October 1, 1996.

DEWINE (AND OTHERS) AMENDMENT NO. 2398

(Ordered to lie on the table.)

Mr. DEWINE (for himself, Mr. INOUYE, Mr. LOTT, Mr. CONRAD, Mr. CRAIG, Mr. MCCONNELL, Mr. DURBIN, Mr. BURNS, Mr. DORGAN, Mr. ABRAHAM, Mr. MACK, Mrs. HUTCHISON, Mr. VOINOVICH, Mr. ALLARD, and Mr. ASHCROFT) submitted an amendment intended to be proposed by them to the bill, H.R. 434, supra; as follows:

At the appropriate place, insert the following new section:

SEC. ___. REVISION OF RETALIATION LIST OR OTHER REMEDIAL ACTION.

Section 306(b)(2) of the Trade Act of 1974 (19 U.S.C. 2416(b)(2)) is amended—

(1) by striking ''If the'' and inserting the following:

''(A) FAILURE TO IMPLEMENT RECOMMENDATION.—If the''; and

(2) by adding at the end the following:

''(B) REVISION OF RETALIATION LIST AND ACTION.—

''(i) IN GENERAL.—Except as provided in clause (ii), in the event that the United States initiates a retaliation list or takes any other action described in section 301(c)(1) (A) or (B) against the goods of a foreign country or countries because of the failure of such country or countries to implement the recommendation made pursuant to a dispute settlement proceeding under the World Trade Organization, the Trade Representative shall periodically revise the list or action to affect other goods of the country or countries that have failed to implement the recommendation.

''(ii) EXCEPTION.—The Trade Representative is not required to revise the retaliation list or the action described in clause (i) with respect to a country, if—

''(I) the Trade Representative determines that implementation of a recommendation made pursuant to a dispute settlement proceeding described in clause (i) by the country is imminent; or

''(II) the Trade Representative together with the petitioner involved in the initial investigation under this chapter (or if no petition was filed, the affected United States industry) agree that it is unnecessary to revise the retaliation list.

''(C) SCHEDULE FOR REVISING LIST OR ACTION.—The Trade Representative shall, 120 days after the date the retaliation list or other section 301(a) action is first taken, and every 180 days thereafter, review the list or action taken and revise, in whole or in part, the list or action to affect other goods of the subject country or countries.

''(D) STANDARDS FOR REVISING LIST OR ACTION.—In revising any list or action against a country or countries under this subsection, the Trade Representative shall act in a manner that is most likely to result in the country or countries implementing the recommendations adopted in the dispute settlement proceeding or in achieving a mutually satisfactory solution to the issue that gave rise to the dispute settlement proceeding. The Trade Representative shall consult with the petitioner, if any, involved in the initial investigation under this chapter.

''(E) RETALIATION LIST.—The term 'retaliation list' means the list of products of a foreign country or countries that have failed to comply with the report of the panel or Appellate Body of the WTO and with respect to which the Trade Representative is imposing duties above the level that would otherwise be imposed under the Harmonized Tariff Schedule of the United States.''.

NICKLES AMENDMENT NO. 2399

(Ordered to lie on the table.)

Mr. NICKLES submitted an amendment intended to be proposed by him to the bill, H.R. 434, supra; as follows:

At the appropriate place in the bill, insert the following:

SEC. ___. WAIVER OF DENIAL OF FOREIGN TAX CREDIT.

(a) IN GENERAL.—Section 901(j) of the Internal Revenue Code of 1986 (relating to denial of foreign tax credit, etc., with respect to certain foreign countries) is amended by adding at the end the following new paragraph:

''(5) WAIVER OF DENIAL.—

''(A) IN GENERAL.—Paragraph (1) shall not apply with respect to taxes paid or accrued to a country if the President—

''(i) determines that a waiver of the application of such paragraph is in the national interest of the United States, and

''(ii) reports such waiver under subparagraph (B).

''(B) REPORT.—Not less than 30 days before the date on which a waiver is granted under this paragraph, the President shall report to Congress—

''(i) the intention to grant such waiver, and

''(ii) the reason for the determination under subparagraph (A)(i).''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply on or after February 1, 2001.

WELLSTONE AMENDMENT NO. 2400

(Ordered to lie on the table.)

Mr. WELLSTONE submitted an amendment intended to be proposed by him to the bill, H.R. 434, supra; as follows:

At the end insert the following:

DIVISION 2—AGRIBUSINESS MERGER MORATORIUM AND ANTITRUST REVIEW ACT OF 1999

SEC. ___1. SHORT TITLE.

This division may be cited as the ''Agribusiness Merger Moratorium and Antitrust Review Act of 1999''.

SEC. ___2. FINDINGS.

Congress finds the following:

(1) Concentration in the agricultural economy including mergers, acquisitions, and other combinations and alliances among suppliers, producers, packers, other food processors, and distributors has been accelerating at a rapid pace in the 1990's.

(2) The trend toward greater concentration in agriculture has important and far-reaching implications not only for family-based farmers, but also for the food we eat, the communities we live in, and the integrity of the natural environment upon which we all depend.

(3) In the past decade and a half, the top 4 largest pork packers have seized control of some 57 percent of the market, up from 36 percent. Over the same period, the top 4 beef packers have expanded their market share from 32 percent to 80 percent, the top 4 flour millers have increased their market share from 40 percent to 62 percent, and the market share of the top 4 soybean crushers has jumped from 54 percent to 80 percent.

(4) Today the top 4 sheep, poultry, wet corn, and dry corn processors now control 73 percent, 55 percent, 74 percent, and 57 percent of the market, respectively.

(5) A handful of firms dominate the processing of every major commodity. Many of them are vertically integrated, which means that they control successive stages of the food chain, from inputs to production to distribution.

(6) Growing concentration of the agricultural sector has restricted choices for farmers trying to sell their products. As the bargaining power of agribusiness firms over farmers increases, agricultural commodity markets are becoming stacked against the farmer.

(7) The farmer's share of every retail dollar has plummeted from around 50 percent in 1952, to less than 25 percent today, while the profit share for farm input, marketing, and processing companies has risen.

(8) While agribusiness conglomerates are posting record earnings, farmers are facing desperate times. The commodity price index is the lowest since 1987. Hog prices are at their lowest since 1972. Cotton and soybean prices are the lowest they have been since the early 1970's.

(9) The benefits of low commodity prices are not being passed on to American consumers. The gap between what shoppers pay for food and what farmers are paid is growing wider. From 1984 to 1998, prices paid to farmers fell 36 percent, while consumer food prices actually increased by 3 percent.

(10) Concentration, low prices, anticompetitive practices, and other manipulations and abuses of the agricultural economy are driving family-based farmers out of business. Farmers are going bankrupt or giving up, and few are taking their places; more farm families are having to rely on other jobs to stay afloat; and the number of farmers leaving the land will continue to increase unless and until these trends are reversed.

(11) The decline of family-based agriculture undermines the economies of rural communities across America; it has pushed Main Street businesses, from equipment suppliers to insurance sales people, out of business or to the brink of insolvency.

(12) Increased concentration in the agribusiness sector has a harmful effect on the environment; corporate hog farming, for example, threatens the integrity of local water supplies and creates noxious odors in neighboring communities. Concentration also can increase the risks to food safety and limit the biodiversity of plants and animals.

(13) The decline of family-based farming poses a direct threat to American families and family values, by subjecting farm families to turmoil and stress.

(14) The decline of family-based farming causes the demise of rural communities, as stores lose customers, churches lose congregations, schools and clinics become under-used, career opportunities for young people dry up, and local inequalities of wealth and income grow wider.

(15) These developments are not the result of inevitable market forces. They are the consequence of policies made in Washington, including farm, antitrust, and trade policies.

(16) To restore competition in the agricultural economy, and to increase the bargaining power and enhance economic prospects for family-based farmers, the trend toward concentration must be reversed.

SEC. ___3. DEFINITIONS.

In this division:

(1) AGRICULTURAL INPUT SUPPLIER.—The term ''agricultural input supplier'' means any person (excluding agricultural cooperatives) engaged in the business of selling, in interstate or foreign commerce, any product to be used as an input (including seed, germ plasm, hormones, antibiotics, fertilizer, and chemicals, but excluding farm machinery) for the production of any agricultural commodity, except that no person shall be considered an agricultural input supplier if sales of such products are for a value less than $10,000,000 per year.

(2) BROKER.—The term ''broker'' means any person (excluding agricultural cooperatives) engaged in the business of negotiating sales and purchases of any agricultural commodity in interstate or foreign commerce for or on behalf of the vendor or the purchaser, except that no person shall be considered a broker if the only sales of such commodities are for a value less than $10,000,000 per year.

(3) COMMISSION MERCHANT.—The term ''commission merchant'' means any person (excluding agricultural cooperatives) engaged in the business of receiving in interstate or foreign commerce any agricultural commodity for sale, on commission, or for or on behalf of another, except that no person shall be considered a commission merchant if the only sales of such commodities are for a value less than $10,000,000 per year.

(4) DEALER.—The term ''dealer'' means any person (excluding agricultural cooperatives) engaged in the business of buying, selling, or marketing agricultural commodities in interstate or foreign commerce, except that—

(A) no person shall be considered a dealer with respect to sales or marketing of any agricultural commodity of that person's own raising; and

(B) no person shall be considered a dealer if the only sales of such commodities are for a value less than $10,000,000 per year.

(5) PROCESSOR.—The term ''processor'' means any person (excluding agricultural cooperatives) engaged in the business of handling, preparing, or manufacturing (including slaughtering) of an agricultural commodity, or the products of such agricultural commodity, for sale or marketing for human consumption, except that no person shall be considered a processor if the only sales of such products are for a value less than $10,000,000 per year.

TITLE I—MORATORIUM ON LARGE AGRIBUSINESS MERGERS

SEC. 101. MORATORIUM ON LARGE AGRIBUSINESS MERGERS.

(a) IN GENERAL.—

(1) MORATORIUM.—Until the date referred to in paragraph (2) and except as provided in subsection (b)—

(A) no dealer, processor, commission merchant, agricultural input supplier, broker, or operator of a warehouse of agricultural commodities with annual net sales or total assets of more than $100,000,000 shall merge or acquire, directly or indirectly, any voting securities or assets of any other dealer, processor, commission merchant, agricultural input supplier, broker, or operator of a warehouse of agricultural commodities with annual net sales or total assets of more than $10,000,000; and

(B) no dealer, processor, commission merchant, agricultural input supplier, broker, or operator of a warehouse of agricultural commodities with annual net sales or total assets of more than $10,000,000 shall merge or acquire, directly or indirectly, any voting securities or assets of any other dealer, processor, commission merchant, agricultural input supplier, broker, or operator of a warehouse of agricultural commodities with annual net sales or total assets of more than $100,000,000 if the acquiring person would hold—

(i) 15 percent or more of the voting securities or assets of the acquired person; or

(ii) an aggregate total amount of the voting securities and assets of the acquired person in excess of $15,000,000.

(2) DATE.—The date referred to in this paragraph is the earlier of—

(A) the effective date of comprehensive legislation—

(i) addressing the problem of market concentration in the agricultural sector; and

(ii) containing a section stating that the legislation is comprehensive legislation as provided in section 101 of the Agribusiness Merger Moratorium and Antitrust Review Act of 1999; or

(B) the date that is 18 months after the date of enactment of this division.

(3) EXEMPTIONS.—The following classes of transactions are exempt from the requirements of this section—

(1) acquisitions of goods or realty transferred in the ordinary course of business;

(2) acquisitions of bonds, mortgages, deeds of trust, or other obligations which are not voting securities;

(3) acquisitions of voting securities of an issuer at least 50 per centum of the voting securities of which are owned by the acquiring person prior to such acquisition;

(4) transfers to or from a Federal agency or a State or political subdivision thereof; and

(5) acquisitions of voting securities, if, as a result of such acquisition, the voting securities acquired do not increase, directly or indirectly, the acquiring person's per centum share of outstanding voting securities of the issuer.

(b) WAIVER AUTHORITY.—The Attorney General shall have authority to waive the moratorium imposed by subsection (a) only under extraordinary circumstances, such as insolvency or similar financial distress of 1 of the affected parties.

TITLE II—AGRICULTURE CONCENTRATION AND MARKET POWER REVIEW COMMISSION

SEC. 201. ESTABLISHMENT OF COMMISSION.

(a) ESTABLISHMENT.—There is established a commission to be known as the Agriculture Concentration and Market Power Review Commission (hereafter in this title referred to as the ''Commission'').

(b) PURPOSES.—The purpose of the Commission is to—

(1) study the nature and consequences of concentration in America's agricultural economy; and

(2) make recommendations on how to change underlying antitrust laws and other Federal laws and regulations to keep a fair and competitive agriculture marketplace for family farmers, other small and medium sized agriculture producers, generally, and the communities of which they are a part.

(c) MEMBERSHIP OF COMMISSION.—

(1) COMPOSITION.—The Commission shall be composed of 12 members as follows:

(A) Three persons, one of whom shall be a person currently engaged in farming or ranching, shall be appointed by the President pro tempore of the Senate upon the recommendation of the Majority Leader of the Senate, after consultation with the Chairman of the Committee on Agriculture, Nutrition, and Forestry.

(B) Three persons, one of whom shall be a person currently engaged in farming or ranching, shall be appointed by the President pro tempore of the Senate upon the recommendation of the Minority Leader of the Senate, after consultation with the ranking minority member of the Committee on Agriculture, Nutrition, and Forestry.

(C) Three persons, one of whom shall be a person currently engaged in farming or ranching, shall be appointed by the Speaker of the House of Representatives, after consultation with the Chairman of the Committee on Agriculture.

(D) Three persons, one of whom shall be a person currently engaged in farming or ranching, shall be appointed by the Minority Leader of the House of Representatives, after consultation with the ranking minority member of the Committee on Agriculture.

(2) QUALIFICATIONS OF MEMBERS.—

(A) APPOINTMENTS.—Persons who are appointed under paragraph (1) shall be persons who—

(i) have experience in farming or ranching, expertise in agricultural economics and antitrust, or have other pertinent qualifications or experience relating to agriculture and agriculture industries; and

(ii) are not officers or employees of the United States.

(B) OTHER CONSIDERATION.—In appointing Commission members, every effort shall be made to ensure that the members—

(i) are representative of a broad cross sector of agriculture and antitrust perspectives within the United States; and

(ii) provide fresh insights to analyzing the causes and impacts of concentration in agriculture industries and sectors.

(d) PERIOD OF APPOINTMENT; VACANCIES.—

(1) IN GENERAL.—Members shall be appointed not later than 60 days after the date of enactment of this division and the appointment shall be for the life of the Commission.

(2) VACANCIES.—Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(e) INITIAL MEETING.—Not later than 30 days after the date on which all members of the Commission have been appointed, the Commission shall hold its first meeting.

(f) MEETINGS.—The Commission shall meet at the call of the Chairperson.

(g) CHAIRPERSON AND VICE CHAIRPERSON.—The members of the Commission shall elect a chairperson and vice chairperson from among the members of the Commission.

(h) QUORUM.—A majority of the members of the Commission shall constitute a quorum for the transaction of business.

(i) VOTING.—Each member of the Commission shall be entitled to 1 vote, which shall be equal to the vote of every other member of the Commission.

SEC. 202. DUTIES OF THE COMMISSION.

(a) IN GENERAL.—The Commission shall be responsible for examining the nature, the causes, and consequences concentration in America's agricultural economy in the broadest possible terms.

(b) ISSUES TO BE ADDRESSED.—The study shall include an examination of the following matters:

(1) The nature and extent of concentration in the agricultural sector, including food production, transportation, processing, distribution and marketing, and farm inputs such as machinery, fertilizer, and seeds.

(2) Current trends in concentration of the agricultural sector and what this sector is likely to look like in the near and longer term future.

(3) The effect of this concentration on farmer income.

(4) The impacts of this concentration upon rural communities, rural economic development, and the natural environment.

(5) The impacts of this concentration upon food shoppers, including the reasons that Depression-level farm prices have not resulted in corresponding drops in supermarket prices.

(6) The productivity of family-based farm units, compared with corporate based agriculture, and whether farming is approaching a scale that is larger than necessary from the standpoint of productivity.

(7) The effect of current laws and administrative practices in supporting and encouraging this concentration.

(8) Whether the existing antitrust laws provide adequate safeguards against, and remedies for, the impacts of concentration upon family-based agriculture, the communities they comprise, and the food shoppers of this Nation.

(9) Accurate and reliable data on the national and international markets shares of multinational agribusinesses, and the portion of their sales attributable to exports.

(10) Barriers that inhibit entry of new competitors into markets for the processing of agricultural commodities, such as the meat packing industry.

(11) The extent to which developments, such as formula pricing, marketing agreements, and forward contracting tend to give processors, agribusinesses, and other buyers of agricultural commodities additional market power over producers and suppliers in local markets.

(12) Such related matters as the Commission determines to be important.

SEC. 203. FINAL REPORT.

(a) IN GENERAL.—Not later than 12 months after the date of the initial meeting of the Commission, the Commission shall submit to the President and Congress a final report which contains—

(1) the findings and conclusions of the Commission described in section 202; and

(2) recommendations for addressing the problems identified as part of the Commission's analysis.

(b) SEPARATE VIEWS.—Any member of the Commission may submit additional findings and recommendations as part of the final report.

SEC. 204. POWERS OF COMMISSION.

(a) HEARINGS.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission may find advisable to fulfill the requirements of this title. The Commission shall hold at least 1 or more hearings in Washington, D.C., and 4 in different agriculture regions of the United States.

(b) INFORMATION FROM FEDERAL AGENCIES.—The Commission may secure directly from any Federal department or agency such information as the Commission considers necessary to carry out the provisions of this title. Upon request of the Chairperson of the Commission, the head of such department or

agency shall furnish such information to the Commission.

(c) POSTAL SERVICES.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

SEC. 205. COMMISSION PERSONNEL MATTERS.

(a) COMPENSATION OF MEMBERS.—Each member of the Commission shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the Commission.

(b) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(c) STAFF.—

(1) IN GENERAL.—The Chairperson of the Commission may, without regard to the civil service laws and regulations, appoint and terminate an executive director and such other additional personnel as may be necessary to enable the Commission to perform its duties. The employment of an executive director shall be subject to confirmation by the Commission.

(2) COMPENSATION.—The Chairperson of the Commission may fix the compensation of the executive director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and other personnel may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(d) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee shall be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(e) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The Chairperson of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

SEC. 206. SUPPORT SERVICES.

The Administrator of the General Services Administration shall provide to the Commission on a reimbursable basis such administrative support services as the Commission may request.

SEC. 207. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $2,000,000 to the Commission as required by this title to carry out the provisions of this title.

ASHCROFT (AND OTHERS) AMENDMENT NO. 2401

(Ordered to lie on the table.)

Mr. ASHCROFT (for himself Mr. HAGEL, Mr. BAUCUS, Mr. DODD, Mr. DORGAN, Mr. BROWNBACK, Mr. KERREY, Mr. ROBERTS, Mr. ABRAHAM, Mr. ALLARD, Mr. BENNETT, Mr. BINGAMAN, Mr. BOND, Mr. BURNS, Mr. CONRAD, Mr. CRAIG, Mr. CRAPO, Mr. DASCHLE, Mr. DURBIN, Mrs. FEINSTEIN, Mr. FITZGERALD, Mr. GORTON, Mr. GRAMS, Mr. HARKIN, Mr. HUTCHINSON, Mr. INHOFE, Mr. JEFFORDS, Mr. KENNEDY, Mr. KERRY, Mr. LEAHY, Mrs. LINCOLN, Mr. THOMAS, Mr. WARNER, Mr. SESSIONS, and Ms. LANDRIEU) submitted an amendment intended to be proposed by them to the bill, H.R. 434, supra: as follows:

At the appropriate place, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Food and Medicine for the World Act''.

SEC. 2. REQUIREMENT OF CONGRESSIONAL APPROVAL OF ANY UNILATERAL AGRICULTURAL OR MEDICAL SANCTION.

(a) DEFINITIONS.—In this section:

(1) AGRICULTURAL COMMODITY.—The term ''agricultural commodity'' has the meaning given the term in section 102 of the Agricultural Trade Act of 1978 (7 U.S.C. 5602).

(2) AGRICULTURAL PROGRAM.—The term ''agricultural program'' means—

(A) any program administered under the Agricultural Trade Development and Assistance Act of 1954 (7 U.S.C. 1691 et. seq.);

(B) any program administered under section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431);

(C) any program administered under the Agricultural Trade Act of 1978 (7 U.S.C. 5601 et. seq.);

(D) the dairy export incentive program administered under section 153 of the Food Security Act of 1985 (15 U.S.C. 713a–14);

(E) any commercial export sale of agricultural commodities; or

(F) any export financing (including credits or credit guarantees) provided by the United States Government for agricultural commodities.

(3) JOINT RESOLUTION.—The term ''joint resolution'' means—

(A) in the case of subsection (b)(1)(B), only a joint resolution introduced within 10 session days of Congress after the date on which the report of the President under subsection (b)(1)(A) is received by Congress, the matter after the resolving clause of which is as follows: ''That Congress approves the report of the President pursuant to section 2(b)(1)(A) of the Food and Medicine for the World Act, transmitted on _____.'', with the blank completed with the appropriate date; and

(B) in the case of subsection (e)(2), only a joint resolution introduced within 10 session days of Congress after the date on which the report of the President under subsection (e)(1) is received by Congress, the matter after the resolving clause of which is as follows: ''That Congress approves the report of the President pursuant to section 2(e)(1) of the Food and Medicine for the World Act, transmitted on _____.'', with the blank completed with the appropriate date.

(4) MEDICAL DEVICE.—The term ''medical device'' has the meaning given the term ''device'' in section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321).

(5) MEDICINE.—The term ''medicine'' has the meaning given the term ''drug'' in section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321).

(6) UNILATERAL AGRICULTURAL SANCTION.—The term ''unilateral agricultural sanction'' means any prohibition, restriction, or condition on carrying out an agricultural program with respect to a foreign country or foreign entity that is imposed by the United States for reasons of foreign policy or national security, except in a case in which the United States imposes the measure pursuant to a multilateral regime and the other member countries of that regime have agreed to impose substantially equivalent measures.

(7) UNILATERAL MEDICAL SANCTION.—The term ''unilateral medical sanction'' means any prohibition, restriction, or condition on exports of, or the provision of assistance consisting of, medicine or a medical device with respect to a foreign country or foreign entity that is imposed by the United States for reasons of foreign policy or national security, except in a case in which the United States imposes the measure pursuant to a multilateral regime and the other member countries of that regime have agreed to impose substantially equivalent measures.

(b) RESTRICTION.—

(1) NEW SANCTIONS.—Except as provided in subsections (c) and (d) and notwithstanding any other provision of law, the President may not impose a unilateral agricultural sanction or unilateral medical sanction against a foreign country or foreign entity, unless—

(A) not later than 60 days before the sanction is proposed to be imposed, the President submits a report to Congress that—

(i) describes the activity proposed to be prohibited, restricted, or conditioned; and

(ii) describes the actions by the foreign country or foreign entity that justify the sanction; and

(B) Congress enacts a joint resolution stating the approval of Congress for the report submitted under subparagraph (A).

(2) EXISTING SANCTIONS.—

(A) IN GENERAL.—Except as provided in subparagraph (B), with respect to any unilateral agricultural sanction or unilateral medical sanction that is in effect as of the date of enactment of this Act, the President shall terminate the sanction.

(B) EXEMPTIONS.—Subparagraph (A) shall not apply to a unilateral agricultural sanction or unilateral medical sanction imposed with respect to—

(i) any program administered under section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431);

(ii) the Export Credit Guarantee Program (GSM-102) or the Intermediate Export Credit Guarantee Program (GSM-103) established under section 202 of the Agricultural Trade Act of 1978 (7 U.S.C. 5622); or

(iii) the dairy export incentive program administered under section 153 of the Food Security Act of 1985 (15 U.S.C. 713a–14).

(c) EXCEPTIONS.—Subsection (b) shall not affect any authority or requirement to impose (or continue to impose) a sanction referred to in subsection (b)—

(1) against a foreign country or foreign entity with respect to which Congress has enacted a declaration of war that is in effect on or after the date of enactment of this Act; or

(2) to the extent that the sanction would prohibit, restrict, or condition the provision or use of any agricultural commodity, medicine, or medical device that is—

(A) controlled on the United States Munitions List established under section 38 of the Arms Export Control Act (22 U.S.C. 2778);

(B) controlled on any control list established under the Export Administration Act of 1979 (50 U.S.C. App. 2401 et seq.); or

(C) used to facilitate the development or production of a chemical or biological weapon or weapon of mass destruction.

(d) COUNTRIES SUPPORTING INTERNATIONAL TERRORISM.—Subsection (b) shall not affect the prohibitions in effect on or after the date of enactment of this Act under section 620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371) on providing, to the government of any country supporting international terrorism, United States government assistance, including United States foreign assistance, United States export assistance, or any United States credits or credit guarantees.

(e) TERMINATION OF SANCTIONS.—Any unilateral agricultural sanction or unilateral medical sanction that is imposed pursuant to the procedures described in subsection (b)(1) shall terminate not later than 2 years after the date on which the sanction became effective unless—

(1) not later than 60 days before the date of termination of the sanction, the President submits to Congress a report containing the recommendation of the President for the continuation of the sanction for an additional period of not to exceed 2 years and the request of the President for approval by Congress of the recommendation; and

(2) Congress enacts a joint resolution stating the approval of Congress for the report submitted under paragraph (1).

(f) CONGRESSIONAL PRIORITY PROCEDURES.—

(1) REFERRAL OF REPORT.—A report described in subsection (b)(1)(A) or (e)(1) shall be referred to the appropriate committee or committees of the House of Representatives and to the appropriate committee or committees of the Senate.

(2) REFERRAL OF JOINT RESOLUTION.—

(A) IN GENERAL.—A joint resolution shall be referred to the committees in each House of Congress with jurisdiction.

(B) REPORTING DATE.—A joint resolution referred to in subparagraph (A) may not be reported before the eighth session day of Congress after the introduction of the joint resolution.

(3) DISCHARGE OF COMMITTEE.—If the committee to which is referred a joint resolution has not reported the joint resolution (or an identical joint resolution) at the end of 30 session days of Congress after the date of introduction of the joint resolution—

(A) the committee shall be discharged from further consideration of the joint resolution; and

(B) the joint resolution shall be placed on the appropriate calendar of the House concerned.

(4) FLOOR CONSIDERATION.—

(A) MOTION TO PROCEED.—

(i) IN GENERAL.—When the committee to which a joint resolution is referred has reported, or when a committee is discharged under paragraph (3) from further consideration of, a joint resolution—

(I) it shall be at any time thereafter in order (even though a previous motion to the same effect has been disagreed to) for any member of the House concerned to move to proceed to the consideration of the joint resolution; and

(II) all points of order against the joint resolution (and against consideration of the joint resolution) are waived.

(ii) PRIVILEGE.—The motion to proceed to the consideration of the joint resolution—

(I) shall be highly privileged in the House of Representatives and privileged in the Senate; and

(II) not debatable.

(iii) AMENDMENTS AND MOTIONS NOT IN ORDER.—The motion to proceed to the consideration of the joint resolution shall not be subject to—

(I) amendment;

(II) a motion to postpone; or

(III) a motion to proceed to the consideration of other business.

(iv) MOTION TO RECONSIDER NOT IN ORDER.—A motion to reconsider the vote by which the motion is agreed to or disagreed to shall not be in order.

(v) BUSINESS UNTIL DISPOSITION.—If a motion to proceed to the consideration of the joint resolution is agreed to, the joint resolution shall remain the unfinished business of the House concerned until disposed of.

(B) LIMITATIONS ON DEBATE.—

(i) IN GENERAL.—Debate on the joint resolution, and on all debatable motions and appeals in connection with the joint resolution, shall be limited to not more than 10 hours, which shall be divided equally between those favoring and those opposing the joint resolution.

(ii) FURTHER DEBATE LIMITATIONS.—A motion to limit debate shall be in order and shall not be debatable.

(iii) AMENDMENTS AND MOTIONS NOT IN ORDER.—An amendment to, a motion to postpone, a motion to proceed to the consideration of other business, a motion to recommit the joint resolution, or a motion to reconsider the vote by which the joint resolution is agreed to or disagreed to shall not be in order.

(C) VOTE ON FINAL PASSAGE.—Immediately following the conclusion of the debate on a joint resolution, and a single quorum call at the conclusion of the debate if requested in accordance with the rules of the House concerned, the vote on final passage of the joint resolution shall occur.

(D) RULINGS OF THE CHAIR ON PROCEDURE.—An appeal from a decision of the Chair relating to the application of the rules of the Senate or House of Representatives, as the case may be, to the procedure relating to a joint resolution shall be decided without debate.

(5) COORDINATION WITH ACTION BY OTHER HOUSE.—If, before the passage by 1 House of a joint resolution of that House, that House receives from the other House a joint resolution, the following procedures shall apply:

(A) NO COMMITTEE REFERRAL.—The joint resolution of the other House shall not be referred to a committee.

(B) FLOOR PROCEDURE.—With respect to a joint resolution of the House receiving the joint resolution—

(i) the procedure in that House shall be the same as if no joint resolution had been received from the other House; but

(ii) the vote on final passage shall be on the joint resolution of the other House.

(C) DISPOSITION OF JOINT RESOLUTIONS OF RECEIVING HOUSE.—On disposition of the joint resolution received from the other House, it shall no longer be in order to consider the joint resolution originated in the receiving House.

(6) PROCEDURES AFTER ACTION BY BOTH THE HOUSE AND SENATE.—If a House receives a joint resolution from the other House after the receiving House has disposed of a joint resolution originated in that House, the action of the receiving House with regard to the disposition of the joint resolution originated in that House shall be deemed to be the action of the receiving House with regard to the joint resolution originated in the other House.

(7) RULEMAKING POWER.—This paragraph is enacted by Congress—

(A) as an exercise of the rulemaking power of the Senate and House of Representatives, respectively, and as such this paragraph—

(i) is deemed to be a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of a joint resolution; and

(ii) supersedes other rules only to the extent that this paragraph is inconsistent with those rules; and

(B) with full recognition of the constitutional right of either House to change the rules (so far as the rules relate to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

(g) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), this section takes effect on the date of enactment of this Act.

(2) EXISTING SANCTIONS.—In the case of any unilateral agricultural sanction or unilateral medical sanction that is in effect as of the date of enactment of this Act, this section takes effect 180 days after the date of enactment of this Act.

DORGAN AMENDMENT NO. 2402

(Ordered to lie on the table.)

Mr. DORGAN submitted an amendment intended to be proposed by him to the bill, H.R. 434, supra; as follows:

At the appropriate place, insert the following new section:

SEC. ___. UNREASONABLE ACTS, POLICIES, AND PRACTICES.

Section 301(d)(3)(B)(i) of the Trade Act of 1974 (19 U.S.C. 2411(d)(3)(B)(i)) is amended by striking subclause (IV) and inserting the following:

''(IV) market opportunities, including the toleration by a foreign government of systematic anticompetitive activities, which include predatory pricing, discriminatory pricing, or pricing below cost of production by enterprises or among enterprises in the foreign country (including state trading enterprises and state corporations) if the acts, policies, or practices are inconsistent with commercial practices and have the effect of restricting access of United States goods or services to the foreign market or third country markets,''.

HARKIN AMENDMENTS NOS. 2403–2404

(Ordered to lie on the table.)

Mr. HARKIN submitted two amendments intended to be proposed by him to the bill, H.R. 434, supra; as follows:

AMENDMENT NO. 2403

At the appropriate place, insert the following new section:

SEC. ___. LIMITATIONS ON BENEFITS.

(a) IN GENERAL.—Notwithstanding any other provision of this Act, no benefits under this Act shall be granted to any country (or to any designated zone in that country) that does not meet and effectively enforce the standards regarding child labor established by the ILO Convention (No. 182) for the Elimination of the Worst Forms of Child Labor.

(b) REPORT.—Not later than 12 months after the date of enactment of this Act and annually thereafter, the President, after consultation with the Trade Policy Review Committee, shall submit a report to Congress on the enforcement of, and compliance with, the standards described in subsection (a).

AMENDMENT NO. 2404

At the appropriate place, insert the following new section:

SEC. ___. LIMITATIONS ON BENEFITS.

(a) IN GENERAL.—Notwithstanding any other provision of this Act, no benefits under this Act shall be granted to any country (or to any designated zone in that country) that does not meet and effectively enforce the standards regarding child labor established by the ILO Convention (No. 182) for the Elimination of the Worst Forms of Child Labor.

FEINGOLD AMENDMENTS NOS. 2405–2409

(Ordered to lie on the table.)

Mr. FEINGOLD submitted five amendments intended to be proposed by him to the bill, H.R. 434, supra; as follows:

AMENDMENT NO. 2405

Strike secs. 111 and 112, and insert:

SEC. 111. ELIGIBILITY FOR CERTAIN BENEFITS.

(a) IN GENERAL.—Title V of the Trade Act of 1974 is amended by inserting after section 506 the following new section:

"SEC. 506A. DESIGNATION OF SUB-SAHARAN AFRICAN COUNTRIES FOR CERTAIN BENEFITS.

''(a) AUTHORITY TO DESIGNATE.—

''(1) IN GENERAL.—Notwithstanding any other provision of law, the President is authorized to designate a country listed in section 4 of the African Growth and Opportunity Act as a beneficiary sub-Saharan African country eligible for the benefits described in subsection (b), if the President determines that the country—

''(A) has established, or is making continual progress toward establishing—

''(i) a market-based economy, where private property rights are protected and the principles of an open, rules-based trading system are observed;

''(ii) a democratic society, where the rule of law, political freedom, participatory democracy, and the right to due process and a fair trial are observed;

''(iii) an open trading system through the elimination of barriers to United States trade and investment and the resolution of bilateral trade and investment disputes; and

''(iv) economic policies to reduce poverty, increase the availability of health care and educational opportunities, expand physical infrastructure, and promote the establishment of private enterprise;

''(B) does not engage in gross violations of internationally recognized human rights or provide support for acts of international terrorism and cooperates in international efforts to eliminate human rights violations and terrorist activities; and

''(C) is taking adequate measures to prevent illegal transshipment of goods that is carried out by rerouting, false declaration concerning country of origin or place of origin, falsification of official documents, evasion of United States rules of origin for textile and apparel goods, or any other means, in accordance with the requirements of subsection (c) of sec 112.

''(D) is taking adequate measures to prevent being used as a transit point for the shipment of goods in violation of the Agreement on Textiles and Clothing or any other applicable textile agreement.

''(E) subject to the authority granted to the President under section 502 (a), (d), and (e), otherwise satisfies the eligibility criteria set forth in section 502.

''(2) MONITORING AND REVIEW OF CERTAIN COUNTRIES.—The President shall monitor and review the progress of each country listed in section 4 of the African Growth and Opportunity Act in meeting the requirements described in paragraph (1) in order to determine the current or potential eligibility of each country to be designated as a beneficiary sub-Saharan African country for purposes of subsection (a). The President shall include the reasons for the President's determinations in the annual report required by section 105 of the African Growth and Opportunity Act.

''(3) CONTINUING COMPLIANCE.—If the President determines that a beneficiary sub-Saharan African country is not making continual progress in meeting the requirements described in paragraph (1), the President shall terminate the designation of that country as a beneficiary sub-Saharan African country for purposes of this section, effective on January 1 of the year following the year in which such determination is made.

''(b) PREFERENTIAL TARIFF TREATMENT FOR CERTAIN ARTICLES.—

''(1) IN GENERAL.—The President may provide duty-free treatment for any article described in section 503(b)(1) (B) through (G) (except for textile luggage) that is the growth, product, or manufacture of a beneficiary sub-Saharan African country described in subsection (a), if, after receiving the advice of the International Trade Commission in accordance with section 503(e), the President determines that such article is not import-sensitive in the context of imports from beneficiary sub-Saharan African countries.

''(2) RULES OF ORIGIN.—The duty-free treatment provided under paragraph (1) shall apply to any article described in that paragraph that meets the requirements of section 503(a)(2), except that—

''(A) if the cost or value of materials produced in the customs territory of the United States is included with respect to that article, an amount not to exceed 15 percent of the appraised value of the article at the time it is entered that is attributed to such United States cost or value may be applied toward determining the percentage referred to in subparagraph (A) of section 503(a)(2); and

''(B) the cost or value of the materials included with respect to that article that are produced in one or more beneficiary sub-Saharan African countries shall be applied in determining such percentage.

''(c) BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES, ETC.—For purposes of this title, the terms 'beneficiary sub-Saharan African country' and 'beneficiary sub-Saharan African countries' mean a country or countries listed in section 4 of the African Growth and Opportunity Act that the President has determined is eligible under subsection (a) of this section.''.

(b) WAIVER OF COMPETITIVE NEED LIMITATION.—Section 503(c)(2)(D) of the Trade Act of 1974 (19 U.S.C. 2463(c)(2)(D)) is amended to read as follows:

''(D) LEAST-DEVELOPED BENEFICIARY DEVELOPING COUNTRIES AND BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES.—Subparagraph (A) shall not apply to any least-developed beneficiary developing country or any beneficiary sub-Saharan African country.''.

(c) TERMINATION.—Title V of the Trade Act of 1974 is amended by inserting after section 505 the following new section:

"SEC. 505A. TERMINATION OF BENEFITS FOR SUB-SAHARAN AFRICAN COUNTRIES.

''In the case of a country listed in section 104 of the African Growth and Opportunity Act that is a beneficiary developing country, duty-free treatment provided under this title shall remain in effect through September 30, 2006.''.

(d) CLERICAL AMENDMENTS.—The table of contents for title V of the Trade Act of 1974 is amended—

(1) by inserting after the item relating to section 505 the following new item:

''505A. Termination of benefits for sub-Saharan African countries.'';

and

(2) by inserting after the item relating to section 506 the following new item:

''506A. Designation of sub-Saharan African countries for certain benefits.''.

(e) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 1999.

SEC. 112. TREATMENT OF CERTAIN TEXTILES AND APPAREL.

(a) PREFERENTIAL TREATMENT.—Notwithstanding any other provision of law, textile and apparel articles described in subsection (b) (including textile luggage) imported from a beneficiary sub-Saharan African country, described in section 506A(c) of the Trade Act of 1974, shall enter the United States free of duty and free of any quantitative limitations, if—

(1) The country is taking adequate measures to prevent illegal transshipment of goods that is carried out by rerouting, false declaration concerning country of origin or place of origin, falsification of official documents, evasion of United States rules of origin for textile and apparel goods, or any other means, in accordance with the requirements of subsection (c).

(2) The country is taking adequate measures to prevent being used as a transit point for the shipment of goods in violation of the Agreement on Textiles and Clothing or any other applicable textile agreement.

(b) PRODUCTS COVERED.—The preferential treatment described in subsection (a) shall apply only to the following textile and apparel products:

(1) APPAREL ARTICLES ASSEMBLED IN BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES.—Apparel articles assembled in one or more beneficiary sub-Saharan African countries from fabrics wholly formed and cut in the United States, from yarns wholly formed in the United States that are—

(A) entered under subheading 9802.00.80 of the Harmonized Tariff Schedule of the United States; or

(B) entered under chapter 61 or 62 of the Harmonized Tariff Schedule of the United States, if, after such assembly, the articles would have qualified for entry under subheading 9802.00.80 of the Harmonized Tariff Schedule of the United States but for the fact that the articles were subjected to stone-washing, enzyme-washing, acid washing, perma-pressing, oven-baking, bleaching, garment-dyeing, or other similar processes.

(2) APPAREL ARTICLES CUT AND ASSEMBLED IN BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES.—Apparel articles cut in one or more beneficiary sub-Saharan African countries from fabric wholly formed in the United States from yarns wholly formed in the United States, if such articles are assembled in one or more beneficiary sub-Saharan African countries with thread formed in the United States.

(3) HANDLOOMED, HANDMADE, AND FOLKLORE ARTICLES.—A handloomed, handmade, or folklore article of a beneficiary sub-Saharan African country or countries that is certified as such by the competent authority of such beneficiary country or countries. For purposes of this paragraph, the President, after consultation with the beneficiary sub-Saharan African country or countries concerned, shall determine which, if any, particular textile and apparel goods of the country (or countries) shall be treated as being handloomed, handmade, or folklore goods.

(c) CUSTOMS PROCEDURES AND ENFORCEMENT.—

(1) OBLIGATIONS OF IMPORTERS AND PARTIES ON WHOSE BEHALF APPAREL AND TEXTILES ARE IMPORTED.—

(A) IN GENERAL.—Notwithstanding any other provision of law, all imports to the United States of textile and apparel goods pursuant to this Act shall be accompanied by—

(i)(I) the name and address of the manufacturer or producer of the goods, and any other information with respect to the manufacturer or producer that the Customs Service may require; and

(II) if there is more than one manufacturer or producer, or if there is a contractor or subcontractor of the manufacturer or producer with respect to the manufacture or production of the goods, the information required under subclause (I) with respect to each such manufacturer, producer, contractor, or subcontractor, including a description of the process performed by each such entity;

(ii) a certification by the importer of record that the importer has exercised reasonable care to ascertain the true country of origin of the textile and apparel goods and

the accuracy of all other information provided on the documentation accompanying the imported goods, as well as a certification of the specific action taken by the importer to ensure reasonable care for purposes of this paragraph; and

(iii) a certification by the importer that the goods being entered do not violate applicable trademark, copyright, and patent laws.

(B) LIABILITY.—The importer of record and the final retail seller of the merchandise shall be jointly liable for any material false statement, act, or omission made with the intention or effect of—

(i) circumventing any quota that applies to the merchandise; or

(ii) avoiding any duty that would otherwise be applicable to the merchandise.

(2) OBLIGATIONS OF COUNTRIES TO TAKE ACTION AGAINST TRANSSHIPMENT AND CIRCUMVENTION.—The President shall ensure that any country in sub-Saharan Africa that intends to import textile and apparel goods into the United States—

(A) has in place adequate measures to guard against unlawful transshipment of textile and apparel goods and the use of counterfeit documents; and

(B) will cooperate fully with the United States to address and take action necessary to prevent circumvention of any provision of this section or of any agreement regulating trade in apparel and textiles between that country and the United States.

(3) STANDARDS OF PROOF.—

(A) FOR IMPORTERS AND RETAILERS.—

(i) IN GENERAL.—The United States Customs Service (in this Act referred to as the ''Customs Service'') shall seek imposition of a penalty against an importer or retailer for a violation of any provision of this section if the Customs Service determines, after appropriate investigation, that there is a substantial likelihood that the violation occurred.

(ii) USE OF BEST AVAILABLE INFORMATION.—If an importer or retailer fails to cooperate with the Customs Service in an investigation to determine if there has been a violation of any provision of this section, the Customs Service shall base its determination on the best available information.

(B) FOR COUNTRIES.—

(i) IN GENERAL.—The President may determine that a country is not taking adequate measures to prevent illegal transshipment of goods or to prevent being used as a transit point for the shipment of goods in violation of this section if the Customs Service determines, after consultations with the country concerned, that there is a substantial likelihood that a violation of this section occurred.

(ii) USE OF BEST AVAILABLE INFORMATION.—

(I) IN GENERAL.—If a country fails to cooperate with the Customs Service in an investigation to determine if an illegal transshipment has occurred, the Customs Service shall base its determination on the best available information.

(II) EXAMPLES.—Actions indicating failure of a country to cooperate under subclause (I) include—

(aa) denying or unreasonably delaying entry of officials of the Customs Service to investigate violations of, or promote compliance with, this section or any textile agreement;

(bb) providing appropriate United States officials with inaccurate or incomplete information, including information required under the provisions of this section; and

(cc) denying appropriate United States officials access to information or documentation relating to production capacity of, and outward processing done by, manufacturers, producers, contractors, or subcontractors within the country.

(4) PENALTIES.—

(A) FOR IMPORTERS AND RETAILERS.—The penalty for a violation of any provision of this section by an importer or retailer of textile and apparel goods—

(i) for a first offense (except as provided in clause (iii)), shall be a civil penalty in an amount equal to 200 percent of the declared value of the merchandise, plus forfeiture of the merchandise;

(ii) for a second offense (except as provided in clause (iii)), shall be a civil penalty in an amount equal to 400 percent of the declared value of the merchandise, plus forfeiture of the merchandise, and, shall be punishable by a fine of not more than $100,000, imprisonment for not more than 1 year, or both; and

(iii) for a third or subsequent offense, or for a first or second offense if the violation of the provision of this section is committed knowingly and willingly, shall be punishable by a fine of not more than $1,000,000, imprisonment for not more than 5 years, or both, and, in addition, shall result in forfeiture of the merchandise.

(B) FOR COUNTRIES.—If a country fails to undertake the measures or fails to cooperate as required by this section, the President shall impose a quota on textile and apparel goods imported from the country, based on the volume of such goods imported during the first 12 of the preceding 24 months, or shall impose a duty on the apparel or textile goods of the country, at a level designed to secure future cooperation.

(5) APPLICABILITY OF UNITED STATES LAWS AND PROCEDURES.—All provisions of the laws, regulations, and procedures of the United States relating to the denial of entry of articles or penalties against individuals or entities for engaging in illegal transshipment, fraud, or other violations of the customs laws, shall apply to imports of textiles and apparel from sub-Saharan African countries, in addition to the specific provisions of this section.

(6) MONITORING AND REPORTS TO CONGRESS.—Not later than March 31 of each year, the Customs Service shall monitor and the Commissioner of Customs shall submit to Congress a report on the measures taken by each country in sub-Saharan Africa that imports textiles or apparel goods into the United States—

(A) to prevent transshipment; and

(B) to prevent circumvention of this section or of any agreement regulating trade in textiles and apparel between that country and the United States.

(d) ADDITIONAL ENFORCEMENT.—A citizen of the United States shall have a cause of action in the United States district court in the district in which the citizen resides or in any other appropriate district to seek compliance with the standards set forth under subparagraphs (C) and (D) of section 111 and section 112(c), of this Act with respect to any sub-Saharan African country, including a cause of action in an appropriate United States district court for other appropriate equitable relief. In addition to any other relief sought in such an action, a citizen may seek three times the value of any damages caused by the failure of a country or company to comply. The amount of damages described in the preceding sentence shall be paid by the business enterprise (or business enterprises) the operations or conduct of which is responsible for the failure to meet the standards set forth under subparagraphs (A) through (G) of section 201(b)(1), section 201(c), and section 201(d) of this Act.

(e) DEFINITIONS.—In this section, the term ''Agreement on Textiles and Clothing'' means the Agreement on Textiles and Clothing referred to in section 101(d)(4) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(4)).

(h) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 1999 and shall remain in effect through September 30, 2006.

AMENDMENT NO. 2406

Strike Sec. 111 and insert the following:

SEC. 111 ELIGIBILITY FOR CERTAIN BENEFITS.

(a) IN GENERAL.—Title V of the Trade Act of 1974 is amended by inserting after section 506 the following new section:

''SEC. 506A. DESIGNATION OF SUB-SAHARAN AFRICAN COUNTRIES FOR CERTAIN BENEFITS.

''(a) AUTHORITY TO DESIGNATE.—

''(1) IN GENERAL.—Notwithstanding any other provision of law, the President is authorized to designate a country listed in section 4 of the African Growth and Opportunity Act as a beneficiary sub-Saharan African country eligible for the benefits described in subsection (b), if the President determines that the country—

''(A) has established, or is making continual progress toward establishing—

''(i) a market-based economy, where private property rights are protected and the principles of an open, rules-based trading system are observed;

''(ii) a democratic society, where the rule of law, political freedom, participatory democracy, and the right to due process and a fair trial are observed;

''(iii) an open trading system through the elimination of barriers to United States trade and investment and the resolution of bilateral trade and investment disputes; and

''(iv) economic policies to reduce poverty, increase the availability of health care and educational opportunities, expand physical infrastructure, and promote the establishment of private enterprise;

''(B) does not engage in gross violations of internationally recognized human rights or provide support for acts of international terrorism and cooperates in international efforts to eliminate human rights violations and terrorist activities;

''(C) subject to the authority granted to the President under section 502 (a), (d), and (e), otherwise satisfies the eligibility criteria set forth in section 502;

''(D) has established that the cost or value of the textile or apparel product produced in the country, or by companies in any 2 or more sub-Saharan African countries, plus the direct costs of processing operations performed in the country or such countries, is not less than 60 percent of the appraised value of the product at the time it is entered into the customs territory of the United States; and

''(E) has established that not less than 90 percent of employees in business enterprises producing the textile and apparel goods are citizens of that country, or any 2 or more sub-Saharan African countries.

''(2) MONITORING AND REVIEW OF CERTAIN COUNTRIES.—The President shall monitor and review the progress of each country listed in section 4 of the African Growth and Opportunity Act in meeting the requirements described in paragraph (1) in order to determine the current or potential eligibility of each country to be designated as a beneficiary sub-Saharan African country for purposes of subsection (a). The President shall include the reasons for the President's determinations in the annual report required by section 105 of the African Growth and Opportunity Act.

''(3) CONTINUING COMPLIANCE.—If the President determines that a beneficiary sub-Saharan African country is not making continual progress in meeting the requirements described in paragraph (1), the President shall terminate the designation of that country as

a beneficiary sub-Saharan African country for purposes of this section, effective on January 1 of the year following the year in which such determination is made.

''(b) PREFERENTIAL TARIFF TREATMENT FOR CERTAIN ARTICLES.—

''(1) IN GENERAL.—The President may provide duty-free treatment for any article described in section 503(b)(1) (B) through (G) (except for textile luggage) that is the growth, product, or manufacture of a beneficiary sub-Saharan African country described in subsection (a), if, after receiving the advice of the International Trade Commission in accordance with section 503(e), the President determines that such article is not import-sensitive in the context of imports from beneficiary sub-Saharan African countries.

''(2) RULES OF ORIGIN.—The duty-free treatment provided under paragraph (1) shall apply to any article described in that paragraph that meets the requirements of section 503(a)(2), except that—

''(A) if the cost or value of materials produced in the customs territory of the United States is included with respect to that article, an amount not to exceed 15 percent of the appraised value of the article at the time it is entered that is attributed to such United States cost or value may be applied toward determining the percentage referred to in subparagraph (A) of section 503(a)(2); and

''(B) the cost or value of the materials included with respect to that article that are produced in one or more beneficiary sub-Saharan African countries shall be applied in determining such percentage.

''(c) BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES, ETC.—For purposes of this title, the terms 'beneficiary sub-Saharan African country' and 'beneficiary sub-Saharan African countries' mean a country or countries listed in section 4 of the African Growth and Opportunity Act that the President has determined is eligible under subsection (a) of this section.''.

''(c) BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES, ETC.—For purposes of this title, the terms 'beneficiary sub-Saharan African country' and 'beneficiary sub-Saharan African countries' mean a country or countries listed in section 104 of the African Growth and Opportunity Act that the President has determined is eligible under subsection (a) of this section.''.

(b) WAIVER OF COMPETITIVE NEED LIMITATION.—Section 503(c)(2)(D) of the Trade Act of 1974 (19 U.S.C. 2463(c)(2)(D)) is amended to read as follows:

''(D) LEAST-DEVELOPED BENEFICIARY DEVELOPING COUNTRIES AND BENEFICIARY SUB-SAHARAN AFRICAN COUNTRIES.—Subparagraph (A) shall not apply to any least-developed beneficiary developing country or any beneficiary sub-Saharan African country.''.

(c) TERMINATION.—Title V of the Trade Act of 1974 is amended by inserting after section 506A, as added by subsection (a), the following new section:

''SEC. 506B. TERMINATION OF BENEFITS FOR SUB-SAHARAN AFRICAN COUNTRIES.

''In the case of a country listed in section 104 of the African Growth and Opportunity Act that is a beneficiary developing country, duty-free treatment provided under this title shall remain in effect through September 30, 2006.''.

(d) CLERICAL AMENDMENTS.—The table of contents for title V of the Trade Act of 1974 is amended by inserting after the item relating to section 505 the following new items:

''506A. Designation of sub-Saharan African countries for certain benefits.

''506B. Termination of benefits for sub-Saharan African countries.''.

(e) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 2000.

AMENDMENT NO. 2407

At the appropriate place, insert the following new title:

TITLE ___HIV/AIDS EPIDEMIC IN SUB-SAHARAN AFRICA

SEC. ___01. FINDINGS AND POLICY.

(a) IN GENERAL.—Congress finds that, in addition to drought and famine, the HIV/AIDS epidemic has caused countless deaths and untold suffering among the people of sub-Saharan Africa.

(b) POLICY.—It is the policy of Congress, in developing new economic relations with sub-Saharan Africa, to assist sub-Saharan African countries in efforts to make safe and efficacious pharmaceuticals and medical technologies as widely available to their populations as possible.

(c) AMENDMENTS TO FOREIGN ASSISTANCE ACT OF 1961.—

(1) Section 496(a)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2293(a)(1)) is amended by striking ''drought and famine'' and inserting ''drought, famine, and the HIV/AIDS epidemic''.

(2) Section 496(i)(2) of the Foreign Assistance Act of 1961 (22 U.S.C. 2293(i)(2)) is amended by striking ''(including displaced children)'' and inserting ''(including displaced children and improving HIV/AIDS prevention and treatment programs)''.

SEC. ___02. REQUIREMENTS RELATING TO SUB-SAHARAN AFRICAN INTELLECTUAL PROPERTY AND COMPETITION LAW.

(a) FINDINGS.—Congress finds that—

(1) since the onset of the worldwide HIV/AIDS epidemic, approximately 34,000,000 people living in sub-Saharan Africa have been infected with the disease;

(2) of those infected, approximately 11,500,000 have died; and

(3) the deaths represent 83 percent of the total HIV/AIDS-related deaths worldwide.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) it is in the interest of the United States to take all necessary steps to prevent further spread of infectious disease, particularly HIV/AIDS; and

(2) individual countries should have the ability to determine the availability of pharmaceuticals and health care for their citizens in general, and particularly with respect to the HIV/AIDS epidemic.

(c) LIMITATIONS ON FUNDING.—Funds appropriated or otherwise made available to any department or agency of the United States may not be obligated or expended to seek, through negotiation or otherwise, the revocation or revisions of any sub-Saharan African intellectual property or competition law or policy that is designed to promote access to pharmaceuticals or other medical technologies if the law or policy, as the case may be, complies with the Agreement on Trade-Related Aspects of Intellectual Property Rights referred to in section 101(d)(15) of the Uruguay Round Agreements Act.

AMENDMENT NO. 2408

At the appropriate place, insert the following new section:

SEC. ___. ANTICORRUPTION EFFORTS.

(a) FINDINGS.—Congress makes the following findings:

(1) Corruption and bribery of public officials is a major problem in many African countries and represents a serious threat to the development of a functioning domestic private sector, to United States business and trade interests, and to prospects for democracy and good governance in African countries.

(2) Of the 17 countries in sub-Saharan Africa rated by the international watchdog group, Transparency International, as part of the 1998 Corruption Perception Index, 13 ranked in the bottom half.

(3) The Organization for Economic Cooperation and Development (OECD) Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, which has been signed by all 29 members of the OECD plus Argentina, Brazil, Bulgaria, Chile, and the Slovak Republic and which entered into force on February 15, 1999, represents a significant step in the elimination of bribery and corruption in international commerce.

(4) As a party to the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, the United States should encourage the highest standards possible with respect to bribery and corruption.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the United States should encourage at every opportunity the accession of sub-Saharan African countries, as defined in section 6, to the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions.

AMENDMENT NO. 2409

At the appropriate place, insert the following new title:

TITLE ___DEVELOPMENT ASSISTANCE FOR SUB-SAHARAN AFRICAN COUNTRIES

SEC. ___01. FINDINGS.

(a) IN GENERAL.—Congress makes the following findings:

(1) In addition to drought and famine, the HIV/AIDS epidemic has caused countless deaths and untold suffering among the people of sub-Saharan Africa.

(2) The Food and Agricultural Organization estimates that 543,000,000 people, representing nearly 40 percent of the population of sub-Saharan Africa, are chronically undernourished.

(b) AMENDMENT TO FOREIGN ASSISTANCE ACT OF 1961.—Section 496(a)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2293(a)(1)) is amended by striking ''drought and famine'' and inserting ''drought, famine, and the HIV/AIDS epidemic''.

SEC. ___02. PRIVATE AND VOLUNTARY ORGANIZATIONS.

Section 496(e) of the Foreign Assistance Act of 1961 (22 U.S.C. 2293(e)) is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

(2) by inserting after paragraph (1) the following:

''(2) CAPACITY BUILDING.—In addition to assistance provided under subsection (h), the United States Agency for International Development shall provide capacity building assistance through participatory planning to private and voluntary organizations that are involved in providing assistance for sub-Saharan Africa under this chapter.''.

SEC. ___03. TYPES OF ASSISTANCE.

Section 496(h) of the Foreign Assistance Act of 1961 (22 U.S.C. 2293(h)) is amended by adding at the end the following:

''(4) PROHIBITION ON MILITARY ASSISTANCE.—Assistance under this section—

''(A) may not include military training or weapons; and

''(B) may not be obligated or expended for military training or the procurement of weapons.''.

SEC. ___04. CRITICAL SECTORAL PRIORITIES.

(a) AGRICULTURE, FOOD SECURITY AND NATURAL RESOURCES.—Section 496(i)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2293(i)(1)) is amended—

(1) in the heading, to read as follows:

''(1) AGRICULTURE, FOOD SECURITY AND NATURAL RESOURCES.—'';

(2) in subparagraph (A)—

(A) in the heading, to read as follows:

''(A) AGRICULTURE AND FOOD SECURITY.—'';

(B) in the first sentence—

(i) by striking ''agricultural production in ways'' and inserting ''food security by promoting agriculture policies''; and

(ii) by striking '', especially food production,''; and

(3) in subparagraph (B), in the matter preceding clause (i), by striking ''agricultural production'' and inserting ''food security and sustainable resource use''.

(b) HEALTH.—Section 496(i)(2) of the Foreign Assistance Act of 1961 (22 U.S.C. 2293(i)(2)) is amended by striking ''(including displaced children)'' and inserting ''(including displaced children and improving HIV/AIDS prevention and treatment programs)''.

(c) VOLUNTARY FAMILY PLANNING SERVICES.—Section 496(i)(3) of the Foreign Assistance Act of 1961 (22 U.S.C. 2293(i)(3)) is amended by adding at the end before the period the following: ''and access to prenatal healthcare''.

(d) EDUCATION.—Section 496(i)(4) of the Foreign Assistance Act of 1961 (22 U.S.C. 2293(i)(4)) is amended by adding at the end before the period the following: ''and vocational education, with particular emphasis on primary education and vocational education for women''.

(e) INCOME-GENERATING OPPORTUNITIES.—Section 496(i)(5) of the Foreign Assistance Act of 1961 (22 U.S.C. 2293(i)(5)) is amended—

(1) by striking ''labor-intensive''; and

(2) by adding at the end before the period the following: '', including development of manufacturing and processing industries and microcredit projects''.

SEC. ___05. REPORTING REQUIREMENTS.

Section 496 of the Foreign Assistance Act of 1961 (22 U.S.C. 2293) is amended by adding at the end the following:

''(p) REPORTING REQUIREMENTS.—The Administrator of the United States Agency for International Development shall, on a semiannual basis, prepare and submit to Congress a report containing—

''(1) a description of how, and the extent to which, the Agency has consulted with nongovernmental organizations in sub-Saharan Africa regarding the use of amounts made available for sub-Saharan African countries under this chapter;

''(2) the extent to which the provision of such amounts has been successful in increasing food security and access to health and education services among the people of sub-Saharan Africa;

''(3) the extent to which the provision of such amounts has been successful in capacity building among local nongovernmental organizations; and

''(4) a description of how, and the extent to which, the provision of such amounts has furthered the goals of sustainable economic and agricultural development, gender equity, environmental protection, and respect for workers' rights in sub-Saharan Africa.''.

SEC. ___06. SEPARATE ACCOUNT FOR DEVELOPMENT FUND FOR AFRICA.

Amounts appropriated to the Development Fund for Africa shall be appropriated to a separate account under the heading ''Development Fund for Africa'' and not to the account under the heading ''Development Assistance''.

THURMOND AMENDMENT NO. 2410

(Ordered to lie on the table.)

Mr. THURMOND submitted an amendment intended to be proposed by him to the bill, H.R. 434, supra; as follows:

At the appropriate place, insert the following new section:

SEC. . TRADE ADJUSTMENT ASSISTANCE FOR TEXTILE AND APPAREL WORKERS.

Notwithstanding any other provision of law, workers in textile and apparel firms who lose their jobs or are threatened with job loss as a result of either (1) a decrease in the firm's sales or production; or (2) a firm's plant or facility closure or relocation, shall be certified by the Secretary of Labor as eligible to receive adjustment assistance at the same level of benefits as workers certified under subchapter D of chapter 2 of title II of the Trade Act of 1974 not later than 30 days after the date a petition for certification is filed under such title II.

DURBIN AMENDMENT NOS. 2411–4212

(Ordered to lie on the table.)

Mr. DURBIN submitted two amendments intended to be proposed by him to amendment No. 2325 proposed by Mr. ROTH to the bill, H.R. 434, supra, as follows:

AMENDMENT NO. 2411

On page 20, line 10, after ''Africa'', insert the following: ''and to encourage sub-Saharan African countries to sign the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions''.

AMENDMENT NO. 2412

On page 10, strike lines 3 through 12, and insert the following:

''(iii) an open trading system through the elimination of barriers to United States trade and investment and the resolution of bilateral trade and investment disputes;

''(iv) economic policies to reduce poverty, increase the availability of health care and educational opportunities, expand physical infrastructure, and promote the establishment of private enterprise; and

''(v) a system to combat corruption and bribery, such as signing the Convention on Combating Bribery of Foreign Public Officials in International Business Transactions;

NOTICE OF HEARING

COMMITTEE ON INDIAN AFFAIRS

Mr. CAMPBELL. Mr. President, I would like to announce that the Senate Committee on Indian Affairs will meet during the session of the Senate on Thursday, November 4, 1999 at 9:30 a.m. to conduct a Joint Hearing with the House Committee on Resources on S. 1586, the Indian Land Consolidation Act Amendments of 1996; and S. 1315, to permit the leasing of oil and gas rights on Navajo allotted lands.

The hearing will be held in room 106, Dirksen Senate Building.

Please direct any inquiries to Committee staff at 202/224–2251.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. MACK. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet at 9:30 a.m. on Thursday, October 28, 1999, in open session, to receive testimony on U.S. National Security Implications of the 1999 NATO Strategic Concept.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. MACK. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, October 28, 1999 at 10:30 and 3:00 p.m. to hold two hearings.

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

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. MACK. Mr. President, I ask unanimous consent that the Governmental Affairs Committee be permitted to meet on Thursday, October 28, 1999 at 10:00 a.m. for a hearing on the nomination of Joshua Gotbaum to be Controller, Office of Management and Budget.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. MACK. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, October 28, 1999 at 2:00 p.m. to hold a closed hearing on intelligence matters.

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

SUBCOMMITTEE ON ANTITRUST, BUSINESS RIGHTS, AND COMPETITION

Mr. MACK. Mr. President, the Committee on the Judiciary Subcommittee on Antitrust, Business Rights, and Competition requests unanimous consent to conduct a hearing on Thursday, October 28, 1999 beginning at 1:30 p.m. in Dirksen Room 226.

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

SUBCOMMITTEE ON MANUFACTURING AND COMPETITIVENESS

Mr. MACK. Mr. President, I ask unanimous consent that the Manufacturing and Competitiveness Subcommittee of the Senate Committee on Commerce, Science, and Transportation be authorized to meet on Thursday, October 28, 1999, at 2:00 p.m. on challenges confronting machine tool industry.

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

SUBCOMMITTEE ON SCIENCE, TECHNOLOGY, AND SPACE

Mr. MACK. Mr. President, I ask unanimous consent that the Science, Technology and Space Subcommittee of the Senate Committee on Commerce, Science, and Transportation be authorized to meet on Thursday, October 28, 1999, at 10:00 a.m. on E-Commerce.

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

SUBCOMMITTEE ON WATER AND POWER

Mr. MACK. Mr. President, I ask unanimous consent that the Subcommittee on Water and Power of the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Thursday, October 28, for purposes of conducting a Water and Power Subcommittee hearing which is scheduled