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House of Representatives

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mr. OSE).

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DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
July 19, 2000.

I hereby appoint the Honorable DOUG OSE to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

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PRAYER

The Chaplain, the Reverend Daniel P. Coughlin, offered the following prayer:

Lord God of Heaven and Earth, ancient writings describe a Suffering Servant you have given us as an example.

We are to follow in His footsteps: ''He committed no sin and no deceit was found in His mouth.''

Ever since, we have witnessed courageous people in the history of this Nation and throughout the world who have followed the example You have given us.

When insulted, they return no insult, when suffering, they do not threaten; instead, they hand themselves over to You, the only true and lasting Judge, who judges all things justly.

May justice in this land be founded in You. Guide the dealings of this Chamber so that all laws and decisions reflect Your Spirit at work now and forever. Amen.

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THE JOURNAL

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

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

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Michigan (Mr. KNOLLENBERG) come forward and lead the House in the Pledge of Allegiance.

Mr. KNOLLENBERG led the Pledge of Allegiance as follows:

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

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MESSAGE FROM THE SENATE

A message from the Senate by Mr. Lundregan, one of its clerks, announced that the Senate agreed to the following resolution:

S. RES. 338

Whereas the Honorable Paul Coverdell served Georgia in the United States Senate with devotion and distinction;

Whereas the Honorable Paul Coverdell served all the people of the United States as Director of the Peace Corps;

Whereas his efforts on behalf of Georgians and all Americans earned him the esteem and high regard of his colleagues; and

Whereas his tragic and untimely death has deprived his State and Nation of an outstanding lawmaker and public servant: Now, therefore, be it

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of the Honorable Paul Coverdell, a Senator from the State of Georgia.

Resolved, That the Secretary of the Senate communicate these resolutions to the House of Representatives and transmit an enrolled copy thereof to the family of the deceased.

Resolved, That when the Senate adjourns today, it stand adjourned as a further mark of respect to the memory of the deceased Senator.

The message also announced that the Senate has passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 4578. An act making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2001, and for other purposes.

H.R. 4811. An act making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2001, and for other purposes.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 4578) ''An Act making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2001, and for other purposes,'' requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. GORTON, Mr. STEVENS, Mr. COCHRAN, Mr. DOMENICI, Mr. BURNS, Mr. BENNETT, Mr. GREGG, Mr. CAMPBELL, Mr. BYRD, Mr. LEAHY, Mr. HOLLINGS, Mr. REID, Mr. DORGAN, Mr. KOHL, and Mrs. FEINSTEIN, to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 4811) ''An Act making appropriations for the foreign operations, export financing, and related programs for the fiscal year ending September 30, 2001, and for other purposes,'' requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MCCONNELL, Mr. SPECTER, Mr. GREGG, Mr. SHELBY, Mr. BENNETT, Mr. CAMPBELL, Mr. BOND, Mr. STEVENS, Mr. LEAHY, Mr. INOUYE, Mr. LAUTENBERG, Mr. HARKIN, Ms. MIKULSKI, Mrs. MURRAY, and Mr. BYRD, to be the conferees on the part of the Senate.

□

EXECUTING PREGNANT WOMEN

(Mr. PITTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PITTS. Mr. Speaker, if a woman on death row is pregnant, should she or should she not be executed? That is the question that was recently posed to the Vice President, by Tim Russert on Meet the Press. The Vice President responded, ''I don't know what you're talking about.''

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When Mr. Russert asked the question again, the Vice President laughed and said he would want to think about it. The next day, Mr. GORE emerged from his campaign headquarters and said that it should be up to the felon to decide.

Mr. Speaker, most people on death row are there because they have willfully taken another life, often several of them. The death penalty is not given for manslaughter or third degree murder. It is only given to perpetrators of the most horrible crimes.

How on Earth could the Vice President believe that we should be asking these people for permission to kill their innocent, unborn children along with themselves?

Is the child guilty of the crimes as the mother? Obviously not.

We have had laws for hundreds of years against executing pregnant death row inmates.

Mr. Speaker, the Vice President's position on this issue is wrong. It is callous and cruel.

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INTERNATIONAL ABDUCTION

(Mr. LAMPSON asked and was given permission to address the House for 1 minute.)

Mr. LAMPSON. Mr. Speaker, I rise today to draw attention to the issue of international child adduction, and to continue to make my colleagues aware that this issue has ripped 10,000 American children away from their parents.

I have been coming here almost every day since February 16 telling a story about an abducted child, and today I am going to be talking about Brianna Nicole Ballout. Brianna was abducted by her noncustodial father, Samar Ali Ballout, during his weekend visitation on July 7, 1996. The abductor and Brianna's mother shared joint custody, but Mrs. Rogers had physical custody.

An unlawful flight to avoid prosecution was issued as well as a warrant for his kidnapping. The FBI and the State Department located Brianna in Southern Lebanon, and over 2 years, her mother has had sporadic contact with her, ranging from phone calls to receiving pictures when she was 4 in 1999. Mrs. Rogers has lost contact with Brianna and her abducting father.

Mr. Speaker, I urge this House and my colleagues to join me and to do whatever it takes to bring our children home.

□

EDUCATION ACCOMPLISHMENTS

(Mr. BALLENGER asked and was given permission to address the House for 1 minute.)

Mr. BALLENGER. Mr. Speaker, it has been said that an education is the best provision for old age. Without an education, a person's options and their potential for growth are severely limited.

Nowhere is this philosophy more accurate than in America, where even many entry-level jobs require a college degree.

Unfortunately, America's public education system has been failing thousands of American students. Many of our schools are struggling just to provide the basic tools of modern education demands, computers, updated textbooks and evenly qualified teachers.

Republicans are working to solve these problems. We passed legislation that gives States maximum flexibility in how they use Federal education dollars.

We also passed measures to help improve teacher quality and reduce class size, and we passed legislation to improve education opportunities for disabled students. Republicans are making education a top priority and our children deserve no less.

□

SUBSTANCE AND MENTAL HEALTH SERVICES ADMINISTRATION REAUTHORIZATION

(Mrs. CAPPS asked and was given permission to address the House for 1 minute.)

Mrs. CAPPS. Mr. Speaker, I wish to address two pressing issues before our country today; substance abuse and mental health.

This week, I introduced H.R. 4867, the Youth Drug and Mental Health Services Act, along with my colleagues the gentleman from New York (Mr. RANGEL), the gentleman from Michigan (Mr. DINGELL), the gentleman from Ohio (Mr. BROWN), and the gentleman from Wisconsin (Mr. BARRETT).

This bill reauthorizes the Substance and Mental Health Services Administration which provides State mental health and substance abuse prevention grants throughout this country.

Drug addiction is often an intergenerational family problem with future use by children of addicts a very common occurrence. Sadly, this is a pattern I regularly saw as a school nurse, but I have also seen the success of SAMHSA prevention programs in my own district, particularly with Santa Barbara's Fighting Back.

This program provides successful public awareness initiatives, mentoring, criminal justice partnerships and health care intervention programs.

Mr. Speaker, I call on my colleagues to move H.R. 4867 as soon as it is possible. This reauthorization is the best way to comprehensively address the problems of substance abuse confronting our communities. These problems are just too great for us to treat in a piecemeal fashion.

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ELIMINATE MARRIAGE PENALTY TAX AND DEATH TAX

(Mr. HEFLEY asked and was given permission to address the House for 1 minute.)

Mr. HEFLEY. Mr. Speaker, now is the time, once and for all, to eliminate the marriage penalty and the death tax. These are antiquated and unfair taxes, and they penalize too many American families.

In my district alone, more than 77,000 married couples are subjected to the marriage tax. There is no good reason why we are penalizing these couples who choose to marry. It is unfair financial hardship and it does not reflect the family values of this country. I hope the President will join us in our effort to eliminate this unfair tax burden.

I also want to see the elimination of the estate tax. It is obscene that in this country we tax the dead and penalize the survivors. The time has come to eliminate both these Federal taxes.

Mr. Speaker, I urge the President to put aside political considerations and help the Congress abolish these taxes. Why? Because it is the right thing to do.

□

WHITE HOUSE THROWING MONEY AROUND AT CAMP DAVID

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, yesterday it was $40 billion, today they are talking $150 billion at Camp David. Unbelievable.

While the White House continues to oppose a tax cut for married couples in America, the White House is literally throwing money around at Camp David like confetti, like cotton candy at a summer festival.

Beam me up, Mr. Speaker, I believe this is a flawed and dangerous policy. The bottom line, a true, lasting and enduring peace will never be built on a foundation of dollars in the first place. I yield back the auction at Camp David.

□

REMEMBERING SENATOR PAUL COVERDELL

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, yesterday America lost a true friend, and we were all saddened to hear of the tragic news that we had lost a colleague and friend in the United States Senate.

Senator PAUL COVERDELL was a true leader of the Senate, his beloved State of Georgia and to this Nation. As an ardent supporter of freedom and the American dream, the distinguished Senator from Georgia believed that freedom was best preserved and nurtured by a well-educated citizenry.

As a result, throughout his career, Senator COVERDELL fought for education reform which ensured that every child in America received a quality education in a safe environment.

Personally, I am honored to have had the recent opportunity to work with the Senator in passing a bill to award the Congressional Gold Medal to the Reagans, a family which he held in high regard.

Senator COVERDELL's tenacity and dedication to that effort, as well as to

any project he led, were two of his most honorable attributes.

My deepest sympathies go out to Senator COVERDELL's family, colleagues, and his staff during this most difficult time.

Senator COVERDELL and his genuine love for our great Nation will be missed by colleague and friend alike.

□

EYES ON CAMP DAVID: LAND FOR PEACE

(Mr. SHERWOOD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SHERWOOD. Mr. Speaker, our eyes are on Camp David, and the focus is on various details, 90 percent, 92 percent, this or that concession. And I think it is important for us to take a step back and to look at the entire panoply.

The discussion is land for peace. This is the first time in recorded history when the land for peace equation has meant that the country that has won the wars has been asked to concede land.

Mr. Speaker, never has there been such extraordinary love of peace as we see in the people of Israel, willing to make concessions after they have won four wars of defense. We should also note that half the Jewish population of Israel are themselves refugees from Arab states, from Yemen and Iran and from other Islamic countries. There is not even the slightest discussion that these Jewish refugees will receive any compensation. We must admire Israel's love of peace.

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REPUBLICAN ACCOMPLISHMENTS

(Mr. ROYCE asked and was given permission to address the House for 1 minute.)

Mr. ROYCE. Mr. Speaker, as we know, this Congress has accomplished much, and it should be proud of what it has done. We said we wanted to preserve and protect Social Security and Medicare, and we have. We stopped the raid on Social Security that had been going on for decades. And we made the system stronger by passing legislation locking away 100 percent of the Social Security surplus for Social Security, not for any other spending.

Republicans said we would eliminate the deficit and pay down the debt, and we have. In fact, under the Republican budget, we will pay off the entire $3.5 trillion publicly held debt. When Americans across this land said they wanted us to eliminate the marriage tax, we ignored protests from the Clinton-Gore administration, and we passed a bill that makes married couples equal with singles in the eyes of the IRS.

Let us work together in a bipartisan manner on behalf of all Americans to protect and preserve Social Security and accomplish these other goals.

CONSIDERING LEGISLATION HELPING AMERICAN FAMILIES SAVE FOR RETIREMENT

(Mr. POMEROY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. POMEROY. Mr. Speaker, today we are going to consider legislation that will help American families save for retirement. This has never been more important than now, because baby boomers are getting along in their career years and projections are that they will live longer than ever.

The Democrats will offer a substitute, which will add to the underlying legislation, a new savings incentive for middle- and modest-income households. It will be a tax credit for savings committed and will function much like an employer match on traditional 401(k) plans. If you contribute at the qualifying income level, $2,000, to an IRA, the Federal Government will provide a tax credit for $1,000 that can be added to that savings strategy.

□ 1015

This Democrat substitute, I hope, will enjoy the support of both parties. It goes directly to middle and modest income levels, those that are having most difficulty in saving for retirement.

□

PROTECT AMERICAN JOBS AND THE CONSTITUTION

(Mr. KNOLLENBERG asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KNOLLENBERG. Mr. Speaker, the price of gasoline in my home State of Michigan is currently the highest in the country: still nearly $1.90 for a gallon of regular. Yet if $2.00 a gallon is troubling, just consider the impact of implementing the administration's flawed Kyoto Treaty. Tack on at least another 65 cents a gallon and double, double, the energy costs of powering our homes and our factories. Compound this with the loss of as many as 3.2 million American jobs, and we see what this treaty really entails.

The fate of the American economy would be placed in the hands of those nations who do not have to comply with the dictates of the treaty but yet are the biggest offenders. Vice President GORE blatantly disregarded unanimous Senate advice in 1997 and volunteered American taxpayers to the Kyoto Protocol. Three years have now passed and still the advice and the consent of the Senate, as mandated by the Constitution, has not been sought on this misguided treaty.

We already pay too much for our energy supplies. We cannot afford to further insult the American worker with this damaged and unratified treaty.

□

REPUBLICAN ACCOMPLISHMENTS

(Mr. BARTLETT of Maryland asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARTLETT of Maryland. Mr. Speaker, we must be doing a good job when our friends on the other side of the aisle are racing to take credit for our accomplishments. To set the record straight, it was a Republican Congress that provided the fiscal discipline needed to balance the budget for the first time in a generation.

We passed the first broad-based tax cut in 16 years and returned more dollars back to the American taxpayers. We are continuing to find ways to eliminate unfair taxes that penalize hard-working Americans.

This Congress has worked to abolish the earnings limit for our Nation's seniors, repeal the burdensome death tax, and has extended incentives for hard-working Americans to save and invest in the future.

This week the House will again vote to reduce the unfair marriage penalty tax which punishes couples just for being married. We have proven our commitment to secure a better future for every American.

□

THE FAMILY UNIT IS WHAT MAKES AMERICA STRONG

(Mr. TIAHRT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TIAHRT. Mr. Speaker, it has been said that the strength of our country can be measured by the strength of our families, and it is true that the family is our smallest unit of government. So when families are doing well, we all do well. It is in the family that we pass on the virtues and the knowledge to build a great Nation. We know that when Mom and Dad can care for their children, their kids do better in school. They are less likely to get into drugs and more likely to reach their goals.

Mr. Speaker, the House and the Senate have passed legislation to make American families stronger. It is called marriage penalty tax relief. With this help, moms and dads can spend more time building strong families and a stronger Nation.

Mr. Speaker, I would ask the President to sign the marriage penalty tax relief, and together we will build a better America.

□

AMERICA'S MILITARY, THE BEST IN THE WORLD

(Ms. GRANGER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. GRANGER. Mr. Speaker, throughout my years in public service I have had the pleasure of meeting and becoming acquainted with many of the fine men and women who serve in our Armed Forces. Their strength has allowed America to be an agent for change and courage. They have helped

us win the Cold War, and several hot ones. In the process, they have helped open doors for democracy and torn down walls of oppression.

We have an obligation to do anything and everything we can to defend our shores and protect our citizens. We must also show the same strength and support for our troops.

I have introduced H.R. 4208, the Recruiting Retention and Reservist Promotion Act. This legislation focuses on three things: one, improvement for recruiting through expansion of junior ROTC, sea cadets, young Marines and civil air patrol youth programs; two, retention through enhanced bonus pay for lengthy and numerous deployments; and, three, reservist promotion through tax credits and loans for businesses that employ National Guardsmen and reservists who are called to duty.

I hope my colleagues will join me in cosponsoring 4208. To our friends who say we cannot agree and we argue over we cannot afford to have the best military, I would simply say we cannot afford not to.

□

COMPREHENSIVE RETIREMENT SECURITY AND PENSION REFORM ACT

Mr. REYNOLDS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 557 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 557

Resolved, That upon the adoption of this resolution it shall be in order without intervention of any point of order to consider in the House the bill (H.R. 1102) to provide for pension reform, and for other purposes. The bill shall be considered as read for amendment. In lieu of the amendment recommended by the Committee on Education and the Workforce now printed in the bill, an amendment in the nature of a substitute consisting of the text of the amendment recommended by the Committee on Ways and Means now printed in H.R. 4843 shall be considered as adopted. The previous question shall be considered as ordered on the bill, as amended, and on any further amendment thereto to final passage without intervening motion except: (1) one hour of debate on the bill, as amended, equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means; (2) the amendment printed in the report of the Committee on Rules accompanying this resolution, if offered by Representative Rangel or his designee, which shall be in order without intervention of any point of order, shall be considered as read, and shall be separately debatable for one hour equally divided and controlled by the proponent and an opponent; and (3) one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. OSE). The gentleman from New York (Mr. REYNOLDS) is recognized for 1 hour.

Mr. REYNOLDS. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentlewoman from New York (Ms. SLAUGHTER), pending which I yield myself such time as I may consume. During consideration of the resolution, all time yielded is for the purpose of debate only.

(Mr. REYNOLDS asked and was given permission to revise and extend his remarks, and include extraneous material.)

Mr. REYNOLDS. Mr. Speaker, last night the Committee on Rules met and granted a modified closed rule for H.R. 1102, the Comprehensive Retirement Security and Pension Reform Act of 2000. The rule provides that in lieu of the amendment recommended by the Committee on Education and the Workforce now printed in the bill, the text of H.R. 4843 as reported by the Committee on Ways and Means shall be considered as adopted. Additionally, the rule waives all points of order against the bill and against consideration of the amendment printed in this report.

The rule also provides 1 hour of debate equally divided and controlled by the chairman and ranking member of the Committee on Ways and Means.

The rule further provides for consideration of the amendment printed in the Committee on Rules report accompanying the resolution, if offered by the gentleman from New York (Mr. RANGEL) or his designee, which shall be considered as read and shall be separately debatable for 1 hour equally divided and controlled by a proponent and an opponent.

Finally, the rule provides for one motion to recommit with or without instructions.

Mr. Speaker, this is a completely fair rule for reform of our Nation's pension and retirement security laws. Not only is the underlying bill a completely balanced, bipartisan measure, but the rule also makes in order a minority substitute amendment providing for a full hour for debate. In short, the rule allows for a comprehensive debate on this very important matter.

Mr. Speaker, Americans are investing far less than they should to prepare for their retirement. Half of all private-sector workers still have no pension coverage. Over a fifth of small businesses with 25 or fewer employees offer a pension plan, and members of the baby boomers generation, 76 million of whom will retire in the next 15 years, have less than 40 percent of the savings needed to maintain their standard of living.

In fact, retirement savings in the United States are at extremely low levels, even as our economy is reaching record highs. The reason Americans are saving less than they need for their retirement is simple, because the Federal Government has discouraged them from doing so.

For too long the Federal Government has been an impediment to American workers planning and preparing for their retirement security.

Mr. Speaker, contribution limits on pensions and IRAs have not kept with the times. In fact, they have been stuck at the 1980s level. Worse, over the past 2 decades Congress has actually reduced contribution limits and, as a double hit on working Americans, the Federal Government at the same time introduced burdensome and costly regulatory restrictions on pension plans. The result, in 1987 there were 114,000 of these pension plans across America. Ten years later, there were only 45,000. Since 1990 pension coverage has declined from 40 to 33 percent among workers making less than $20,000; and despite a booming economy, the personal savings rate has dropped every year since 1992 and is at its lowest point in 66 years.

The underlying bipartisan bill is a historic measure that will strengthen individual retirement accounts, 401(k) plans and small business retirement plans, finally bringing retirement savings into the 21st century and helping ensure retirement security of countless Americans.

The Comprehensive Retirement Security and Pension Reform Act allows working Americans to set more of their hard-earned money aside in an IRA or 401(k)-type plan, modernizes pension laws, and provides regulatory relief to encourage more small businesses to offer retirement plans.

The bill increases the old IRA contribution limit from $2,000 to $5,000 over the next 3 years for both traditional and Roth IRAs, and the bill includes an important fairness provision to allow workers over 50 years of age to catch up with contributions for 401(k) plans by increasing the contribution level immediately.

This bipartisan measure will remove excessive, burdensome and unnecessary Federal regulations, providing relief to American businesses and workers by encouraging small businesses to offer pension plans. By removing these restrictions, Americans will be allowed the freedom to invest in their future as never before.

Mr. Speaker, H.R. 1102 is a fair, balanced and bipartisan plan that will help millions of Americans. I would like to commend the chairman of the Committee on Ways and Means, the gentleman from Texas (Mr. ARCHER), and the gentleman from New York (Mr. RANGEL), for their hard work on this bill. Additionally, I would like to commend the gentleman from Ohio (Mr. PORTMAN) and the gentleman from Maryland (Mr. CARDIN), the sponsors of the underlying legislation, for their dedication to pension and retirement reform for America.

I urge my colleagues to support this fair rule, the underlying measure.

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

Ms. SLAUGHTER. Mr. Speaker, I thank the gentleman from New York for yielding me the customary 30 minutes and yield myself such time as I may consume.

(Ms. SLAUGHTER asked and was given permission to revise and extend her remarks.)

Ms. SLAUGHTER. Mr. Speaker, this is a modified closed rule; but H.R. 4843 deserves full and open debate, and an open rule would have ensured that no one would be shut out of the process.

Mr. Speaker, I strongly support the underlying goals of H.R. 4843, to provide expanded opportunities for working Americans to save for their retirement. The bill includes a number of provisions which improve current protections for workers and retirees, such as a reduction of vesting to 3 years for 401(k) plan-matching contributions, encouraging rollovers of pension plans when workers switch employment, and eliminating compensation caps that unfairly affect the pension benefits of rank and file workers.

Even during this period of strong economic growth, more people are joining the workforce than are receiving pension coverage. Only half the workforce is covered by a pension plan; and, worse, there is reason to believe it will not provide them with an adequate level of supplemental income in their retirement.

Although there is insufficient data to measure contributions and benefits, data from the Federal Reserve shows pension plan contributions declining by 50 percent in recent years.

While the underlying bill provides significant opportunities for those workers who can most afford to save the maximum amount allowed, few or no opportunities are available to low- and moderate-income workers under the bill. We must continue to work together to improve this aspect of the bill and ensure that no segment of our workforce is excluded from the opportunity to financially improve their retirement years.

□ 1030

The pressure to save adequately for retirement affects all working Americans. Statistics confirm that low-income workers are far less likely to participate in an employment-based retirement savings plan than workers with higher incomes, even when the plan is available to them. Individuals who are in between $10,000 and $14,000 annually participate at a rate of 31 percent, even though 51 percent of them have access to plans at work. However, the participation rate for workers earning $50,000 or more increased to 83 percent, with 88 percent of such workers having access to employer-sponsored plans.

During the consideration of the underlying bill, the gentleman from New York (Mr. RANGEL) will offer a substitute that incorporates the text of H.R. 4843, as well as provisions to encourage the participation of the low-income workers. Specifically, the substitute provides a refundable credit for low- and middle-income workers who save for their retirement, makes small business employers eligible to claim a credit for certain expenses incurred as the result of establishing a qualified pension plan, provides relief from certain section 415 rules and benefit limits, and expresses a Sense of Congress that issues concerning cash balance plans should be resolved.

Mr. Speaker, I urge that my colleagues support these important improvements to the bill.

Mr. Speaker, I yield back the balance of my time.

Mr. REYNOLDS. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. ARCHER. Mr. Speaker, pursuant to House Resolution 557, I call up the bill (H.R. 1102), to provide for pension reform, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 557, the bill is considered read for amendment.

The text of H.R. 1102 is as follows:

H.R. 1102

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

SECTION 1. SHORT TITLE; AMENDMENT OF 1986 CODE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Comprehensive Retirement Security and Pension Reform Act''.

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; amendment of 1986 Code; table of contents.

TITLE I—EXPANDING COVERAGE

Sec. 101. Restoration of limits formerly in effect.
Sec. 102. Plan loans for subchapter S owners, partners, and sole proprietors.
Sec. 103. Salary reduction only simple plans.
Sec. 104. Modification of top-heavy rules.
Sec. 105. Elective deferrals not taken into account for purposes of limits.
Sec. 106. Reduced PBGC premium for new plans of small employers.
Sec. 107. Phase-in of additional premium for new plans.
Sec. 108. Repeal of coordination requirements for deferred compensation plans of State and local governments and tax-exempt organizations.
Sec. 109. Elimination of user fee for requests to IRS regarding pension plans.
Sec. 110. Alternative method of meeting nondiscrimination requirements for automatic contribution trust.
Sec. 111. Deduction limits.
Sec. 112. Option to treat elective deferrals as after-tax contributions.
Sec. 113. Credit for pension plan startup costs of small employers.

TITLE II—ENHANCING FAIRNESS FOR WOMEN AND CHILDREN

Sec. 201. Additional salary reduction catch-up contributions.
Sec. 202. Equitable treatment for contributions of employees to defined contribution plans.
Sec. 203. Faster vesting of certain employer matching contributions.
Sec. 204. Deferred annuities for surviving spouses of Federal employees.
Sec. 205. Simplify and update the minimum distribution rules.
Sec. 206. Clarification of tax treatment of division of section 457 plan benefits upon divorce.
Sec. 207. Percentage limitations on contributions.
Sec. 208. Eligible rollover distributions.
Sec. 209. Immediate participation in the Thrift Savings Plan.

TITLE III—INCREASING PORTABILITY FOR PARTICIPANTS

Sec. 301. Rollovers allowed among various types of plans.
Sec. 302. Rollovers of IRAs into workplace retirement plans.
Sec. 303. Rollovers of after-tax contributions.
Sec. 304. Treatment of forms of distribution.
Sec. 305. Rationalization of restrictions on distributions.
Sec. 306. Purchase of service credit in governmental defined benefit plans.
Sec. 307. Employers may disregard rollovers for purposes of cash-out amounts.

TITLE IV—STRENGTHENING PENSION SECURITY AND ENFORCEMENT

Sec. 401. Repeal of 150 percent of current liability funding limit.
Sec. 402. Missing participants.
Sec. 403. Periodic pension benefits statements.
Sec. 404. Civil penalties for breach of fiduciary responsibility.
Sec. 405. Penalty tax relief for sound pension funding.
Sec. 406. Protection of investment of employee contributions to 401(k) plans.
Sec. 407. Notice of significant reduction in benefit accruals.

TITLE V—REDUCING REGULATORY BURDENS

Sec. 501. Intermediate sanctions for inadvertent failures.
Sec. 502. Repeal of the multiple use test.
Sec. 503. Safety valve from mechanical rules.
Sec. 504. Reform of the line of business rules.
Sec. 505. Coverage test flexibility.
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TITLE I—EXPANDING COVERAGE

SEC. 101. RESTORATION OF LIMITS FORMERLY IN EFFECT.

(a) DEFINED BENEFIT PLANS.—

(1) DOLLAR LIMIT.—(A) Subparagraph (A) of section 415(b)(1) (relating to limitation for defined benefit plans) is amended by striking ''$90,000'' and inserting ''$180,000''.

(B) Subparagraphs (C) and (D) of section 415(b)(2) are each amended by striking ''$90,000'' each place it appears in the headings and the text and inserting ''$180,000''.

(C) Paragraph (7) of section 415(b) (relating to benefits under certain collectively bargained plans) is amended by striking ''the greater of $68,212 or one-half the amount otherwise applicable for such year under paragraph (1)(A) for '$90,000' '' and inserting ''one-half the amount otherwise applicable for such year under paragraph (1)(A) for '$180,000' ''.

(2) LIMIT REDUCED WHEN BENEFIT BEGINS BEFORE AGE 62.—Subparagraph (C) of section 415(b)(2) is amended by striking ''the social security retirement age'' each place it appears in the heading and text and inserting ''age 62''.

(3) LIMIT INCREASED WHEN BENEFIT BEGINS AFTER AGE 65.—Subparagraph (D) of section 415(b)(2) is amended by striking ''the social security retirement age'' each place it appears in the heading and text and inserting ''age 65''.

(4) MULTIEMPLOYER PLANS AND PLANS MAINTAINED BY GOVERNMENTS AND TAX EXEMPT ORGANIZATIONS.—Subparagraph (F) of section 415(b)(2) is amended to read as follows:

''(F) MULTIEMPLOYER PLANS AND PLANS MAINTAINED BY GOVERNMENTS AND TAX EXEMPT ORGANIZATIONS.—

''(i) IN GENERAL.—In the case of a governmental plan (within the meaning of section 414(d)), a plan maintained by an organization (other than a governmental unit) exempt from tax under this subtitle, a multiemployer plan (as defined in section 414(f)), or a qualified merchant marine plan, subparagraph (C) shall be applied as if the last sentence thereof read as follows: 'The reduction under this subparagraph shall not reduce the limitation of paragraph (1)(A) below (i) $130,000 if the benefit begins at or after age 55, or (ii) if the benefit begins before age 55, the equivalent of the $130,000 limitation for age 55.'

''(ii) DEFINITIONS.—For purposes of this subparagraph—

''(I) QUALIFIED MERCHANT MARINE PLAN.—The term 'qualified merchant marine plan' means a plan in existence on January 1, 1986, the participants in which are merchant marine officers holding licenses issued by the Secretary of Transportation under title 46, United States Code.

''(II) EXEMPT ORGANIZATION PLAN COVERING 50 PERCENT OF ITS EMPLOYEES.—A plan shall be treated as a plan maintained by an organization (other than a governmental unit) exempt from tax under this subtitle if at least 50 percent of the employees benefiting under the plan are employees of an organization (other than a governmental unit) exempt from tax under this subtitle. If less than 50 percent of the employees benefiting under a plan are employees of an organization (other than a governmental unit) exempt from tax under this subtitle, the plan shall be treated as a plan maintained by an organization (other than a governmental unit) exempt from tax under this subtitle only with respect to employees of such an organization.''.

(5) COST-OF-LIVING ADJUSTMENTS.—Subsection (d) of section 415 (related to cost-of-living adjustments) is amended—

(A) in paragraph (1)(A) by striking ''$90,000'' and inserting ''$180,000'', and

(B) in paragraph (3)(A)—

(i) by striking ''$90,000'' in the heading and inserting ''$180,000'', and

(ii) by striking ''October 1, 1986'' and inserting ''July 1, 1999''.

(b) DEFINED CONTRIBUTION PLANS.—

(1) DOLLAR LIMIT.—Subparagraph (A) of section 415(c)(1) (relating to limitation for defined contribution plans) is amended by striking ''$30,000'' and inserting ''$45,000''.

(2) COST-OF-LIVING ADJUSTMENTS.—Subsection (d) of section 415 (related to cost-of-living adjustments) is amended—

(A) in paragraph (1)(C) by striking ''$30,000'' and inserting ''$45,000'', and

(B) in paragraph (3)(D)—

(i) by striking ''$30,000'' in the heading and inserting ''$45,000'', and

(ii) by striking ''October 1, 1993'' and inserting ''July 1, 1999''.

(c) QUALIFIED TRUSTS.—

(1) COMPENSATION LIMIT.—Sections 401(a)(17), 404(l), 408(k), and 505(b)(7) are each amended by striking ''$150,000'' each place it appears and inserting ''$235,000''.

(2) BASE PERIOD AND ROUNDING OF COST-OF-LIVING ADJUSTMENT.—Subparagraph (B) of section 401(a)(17) is amended—

(A) by striking ''October 1, 1993'' and inserting ''July 1, 1999'', and

(B) by striking ''$10,000'' both places it appears and inserting ''$5,000''.

(d) ELECTIVE DEFERRALS.—

(1) IN GENERAL.—Paragraphs (1) and (5) of section 402(g) (relating to limitation on exclusion for elective deferrals) are each amended by striking ''$7,000'' and inserting ''$15,000''.

(2) CONFORMING AMENDMENTS.—

(A) Section 402(g) (relating to limitation on exclusion for elective deferrals), as amended by paragraph (1), is further amended by striking paragraph (4) and redesignating paragraphs (5), (6), (7), (8), and (9) as paragraphs (4), (5), (6), (7), and (8), respectively.

(B) Clause (iii) of section 501(c)(18)(D) is amended by striking ''(other than paragraph (4) thereof)''.

(e) DEFERRED COMPENSATION PLANS OF STATE AND LOCAL GOVERNMENTS AND TAX-EXEMPT ORGANIZATIONS.—Section 457 (relating to deferred compensation plans of State and local governments and tax-exempt organizations) is amended—

(1) in subsections (b)(2)(A), (c)(1), and (e)(15) by striking ''$7,500'' each place it appears and inserting ''$15,000'',

(2) in subsection (b)(3)(A) by striking ''$15,000'' and inserting ''$30,000'', and

(3) in subsection (e)(15)—

(A) by inserting ''and the $30,000 amount specified in subsection (b)(3)(A)'' after ''(c)(1)'', and

(B) by striking ''September 30, 1994'' and inserting ''September 30, 1999''.

(f) SIMPLE RETIREMENT ACCOUNTS.—

(1) LIMITATION.—Sections 408(p)(2)(A)(ii), 408(p)(2)(E), 401(k)(11)(B)(i)(I), and 401(k)(11)(E) are each amended by striking ''$6,000'' and inserting ''$10,000''.

(2) BASE PERIOD FOR COST-OF-LIVING ADJUSTMENT.—Subparagraph (E) of section 408(p)(2) is amended by striking ''September 30, 1996'' and inserting ''September 30, 1999''.

(g) COST-OF-LIVING ADJUSTMENTS.—

(1) PLANS MAINTAINED BY GOVERNMENTS AND TAX EXEMPT ORGANIZATIONS.—Paragraph (1) of section 415(d) (as amended by subsection (b)) is amended by striking ''and'' at the end of subparagraph (B), by redesignating subparagraph (C) as subparagraph (D), and by inserting after subparagraph (B) the following new subparagraph:

''(C) the $130,000 amount in subsection (b)(2)(F), and''.

(2) BASE PERIOD.—Paragraph (3) of section 415(d) (as amended by subsection (b)) is further amended by redesignating subparagraph (D) as subparagraph (E) and by inserting after subparagraph (C) the following new subparagraph:

''(D) $130,000 AMOUNT.—The base period taken into account for purposes of paragraph (1)(C) is the calendar quarter beginning July 1, 1999.''.

(3) ROUNDING RULE RELATING TO DEFINED BENEFIT PLANS AND DEFINED CONTRIBUTION PLANS.—Paragraph (4) of section 415(d) is amended to read as follows:

''(4) ROUNDING.—

''(A) $180,000 AMOUNT.—Any increase under subparagraph (A) of paragraph (1) which is not a multiple of $5,000 shall be rounded to the next lowest multiple of $5,000.

''(B) $130,000 AND $45,000 AMOUNTS.—Any increase under subparagraph (C) or (D) of paragraph (1) which is not a multiple of $1,000 shall be rounded to the next lowest multiple of $1,000.''.

(4) CONFORMING AMENDMENT.—Subparagraph (D) of section 415(d)(3) (as amended by paragraph (2)) is amended by striking ''paragraph (1)(C)'' and inserting ''paragraph (1)(D)''.

(h) INCREASE IN AMOUNT OF DEDUCTIBLE IRA CONTRIBUTIONS.—

(1) INCREASE IN MAXIMUM AMOUNT OF DEDUCTION.—Subparagraph (A) of section 219(b)(1) (relating to maximum amount of deduction) is amended by striking ''$2,000'' and inserting ''$5,000''.

(2) CONFORMING AMENDMENTS.—

(A) Subsections (a)(1), (b)(2), (j), and (p)(8) of section 408 are each amended by striking ''$2,000'' each place it appears and inserting ''$5,000''.

(B) Clause (i) of section 408(o)(2)(B) is amended by inserting ''the lesser of $2,000, or'' after ''means''.

(C) Paragraph (2) of section 408A(c) is amended by inserting ''the lesser of $2,000, or'' after ''shall not exceed''.

(D) Subparagraph (B) of section 4973(b)(1) is amended by inserting ''(or in the case of a nondeductible individual retirement plan, the amount allowable as a contribution under section 408(o))'' after ''contributions,''.

(i) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to years beginning after December 31, 1999.

(2) COLLECTIVE BARGAINING AGREEMENTS.—In the case of a plan maintained pursuant to 1 or more collective bargaining agreements between employee representatives and 1 or more employers ratified by the date of enactment of this Act, the amendments made by this section shall not apply to contributions or benefits pursuant to any such agreement for years beginning before the earlier of—

(A) the later of—

(i) the date on which the last of such collective bargaining agreements terminates (determined without regard to any extension thereof on or after such date of enactment), or

(ii) January 1, 2000, or

(B) January 1, 2004.

SEC. 102. PLAN LOANS FOR SUBCHAPTER S OWNERS, PARTNERS, AND SOLE PROPRIETORS.

(a) AMENDMENT TO 1986 CODE.—Subsection (f) of section 4975 (relating to other definitions and special rules) is amended by striking paragraph (6).

(b) AMENDMENTS TO ERISA.—

(1) Section 408 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1108) is amended—

(A) by striking subsection (d); and

(B) by redesignating subsections (e) and (f) as subsections (d) and (e), respectively.

(2) Section 407(b)(3)(B) of such Act (29 U.S.C. 1107(b)(3)(B)) is amended by striking ''section 408(e)'' and inserting ''section 408(d)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of enactment of this Act.

SEC. 103. SALARY REDUCTION ONLY SIMPLE PLANS.

(a) SIMPLE RETIREMENT ACCOUNTS.—

(1) IN GENERAL.—Paragraph (2) of section 408(p) (as amended by section 101(f)) is further amended—

(A) by redesignating subparagraphs (C), (D), and (E) as subparagraphs (D), (E), and (F), respectively; and

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

''(C) EMPLOYER MAY ELECT SALARY REDUCTION ONLY ARRANGEMENT.—

''(i) IN GENERAL.—An employer shall be treated as meeting the requirements of subparagraph (A)(iii) for any year if, in lieu of the contributions described in such subparagraph, the employer elects to limit the amount which an employee may elect under subparagraph (A)(i) to a total of $5,000 for the year. If an employer makes an election under this subparagraph for any year, the employer shall notify employees of such election within a reasonable period of time before the 60-day period for such year under paragraph (5)(C).

''(ii) EXCEPTION.—This subparagraph shall not apply to an employer if such employer (or any predecessor employer) maintained another qualified plan (as defined in subparagraph (D)(ii)) with respect to which contributions were made, or benefits were accrued, for service during the year in which the arrangement described in clause (i) became effective or either of the 2 preceding years. If only individuals other than employees described in subparagraph (A) of section 410(b)(3) are eligible to participate in the arrangement described in clause (i), then the preceding sentence shall be applied without regard to any qualified plan in which only employees so described are eligible to participate.''.

(2) SPECIAL RULE FOR ACQUISITIONS, DISPOSITIONS, AND SIMILAR TRANSACTIONS.—Subparagraph (B) of section 408(p)(10) is amended by striking ''and'' at the end of clause (ii), by striking the period at the end of clause (iii) and inserting ''; and'', and by inserting after clause (iii) the following:

''(iv) the requirement under paragraph (2)(C) that the employer not have maintained another qualified plan described therein.''.

(3) COST-OF-LIVING ADJUSTMENT.—Subparagraph (F) of section 408(p)(2) (as so redesignated) is amended by inserting ''and the $5,000 amount under subparagraph (C)'' after ''subparagraph (A)(ii)''.

(4) COORDINATION WITH MAXIMUM LIMITATION.—Paragraph (8) of section 408(p) (relating to coordination with maximum limitation under subsection (a)) is amended by striking ''paragraph (2)(A)(ii) of this subsection'' and inserting ''subparagraph (A)(ii) or (C) of paragraph (2) of this subsection, whichever is applicable,''.

(5) CONFORMING AMENDMENT.—Clause (ii) of section 408(p)(10)(B) is amended by striking ''paragraph (2)(D)'' and inserting ''paragraph (2)(E)''.

(b) ADOPTION OF SIMPLE PLAN TO MEET NONDISCRIMINATION TESTS.—

(1) SIMPLE PLAN.—Subparagraph (B) of section 401(k)(11) is amended by redesignating clause (iii) as clause (iv) and by inserting after clause (ii) the following new clause:

''(iii) EMPLOYER MAY ELECT SALARY REDUCTION ONLY ARRANGEMENT.—

''(I) IN GENERAL.—An employer shall be treated as meeting the requirements of clause (i)(II) for any year if, in lieu of the contributions described in such clause, the employer elects to limit the amount which an employee may elect under clause (i) to a total of $5,000 for the year. If an employer makes an election under this clause for any year, the employer shall notify employees of such election within a reasonable period of time before the 60-day period for such year under clause (iv)(II).

''(II) EXCEPTION.—This clause shall not apply to an employer if such employer (or any predecessor employer) maintained another qualified plan (as defined in section 408(p)(2)(D)(ii)) with respect to which contributions were made, or benefits were accrued, for service during the year in which the arrangement described in subclause (I) became effective or either of the 2 preceding years. This subclause shall not apply if such contributions or benefits were solely on behalf of employees who are not eligible to participate in the arrangement described in subclause (I).''.

(2) COST-OF-LIVING ADJUSTMENT.—Subparagraph (E) of section 401(k)(11) is amended by inserting ''and the $5,000 amount under subparagraph (B)(iii)'' after ''subparagraph (B)(i)(I)''.

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

SEC. 104. MODIFICATION OF TOP-HEAVY RULES.

(a) REPEAL OF FAMILY AGGREGATION RULES.—Section 416(i)(1)(B)(i)(I) (defining 5-percent owner) is amended by inserting ''(without regard to subsection (a)(1) thereof)'' after ''section 318''.

(b) SIMPLIFICATION OF DEFINITION OF KEY EMPLOYEE.—

(1) IN GENERAL.—Section 416(i)(1)(A) (defining key employee) is amended—

(A) by striking ''or any of the 4 preceding plan years'' in the matter preceding clause (i),

(B) by striking clause (i) and inserting the following:

''(i) an officer of the employer who has compensation from the employer of more than $150,000,'',

(C) by striking clause (ii) and redesignating clauses (iii) and (iv) as clauses (ii) and (iii), respectively, and

(D) by striking the second sentence in the matter following clause (iii), as redesignated by subparagraph (C).

(2) CONFORMING AMENDMENT.—Section 416(i)(1)(B)(iii) is amended by striking ''and subparagraph (A)(ii)''.

(c) EMPLOYEE ELECTIVE CONTRIBUTIONS TO PLAN NOT TAKEN INTO ACCOUNT.—

(1) DEFINITION OF TOP-HEAVY PLAN.—Section 416(g)(4) (relating to other special rules) is amended by adding at the end the following:

''(H) EMPLOYEE ELECTIVE CONTRIBUTIONS TO PLAN NOT TAKEN INTO ACCOUNT.—At the election of the employer, any employee elective contribution described in section 415(c)(3)(D) to a plan (and earnings allocable thereto) shall not be taken into account for purposes of determining whether a plan is a top-heavy plan (or whether any aggregation group which includes such plan is a top-heavy group).''.

(2) DEFINITION OF COMPENSATION.—Section 416(i)(1)(D) (defining compensation) is amended to read as follows:

''(D) COMPENSATION.—

''(i) IN GENERAL.—For purposes of this paragraph, except as provided in clause (ii), the term 'compensation' has the meaning given such term by section 414(q)(4).

''(ii) EMPLOYEE ELECTIVE CONTRIBUTIONS TO PLAN NOT TAKEN INTO ACCOUNT.—At the election of the employer, any employee elective contribution described in section 415(c)(3)(D) to a plan shall not be taken into account for purposes of determining compensation.''.

(d) MATCHING CONTRIBUTIONS TAKEN INTO ACCOUNT FOR MINIMUM CONTRIBUTION REQUIREMENTS.—Section 416(c)(2)(A) (relating to defined contribution plans) is amended by adding at the end the following: ''Employer matching contributions (as defined in section 401(m)(4)(A)) shall be taken into account for purposes of this subparagraph.''.

(e) REQUIREMENTS FOR QUALIFICATIONS.—Clause (ii) of section 401(a)(10)(B) (relating to requirements for qualifications for top-heavy plans) is amended by adding at the end the following new flush sentence:

''The preceding sentence shall not apply to a plan if the plan is not top-heavy and if it is not reasonable to expect that the plan will become top-heavy.''.

(f) DISTRIBUTIONS DURING LAST YEAR BEFORE DETERMINATION DATE TAKEN INTO ACCOUNT.—Section 416(g) is amended—

(1) in paragraph (3)—

(A) by striking ''LAST 5 YEARS'' in the heading and inserting ''LAST YEAR BEFORE DETERMINATION DATE'', and

(B) in the matter following subparagraph (B), by striking ''5-year period'' and inserting ''1-year period'', and

(2) in paragraph (4)(E)—

(A) by striking ''LAST 5 YEARS'' in the heading and inserting ''LAST YEAR BEFORE DETERMINATION DATE'', and

(B) by striking ''5-year period'' and inserting ''1-year period''.

(g) DEFINITION OF TOP-HEAVY PLANS.—

(1) EXCLUSION OF CERTAIN PLANS FROM DEFINITION OF TOP-HEAVY PLAN.—Paragraph (4) of section 416(d) (relating to other special rules for top-heavy plans) is amended by adding at the end the following new subparagraphs:

''(H) CASH OR DEFERRED ARRANGEMENTS USING ALTERNATIVE METHODS OF MEETING NONDISCRIMINATION REQUIREMENTS.—The term 'top-heavy plan' shall not include a cash or deferred arrangement to the extent that such arrangement meets the requirements of section 401(k)(12). This subparagraph shall also apply to contributions that are not required to satisfy the requirements of section 401(k)(12) but are consistent with the purposes of such section, as permitted under regulations which the Secretary shall prescribe. Nothing in this subparagraph shall preclude an employer from taking into account contributions made under the cash or deferred arrangement when determining whether any plan of such employer satisfies the requirements of this section.

''(I) DEFINED CONTRIBUTION PLANS USING ALTERNATIVE METHODS OF MEETING NONDISCRIMINATION REQUIREMENTS.—The term 'top-heavy plan' shall not include a defined contribution plan to the extent that such plan meets the requirements of section 401(m)(11). This subparagraph shall also apply to contributions that are not required to satisfy the requirements of section 401(m)(11) but are consistent with the purposes of such section, as permitted under regulations which the Secretary shall prescribe. Nothing in this subparagraph shall

preclude an employer from taking into account contributions made under the defined contribution plan when determining whether any plan of such employer satisfies the requirements of this section.''.

(2) AGGREGATION GROUP NOT REQUIRED TO INCLUDE CERTAIN PLANS.—Clause (i) of section 416(g)(2)(A) of such Code (relating to required aggregation) is amended by adding at the end the following new flush sentence:

''Such term shall not include a plan or arrangement described in subparagraph (H) or (I) of paragraph (4).''.

(h) ELECTIVE DEFERRALS NOT TAKEN INTO ACCOUNT.—Clause (i) of section 416(c)(2)(B) (relating to special rule where maximum contribution less than 3 percent) is amended by inserting ''(other than elective deferrals (as defined in section 402(g)(3))'' after ''contributions''.

(i) FROZEN PLAN EXEMPT FROM MINIMUM BENEFIT REQUIREMENT.—Subparagraph (C) of section 416(c)(1) (relating to defined benefit plans) is amended—

(1) in clause (i) by striking ''clause (ii)'' and inserting ''clause (ii) or (iii)'', and

(2) by adding at the end the following:

''(iii) For purposes of determining an employee's years of service with the employer, any service with the employer shall be disregarded to the extent that such service occurs during a plan year when no employee or former employee benefits under the plan within the meaning of section 410(b).''.

(j) ALTERNATIVE 60 PERCENT.—Subsection (g) of section 416 (relating to top heavy plan defined) is amended by adding at the end the following:

''(5) ALTERNATIVE 60 PERCENT TEST.—

''(A) IN GENERAL.—For any plan year, an employer may elect for this paragraph to apply to all plans maintained by such employer. If this paragraph applies to a plan, the term 'top-heavy plan' shall have the meaning set forth in subparagraph (B) and the term 'top-heavy group' shall have the meaning set forth in subparagraph (C).

''(B) TOP-HEAVY PLAN DEFINED.—In the case of any plan to which this paragraph applies, the term 'top-heavy plan' means, with respect to any plan year—

''(i) any defined benefit plan if, for the plan year ending on the determination date, the present value of the accruals for key employees exceeds 60 percent of the present value of the accruals for all employees, and

''(ii) any defined contribution plan if, for the plan year ending on the determination date, the annual additions for key employees exceed 60 percent of the annual additions for all employees.

''(C) TOP-HEAVY GROUP.—In the case of any plan to which this paragraph applies, the term 'top-heavy group' means any aggregation group if—

''(i) the sum, for the plan year ending on the determination date, of—

''(I) the present value of the accruals for key employees under all defined benefit plans included in such group, and

''(II) the aggregate of the annual additions of key employees under all defined contribution plans included in such group,

''(ii) exceeds 60 percent of a similar sum determined for all employees.

''(D) ANNUAL ADDITION.—For purposes of this paragraph, the term 'annual addition' shall have the same meaning as when used in section 415(c)(2) (without regard to section 415(l) or section 419A(d)(2)).

''(E) CERTAIN RULES NOT TO APPLY.—Paragraphs (3) and (4) (other than subparagraphs (B), (C), (D), (E), and (G) of paragraph (4)) shall not apply for purposes of this paragraph.''.

(k) CONFORMING AMENDMENTS.—

(1) Subparagraph (A) of section 416(g)(1) is amended by striking ''subparagraph (B)'' and inserting ''subparagraph (B) and paragraph (5)''.

(2) Subparagraph (B) of section 416(g)(2) is amended by striking ''The term'' and inserting ''Except as provided in paragraph (5), the term''.

(3) Subparagraph (A) of section 415(b)(5) is amended by adding at the end the following: ''An employee shall not be credited with a year of participation in a defined benefit plan for any year in which such employee does not benefit under the plan within the meaning of section 410(b).''.

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

SEC. 105. ELECTIVE DEFERRALS NOT TAKEN INTO ACCOUNT FOR PURPOSES OF LIMITS.

(a) IN GENERAL.—Section 404 is amended by adding at the end the following new subsection:

''(n) ELECTIVE DEFERRALS NOT TAKEN INTO ACCOUNT FOR PURPOSES OF LIMITS.—Elective deferrals (as defined in section 402(g)(3)) shall not be subject to any limitations described in this section (other than subsection (a)), and such elective deferrals shall not be taken into account in applying such limitations to any other contributions.''.

(b) CONFORMING AMENDMENTS.—Paragraph (3) of section 4972(c) is amended to read as follows:

''(3) CONTRIBUTIONS NOT TAKEN INTO ACCOUNT.—In determining the amount of nondeductible contributions for any taxable year, there shall not be taken into account—

''(A) any elective deferral (as defined in section 402(g)(3)), or

''(B) any contribution for such taxable year which is distributed to the employer in a distribution described in section 4980(c)(2)(B)(ii) if such distribution is made on or before the last day on which a contribution may be made for such taxable year under section 404(a)(6).''.

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

SEC. 106. REDUCED PBGC PREMIUM FOR NEW PLANS OF SMALL EMPLOYERS.

(a) IN GENERAL.—Subparagraph (A) of section 4006(a)(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1306(a)(3)(A)) is amended—

(1) by inserting ''other than a new single-employer plan of a small employer (as defined in clause (iv)),'' after ''in the case of a single-employer plan,'' in clause (i),

(2) by striking the period at the end of clause (iii) and inserting ''; and'', and

(3) by inserting after clause (iii) the following new clause:

''(iv) in the case of a new single-employer plan of a small employer, $5 for each individual who is a participant in such plan during the plan year. For purposes of this clause (iv):

''(I) The term 'new single-employer plan' means a single-employer plan during its first five plan years; provided, however, that a single-employer plan is not a new single-employer plan if any contributing sponsor or any member of its controlled group (including any predecessor of a contributing sponsor or member of such predecessor's controlled group) had established or maintained a plan to which this title applied that included substantially the same employees as such new plan, at any time within the 36-month period preceding the adoption of such new plan.

''(II) The term 'small employer' means a contributing sponsor that on the first day of the plan year has, in combination with all members of its controlled group, 100 or fewer employees.

''(III) In the case of a plan maintained by two or more contributing sponsors that are not part of the same controlled group, the employees of all contributing sponsors and their controlled groups shall be aggregated for purposes of determining whether the plan shall be considered to be a plan of a small employer.''.

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

SEC. 107. PHASE-IN OF ADDITIONAL PREMIUM FOR NEW PLANS.

(a) IN GENERAL.—Subparagraph (E) of section 4006(a)(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1306(a)(3)(E)) is amended—

(1) by inserting ''(or, in the case of a new single-employer plan described in clause (vi), the amount determined under clause (v))'' after ''determined under clause (ii)'' in clause (i), and

(2) by inserting after clause (iv) the following new clauses:

''(v) The amount determined under this clause for any plan year of a new single-employer plan (as described in clause (vi)) shall be an amount equal to the product derived by multiplying the amount determined under clause (ii) by the applicable percentage. For purposes of this clause (v), the term 'applicable percentage' means—

''(I) 0 percent, for the first plan year,

''(II) 20 percent, for the second plan year,

''(III) 40 percent, for the third plan year,

''(IV) 60 percent, for the fourth plan year, and

''(V) 80 percent, for the fifth plan year.

''(vi) For purposes of clause (v), the term 'new single-employer plan' means a single-employer plan during its first five plan years; provided, however, that a single-employer plan is not a new single-employer plan if any contributing sponsor or any member of its controlled group (including any predecessor of a contributing sponsor or member of such predecessor's controlled group) had established or maintained a plan to which this title applied that included substantially the same employees as such new plan, at any time within the 36-month period preceding the adoption of such new plan.''.

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

SEC. 108. REPEAL OF COORDINATION REQUIREMENTS FOR DEFERRED COMPENSATION PLANS OF STATE AND LOCAL GOVERNMENTS AND TAX-EXEMPT ORGANIZATIONS.

(a) IN GENERAL.—Subsection (c) of section 457 (relating to deferred compensation plans of State and local governments and tax-exempt organizations) is amended to read as follows:

''(c) LIMITATION.—The maximum amount of the compensation of any one individual which may be deferred under subsection (a) during any taxable year shall not exceed $15,000 (as modified by any adjustment provided under subsection (b)(3)).''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to years beginning after December 31, 1999.

SEC. 109. ELIMINATION OF USER FEE FOR REQUESTS TO IRS REGARDING PENSION PLANS.

(a) ELIMINATION OF CERTAIN USER FEES.—The Secretary of the Treasury or the Secretary's delegate shall not require payment of user fees under the program established under section 10511 of the Revenue Act of 1987 for requests to the Internal Revenue Service for ruling letters, opinion letters, and determination letters or similar requests with respect to the qualified status of a pension benefit plan maintained solely by one or more eligible employers or any trust which is part of the plan.

(b) PENSION BENEFIT PLAN.—For purposes of this section, the term 'pension benefit

plan' means a pension, profit-sharing, stock bonus, annuity, or employee stock ownership plan.

(c) ELIGIBLE EMPLOYER.—For purposes of this section, the term ''eligible employer'' has the same meaning given such term in section 408(p)(2)(C)(i)(I) of the Internal Revenue Code of 1986. The determination of whether an employer is an eligible employer under this section shall be made as of the date of the request described in subsection (a).

(d) EFFECTIVE DATE.—The provisions of this section shall apply with respect to requests made after December 31, 1999.

SEC. 110. ALTERNATIVE METHOD OF MEETING NONDISCRIMINATION REQUIREMENTS FOR AUTOMATIC CONTRIBUTION TRUST.

(a) IN GENERAL.—Section 401(k) (relating to cash or deferred arrangement) is amended by adding at the end the following new paragraph:

''(13) NONDISCRIMINATION REQUIREMENTS FOR AUTOMATIC CONTRIBUTION TRUSTS.—

''(A) IN GENERAL.—A cash or deferred arrangement shall be treated as meeting the requirements of paragraph (3)(A)(ii) if such arrangement constitutes an automatic contribution trust.

''(B) AUTOMATIC CONTRIBUTION TRUST.—For purposes of this paragraph, the term 'automatic contribution trust' means an arrangement—

''(i) under which each employee eligible to participate in the arrangement is treated as having elected to have the employer make elective contributions in an amount equal to the uniform percentage (not less than 3 percent) of compensation provided under the arrangement until the employee specifically elects not to have such contributions made, and

''(ii) which meets the other requirements of this paragraph.

Clause (i) of this subparagraph shall not apply to any employee who was eligible to participate in the arrangement (or a predecessor arrangement) immediately before the first date on which the arrangement is an automatic contribution trust. The election treated as having been made under clause (i) shall cease to apply to compensation paid after the specific election by the employee.

''(C) PARTICIPATION.—

''(i) Except as provided in clause (ii), an arrangement meets the requirements of this subparagraph for any year if, during the plan year or the preceding plan year, elective contributions are made on behalf of at least 70 percent of employees other than highly compensated employees eligible to participate in the arrangement.

''(ii) An arrangement (other than a successor arrangement) shall be treated as meeting the requirements of this subparagraph with respect to the first plan year in which the arrangement is effective.

''(D) MATCHING OR NONELECTIVE CONTRIBUTIONS.—The requirements of this subparagraph are met if, under the arrangement, the employer—

''(i) makes matching contributions on behalf of each employee who is not a highly compensated employee in an amount equal to 50 percent of the elective contributions of the employee to the extent such elective contributions do not exceed 5 percent of compensation, or

''(ii) is required, without regard to whether the employee makes an elective contribution or employee contribution, to make a contribution to a defined contribution plan on behalf of each employee who is not a highly compensated employee and who is eligible to participate in the arrangement in an amount equal to at least 2 percent of the employee's compensation.

The rules of clauses (ii), (iii), and (iv) of paragraph (12)(B) shall apply for purposes of clause (i).

''(E) VESTING.—The requirements of this subparagraph are met if the requirements of subparagraph (C) of paragraph (2) are met with respect to all employer contributions (including matching contributions) taken into account in determining whether the requirements of subparagraph (B) or (C) are met.

''(F) NOTICE REQUIREMENTS.—

''(i) IN GENERAL.—The requirements of this subparagraph are met if the requirements of clauses (ii) and (iii) are met.

''(ii) REASONABLE PERIOD TO MAKE ELECTION.—The requirements of this clause are met if each employee to whom subparagraph (B)(i) applies—

''(I) receives a notice explaining the employee's right under the arrangement to elect not to have elective contributions made on the employee's behalf, and

''(II) has a reasonable period of time after receipt of such notice and before the first elective contribution is made to make such election.

''(iii) ANNUAL NOTICE OF RIGHTS AND OBLIGATIONS.—The requirements of this clause are met if each employee eligible to participate in the arrangement is, within a reasonable period before any year, given notice of the employee's rights and obligations under the arrangement.

The requirements of clauses (i) and (ii) of paragraph (12)(D) shall be met with respect to the notices described in clauses (ii) and (iii) of this subparagraph.''.

(b) MATCHING CONTRIBUTIONS.—Section 401(m) (relating to nondiscrimination test for matching contributions and employee contributions) is amended by redesignating paragraph (12) as paragraph (13) and by inserting after paragraph (11) the following new paragraph:

''(12) ALTERNATIVE METHOD FOR AUTOMATIC CONTRIBUTION TRUSTS.—

''(A) IN GENERAL.—A defined contribution plan shall be treated as meeting the requirements of paragraph (2) with respect to matching contributions if the plan—

''(i) meets the contribution requirements of subparagraphs (B)(i) and (D) of subsection (k)(13),

''(ii) meets the participation requirements of subsection (k)(13)(C),

''(iii) meets the vesting and notice requirements of subparagraphs (E) and (F) of subsection (k)(13), and

''(iv) meets the requirements of paragraph (11)(B).

''(B) MATCHING CONTRIBUTIONS.—An annuity contract under section 403(b) shall be treated as meeting the requirements of paragraph (2) with respect to matching contributions if such contract meets requirements similar to the requirements under subparagraph (A).''.

(c) EXCLUSION FROM DEFINITION OF TOP-HEAVY PLANS.—Paragraph (4) of section 416(d) (relating to other special rules for top-heavy plans), as amended by section 104(g), is amended by adding at the end the following new subparagraph:

''(J) AUTOMATIC CONTRIBUTION TRUST.—The term 'top-heavy plan' shall not include an automatic contribution trust under section 401(k)(13). Nothing in this subparagraph shall preclude an employer from taking into account contributions made under the automatic contribution trust when determining whether any plan of such employer satisfies the requirements of this section.''.

(d) DEFINITION OF COMPENSATION.—

(1) IN GENERAL.—Paragraph (9) of section 401(k) is amended to read as follows:

''(9) COMPENSATION.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), for purposes of this section, the term 'compensation' has the meaning given such term by section 414(s).

''(B) USE OF BASE PAY.—For purposes of paragraph (12)(B), the term 'compensation' means the definition of compensation used by the cash or deferred arrangement if such compensation—

''(i) meets the requirements of section 414(s), or

''(ii) constitutes base pay.

''(C) BASE PAY.—For purposes of subparagraph (B), the term 'base pay' means a reasonable definition of compensation that does not by design favor highly compensated employees and that excludes on a consistent basis all irregular or additional compensation.''.

(2) AUTOMATIC CONTRIBUTION TRUSTS.—Paragraph (9)(B) of section 401(k) (as amended by paragraph (1)) is amended by striking ''paragraph (12)(B)'' and inserting ''paragraphs (12)(B), (13)(B), and (13)(D)(i)''.

(3) MATCHING CONTRIBUTIONS.—Paragraph (11) of section 401(m) is amended by adding at the end the following:

''(C) DEFINITION OF COMPENSATION.—For purposes of subparagraph (B), the term ''compensation'' has the meaning given such term by subsection (k)(9)(B).''.

(e) APPLICATION BY YEAR OR PAYROLL PERIOD.—

(1) CASH OR DEFERRED ARRANGEMENTS.—Subparagraph (B) of section 401(k)(12) is amended by adding at the end the following:

''(iv) APPLICATION BY YEAR OR PAYROLL PERIOD.—The requirements of this subparagraph may be met for a plan year by meeting such requirements either—

''(I) with respect to the plan year as a whole, or

''(II) separately with respect to each payroll period (or other payment of compensation) taken into account under the arrangement for the plan year.''.

(2) DEFINED CONTRIBUTION PLANS.—Paragraph (11) of section 401(m) (as amended by this section) is amended by adding at the end the following:

''(D) APPLICATION BY YEAR OR PAYROLL PERIOD.—The requirements of subparagraph (B) may be met for a plan year by meeting such requirements either—

''(i) with respect to the plan year as a whole, or

''(ii) separately with respect to each payroll period (or other payment of compensation) taken into account under the plan for the plan year.''.

(f) SECTION 403(b) CONTRACTS.—Paragraph (11) of section 401(m) (as amended by this section) is amended by adding at the end the following:

''(E) SECTION 403(B) CONTRACTS.—An annuity contract under section 403(b) shall be treated as meeting the requirements of paragraph (2) with respect to matching contributions if such contract meets requirements similar to the requirements under subparagraph (A).''.

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided by paragraph (2), the amendments made by this section shall apply to plan years beginning after December 31, 1999.

(2) EXCEPTION.—The amendments made by subsections (d)(1), (d)(3), (e), and (f) shall apply to years beginning after December 31, 1998.

SEC. 111. DEDUCTION LIMITS.

(a) IN GENERAL.—

(1) STOCK BONUS AND PROFIT SHARING TRUSTS.—Subclause (I) of section 404(a)(3)(A)(i) (relating to stock bonus and profit sharing trusts) is amended by striking ''15 percent'' and inserting ''25 percent''.

(2) COMPENSATION.—Section 404(a) (relating to general rule) is amended by adding at the end the following:

''(12) DEFINITION OF COMPENSATION.—For purposes of paragraphs (3), (7), and (9), the term 'compensation otherwise paid or accrued during the taxable year' shall include amounts treated as 'participant's compensation' under subparagraph (C) or (D) of section 415(c)(3).''.

(3) DEFINED CONTRIBUTION PLANS.—Subparagraph (A) of section 404(a)(3) (relating to stock bonus and profit sharing trusts) is amended by adding at the end the following:

''(vi) DEFINED CONTRIBUTION PLANS SUBJECT TO THE FUNDING STANDARDS.—Except as provided by the Secretary, for purposes of this subparagraph, a defined contribution plan which is subject to the funding standards of section 412 shall be treated in the same manner as a stock bonus or profit-sharing plan.''.

(b) CONFORMING AMENDMENTS.—

(1) Subparagraph (A) of section 404(a)(3) is amended by striking clause (v) and by redesignating clause (vi) (as added by subsection (a)(3) of this section) as clause (v).

(2) Subparagraph (B) of section 404(a)(3) is amended by striking the last sentence thereof.

(3) Subparagraph (D) of section 404(a)(8) is amended by striking the period at the end and inserting the following: '', except that such earned income shall be adjusted under rules similar to the rules of paragraph (12).''.

(4) Subparagraph (C) of section 404(h)(1) is amended by striking ''15 percent'' each place it appears and inserting ''25 percent''.

(5) Paragraph (2) of section 404(h) is amended by striking ''stock bonus or profit-sharing trust'' and inserting ''trust subject to subsection (a)(3)(A)''.

(6) Clause (i) of section 4972(c)(6)(B) is amended by striking ''(within the meaning of section 404(a))'' and inserting ''(within the meaning of section 404(a) and as adjusted under section 404(a)(12))''.

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

SEC. 112. OPTION TO TREAT ELECTIVE DEFERRALS AS AFTER-TAX CONTRIBUTIONS.

(a) IN GENERAL.—Subpart A of part I of subchapter D of chapter 1 (relating to deferred compensation, etc.) is amended by inserting after section 402 the following new section:

''SEC. 402A. OPTIONAL TREATMENT OF ELECTIVE DEFERRALS AS PLUS CONTRIBUTIONS.

''(a) GENERAL RULE.—If an applicable retirement plan includes a qualified plus contribution program—

''(1) any designated plus contribution made by an employee pursuant to the program shall be treated as an elective deferral for purposes of this chapter, except that such contribution shall not be excludable from gross income, and

''(2) such plan (and any arrangement which is part of such plan) shall not be treated as failing to meet any requirement of this chapter solely by reason of including such program.

''(b) QUALIFIED PLUS CONTRIBUTION PROGRAM.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified plus contribution program' means a program under which an employee may elect to make designated plus contributions in lieu of all or a portion of elective deferrals the employee is otherwise eligible to make under the applicable retirement plan.

''(2) SEPARATE ACCOUNTING REQUIRED.—A program shall not be treated as a qualified plus contribution program unless the applicable retirement plan—

''(A) establishes separate accounts ('designated plus accounts') for the designated plus contributions of each employee and any earnings properly allocable to the contributions, and

''(B) maintains separate recordkeeping with respect to each account.

''(c) DEFINITIONS AND RULES RELATING TO DESIGNATED PLUS CONTRIBUTIONS.—For purposes of this section—

''(1) DESIGNATED PLUS CONTRIBUTION.—The term 'designated plus contribution' means any elective deferral which—

''(A) is excludable from gross income of an employee without regard to this section, and

''(B) the employee designates (at such time and in such manner as the Secretary may prescribe) as not being so excludable.

''(2) DESIGNATION LIMITS.—The amount of elective deferrals which an employee may designate under paragraph (1) shall not exceed the excess (if any) of—

''(A) the maximum amount of elective deferrals excludable from gross income of the employee for the taxable year (without regard to this section), over

''(B) the aggregate amount of elective deferrals of the employee for the taxable year which the employee does not designate under paragraph (1).

''(3) ROLLOVER CONTRIBUTIONS.—

''(A) IN GENERAL.—A rollover contribution of any payment or distribution from a designated plus account which is otherwise allowable under this chapter may be made only if the contribution is to—

''(i) another designated plus account of the individual from whose account the payment or distribution was made, or

''(ii) a Roth IRA of such individual.

''(B) COORDINATION WITH LIMIT.—Any rollover contribution to a designated plus account under subparagraph (A) shall not be taken into account for purposes of paragraph (1).

''(d) DISTRIBUTION RULES.—For purposes of this title—

''(1) EXCLUSION.—Any qualified distribution from a designated plus account shall not be includible in gross income.

''(2) QUALIFIED DISTRIBUTION.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'qualified distribution' has the meaning given such term by section 408A(d)(2)(A).

''(B) DISTRIBUTIONS WITHIN NONEXCLUSION PERIOD.—A payment or distribution from a designated plus account shall not be treated as a qualified distribution if such payment or distribution is made within the 5-taxable-year period beginning with the earlier of—

''(i) the earlier of—

''(I) the 1st taxable year for which the individual made a designated plus contribution to any designated plus account established for such individual under the same applicable retirement plan, or

''(II) if a rollover contribution was made to such designated plus account from a designated plus account previously established for such individual under another applicable retirement plan, the 1st taxable year for which the individual made a designated plus contribution to such previously established account), or

''(ii) the 1st taxable year for which the individual (or the individual's spouse) made a contribution to a Roth IRA established for such individual.

''(C) DISTRIBUTIONS OF EXCESS DEFERRALS AND EARNINGS.—The term 'qualified distribution' shall not include any distribution of any excess deferral under section 402(g)(2) and any income on the excess deferral.

''(3) AGGREGATION RULES.—Section 72 shall be applied separately with respect to distributions and payments from a designated plus account and other distributions and payments from the plan.

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

''(1) APPLICABLE RETIREMENT PLAN.—The term 'applicable retirement plan' means—

''(A) an employees' trust described in section 401(a) which is exempt from tax under section 501(a), and

''(B) a plan under which amounts are contributed by an individual's employer for an annuity contract described in section 403(b).

''(2) ELECTIVE DEFERRAL.—The term 'elective deferral' means any elective deferral described in subparagraph (A) or (C) of section 402(g)(3).''

(b) EXCESS DEFERRALS.—Section 402(g) (relating to limitation on exclusion for elective deferrals) is amended—

(1) by adding at the end of paragraph (1) the following new sentence: ''The preceding sentence shall not apply to so much of such excess as does not exceed the designated plus contributions of the individual for the taxable year.'', and

(2) by inserting ''(or would be included but for the last sentence thereof)'' after ''paragraph (1)'' in paragraph (2)(A).

(c) ROLLOVERS.—Subparagraph (B) of section 402(c)(7) (as amended by sections 301 and 302) is amended by adding at the end the following:

''Without regard to the foregoing provisions of this paragraph, if any portion of an eligible rollover distribution is attributable to payments or distributions from a designated plus account (as defined in section 402A), an eligible retirement plan with respect to such portion shall include only another designated plus account and a Roth IRA.''

(d) REPORTING REQUIREMENTS.—

(1) W–2 INFORMATION.—Section 6051(a)(8) is amended by inserting '', including the amount of designated plus contributions (as defined in section 402A)'' before the comma at the end.

(2) INFORMATION.—Section 6047 is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following new subsection:

''(f) DESIGNATED PLUS CONTRIBUTIONS.—The Secretary shall require the plan administrator of each applicable retirement plan (as defined in section 402A) to make such returns and reports regarding designated plus contributions (as so defined) to the Secretary, participants and beneficiaries of the plan, and such other persons as the Secretary may prescribe.''

(e) CONFORMING AMENDMENTS.—

(1) Section 408A(e) is amended by adding after the first sentence the following new sentence: ''Such term includes a rollover contribution described in section 402A(c)(3)(A).''

(2) The table of sections for subpart A of part I of subchapter D of chapter 1 is amended by inserting after the item relating to section 402 the following new item:

''Sec. 402A. Optional treatment of elective deferrals as plus contributions.''

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

SEC. 113. CREDIT FOR PENSION PLAN STARTUP COSTS OF SMALL EMPLOYERS.

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

''SEC. 45D. SMALL EMPLOYER PENSION PLAN STARTUP COSTS.

''(a) GENERAL RULE.—For purposes of section 38, in the case of an eligible employer, the small employer pension plan startup cost credit determined under this section for any

taxable year is an amount equal to 50 percent of the qualified startup costs paid or incurred by the taxpayer during the taxable year.

''(b) DOLLAR LIMITATION.—The amount of the credit determined under this section for any taxable year shall not exceed—

''(1) $1,000 for the first credit year,

''(2) $500 for each of the 2 taxable years immediately following the first credit year, and

''(3) zero for any other taxable year.

''(c) ELIGIBLE EMPLOYER.—For purposes of this section—

''(1) IN GENERAL.—The term 'eligible employer' has the meaning given such term by section 408(p)(2)(C)(i).

''(2) EMPLOYERS MAINTAINING QUALIFIED PLANS DURING 1998 NOT ELIGIBLE.—Such term shall not include an employer if such employer (or any predecessor employer) maintained a qualified plan (as defined in section 408(p)(2)(D)(ii)) with respect to which contributions were made, or benefits were accrued, for service in 1998. If only individuals other than employees described in subparagraph (A) of section 410(b)(3) are eligible to participate in the qualified employer plan referred to in subsection (d)(1), then the preceding sentence shall be applied without regard to any qualified plan in which only employees so described are eligible to participate.

''(d) OTHER DEFINITIONS.—For purposes of this section—

''(1) QUALIFIED STARTUP COSTS.—

''(A) IN GENERAL.—The term 'qualified startup costs' means any ordinary and necessary expenses of an eligible employer which are paid or incurred in connection with—

''(i) the establishment or administration of an eligible employer plan, or

''(ii) the retirement-related education of employees with respect to such plan.

''(B) PLAN MUST HAVE AT LEAST 2 PARTICIPANTS.—Such term shall not include any expense in connection with a plan that does not have at least 2 individuals who are eligible to participate.

''(C) PLAN MUST BE ESTABLISHED BEFORE JANUARY 1, 2002.—Such term shall not include any expense in connection with a plan established after December 31, 2001.

''(2) ELIGIBLE EMPLOYER PLAN.—The term 'eligible employer plan' means a qualified employer plan within the meaning of section 4972(d).

''(3) FIRST CREDIT YEAR.—The term 'first credit year' means—

''(A) the taxable year which includes the date that the eligible employer plan to which such costs relate becomes effective, or

''(B) at the election of the eligible employer, the taxable year preceding the taxable year referred to in subparagraph (A).

''(e) SPECIAL RULES.—For purposes of this section—

''(1) AGGREGATION RULES.—All persons treated as a single employer under subsection (a) or (b) of section 52, or subsection (n) or (o) of section 414, shall be treated as one person. All eligible employer plans shall be treated as 1 eligible employer plan.

''(2) DISALLOWANCE OF DEDUCTION.—No deduction shall be allowed for that portion of the qualified startup costs paid or incurred for the taxable year which is equal to the credit determined under subsection (a).

''(3) ELECTION NOT TO CLAIM CREDIT.—This section shall not apply to a taxpayer for any taxable year if such taxpayer elects to have this section not apply for such taxable year.''

(b) CREDIT ALLOWED AS PART OF GENERAL BUSINESS CREDIT.—Section 38(b) (defining 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) in the case of an eligible employer (as defined in section 45D(c)), the small employer pension plan startup cost credit determined under section 45D(a).''

(c) CONFORMING AMENDMENTS.—

(1) Section 39(d) is amended by adding at the end the following new paragraph:

''(8) NO CARRYBACK OF SMALL EMPLOYER PENSION PLAN STARTUP COST CREDIT BEFORE EFFECTIVE DATE.—No portion of the unused business credit for any taxable year which is attributable to the small employer pension plan startup cost credit determined under section 45D may be carried back to a taxable year ending on or before the date of the enactment of section 45D.''

(2) Subsection (c) of section 196 is amended by striking ''and'' at the end of paragraph (7), by striking the period at the end of paragraph (8) and inserting '', and'', and by adding at the end the following new paragraph:

''(9) the small employer pension plan startup cost credit determined under section 45D(a).''

(3) The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

''Sec. 45D. Small employer pension plan startup costs.''

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to costs paid or incurred in taxable years ending after the date of the enactment of this Act.

TITLE II—ENHANCING FAIRNESS FOR WOMEN AND CHILDREN

SEC. 201. ADDITIONAL SALARY REDUCTION CATCH-UP CONTRIBUTIONS.

(a) LIMITATION ON EXCLUSION FOR ELECTIVE DEFERRALS.—

(1) IN GENERAL.—Subsection (g) of section 402 (as amended by section 101(d)) is further amended by adding at the end the following:

''(9) CATCH-UP CONTRIBUTIONS FOR THOSE APPROACHING RETIREMENT.—In the case of an individual who has attained age 50 during any taxable year, the limitation of paragraph (1) for such year, after the application of paragraph (8), shall be increased by $5,000.''.

(2) COST-OF-LIVING ADJUSTMENT.—Paragraph (4) of section 402(g) (relating to cost-of-living adjustment), as amended by section 101(d), is further amended by inserting ''and the $5,000 amount under paragraph (9)'' after ''paragraph (1)''.

(b) SIMPLE RETIREMENT ACCOUNTS.—

(1) IN GENERAL.—Paragraph (2) of section 408(p) (relating to qualified salary reduction arrangement) (as amended by sections 101(f) and 103(a)) is further amended by redesignating subparagraph (F) as subparagraph (G) and by inserting after subparagraph (E) the following new subparagraph:

''(F) CATCH-UP CONTRIBUTIONS FOR THOSE APPROACHING RETIREMENT.—In the case of an individual who has attained age 50 during any taxable year, the limitation of subparagraph (A)(ii) for such year shall be increased by $5,000.''.

(2) COST-OF-LIVING ADJUSTMENT.—Subparagraph (G) of section 408(p)(2) (as so redesignated) is amended by inserting ''and the $5,000 amount under subparagraph (F)'' after ''subparagraph (A)(ii)''.

(c) DEFERRED COMPENSATION PLANS OF STATE AND LOCAL GOVERNMENTS AND TAX-EXEMPT ORGANIZATIONS.—

(1) IN GENERAL.—Subsection (b) of section 457 (relating to definition of eligible deferred compensation plan) is amended by adding at the end the following new paragraph:

''(7) CATCH-UP CONTRIBUTIONS FOR THOSE APPROACHING RETIREMENT.—In the case of an individual who has attained age 50 during any taxable year, the limitation of paragraph (2)(A) for such year shall be increased by $5,000.''.

(2) COST-OF-LIVING ADJUSTMENT.—Paragraph (15) of section 457(e) (relating to cost-of-living adjustment) is amended by inserting '', and the $5,000 amount specified in subsection (b)(7),'' after ''(c)(1)''.

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

SEC. 202. EQUITABLE TREATMENT FOR CONTRIBUTIONS OF EMPLOYEES TO DEFINED CONTRIBUTION PLANS.

(a) IN GENERAL.—

(1) Subparagraph (B) of section 415(c)(1) (relating to limitation for defined contribution plans) is amended to read as follows:

''(B) the participant's compensation.''.

(2) CONFORMING AMENDMENTS.—

(A) Subsection (f) of section 72 is amended by striking ''section 403(b)(2)(D)(iii))'' and inserting ''section 403(b)(2)(D)(iii), as in effect on December 31, 1998)''.

(B) Section 403(b) is amended—

(i) by striking ''the exclusion allowance for such taxable year'' in paragraph (1) and inserting ''the applicable limit under section 415'',

(ii) by striking paragraph (2), and

(iii) by inserting ''or any amount received by a former employee after the 5th taxable year following the taxable year in which such employee was terminated'' before the period at the end of the second sentence of paragraph (3).

(C) Section 404(a)(10)(B) is amended by striking '', the exclusion allowance under section 403(b)(2),''.

(D) Section 415(a)(2) is amended by striking '', and the amount of the contribution for such portion shall reduce the exclusion allowance as provided in section 403(b)(2)''.

(E) Section 415(c)(3) is amended by adding at the end the following new subparagraph:

''(E) ANNUITY CONTRACTS.—In the case of an annuity contract described in section 403(b), the term 'participant's compensation' means the participant's includible compensation determined under section 403(b)(3).''.

(F) Section 415(c) is amended by striking paragraph (4).

(G) Section 415(c)(7) is amended to read as follows:

''(7) CERTAIN CONTRIBUTIONS BY CHURCH PLANS NOT TREATED AS EXCEEDING LIMIT.—

''(A) IN GENERAL.—Notwithstanding any other provision of this subsection, at the election of a participant who is an employee of a church, a convention or association of churches, including an organization described in section 414(e)(3)(B)(ii), contributions and other additions for an annuity contract or retirement income account described in section 403(b) with respect to such participant, when expressed as an annual addition to such participant's account, shall be treated as not exceeding the limitation of paragraph (1) if such annual addition is not in excess of $10,000.

''(B) $40,000 AGGREGATE LIMITATION.—The total amount of additions with respect to any participant which may be taken into account for purposes of this subparagraph for all years may not exceed $40,000.

''(C) ANNUAL ADDITION.—For purposes of this paragraph, the term 'annual addition' has the meaning given such term by paragraph (2).''.

(H) Section 415(e)(5) is amended—

(i) by striking ''(except in the case of a participant who has elected under subsection (c)(4)(D) to have the provisions of subsection (c)(4)(C) apply)'', and

(ii) by striking the last sentence.

(I) Section 415(n)(2)(B) is amended by striking ''percentage''.

(J) Subparagraph (B) of section 402(g)(7) (as amended by section 101(d)) is amended by inserting before the period at the end the following: ''(as in effect on the date of the enactment of the Retirement Security for the 21st Century Act)''.

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

(b) SPECIAL RULES FOR SECTIONS 403(b) AND 408.—

(1) IN GENERAL.—Subsection (k) of section 415 is amended by adding at the end the following new paragraph:

''(4) SPECIAL RULES FOR SECTIONS 403(b) AND 408.—For purposes of this section, any annuity contract described in section 403(b) for the benefit of a participant shall be treated as a defined contribution plan maintained by each employer with respect to which the participant has the control required under subsection (b) or (c) of section 414 (as modified by subsection (h)). For purposes of this section, any contribution by an employer to a simplified employee pension plan for an individual for a taxable year shall be treated as an employer contribution to a defined contribution plan for such individual for such year.''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply to limitation years beginning after December 31, 1999.

(c) DEFERRED COMPENSATION PLANS OF STATE AND LOCAL GOVERNMENTS AND TAX-EXEMPT ORGANIZATIONS.—Subparagraph (B) of section 457(b)(2) (relating to salary limitation on eligible deferred compensation plans) is amended by striking ''33⅓ percent'' and inserting ''100 percent''.

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

SEC. 203. FASTER VESTING OF CERTAIN EMPLOYER MATCHING CONTRIBUTIONS.

(a) AMENDMENTS TO 1986 CODE.—Section 411(a) (relating to minimum vesting standards) is amended—

(1) in paragraph (2), by striking ''A plan'' and inserting ''Except as provided in paragraph (12), a plan'', and

(2) by adding at the end the following:

''(12) FASTER VESTING FOR MATCHING CONTRIBUTIONS.—In the case of matching contributions (as defined in section 401(m)(4)(A)), paragraph (2) shall be applied—

''(A) by substituting '3 years' for '5 years' in subparagraph (A), and

''(B) by substituting the following table for the table contained in subparagraph (B):

''Years of service:	The nonforfeitable percentage is:
1	20
2	40
3	60
4	80
5	100.''.

(b) AMENDMENTS TO ERISA.—Section 203(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1053(a)) is amended—

(1) in paragraph (2), by striking ''A plan'' and inserting ''Except as provided in paragraph (4), a plan'', and

(2) by adding at the end the following:

''(4) In the case of matching contributions (as defined in section 401(m)(4)(A) of the Internal Revenue Code of 1986), paragraph (2) shall be applied—

''(A) by substituting '3 years' for '5 years' in subparagraph (A), and

''(B) by substituting the following table for the table contained in subparagraph (B):

''Years of service:	The nonforfeitable percentage is:
1	20
2	40
3	60
4	80
5	100.''.

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to contributions for plan years beginning after December 31, 1999.

(2) COLLECTIVE BARGAINING AGREEMENTS.—In the case of a plan maintained pursuant to 1 or more collective bargaining agreements between employee representatives and 1 or more employers ratified by the date of enactment of this Act, the amendments made by this section shall not apply to contributions on behalf of employees covered by any such agreement for plan years beginning before the earlier of—

(A) the later of—

(i) the date on which the last of such collective bargaining agreements terminates (determined without regard to any extension thereof on or after such date of enactment), or

(ii) January 1, 2000, or

(B) January 1, 2004.

(3) SERVICE REQUIRED.—With respect to any plan, the amendments made by this section shall not apply to any employee before the date that such employee has 1 hour of service under such plan in any plan year to which the amendments made by this section apply.

SEC. 204. DEFERRED ANNUITIES FOR SURVIVING SPOUSES OF FEDERAL EMPLOYEES.

(a) IN GENERAL.—Section 8341 of title 5, United States Code, is amended—

(1) in subsection (h)(1), by striking ''section 8338(b) of this title'' and inserting ''section 8338(b), and a former spouse of a deceased former employee who separated from the service with title to a deferred annuity under section 8338 (if they were married to one another prior to the date of separation),''; and

(2) by adding at the end the following:

''(j)(1) If a former employee dies after having separated from the service with title to a deferred annuity under section 8338 but before having established a valid claim for annuity, and is survived by a spouse to whom married on the date of separation, the surviving spouse may elect to receive—

''(A) an annuity, commencing on what would have been the former employee's 62d birthday, equal to 55 percent of the former employee's deferred annuity;

''(B) an annuity, commencing on the day after the date of death of the former employee, such that, to the extent practicable, the present value of the future payments of the annuity would be actuarially equivalent to the present value of the future payments under subparagraph (A) as of the day after the former employee's death; or

''(C) the lump-sum credit, if the surviving spouse is the individual who would be entitled to the lump-sum credit and if such surviving spouse files application therefor.

''(2) An annuity under this subsection and the right thereto terminate on the last day of the month before the surviving spouse remarries before becoming 55 years of age, or dies.''.

(b) CORRESPONDING AMENDMENT FOR FERS.—Section 8445(a) of title 5, United States Code, is amended—

(1) by striking ''(or of a former employee or'' and inserting ''(or of a former''; and

(2) by striking ''annuity)'' and inserting ''annuity, or of a former employee who dies after having separated from the service with title to a deferred annuity under section 8413 but before having established a valid claim for annuity (if such former spouse was married to such former employee prior to the date of separation))''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to surviving spouses and former spouses (whose marriage, in the case of the amendments made by subsection (a), terminated after May 6, 1985) of former employees who die after the date of the enactment of this Act.

SEC. 205. SIMPLIFY AND UPDATE THE MINIMUM DISTRIBUTION RULES.

(a) SIMPLIFICATION AND FINALIZATION OF MINIMUM DISTRIBUTION REQUIREMENTS.—

(1) IN GENERAL.—The Secretary of the Treasury shall—

(A) simplify and finalize the regulations relating to minimum distribution requirements under sections 401(a)(9), 408(a)(6) and (b)(3), 403(b)(10), and 457(d)(2) of the Internal Revenue Code of 1986, and

(B) modify such regulations to—

(i) reflect increases in life expectancy, and

(ii) revise the required distribution methods so that, under reasonable assumptions, the amount of the required minimum distribution does not decrease over a participant's life expectancy.

(2) FRESH START.—Notwithstanding subparagraph (D) of section 401(a)(9) of such Code, during the first year that regulations are in effect under this subsection, required distributions for future years may be redetermined to reflect changes under such regulations. Such redetermination shall include the opportunity to choose a new designated beneficiary and to elect a new method of calculating life expectancy.

(3) EFFECTIVE DATE FOR REGULATIONS.—Regulations referred to in paragraph (1) shall be effective for years beginning after December 31, 2000, and shall apply in such years without regard to whether an individual had previously begun receiving minimum distributions.

(b) AMOUNT NOT SUBJECT TO MINIMUM DISTRIBUTION REQUIREMENTS.—Paragraph (9) of section 401(a) is amended—

(1) in subparagraph (A), by inserting ''(minus the exclusion amount)'' after ''the entire interest''; and

(2) by adding at the end the following:

''(H) EXCLUSION AMOUNT.—

''(i) IN GENERAL.—For purposes of this paragraph, the term 'exclusion amount' means—

''(I) $100,000 in the case of a defined contribution plan;

''(II) $100,000 in the case of an individual retirement plan; and

''(III) $0 in the case of a defined benefit plan.

''(ii) AGGREGATION OF PLANS.—For purposes of determining the exclusion amount under clause (i)—

''(I) all defined contribution plans maintained by the same employer shall be treated as a single plan; and

''(II) all individual retirement plans (other than Roth IRAs) of the individual shall be treated as a single plan.

''(iii) COST-OF-LIVING ADJUSTMENT.—The Secretary shall adjust the $100,000 exclusion amount specified in clause (i) at the same time and in the same manner as under section 415(d), except that the base period shall be the calendar quarter ending September 30, 1999.''.

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

(c) REPEAL OF RULE WHERE DISTRIBUTIONS HAD BEGUN BEFORE DEATH OCCURS.—

(1) IN GENERAL.—Subparagraph (B) of section 401(a)(9) is amended by striking clause (i) and redesignating clauses (ii), (iii), and (iv) as clauses (i), (ii), and (iii), respectively.

(2) CONFORMING CHANGES.—

(A) Clause (i) of section 401(a)(9)(B) (as so redesignated) is amended—

(i) by striking ''FOR OTHER CASES'' in the heading, and

(ii) by striking ''the distribution of the employee's interest has begun in accordance with subparagraph (A)(ii)'' and inserting ''his entire interest has been distributed to him,''.

(B) Clause (ii) of section 401(a)(9)(B) (as so redesignated) is amended by striking ''clause (ii)'' and inserting ''clause (i)''.

(C) Clause (iii) of section 401(a)(9)(B)(iii) (as so redesignated) is amended—

(i) by striking ''clause (iii)(I)'' and inserting ''clause (ii)(I)'',

(ii) in subclause (I) by striking ''clause (iii)(III)'' and inserting ''clause (ii)(III)'',

(iii) in subclause (I) by striking ''the date on which the employee would have attained the age 70½,'' and inserting ''April 1 of the calendar year following the calendar year in which the spouse attains 70½, and clause (ii) shall not apply to the exclusion amount,'', and

(iv) in subclause (II) by striking ''the distributions to such spouse begin,'' and inserting ''his entire interest has been distributed to him,''.

(3) REDUCTION IN EXCISE TAX.—Subsection (a) of section 4974 is amended by striking ''50 percent'' and inserting ''10 percent''.

(4) EFFECTIVE DATE.—

(A) IN GENERAL.—Except as provided by subparagraph (B), the amendments made by this subsection shall apply to years beginning after December 31, 2000.

(B) EXCISE TAX.—The amendment made by paragraph (3) shall apply to years beginning after December 31, 1999.

SEC. 206. CLARIFICATION OF TAX TREATMENT OF DIVISION OF SECTION 457 PLAN BENEFITS UPON DIVORCE.

(a) IN GENERAL.—Section 414(p)(11) (relating to application of rules to governmental and church plans) is amended—

(1) by inserting ''or an eligible deferred compensation plan (within the meaning of section 457(b))'' after ''subsection (e))'', and

(2) in the heading, by striking ''GOVERNMENTAL AND CHURCH PLANS'' and inserting ''CERTAIN OTHER PLANS''.

(b) WAIVER OF CERTAIN DISTRIBUTION REQUIREMENTS.—Paragraph (10) of section 414(p) is amended by striking ''and section 409(d)'' and inserting ''section 409(d), and section 457(d)''.

(c) TAX TREATMENT OF PAYMENTS FROM A SECTION 457 PLAN.—Subsection (p) of section 414 is amended by redesignating paragraph (12) as paragraph (13) and inserting after paragraph (11) the following new paragraph:

''(12) TAX TREATMENT OF PAYMENTS FROM A SECTION 457 PLAN.—If a distribution or payment from an eligible deferred compensation plan described in section 457(b) is made pursuant to a qualified domestic relations order, rules similar to the rules of section 402(e)(1)(A) shall apply to such distribution or payment.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to transfers, distributions, and payments made after the date of enactment of this Act.

SEC. 207. PERCENTAGE LIMITATIONS ON CONTRIBUTIONS.

(a) AMENDMENTS RELATING TO FERS.—

(1) IN GENERAL.—

(A) Subsection (a) of section 8432 of title 5, United States Code, is amended by striking ''10 percent of''.

(B) Subsection (d) of section 8432 of title 5, United States Code, is amended by striking ''section 415'' and inserting ''section 401(a)(30) or 415''.

(2) JUSTICES AND JUDGES.—Subsection (b) of section 8440a of title 5, United States Code, is amended—

(A) by striking paragraph (2) and by redesignating paragraphs (3) through (7) as paragraphs (2) through (6), respectively; and

(B) in paragraph (6) (as so redesignated by subparagraph (A)) by striking ''paragraphs (4) and (5)'' and inserting ''paragraphs (3) and (4)''.

(3) BANKRUPTCY JUDGES AND MAGISTRATES.—Subsection (b) of section 8440b of title 5, United States Code, is amended—

(A) by striking paragraph (2) and by redesignating paragraphs (3) through (8) as paragraphs (2) through (7), respectively;

(B) in paragraph (4) (as so redesignated by subparagraph (A)) by striking ''paragraph (4)(A), (B), or (C)'' and inserting ''paragraph (3)(A), (B), or (C)''; and

(C) in paragraph (7) (as so redesignated by subparagraph (A)) by striking ''Notwithstanding paragraph (4),'' and inserting ''Notwithstanding paragraph (3),''.

(4) COURT OF FEDERAL CLAIMS JUDGES.—Subsection (b) of section 8440c of title 5, United States Code, is amended—

(A) by striking paragraph (2) and by redesignating paragraphs (3) through (8) as paragraphs (2) through (7), respectively;

(B) in paragraph (4) (as so redesignated by subparagraph (A)) by striking ''paragraph (4)(A) or (B)'' and inserting ''paragraph (3)(A) or (B)''; and

(C) in paragraph (7) (as so redesignated by subparagraph (A)) by striking ''Notwithstanding paragraph (4),'' and inserting ''Notwithstanding paragraph (3),''.

(5) JUDGES OF THE UNITED STATES COURT OF VETERANS APPEALS.—Paragraph (2) of section 8440d(b) of title 5, United States Code, is amended to read as follows:

''(2) For purposes of contributions made to the Thrift Savings Fund, basic pay does not include any retired pay paid pursuant to section 7296 of title 38.''.

(b) AMENDMENTS RELATING TO CSRS.—Paragraph (2) of section 8351(b) of title 5, United States Code, is amended by striking ''5 percent of''.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect on the date of enactment of this Act.

(2) COORDINATION WITH ELECTION PERIODS.—The Executive Director shall by regulation determine the first election period in which elections may be made consistent with the amendments made by this section.

(3) DEFINITIONS.—For purposes of this section—

(A) the term ''election period'' means a period afforded under section 8432(b) of title 5, United States Code; and

(B) the term ''Executive Director'' has the meaning given such term by section 8401(13) of title 5, United States Code.

SEC. 208. ELIGIBLE ROLLOVER DISTRIBUTIONS.

Section 8432 of title 5, United States Code, is amended by adding at the end the following:

''(j)(1) For the purpose of this subsection—

''(A) the term 'eligible rollover distribution' has the meaning given such term by section 402(c)(3) of the Internal Revenue Code of 1986; and

''(B) the term 'eligible retirement plan' has the meaning given such term by section 402(c)(7) of the Internal Revenue Code of 1986.

''(2) An employee or Member may contribute to the Thrift Savings Fund an eligible rollover distribution from an eligible retirement plan. A contribution made under this subsection shall be made by means of a direct rollover from an eligible retirement plan in a manner that is similar to a direct rollover under section 401(a)(31) of the Internal Revenue Code of 1986. In the case of an eligible rollover distribution, the maximum amount transferred to the Thrift Savings Fund shall not exceed the amount which would otherwise have been included in the employee's or Member's gross income for Federal income tax purposes.

''(3) The Executive Director shall prescribe regulations to carry out this subsection.''.

SEC. 209. IMMEDIATE PARTICIPATION IN THE THRIFT SAVINGS PLAN.

(a) ELIMINATION OF CERTAIN WAITING PERIODS FOR PURPOSES OF EMPLOYEE CONTRIBUTIONS.—Paragraph (4) of section 8432(b) of title 5, United States Code, is amended to read as follows:

''(4) The Executive Director shall prescribe such regulations as may be necessary to carry out the following:

''(A) Notwithstanding subparagraph (A) of paragraph (2), an employee or Member described in such subparagraph shall be afforded a reasonable opportunity to first make an election under this subsection beginning on the date of commencing service or, if that is not administratively feasible, beginning on the earliest date thereafter that such an election becomes administratively feasible, as determined by the Executive Director.

''(B) An employee or Member described in subparagraph (B) of paragraph (2) shall be afforded a reasonable opportunity to first make an election under this subsection (based on the appointment or election described in such subparagraph) beginning on the date of commencing service pursuant to such appointment or election or, if that is not administratively feasible, beginning on the earliest date thereafter that such an election becomes administratively feasible, as determined by the Executive Director.

''(C) Notwithstanding the preceding provisions of this paragraph, contributions under paragraphs (1) and (2) of subsection (c) shall not be payable with respect to any pay period before the earliest pay period for which such contributions would otherwise be allowable under this subsection if this paragraph had not been enacted.

''(D) Sections 8351(a)(2), 8440a(a)(2), 8440b(a)(2), 8440c(a)(2), and 8440d(a)(2) shall be applied in a manner consistent with the purposes of subparagraphs (A) and (B), to the extent those subparagraphs can be applied with respect thereto.

''(E) Nothing in this paragraph shall affect paragraph (3).''.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—(1) Section 8432(a) of title 5, United States Code, is amended—

(A) in the first sentence by striking ''(b)(1)'' and inserting ''(b)''; and

(B) by amending the second sentence to read as follows: ''Contributions under this subsection pursuant to such an election shall, with respect to each pay period for which such election remains in effect, be made in accordance with a program of regular contributions provided in regulations prescribed by the Executive Director.''.

(2) Section 8432(b)(1)(B) of title 5, United States Code, is amended by inserting ''(or any election allowable by virtue of paragraph (4))'' after ''subparagraph (A)''.

(3) Section 8432(b)(3) of title 5, United States Code, is amended by striking ''Notwithstanding paragraph (2)(A), an'' and inserting ''An''.

(4) Section 8432(i)(1)(B)(ii) of title 5, United States Code, is amended by striking ''either elected to terminate individual contributions to the Thrift Savings Fund within 2 months before commencing military service or''.

(5) Section 8439(a)(1) of title 5, United States Code, is amended by inserting ''who makes contributions or'' after ''for each individual'' and by striking ''section 8432(c)(1)'' and inserting ''section 8432''.

(6) Section 8439(c)(2) of title 5, United States Code, is amended by adding at the end the following: ''Nothing in this paragraph shall be considered to limit the dissemination of information only to the times required under the preceding sentence.''.

(7) Sections 8440a(a)(2) and 8440d(a)(2) of title 5, United States Code, are amended by

striking all after ''subject to'' and inserting ''this chapter.''.

(c) EFFECTIVE DATE.—This section shall take effect 6 months after the date of enactment of this Act or such earlier date as the Executive Director (within the meaning of section 8401(13) of title 5, United States Code) may by regulation prescribe.

TITLE III—INCREASING PORTABILITY FOR PARTICIPANTS

SEC. 301. ROLLOVERS ALLOWED AMONG VARIOUS TYPES OF PLANS.

(a) ROLLOVERS FROM AND TO SECTION 457 PLANS.—

(1) ROLLOVERS FROM SECTION 457 PLANS.—

(A) IN GENERAL.—Section 457(e) (relating to other definitions and special rules) is amended by adding at the end the following:

''(16) ROLLOVER AMOUNTS.—

''(A) GENERAL RULE.—In the case of an eligible deferred compensation plan, if—

''(i) any portion of the balance to the credit of an employee in such plan is paid to such employee in an eligible rollover distribution (within the meaning of section 402(c)(4) (other than section 402(c)(4)(C)),

''(ii) the employee transfers any portion of the property such employee receives in such distribution to an eligible retirement plan described in section 402(c)(8)(B), and

''(iii) in the case of a distribution of property other than money, the amount so transferred consists of the property distributed,

then such distribution (to the extent so transferred) shall not be includible in gross income for the taxable year in which paid.

''(B) CERTAIN RULES MADE APPLICABLE.—The rules of paragraphs (2) through (7) (other than paragraph (4)(C)) and (9) of section 402(c) and section 402(f) shall apply for purposes of subparagraph (A).

''(C) REPORTING.—Rollovers under this paragraph shall be reported to the Secretary in the same manner as rollovers from qualified retirement plans (as defined in section 4974(c)).''.

(B) DEFERRAL LIMIT DETERMINED WITHOUT REGARD TO ROLLOVER AMOUNTS.—Section 457(b)(2) (defining eligible deferred compensation plan) is amended by inserting ''(other than rollover amounts)'' after ''taxable year''.

(C) DIRECT ROLLOVER.—Paragraph (1) of section 457(d) 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 inserting after subparagraph (B) the following:

''(C) the plan meets requirements similar to the requirements of section 401(a)(31).

Any amount transferred in a direct trustee-to-trustee transfer in accordance with section 401(a)(31) shall not be includible in gross income for the taxable year of transfer.''.

(D) WITHHOLDING.—

(i) Paragraph (12) of section 3401(a) is amended by adding at the end the following:

''(E) under or to an eligible deferred compensation plan which, at the time of such payment, is a plan described in section 457(b);''.

(ii) Paragraph (5) of section 3405(e) is amended by adding at the end the following: ''Such term shall include an eligible deferred compensation plan described in section 457(b).''.

(iii) Paragraph (3) of section 3405(c) is amended to read as follows:

''(3) ELIGIBLE ROLLOVER DISTRIBUTION.—For purposes of this subsection, the term 'eligible rollover distribution' has the meaning given such term by section 402(f)(2)(A).''.

(iv) LIABILITY FOR WITHHOLDING.—Subparagraph (B) of section 3405(d)(2) is amended by striking ''or'' at the end of clause (ii), by striking the period at the end of clause (iii) and inserting '', or'', and by adding at the end the following:

'(iv) section 457(b).''.

(2) ROLLOVERS TO SECTION 457 PLANS.—

(A) Section 402(c)(8)(B) (defining eligible retirement plan) is amended by striking ''and'' at the end of clause (iii), by striking the period at the end of clause (iv) and inserting '', and'', and by adding at the end the following:

''(v) an eligible deferred compensation plan described in section 457(b) of an eligible employer described in section 457(e)(1)(A).''.

(B) Paragraph (9) of section 402(c) is amended by striking ''except that'' and all that follows and inserting ''except that only an account or annuity described in clause (i) or (ii) of paragraph (8)(B) shall be treated as an eligible retirement plan with respect to such distribution.''.

(C) Subsection (t) of section 72 (relating to 10-percent additional tax on early distributions from qualified retirement plans) is amended by adding at the end the following new paragraph:

''(9) SPECIAL RULE FOR ROLLOVERS TO SECTION 457 PLANS.—For purposes of this subsection, a distribution from an eligible deferred compensation plan (as defined in section 457(b)) of an employer described in section 457(e)(1)(A) shall be treated as a distribution from a qualified retirement plan to the extent that such distribution is attributable to an amount transferred to an eligible deferred compensation plan from a qualified retirement plan (as defined in section 4974(c)). For purposes of this subsection, any such distribution shall be treated as if made from a qualified retirement plan described in section 4974(c)(1). This paragraph shall only apply to a transfer that is in excess of $50,000 and that is permitted by reason of section 402(c)(8)(B)(v) or section 408(d)(3)(A)(ii).''.

(D) Subsection (a) of section 457 (relating to year of inclusion in gross income) is amended—

(i) by striking ''or otherwise made available'', and

(ii) by adding at the end the following: ''To the extent provided in section 72(t)(9), section 72(t) shall apply to any amount includible in gross income under this subsection.''.

(3) MINIMUM DISTRIBUTIONS.—Paragraph (2) of section 457(d) is amended to read as follows:

''(2) MINIMUM DISTRIBUTION REQUIREMENTS.—A plan meets the distribution requirements of this paragraph if the plan meets the requirements of section 401(a)(9).''.

(4) CONFORMING AMENDMENT.—Paragraph (9) of section 457(e) is amended to read as follows:

''(9) BENEFITS NOT TREATED AS FAILING TO MEET DISTRIBUTION REQUIREMENTS OF SUBSECTION (d).—A plan shall not be treated as failing to meet the distribution requirements of subsection (d) by reason of a distribution of the total amount payable to a participant under the plan if—

''(A) such amount does not exceed the dollar limit under section 411(a)(11)(A), and

''(B) such amount may be distributed only if—

''(i) no amount has been deferred under the plan with respect to such participant during the 2-year period ending on the date of the distribution, and

''(ii) there has been no prior distribution under the plan to such participant to which this paragraph applied.''.

(b) ALLOWANCE OF ROLLOVERS FROM AND TO 403(b) PLANS.—

(1) ROLLOVERS FROM SECTION 403(b) PLANS.—Section 403(b)(8)(A)(ii) (relating to rollover amounts) is amended by striking ''such distribution'' and all that follows and inserting ''such distribution to an eligible retirement plan described in section 402(c)(8)(B), and''.

(2) ROLLOVERS TO SECTION 403(b) PLANS.—Section 402(c)(8)(B) (defining eligible retirement plan), as amended by subsection (a), is amended by striking ''and'' at the end of clause (iv), by striking the period at the end of clause (v) and inserting '', and'', and by adding at the end the following:

''(vi) an annuity contract described in section 403(b).''

(3) CONFORMING AMENDMENT.—Subparagraph (B) of section 403(b)(8) is amended by striking ''Rules similar to the'' and inserting ''The''.

(c) EXPANDED EXPLANATION TO RECIPIENTS OF ROLLOVER DISTRIBUTIONS.—Paragraph (1) of section 402(f) (relating to written explanation to recipients of distributions eligible for rollover treatment) is amended by striking ''and'' at the end of subparagraph (C), by striking the period at the end of subparagraph (D) and inserting '', and'', and by adding at the end the following new subparagraph:

''(E) of the provisions under which distributions from the eligible retirement plan receiving the distribution may be subject to restrictions and tax consequences which are different from those applicable to distributions from the plan making such distribution.''.

(d) CONFORMING AMENDMENTS.—

(1) Section 72(o)(4) is amended by striking ''and 408(d)(3)'' and inserting ''403(b)(8), 408(d)(3), and 457(e)(16)''.

(2) Section 219(d)(2) is amended by striking ''or 408(d)(3)'' and inserting ''408(d)(3), or 457(e)(16)''.

(3) Section 401(a)(31)(B) is amended by striking ''and 403(a)(4)'' and inserting '', 403(a)(4), 403(b)(8), and 457(e)(16)''.

(4) Subparagraph (A) of section 402(f)(2) is amended by striking ''or paragraph (4) of section 403(a)'' and inserting '', paragraph (4) of section 403(a), subparagraph (A) of section 403(b)(8), or subparagraph (A) of section 457(e)(16)''.

(5) Paragraph (1) of section 402(f) is amended by striking ''from an eligible retirement plan''.

(6) Subparagraphs (A) and (B) of section 402(f)(1) are amended by striking ''another eligible retirement plan'' and inserting ''an eligible retirement plan''.

(7) Subparagraph (B) of section 403(b)(8) is amended by striking ''shall apply for purposes of subparagraph (A)'' and inserting ''and section 402(f) shall apply for purposes of subparagraph (A), except that section 402(f) shall be applied to the payor in lieu of the plan administrator''.

(8) Subparagraph (B) of section 403(b)(8) is amended by inserting ''and (9)'' after ''through (7)''.

(9) Section 408(a)(1) is amended by striking ''or 403(b)(8)'' and inserting '', 403(b)(8), or 457(e)(16)''.

(10) Subparagraphs (A) and (B) of section 415(b)(2) are each amended by striking ''and 408(d)(3)'' and inserting ''403(b)(8), 408(d)(3), and 457(e)(16)''.

(11) Section 415(c)(2) is amended by striking ''and 408(d)(3)'' and inserting ''408(d)(3), and 457(e)(16)''.

(12) Section 4973(b)(1)(A) is amended by striking ''or 408(d)(3)'' and inserting ''408(d)(3), or 457(e)(16)''.

(e) EFFECTIVE DATE; SPECIAL RULE.—

(1) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions after December 31, 1999.

(2) SPECIAL RULE.—Notwithstanding any other provision of law, subsections (h)(3) and (h)(5) of section 1122 of the Tax Reform Act of 1986 shall not apply to any distribution from an eligible retirement plan (as defined in clause (iii) or (iv) of section 402(c)(8)(B) of the Internal Revenue Code of 1986) on behalf

of an individual if there was a rollover to such plan on behalf of such individual which is permitted solely by reason of any amendment made by this section.

SEC. 302. ROLLOVERS OF IRAS INTO WORKPLACE RETIREMENT PLANS.

(a) IN GENERAL.—Subparagraph (A) of section 408(d)(3) (relating to rollover amounts) is amended by adding ''or'' at the end of clause (i), by striking clauses (ii) and (iii), and by adding at the end the following:

''(ii) the entire amount received (including money and any other property) is paid into an eligible retirement plan for the benefit of such individual not later than the 60th day after the date on which he receives the payment or distribution.

For purposes of clause (ii), the term 'eligible retirement plan' has the meaning given such term by clauses (iii), (iv), (v), and (vi) of section 402(c)(8)(B).''.

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (1) of section 403(b) is amended by striking ''section 408(d)(3)(A)(iii)'' and inserting ''section 408(d)(3)(A)(ii)''.

(2) Clause (i) of section 408(d)(3)(D) is amended by striking ''(i), (ii), or (iii)'' and inserting ''(i) or (ii)''.

(3) Subparagraph (G) of section 408(d)(3) is amended to read as follows:

''(G) SIMPLE RETIREMENT ACCOUNTS.—In the case of any payment or distribution out of a simple retirement account (as defined in subsection (p)) to which section 72(t)(6) applies, this paragraph shall not apply unless such payment or distribution is paid into another simple retirement account.''.

(c) EFFECTIVE DATE; SPECIAL RULE.—

(1) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions after December 31, 1999.

(2) SPECIAL RULE.—Notwithstanding any other provision of law, subsections (h)(3) and (h)(5) of section 1122 of the Tax Reform Act of 1986 shall not apply to any distribution from an eligible retirement plan (as defined in clause (iii) or (iv) of section 402(c)(8)(B) of the Internal Revenue Code of 1986) on behalf of an individual if there was a rollover to such plan on behalf of such individual which is permitted solely by reason of the amendments made by this section.

SEC. 303. ROLLOVERS OF AFTER-TAX CONTRIBUTIONS.

(a) IN GENERAL.—

(1) Subsection (c) of section 402 (relating to rules applicable to rollovers from exempt trusts) (as amended by section 2) is amended by striking paragraph (2) and redesignating paragraphs (3) through (10) as paragraphs (2) through (9), respectively.

(2) Paragraph (31) of section 401(a) (relating to optional direct transfer of eligible rollover distributions) is amended by striking subparagraph (B) and redesignating subparagraphs (C) and (D) as subparagraphs (B) and (C), respectively.

(3) Subparagraph (B) of section 408(d)(3) (relating to rollover contributions) is amended by striking ''which was not includible in his gross income because of the application of this paragraph'' and inserting ''to which this paragraph applied''.

(4) Paragraph (7)(B) of section 402(c) (as redesignated by subsection (a)(1) and as amended by section 301) is amended—

(A) by striking ''The term'' and inserting ''Except as provided in this subparagraph, the term'', and

(B) by adding at the end the following:

''Arrangements described in clauses (iii), (iv) (v), and (vi) shall not be treated as eligible retirement plans for purposes of receiving a rollover contribution of an eligible rollover distribution to the extent that such eligible rollover distribution is not includible in gross income (determined without regard to paragraph (1)).''.

(5) Paragraph (2) of section 408(d) is amended—

(A) by striking ''For purposes'' and inserting the following:

''(A) IN GENERAL.—Except as provided in this paragraph, for purposes'',

(B) by striking ''(A) all'' and inserting ''(i) all'';

(C) by striking ''(B) all'' and inserting ''(ii) all'';

(D) by striking ''(C) the'' and inserting ''(iii) the'',

(E) by striking ''subparagraph (C)'' and inserting ''clause (iii)'', and

(F) by inserting at the end the following:

''(B) APPLICATION OF SECTION 72.—For purposes of applying section 72, if—

''(i) a distribution is made from an individual retirement plan, and

''(ii) a rollover contribution described in paragraph (3) is made to an eligible retirement plan described in section 402(c)(7)(B)(iii), (iv), (v), or (vi) with respect to all or part of such distribution,

the includible amount in the individual's individual retirement plans shall be reduced by the amount described in subparagraph (C). As of the close of the calendar year in which the taxable year begins, the reduction of all amounts described in subparagraph (C)(i) shall be applied prior to the computations described in subparagraph (A)(iii). The amount of any distribution with respect to which there is a rollover contribution described in clause (ii) shall not be treated as a distribution for purposes of subparagraph (A).

''(C) AMOUNT DESCRIBED.—The amount described in this subparagraph is the sum of—

''(i) the amount of the rollover contribution described in subparagraph (B)(ii), and

''(ii) in the case of any portion of the distribution with respect to which there is not a rollover contribution described in paragraph (3), the amount of such portion that is included in gross income under section 72.

''(D) INCLUDIBLE AMOUNT.—For purposes of this paragraph, the term 'includible amount' shall mean the amount that is not investment in the contract (as defined in section 72).''.

(6) Subparagraph (C) of section 402(c)(5) (as redesignated by subsection (a)(1)) is amended by inserting after ''other than money'' the following: ''or where the amount of the distribution exceeds the amount of the rollover contribution''.

(b) HARDSHIP EXCEPTION TO 60-DAY RULE.—

(1) Paragraph (2) of section 402(c) (as so redesignated) is amended to read as follows:

''(2) TRANSFER MUST BE MADE WITHIN 60 DAYS OF RECEIPT.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), paragraph (1) shall not apply to any transfer of a distribution made after the 60th day following the day on which the distributee received the property distributed.

''(B) HARDSHIP EXCEPTION.—The Secretary may waive the 60-day requirement under subparagraph (A) where the failure to waive such requirement would be against equity or good conscience, including casualty, disaster, or other events beyond the reasonable control of the individual subject to such requirement.''.

(2) Paragraph (3) of section 408(d) (relating to rollover contributions) is amended by adding at the end the following new subparagraph:

''(H) WAIVER OF 60-DAY REQUIREMENT.—The Secretary may waive the 60-day requirement under subparagraphs (A) and (D) where the failure to waive such requirement would be against equity or good conscience, including casualty, disaster, or other events beyond the reasonable control of the individual subject to such requirement.''.

(c) CONFORMING AMENDMENTS.—

(1) Paragraph (4) of section 402(c) (as redesignated by subsection (a)(1)) is amended by striking ''(8)(B)'' and inserting ''(7)(B)''.

(2) Subparagraph (B) of section 403(a)(4) is amended by striking ''(2) through (7)'' and inserting ''(2) through (6)''.

(3) Section 403(b)(8)(A)(ii) (as amended by section 301) is amended by striking ''section 402(c)(8)(B)'' and inserting ''section 402(c)(7)(B)''.

(4) Subparagraph (B) of section 403(b)(8) (as amended by section 301) is amended by striking ''(2) through (7) and (9) of section 402(c) (including paragraph (4)(C) thereof)'' and inserting ''(2) through (6) and (8) of section 402(c) (including paragraph (3)(C) thereof)''.

(5) Subparagraph (A) of section 408(d)(3) (as amended by section 302) is amended by striking ''402(c)(8)'' and inserting ''402(c)(7)''.

(6) Paragraph (16) of section 457(e) (as added by section 301) is amended—

(A) in subparagraph (A)(i) by striking ''402(c)(4) (other than section 402(c)(4)(C))'' and inserting ''section 402(c)(3) (other than section 402(c)(3)(C))'',

(B) in subparagraph (A)(ii) by striking ''402(c)(8)(B)'' and inserting ''402(c)(7)(B)'', and

(C) in subparagraph (B) by striking ''paragraphs (2) through (7) (other than paragraph (4)(C)) and (9) of section 402(c)'' and inserting ''paragraphs (2) through (6) (other than paragraph (3)(C)) and (8) of section 402(c)''.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided by paragraph (2), the amendments made by this section shall apply to distributions made after December 31, 1999.

(2) HARDSHIP EXCEPTION.—The amendments made by subsection (b) shall apply to 60-day periods ending after the date of the enactment of this Act.

SEC. 304. TREATMENT OF FORMS OF DISTRIBUTION.

(a) IN GENERAL.—

(1) PLAN TRANSFERS.—Paragraph (6) of section 411(d) (relating to accrued benefit not to be decreased by amendment) is amended by adding at the end the following:

''(D) PLAN TRANSFERS.—

''(i) A defined contribution plan (in this subparagraph referred to as the 'transferee plan') shall not be treated as failing to meet the requirements of this subsection merely because the transferee plan does not provide some or all of the forms of distribution previously available under another defined contribution plan (in this paragraph referred to as the 'transferor plan') to the extent that—

''(I) the forms of distribution previously available under the transferor plan applied to the account of a participant or beneficiary under the transferor plan that was transferred from the transferor plan to the transferee plan pursuant to a direct transfer rather than pursuant to a distribution from the transferor plan;

''(II) the terms of both the transferor plan and the transferee plan authorize the transfer described in subclause (I);

''(III) the transfer described in subclause (I) was made pursuant to a voluntary election by the participant or beneficiary whose account was transferred to the transferee plan;

''(IV) the election described in subclause (III) was made after the participant or beneficiary received a notice describing the consequences of making the election;

''(V) if the transferor plan provides for an annuity as the normal form of distribution under the plan in accordance with section 417, the transfer is made with the consent of the participant's spouse (if any), and such consent meets requirements similar to the requirements imposed by section 417(a)(2); and

''(VI) the transferee plan allows the participant or beneficiary described in subclause (III) to receive any distribution to which the participant or beneficiary is entitled under the transferee plan in the form of a single sum distribution.

''(ii) Clause (i) shall apply to plan mergers and other transactions having the effect of a direct transfer, including consolidations of benefits attributable to different employers within a multiple employer plan.

''(E) ELIMINATION OF FORM OF DISTRIBUTION.—Except to the extent provided in regulations, a defined contribution plan shall not be treated as failing to meet the requirements of this section merely because of the elimination of a form of distribution previously available thereunder. This subparagraph shall not apply to the elimination of a form of distribution with respect to any participant unless—

''(i) a single sum payment is available to such participant at the same time or times as the form of distribution being eliminated; and

''(ii) such single sum payment is based on the same or greater portion of the participant's account as the form of distribution being eliminated.''.

(2) REGULATIONS.—The last sentence of paragraph (6)(B) of section 411(d) (relating to accrued benefit not to be decreased by amendment) is amended to read as follows: ''The Secretary may by regulations provide that this subparagraph shall not apply to any plan amendment that does not adversely affect the rights of participants in a material manner.

(3) SECRETARY DIRECTED.—Not later than December 31, 2001, the Secretary of the Treasury is directed to issue final regulations under section 411(d)(6) of the Internal Revenue Code of 1986. Such regulations shall apply to plan years beginning after December 31, 2001 or such earlier date as is specified by the Secretary of the Treasury. Under such regulations, section 411(d)(6) of such Code shall not apply to plan amendments that do not adversely affect the rights of participants in a material manner. In determining whether a plan amendment has such a materially adverse effect on a participant, the factors taken into account shall include—

(A) all of the participant's early retirement benefits, retirement-type subsidies, and optional forms of benefit that are reduced or eliminated by the plan amendment,

(B) the extent to which early retirement benefits, retirement-type subsidies, and optional forms of benefit in effect with respect to a participant after the effective date of the plan amendment provide rights that are comparable to the rights that are reduced or eliminated by the plan amendment,

(C) the number of years before the participant attains normal retirement age under the plan (or early retirement age, as applicable),

(D) the size of the participant's benefit that is affected by the plan amendment, in relation to the amount of the participant's compensation, and

(E) the number of years before the plan amendment is effective.

The regulations described in this paragraph are intended to permit the elimination or reduction of early retirement benefits, retirement-type subsidies, and optional forms of benefit that do not have a material value for a plan's participants but create significant burdens and complexities for the plan and its participants.

(b) CONFORMING AMENDMENT.—(1) Subsection (g) of section 204 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1054) is amended by adding at the end the following:

''(4)(A) A defined contribution plan (in this subparagraph referred to as the 'transferee plan') shall not be treated as failing to meet the requirements of this subsection merely because the transferee plan does not provide some or all of the forms of distribution previously available under another defined contribution plan (in this paragraph referred to as the 'transferor plan') to the extent that—

''(i) the forms of distribution previously available under the transferor plan applied to the account of a participant or beneficiary under the transferor plan that was transferred from the transferor plan to the transferee plan pursuant to a direct transfer rather than pursuant to a distribution from the transferor plan;

''(ii) the terms of both the transferor plan and the transferee plan authorize the transfer described in clause (i);

''(iii) the transfer described in clause (i) was made pursuant to a voluntary election by the participant or beneficiary whose account was transferred to the transferee plan;

''(iv) the election described in clause (iii) was made after the participant or beneficiary received a notice describing the consequences of making the election;

''(v) if the transferor plan provides for an annuity as the normal form of distribution under the plan in accordance with section 205, the transfer is made with the consent of the participant's spouse (if any), and such consent meets requirements similar to the requirements imposed by section 205(c)(2); and

''(vi) the transferee plan allows the participant or beneficiary described in clause (iii) to receive any distribution which the participant or beneficiary is entitled under transferee plan in the form of a single sum distribution.

''(B) Subparagraph (A) shall apply to plan mergers and other transactions having the effect of a direct transfer, including consolidations of benefits attributable to different employers within a multiple employer plan.

''(5) Except to the extent provided in regulations, a defined contribution plan shall not be treated as failing to meet the requirements of this section merely because of the elimination of a form of distribution previously available thereunder. This paragraph shall not apply to the elimination of a form of distribution with respect to any participant unless—

''(A) a single sum payment is available to such participant at the same time or times as the form of distribution being eliminated; and

''(B) such single sum payment is based on the same or greater portion of the participant's account as the form of distribution being eliminated.''.

(2) Paragraph (2) of section 204(g) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1054) is amended by striking the last sentence and inserting the following: ''The Secretary of the Treasury may by regulations provide that this paragraph shall not apply to any plan amendment that does not adversely affect the rights of participants in a material manner.''.

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

SEC. 305. RATIONALIZATION OF RESTRICTIONS ON DISTRIBUTIONS.

(a) MODIFICATION OF SAME DESK EXCEPTION.—

(1) SECTION 401(k).—Section 401(k)(2)(B)(i)(I) (relating to qualified cash or deferred arrangements) is amended by striking ''separation from service'' and inserting ''severance from employment''.

(2) SECTION 403(b).—

(A) Paragraphs (7)(A)(ii) and (11)(A) of section 403(b) are each amended by striking ''separates from service'' and inserting ''has a severance from employment''.

(B) The heading for paragraph (11) of section 403(b) is amended by striking ''SEPARATION FROM SERVICE'' and inserting ''SEVERANCE FROM EMPLOYMENT''.

(3) SECTION 457.—Clause (ii) of section 457(d)(1)(A) is amended by striking ''is separated from service'' and inserting ''has a severance from employment''.

(b) BUSINESS SALE REQUIREMENTS REPEALED.—

(1) IN GENERAL.—Section 401(k)(2)(B)(i)(II) (relating to qualified cash or deferred arrangements) is amended by striking ''an event'' and inserting ''a plan termination''.

(2) CONFORMING AMENDMENTS.—Section 401(k)(10) is amended—

(A) by striking subparagraph (A) and inserting the following:

''(A) IN GENERAL.—A plan termination is described in this paragraph if the termination of the plan does not involve the establishment or maintenance of another defined contribution plan (other than an employee stock ownership plan as defined in section 4975(e)(7)).'',

(B) in subparagraph (B)—

(i) by striking ''An event'' and inserting ''A termination'', and

(ii) by striking ''the event'' and inserting ''the termination'',

(C) by striking subparagraph (C), and

(D) by striking ''OR DISPOSITION OF ASSETS OR SUBSIDIARY'' in the heading.

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

SEC. 306. PURCHASE OF SERVICE CREDIT IN GOVERNMENTAL DEFINED BENEFIT PLANS.

(a) 403(b) PLANS.—Subsection (b) of section 403 (as amended by section 501) is amended by adding at the end the following new paragraph:

''(14) TRUSTEE-TO-TRUSTEE TRANSFERS TO PURCHASE PERMISSIVE SERVICE CREDIT.—No amount shall be includible in gross income by reason of a direct trustee-to-trustee transfer to a defined benefit governmental plan (as defined in section 414(d)) if such transfer is—

''(A) for the purchase of permissive service credit (as defined in section 415(n)(3)(A)) under such plan, or

''(B) a repayment to which section 415 does not apply by reason of subsection (k)(3) thereof.''.

(b) 457 PLANS.—

(1) Subsection (e) of section 457 (as amended by section 509) is amended by adding at the end the following new paragraph:

''(18) TRUSTEE-TO-TRUSTEE TRANSFERS TO PURCHASE PERMISSIVE SERVICE CREDIT.—No amount shall be includible in gross income by reason of a direct trustee-to-trustee transfer to a defined benefit governmental plan (as defined in section 414(d)) if such transfer is—

''(A) for the purchase of permissive service credit (as defined in section 415(n)(3)(A)) under such plan, or

''(B) a repayment to which section 415 does not apply by reason of subsection (k)(3) thereof.''.

(2) Section 457(b)(2), as amended by sections 101, 202, and 301, is amended by striking ''(other than rollover amounts)'' and inserting ''(other than rollover amounts and amounts received in a transfer referred to in subsection (e)(16))''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to trustee-to-trustee transfers after December 31, 1999.

SEC. 307. EMPLOYERS MAY DISREGARD ROLLOVERS FOR PURPOSES OF CASH-OUT AMOUNTS.

(a) AMENDMENTS TO 1986 CODE.—

(1) Section 411(a)(11) (relating to restrictions on certain mandatory distributions) is amended by adding at the end the following:

''(D) SPECIAL RULE FOR ROLLOVER CONTRIBUTIONS.—A plan shall not fail to meet the requirements of this paragraph if, under the terms of the plan, the present value of the nonforfeitable accrued benefit is determined without regard to that portion of such benefit which is attributable to rollover contributions (and earnings allocable thereto). For purposes of this subparagraph, the term 'rollover contributions' means any rollover contribution under sections 402(c), 403(a)(4), 403(b)(8), clause (ii), (iii), or (iv) of 408(d)(3)(A), and 457(e)(16).''.

(2) Clause (i) of section 457(e)(9)(A) is amended by striking ''such amount'' and inserting ''the portion of such amount which is not attributable to rollover contributions (as defined in section 411(a)(11)(D))''.

(b) AMENDMENT TO ERISA.—Section 203(e) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1053(e)) is amended by adding at the end the following:

''(4) A plan shall not fail to meet the requirements of this subsection if, under the terms of the plan, the present value of the nonforfeitable accrued benefit is determined without regard to that portion of such benefit which is attributable to rollover contributions (and earnings allocable thereto). For purposes of this paragraph, the term 'rollover contributions' means any rollover contribution under sections 402(c), 403(a)(4), 403(b)(8), clause (ii), (iii), or (iv) of 408(d)(3)(A), and 457(e)(16) of the Internal Revenue Code of 1986.''.

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

TITLE IV—STRENGTHENING PENSION SECURITY AND ENFORCEMENT

SEC. 401. REPEAL OF 150 PERCENT OF CURRENT LIABILITY FUNDING LIMIT.

(a) IN GENERAL.—

(1) CODE AMENDMENT.—Section 412(c)(7) (relating to full-funding limitation) is amended—

(A) by striking ''the applicable percentage'' in subparagraph (A)(i)(I) and inserting ''in the case of plan years beginning before January 1, 2003, the applicable percentage'', and

(B) by amending subparagraph (F) to read as follows:

''(F) APPLICABLE PERCENTAGE.—For purposes of subparagraph (A)(i)(I), the applicable percentage shall be determined in accordance with the following table:

''In the case of any plan year beginning in—	**The applicable percentage is—**
2000	160
2001	165
2002	170.''.

(2) ERISA AMENDMENT.—Section 302(c)(7) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1082(c)(7)) is amended—

(A) by striking ''the applicable percentage'' in subparagraph (A)(i)(I) and inserting ''in the case of plan years beginning before January 1, 2003, the applicable percentage'', and

(B) by amending subparagraph (F) to read as follows:

''(F) APPLICABLE PERCENTAGE.—For purposes of subparagraph (A)(i)(I), the applicable percentage shall be determined in accordance with the following table:

''In the case of any plan year beginning in—	**The applicable percentage is—**
2000	160
2001	165
2002	170.''.

(3) EFFECTIVE DATES.—The amendments made by this subsection shall apply to plan years beginning after December 31, 1999.

(b) MAXIMUM CONTRIBUTION DEDUCTION RULES MODIFIED AND APPLIED TO ALL DEFINED BENEFIT PLANS.—

(1) IN GENERAL.—Section 404(a)(1)(D) (relating to special rule in case of certain plans) is amended—

(A) by striking ''which has more than 100 participants for the plan year'',

(B) by striking ''unfunded current liability determined under section 414(l)'' and inserting ''unfunded termination liability (determined as if the proposed termination date referred to in section 4041(b)(2)(A)(i)(II) of the Employee Retirement Income Security Act of 1974 were the last day of the plan year)'',

(C) by inserting after the first sentence the following: ''For purposes of this subparagraph, in the case of a plan which has less than 100 participants for the plan year, termination liability shall not include the liability attributable to benefit increases for highly compensated employees (as defined in section 414(q)) brought about by plan amendment within the last 2 years before the termination date.'', and

(D) by striking ''(other than a multiemployer plan)''.

(2) CONFORMING AMENDMENT.—Paragraph (6) of section 4972(c) is amended by striking the sentence preceding the last sentence thereof.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to plan years beginning after the date of enactment of this Act.

SEC. 402. MISSING PARTICIPANTS.

(a) IN GENERAL.—Section 4050 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1350) is amended by redesignating subsection (c) as subsection (e) and by inserting after subsection (b) the following:

''(c) MULTIEMPLOYER PLANS.—The corporation shall prescribe rules similar to the rules in subsection (a) for multiemployer plans covered by this title that terminate under section 4041A.

''(d) PLANS NOT OTHERWISE SUBJECT TO TITLE.—

''(1) TRANSFER TO CORPORATION.—The plan administrator of a plan described in paragraph (4) may elect to transfer a missing participant's benefits to the corporation upon termination of the plan.

''(2) INFORMATION TO THE CORPORATION.—To the extent provided in regulations, the plan administrator of a plan described in paragraph (4) shall, upon termination of the plan, provide the corporation information with respect to benefits of a missing participant if the plan transfers such benefits—

''(A) to the corporation, or

''(B) to an entity other than the corporation or a plan described in paragraph (4)(B)(ii).

''(3) PAYMENT BY THE CORPORATION.—If benefits of a missing participant were transferred to the corporation under paragraph (1), the corporation shall, upon location of the participant or beneficiary, pay to the participant or beneficiary the amount transferred (or the appropriate survivor benefit) either—

''(A) in a single sum (plus interest), or

''(B) in such other form as is specified in regulations of the corporation.

''(4) PLANS DESCRIBED.—A plan is described in this paragraph if—

''(A) the plan is a pension plan (within the meaning of section 3(2))—

''(i) to which the provisions of this section do not apply (without regard to this subsection), and

''(ii) which is not a plan described in paragraphs (2) through (11) of section 4021(b), and

''(B) at the time the assets are to be distributed upon termination, the plan—

''(i) has missing participants, and

''(ii) has not provided for the transfer of assets to pay the benefits of all missing participants to another pension plan (within the meaning of section 3(2)).

''(5) CERTAIN PROVISIONS NOT TO APPLY.—Subsections (a)(1) and (a)(3) shall not apply to a plan described in paragraph (4).''.

(b) CONFORMING AMENDMENTS.—

(1) Section 206(f) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1056(f)) is amended—

(A) by striking ''title IV'' and inserting ''section 4050'', and

(B) by striking ''the plan shall provide that''.

(2) Section 401(a)(34) of such Act (relating to benefits of missing participants on plan termination) is amended by striking ''title IV'' and inserting ''section 4050''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to distributions made after final regulations implementing subsections (c) and (d) of section 4050 of the Employee Retirement Income Security Act of 1974 (as added by subsection (a)), respectively, are prescribed.

SEC. 403. PERIODIC PENSION BENEFITS STATEMENTS.

(a) IN GENERAL.—Section 105(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1025(a)) is amended by striking ''shall furnish to any plan participant or beneficiary who so requests in writing, a statement'' and inserting ''shall furnish to each plan participant at least once each year (in the case of a defined contribution plan) and upon written request of a plan participant or beneficiary (in the case of a defined benefit plan), a statement in written or electronic form''.

(b) REQUIRED PERIODIC STATEMENTS FOR PLANS WITH MORE THAN ONE UNAFFILIATED EMPLOYER.—Section 105(d) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1025(d)) is repealed.

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

SEC. 404. CIVIL PENALTIES FOR BREACH OF FIDUCIARY RESPONSIBILITY.

(a) IMPOSITION AND AMOUNT OF PENALTY MADE DISCRETIONARY.—Section 502(l)(1) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1132(l)(1)) is amended—

(1) by striking ''shall'' and inserting ''may'', and

(2) by striking ''equal to'' and inserting ''not greater than''.

(b) APPLICABLE RECOVERY AMOUNT.—Section 502(l)(2) of such Act (29 U.S.C. 1132(l)(2)) is amended to read as follows:

''(2) For purposes of paragraph (1), the term 'applicable recovery amount' means any amount which is recovered from any fiduciary or other person (or from any other person on behalf of any such fiduciary or other person) with respect to a breach or violation described in paragraph (1) on or after the 30th day following receipt by such fiduciary or other person of written notice from the Secretary of the violation, whether paid voluntarily or by order of a court in a judicial proceeding instituted by the Secretary under subsection (a)(2) or (a)(5). The Secretary may, in the Secretary's sole discretion, extend the 30-day period described in the preceding sentence.''.

(c) OTHER RULES.—Section 502(l) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1132(l)) is amended by adding at the end the following:

''(5) A person shall be jointly and severally liable for the penalty described in paragraph (1) to the same extent that such person is

jointly and severally liable for the applicable recovery amount on which the penalty is based.

''(6) No penalty shall be assessed under this subsection unless the person against whom the penalty is assessed is given notice and opportunity for a hearing with respect to the violation and applicable recovery amount.''.

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section shall apply to any breach of fiduciary responsibility or other violation of part 4 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 occurring on or after the date of enactment of this Act.

(2) TRANSITION RULE.—In applying the amendment made by subsection (b) (relating to applicable recovery amount), a breach or other violation occurring before the date of enactment of this Act which continues after the 180th day after such date (and which may have been discontinued at any time during its existence) shall be treated as having occurred after such date of enactment.

SEC. 405. PENALTY TAX RELIEF FOR SOUND PENSION FUNDING.

(a) IN GENERAL.—Subsection (c) of section 4972 (relating to nondeductible contributions) is amended by adding at the end the following new paragraph:

''(7) DEFINED BENEFIT PLAN EXCEPTION.—In determining the amount of nondeductible contributions for any taxable year, an employer may elect for such year not to take into account any contributions to a defined benefit plan except to the extent that such contributions exceed the full-funding limitation (as defined in section 412(c)(7), determined without regard to subparagraph (A)(i)(I) thereof). For purposes of this paragraph, the deductible limits under section 404(a)(7) shall first be applied to amounts contributed to defined contribution plans and then to amounts described in this paragraph. If an employer makes an election under this paragraph for a taxable year, paragraph (6) shall not apply to such employer for such taxable year.''.

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

SEC. 406. PROTECTION OF INVESTMENT OF EMPLOYEE CONTRIBUTIONS TO 401(K) PLANS.

(a) IN GENERAL.—Section 1524(b) of the Taxpayer Relief Act of 1997 is amended to read as follows:

''(b) EFFECTIVE DATE.—

''(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to elective deferrals for plan years beginning after December 31, 1998.

''(2) NONAPPLICATION TO PREVIOUSLY ACQUIRED PROPERTY.—The amendments made by this section shall not apply to any elective deferral if such deferral is used for the payment of indebtedness incurred before January 1, 1999 (or any refinancing thereof) on the acquisition by the plan of employer securities or employer real property—

''(A) before January 1, 1999, or

''(B) after such date pursuant to a written contract which was binding on such date and at all times thereafter on such plan.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply as if included in the provision of the Taxpayer Relief Act of 1997 to which it relates.

SEC. 407. NOTICE OF SIGNIFICANT REDUCTION IN BENEFIT ACCRUALS.

(a) IN GENERAL.—Subsection (h) of section 204 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1054) is amended to read as follows:

''(h) NOTICE OF SIGNIFICANT REDUCTION IN BENEFIT ACCRUALS.—

''(1) If a plan described in paragraph (4) is amended to provide for a significant reduction in the rate of future benefit accrual, the plan administrator shall provide a notice to—

''(A) each affected participant in the plan,

''(B) each affected beneficiary who is an alternate payee (within the meaning of section 206(d)(3)(K)) under an applicable qualified domestic relations order (within the meaning of section 206(d)(3)(B)(i)), and

''(C) each employee organization representing affected participants in the plan, except that such notice shall instead be provided to a person designated to receive such notice on behalf of any person referred to in paragraph (A), (B), or (C). For purposes of this paragraph, an affected participant or beneficiary is a participant or beneficiary to whom the significant reduction described in this paragraph is reasonably expected to apply.

''(2) The notice required by paragraph (1) shall—

''(A) include the plan amendment, or a summary of such plan amendment, and its effective date, and

''(B) provide a notification and description of the reduction described in paragraph (1).

A notification and description shall not fail to satisfy paragraph (2)(B) by reason of a failure to provide the specific amount of the reduction with respect to any participant or beneficiary.

''(3) The notice required by paragraph (1) shall be provided no less than 30 days prior to the effective date of the plan amendment.

''(4) A plan is described in this paragraph if such plan is—

''(A) a defined benefit plan, or

''(B) an individual account plan which is subject to the funding standards of section 302.

''(5) In the case of a material failure to comply with requirements of this subsection with respect to more than a de minimis number of persons described in paragraph (1), the plan amendment to which the failure relates shall not be effective with respect to such persons for any period prior to the expiration of 30 days following the date on which a notice is provided in accordance with this subsection. For purposes of this paragraph, the term 'material failure' includes any failure that results in materially less information being provided to the persons described in paragraph (1).''.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to plan amendments that are adopted more than 120 days after the date of enactment of this Act.

TITLE V—REDUCING REGULATORY BURDENS

SEC. 501. INTERMEDIATE SANCTIONS FOR INADVERTENT FAILURES.

(a) IN GENERAL.—Section 401(a) (relating to qualified pension, profit-sharing, and stock bonus plans) is amended by inserting after paragraph (34) the following:

''(35) PROTECTION FROM DISQUALIFICATION UPON TIMELY CORRECTION OR PAYMENT OF FINE.—A trust shall not fail to constitute a qualified trust under this section if the plan of which such trust is a part has made good faith efforts to meet the requirements of this section, has inadvertently failed to satisfy 1 or more of such requirements, and either—

''(A) substantially corrects (to the extent possible) such failure before the date the plan becomes subject to a plan examination for the applicable year (as determined under rules prescribed by the Secretary), or

''(B) substantially corrects (to the extent possible) such failure on or after such date.

If the plan satisfies the requirement under subparagraph (B), the Secretary may require the sponsoring employer to make a payment to the Secretary in an amount that does not exceed an amount that bears a reasonable relationship to the severity of the plan's failure to satisfy the requirements of this section.''.

(b) APPLICATION TO CASH OR DEFERRED ARRANGEMENTS.—Section 401(k) is amended by inserting after paragraph (12) the following new paragraph:

''(13) PROTECTION FROM DISQUALIFICATION.—Rules similar to the rules set forth in section 401(a)(35) shall apply for purposes of determining whether a cash or deferred arrangement is a qualified cash or deferred arrangement.''.

(c) APPLICATION TO SECTION 403(b) ANNUITY CONTRACTS.—Section 403(b) is amended by inserting after paragraph (12) the following:

''(13) CORRECTION OF ERRORS.—For purposes of determining whether the exclusion from gross income under paragraph (1) is applicable to an employee for any taxable year, rules similar to the rules set forth in section 401(a)(35) shall apply to any annuity contract purchased under this subsection or any plan established to meet the requirements of this subsection.''.

(d) INCOME INCLUSION FOR DISQUALIFICATION NOT APPLICABLE TO NONHIGHLY COMPENSATED EMPLOYEES.—Section 402(b) (relating to taxability of beneficiary of nonexempt trust) is amended by striking paragraph (4) and inserting the following:

''(4) INCOME INCLUSION FOR DISQUALIFICATION NOT APPLICABLE TO NONHIGHLY COMPENSATED EMPLOYEES.—Paragraphs (1) and (2) shall not apply to employees who are not highly compensated employees.

''(5) FAILURE TO MEET REQUIREMENTS OF SECTION 401(a)(26) OR 410(b).—If 1 of the reasons a trust is not exempt from tax under section 501(a) is the failure of the plan to meet the requirements of section 401(a)(26) or 410(b), then a highly compensated employee shall, in lieu of the amount determined under paragraph (1) or (2), include in gross income for the taxable year with or within which the taxable year of the trust ends an amount equal to the vested accrued benefit of such employee (other than the employee's investment in the contract) as of the close of such taxable year of the trust.

''(6) HIGHLY COMPENSATED EMPLOYEE.—For purposes of this subsection, the term 'highly compensated employee' has the meaning given such term by section 414(q).''.

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of enactment of this Act.

SEC. 502. REPEAL OF THE MULTIPLE USE TEST.

(a) IN GENERAL.—Paragraph (9) of section 401(m) is amended to read as follows:

''(9) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this subsection and subsection (k), including regulations permitting appropriate aggregation of plans and contributions.''.

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

SEC. 503. SAFETY VALVE FROM MECHANICAL RULES.

(a) IN GENERAL.—The Secretary of the Treasury, by regulation, shall provide that the plan shall be deemed to satisfy the requirements of section 401(a)(4) of the Internal Revenue Code of 1986 if such plan satisfies the facts and circumstances test under section 401(a)(4) of such Code, as in effect before January 1, 1994, if—

(1) the plan satisfies conditions prescribed by the Secretary to appropriately limit the availability of such test, and

(2) the plan is submitted to the Secretary for a determination of whether it satisfies such test.

Paragraph (2) shall only apply to the extent provided by the Secretary.

(b) EFFECTIVE DATES.—

(1) REGULATIONS.—The regulation required by subsection (a) shall apply to years beginning after December 31, 2000.

(2) CONDITIONS OF AVAILABILITY.—Any condition of availability prescribed by the Secretary under subsection (a)(1) shall not apply before the first year beginning not less than 120 days after the date on which such condition is prescribed.

SEC. 504. REFORM OF THE LINE OF BUSINESS RULES.

(a) REPEAL OF GATEWAY TEST.—Paragraph (5) of section 410(b) is amended to read as follows:

''(5) LINE OF BUSINESS EXCEPTION.—If, under section 414(r), an employer is treated as operating separate lines of business for a year, the employer may apply the requirements of this subsection for such year separately with respect to employees in each separate line of business.''.

(b) REGULATIONS.—The Secretary of the Treasury shall modify the regulations issued under section 414(r) of the Internal Revenue Code of 1986 (relating to special rules for separate line of business) to—

(1) simplify the administrability of the rules for both the Secretary and plans, and

(2) permit employees to be allocated among lines of business based on all the facts and circumstances.

(c) EFFECTIVE DATES.—

(1) REPEAL.—The repeal made by subsection (a) shall apply to years beginning after December 31, 2000.

(2) REGULATIONS.—The regulations modified under subsection (b) shall apply to years beginning after December 31, 2000.

SEC. 505. COVERAGE TEST FLEXIBILITY.

(a) IN GENERAL.—Paragraph (1) of section 410(b) is amended by adding at the end the following:

''(D) In the case that the plan fails to meet the requirements of subparagraphs (A), (B) and (C), the plan—

''(i) satisfies subparagraph (B), as in effect immediately before the enactment of the Tax Reform Act of 1986,

''(ii) is submitted to the Secretary for a determination of whether it satisfies the requirement described in clause (i), and

''(iii) satisfies conditions prescribed by the Secretary by regulation that appropriately limit the availability of this subparagraph.

Clause (ii) shall apply only to the extent provided by the Secretary.''.

(b) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendment made by subsection (a) shall apply to years beginning after December 31, 2000.

(2) CONDITIONS OF AVAILABILITY.—Any condition of availability prescribed by the Secretary under regulations prescribed by the Secretary under section 410(a)(1)(D) of the Internal Revenue Code of 1986 shall not apply before the first year beginning not less than 120 days after the date on which such condition is prescribed.

SEC. 506. INCREASE IN RETIREMENT PLAN CASH-OUT AMOUNT.

(a) AMENDMENTS TO 1986 CODE.—Section 411(a)(11) (relating to restrictions on certain mandatory distributions) is amended by adding at the end the following:

''(D) INFLATION ADJUSTMENT.—In the case of any plan year beginning in a calendar year after 1999, the Secretary shall adjust annually the $5,000 amount contained in subparagraph (A) for increases in the cost of living at the same time and in the same manner as adjustments under section 415(d); except that the base period shall be the calendar quarter ending September 30, 1999, and any increase which is not a multiple of $500 shall be rounded to the next lowest multiple of $500.''.

(b) AMENDMENTS TO ERISA.—Section 203(e) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1053(e)) is amended by adding at the end the following:

''(4) INFLATION ADJUSTMENT.—In the case of any plan year beginning in a calendar year after 1999, the Secretary shall adjust annually the $5,000 amount contained in paragraph (1) for increases in the cost of living at the same time and in the same manner as adjustments under section 415(d) of the Internal Revenue Code of 1986; except that the base period shall be the calendar quarter ending September 30, 1999, and any increase which is not a multiple of $500 shall be rounded to the next lowest multiple of $500.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning on or after the date of enactment of this Act.

SEC. 507. MODIFICATION OF TIMING OF PLAN VALUATIONS.

(a) IN GENERAL.—Section 412(c)(9) (relating to annual valuation) is amended—

(1) by striking ''For purposes'' and inserting the following:

''(A) IN GENERAL.—For purposes'', and

(2) by adding at the end the following:

''(B) ELECTION TO USE PRIOR YEAR VALUATION.—

''(i) IN GENERAL.—If, for any plan year—

''(I) an election is in effect under this subparagraph with respect to a plan, and

''(II) the assets of the plan are not less than 125 percent of the plan's current liability (as defined in paragraph (7)(B)), determined as of the valuation date for the preceding plan year, then this section shall be applied using the information available as of such valuation date.

''(ii) ADJUSTMENTS.—Information under clause (i) shall, in accordance with regulations, be actuarially adjusted to reflect significant differences in participants.

''(iii) ELECTION.—An election under this subparagraph, once made, shall be irrevocable without the consent of the Secretary.''.

(b) AMENDMENTS TO ERISA.—Paragraph (9) of section 302(c) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1053(c)) is amended—

(1) by inserting ''(A)'' after ''(9)'', and

(2) by adding at the end the following:

''(B)(i) If, for any plan year—

''(I) an election is in effect under this subparagraph with respect to a plan, and

''(II) the assets of the plan are not less than 125 percent of the plan's current liability (as defined in paragraph (7)(B)), determined as of the valuation date for the preceding plan year,

then this section shall be applied using the information available as of such valuation date.

''(ii) Information under clause (i) shall, in accordance with regulations, be actuarially adjusted to reflect significant differences in participants.

''(iii) An election under this subparagraph, once made, shall be irrevocable without the consent of the Secretary of the Treasury.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning on or after the date of enactment of this Act.

SEC. 508. SECTION 457 INAPPLICABLE TO CERTAIN MIRROR PLANS.

(a) IN GENERAL.—Subsection (e) of section 457 (relating to deferred compensation plans of State and local governments and tax-exempt organizations) is amended by adding at the end the following new paragraph:

''(17) This section shall not apply to a plan, program, or arrangement maintained solely for the purposes of providing retirement benefits for employees in excess of the limitations imposed by sections 401(a)(17) or 415.''.

(b) CERTAIN DEFERRED COMPENSATION NOT TAKEN INTO ACCOUNT.—Subsection (c) of section 457 (relating to individuals who are participants in more than 1 plan) (as amended by section 108(a)) is amended by adding at the end the following: ''This section shall be applied without regard to a plan, program, or arrangement described in subsection (e)(17).''.

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

SEC. 509. SUBSTANTIAL OWNER BENEFITS IN TERMINATED PLANS.

(a) MODIFICATION OF PHASE-IN OF GUARANTEE.—Section 4022(b)(5) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1322(b)(5)) is amended to read as follows:

''(5)(A) For purposes of this paragraph, the term 'majority owner' means an individual who, at any time during the 60-month period ending on the date the determination is being made—

''(i) owns the entire interest in an unincorporated trade or business,

''(ii) in the case of a partnership, is a partner who owns, directly or indirectly, 50 percent or more of either the capital interest or the profits interest in such partnership, or

''(iii) in the case of a corporation, owns, directly or indirectly, 50 percent or more in value of either the voting stock of that corporation or all the stock of that corporation. For purposes of clause (iii), the constructive ownership rules of section 1563(e) of the Internal Revenue Code of 1986 shall apply (determined without regard to section 1563(e)(3)(C)).

''(B) In the case of a participant who is a majority owner, the amount of benefits guaranteed under this section shall equal the product of—

''(i) a fraction (not to exceed 1) the numerator of which is the number of years from the later of the effective date or the adoption date of the plan to the termination date, and the denominator of which is 10, and

''(ii) the amount of benefits that would be guaranteed under this section if the participant were not a majority owner.''.

(b) MODIFICATION OF ALLOCATION OF ASSETS.—

(1) Section 4044(a)(4)(B) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1344(a)(4)(B)) is amended by striking ''section 4022(b)(5)'' and inserting ''section 4022(b)(5)(B)''.

(2) Section 4044(b) of such Act (29 U.S.C. 1344(b)) is amended—

(A) by striking ''(5)'' in paragraph (2) and inserting ''(4), (5),'', and

(B) by redesignating paragraphs (3) through (6) as paragraphs (4) through (7), respectively, and by inserting after paragraph (2) the following:

''(3) If assets available for allocation under paragraph (4) of subsection (a) are insufficient to satisfy in full the benefits of all individuals who are described in that paragraph, the assets shall be allocated first to benefits described in subparagraph (A) of that paragraph. Any remaining assets shall then be allocated to benefits described in subparagraph (B) of that paragraph. If assets allocated to such subparagraph (B) are insufficient to satisfy in full the benefits described in that subparagraph, the assets shall be allocated pro rata among individuals on the basis of the present value (as of the termination date) of their respective benefits described in that subparagraph.''.

(c) CONFORMING AMENDMENTS.—

(1) Section 4021 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1321) is amended—

(A) in subsection (b)(9), by striking ''as defined in section 4022(b)(6)'', and

(B) by adding at the end the following:

''(d) For purposes of subsection (b)(9), the term ''substantial owner'' means an individual who, at any time during the 60-month period ending on the date the determination is being made—

''(1) owns the entire interest in an unincorporated trade or business,

''(2) in the case of a partnership, is a partner who owns, directly or indirectly, more than 10 percent of either the capital interest or the profits interest in such partnership, or

''(3) in the case of a corporation, owns, directly or indirectly, more than 10 percent in value of either the voting stock of that corporation or all the stock of that corporation. For purposes of paragraph (3), the constructive ownership rules of section 1563(e) of the Internal Revenue Code of 1986 shall apply (determined without regard to section 1563(e)(3)(C)).''.

(2) Section 4043(c)(7) of such Act (29 U.S.C. 1343(c)(7)) is amended by striking ''section 4022(b)(6)'' and inserting ''section 4021(d)''.

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to plan terminations—

(A) under section 4041(c) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1341(c)) with respect to which notices of intent to terminate are provided under section 4041(a)(2) of such Act (29 U.S.C. 1341(a)(2)) on or after the date of enactment of this Act, and

(B) under section 4042 of such Act (29 U.S.C. 1342) with respect to which proceedings are instituted by the corporation on or after such date.

(2) CONFORMING AMENDMENTS.—The amendments made by subsection (c) shall take effect on the date of enactment of this Act.

SEC. 510. ESOP DIVIDENDS MAY BE REINVESTED WITHOUT LOSS OF DIVIDEND DEDUCTION.

(a) IN GENERAL.—Section 404(k)(2)(A) (defining applicable dividends) is amended by striking ''or'' at the end of clause (ii), by redesignating clause (iii) as clause (iv), and by inserting after clause (ii) the following new clause:

''(iii) is, at the election of such participants or their beneficiaries—

''(I) payable as provided in clause (i) or (ii), or

''(II) paid to the plan and reinvested in qualifying employer securities, or''.

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

SEC. 511. MODIFICATION OF 403(b) EXCLUSION ALLOWANCE TO CONFORM TO 415 MODIFICATION.

The Secretary of the Treasury shall modify the regulations regarding the exclusion allowance under section 403(b)(2) of the Internal Revenue Code of 1986 to render void the requirement that contributions to a defined benefit pension plan be treated as previously excluded amounts for purposes of the exclusion allowance. For taxable years beginning after December 31, 1999, such regulations shall be applied as if such requirement were void.

SEC. 512. TREATMENT OF MULTIEMPLOYER PLANS UNDER SECTION 415.

(a) COMPENSATION LIMIT.—Paragraph (11) of section 415(b) (relating to limitation for defined benefit plans) is amended to read as follows:

''(11) SPECIAL LIMITATION RULE FOR GOVERNMENTAL AND MULTIEMPLOYER PLANS.—In the case of a governmental plan (as defined in section 414(d)) or a multiemployer plan (as defined in section 414(f)), subparagraph (B) of paragraph (1) shall not apply.''.

(b) EXEMPTION FOR SURVIVOR AND DISABILITY BENEFITS.—Subparagraph (I) of section 415(b)(2) (relating to limitation for defined benefit plans) is amended—

(1) by inserting ''or a multiemployer plan (as defined in section 414(f))'' after ''section 414(d))'' in clause (i),

(2) by inserting ''or multiemployer plan'' after ''governmental plan'' in clause (ii), and

(3) by inserting ''AND MULTIEMPLOYER'' after ''GOVERNMENTAL'' in the heading.

(c) COMBINING AND AGGREGATION OF PLANS.—

(1) COMBINING OF PLANS.—Subsection (f) of section 415 (relating to combining of plans) is amended by adding at the end the following:

''(3) EXCEPTION FOR MULTIEMPLOYER PLANS.—Notwithstanding paragraph (1) and subsection (g), a multiemployer plan (as defined in section 414(f)) shall not be combined or aggregated with any other plan maintained by an employer for purposes of applying the limitations established in this section.''.

(2) CONFORMING AMENDMENT FOR AGGREGATION OF PLANS.—Subsection (g) of section 415 (relating to aggregation of plans) is amended by striking ''The Secretary'' and inserting ''Except as provided in subsection (f)(3), the Secretary''.

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

SEC. 513. ELIMINATION OF PARTIAL TERMINATION RULES FOR MULTIEMPLOYER PLANS.

(a) PARTIAL TERMINATION RULES FOR MULTIEMPLOYER PLANS.—Section 411(d)(3) (relating to termination or partial termination; discontinuance of contributions) is amended by adding at the end the following new sentence: ''This paragraph shall not apply in the case of a partial termination of a multiemployer plan.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to partial terminations beginning after December 31, 1999.

SEC. 514. NOTICE AND CONSENT PERIOD REGARDING DISTRIBUTIONS.

(a) EXPANSION OF PERIOD.—

(1) IN GENERAL.—

(A) Subparagraph (A) of section 417(a)(6) is amended by striking ''90-day'' and inserting ''one-year''.

(B) Subparagraph (A) of section 205(c)(7) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1055) is amended by striking ''90-day'' and inserting ''one-year''.

(2) MODIFICATION OF REGULATIONS.—The Secretary of the Treasury shall modify the regulations under sections 402(f), 411(a)(11), and 417 of the Internal Revenue Code of 1986 to substitute ''one year'' for ''90 days'' each place it appears in Treasury Regulations sections 1.402(f)–1, 1.411(a)–11(c), and 1.417(e)–1(b).

(3) EFFECTIVE DATE.—The amendments made by paragraph (1) and the modifications required by paragraph (2) shall apply to years beginning after December 31, 1999.

(b) CONSENT REGULATION INAPPLICABLE TO CERTAIN DISTRIBUTIONS.—

(1) IN GENERAL.—The Secretary of the Treasury shall modify the regulations under section 411(a)(11) of the Internal Revenue Code of 1986 to provide that the description of a participant's right, if any, to defer receipt of a distribution shall also describe the consequences of failing to defer such receipt.

(2) EFFECTIVE DATE.—The modifications required by paragraph (1) shall apply to years beginning after December 31, 1999.

SEC. 515. CONFORMING AMENDMENTS RELATING TO ELECTION TO RECEIVE TAXABLE CASH COMPENSATION IN LIEU OF NONTAXABLE PARKING BENEFITS.

(a) IN GENERAL.—

(1) Clause (ii) of section 415(c)(3)(D) and subparagraph (B) of section 403(b)(3) are each amended by striking ''section 125 or'' and inserting ''section 125, 132(f)(4), or''.

(2) Paragraph (2) of section 414(s) is amended by striking ''section 125, 402(e)(3)'' and inserting ''section 125, 132(f)(4), 402(e)(3)''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect as if included in the amendment made by section 1072 of the Taxpayer Relief Act of 1997.

SEC. 516. EXTENSION TO INTERNATIONAL ORGANIZATIONS OF MORATORIUM ON APPLICATION OF CERTAIN NONDISCRIMINATION RULES APPLICABLE TO STATE AND LOCAL PLANS.

(a) IN GENERAL.—Subparagraph (G) of section 401(a)(5), subparagraph (H) of section 401(a)(26), subparagraph (G) of section 401(k)(3), and paragraph (2) of section 1505(d) of the Taxpayer Relief Act of 1997 are each amended by inserting ''or by an international organization which is described in section 414(d)'' after ''or instrumentality thereof)''.

(b) CONFORMING AMENDMENTS.—

(1) The headings for subparagraph (G) of section 401(a)(5) and subparagraph (H) of section 401(a)(26) are each amended by inserting ''AND INTERNATIONAL ORGANIZATION'' after ''GOVERNMENTAL''.

(2) Subparagraph (G) of section 401(k)(3) is amended by inserting ''STATE AND LOCAL GOVERNMENTAL AND INTERNATIONAL ORGANIZATION PLANS.—'' after ''(G)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the amendment made by section 1505 of the Taxpayer Relief Act of 1997.

SEC. 517. EMPLOYEES OF TAX-EXEMPT ENTITIES.

(a) IN GENERAL.—The Secretary of the Treasury shall modify Treasury Regulations section 1.410(b)–6(g) to provide that employees of an organization described in section 403(b)(1)(A)(i) of the Internal Revenue Code of 1986 who are eligible to make contributions under section 403(b) pursuant to a salary reduction agreement may be treated as excludable with respect to a plan under section 401(k), or section 401(m) of such Code that is provided under the same general arrangement as a plan under such section 401(k), if—

(1) no employee of an organization described in section 403(b)(1)(A)(i) of such Code is eligible to participate in such section 401(k) plan or section 401(m) plan, and

(2) 95 percent of the employees who are not employees of an organization described in section 403(b)(1)(A)(i) of such Code are eligible to participate in such section 401(k) plan or section 401(m) plan.

(b) EFFECTIVE DATE.—The modification required by subsection (a) shall apply as of the same date set forth in section 1426(b) of the Small Business Job Protection Act of 1996.

SEC. 518. PERMISSIVE AGGREGATION OF COLLECTIVE BARGAINING UNITS.

(a) IN GENERAL.—Paragraph (3) of section 410(b) is amended by inserting the following immediately before the last sentence thereof: ''Solely for purposes of applying this subsection to employees who are not described in subparagraph (A), an employer may elect to have subparagraph (A) not apply to one or more units of employees who are described in subparagraph (A).''.

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

SEC. 519. REPEAL OF TRANSITION RULE RELATING TO CERTAIN HIGHLY COMPENSATED EMPLOYEES.

(a) IN GENERAL.—Paragraph (4) of section 1114(c)(4) of the Tax Reform Act of 1986 is hereby repealed.

(b) EFFECTIVE DATE.—The repeal made by subsection (a) shall apply to plan years beginning on or after January 1, 2000.

SEC. 520. CLARIFICATION OF TREATMENT OF EMPLOYER-PROVIDED RETIREMENT ADVICE.

(a) IN GENERAL.—Section 132(e) (defining de minimis fringe) is amended by adding at the end the following:

''(3) TREATMENT OF CERTAIN RETIREMENT PLANNING SERVICES.—The provision of retirement planning services by an employer to employees, to the extent not described in subsection (d), shall be treated as a de minimis fringe.''.

(b) NO CONSTRUCTIVE RECEIPT.—Section 132 is amended by redesignating subsection (m) as subsection (n) and by inserting after subsection (l) the following:

''(m) RETIREMENT PLANNING.—

''(1) IN GENERAL.—No amount shall be included in the gross income of an employee solely because the employee may choose between any retirement planning fringe and compensation which would otherwise be includible in the gross income of such employee.

''(2) NONDISCRIMINATION REQUIREMENT.—Paragraph (1) shall apply to a highly compensated employee only if the choice described in such paragraph is available on substantially the same terms to each member of a group of employees which is defined under a reasonable classification set up by the employer which does not discriminate in favor of highly compensated employees.

''(3) RETIREMENT PLANNING FRINGE.—For purposes of this subsection, the term 'retirement planning fringe' means any retirement planning services provided by an employer to an employee which are not included in the gross income of the employee by reason of subsection (d) or (e).''.

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

SEC. 521. ANNUAL REPORT DISSEMINATION.

(a) IN GENERAL.—Section 104(b)(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1024(b)(3)) is amended by striking ''shall furnish'' and inserting ''shall make available for examination (and, upon request, shall furnish)''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to reports for years beginning after December 31, 1998.

SEC. 522. EXCESS BENEFIT PLANS.

(a) IN GENERAL.—Section 3(36) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(36)) is amended to read as follows:

''(36) The term 'excess benefit plan' means a plan, without regard to whether such plan is funded, maintained by an employer solely for the purpose of providing benefits to employees in excess of the limitations imposed by 1 or more of sections 401(a)(17), 401(k), 401(m), 402(g), 403(b), 408(k), 408(p), or 415 of the Internal Revenue Code of 1986 or any other limitation on contributions or benefits in such Code on plans to which any of such sections apply. To the extent that a separable part of a plan (as determined by the Secretary of Labor) maintained by an employer is maintained for such purpose, that part shall be treated as a separate plan which is an excess benefit plan.''.

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

SEC. 523. BENEFIT SUSPENSION NOTICE.

(a) MODIFICATION OF REGULATION.—The Secretary of Labor shall modify the regulation under section 203(a)(3)(B) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1053(a)(3)(B)) to provide that the notification required by such regulation—

(1) may be included in the summary plan description for the plan furnished in accordance with section 104(b) of such Act (29 U.S.C. 1024(b)), rather than in a separate notice, and

(2) need not include a copy of the relevant plan provisions.

(b) EFFECTIVE DATE.—The modification made under subsection (a) shall apply to plan years beginning after December 31, 1999.

SEC. 524. PROVISIONS RELATING TO PLAN AMENDMENTS.

(a) IN GENERAL.—If this section applies to any plan or contract amendment—

(1) such plan or contract shall be treated as being operated in accordance with the terms of the plan during the period described in subsection (b)(2)(A), and

(2) such plan shall not fail to meet the requirements of section 411(d)(6) of the Internal Revenue Code of 1986 or section 204(g) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1054(g)) by reason of such amendment.

(b) AMENDMENTS TO WHICH SECTION APPLIES.—

(1) IN GENERAL.—This section shall apply to any amendment to any plan or annuity contract which is made—

(A) pursuant to any amendment made by this Act, or pursuant to any regulation issued under this Act, and

(B) on or before the last day of the first plan year beginning on or after January 1, 2002.

In the case of a government plan (as defined in section 414(d) of the Internal Revenue Code of 1986 and section 3(32) of the Employee Retirement Income Security Act of 1974), this paragraph shall be applied by substituting ''2004'' for ''2002''.

(2) CONDITIONS.—This section shall not apply to any amendment unless—

(A) during the period—

(i) beginning on the date the legislative or regulatory amendment described in paragraph (1)(A) takes effect (or in the case of a plan or contract amendment not required by such legislative or regulatory amendment, the effective date specified by the plan), and

(ii) ending on the date described in paragraph (1)(B) (or, if earlier, the date the plan or contract amendment is adopted),

the plan or contract is operated as if such plan or contract amendment were in effect, and

(B) such plan or contract amendment applies retroactively for such period.

SEC. 525. REPORTING SIMPLIFICATION.

(a) SIMPLIFIED ANNUAL FILING REQUIREMENT FOR OWNERS AND THEIR SPOUSES.—

(1) IN GENERAL.—The Secretary of the Treasury shall modify the requirements for filing annual returns with respect to one-participant retirement plans to ensure that such plans with assets of $500,000 or less as of the close of the plan year need not file a return for that year.

(2) ONE-PARTICIPANT RETIREMENT PLAN DEFINED.—For purposes of this subsection, the term ''one-participant retirement plan'' means a retirement plan that—

(A) on the first day of the plan year—

(i) covered only the employer (and the employer's spouse) and the employer owned the entire business (whether or not incorporated), or

(ii) covered only one or more partners (and their spouses) in a business partnership (including partners in an S or C corporation),

(B) meets the minimum coverage requirements of section 410(b) of the Internal Revenue Code of 1986 without being combined with any other plan of the business that covers the employees of the business,

(C) does not provide benefits to anyone except the employer (and the employer's spouse) or the partners (and their spouses),

(D) does not cover a business that is a member of an affiliated service group, a controlled group of corporations, or a group of businesses under common control, and

(E) does not cover a business that leases employees.

(3) OTHER DEFINITIONS.—Terms used in paragraph (2) which are also used in section 414 of the Internal Revenue Code of 1986 shall have the respective meanings given such terms by such section.

(b) SIMPLIFIED ANNUAL FILING REQUIREMENT FOR PLANS WITH FEWER THAN 25 EMPLOYEES.—In the case of a retirement plan which covers less than 25 employees on the 1st day of the plan year and meets the requirements described in subparagraphs (B), (D), and (E) of subsection (a)(2), the Secretary of the Treasury shall provide for the filing of a simplified annual return that is substantially similar to the annual return required to be filed by a one-participant retirement plan.

SEC. 526. MODEL PLANS FOR SMALL BUSINESSES.

(a) IN GENERAL.—Not later than December 31, 2000, the Secretary of the Treasury is directed to issue at least one model defined contribution plan and at least one model defined benefit plan that fit the needs of small businesses and that shall be treated as meeting the requirements of section 401(a) of the Internal Revenue Code of 1986 with respect to the form of the plan. To the extent that the requirements of section 401(a) of such Code are modified after the issuance of such plans, the Secretary of the Treasury shall, in a timely manner, issue model amendments that, if adopted in a timely manner by an employer that has a model plan in effect, shall cause such model plan to be treated as meeting the requirements of section 401(a) of such Code, as modified, with respect to the form of the plan.

(b) MASTER AND PROTOTYPE PLAN ALTERNATIVE.—The Secretary of the Treasury may, in its discretion, satisfy the requirements of subsection (a) through the enhancement and simplification of the Secretary's programs for master and prototype plans in such a manner as to achieve the purposes of subsection (a).

The SPEAKER pro tempore. In lieu of the amendment recommended by the Committee on Education and the Workforce printed in House Report 106–331 accompanying the bill H.R. 1102, an amendment in the nature of a substitute recommended by the Committee on Ways and Means printed in H.R. 4843 is adopted.

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

H.R. 4843

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

SECTION 1. SHORT TITLE; REFERENCES; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Comprehensive Retirement Security and Pension Reform Act of 2000''.

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

(c) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; references; table of contents.

TITLE I—INDIVIDUAL RETIREMENT ACCOUNT PROVISIONS

Sec. 101. Modification of IRA contribution limits.

TITLE II—EXPANDING COVERAGE

Sec. 201. Increase in benefit and contribution limits.
Sec. 202. Plan loans for subchapter S owners, partners, and sole proprietors.
Sec. 203. Modification of top-heavy rules.
Sec. 204. Elective deferrals not taken into account for purposes of deduction limits.
Sec. 205. Repeal of coordination requirements for deferred compensation plans of State and local governments and tax-exempt organizations.
Sec. 206. Elimination of user fee for requests to IRS regarding pension plans.
Sec. 207. Deduction limits.
Sec. 208. Option to treat elective deferrals as after-tax contributions.

TITLE III—ENHANCING FAIRNESS FOR WOMEN

Sec. 301. Catch-up contributions for individuals age 50 or over.
Sec. 302. Equitable treatment for contributions of employees to defined contribution plans.
Sec. 303. Faster vesting of certain employer matching contributions.
Sec. 304. Simplify and update the minimum distribution rules.
Sec. 305. Clarification of tax treatment of division of section 457 plan benefits upon divorce.
Sec. 306. Modification of safe harbor relief for hardship withdrawals from cash or deferred arrangements.

TITLE IV—INCREASING PORTABILITY FOR PARTICIPANTS

Sec. 401. Rollovers allowed among various types of plans.
Sec. 402. Rollovers of IRAs into workplace retirement plans.
Sec. 403. Rollovers of after-tax contributions.
Sec. 404. Hardship exception to 60-day rule.
Sec. 405. Treatment of forms of distribution.
Sec. 406. Rationalization of restrictions on distributions.
Sec. 407. Purchase of service credit in governmental defined benefit plans.
Sec. 408. Employers may disregard rollovers for purposes of cash-out amounts.
Sec. 409. Minimum distribution and inclusion requirements for section 457 plans.

TITLE V—STRENGTHENING PENSION SECURITY AND ENFORCEMENT

Sec. 501. Repeal of 150 percent of current liability funding limit.
Sec. 502. Maximum contribution deduction rules modified and applied to all defined benefit plans.
Sec. 503. Excise tax relief for sound pension funding.
Sec. 504. Excise tax on failure to provide notice by defined benefit plans significantly reducing future benefit accruals.
Sec. 505. Treatment of multiemployer plans under section 415.
Sec. 506. Prohibited allocations of stock in S corporation ESOP.

TITLE VI—REDUCING REGULATORY BURDENS

Sec. 601. Modification of timing of plan valuations.
Sec. 602. ESOP dividends may be reinvested without loss of dividend deduction.
Sec. 603. Repeal of transition rule relating to certain highly compensated employees.
Sec. 604. Employees of tax-exempt entities.
Sec. 605. Clarification of treatment of employer-provided retirement advice.
Sec. 606. Reporting simplification.
Sec. 607. Improvement of employee plans compliance resolution system.
Sec. 608. Repeal of the multiple use test.
Sec. 609. Flexibility in nondiscrimination, coverage, and line of business rules.
Sec. 610. Extension to all governmental plans of moratorium on application of certain nondiscrimination rules applicable to State and local plans.
Sec. 611. Notice and consent period regarding distributions.

TITLE VII—PLAN AMENDMENTS

Sec. 701. Provisions relating to plan amendments.

TITLE I—INDIVIDUAL RETIREMENT ACCOUNTS

SEC. 101. MODIFICATION OF IRA CONTRIBUTION LIMITS.

(a) INCREASE IN CONTRIBUTION LIMIT.—

(1) IN GENERAL.—Paragraph (1)(A) of section 219(b) (relating to maximum amount of deduction) is amended by striking ''$2,000'' and inserting ''the deductible amount''.

(2) DEDUCTIBLE AMOUNT.—Section 219(b) is amended by adding at the end the following new paragraph:

''(5) DEDUCTIBLE AMOUNT.—For purposes of paragraph (1)(A)—

''(A) IN GENERAL.—The deductible amount shall be determined in accordance with the following table:

''For taxable years beginning in:	*The deductible amount is:*
2001	*$3,000*
2002	*$4,000*
2003 and thereafter	*$5,000.*

''(B) CATCH-UP CONTRIBUTIONS FOR INDIVIDUALS 50 OR OLDER.—In the case of an individual who has attained the age of 50 before the close of the taxable year, the deductible amount for taxable years beginning in 2001 or 2002 shall be $5,000.

''(C) COST-OF-LIVING ADJUSTMENT.—

''(i) IN GENERAL.—In the case of any taxable year beginning in a calendar year after 2003, the $5,000 amount under subparagraph (A) shall be increased by an amount equal to—

''(I) such dollar amount, multiplied by

''(II) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 2002' for 'calendar year 1992' in subparagraph (B) thereof.

''(ii) ROUNDING RULES.—If any amount after adjustment under clause (i) is not a multiple of $500, such amount shall be rounded to the next lower multiple of $500.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 408(a)(1) is amended by striking ''in excess of $2,000 on behalf of any individual'' and inserting ''on behalf of any individual in excess of the amount in effect for such taxable year under section 219(b)(1)(A)''.

(2) Section 408(b)(2)(B) is amended by striking ''$2,000'' and inserting ''the dollar amount in effect under section 219(b)(1)(A)''.

(3) Section 408(b) is amended by striking ''$2,000'' in the matter following paragraph (4) and inserting ''the dollar amount in effect under section 219(b)(1)(A)''.

(4) Section 408(j) is amended by striking ''$2,000''.

(5) Section 408(p)(8) is amended by striking ''$2,000'' and inserting ''the dollar amount in effect under section 219(b)(1)(A)''.

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

TITLE II—EXPANDING COVERAGE

SEC. 201. INCREASE IN BENEFIT AND CONTRIBUTION LIMITS.

(a) DEFINED BENEFIT PLANS.—

(1) DOLLAR LIMIT.—

(A) Subparagraph (A) of section 415(b)(1) (relating to limitation for defined benefit plans) is amended by striking ''$90,000'' and inserting ''$160,000''.

(B) Subparagraphs (C) and (D) of section 415(b)(2) are each amended by striking ''$90,000'' each place it appears in the headings and the text and inserting ''$160,000''.

(C) Paragraph (7) of section 415(b) (relating to benefits under certain collectively bargained plans) is amended by striking ''the greater of $68,212 or one-half the amount otherwise applicable for such year under paragraph (1)(A) for '$90,000'' and inserting ''one-half the amount otherwise applicable for such year under paragraph (1)(A) for '$160,000' ''.

(2) LIMIT REDUCED WHEN BENEFIT BEGINS BEFORE AGE 62.—Subparagraph (C) of section 415(b)(2) is amended by striking ''the social security retirement age'' each place it appears in the heading and text and inserting ''age 62''.

(3) LIMIT INCREASED WHEN BENEFIT BEGINS AFTER AGE 65.—Subparagraph (D) of section 415(b)(2) is amended by striking ''the social security retirement age'' each place it appears in the heading and text and inserting ''age 65''.

(4) COST-OF-LIVING ADJUSTMENTS.—Subsection (d) of section 415 (related to cost-of-living adjustments) is amended—

(A) by striking ''$90,000'' in paragraph (1)(A) and inserting ''$160,000''; and

(B) in paragraph (3)(A)—

(i) by striking ''$90,000'' in the heading and inserting ''$160,000''; and

(ii) by striking ''October 1, 1986'' and inserting ''July 1, 2000''.

(5) CONFORMING AMENDMENT.—Section 415(b)(2) is amended by striking subparagraph (F).

(b) DEFINED CONTRIBUTION PLANS.—

(1) DOLLAR LIMIT.—Subparagraph (A) of section 415(c)(1) (relating to limitation for defined contribution plans) is amended by striking ''$30,000'' and inserting ''$40,000''.

(2) COST-OF-LIVING ADJUSTMENTS.—Subsection (d) of section 415 (related to cost-of-living adjustments) is amended—

(A) by striking ''$30,000'' in paragraph (1)(C) and inserting ''$40,000''; and

(B) in paragraph (3)(D)—

(i) by striking ''$30,000'' in the heading and inserting ''$40,000''; and

(ii) by striking ''October 1, 1993'' and inserting ''July 1, 2000''.

(c) QUALIFIED TRUSTS.—

(1) COMPENSATION LIMIT.—Sections 401(a)(17), 404(l), 408(k), and 505(b)(7) are each amended by striking ''$150,000'' each place it appears and inserting ''$200,000''.

(2) BASE PERIOD AND ROUNDING OF COST-OF-LIVING ADJUSTMENT.—Subparagraph (B) of section 401(a)(17) is amended—

(A) by striking ''October 1, 1993'' and inserting ''July 1, 2000''; and

(B) by striking ''$10,000'' both places it appears and inserting ''$5,000''.

(d) ELECTIVE DEFERRALS.—

(1) IN GENERAL.—Paragraph (1) of section 402(g) (relating to limitation on exclusion for elective deferrals) is amended to read as follows:

''(1) IN GENERAL.—

''(A) LIMITATION.—Notwithstanding subsections (e)(3) and (h)(1)(B), the elective deferrals of any individual for any taxable year shall be included in such individual's gross income to the extent the amount of such deferrals for the taxable year exceeds the applicable dollar amount.

''(B) APPLICABLE DOLLAR AMOUNT.—For purposes of subparagraph (A), the applicable dollar amount shall be the amount determined in accordance with the following table:

''For taxable years beginning in calendar year:	*The applicable dollar amount:*
2001	*$11,000*
2002	*$12,000*
2003	*$13,000*
2004	*$14,000*
2005 or thereafter	*$15,000.''.*

(2) COST-OF-LIVING ADJUSTMENT.—Paragraph (5) of section 402(g) is amended to read as follows:

''(5) COST-OF-LIVING ADJUSTMENT.—In the case of taxable years beginning after December 31, 2005, the Secretary shall adjust the $15,000 amount under paragraph (1)(B) at the same time and in the same manner as under section 415(d), except that the base period shall be the calendar quarter beginning July 1, 2004, and any increase under this paragraph which is not a multiple of $500 shall be rounded to the next lowest multiple of $500.''.

(3) CONFORMING AMENDMENTS.—

(A) Section 402(g) (relating to limitation on exclusion for elective deferrals), as amended by paragraphs (1) and (2), is further amended by striking paragraph (4) and redesignating paragraphs (5), (6), (7), (8), and (9) as paragraphs (4), (5), (6), (7), and (8), respectively.

(B) Paragraph (2) of section 457(c) is amended by striking ''402(g)(8)(A)(iii)'' and inserting ''402(g)(7)(A)(iii)''.

(C) Clause (iii) of section 501(c)(18)(D) is amended by striking ''(other than paragraph (4) thereof)''.

(e) DEFERRED COMPENSATION PLANS OF STATE AND LOCAL GOVERNMENTS AND TAX-EXEMPT ORGANIZATIONS.—

(1) IN GENERAL.—Section 457 (relating to deferred compensation plans of State and local governments and tax-exempt organizations) is amended—

(A) in subsections (b)(2)(A) and (c)(1) by striking ''$7,500'' each place it appears and inserting ''the applicable dollar amount''; and

(B) in subsection (b)(3)(A) by striking ''$15,000'' and inserting ''twice the dollar amount in effect under subsection (b)(2)(A)''.

(2) APPLICABLE DOLLAR AMOUNT; COST-OF-LIVING ADJUSTMENT.—Paragraph (15) of section 457(e) is amended to read as follows:

''(15) APPLICABLE DOLLAR AMOUNT.—

''(A) IN GENERAL.—The applicable dollar amount shall be the amount determined in accordance with the following table:

''For taxable years beginning in calendar year:	The applicable dollar amount:
2001	$11,000
2002	$12,000
2003	$13,000
2004	$14,000
2005 or thereafter	$15,000.

''(B) COST-OF-LIVING ADJUSTMENTS.—In the case of taxable years beginning after December 31, 2005, the Secretary shall adjust the $15,000 amount specified in the table in subparagraph (A) at the same time and in the same manner as under section 415(d), except that the base period shall be the calendar quarter beginning July 1, 2004, and any increase under this paragraph which is not a multiple of $500 shall be rounded to the next lowest multiple of $500.''.

(f) SIMPLE RETIREMENT ACCOUNTS.—

(1) LIMITATION.—Clause (ii) of section 408(p)(2)(A) (relating to general rule for qualified salary reduction arrangement) is amended by striking ''$6,000'' and inserting ''the applicable dollar amount''.

(2) APPLICABLE DOLLAR AMOUNT.—Subparagraph (E) of 408(p)(2) is amended to read as follows:

''(E) APPLICABLE DOLLAR AMOUNT; COST-OF-LIVING ADJUSTMENT.—

''(i) IN GENERAL.—For purposes of subparagraph (A)(ii), the applicable dollar amount shall be the amount determined in accordance with the following table:

''For taxable years beginning in calendar year:	The applicable dollar amount:
2001	$7,000
2002	$8,000
2003	$9,000
2004 or thereafter	$10,000.

''(ii) COST-OF-LIVING ADJUSTMENT.—In the case of a year beginning after December 31, 2004, the Secretary shall adjust the $10,000 amount under clause (i) at the same time and in the same manner as under section 415(d), except that the base period taken into account shall be the calendar quarter beginning July 1, 2003, and any increase under this subparagraph which is not a multiple of $500 shall be rounded to the next lower multiple of $500.''.

(3) CONFORMING AMENDMENTS.—

(A) Clause (I) of section 401(k)(11)(B)(i) is amended by striking ''$6,000'' and inserting ''the amount in effect under section 408(p)(2)(A)(ii)''.

(B) Section 401(k)(11) is amended by striking subparagraph (E).

(g) ROUNDING RULE RELATING TO DEFINED BENEFIT PLANS AND DEFINED CONTRIBUTION PLANS.—Paragraph (4) of section 415(d) is amended to read as follows:

''(4) ROUNDING.—

''(A) $160,000 AMOUNT.—Any increase under subparagraph (A) of paragraph (1) which is not a multiple of $5,000 shall be rounded to the next lowest multiple of $5,000.

''(B) $40,000 AMOUNT.—Any increase under subparagraph (C) of paragraph (1) which is not a multiple of $1,000 shall be rounded to the next lowest multiple of $1,000.''.

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

SEC. 202. PLAN LOANS FOR SUBCHAPTER S OWNERS, PARTNERS, AND SOLE PROPRIETORS.

(a) IN GENERAL.—Subparagraph (B) of section 4975(f)(6) (relating to exemptions not to apply to certain transactions) is amended by adding at the end the following new clause:

''(iii) LOAN EXCEPTION.—For purposes of subparagraph (A)(i), the term 'owner-employee' shall only include a person described in subclause (II) or (III) of clause (i).''.

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

SEC. 203. MODIFICATION OF TOP-HEAVY RULES.

(a) SIMPLIFICATION OF DEFINITION OF KEY EMPLOYEE.—

(1) IN GENERAL.—Section 416(i)(1)(A) (defining key employee) is amended—

(A) by striking ''or any of the 4 preceding plan years'' in the matter preceding clause (i);

(B) by striking clause (i) and inserting the following:

''(i) an officer of the employer having an annual compensation greater than $150,000,'';

(C) by striking clause (ii) and redesignating clauses (iii) and (iv) as clauses (ii) and (iii), respectively; and

(D) by striking the second sentence in the matter following clause (iii), as redesignated by subparagraph (C).

(2) CONFORMING AMENDMENT.—Section 416(i)(1)(B)(iii) is amended by striking ''and subparagraph (A)(ii)''.

(b) MATCHING CONTRIBUTIONS TAKEN INTO ACCOUNT FOR MINIMUM CONTRIBUTION REQUIREMENTS.—Section 416(c)(2)(A) (relating to defined contribution plans) is amended by adding at the end the following: ''Employer matching contributions (as defined in section 401(m)(4)(A)) shall be taken into account for purposes of this subparagraph.''.

(c) DISTRIBUTIONS DURING LAST YEAR BEFORE DETERMINATION DATE TAKEN INTO ACCOUNT.—

(1) IN GENERAL.—Paragraph (3) of section 416(g) is amended to read as follows:

''(3) DISTRIBUTIONS DURING LAST YEAR BEFORE DETERMINATION DATE TAKEN INTO ACCOUNT.—

''(A) IN GENERAL.—For purposes of determining—

''(i) the present value of the cumulative accrued benefit for any employee, or

''(ii) the amount of the account of any employee,

such present value or amount shall be increased by the aggregate distributions made with respect to such employee under the plan during the 1-year period ending on the determination date. The preceding sentence shall also apply to distributions under a terminated plan which if it had not been terminated would have been required to be included in an aggregation group.

''(B) 5-YEAR PERIOD IN CASE OF IN-SERVICE DISTRIBUTION.—In the case of any distribution made for a reason other than separation from service, death, or disability, subparagraph (A) shall be applied by substituting '5-year period' for '1-year period'.''.

(2) BENEFITS NOT TAKEN INTO ACCOUNT.—Subparagraph (E) of section 416(g)(4) is amended—

(A) by striking ''LAST 5 YEARS'' in the heading and inserting ''LAST YEAR BEFORE DETERMINATION DATE''; and

(B) by striking ''5-year period'' and inserting ''1-year period''.

(d) DEFINITION OF TOP-HEAVY PLANS.—Paragraph (4) of section 416(g) (relating to other special rules for top-heavy plans) is amended by adding at the end the following new subparagraph:

''(H) CASH OR DEFERRED ARRANGEMENTS USING ALTERNATIVE METHODS OF MEETING NONDISCRIMINATION REQUIREMENTS.—The term 'top-heavy plan' shall not include a plan which consists solely of—

''(i) a cash or deferred arrangement which meets the requirements of section 401(k)(12), and

''(ii) matching contributions with respect to which the requirements of section 401(m)(11) are met.

If, but for this subparagraph, a plan would be treated as a top-heavy plan because it is a member of an aggregation group which is a top-heavy group, contributions under the plan may be taken into account in determining whether any other plan in the group meets the requirements of subsection (c)(2).''.

(e) FROZEN PLAN EXEMPT FROM MINIMUM BENEFIT REQUIREMENT.—Subparagraph (C) of section 416(c)(1) (relating to defined benefit plans) is amended—

(A) by striking ''clause (ii)'' in clause (i) and inserting ''clause (ii) or (iii)''; and

(B) by adding at the end the following:

''(iii) EXCEPTION FOR FROZEN PLAN.—For purposes of determining an employee's years of service with the employer, any service with the employer shall be disregarded to the extent that such service occurs during a plan year when the plan benefits (within the meaning of section 410(b)) no employee or former employee.''.

(f) ELIMINATION OF FAMILY ATTRIBUTION.—Section 416(i)(1)(B) (defining 5-percent owner) is amended by adding at the end the following new clause:

''(iv) FAMILY ATTRIBUTION DISREGARDED.—Solely for purposes of applying this paragraph (and not for purposes of any provision of this title which incorporates by reference the definition of a key employee or 5-percent owner under this paragraph), section 318 shall be applied without regard to subsection (a)(1) thereof in determining whether any person is a 5-percent owner.''.

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

SEC. 204. ELECTIVE DEFERRALS NOT TAKEN INTO ACCOUNT FOR PURPOSES OF DEDUCTION LIMITS.

(a) IN GENERAL.—Section 404 (relating to deduction for contributions of an employer to an employees' trust or annuity plan and compensation under a deferred payment plan) is amended by adding at the end the following new subsection:

''(n) ELECTIVE DEFERRALS NOT TAKEN INTO ACCOUNT FOR PURPOSES OF DEDUCTION LIMITS.—Elective deferrals (as defined in section 402(g)(3)) shall not be subject to any limitation contained in paragraph (3), (7), or (9) of subsection (a), and such elective deferrals shall not be taken into account in applying any such limitation to any other contributions.''.

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

SEC. 205. REPEAL OF COORDINATION REQUIREMENTS FOR DEFERRED COMPENSATION PLANS OF STATE AND LOCAL GOVERNMENTS AND TAX-EXEMPT ORGANIZATIONS.

(a) IN GENERAL.—Subsection (c) of section 457 (relating to deferred compensation plans of State and local governments and tax-exempt organizations), as amended by section 201, is amended to read as follows:

''(c) LIMITATION.—The maximum amount of the compensation of any one individual which may be deferred under subsection (a) during any taxable year shall not exceed the amount in effect under subsection (b)(2)(A) (as modified by any adjustment provided under subsection (b)(3)).''.

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

SEC. 206. ELIMINATION OF USER FEE FOR REQUESTS TO IRS REGARDING PENSION PLANS.

(a) ELIMINATION OF CERTAIN USER FEES.—The Secretary of the Treasury or the Secretary's delegate shall not require payment of user fees under the program established under section 7527 of the Internal Revenue Code of 1986 for requests to the Internal Revenue Service for determination letters with respect to the qualified status of a pension benefit plan maintained solely by one or more eligible employers or any trust which is part of the plan. The preceding sentence shall not apply to any request—

(1) made after the fifth plan year the pension benefit plan is in existence; or

(2) made by the sponsor of any prototype or similar plan which the sponsor intends to market to participating employers.

(b) PENSION BENEFIT PLAN.—For purposes of this section, the term ''pension benefit plan'' means a pension, profit-sharing, stock bonus, annuity, or employee stock ownership plan.

(c) ELIGIBLE EMPLOYER.—For purposes of this section, the term ''eligible employer'' has the same meaning given such term in section 408(p)(2)(C)(i)(I) of the Internal Revenue Code of 1986. The determination of whether an employer is an eligible employer under this section shall be made as of the date of the request described in subsection (a).

(d) EFFECTIVE DATE.—The provisions of this section shall apply with respect to requests made after December 31, 2000.

SEC. 207. DEDUCTION LIMITS.

(a) IN GENERAL.—

(1) STOCK BONUS AND PROFIT SHARING TRUSTS.—Subclause (I) of section 404(a)(3)(A)(i) (relating to stock bonus and profit sharing trusts) is amended by striking ''15 percent'' and inserting ''20 percent''.

(2) COMPENSATION.—Section 404(a) (relating to general rule) is amended by adding at the end the following:

''(12) DEFINITION OF COMPENSATION.—For purposes of paragraphs (3), (7), (8), and (9), the term 'compensation otherwise paid or accrued during the taxable year' shall include amounts treated as 'participant's compensation' under subparagraph (C) or (D) of section 415(c)(3).''.

(b) CONFORMING AMENDMENTS.—

(1) Subparagraph (B) of section 404(a)(3) is amended by striking the last sentence thereof.

(2) Subparagraph (C) of section 404(h)(1) is amended by striking ''15 percent'' each place it appears and inserting ''20 percent''.

(3) Clause (i) of section 4972(c)(6)(B) is amended by striking ''(within the meaning of section 404(a))'' and inserting ''(within the meaning of section 404(a) and as adjusted under section 404(a)(12))''.

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

SEC. 208. OPTION TO TREAT ELECTIVE DEFERRALS AS AFTER-TAX CONTRIBUTIONS.

(a) IN GENERAL.—Subpart A of part I of subchapter D of chapter 1 (relating to deferred compensation, etc.) is amended by inserting after section 402 the following new section:

''SEC. 402A. OPTIONAL TREATMENT OF ELECTIVE DEFERRALS AS PLUS CONTRIBUTIONS.

''(a) GENERAL RULE.—If an applicable retirement plan includes a qualified plus contribution program—

''(1) any designated plus contribution made by an employee pursuant to the program shall be treated as an elective deferral for purposes of this chapter, except that such contribution shall not be excludable from gross income, and

''(2) such plan (and any arrangement which is part of such plan) shall not be treated as failing to meet any requirement of this chapter solely by reason of including such program.

''(b) QUALIFIED PLUS CONTRIBUTION PROGRAM.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified plus contribution program' means a program under which an employee may elect to make designated plus contributions in lieu of all or a portion of elective deferrals the employee is otherwise eligible to make under the applicable retirement plan.

''(2) SEPARATE ACCOUNTING REQUIRED.—A program shall not be treated as a qualified plus contribution program unless the applicable retirement plan—

''(A) establishes separate accounts ('designated plus accounts') for the designated plus contributions of each employee and any earnings properly allocable to the contributions, and

''(B) maintains separate recordkeeping with respect to each account.

''(c) DEFINITIONS AND RULES RELATING TO DESIGNATED PLUS CONTRIBUTIONS.—For purposes of this section—

''(1) DESIGNATED PLUS CONTRIBUTION.—The term 'designated plus contribution' means any elective deferral which—

''(A) is excludable from gross income of an employee without regard to this section, and

''(B) the employee designates (at such time and in such manner as the Secretary may prescribe) as not being so excludable.

''(2) DESIGNATION LIMITS.—The amount of elective deferrals which an employee may designate under paragraph (1) shall not exceed the excess (if any) of—

''(A) the maximum amount of elective deferrals excludable from gross income of the employee for the taxable year (without regard to this section), over

''(B) the aggregate amount of elective deferrals of the employee for the taxable year which the employee does not designate under paragraph (1).

''(3) ROLLOVER CONTRIBUTIONS.—

''(A) IN GENERAL.—A rollover contribution of any payment or distribution from a designated plus account which is otherwise allowable under this chapter may be made only if the contribution is to—

''(i) another designated plus account of the individual from whose account the payment or distribution was made, or

''(ii) a Roth IRA of such individual.

''(B) COORDINATION WITH LIMIT.—Any rollover contribution to a designated plus account under subparagraph (A) shall not be taken into account for purposes of paragraph (1).

''(d) DISTRIBUTION RULES.—For purposes of this title—

''(1) EXCLUSION.—Any qualified distribution from a designated plus account shall not be includible in gross income.

''(2) QUALIFIED DISTRIBUTION.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'qualified distribution' has the meaning given such term by section 408A(d)(2)(A) (without regard to clause (iv) thereof).

''(B) DISTRIBUTIONS WITHIN NONEXCLUSION PERIOD.—A payment or distribution from a designated plus account shall not be treated as a qualified distribution if such payment or distribution is made within the 5-taxable-year period beginning with the earlier of—

''(i) the first taxable year for which the individual made a designated plus contribution to any designated plus account established for such individual under the same applicable retirement plan, or

''(ii) if a rollover contribution was made to such designated plus account from a designated plus account previously established for such individual under another applicable retirement plan, the first taxable year for which the individual made a designated plus contribution to such previously established account.

''(C) DISTRIBUTIONS OF EXCESS DEFERRALS AND EARNINGS.—The term 'qualified distribution' shall not include any distribution of any excess deferral under section 402(g)(2) and any income on the excess deferral.

''(3) AGGREGATION RULES.—Section 72 shall be applied separately with respect to distributions and payments from a designated plus account and other distributions and payments from the plan.

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

''(1) APPLICABLE RETIREMENT PLAN.—The term 'applicable retirement plan' means—

''(A) an employees' trust described in section 401(a) which is exempt from tax under section 501(a), and

''(B) a plan under which amounts are contributed by an individual's employer for an annuity contract described in section 403(b).

''(2) ELECTIVE DEFERRAL.—The term 'elective deferral' means any elective deferral described in subparagraph (A) or (C) of section 402(g)(3).''.

(b) EXCESS DEFERRALS.—Section 402(g) (relating to limitation on exclusion for elective deferrals) is amended—

(1) by adding at the end of paragraph (1) the following new sentence: ''The preceding sentence shall not apply to so much of such excess as does not exceed the designated plus contributions of the individual for the taxable year.''; and

(2) by inserting ''(or would be included but for the last sentence thereof)'' after ''paragraph (1)'' in paragraph (2)(A).

(c) ROLLOVERS.—Subparagraph (B) of section 402(c)(8) is amended by adding at the end the following:

''If any portion of an eligible rollover distribution is attributable to payments or distributions from a designated plus account (as defined in section 402A), an eligible retirement plan with respect to such portion shall include only another designated plus account and a Roth IRA.''.

(d) REPORTING REQUIREMENTS.—

(1) W–2 INFORMATION.—Section 6051(a)(8) is amended by inserting '', including the amount of designated plus contributions (as defined in section 402A)'' before the comma at the end.

(2) INFORMATION.—Section 6047 is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following new subsection:

''(f) DESIGNATED PLUS CONTRIBUTIONS.—The Secretary shall require the plan administrator of each applicable retirement plan (as defined in section 402A) to make such returns and reports regarding designated plus contributions (as so defined) to the Secretary, participants and beneficiaries of the plan, and such other persons as the Secretary may prescribe.''.

(e) CONFORMING AMENDMENTS.—

(1) Section 408A(e) is amended by adding after the first sentence the following new sentence: ''Such term includes a rollover contribution described in section 402A(c)(3)(A).''.

(2) The table of sections for subpart A of part I of subchapter D of chapter 1 is amended by inserting after the item relating to section 402 the following new item:

''Sec. 402A. Optional treatment of elective deferrals as plus contributions.''.

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

TITLE III—ENHANCING FAIRNESS FOR WOMEN

SEC. 301. CATCH-UP CONTRIBUTIONS FOR INDIVIDUALS AGE 50 OR OVER.

(a) IN GENERAL.—Section 414 (relating to definitions and special rules) is amended by adding at the end the following new subsection:

''(v) CATCH-UP CONTRIBUTIONS FOR INDIVIDUALS AGE 50 OR OVER.—

''(1) IN GENERAL.—An applicable employer plan shall not be treated as failing to meet any requirement of this title solely because the plan permits an eligible participant to make additional elective deferrals in any plan year.

''(2) LIMITATION ON AMOUNT OF ADDITIONAL DEFERRALS.—A plan shall not permit additional elective deferrals under paragraph (1) for any year in an amount greater than the lesser of—

''(A) $5,000, or

''(B) the excess (if any) of—

''(i) the participant's compensation for the year, over

''(ii) any other elective deferrals of the participant for such year which are made without regard to this subsection.

''(3) TREATMENT OF CONTRIBUTIONS.—In the case of any contribution to a plan under paragraph (1), such contribution shall not, with respect to the year in which the contribution is made—

''(A) be subject to any otherwise applicable limitation contained in section 402(g), 402(h)(2), 404(a), 404(h), 408(p)(2)(A)(ii), 415, or 457, or

''(B) be taken into account in applying such limitations to other contributions or benefits under such plan or any other such plan.

''(4) ELIGIBLE PARTICIPANT.—For purposes of this subsection, the term 'eligible participant' means, with respect to any plan year, a participant in a plan—

''(A) who has attained the age of 50 before the close of the plan year, and

''(B) with respect to whom no other elective deferrals may (without regard to this subsection) be made to the plan for the plan year by reason of the application of any limitation or other restriction described in paragraph (3) or comparable limitation contained in the terms of the plan.

''(5) OTHER DEFINITIONS AND RULES.—For purposes of this subsection—

''(A) APPLICABLE EMPLOYER PLAN.—The term 'applicable employer plan' means—

''(i) an employees' trust described in section 401(a) which is exempt from tax under section 501(a),

''(ii) a plan under which amounts are contributed by an individual's employer for an annuity contract described in section 403(b),

''(iii) an eligible deferred compensation plan under section 457 of an eligible employer as defined in section 457(e)(1)(A), and

''(iv) an arrangement meeting the requirements of section 408 (k) or (p).

''(B) ELECTIVE DEFERRAL.—The term 'elective deferral' has the meaning given such term by subsection (u)(2)(C).

''(C) EXCEPTION FOR SECTION 457 PLANS.—This subsection shall not apply to an applicable employer plan described in subparagraph (A)(iii) for any year to which section 457(b)(3) applies.

''(D) COST-OF-LIVING ADJUSTMENT.—For years beginning after December 31, 2005, the Secretary shall adjust annually the $5,000 amount in subparagraph (A) for increases in the cost-of-living at the same time and in the same manner as adjustments under section 415(d); except that the base period shall be the calendar quarter beginning July 1, 2004, and any increase which is not a multiple of $500 shall be rounded to the next lowest multiple of $500.''.

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

SEC. 302. EQUITABLE TREATMENT FOR CONTRIBUTIONS OF EMPLOYEES TO DEFINED CONTRIBUTION PLANS.

(a) EQUITABLE TREATMENT.—

(1) IN GENERAL.—Subparagraph (B) of section 415(c)(1) (relating to limitation for defined contribution plans) is amended by striking ''25 percent'' and inserting ''100 percent''.

(2) APPLICATION TO SECTION 403(b).—Section 403(b) is amended—

(A) by striking ''the exclusion allowance for such taxable year'' in paragraph (1) and inserting ''the applicable limit under section 415'';

(B) by striking paragraph (2); and

(C) by inserting ''or any amount received by a former employee after the fifth taxable year following the taxable year in which such employee was terminated'' before the period at the end of the second sentence of paragraph (3).

(3) CONFORMING AMENDMENTS.—

(A) Subsection (f) of section 72 is amended by striking ''section 403(b)(2)(D)(iii))'' and inserting ''section 403(b)(2)(D)(iii), as in effect before the enactment of the Comprehensive Retirement Security and Pension Reform Act of 2000)''.

(B) Section 404(a)(10)(B) is amended by striking '', the exclusion allowance under section 403(b)(2),''.

(C) Section 415(a)(2) is amended by striking '', and the amount of the contribution for such portion shall reduce the exclusion allowance as provided in section 403(b)(2)''.

(D) Section 415(c)(3) is amended by adding at the end the following new subparagraph:

''(E) ANNUITY CONTRACTS.—In the case of an annuity contract described in section 403(b), the term 'participant's compensation' means the participant's includible compensation determined under section 403(b)(3).''.

(E) Section 415(c) is amended by striking paragraph (4).

(F) Section 415(c)(7) is amended to read as follows:

''(7) CERTAIN CONTRIBUTIONS BY CHURCH PLANS NOT TREATED AS EXCEEDING LIMIT.—

''(A) IN GENERAL.—Notwithstanding any other provision of this subsection, at the election of a participant who is an employee of a church or a convention or association of churches, including an organization described in section 414(e)(3)(B)(ii), contributions and other additions for an annuity contract or retirement income account described in section 403(b) with respect to such participant, when expressed as an annual addition to such participant's account, shall be treated as not exceeding the limitation of paragraph (1) if such annual addition is not in excess of $10,000.

''(B) $40,000 AGGREGATE LIMITATION.—The total amount of additions with respect to any participant which may be taken into account for purposes of this subparagraph for all years may not exceed $40,000.

''(C) ANNUAL ADDITION.—For purposes of this paragraph, the term 'annual addition' has the meaning given such term by paragraph (2).''.

(G) Subparagraph (B) of section 402(g)(7) (as redesignated by section 211) is amended by inserting before the period at the end the following: ''(as in effect before the enactment of the Comprehensive Retirement Security and Pension Reform Act of 2000)''.

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

(b) SPECIAL RULES FOR SECTIONS 403(b) AND 408.—

(1) IN GENERAL.—Subsection (k) of section 415 is amended by adding at the end the following new paragraph:

''(4) SPECIAL RULES FOR SECTIONS 403(b) AND 408.—For purposes of this section, any annuity contract described in section 403(b) for the benefit of a participant shall be treated as a defined contribution plan maintained by each employer with respect to which the participant has the control required under subsection (b) or (c) of section 414 (as modified by subsection (h)). For purposes of this section, any contribution by an employer to a simplified employee pension plan for an individual for a taxable year shall be treated as an employer contribution to a defined contribution plan for such individual for such year.''.

(2) EFFECTIVE DATE.—

(A) IN GENERAL.—The amendment made by paragraph (1) shall apply to limitation years beginning after December 31, 1999.

(B) EXCLUSION ALLOWANCE.—Effective for limitation years beginning in 2000, in the case of any annuity contract described in section 403(b) of the Internal Revenue Code of 1986, the amount of the contribution disqualified by reason of section 415(g) of such Code shall reduce the exclusion allowance as provided in section 403(b)(2) of such Code.

(3) MODIFICATION OF 403(b) EXCLUSION ALLOWANCE TO CONFORM TO 415 MODIFICATION.—The Secretary of the Treasury shall modify the regulations regarding the exclusion allowance under section 403(b)(2) of the Internal Revenue Code of 1986 to render void the requirement that contributions to a defined benefit pension plan be treated as previously excluded amounts for purposes of the exclusion allowance. For taxable years beginning after December 31, 1999, such regulations shall be applied as if such requirement were void.

(c) DEFERRED COMPENSATION PLANS OF STATE AND LOCAL GOVERNMENTS AND TAX-EXEMPT ORGANIZATIONS.—

(1) IN GENERAL.—Subparagraph (B) of section 457(b)(2) (relating to salary limitation on eligible deferred compensation plans) is amended by striking ''33⅓ percent'' and inserting ''100 percent''.

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

SEC. 303. FASTER VESTING OF CERTAIN EMPLOYER MATCHING CONTRIBUTIONS.

(a) IN GENERAL.—Section 411(a) (relating to minimum vesting standards) is amended—

(1) in paragraph (2), by striking ''A plan'' and inserting ''Except as provided in paragraph (12), a plan''; and

(2) by adding at the end the following:

''(12) FASTER VESTING FOR MATCHING CONTRIBUTIONS.—In the case of matching contributions (as defined in section 401(m)(4)(A)), paragraph (2) shall be applied—

''(A) by substituting '3 years' for '5 years' in subparagraph (A), and

''(B) by substituting the following table for the table contained in subparagraph (B):

''Years of service:	*The nonforfeitable percentage is:*
2	*20*
3	*40*
4	*60*
5	*80*
6	*100.''.*

(b) EFFECTIVE DATES.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section shall apply to contributions for plan years beginning after December 31, 2000.

(2) COLLECTIVE BARGAINING AGREEMENTS.—In the case of a plan maintained pursuant to one or more collective bargaining agreements between employee representatives and one or more employers ratified by the date of the enactment of this Act, the amendments made by this section shall not apply to contributions on behalf of employees covered by any such agreement for plan years beginning before the earlier of—

(A) the later of—

(i) the date on which the last of such collective bargaining agreements terminates (determined without regard to any extension thereof on or after such date of the enactment); or

(ii) January 1, 2001; or

(B) January 1, 2005.

(3) SERVICE REQUIRED.—With respect to any plan, the amendments made by this section shall

not apply to any employee before the date that such employee has 1 hour of service under such plan in any plan year to which the amendments made by this section apply.

SEC. 304. SIMPLIFY AND UPDATE THE MINIMUM DISTRIBUTION RULES.

(a) SIMPLIFICATION AND FINALIZATION OF MINIMUM DISTRIBUTION REQUIREMENTS.—

(1) IN GENERAL.—The Secretary of the Treasury shall—

(A) simplify and finalize the regulations relating to minimum distribution requirements under sections 401(a)(9), 408(a)(6) and (b)(3), 403(b)(10), and 457(d)(2) of the Internal Revenue Code of 1986; and

(B) modify such regulations to—

(i) reflect current life expectancy; and

(ii) revise the required distribution methods so that, under reasonable assumptions, the amount of the required minimum distribution does not decrease over a participant's life expectancy.

(2) FRESH START.—Notwithstanding subparagraph (D) of section 401(a)(9) of such Code, during the first year that regulations are in effect under this subsection, required distributions for future years may be redetermined to reflect changes under such regulations. Such redetermination shall include the opportunity to choose a new designated beneficiary and to elect a new method of calculating life expectancy.

(3) EFFECTIVE DATE FOR REGULATIONS.—Regulations referred to in paragraph (1) shall be effective for years beginning after December 31, 2000, and shall apply in such years without regard to whether an individual had previously begun receiving minimum distributions.

(b) REPEAL OF RULE WHERE DISTRIBUTIONS HAD BEGUN BEFORE DEATH OCCURS.—

(1) IN GENERAL.—Subparagraph (B) of section 401(a)(9) is amended by striking clause (i) and redesignating clauses (ii), (iii), and (iv) as clauses (i), (ii), and (iii), respectively.

(2) CONFORMING CHANGES.—

(A) Clause (i) of section 401(a)(9)(B) (as so redesignated) is amended—

(i) by striking ''FOR OTHER CASES'' in the heading; and

(ii) by striking ''the distribution of the employee's interest has begun in accordance with subparagraph (A)(ii)'' and inserting ''his entire interest has been distributed to him''.

(B) Clause (ii) of section 401(a)(9)(B) (as so redesignated) is amended by striking ''clause (ii)'' and inserting ''clause (i)''.

(C) Clause (iii) of section 401(a)(9)(B) (as so redesignated) is amended—

(i) by striking ''clause (iii)(I)'' and inserting ''clause (ii)(I)'';

(ii) by striking ''clause (iii)(III)'' in subclause (I) and inserting ''clause (ii)(III)'';

(iii) by striking ''the date on which the employee would have attained age 70½,'' in subclause (I) and inserting ''April 1 of the calendar year following the calendar year in which the spouse attains 70½,''; and

(iv) by striking ''the distributions to such spouse begin,'' in subclause (II) and inserting ''his entire interest has been distributed to him,''.

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

(c) REDUCTION IN EXCISE TAX.—

(1) IN GENERAL.—Subsection (a) of section 4974 is amended by striking ''50 percent'' and inserting ''10 percent''.

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

SEC. 305. CLARIFICATION OF TAX TREATMENT OF DIVISION OF SECTION 457 PLAN BENEFITS UPON DIVORCE.

(a) IN GENERAL.—Section 414(p)(11) (relating to application of rules to governmental and church plans) is amended—

(1) by inserting ''or an eligible deferred compensation plan (within the meaning of section 457(b))'' after ''subsection (e))''; and

(2) in the heading, by striking ''GOVERNMENTAL AND CHURCH PLANS'' and inserting ''CERTAIN OTHER PLANS''.

(b) WAIVER OF CERTAIN DISTRIBUTION REQUIREMENTS.—Paragraph (10) of section 414(p) is amended by striking ''and section 409(d)'' and inserting ''section 409(d), and section 457(d)''.

(c) TAX TREATMENT OF PAYMENTS FROM A SECTION 457 PLAN.—Subsection (p) of section 414 is amended by redesignating paragraph (12) as paragraph (13) and inserting after paragraph (11) the following new paragraph:

''(12) TAX TREATMENT OF PAYMENTS FROM A SECTION 457 PLAN.—If a distribution or payment from an eligible deferred compensation plan described in section 457(b) is made pursuant to a qualified domestic relations order, rules similar to the rules of section 402(e)(1)(A) shall apply to such distribution or payment.''.

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

SEC. 306. MODIFICATION OF SAFE HARBOR RELIEF FOR HARDSHIP WITHDRAWALS FROM CASH OR DEFERRED ARRANGEMENTS.

(a) IN GENERAL.—The Secretary of the Treasury shall revise the regulations relating to hardship distributions under section 401(k)(2)(B)(i)(IV) of the Internal Revenue Code of 1986 to provide that the period an employee is prohibited from making elective and employee contributions in order for a distribution to be deemed necessary to satisfy financial need shall be equal to 6 months.

(b) EFFECTIVE DATE.—The revised regulations under subsection (a) shall apply to years beginning after December 31, 2000.

TITLE IV—INCREASING PORTABILITY FOR PARTICIPANTS

SEC. 401. ROLLOVERS ALLOWED AMONG VARIOUS TYPES OF PLANS.

(a) ROLLOVERS FROM AND TO SECTION 457 PLANS.—

(1) ROLLOVERS FROM SECTION 457 PLANS.—

(A) IN GENERAL.—Section 457(e) (relating to other definitions and special rules) is amended by adding at the end the following:

''(16) ROLLOVER AMOUNTS.—

''(A) GENERAL RULE.—In the case of an eligible deferred compensation plan established and maintained by an employer described in subsection (e)(1)(A), if—

''(i) any portion of the balance to the credit of an employee in such plan is paid to such employee in an eligible rollover distribution (within the meaning of section 402(c)(4) without regard to subparagraph (C) thereof),

''(ii) the employee transfers any portion of the property such employee receives in such distribution to an eligible retirement plan described in section 402(c)(8)(B), and

''(iii) in the case of a distribution of property other than money, the amount so transferred consists of the property distributed,

then such distribution (to the extent so transferred) shall not be includible in gross income for the taxable year in which paid.

''(B) CERTAIN RULES MADE APPLICABLE.—The rules of paragraphs (2) through (7) (other than paragraph (4)(C)) and (9) of section 402(c) and section 402(f) shall apply for purposes of subparagraph (A).

''(C) REPORTING.—Rollovers under this paragraph shall be reported to the Secretary in the same manner as rollovers from qualified retirement plans (as defined in section 4974(c)).''.

(B) DEFERRAL LIMIT DETERMINED WITHOUT REGARD TO ROLLOVER AMOUNTS.—Section 457(b)(2) (defining eligible deferred compensation plan) is amended by inserting ''(other than rollover amounts)'' after ''taxable year''.

(C) DIRECT ROLLOVER.—Paragraph (1) of section 457(d) 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 inserting after subparagraph (B) the following:

''(C) in the case of a plan maintained by an employer described in subsection (e)(1)(A), the plan meets requirements similar to the requirements of section 401(a)(31).

Any amount transferred in a direct trustee-to-trustee transfer in accordance with section 401(a)(31) shall not be includible in gross income for the taxable year of transfer.''.

(D) WITHHOLDING.—

(i) Paragraph (12) of section 3401(a) is amended by adding at the end the following:

''(E) under or to an eligible deferred compensation plan which, at the time of such payment, is a plan described in section 457(b) maintained by an employer described in section 457(e)(1)(A); or''.

(ii) Paragraph (3) of section 3405(c) is amended to read as follows:

''(3) ELIGIBLE ROLLOVER DISTRIBUTION.—For purposes of this subsection, the term 'eligible rollover distribution' has the meaning given such term by section 402(f)(2)(A).''.

(iii) LIABILITY FOR WITHHOLDING.—Subparagraph (B) of section 3405(d)(2) is amended by striking ''or'' at the end of clause (ii), by striking the period at the end of clause (iii) and inserting '', or'', and by adding at the end the following:

''(iv) section 457(b).''.

(2) ROLLOVERS TO SECTION 457 PLANS.—

(A) IN GENERAL.—Section 402(c)(8)(B) (defining eligible retirement plan) is amended by striking ''and'' at the end of clause (iii), by striking the period at the end of clause (iv) and inserting '', and'', and by inserting after clause (iv) the following new clause:

''(v) an eligible deferred compensation plan described in section 457(b) of an employer described in section 457(e)(1)(A).''.

(B) SEPARATE ACCOUNTING.—Section 402(c) is amended by adding at the end the following new paragraph:

''(11) SEPARATE ACCOUNTING.—Unless a plan described in clause (v) of paragraph (8)(B) agrees to separately account for amounts rolled into such plan from eligible retirement plans not described in such clause, the plan described in such clause may not accept transfers or rollovers from such retirement plans.''.

(C) 10 PERCENT ADDITIONAL TAX.—Subsection (t) of section 72 (relating to 10-percent additional tax on early distributions from qualified retirement plans) is amended by adding at the end the following new paragraph:

''(9) SPECIAL RULE FOR ROLLOVERS TO SECTION 457 PLANS.—For purposes of this subsection, a distribution from an eligible deferred compensation plan (as defined in section 457(b)) of an employer described in section 457(e)(1)(A) shall be treated as a distribution from a qualified retirement plan described in 4974(c)(1) to the extent that such distribution is attributable to an amount transferred to an eligible deferred compensation plan from a qualified retirement plan (as defined in section 4974(c)).''.

(b) ALLOWANCE OF ROLLOVERS FROM AND TO 403(b) PLANS.—

(1) ROLLOVERS FROM SECTION 403(b) PLANS.—Section 403(b)(8)(A)(ii) (relating to rollover amounts) is amended by striking ''such distribution'' and all that follows and inserting ''such distribution to an eligible retirement plan described in section 402(c)(8)(B), and''.

(2) ROLLOVERS TO SECTION 403(b) PLANS.—Section 402(c)(8)(B) (defining eligible retirement plan), as amended by subsection (a), is amended by striking ''and'' at the end of clause (iv), by striking the period at the end of clause (v) and inserting '', and'', and by inserting after clause (v) the following new clause:

''(vi) an annuity contract described in section 403(b).''.

(c) EXPANDED EXPLANATION TO RECIPIENTS OF ROLLOVER DISTRIBUTIONS.—Paragraph (1) of section 402(f) (relating to written explanation to recipients of distributions eligible for rollover

treatment) is amended by striking ''and'' at the end of subparagraph (C), by striking the period at the end of subparagraph (D) and inserting '', and'', and by adding at the end the following new subparagraph:

''(E) of the provisions under which distributions from the eligible retirement plan receiving the distribution may be subject to restrictions and tax consequences which are different from those applicable to distributions from the plan making such distribution.''.

(d) SPOUSAL ROLLOVERS.—Section 402(c)(9) (relating to rollover where spouse receives distribution after death of employee) is amended by striking ''; except that'' and all that follows up to the end period.

(e) CONFORMING AMENDMENTS.—

(1) Section 72(o)(4) is amended by striking ''and 408(d)(3)'' and inserting ''403(b)(8), 408(d)(3), and 457(e)(16)''.

(2) Section 219(d)(2) is amended by striking ''or 408(d)(3)'' and inserting ''408(d)(3), or 457(e)(16)''.

(3) Section 401(a)(31)(B) is amended by striking ''and 403(a)(4)'' and inserting '', 403(a)(4), 403(b)(8), and 457(e)(16)''.

(4) Subparagraph (A) of section 402(f)(2) is amended by striking ''or paragraph (4) of section 403(a)'' and inserting '', paragraph (4) of section 403(a), subparagraph (A) of section 403(b)(8), or subparagraph (A) of section 457(e)(16)''.

(5) Paragraph (1) of section 402(f) is amended by striking ''from an eligible retirement plan''.

(6) Subparagraphs (A) and (B) of section 402(f)(1) are amended by striking ''another eligible retirement plan'' and inserting ''an eligible retirement plan''.

(7) Subparagraph (B) of section 403(b)(8) is amended to read as follows:

''(B) CERTAIN RULES MADE APPLICABLE.—The rules of paragraphs (2) through (7) and (9) of section 402(c) and section 402(f) shall apply for purposes of subparagraph (A), except that section 402(f) shall be applied to the payor in lieu of the plan administrator.''.

(8) Section 408(a)(1) is amended by striking ''or 403(b)(8),'' and inserting ''403(b)(8), or 457(e)(16)''.

(9) Subparagraphs (A) and (B) of section 415(b)(2) are each amended by striking ''and 408(d)(3)'' and inserting ''403(b)(8), 408(d)(3), and 457(e)(16)''.

(10) Section 415(c)(2) is amended by striking ''and 408(d)(3)'' and inserting ''408(d)(3), and 457(e)(16)''.

(11) Section 4973(b)(1)(A) is amended by striking ''or 408(d)(3)'' and inserting ''408(d)(3), or 457(e)(16)''.

(f) EFFECTIVE DATE; SPECIAL RULE.—

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

(2) SPECIAL RULE.—Notwithstanding any other provision of law, subsections (h)(3) and (h)(5) of section 1122 of the Tax Reform Act of 1986 shall not apply to any distribution from an eligible retirement plan (as defined in clause (iii) or (iv) of section 402(c)(8)(B) of the Internal Revenue Code of 1986) on behalf of an individual if there was a rollover to such plan on behalf of such individual which is permitted solely by reason of any amendment made by this section.

SEC. 402. ROLLOVERS OF IRAS INTO WORKPLACE RETIREMENT PLANS.

(a) IN GENERAL.—Subparagraph (A) of section 408(d)(3) (relating to rollover amounts) is amended by adding ''or'' at the end of clause (i), by striking clauses (ii) and (iii), and by adding at the end the following:

''(ii) the entire amount received (including money and any other property) is paid into an eligible retirement plan for the benefit of such individual not later than the 60th day after the date on which the payment or distribution is received, except that the maximum amount which may be paid into such plan may not exceed the portion of the amount received which is includible in gross income (determined without regard to this paragraph).

For purposes of clause (ii), the term 'eligible retirement plan' means an eligible retirement plan described in clause (iii), (iv), (v), or (vi) of section 402(c)(8)(B).''.

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (1) of section 403(b) is amended by striking ''section 408(d)(3)(A)(iii)'' and inserting ''section 408(d)(3)(A)(ii)''.

(2) Clause (i) of section 408(d)(3)(D) is amended by striking ''(i), (ii), or (iii)'' and inserting ''(i) or (ii)''.

(3) Subparagraph (G) of section 408(d)(3) is amended to read as follows:

''(G) SIMPLE RETIREMENT ACCOUNTS.—In the case of any payment or distribution out of a simple retirement account (as defined in subsection (p)) to which section 72(t)(6) applies, this paragraph shall not apply unless such payment or distribution is paid into another simple retirement account.''.

(c) EFFECTIVE DATE; SPECIAL RULE.—

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

(2) SPECIAL RULE.—Notwithstanding any other provision of law, subsections (h)(3) and (h)(5) of section 1122 of the Tax Reform Act of 1986 shall not apply to any distribution from an eligible retirement plan (as defined in clause (iii) or (iv) of section 402(c)(8)(B) of the Internal Revenue Code of 1986) on behalf of an individual if there was a rollover to such plan on behalf of such individual which is permitted solely by reason of the amendments made by this section.

SEC. 403. ROLLOVERS OF AFTER-TAX CONTRIBUTIONS.

(a) ROLLOVERS FROM EXEMPT TRUSTS.—Paragraph (2) of section 402(c) (relating to maximum amount which may be rolled over) is amended by adding at the end the following: ''The preceding sentence shall not apply to such distribution to the extent—

''(A) such portion is transferred in a direct trustee-to-trustee transfer to a qualified trust which is part of a plan which is a defined contribution plan and which agrees to separately account for amounts so transferred, including separately accounting for the portion of such distribution which is includible in gross income and the portion of such distribution which is not so includible, or

''(B) such portion is transferred to an eligible retirement plan described in clause (i) or (ii) of paragraph (8)(B).''.

(b) OPTIONAL DIRECT TRANSFER OF ELIGIBLE ROLLOVER DISTRIBUTIONS.—Subparagraph (B) of section 401(a)(31) (relating to limitation) is amended by adding at the end the following: ''The preceding sentence shall not apply to such distribution if the plan to which such distribution is transferred—

''(i) agrees to separately account for amounts so transferred, including separately accounting for the portion of such distribution which is includible in gross income and the portion of such distribution which is not so includible, or

''(ii) is an eligible retirement plan described in clause (i) or (ii) of section 402(c)(8)(B).''.

(c) RULES FOR APPLYING SECTION 72 TO IRAS.—Paragraph (3) of section 408(d) (relating to special rules for applying section 72) is amended by inserting at the end the following:

''(H) APPLICATION OF SECTION 72.—

''(i) IN GENERAL.—If—

''(I) a distribution is made from an individual retirement plan, and

''(II) a rollover contribution is made to an eligible retirement plan described in section 402(c)(8)(B)(iii), (iv), (v), or (vi) with respect to all or part of such distribution,

then, notwithstanding paragraph (2), the rules of clause (ii) shall apply for purposes of applying section 72.

''(ii) APPLICABLE RULES.—In the case of a distribution described in clause (i)—

''(I) section 72 shall be applied separately to such distribution,

''(II) notwithstanding the pro rata allocation of income on, and investment in, the contract to distributions under section 72, the portion of such distribution rolled over to an eligible retirement plan described in clause (i) shall be treated as from income on the contract (to the extent of the aggregate income on the contract from all individual retirement plans of the distributee), and

''(III) appropriate adjustments shall be made in applying section 72 to other distributions in such taxable year and subsequent taxable years.''.

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

SEC. 404. HARDSHIP EXCEPTION TO 60-DAY RULE.

(a) EXEMPT TRUSTS.—Paragraph (3) of section 402(c) (relating to transfer must be made within 60 days of receipt) is amended to read as follows:

''(3) TRANSFER MUST BE MADE WITHIN 60 DAYS OF RECEIPT.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), paragraph (1) shall not apply to any transfer of a distribution made after the 60th day following the day on which the distributee received the property distributed.

''(B) HARDSHIP EXCEPTION.—The Secretary may waive the 60-day requirement under subparagraph (A) where the failure to waive such requirement would be against equity or good conscience, including casualty, disaster, or other events beyond the reasonable control of the individual subject to such requirement.''.

(b) IRAS.—Paragraph (3) of section 408(d) (relating to rollover contributions), as amended by section 403, is amended by adding after subparagraph (H) the following new subparagraph:

''(I) WAIVER OF 60-DAY REQUIREMENT.—The Secretary may waive the 60-day requirement under subparagraphs (A) and (D) where the failure to waive such requirement would be against equity or good conscience, including casualty, disaster, or other events beyond the reasonable control of the individual subject to such requirement.''.

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

SEC. 405. TREATMENT OF FORMS OF DISTRIBUTION.

(a) PLAN TRANSFERS.—

(1) IN GENERAL.—Paragraph (6) of section 411(d) (relating to accrued benefit not to be decreased by amendment) is amended by adding at the end the following:

''(D) PLAN TRANSFERS.—

''(i) IN GENERAL.—A defined contribution plan (in this subparagraph referred to as the 'transferee plan') shall not be treated as failing to meet the requirements of this subsection merely because the transferee plan does not provide some or all of the forms of distribution previously available under another defined contribution plan (in this subparagraph referred to as the 'transferor plan') to the extent that—

''(I) the forms of distribution previously available under the transferor plan applied to the account of a participant or beneficiary under the transferor plan that was transferred from the transferor plan to the transferee plan pursuant to a direct transfer rather than pursuant to a distribution from the transferor plan,

''(II) the terms of both the transferor plan and the transferee plan authorize the transfer described in subclause (I),

''(III) the transfer described in subclause (I) was made pursuant to a voluntary election by the participant or beneficiary whose account was transferred to the transferee plan,

''(IV) the election described in subclause (III) was made after the participant or beneficiary

received a notice describing the consequences of making the election,

''(V) if the transferor plan provides for an annuity as the normal form of distribution under the plan in accordance with section 417, the transfer is made with the consent of the participant's spouse (if any), and such consent meets requirements similar to the requirements imposed by section 417(a)(2), and

''(VI) the transferee plan allows the participant or beneficiary described in subclause (III) to receive any distribution to which the participant or beneficiary is entitled under the transferee plan in the form of a single sum distribution.

''(ii) EXCEPTION.—Clause (i) shall apply to plan mergers and other transactions having the effect of a direct transfer, including consolidations of benefits attributable to different employers within a multiple employer plan.

''(E) ELIMINATION OF FORM OF DISTRIBUTION.—Except to the extent provided in regulations, a defined contribution plan shall not be treated as failing to meet the requirements of this section merely because of the elimination of a form of distribution previously available thereunder. This subparagraph shall not apply to the elimination of a form of distribution with respect to any participant unless—

''(i) a single sum payment is available to such participant at the same time or times as the form of distribution being eliminated, and

''(ii) such single sum payment is based on the same or greater portion of the participant's account as the form of distribution being eliminated.''.

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

(b) REGULATIONS.—

(1) IN GENERAL.—The last sentence of paragraph (6)(B) of section 411(d) (relating to accrued benefit not to be decreased by amendment) is amended to read as follows: ''The Secretary shall by regulations provide that this subparagraph shall not apply to any plan amendment that does not adversely affect the rights of participants in a material manner.''.

(2) SECRETARY DIRECTED.—Not later than December 31, 2001, the Secretary of the Treasury is directed to issue final regulations under section 411(d)(6) of the Internal Revenue Code of 1986, including the regulations required by the amendments made by this subsection. Such regulations shall apply to plan years beginning after December 31, 2001, or such earlier date as is specified by the Secretary of the Treasury.

SEC. 406. RATIONALIZATION OF RESTRICTIONS ON DISTRIBUTIONS.

(a) MODIFICATION OF SAME DESK EXCEPTION.—

(1) SECTION 401(k).—

(A) Section 401(k)(2)(B)(i)(I) (relating to qualified cash or deferred arrangements) is amended by striking ''separation from service'' and inserting ''severance from employment''.

(B) Subparagraph (A) of section 401(k)(10) (relating to distributions upon termination of plan or disposition of assets or subsidiary) is amended to read as follows:

''(A) IN GENERAL.—An event described in this subparagraph is the termination of the plan without establishment or maintenance of another defined contribution plan (other than an employee stock ownership plan as defined in section 4975(e)(7)).''.

(C) Section 401(k)(10) is amended—

(i) in subparagraph (B)—

(I) by striking ''An event'' in clause (i) and inserting ''A termination''; and

(II) by striking ''the event'' in clause (i) and inserting ''the termination'';

(ii) by striking subparagraph (C); and

(iii) by striking ''OR DISPOSITION OF ASSETS OR SUBSIDIARY'' in the heading.

(2) SECTION 403(b).—

(A) Paragraphs (7)(A)(ii) and (11)(A) of section 403(b) are each amended by striking ''separates from service'' and inserting ''has a severance from employment''.

(B) The heading for paragraph (11) of section 403(b) is amended by striking ''SEPARATION FROM SERVICE'' and inserting ''SEVERANCE FROM EMPLOYMENT''.

(3) SECTION 457.—Clause (ii) of section 457(d)(1)(A) is amended by striking ''is separated from service'' and inserting ''has a severance from employment''.

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

SEC. 407. PURCHASE OF SERVICE CREDIT IN GOVERNMENTAL DEFINED BENEFIT PLANS.

(a) 403(b) PLANS.—Subsection (b) of section 403 is amended by adding at the end the following new paragraph:

''(13) TRUSTEE-TO-TRUSTEE TRANSFERS TO PURCHASE PERMISSIVE SERVICE CREDIT.—No amount shall be includible in gross income by reason of a direct trustee-to-trustee transfer to a defined benefit governmental plan (as defined in section 414(d)) if such transfer is—

''(A) for the purchase of permissive service credit (as defined in section 415(n)(3)(A)) under such plan, or

''(B) a repayment to which section 415 does not apply by reason of subsection (k)(3) thereof.''.

(b) 457 PLANS.—Subsection (e) of section 457 is amended by adding after paragraph (16) the following new paragraph:

''(17) TRUSTEE-TO-TRUSTEE TRANSFERS TO PURCHASE PERMISSIVE SERVICE CREDIT.—No amount shall be includible in gross income by reason of a direct trustee-to-trustee transfer to a defined benefit governmental plan (as defined in section 414(d)) if such transfer is—

''(A) for the purchase of permissive service credit (as defined in section 415(n)(3)(A)) under such plan, or

''(B) a repayment to which section 415 does not apply by reason of subsection (k)(3) thereof.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to trustee-to-trustee transfers after December 31, 2000.

SEC. 408. EMPLOYERS MAY DISREGARD ROLLOVERS FOR PURPOSES OF CASH-OUT AMOUNTS.

(a) QUALIFIED PLANS.—Section 411(a)(11) (relating to restrictions on certain mandatory distributions) is amended by adding at the end the following:

''(D) SPECIAL RULE FOR ROLLOVER CONTRIBUTIONS.—A plan shall not fail to meet the requirements of this paragraph if, under the terms of the plan, the present value of the nonforfeitable accrued benefit is determined without regard to that portion of such benefit which is attributable to rollover contributions (and earnings allocable thereto). For purposes of this subparagraph, the term 'rollover contributions' means any rollover contribution under sections 402(c), 403(a)(4), 403(b)(8), 408(d)(3)(A)(ii), and 457(e)(16).''.

(b) ELIGIBLE DEFERRED COMPENSATION PLANS.—Clause (i) of section 457(e)(9)(A) is amended by striking ''such amount'' and inserting ''the portion of such amount which is not attributable to rollover contributions (as defined in section 411(a)(11)(D))''.

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

SEC. 409. MINIMUM DISTRIBUTION AND INCLUSION REQUIREMENTS FOR SECTION 457 PLANS.

(a) MINIMUM DISTRIBUTION REQUIREMENTS.—Paragraph (2) of section 457(d) (relating to distribution requirements) is amended to read as follows:

''(2) MINIMUM DISTRIBUTION REQUIREMENTS.—A plan meets the minimum distribution requirements of this paragraph if such plan meets the requirements of section 401(a)(9).''.

(b) INCLUSION IN GROSS INCOME.—

(1) YEAR OF INCLUSION.—Subsection (a) of section 457 (relating to year of inclusion in gross income) is amended to read as follows:

''(a) YEAR OF INCLUSION IN GROSS INCOME.—

''(1) IN GENERAL.—Any amount of compensation deferred under an eligible deferred compensation plan, and any income attributable to the amounts so deferred, shall be includible in gross income only for the taxable year in which such compensation or other income—

''(A) is paid to the participant or other beneficiary, in the case of a plan of an eligible employer described in subsection (e)(1)(A), and

''(B) is paid or otherwise made available to the participant or other beneficiary, in the case of a plan of an eligible employer described in subsection (e)(1)(B).

''(2) SPECIAL RULE FOR ROLLOVER AMOUNTS.—To the extent provided in section 72(t)(9), section 72(t) shall apply to any amount includible in gross income under this subsection.''.

(2) CONFORMING AMENDMENTS.—

(A) So much of paragraph (9) of section 457(e) as precedes subparagraph (A) is amended to read as follows:

''(9) BENEFITS OF TAX EXEMPT ORGANIZATION PLANS NOT TREATED AS MADE AVAILABLE BY REASON OF CERTAIN ELECTIONS, ETC.—In the case of an eligible deferred compensation plan of an employer described in subsection (e)(1)(B)—''.

(B) Section 457(d) is amended by adding at the end the following new paragraph:

''(3) SPECIAL RULE FOR GOVERNMENT PLAN.—An eligible deferred compensation plan of an employer described in subsection (e)(1)(A) shall not be treated as failing to meet the requirements of this subsection solely by reason of making a distribution described in subsection (e)(9)(A).''.

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

TITLE V—STRENGTHENING PENSION SECURITY AND ENFORCEMENT

SEC. 501. REPEAL OF 150 PERCENT OF CURRENT LIABILITY FUNDING LIMIT.

(a) IN GENERAL.—Section 412(c)(7) (relating to full-funding limitation) is amended—

(1) by striking ''the applicable percentage'' in subparagraph (A)(i)(I) and inserting ''in the case of plan years beginning before January 1, 2004, the applicable percentage''; and

(2) by amending subparagraph (F) to read as follows:

''(F) APPLICABLE PERCENTAGE.—For purposes of subparagraph (A)(i)(I), the applicable percentage shall be determined in accordance with the following table:

''In the case of any plan year beginning in—	***The applicable percentage is—***
2001	*160*
2002	*165*
2003	*170.''.*

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

SEC. 502. MAXIMUM CONTRIBUTION DEDUCTION RULES MODIFIED AND APPLIED TO ALL DEFINED BENEFIT PLANS.

(a) IN GENERAL.—Subparagraph (D) of section 404(a)(1) (relating to special rule in case of certain plans) is amended to read as follows:

''(D) SPECIAL RULE IN CASE OF CERTAIN PLANS.—

''(i) IN GENERAL.—In the case of any defined benefit plan, except as provided in regulations, the maximum amount deductible under the limitations of this paragraph shall not be less than the unfunded termination liability (determined as if the proposed termination date referred to in section 4041(b)(2)(A)(i)(II) of the Employee Retirement Income Security Act of 1974 were the last day of the plan year).

''(ii) PLANS WITH LESS THAN 100 PARTICIPANTS.—For purposes of this subparagraph, in

the case of a plan which has less than 100 participants for the plan year, termination liability shall not include the liability attributable to benefit increases for highly compensated employees (as defined in section 414(q)) resulting from a plan amendment which is made or becomes effective, whichever is later, within the last 2 years before the termination date.

''(iii) RULE FOR DETERMINING NUMBER OF PARTICIPANTS.—For purposes of determining whether a plan has more than 100 participants, all defined benefit plans maintained by the same employer (or any member of such employer's controlled group (within the meaning of section 412(l)(8)(C))) shall be treated as one plan, but only employees of such member or employer shall be taken into account.

''(iv) PLANS ESTABLISHED AND MAINTAIN BY PROFESSIONAL SERVICE EMPLOYERS.—Clause (i) shall not apply to a plan described in section 4021(b)(13) of the Employee Retirement Income Security Act of 1974.''.

(b) CONFORMING AMENDMENT.—Paragraph (6) of section 4972(c) is amended to read as follows:

''(6) EXCEPTIONS.—In determining the amount of nondeductible contributions for any taxable year, there shall not be taken into account so much of the contributions to one or more defined contribution plans which are not deductible when contributed solely because of section 404(a)(7) as does not exceed the greater of—

''(A) the amount of contributions not in excess of 6 percent of compensation (within the meaning of section 404(a)) paid or accrued (during the taxable year for which the contributions were made) to beneficiaries under the plans, or

''(B) the sum of—

''(i) the amount of contributions described in section 401(m)(4)(A), plus

''(ii) the amount of contributions described in section 402(g)(3)(A).

For purposes of this paragraph, the deductible limits under section 404(a)(7) shall first be applied to amounts contributed to a defined benefit plan and then to amounts described in subparagraph (B).''.

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

SEC. 503. EXCISE TAX RELIEF FOR SOUND PENSION FUNDING.

(a) IN GENERAL.—Subsection (c) of section 4972 (relating to nondeductible contributions) is amended by adding at the end the following new paragraph:

''(7) DEFINED BENEFIT PLAN EXCEPTION.—In determining the amount of nondeductible contributions for any taxable year, an employer may elect for such year not to take into account any contributions to a defined benefit plan except to the extent that such contributions exceed the full-funding limitation (as defined in section 412(c)(7), determined without regard to subparagraph (A)(i)(I) thereof). For purposes of this paragraph, the deductible limits under section 404(a)(7) shall first be applied to amounts contributed to defined contribution plans and then to amounts described in this paragraph. If an employer makes an election under this paragraph for a taxable year, paragraph (6) shall not apply to such employer for such taxable year.''.

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

SEC. 504. EXCISE TAX ON FAILURE TO PROVIDE NOTICE BY DEFINED BENEFIT PLANS SIGNIFICANTLY REDUCING FUTURE BENEFIT ACCRUALS.

(a) IN GENERAL.—Chapter 43 (relating to qualified pension, etc., plans) is amended by adding at the end the following new section:

''SEC. 4980F. FAILURE OF APPLICABLE PLANS REDUCING BENEFIT ACCRUALS TO SATISFY NOTICE REQUIREMENTS.

''(a) IMPOSITION OF TAX.—There is hereby imposed a tax on the failure of any applicable pension plan to meet the requirements of subsection (e) with respect to any applicable individual.

''(b) AMOUNT OF TAX.—

''(1) IN GENERAL.—The amount of the tax imposed by subsection (a) on any failure with respect to any applicable individual shall be $100 for each day in the noncompliance period with respect to such failure.

''(2) NONCOMPLIANCE PERIOD.—For purposes of this section, the term 'noncompliance period' means, with respect to any failure, the period beginning on the date the failure first occurs and ending on the date the failure is corrected.

''(c) LIMITATIONS ON AMOUNT OF TAX.—

''(1) OVERALL LIMITATION FOR UNINTENTIONAL FAILURES.—In the case of failures that are due to reasonable cause and not to willful neglect, the tax imposed by subsection (a) for failures during the taxable year of the employer (or, in the case of a multiemployer plan, the taxable year of the trust forming part of the plan) shall not exceed $500,000. For purposes of the preceding sentence, all multiemployer plans of which the same trust forms a part shall be treated as one plan. For purposes of this paragraph, if not all persons who are treated as a single employer for purposes of this section have the same taxable year, the taxable years taken into account shall be determined under principles similar to the principles of section 1561.

''(2) WAIVER BY SECRETARY.—In the case of a failure which is due to reasonable cause and not to willful neglect, the Secretary may waive part or all of the tax imposed by subsection (a) to the extent that the payment of such tax would be excessive relative to the failure involved.

''(d) LIABILITY FOR TAX.—The following shall be liable for the tax imposed by subsection (a):

''(1) In the case of a plan other than a multiemployer plan, the employer.

''(2) In the case of a multiemployer plan, the plan.

''(e) NOTICE REQUIREMENTS FOR PLANS SIGNIFICANTLY REDUCING BENEFIT ACCRUALS.—

''(1) IN GENERAL.—If an applicable pension plan is amended to provide for a significant reduction in the rate of future benefit accrual, the plan administrator shall provide written notice to each applicable individual (and to each employee organization representing applicable individuals).

''(2) NOTICE.—The notice required by paragraph (1) shall be written in a manner calculated to be understood by the average plan participant and shall provide sufficient information (as determined in accordance with regulations prescribed by the Secretary) to allow applicable individuals to understand the effect of the plan amendment.

''(3) TIMING OF NOTICE.—Except as provided in regulations, the notice required by paragraph (1) shall be provided within a reasonable time before the effective date of the plan amendment.

''(4) DESIGNEES.—Any notice under paragraph (1) may be provided to a person designated, in writing, by the person to which it would otherwise be provided.

''(5) NOTICE BEFORE ADOPTION OF AMENDMENT.—A plan shall not be treated as failing to meet the requirements of paragraph (1) merely because notice is provided before the adoption of the plan amendment if no material modification of the amendment occurs before the amendment is adopted.

''(f) APPLICABLE INDIVIDUAL; APPLICABLE PENSION PLAN.—For purposes of this section—

''(1) APPLICABLE INDIVIDUAL.—The term 'applicable individual' means, with respect to any plan amendment—

''(A) any participant in the plan, and

''(B) any beneficiary who is an alternate payee (within the meaning of section 414(p)(8)) under an applicable qualified domestic relations order (within the meaning of section 414(p)(1)(A)),

who may reasonably be expected to be affected by such plan amendment.

''(2) APPLICABLE PENSION PLAN.—The term 'applicable pension plan' means—

''(A) any defined benefit plan, or

''(B) an individual account plan which is subject to the funding standards of section 412,

which had 100 or more participants who had accrued a benefit, or with respect to whom contributions were made, under the plan (whether or not vested) as of the last day of the plan year preceding the plan year in which the plan amendment becomes effective. Such term shall not include a governmental plan (within the meaning of section 414(d)) or a church plan (within the meaning of section 414(e)) with respect to which the election provided by section 410(d) has not been made.''.

(b) CLERICAL AMENDMENT.—The table of sections for chapter 43 is amended by adding at the end the following new item:

''Sec. 4980F. Failure of applicable plans reducing benefit accruals to satisfy notice requirements.''.

(c) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section shall apply to plan amendments taking effect on or after the date of the enactment of this Act.

(2) TRANSITION.—Until such time as the Secretary of the Treasury issues regulations under sections 4980F(e)(2) and (3) of the Internal Revenue Code of 1986 (as added by the amendments made by this section), a plan shall be treated as meeting the requirements of such sections if it makes a good faith effort to comply with such requirements.

(3) SPECIAL RULE.—The period for providing any notice required by the amendments made by this section shall not end before the date which is 3 months after the date of the enactment of this Act.

(d) STUDY.—The Secretary of the Treasury shall prepare a report on the effects of conversions of traditional defined benefit plans to cash balance or hybrid formula plans. Such study shall examine the effect of such conversions on longer service participants, including the incidence and effects of ''wear away'' provisions under which participants earn no additional benefits for a period of time after the conversion. As soon as practicable, but not later than 60 days after the date of the enactment of this Act, the Secretary shall submit such report, together with recommendations thereon, to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate.

SEC. 505. TREATMENT OF MULTIEMPLOYER PLANS UNDER SECTION 415.

(a) COMPENSATION LIMIT.—Paragraph (11) of section 415(b) (relating to limitation for defined benefit plans) is amended to read as follows:

''(11) SPECIAL LIMITATION RULE FOR GOVERNMENTAL AND MULTIEMPLOYER PLANS.—In the case of a governmental plan (as defined in section 414(d)) or a multiemployer plan (as defined in section 414(f)), subparagraph (B) of paragraph (1) shall not apply.''.

(b) COMBINING AND AGGREGATION OF PLANS.—

(1) COMBINING OF PLANS.—Subsection (f) of section 415 (relating to combining of plans) is amended by adding at the end the following:

''(3) EXCEPTION FOR MULTIEMPLOYER PLANS.—Notwithstanding paragraph (1) and subsection (g), a multiemployer plan (as defined in section 414(f)) shall not be combined or aggregated with any other plan maintained by an employer for purposes of applying the limitations established in this section, except that such plan shall be combined or aggregated with another plan which is not such a multiemployer plan solely for purposes of determining whether such other plan meets the requirements of subsections (b)(1)(A) and (c).''.

(2) CONFORMING AMENDMENT FOR AGGREGATION OF PLANS.—Subsection (g) of section 415 (relating to aggregation of plans) is amended by striking ''The Secretary'' and inserting ''Except as provided in subsection (f)(3), the Secretary''.

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

SEC. 506. PROHIBITED ALLOCATIONS OF STOCK IN S CORPORATION ESOP.

(a) IN GENERAL.—Section 409 (relating to qualifications for tax credit employee stock ownership plans) is amended by redesignating subsection (p) as subsection (q) and by inserting after subsection (o) the following new subsection:

''(p) PROHIBITED ALLOCATIONS OF SECURITIES IN AN S CORPORATION.—

''(1) IN GENERAL.—An employee stock ownership plan holding employer securities consisting of stock in an S corporation shall provide that no portion of the assets of the plan attributable to (or allocable in lieu of) such employer securities may, during a nonallocation year, accrue (or be allocated directly or indirectly under any plan of the employer meeting the requirements of section 401(a)) for the benefit of any disqualified person.

''(2) FAILURE TO MEET REQUIREMENTS.—

''(A) IN GENERAL.—If a plan fails to meet the requirements of paragraph (1), the plan shall be treated as having distributed to any disqualified person the amount allocated to the account of such person in violation of paragraph (1) at the time of such allocation.

''(B) CROSS REFERENCE.—

''For excise tax relating to violations of paragraph (1) and ownership of synthetic equity, see section 4979A.

''(3) NONALLOCATION YEAR.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'nonallocation year' means any plan year of an employee stock ownership plan if, at any time during such plan year—

''(i) such plan holds employer securities consisting of stock in an S corporation, and

''(ii) disqualified persons own at least 50 percent of the number of shares of stock in the S corporation.

''(B) ATTRIBUTION RULES.—For purposes of subparagraph (A)—

''(i) IN GENERAL.—The rules of section 318(a) shall apply for purposes of determining ownership, except that—

''(I) in applying paragraph (1) thereof, the members of an individual's family shall include members of the family described in paragraph (4)(D), and

''(II) paragraph (4) thereof shall not apply.

''(ii) DEEMED-OWNED SHARES.—Notwithstanding the employee trust exception in section 318(a)(2)(B)(i), individual shall be treated as owning deemed-owned shares of the individual. Solely for purposes of applying paragraph (5), this subparagraph shall be applied after the attribution rules of paragraph (5) have been applied.

''(4) DISQUALIFIED PERSON.—For purposes of this subsection—

''(A) IN GENERAL.—The term 'disqualified person' means any person if—

''(i) the aggregate number of deemed-owned shares of such person and the members of such person's family is at least 20 percent of the number of deemed-owned shares of stock in the S corporation, or

''(ii) in the case of a person not described in clause (i), the number of deemed-owned shares of such person is at least 10 percent of the number of deemed-owned shares of stock in such corporation.

''(B) TREATMENT OF FAMILY MEMBERS.—In the case of a disqualified person described in subparagraph (A)(i), any member of such person's family with deemed-owned shares shall be treated as a disqualified person if not otherwise treated as a disqualified person under subparagraph (A).

''(C) DEEMED-OWNED SHARES.—

''(i) IN GENERAL.—The term 'deemed-owned shares' means, with respect to any person—

''(I) the stock in the S corporation constituting employer securities of an employee stock ownership plan which is allocated to such person under the plan, and

''(II) such person's share of the stock in such corporation which is held by such plan but which is not allocated under the plan to participants.

''(ii) PERSON'S SHARE OF UNALLOCATED STOCK.—For purposes of clause (i)(II), a person's share of unallocated S corporation stock held by such plan is the amount of the unallocated stock which would be allocated to such person if the unallocated stock were allocated to all participants in the same proportions as the most recent stock allocation under the plan.

''(D) MEMBER OF FAMILY.—For purposes of this paragraph, the term 'member of the family' means, with respect to any individual—

''(i) the spouse of the individual,

''(ii) an ancestor or lineal descendant of the individual or the individual's spouse,

''(iii) a brother or sister of the individual or the individual's spouse and any lineal descendant of the brother or sister, and

''(iv) the spouse of any individual described in clause (ii) or (iii).

A spouse of an individual who is legally separated from such individual under a decree of divorce or separate maintenance shall not be treated as such individual's spouse for purposes of this subparagraph.

''(5) TREATMENT OF SYNTHETIC EQUITY.—For purposes of paragraphs (3) and (4), in the case of a person who owns synthetic equity in the S corporation, except to the extent provided in regulations, the shares of stock in such corporation on which such synthetic equity is based shall be treated as outstanding stock in such corporation and deemed-owned shares of such person if such treatment of synthetic equity of 1 or more such persons results in—

''(A) the treatment of any person as a disqualified person, or

''(B) the treatment of any year as a nonallocation year.

For purposes of this paragraph, synthetic equity shall be treated as owned by a person in the same manner as stock is treated as owned by a person under the rules of paragraphs (2) and (3) of section 318(a). If, without regard to this paragraph, a person is treated as a disqualified person or a year is treated as a nonallocation year, this paragraph shall not be construed to result in the person or year not being so treated.

''(6) DEFINITIONS.—For purposes of this subsection—

''(A) EMPLOYEE STOCK OWNERSHIP PLAN.—The term 'employee stock ownership plan' has the meaning given such term by section 4975(e)(7).

''(B) EMPLOYER SECURITIES.—The term 'employer security' has the meaning given such term by section 409(l).

''(C) SYNTHETIC EQUITY.—The term 'synthetic equity' means any stock option, warrant, restricted stock, deferred issuance stock right, or similar interest or right that gives the holder the right to acquire or receive stock of the S corporation in the future. Except to the extent provided in regulations, synthetic equity also includes a stock appreciation right, phantom stock unit, or similar right to a future cash payment based on the value of such stock or appreciation in such value.

''(7) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this subsection.''.

(b) COORDINATION WITH SECTION 4975(e)(7).—The last sentence of section 4975(e)(7) (defining employee stock ownership plan) is amended by inserting '', section 409(p),'' after ''409(n)''.

(c) EXCISE TAX.—

(1) APPLICATION OF TAX.—Subsection (a) of section 4979A (relating to tax on certain prohibited allocations of employer securities) is amended—

(A) by striking ''or'' at the end of paragraph (1), and

(B) by striking all that follows paragraph (2) and inserting the following:

''(3) there is any allocation of employer securities which violates the provisions of section 409(p), or a nonallocation year described in subsection (e)(2)(C) with respect to an employee stock ownership plan, or

''(4) any synthetic equity is owned by a disqualified person in any nonallocation year,

there is hereby imposed a tax on such allocation or ownership equal to 50 percent of the amount involved.''.

(2) LIABILITY.—Section 4979A(c) (defining liability for tax) is amended to read as follows:

''(c) LIABILITY FOR TAX.—The tax imposed by this section shall be paid—

''(1) in the case of an allocation referred to in paragraph (1) or (2) of subsection (a), by—

''(A) the employer sponsoring such plan, or

''(B) the eligible worker-owned cooperative,

which made the written statement described in section 664(g)(1)(E) or in section 1042(b)(3)(B) (as the case may be), and

''(2) in the case of an allocation or ownership referred to in paragraph (3) or (4) of subsection (a), by the S corporation the stock in which was so allocated or owned.''.

(3) DEFINITIONS.—Section 4979A(e) (relating to definitions) is amended to read as follows:

''(e) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

''(1) DEFINITIONS.—Except as provided in paragraph (2), terms used in this section have the same respective meanings as when used in sections 409 and 4978.

''(2) SPECIAL RULES RELATING TO TAX IMPOSED BY REASON OF PARAGRAPH (3) OR (4) OF SUBSECTION (a).—

''(A) PROHIBITED ALLOCATIONS.—The amount involved with respect to any tax imposed by reason of subsection (a)(3) is the amount allocated to the account of any person in violation of section 409(p)(1).

''(B) SYNTHETIC EQUITY.—The amount involved with respect to any tax imposed by reason of subsection (a)(4) is the value of the shares on which the synthetic equity is based.

''(C) SPECIAL RULE DURING FIRST NONALLOCATION YEAR.—For purposes of subparagraph (A), the amount involved for the first nonallocation year of any employee stock ownership plan shall be determined by taking into account the total value of all the deemed-owned shares of all disqualified persons with respect to such plan.

''(D) STATUTE OF LIMITATIONS.—The statutory period for the assessment of any tax imposed by this section by reason of paragraph (3) or (4) of subsection (a) shall not expire before the date which is 3 years from the later of—

''(i) the allocation or ownership referred to in such paragraph giving rise to such tax, or

''(ii) the date on which the Secretary is notified of such allocation or ownership.''.

(d) EFFECTIVE DATES.—

(1) IN GENERAL.—The amendments made by this section shall apply to plan years beginning after December 31, 2001.

(2) EXCEPTION FOR CERTAIN PLANS.—In the case of any—

(A) employee stock ownership plan established after July 11, 2000, or

(B) employee stock ownership plan established on or before such date if employer securities held by the plan consist of stock in a corporation with respect to which an election under section 1362(a) of the Internal Revenue Code of 1986 is not in effect on such date,

the amendments made by this section shall apply to plan years ending after July 11, 2000.

TITLE VI—REDUCING REGULATORY BURDENS

SEC. 601. MODIFICATION OF TIMING OF PLAN VALUATIONS.

(a) IN GENERAL.—Paragraph (9) of section 412(c)(9) (relating to annual valuation) is amended to read as follows:

''(9) ANNUAL VALUATION.—

''(A) IN GENERAL.—For purposes of this section, a determination of experience gains and losses and a valuation of the plan's liability shall be made not less frequently than once every year, except that such determination shall be made more frequently to the extent required in particular cases under regulations prescribed by the Secretary.

''(B) VALUATION DATE.—

''(i) CURRENT YEAR.—Except as provided in clause (ii), the valuation referred to in subparagraph (A) shall be made as of a date within the plan year to which the valuation refers or within one month prior to the beginning of such year.

''(ii) ELECTION TO USE PRIOR YEAR VALUATION.—The valuation referred to in subparagraph (A) may be made as of a date within the plan year prior to the year to which the valuation refers if—

''(I) an election is in effect under this clause with respect to the plan, and

''(II) as of such date, the value of the assets of the plan are not less than 125 percent of the plan's current liability (as defined in paragraph (7)(B)).

''(iii) ADJUSTMENTS.—Information under clause (ii) shall, in accordance with regulations, be actuarially adjusted to reflect significant differences in participants.

''(iv) ELECTION.—An election under clause (ii), once made, shall be irrevocable without the consent of the Secretary.''.

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

SEC. 602. ESOP DIVIDENDS MAY BE REINVESTED WITHOUT LOSS OF DIVIDEND DEDUCTION.

(a) IN GENERAL.—Section 404(k)(2)(A) (defining applicable dividends) is amended by striking ''or'' at the end of clause (ii), by redesignating clause (iii) as clause (iv), and by inserting after clause (ii) the following new clause:

''(iii) is, at the election of such participants or their beneficiaries—

''(I) payable as provided in clause (i) or (ii), or

''(II) paid to the plan and reinvested in qualifying employer securities, or''.

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

SEC. 603. REPEAL OF TRANSITION RULE RELATING TO CERTAIN HIGHLY COMPENSATED EMPLOYEES.

(a) IN GENERAL.—Paragraph (4) of section 1114(c) of the Tax Reform Act of 1986 is hereby repealed.

(b) EFFECTIVE DATE.—The repeal made by subsection (a) shall apply to plan years beginning after December 31, 2000.

SEC. 604. EMPLOYEES OF TAX-EXEMPT ENTITIES.

(a) IN GENERAL.—The Secretary of the Treasury shall modify Treasury Regulations section 1.410(b)–6(g) to provide that employees of an organization described in section 403(b)(1)(A)(i) of the Internal Revenue Code of 1986 who are eligible to make contributions under section 403(b) of such Code pursuant to a salary reduction agreement may be treated as excludable with respect to a plan under section 401(k) or (m) of such Code that is provided under the same general arrangement as a plan under such section 401(k), if—

(1) no employee of an organization described in section 403(b)(1)(A)(i) of such Code is eligible to participate in such section 401(k) plan or section 401(m) plan; and

(2) 95 percent of the employees who are not employees of an organization described in section 403(b)(1)(A)(i) of such Code are eligible to participate in such plan under such section 401(k) or (m).

(b) EFFECTIVE DATE.—The modification required by subsection (a) shall apply as of the same date set forth in section 1426(b) of the Small Business Job Protection Act of 1996.

SEC. 605. CLARIFICATION OF TREATMENT OF EMPLOYER-PROVIDED RETIREMENT ADVICE.

(a) IN GENERAL.—Subsection (a) of section 132 (relating to exclusion from gross income) is amended by striking ''or'' at the end of paragraph (5), by striking the period at the end of paragraph (6) and inserting '', or'', and by adding at the end the following new paragraph:

''(7) qualified retirement planning services.''.

(b) QUALIFIED RETIREMENT PLANNING SERVICES DEFINED.—Section 132 is amended by redesignating subsection (m) as subsection (n) and by inserting after subsection (l) the following:

''(m) QUALIFIED RETIREMENT PLANNING SERVICES.—

''(1) IN GENERAL.—For purposes of this section, the term 'qualified retirement planning services' means any retirement planning service provided to an employee and his spouse by an employer maintaining a qualified employer plan.

''(2) NONDISCRIMINATION RULE.—Subsection (a)(7) shall apply in the case of highly compensated employees only if such services are available on substantially the same terms to each member of the group of employees normally provided education and information regarding the employer's qualified employer plan.

''(3) QUALIFIED EMPLOYER PLAN.—For purposes of this subsection, the term 'qualified employer plan' means a plan, contract, pension, or account described in section 219(g)(5).''.

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

SEC. 606. REPORTING SIMPLIFICATION.

(a) SIMPLIFIED ANNUAL FILING REQUIREMENT FOR OWNERS AND THEIR SPOUSES.—

(1) IN GENERAL.—The Secretary of the Treasury shall modify the requirements for filing annual returns with respect to one-participant retirement plans to ensure that such plans with assets of $250,000 or less as of the close of the plan year need not file a return for that year.

(2) ONE-PARTICIPANT RETIREMENT PLAN DEFINED.—For purposes of this subsection, the term ''one-participant retirement plan'' means a retirement plan that—

(A) on the first day of the plan year—

(i) covered only the employer (and the employer's spouse) and the employer owned the entire business (whether or not incorporated); or

(ii) covered only one or more partners (and their spouses) in a business partnership (including partners in an S or C corporation);

(B) meets the minimum coverage requirements of section 410(b) of the Internal Revenue Code of 1986 without being combined with any other plan of the business that covers the employees of the business;

(C) does not provide benefits to anyone except the employer (and the employer's spouse) or the partners (and their spouses);

(D) does not cover a business that is a member of an affiliated service group, a controlled group of corporations, or a group of businesses under common control; and

(E) does not cover a business that leases employees.

(3) OTHER DEFINITIONS.—Terms used in paragraph (2) which are also used in section 414 of the Internal Revenue Code of 1986 shall have the respective meanings given such terms by such section.

(b) SIMPLIFIED ANNUAL FILING REQUIREMENT FOR PLANS WITH FEWER THAN 25 EMPLOYEES.—In the case of a retirement plan which covers less than 25 employees on the first day of the plan year and meets the requirements described in subparagraphs (B), (D), and (E) of subsection (a)(2), the Secretary of the Treasury shall provide for the filing of a simplified annual return that is substantially similar to the annual return required to be filed by a one-participant retirement plan.

(c) EFFECTIVE DATE.—The provisions of this section shall take effect on January 1, 2001.

SEC. 607. IMPROVEMENT OF EMPLOYEE PLANS COMPLIANCE RESOLUTION SYSTEM.

The Secretary of the Treasury shall continue to update and improve the Employee Plans Compliance Resolution System (or any successor program) giving special attention to—

(1) increasing the awareness and knowledge of small employers concerning the availability and use of the program;

(2) taking into account special concerns and circumstances that small employers face with respect to compliance and correction of compliance failures;

(3) extending the duration of the self-correction period under the Administrative Policy Regarding Self-Correction for significant compliance failures;

(4) expanding the availability to correct insignificant compliance failures under the Administrative Policy Regarding Self-Correction during audit; and

(5) assuring that any tax, penalty, or sanction that is imposed by reason of a compliance failure is not excessive and bears a reasonable relationship to the nature, extent, and severity of the failure.

SEC. 608. REPEAL OF THE MULTIPLE USE TEST.

(a) IN GENERAL.—Paragraph (9) of section 401(m) is amended to read as follows:

''(9) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this subsection and subsection (k), including regulations permitting appropriate aggregation of plans and contributions.''.

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

SEC. 609. FLEXIBILITY IN NONDISCRIMINATION, COVERAGE, AND LINE OF BUSINESS RULES.

(a) NONDISCRIMINATION.—

(1) IN GENERAL.—The Secretary of the Treasury shall, by regulation, provide that a plan shall be deemed to satisfy the requirements of section 401(a)(4) of the Internal Revenue Code of 1986 if such plan satisfies the facts and circumstances test under section 401(a)(4) of such Code, as in effect before January 1, 1994, but only if—

(A) the plan satisfies conditions prescribed by the Secretary to appropriately limit the availability of such test; and

(B) the plan is submitted to the Secretary for a determination of whether it satisfies such test. Subparagraph (B) shall only apply to the extent provided by the Secretary.

(2) EFFECTIVE DATES.—

(A) REGULATIONS.—The regulation required by paragraph (1) shall apply to years beginning after December 31, 2000.

(B) CONDITIONS OF AVAILABILITY.—Any condition of availability prescribed by the Secretary under paragraph (1)(A) shall not apply before the first year beginning not less than 120 days after the date on which such condition is prescribed.

(b) COVERAGE TEST.—

(1) IN GENERAL.—Section 410(b)(1) (relating to minimum coverage requirements) is amended by adding at the end the following:

''(D) In the case that the plan fails to meet the requirements of subparagraphs (A), (B) and (C), the plan—

''(i) satisfies subparagraph (B), as in effect immediately before the enactment of the Tax Reform Act of 1986,

''(ii) is submitted to the Secretary for a determination of whether it satisfies the requirement described in clause (i), and

''(iii) satisfies conditions prescribed by the Secretary by regulation that appropriately limit the availability of this subparagraph.

Clause (ii) shall apply only to the extent provided by the Secretary.''.

(2) EFFECTIVE DATES.—

(A) IN GENERAL.—The amendment made by paragraph (1) shall apply to years beginning after December 31, 2000.

(B) CONDITIONS OF AVAILABILITY.—Any condition of availability prescribed by the Secretary under regulations prescribed by the Secretary under section 410(b)(1)(D) of the Internal Revenue Code of 1986 shall not apply before the first year beginning not less than 120 days after the date on which such condition is prescribed.

(c) LINE OF BUSINESS RULES.—The Secretary of the Treasury shall, on or before December 31, 2000, modify the existing regulations issued under section 414(r) of the Internal Revenue Code of 1986 in order to expand (to the extent that the Secretary determines appropriate) the ability of a pension plan to demonstrate compliance with the line of business requirements based upon the facts and circumstances surrounding the design and operation of the plan, even though the plan is unable to satisfy the mechanical tests currently used to determine compliance.

SEC. 610. EXTENSION TO ALL GOVERNMENTAL PLANS OF MORATORIUM ON APPLICATION OF CERTAIN NON-DISCRIMINATION RULES APPLICABLE TO STATE AND LOCAL PLANS.

(a) IN GENERAL.—

(1) Subparagraph (G) of section 401(a)(5) and subparagraph (H) of section 401(a)(26) are each amended by striking ''section 414(d))'' and all that follows and inserting ''section 414(d)).''.

(2) Subparagraph (G) of section 401(k)(3) and paragraph (2) of section 1505(d) of the Taxpayer Relief Act of 1997 are each amended by striking ''maintained by a State or local government or political subdivision thereof (or agency or instrumentality thereof)''.

(b) CONFORMING AMENDMENTS.—

(1) The heading for subparagraph (G) of section 401(a)(5) is amended to read as follows: ''GOVERNMENTAL PLANS''.

(2) The heading for subparagraph (H) of section 401(a)(26) is amended to read as follows: ''EXCEPTION FOR GOVERNMENTAL PLANS''.

(3) Subparagraph (G) of section 401(k)(3) is amended by inserting ''GOVERNMENTAL PLANS.— '' after ''(G)''.

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

SEC. 611. NOTICE AND CONSENT PERIOD REGARDING DISTRIBUTIONS.

(a) EXPANSION OF PERIOD.—

(1) IN GENERAL.—Subparagraph (A) of section 417(a)(6) is amended by striking ''90-day'' and inserting ''180-day''.

(2) MODIFICATION OF REGULATIONS.—The Secretary of the Treasury shall modify the regulations under sections 402(f), 411(a)(11), and 417 of the Internal Revenue Code of 1986 to substitute ''180 days'' for ''90 days'' each place it appears in Treasury Regulations sections 1.402(f)–1, 1.411(a)–11(c), and 1.417(e)–1(b).

(3) EFFECTIVE DATE.—The amendment made by paragraph (1) and the modifications required by paragraph (2) shall apply to years beginning after December 31, 2000.

(b) CONSENT REGULATION INAPPLICABLE TO CERTAIN DISTRIBUTIONS.—

(1) IN GENERAL.—The Secretary of the Treasury shall modify the regulations under section 411(a)(11) of the Internal Revenue Code of 1986 to provide that the description of a participant's right, if any, to defer receipt of a distribution shall also describe the consequences of failing to defer such receipt.

(2) EFFECTIVE DATE.—The modifications required by paragraph (1) shall apply to years beginning after December 31, 2000.

TITLE VII—PLAN AMENDMENTS

SEC. 701. PROVISIONS RELATING TO PLAN AMENDMENTS.

(a) IN GENERAL.—If this section applies to any plan or contract amendment—

(1) such plan or contract shall be treated as being operated in accordance with the terms of the plan during the period described in subsection (b)(2)(A); and

(2) such plan shall not fail to meet the requirements of section 411(d)(6) of the Internal Revenue Code of 1986 by reason of such amendment.

(b) AMENDMENTS TO WHICH SECTION APPLIES.—

(1) IN GENERAL.—This section shall apply to any amendment to any plan or annuity contract which is made—

(A) pursuant to any amendment made by this Act, or pursuant to any regulation issued under this Act, and

(B) on or before the last day of the first plan year beginning on or after January 1, 2003.

In the case of a governmental plan (as defined in section 414(d) of the Internal Revenue Code of 1986), this paragraph shall be applied by substituting ''2005'' for ''2003''.

(2) CONDITIONS.—This section shall not apply to any amendment unless—

(A) during the period—

(i) beginning on the date the legislative or regulatory amendment described in paragraph (1)(A) takes effect (or in the case of a plan or contract amendment not required by such legislative or regulatory amendment, the effective date specified by the plan); and

(ii) ending on the date described in paragraph (1)(B) (or, if earlier, the date the plan or contract amendment is adopted),

the plan or contract is operated as if such plan or contract amendment were in effect; and

(B) such plan or contract amendment applies retroactively for such period.

The SPEAKER pro tempore. After 1 hour of debate on the bill, as amended, it shall be in order to consider the amendment printed in House Report 106–760, if offered by the gentleman from New York (Mr. RANGEL) or his designee, which shall be considered read and shall be debatable for 1 hour, equally divided and controlled by the proponent and an opponent.

The gentleman from Texas (Mr. ARCHER) and the gentleman from Massachusetts (Mr. NEAL) each will control 30 minutes.

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

GENERAL LEAVE

Mr. ARCHER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 1102.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

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

Mr. Speaker, we have accomplished a great deal this year for older Americans and for baby boomers who are nearing retirement. We repealed the punitive Social Security earnings penalty so that seniors who wanted to continue to work could do so without the loss of their benefits. We protected the Social Security and Medicare trust funds from being spent, put them in a lock box, and we are paying down the debt by historic levels. Today, we continue our broad agenda to help Americans enjoy a healthier and more fulfilling retirement.

If there is one cloud on our economic horizon, it is the lack of personal savings, private savings in the private sector in this country, which is at an all time low. In fact, negative. We as a people borrow more than we save. We should be encouraging Americans to save more, and one of the proven methods of doing that is simple: do not tax savings or the interest earned on savings.

While we have tried many times, and the last time IRA contribution limits were raised was almost 20 years ago in 1981, there is wide bipartisan support for raising the limits from $2,000 to $5,000. At least 90 Democrats cosponsored the Portman-Cardin bill, which includes an increase in IRA limits, and 60 Democrats cosponsored a straight expansion of IRA limits from $2,000 to $5,000.

The Committee on Ways and Means reported this bill with a strong bipartisan vote, and I expect that support will be reflected by the full House of Representatives today.

Mr. Speaker, I particularly thank the gentleman from Ohio (Mr. PORTMAN) and the gentleman from Maryland (Mr. CARDIN), who have really provided the bipartisan leadership on this issue. This should be the hallmark of Congress, that we come together to do the right thing for the American people. I also must mention the leadership of the gentleman from California (Mr. GALLEGLY) on IRA expansions.

This bill also strengthens our pension system, and it expands opportunities for Americans to get pension coverage, especially women. As we know, women live longer than men and have special retirement needs, but only 32 percent of retired women have pensions as opposed to 55 percent for men.

This bill includes catchup provisions so women who have to leave the workforce, perhaps for a period of time to rear children and then reenter later in life, can increase their contributions to make up for the lost time when they were not in the workforce.

So this is the right legislation at the right time. The workplace has changed, our retirement needs have changed, and the pension system has changed. Now is the time to expand IRAs, improve 401(k)s, update our pension system so more Americans have the opportunity for a safe and secure retirement. We particularly help small businesses to create pension plans where there is a great need for workers to be covered. This is a good bill, one that should get a resounding bipartisan vote.

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

Mr. NEAL of Massachusetts. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we have an honest disagreement here today reflected in the proposals that are before this House. This honest disagreement I think crystallizes along the lines of who is to benefit from this legislation. Once again, on the Democratic side, we argue, I think with considerable merit, that the legislation in front of us does not do enough to help middle-income Americans or low-income wage earners.

The substitute that we will discuss later on today offered by the gentleman from New York (Mr. RANGEL) is, I believe, the only way that we can bring a balanced pension package to the President that he will sign this year. The substitute that we will offer later on will add a dimension that the underlying bill lacks and which it badly needs.

One of the key criticisms of the bill before us is that the benefit increases go only to those lucky few who make a maximum contribution under current law. The retirement savings account proposal takes a good first step at addressing this lack of balance. It gives a refundable tax credit to low- and moderate-income workers who participate in an employer-sponsored pension plan or an individual retirement account. The maximum credit is 50 percent of qualifying contributions, and would be available to married workers earning less than $25,000 when fully phased in. The credit phases down to zero at $75,000 for married workers filing jointly.

Mr. Speaker, it is important to understand that the RSA proposal does not create a separate account like an individual retirement account. With all of the pension vehicles currently in law, placing one more into law really did not seem to make a lot of sense. Rather, the tax credit is tied to contributions made to an IRA, or a qualified employer-sponsored pension plan like a 401(k) plan, or another similar defined contribution plan. This was done for simplicity, and to ease the administration of plan sponsors.

The RSA proposal before us today has gone through similar and many versions. In its final version, it preserves the original goal of the administration, which is to provide a real incentive for low- and moderate-income workers to participate in our retirement system while meeting concerns expressed by the pension community that the proposal be administrable.

For example, the original RSA proposal was designed to deliver the tax credit to business or financial institutions as reimbursement for making employer contributions to eligible employees. The pension community argued that this design was too complex, and that some small businesses or tax-exempt entities would not have the ability to absorb tax credits because they may have little or no tax liability. Thus, the proposal was changed to a tax credit for individuals.

The proposal is intended to provide a stronger incentive for individuals to save for retirement, of which we all agree. For those who have not done so to date, a 50 percent credit encourages them to take the first step in the right direction. For those who currently save a little, it encourages them to save more. Given all of the competing demands, it is often very hard for many workers, even middle income workers, to set aside a percentage of their wages toward retirement. Refundability is a key feature of this credit. It allows us to provide a strong incentive to some workers who simply could not otherwise participate in a pension plan.

This is not a panacea for low-income workers. The average deferral rate for nonhighly compensated workers who make less than $30,000 a year is less than 6 percent. The RSA proposal is the only thing that would help us to help these workers, and it is crucial to do so if we wish to bring some balance to this package.

Likewise, the small business tax credits contained in the amendment may provide a significant increase in pension coverage and pension participation for employees of small businesses. The first proposal gives a 50 percent tax credit for 3 years to small businesses for their start-up costs associated with a new pension plan. That is their administrative and retirement education costs. Not only would this provide an incentive for small businesses to offer a plan to employees, but it also could be used as a marketing tool by financial institutions or pension advisors to promote the adoption of a pension plan to small business.

The second small business credit would provide a 50 percent credit for employer contributions to a pension plan for nonhighly compensated employees if the employer is willing to contribute 1 to 3 percent of compensation through their employees' accounts. This credit is designed to encourage small businesses to make employer contributions to the plan they sponsored for their employees.

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By encouraging small employers to make contributions on behalf of their non-highly compensated employees, retirement savings for all these workers will increase.

Clearly the Rangel substitute will make this a much better bill. It will provide significant incentives for low- and middle-income workers to participate in those pension plans that are offered by their employers. This is clearly where we need to concentrate our incentives because this is where the need is greatest, among low- and moderate-income wage-earners.

For higher-income wage-earners, those who already save a maximum under current law, the bill in front of us provides a boost for their savings. So as long as that increase does not lead to any pension coverage being dropped, as some strongly argue, then there is nothing wrong with the increases, as long as we consider low- and moderate-income wage-earners.

However, the debate today is over the possible unintended consequences of this and other provisions in the underlying bill. It certainly will continue throughout the year.

There are additional controversies that surround this legislation. For example, the Department of the Treasury and some outside groups argue strongly that some of the provisions of this bill can actually lead to a shrinking of pension coverage for low- and moderate-income workers. They cite most often the provisions of the bill that weaken the so-called top-heavy rules and the nondiscrimination rules which are designed to protect non-key employees by making sure they get a minimum amount of benefit from an employer's pension plan.

I know the authors of this bill, the gentleman from Ohio (Mr. PORTMAN) included, strongly believe the opposite, and that these are just simplification proposals that will do no harm. But there are many others, myself included, who feel just as strongly that the proposals will do harm.

For example, we have a letter from 30 organizations, including the AARP, the Gray Panthers, the Pension Rights Centers, the National Urban League, the Older Women's League, and others who argue that if we look at the changes in this bill that affect top-heavy rules and nondiscrimination rules, that taken together, these provisions would serve to aggravate the imbalances in our current pension system.

We urge Members to drop these provisions from their bill. A top-heavy plan, by example, is a definition which we offer to the value of benefits when top employees exceed 60 percent of the package. In order to make sure that all other employees receive a benefit, the rules require faster vesting and a certain minimum benefit for non-key employees. This has led to an increased benefit for those employees.

While top-heavy rules are not being repealed, the changes made by the bill may redefine some plans as being not top-heavy, which in turn means that the workers covered by those plans lose their current protections.

Ironically, one of the arguments for keeping the changes in the top-heavy rules is that there are nondiscrimination rules in place to protect workers. A top-heavy plan already meets the nondiscrimination rules, yet gives key employees more than 60 percent of the benefits, so Congress has already made a judgment that nondiscrimination rules are not enough protection in a top-heavy plan.

Moreover, the other major complaint about this bill is that the nondiscrimination rules are weakened, which in turn will provide, again from the letter, ''less protection and ultimately less retirement security'' for workers and their families.

Mr. Speaker, these are some of the concerns that have been expressed and some of the provisions that need to get worked out by the end of this legislative year. There is still time to work these proposals out with President Clinton.

I believe that every one of us on this floor wants to see a balanced pension package that can reach the President's desk in October and be signed into law. Unfortunately, this bill will not be signed into law. We may have somewhat different views as to where that

balance is, but that is what the legislative process is for.

With that in mind, the substitute that the Democratic Party will offer today is as constructive an approach as is possible, signalling where some of us continue to have problems with the underlying bill, as well as sending a clear message that we would like to try to bridge the gap.

I hope everyone will take this in the spirit in which it is offered, and that we can make real progress on pension reform this year. Having said that, I also think that the gentleman from Ohio (Mr. PORTMAN) and the gentleman from Maryland (Mr. CARDIN) have served an important purpose, and that is to generate considerable attention to the issue of pension legislation.

I believe there is still time to work out the differences that we currently hold and to get a good pension reform bill that President Clinton will sign. Given the knowledge I have of the gentleman from Ohio (Mr. PORTMAN) and the gentleman from Maryland (Mr. CARDIN), I think that is still possible.

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

The SPEAKER pro tempore. Without objection, the gentleman from Ohio (Mr. PORTMAN) will control the time on the majority side.

There was no objection.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Ohio (Mr. PORTMAN).

Mr. PORTMAN. Mr. Speaker, I want to thank the gentleman from Texas (Chairman ARCHER) for his leadership over the years, and all he has done to expand saving options for all Americans, and in particular, his personal commitment to moving this bill to the floor today. Without his help and his support, we would not be here.

I would also like to thank my colleague, the gentleman from Maryland (Mr. CARDIN) on the other side of the aisle, who has been a true partner over the past 3 years as we have developed this bipartisan legislation before us today.

In the face of some very real political pressure from the administration and others, the gentleman from Maryland (Mr. CARDIN) has remained committed to doing what he believes is right to help people save for retirement. He deserves great credit for that.

I rise in very enthusiastic support of H.R. 1102, the legislation before us today. This is great legislation, because it allows all workers to put more aside in a 401(k) type plan, a traditional pension plan, or in an individual retirement account, an IRA. It makes it easier for employers to offer plans and maintain and establish them, and it makes it easier for workers to roll over their retirement nest egg from job to job.

Let us look at the problem that we face today. Seventy million Americans, that is half the American work force, today do not have a pension, either a 401(k) or any kind of a pension plan. The problem, of course, is much worse in American smaller businesses. In fact we are told that only 19 percent of businesses with 25 or fewer employees have any kind of pension at all today.

Unbelievably, there has been virtually no growth in pension coverage for the past 2 decades. Retirement savings in general is so low that many experts believe that most older baby-boomers have not put nearly enough away for their retirement. The estimates are that they have put away only 40 percent of what they will need to have a comfortable retirement.

Part of the problem has been right here in Congress. Over the past 20 years this Congress has done the wrong thing, not the right thing, with regard to pensions. We have lowered the contribution and the benefit levels. We have made pensions more costly by, yes, increasing the number of rules and regulations and mathematical tests and the burdens and costs of establishing and maintaining a pension plan.

What impact did that have? Let me give some specific examples. First, from 1982 to 1994, the limits on defined benefit plans, these are the wonderful traditional guaranteed defined benefit plans, the limits on these plans were repeatedly reduced by Congress from 1982 to 1994 and new restrictions were added, primarily I am told for purpose of generating more Federal revenue.

As these cutbacks began to take effect, the number of traditional defined benefit plans insured by PBGC dropped from 114,000 plans in 1987 to only 45,000 plans in 1997. Those are the facts.

Let me share another example. Within a year after Congress reduced the compensation limit from $235,000 to $160,000 in 1993, the percentage of companies offering so-called non-qualified plans, these are non-insured plans, focused on higher-paids, went from 20 percent of companies to 67 percent of companies.

These non-qualified plans basically ensure that highly-paid executive and managers have retirement coverage, but they do nothing to help lower- and middle-level income employees. That is the record.

Yes, in this legislation we do believe strongly that we ought to increase those limits, at least restore them back to where they were 20 years ago. Yes, we believe strongly that we ought to do something to reduce some of the costs and burdens of establishing and maintaining these plans.

Over the past two decades, overall pension coverage has remained stagnant. It is time for Congress to now take these steps to reverse the trend. This bill before us today does just that. It is a comprehensive approach. It has been developed over the past 3 years, after careful consultations with small business people, who we want to have offer more of these plans, with labor organizations, with pension law experts in the private sector, in academia, in the administration, at the Treasury Department, at PBGC, at the Department of Labor, and most importantly, with workers themselves and individuals who will be affected by these changes.

They have been fully vetted. These proposals have been through the wringer. In fact, most or the great majority of them have now passed this House twice.

About 200 Members of this House, just over 200 as of this morning, almost equally divided between Republicans and Democrats, have now cosponsored this bill. More than 85 outside groups, business groups like the Chamber and the NFIB, labor organizations like the Building and Construction Trades Council of the AFL–CIO, have endorsed this legislation.

The approach is fiscally responsible. It is also straightforward. First, again, we allow all workers to set aside more for their retirement in 401(k) type plans. We address union multi-employer plans. We made those plans fairer for all working union Members. We raise limits for defined benefit plans and for other pensions, as well as for IRAs, moving from $2,000 to $5,000. Again, what we are really trying to do is at least restore these limits back to where they were in the 1980s.

In some cases, we do not even go that far. This $2,000 to $5,000 increase in the IRA limit, incidentally, is right about where it would be had we simply indexed in 1974 the IRA limits.

We also allow special catch-up contributions for those workers who are 50 years old or older. This is done, this accelerated contribution, so older workers, especially women who will be returning to the work force, have the opportunity to build up that retirement nest egg more quickly at a time in their lives when they need it the most and frankly can afford to put some money aside.

Second, after the contribution increases, we are modernizing pension laws to adapt to what we have learned about the realities of an increasingly mobile work force. So we make defined contribution plans portable so workers can roll over their retirement nest egg between various types of qualified plans, 401(k)s, 403(b)s, and 457 plans for public employees.

We require employers to allow workers to become vested in their plans more quickly. Instead of 5 years, we move it down to 3 years. This lets workers get a piece of the action earlier.

Finally, yes, we listened to those in the trenches. We paid attention to the surveys out there that are very clear, clearly demonstrating that if we do not reduce the complexities and the burdens in our current very complex, very burdensome pension laws, we are not going to be able to expand pension opportunities for those who work in small businesses, which is where most lower-paid and middle-income workers now find their jobs.

That is why we make it easier for employers, particularly small businesses, to establish and maintain plans

by reducing the costs and the liabilities, including modernizing outdated laws, streamlining complex rules. Yet, we keep in place the very important protections to ensure fairness in our pension system.

My friend, the gentleman from Massachusetts (Mr. NEAL) talked a while ago about his concerns about these provisions. I would love to have a debate over these specific provisions. There are many people, including the President's ERISA Advisory Council, that reported to the Department of Labor, that said we should repeal the top-heavy rules that were discussed a moment ago.

In fact, there are many on my side of the aisle who would like to do that. We do not do that. The changes we make in the top-heavy rules are minor, but yes, they will help the small businesses to be able to offer and maintain a pension plan. We keep in place the 3 percent contribution limit. We keep in place all the fundamentals of the top-heavy rules. Yet, we do go into them, we roll up our sleeves, as the gentleman from Maryland (Mr. CARDIN) and I will hope to have a chance to talk about in more detail, and we do make it easier to offer these plans.

We keep the nondiscrimination tests in place. Again some in the business community would like for us to have gone further. We think it is important that every time a pension is offered to a higher-paid worker, it must be offered right down the line to workers of all incomes. That is why we keep the rules in place.

We do change them a little. The major change is, we say after you have gone through all the incredibly complicated mathematical computations and tests, then the Department of the Treasury would have the discretion in some cases to look at a plan and say, even though you seem to have failed this extremely complicated mathematical test, when we look at your plan, if it retains fairness to workers in that business, we will let you continue with this plan.

Is that too much to ask, to give a little discretion, so that it is not all based on computations and mechanical tests? I have to tell the Members, I think this is the least we can do to try to get at what we know is the problem, which is the cost, the burdens, and the liabilities that small businesses face today if they want to offer pension plans. Unless we want to have a mandate and tell every business in America, you have to offer a plan, and I do not think anybody is advocating that here today, we have to deal with the reality.

I have to tell the Members, I am surprised that the Clinton administration continues, despite this broad bipartisan support, despite a 3-year vetting process, despite going through a process of consultation with all the outside groups, including the Department of the Treasury, that they continue to oppose this legislation.

It is amazing to me. They have brought out the tired class warfare argument again over the last 24 hours, saying this is somehow tax cuts for the rich. That is wrong.

□ 1100

Americans who are struggling to try to meet their retirement needs do not think they are rich when they make less than $62,000 a year, which is the cap on IRAs, and they are told they can now go from $2,000 to $5,000 a year. It is hard to build up an adequate retirement putting $2,000 aside, less than 200 bucks a month. That is hard.

Yes, we think it ought to be indexed to inflation, which means it goes up above $5,000, letting more people save.

I have got to remind people here who benefits the most from this. Seventy-seven percent of the American workers who participate in pension plans today make less than $50,000 a year. So much for tax cuts for the rich. These are the people who need it most.

We ought to be getting out of the way and helping them save for their retirement, not creating more obstacles for them to be able to have a comfortable retirement.

Again, I want to thank Members on both sides of the aisle who contributed so much over the years. I see the gentleman from North Dakota (Mr. POMEROY) here who has been a leader on the portability provisions which are so commonsensical. I see the gentleman from Maryland (Mr. CARDIN), who we talked about earlier who is here. The gentleman from California (Mr. GALLEGLY) and the gentleman from Kansas (Mr. MOORE) who have taken the lead on the IRA contributions. I see the gentleman from California (Mr. GALLEGLY) is here, and I hope he will speak in a minute about his wonderful legislation that is incorporated as part of this legislation as well. The gentlewoman from New Mexico (Mrs. WILSON) and the gentleman from Maryland (Mr. WYNN), both of whom I hope will talk later today. There are so many, many others who I do not have time to mention, but who have been part of this process and have contributed to it in valuable ways.

I want to end by urging my colleagues to join us in this crusade, in this movement to try to expand retirement savings for all Americans. This should be bipartisan today. It should be a very strong message. I hope we can get well over a veto-proof majority of the House, Republicans and Democrats together, because if we do not, we probably will not be able to send a strong enough message to the Senate, to the White House and the administration that we are committed to getting this done, not next year, not in some new Congress, but getting it done this year for people who need it badly.

We need to provide this retirement security. We need to provide the peace of mind that Americans deserve in their retirement years. I hope we will send that strong message today with a strong bipartisan vote.

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

Mr. NEAL of Massachusetts. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to briefly reference what the gentleman from Ohio (Mr. PORTMAN) has said. We continue to hold on this side that the tax proposals and tax cuts that have been proposed in this House over the last 6 weeks overwhelmingly are skewed toward helping the well off.

Mr. Speaker, I yield 5 minutes to the gentleman from Maryland (Mr. CARDIN).

Mr. CARDIN. Mr. Speaker, first, if I might, let me thank my colleagues on the Democratic side of the aisle, particularly the gentleman from Massachusetts (Mr. NEAL) for his long work on pension issues, on his interest in improving retirement savings accounts for all workers; the gentleman from North Dakota (Mr. POMEROY), who has been one of the real spokespersons for pension reform since his first day in the House; the gentleman from Texas (Mr. BENTSEN), who has been a key player on the pension reform issues; and I know the gentleman from Kansas (Mr. MOORE), who is not on the floor, he will be here later; and the gentlewoman from Florida (Mrs. THURMAN) who has a provision in this bill as it relates to ESOPs.

As the gentleman from Ohio (Mr. PORTMAN) pointed out, this is truly a bipartisan bill. But I particularly want to recognize the gentleman from Ohio for his leadership on this issue. The gentleman has demonstrated amazing patience in working with all elements, not only here in Congress, but the different interest groups so that we could fashion the bill that could truly be a bill that all of us should be proud of and a bill that has been developed in a very bipartisan way. The gentleman from Ohio (Mr. PORTMAN) has reached out to all of us, and I thank him for that.

The process that has been used for this legislation is the right process. Each provision has been well vetted. We have had public hearings in the Committee on Ways and Means. We have established the record. We have had a mark-up in the committee. We have brought forward a bill that is deserving Members' support.

Why do we need this legislation? Well, it is pretty self-obvious. We brag about the economic progress of our Nation, low inflation rates, high economic growth, stock market still growing; but our saving ratios over the last 2 decades have steadily declined. In fact, we have had negative quarters. We actually spend more money than we earn as a Nation. That is certainly nothing that we can be proud of.

We understand that income security retirement requires, not only a strong Social Security system, but a strong private retirement system; and this is what the legislation is aimed at doing.

So what do we do? Well, we adjust limits to try to bring it back to where

they used to be. Let me just give my colleagues a couple of examples. The gentleman from Ohio (Mr. PORTMAN) mentioned the defined benefit. In 1982, that was $136,000. If we adjusted for inflation, it would be $242,000. Instead, it is $135,000 and we raise it to $160,000.

How about the 401(k)'s that many of our constituents are well aware of. In 1986, that was $30,000. If we adjust it for inflation, it would be $47,000 today. Instead, it is $10,500. We make a modest change to $5,000.

Why do we do this? Well, it is interesting. When we reduce the limits, and we did reduce the compensation limit in 1993, we reduced it from 235,000 to 170,000. What happened? What happened? We found that employers dropped their plans. They went to nonqualified plans. We had a threefold increase in nonqualified plans that year. These compensation limits are important if employers are going to be sponsoring plans for all of their employees.

We provide special benefits for women. Women many times enter the workforce; later they take time out of the workforce. We reduce the vesting so that workers can be entitled to defined contribution benefits by their employers earlier, 3 years rather than 6.

We allow for catch-up contributions, because many times one is a little bit older before one is able to put money away, so we allow an extra $5,000 contribution when someone reaches the age of 50. One is finished paying one's children's college education bills, maybe one has got the mortgage down to a more realistic level. Now one can start thinking about retirement; we allow one to do that. We put the 415 provisions in there for people who work for labor unions. We help all workers.

Mr. Speaker, I am still somewhat disappointed by criticisms that this bill is aimed at wealthy high-paid workers. It is not. It is aimed at allowing employers to continue pension plans that help all workers.

If one has an employer-sponsored plan, the employer puts money on the table. That helps the lower-wage workers. We want to encourage those types of pension plans. The IRA provisions, most of the money goes into the IRA provisions. That goes to workers basically who are making less than $60,000 a year. These provisions are well targeted.

The gentleman from Ohio (Mr. PORTMAN) pointed out the top-heavy changes. We do not eliminate top-heavy rules; we make them work. We make them effective. The one provision we change in top heavy is, say, that if an employer has a matched contribution, that should count towards the 3 percent. For my colleagues see, if a pension plan is top heavy, the employer is required to make a 3 percent contribution. Under current law, that employer cannot count their matched contributions. What does that do? Employers drop their matched contribution. This encourages employers to continue to put money on the table which helps lower-wage workers and younger workers actually participate in a pension plan.

It is a well-balanced approach. Sure, one might want to pick at one provision and say, does this not help one special group? All of the provisions help all of our workers. It will help us plan for people's retirement. I urge my colleagues to support the legislation.

Mr. PORTMAN. Mr. Speaker, I yield 2½ minutes to the gentleman from Pennsylvania (Mr. ENGLISH).

The gentleman from Pennsylvania (Mr. ENGLISH) has been a leader on the multiemployer plan provisions in this bill, which help section 415.

Mr. ENGLISH. Mr. Speaker, I would like to join the individuals who have spoken today in congratulating the gentleman from Ohio (Mr. PORTMAN) for his Herculean efforts on behalf of this legislation.

Mr. Speaker, working families must be able to fall back on strong private pension plans when they are planning for retirement. Social Security is simply not enough. This landmark legislation will allow more families to save with greater flexibility for retirement.

This legislation has many simple changes, but the cumulative effect is profound. It would allow families to secure their retirement future by increasing the IRA contributions limits and increasing the 401(k) limits, long overdue changes.

It would also allow baby boomers who are discovering that their retirement is seriously underfunded to catch up through higher contribution limits.

But particularly I wanted to note that the changes in the current section 415 would address the unintended consequences of this legislation which have hurt many, many of the working families in my district.

Currently section 415 seriously hampers the ability of America's workers, not the rich, but rank and file workers, to collect their full pension amounts that they have earned.

Slashing the pensions of workers who retire before normal Social Security retirement age has caused financial hardship for many workers, especially in my district. Many of these workers have physically demanding jobs and frequently negotiate and contribute to pension plans specifically with the goal of being able to retire before age 65.

Thousands of retiring workers have carefully saved and planned for their retirement. They are depending on their pensions. But when they retire, there are arbitrary cuts in the amount they can collect. Americans are living longer, but are not saving enough to sustain them through an extended retirement.

This legislation goes a great distance toward improving our retirement system and creating a greater incentive for employers to offer private retirement plans and for individuals to save for their retirement.

Some have labeled this as tax cuts for the rich, and I find that to be an extraordinary claim. The fact is this legislation is clearly pro-savings, pro-worker, pro-union, pro-taxpayer, and pro-small business.

Mr. Speaker, I urge every Member of the House to join us in support of this very important initiative.

Mr. NEAL of Massachusetts. Mr. Speaker, I yield 4 minutes to the gentleman from North Dakota (Mr. POMEROY) whose work in the pension arena has been invaluable to this Congress.

Mr. POMEROY. Mr. Speaker, I thank the gentleman from Massachusetts for yielding me this time.

Mr. Speaker, I want to begin by commending the gentleman from Massachusetts (Mr. NEAL) and in particular the sponsors of this legislation, the gentleman from Ohio (Mr. PORTMAN) and the gentleman from Maryland (Mr. CARDIN) for the detailed work they have done.

Just listening to the debate and their presentations on the floor leave one well aware of the depth of knowledge they have acquired on this complex subject during the time of their work on the legislation.

In balance, especially as to the Portman-Cardin proper, not addressing the IRA adjustment, but Portman-Cardin proper, I believe that they have made decisions that are well founded in terms of trying to continue support for defined benefit plans in the workplace.

We have seen a collapse in the workers covered by defined benefit plans, the traditional pension coverages. In fact, from 1975 to 1995, the number, percentage of covered workers has fallen 40 percent in defined pension plans. The number of actual defined benefit plans in the marketplace has gone from 114,000 in 1987 to 45,000 in 1997.

It is time we address this subject head on, and that is what the Portman-Cardin legislation does. I have enjoyed working with the gentleman on it.

I believe that there is much to be said for the traditional pension plan in terms of protecting workers. It shifts investment risk away from workers who are least able to bear it, and it provides lifelong guaranteed benefits sustaining people in retirement years, no matter how long they live. Let us face it, workers are living longer today, so these features of defined benefit plans are very, very important.

This legislation also incorporates a bill that I had introduced as a stand-alone measure called the Retirement Account Portability Act, and it will allow much greater portability across different types of defined contribution plans.

Right now, if one works for a non-profit corporation, one will have a 403(b) plan. If one works for a for-profit, one will have a 401(k) plan. If one works for a State government, one will have a 457 plan. As one moves in the workplace between these categories of employers, one cannot move one's defined contribution money with one. There is no public policy purpose served by the existing law with those

prohibitions. It is time we knocked them down. I am very pleased this, along with the reduction investing schedule from 5 years to 3 years for defined contribution, was incorporated in this legislation.

So there is much to commend this bill and particularly the effort behind it by the gentleman from Ohio (Mr. PORTMAN) and the gentleman from Maryland (Mr. CARDIN).

The problem I have today is not with what is in the bill; it is what was left out of the bill as the Committee on Ways and Means marked it up. And that is a special savings incentive for workers needing additional help in saving for retirement.

This chart makes it very clear that savings rates are lower among households who earn less money. There is no rocket science there. It is just obvious. Families that have incomes well in excess of $100,000 can save much more than families earning under $35,000.

This legislation basically fails to address this savings issue. It addresses pension, but only 27 percent of workers under 415,000 have access to workplace retirement savings. It increases the IRA limits, but only 7 percent of households under $50,000 are accessing the tax-deductible IRA.

These people need a more powerful savings incentive, and it is time we address the savings needs of middle- and modest-income households. They have not had an additional savings incentive passed since 1981, and the Democrat substitute, which we will debate next, would provide a powerful new savings incentive for these families.

□ 1115

Mr. PORTMAN. Mr. Speaker, I yield 3 minutes to my friend, the gentleman from California (Mr. GALLEGLY), who has been a leader on IRS expansion. In particular, he has added valuable contributions to this legislation on increasing the limit and indexing IRA contributions.

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

Mr. GALLEGLY. Mr. Speaker, I rise today in strong support of H.R. 1102, a bill that will enhance retirement security for all Americans.

I want to particularly recognize my good friend, the gentleman from Ohio (Mr. PORTMAN), my classmate, and my good friend, the gentleman from Maryland (Mr. CARDIN), and the gentleman from Texas (Chairman ARCHER) for their leadership, along with many other Members on both sides of the aisle in bringing this legislation to the floor in a timely fashion.

This legislation includes a provision that increases from $2,000 to $5,000 per year the amount a person can contribute to their IRA. This mirrors the language in a bill I introduced, H.R. 1322, which has garnered strong bipartisan support, in fact, 220 cosponsors and also the endorsement of numerous groups representing senior citizen groups across this country.

Increasing the annual IRA contribution limit is a matter of fundamental fairness. Since 1974, the year IRAs were created, the Consumer Price Index has increased 240 percent. Yet during the same period, the IRA level has only increased once; and this was way back in 1981. Had it simply kept pace with inflation, Americans would now be able to contribute over $5,000 instead of only $2,000.

Mr. Speaker, a very important point of this legislation is that it has recently been brought to the attention of Members of this body that the net savings rate has dropped to zero for the first time since the Great Depression. If we do not reverse this trend, we threaten the long economic prosperity of our country.

Finally, I would like to commend the authors for including language in H.R. 1102 that I strongly supported that indexes the IRA amount to the rate of inflation. We must never again let inflation eat away the amount that people can save.

I would also like to thank the gentlewoman from New Mexico (Mrs. WILSON) and the gentleman from Kansas (Mr. MOORE) for all their help in working with me on this very important issue.

I urge my colleagues to strongly support H.R. 1102.

Mr. NEAL of Massachusetts. Mr. Speaker, I yield 2 minutes to the gentleman from Oregon (Mr. BLUMENAUER), whose concern for quality-of-life issues speaks well of retirees.

Mr. BLUMENAUER. Mr. Speaker, I thank the gentleman for his courtesy in yielding me the time.

I appreciate the hard work that has been going on both sides of the aisle in moving this legislation forward.

I would speak just briefly to one particular item that does speak to the quality of life of our families, who we want to be able to be safe, healthy, and economically secure.

The section 415 modifications speak to a very real problem we have now where working men and women who are covered by pension retirement programs are not able to collect the full amount of money that they would otherwise be granted. This is a problem.

H.R. 1102 would correct this. It recognizes that hard physical labor oftentimes requires people to retire earlier.

The substitute that is going to be offered and the bill before us now both deal with the 100 percent of compensation problem, this speaks to the potential disparity to the lower-paid employees who do not get all that they would otherwise be entitled because some of these programs are based on years of service, not simply to the amount of salary.

The second provision that both bills have that I am pleased to see deals with aggregation. In many cases we have employees who are part of two pension plans, one that is a multiemployer plan and another that is simply their own union or company. It is important that we include this piece.

Finally, I would commend my colleague, the gentleman from Massachusetts (Mr. NEAL), who talked about some of the improvements that are being made for the people most in need. These employees who oftentimes are required to retire earlier are subjected to a problem where there is money in the pension program, but they are not allowed to collect it. The substitute would put an 80 percent floor and protect them.

These are important provisions that I hope will ultimately find their way into law.

Mr. PORTMAN. Mr. Speaker, I yield 3 minutes to my colleague, the gentlewoman from New York (Mrs. KELLY), for the purpose of a colloquy.

Mrs. KELLY. Mr. Speaker, I rise for the purpose of entering into a colloquy with my friend, the gentleman from Ohio (Mr. PORTMAN), the author of this legislation.

I am grateful for the hard work my colleagues on the Committee on Ways and Means have done in putting together a strong package of tax relief to ensure retirement security for working Americans.

Unfortunately, I have been contacted by constituents concerned about potential interpretations of sections 405, 501, and 701 of H.R. 1102. They fear these could negatively affect pension benefits.

Over the past months, I appreciate the time the gentleman from Ohio (Mr. PORTMAN) and members of the committee concerned with pension issues have spent as we have worked together to ensure that these concerns are properly addressed.

I thank the gentleman from Ohio and the committee for the report language which addresses some of my concerns. But, Mr. Speaker, I would like to get assurances that these sections I have mentioned are not intended to be used to harm participants.

It is my understanding that these provisions are not intended to be interpreted in such a way as to reduce pension benefits, discourage companies from increasing pension benefits, or to allow violations of the Tax Code.

So I ask my friend, the gentleman from the State of Ohio (Mr. PORTMAN), is my understanding correct?

Mr. Speaker, I yield to the gentleman from Ohio.

Mr. PORTMAN. Mr. Speaker, I thank the gentlewoman from New York for yielding, and I tell her that absolutely, her interpretation is correct. Indeed, the provisions that she mentioned are in the bill with the intent that we will be able to expand pension coverage and protections for American workers who are in defined benefit plans.

Mrs. KELLY. Mr. Speaker, reclaiming my time, I thank my friend, the gentleman from Ohio (Mr. PORTMAN), for his assurances and his continuing efforts on the legislation. With these efforts, we can assure concerned individuals that pensions are enhanced and protected by this legislation.

We have an opportunity today to enhance retirement security for Americans. These are all initiatives I have long advocated. I look forward to voting in support of this important legislation today, and I urge all of my colleagues to join me in strong support.

Mr. NEAL of Massachusetts. Mr. Speaker, I yield 3 minutes to the gentleman from Texas (Mr. BENTSEN), whose work in retirement savings is well known to this body.

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

Mr. BENTSEN. Mr. Speaker, I thank the gentleman from Massachusetts for yielding me the time.

Mr. Speaker, I rise today in support of H.R. 1102, the Comprehensive Retirement Security and Pension Reform Act of 2000.

Presently, our Nation is experiencing the lowest unemployment rate in a generation. This recent boom in job creation has been driven in large part by the growth of a number of small businesses. Even as more Americans work and incomes rise, we as a Nation have an abysmally low savings rate of 3.8 percent in disposable personal income. If the economy slows in the near future, that figure may rise by only one or two percentage points, which is still low by historical standards.

Further, with fewer companies offering defined benefit plans, the percentage of private workers covered by pension plans has decreased by 2 percent from 45 percent in 1970 to 43 percent in 1990. This is not progress.

Finally, with Social Security as the main source of income for 80 percent of retirees, the approaching retirement of today's aging workforce will surely place additional stress on Social Security's ability to pay out benefits.

In short, the three-leg stool of retirement security is in jeopardy. Plans where employers make automatic, mandatory contributions have been replaced by plans where employees make voluntary contributions. No longer do companies automatically bear the risks and costs of professionally made investment decisions. Today, workers have to bear the risks and costs of their investment decisions.

Passage of H.R. 1102 will set us on the path of enhancing retirement security by not only increasing the annual contribution limit for IRAs and providing catch-up provisions for older workers and easing administrative burdens to allow employers to offer pension plans.

In particular, H.R. 1102 includes provisions of a bill, H.R. 352, which I introduced with the gentleman from Missouri (Mr. BLUNT) which would allow small businesses to establish qualified small employer pension plans for small businesses of less than 100 employees.

The provisions of the Bentsen bill would provide an easing of the establishment of qualified pension plans while still requiring employer matches and contributions for all employees.

Small businesses with less than 100 employees can participate in this plan, yet only 21 percent of individuals employed by such businesses have such pension plans at this time, compared with 64 percent of those who work for businesses with more than 100 employees.

Overall I want to say, H.R. 1102 will clear up many of the problems in the current pension programs. I know there have been a number of criticisms about whether or not this would skew benefits to the upper income. I might say this is somewhat different than tax cut bills we have had before because this is about savings and not consumption. It is voluntary.

We do not know if the bill will work or not, but we do know that the current regulatory scheme for pensions and savings is not working, and we ought to try this bill to see if it will work to increase the amount of pensions to as many American workers as possible.

I encourage my colleagues to support the bill.

Mr. PORTMAN. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. WELLER), my colleague on the Committee on Ways and Means, who played a big role in putting together not only the multiemployer provisions but also the catch-up provisions on the 401(k) and IRA side.

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

Mr. WELLER. Mr. Speaker, I am fortunate to represent a very diverse district, representing the south side of Chicago, the south suburbs and rural areas. And when I listen, whether in the city, the suburbs or the country, my neighbors tell me how frustrated they are with their Tax Code. Not only are taxes too high, but they are frustrated with the complexity and the unfairness of the Tax Code; and they greatly point time and time again about how unfair our Tax Code is where it treats retirement savings, where it treats those who want to set aside more for their retirement.

They also tell me that women in particular have a harder time saving for their retirement. In fact, in 1999 only 23 percent of those who were out of the workforce, usually for raising a family, were able to contribute to an IRA in 1999. That is less than one-fourth contributed to their IRA.

When I think of that example, I think of my sister Pat. She and her husband, Rich, are in their 50s. They live near Sheldon, Illinois, on their farm. One is a farmer. One is a school teacher. But a few years back, my sister and her husband, Rich, decided to have a family. Pat took 7 years out of the workforce in order to be home with the kids. And when the kids were old enough to go into school, she went back into the workforce. But during that period of time the family income was a lot less, it was cut in half, and expenses were up because they had little children. During that time, Pat and Rich really could not really set aside much more retirement savings.

That is why I think it is so important to point out in this legislation that we help people like my sister, Pat, working moms, empty-nesters who now have a little extra money after the kids are out of the household, those who may have missed a little work because of health reasons, but give them an opportunity to catchup on their contributions to their IRA as well as their 401(k).

That is why I am so proud that provisions from H.R. 4546 were included in this legislation allowing an individual when they turn 50 to put a full $5,000 into their IRA immediately in 2001.

As my colleagues know, the increased $5,000 is phased in over three years. Those over age 50 will get the immediate benefit allowing them to catch up. And also, if they have a 401(k), they will be able to put in an additional $5,000 in every year beginning in 2001. That will be a big help, particularly to working moms and empty-nesters, important legislation to help those save for retirement, particularly women making up missed contributions.

I also want to point out another key provision in this legislation. I think of folks back home in the district, working people, building tradesmen, carpenters, cement finishers, iron workers, operating engineers, those who get up early, work hard all day, get their hands dirty, and of course put in many, many hours.

Unfortunately, and I will give an example, Larry Kohr, a retired laborer from La Salle, Illinois. Larry pointed out to me that because of section 415 limitations in our Tax Code that he does not get what he was promised on his pension. According to his pension plan, he should be getting about $39,000 a year. But because of the pension limitations under section 415, he and other building tradespeople only get about half of what they deserve, in Larry's case about $15,000 to $16,000.

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Now, think about that, 30 years you get up at 6 a.m. and go out and work hard all day, you only get half of what you were promised. I am so proud our legislation today that helps 10 million building tradespeople, people like Larry Kohr by giving them 100 percent of what they deserve on their pension.

Mr. NEAL of Massachusetts. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Kansas (Mr. MOORE), who has been a welcome new addition to this House.

Mr. MOORE. Mr. Speaker, I appreciate the gentleman from Massachusetts (Mr. NEAL) yielding me this time.

Mr. Speaker, I rise today in strong support of H.R. 1102, and I urge my colleagues in this body to pass 1102 today.

Back as a new freshman Member of this body, in February of last year, I introduced H.R. 802, which would basically increase the contribution limit from $2,000 to $5,000. That concept at least was incorporated in this bill, and

I am very, very proud today to stand here in support of again H.R. 1102.

As a matter of national policy, I think it makes perfect sense that we try to encourage Americans to save more, number one; and, number two, to save more in private retirement accounts to supplement Social Security accounts for later on to take the stress and the strain off of Social Security.

Mr. Speaker, I am very proud to have had an opportunity to work on a bipartisan basis with the gentleman from California (Mr. GALLEGLY), the gentlewoman from New Mexico (Mrs. WILSON), the gentleman from Ohio (Mr. PORTMAN), the gentleman from Maryland (Mr. CARDIN), the gentleman from Illinois (Mr. WELLER), and others who have spoken here today in support of this legislation.

It truly is a good experience to work in a bipartisan basis. When I go home, I talk to my constituents back home, they tell me, they are really tired of all the partisan bickering in Congress. They are tired of hearing the Republicans did this, the Democrats did this, and what they would like to see us doing is working together.

This is a perfect example of where Republicans and Democrats have come together across the aisle and worked on behalf of the American people. This is not a Republican idea. This is not a Democrat idea. It is a good idea and should be law, and I urge its passage.

Mr. PORTMAN. Mr. Speaker, I yield 2 minutes to the gentleman from New Hampshire (Mr. BASS), my colleague who has been very helpful on the small business provisions of this legislation.

Mr. BASS. Mr. Speaker, I thank the gentleman from Ohio (Mr. PORTMAN) for yielding the time to me.

Mr. Speaker, I rise in strong support of H.R. 1002. Mr. Speaker I want to congratulate the gentleman from Ohio (Mr. PORTMAN) for his tireless efforts on working on behalf of this important issue.

Earlier this year, I introduced a bill which would reduce the premiums paid to the Pension Benefit Guarantee Corporation by small businesses that are looking to offer new plans. This bipartisan initiative already had been passed by the House on a previous occasion and was also included in the original version of the bill we are debating today.

I fully understand the reasons for removing all nontax provisions from the bill, but I do hope that Members who may be appointed to the conference committee will work for the inclusion of these provisions that were in my bill and other pension reforms that may have been removed from the bill. With the inclusion of that, we will be assured that we will have a bill that will encourage employers to offer pensions, as this one does, increase participation by eligible employees, raise the limits on benefits and contributions, improve asset portability, strengthen legal protections for planned participants, and reduce regulatory burdens on plan sponsors.

Mr. Speaker, I also urge Members not to lose sight of the fact that during debate regarding who will benefit from this bill, we should consider the fact that when IRAs were created in 1974, they were widely regarded as a great new step in encouraging retirement savings for all Americans, and the original limit of $1,500 was not criticized as a giveaway for the most wealthy, but was hailed by both parties as the introduction of a planning tool for working Americans.

Had this limit been adjusted yearly to account for increases in the CPI, the Consumer Price Index, it would be today $5,353 each year. This bill will not adjust the limit to $5,000 until 2003, and I think we would do well to keep this in mind as we debate this important bill on a bipartisan basis.

Mr. Speaker, I urge support for this bill.

Mr. NEAL of Massachusetts. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. ANDREWS), who once again has helped us reinforce the arguments that we are undertaking today.

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

Mr. ANDREWS. Mr. Speaker, I thank my friend from Massachusetts (Mr. NEAL) for yielding the time to me.

Mr. Speaker, I rise in support of the underlying legislation. I also support the Democratic substitute because I believe that it more fairly targets the benefits of the legislation. I commend the gentleman from Massachusetts (Mr. NEAL) and his colleagues for offering it, and I look forward to voting for it. But I want to say to my friend, the gentleman from Maryland (Mr. CARDIN), and the gentleman from Ohio (Mr. PORTMAN) that they have demonstrated that people can come together on very contentious issues and do good for the country.

Mr. Speaker, I very much appreciate the work they have done on this bill. Americans are going to have more years of retirement and, therefore, need more income, and that is a great thing; but it is a thing we need to be prepared for.

Mr. Speaker, I support this bill for four significant reasons. First of all, it repeals what I view as a very strange provision that makes it illegal for employers to put too much into the pension plan for their employees. That makes no sense at all. This will result in more money being put away for employees.

Second, I support this because I believe it is great news for people who have left the labor force for a while, usually to raise children, and then rejoin the labor force and want to catch up for those years when they could not put money away. Very frequently women are in this position, although it is not only women. And this is very strong news for those who will benefit from that provision.

Third, this legislation corrects what I believe is a glaring inequity and anomaly in the Internal Revenue Code with respect to pension payments made to people very often associated with the building trades or other unions or other crafts who have earned their pensions and because of a quirk in the law had been unable to collect them fairly. This bill corrects that.

Finally, the increase in contributions that would be made to individual retirement accounts are a benefit to the economy, as well as to the families who will benefit from those.

To the gentleman from Maryland (Mr. CARDIN), who has shown great leadership on this, and to the gentleman from Ohio (Mr. PORTMAN), I am pleased that our committee, chaired by my friend, the gentleman from Ohio (Mr. BOEHNER), has been able to help shepherd this legislation along. I rise in support of it and look forward to its adoption by this House.

Mr. PORTMAN. Mr. Speaker, I understand we have about 3 minutes remaining.

The SPEAKER pro tempore (Mr. OSE). The gentleman from Ohio (Mr. PORTMAN) has 3 minutes remaining, and the gentleman from Massachusetts (Mr. NEAL) has 2½ minutes remaining.

Mr. PORTMAN. Mr. Speaker, who has the right to close?

The SPEAKER pro tempore. The gentleman from Ohio (Mr. PORTMAN) has the right to close.

Mr. PORTMAN. Mr. Speaker, I yield 2½ minutes to the gentleman from New York (Mr. LAZIO), my colleague who has been a leader on this legislation and in expanding retirement security.

Mr. LAZIO. Mr. Speaker, let me begin by saying how thrilled I am to be here today, and I rise in strong support of this legislation.

I want to commend my good friend, the gentleman from Ohio (Mr. PORTMAN) who has spearheaded the efforts to provide pension and retirement security for millions of Americans, as well as the gentleman from Maryland (Mr. CARDIN). I want to thank him as well for his great help. We would not be here without the partnership and bipartisanship that both have exhibited.

Mr. Speaker, the baby boom generation is graying. I ought to know, I am one of them, and I can see myself in the mirror every day. Over 60 million baby boomers will be retiring over the next 20 years.

Let me talk for a moment about the typical baby boomer generation story. It is a story of a typical middle-class couple who are beginning to approach retirement age. Their children have moved out of their house. These prototypical baby boomers have been working hard, day in and day out, since graduating high school. They have been exemplary members of their community, providing for their families, perhaps volunteering for a local charity, maybe serving on a local school board.

Throughout the years, they did all right financially, but they were not millionaires. They never got really

rich. They owned their own home. They scrimped and saved to send their kids to school and often they did not have enough left over at the end of the month to save enough maybe for their own retirement.

When the kids are grown and educated, when the house is almost paid off and they have a few more dollars in their pocket, you would think they would be okay. But the fact of the matter is, they have not been able to save that much.

The current law contribution limit for IRAs is only $2,000, the same amount that it was 20 years ago. In today's dollars, $2,000 per year does not add up to much. Once they retire without a steady income, many baby boomers will have to think twice before taking all of their grandchildren out for the ball game or for a concert, and they dare not even dream about visiting that vacation spot that has always caught their eye.

Mr. Speaker, the bill we debate on the floor today will help 70 million Americans who lack access to any type of pension. This bill will allow more Americans to save more of their own hard-earned dollars for their retirement years. It will encourage more small businesses to set up retirement plans for their employees.

This is a bipartisan bill. It has been a result of a lot of hard work. It enjoys the support of over 190 cosponsors from both sides of the aisle. Let me say, there is only one thing standing between us and actual passage, and, that is, the opposition of the administration.

I do not know why anybody would object to a bipartisan bill that would give Americans security in their retirement years. I do not know why anybody would stand opposed to a bill that would help pensionless low- and middle-income workers save for their retirement. We need to pass this bill today.

Mr. NEAL of Massachusetts. Mr. Speaker, the gentleman from New York (Mr. LAZIO) mentioned there was bipartisan support for the bill. I am pleased to announce there is bipartisan opposition to the bill.

Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota (Mr. GUTKNECHT).

Mr. GUTKNECHT. Mr. Speaker, virtually everything that has been said this morning about this bill is true, and it is a bipartisan bill. I am delighted with the work that has gone into it, but I reluctantly rise in opposition to the bill.

Mr. Speaker, I want my colleagues to all consider for a moment the term ''vested.'' I think we all think we know what that term means. The dictionary says it is law, settled, if fixed, absolute, being without contingency, as in a vested right.

About 2 years ago, thousands of employees that worked for IBM Corporation found out that vested does not mean what we think it means, and all of a sudden these people who had calculators on their computers, as part of their tool kit so they could calculate what their pension benefit would be when they retired, all of a sudden woke up and the company had unilaterally changed the pension formula.

They had gone from a defined benefit program to a cash balance program, and they were given no choice. And I had offered to the authors language to give them that choice, just for the vested employees, because once those rights are vested, it seems to me we have a moral obligation as a Congress, as employers. In fact, the term in pension policy is fiduciary responsibility, and that transcends legal.

Yes, it was legal for IBM, and many of these other corporations, to convert their pension plans into cash balanced plans. It was legal, I think. I am not so certain, but it was not moral. It was the wrong thing to do.

As a result, I have to rise in opposition to this bill because we have an opportunity in this Congress to solve this problem; and just because it is IBM this year does not mean it is not going to be another employer next year. This is ultimately going to affect millions and millions of Americans, and everyone in this room knows that it is wrong. It is wrong to allow large employers to abuse their employees, to convert these pension plans without their knowledge and without their choice.

Mr. Speaker, I have to congratulate the authors for working together, but this bill has one glaring omission.

Mr. NEAL of Massachusetts. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, I want to thank the gentleman from Minnesota (Mr. GUTKNECHT) for those very telling comments, and at the same time point out that we do not on this side hold opposition to this bill, as much as we argue that the bill can be improved.

In the closing days of this Congress, there is going to be ample opportunity to do that. And I would close with the remarks that I opened with, the legislation in front of us does not do enough to help low- and middle-income workers, and when we look at the statistical data of the companies of the proposal in front of us, one would quickly conclude that is the case.

We have an opportunity. The President says he will sign a pension bill. Secretary Summers has told me he will recommend to the President that he veto this legislation in its current form.

Mr. Speaker, I yield back the balance of my time.

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

Mr. Speaker, I want to thank my friend from Minnesota (Mr. GUTKNECHT) for his help on the cash balance issue. As the gentleman knows, in this legislation we expand disclosure and expand information provided so we improve the cash balance situation. I appreciate his help in getting us to that point and tell the gentleman that he is welcome to come to this side to get time any time he wants.

Mr. Speaker, I would also say at the end here that we need to be clear, that this legislation is not only bipartisan, it has not only been fully vetted over a 3-year period, but it does strike the right balance. It is fair.

Most of those lower- and middle-income workers we are all concerned about work in these small businesses that do not offer any kind of pension coverage today, that is precisely where this bill is targeted; that is what we are trying to do. We are trying to reverse what this Congress has done over the past couple of decades in terms of restricting pension access to all workers.

Mr. Speaker, I would encourage all of my colleagues on the both sides of the aisle to support the legislation before us.

Mr. FRELINGHUYSEN. Mr. Speaker, I rise in support of H.R. 1102, the Comprehensive Retirement Security and Pension Reform Act.

This bill contains a number of commonsense provisions to make it easier for Americans to build a stronger financial future for themselves. First and foremost, the bill increases the amount of money an individual can contribute to an Individual Retirement Account (IRA). The current $2,000 a year level, which has remained unchanged since 1981, would be increased to $5,000. An estimated 35 million Americans have some sort of IRA account, and nearly 70 percent of them contribute the maximum amount each year. Passage of H.R. 1102 will allow these individuals to set aside an even greater amount of money to prepare for their future retirement security.

Second, the bill allows workers to become vested in less time—three years instead of five—and makes 401(k)-type plans more portable. As we know, workers no longer spend their entire careers with the same company. Instead, workers increasingly change jobs several times over the course of their careers. Under the provisions of H.R. 1102, these workers will be able to bring their accumulated retirement savings with them when they switch jobs.

Lastly, this bill also allows older men and women, aged 50 and up, to make a $5,000 ''catch up'' contribution to their IRAs and increases the limit on salary reduction contributions to 401(k)-type plans to $15,000. Further, H.R. 1102 reduces administrative burdens, such as reporting requirements, to encourage small businesses to offer pension plans.

According to the Treasury Department, there are 75 million Americans who do not participate in a retirement pension plan and have little or no other retirement savings. For these individuals, as well as the millions of Americans who already contribute to IRAs or other retirement accounts, I urge my colleagues to support this bill. All of us benefit when citizens prepare for their future retirement security and families have incentives to save.

Mr. WELDON of Florida. Mr. Speaker, today I rise in strong support of H.R. 1102, the 401-K—IRA Pension Expansion Plan. Mr. Speaker, I am a co-sponsor of this measure that will help the over 70 million Americans who need the benefits of this plan. It is imperative that

we pass this bill today to help millions of American families save for their retirement security, and to be able to carry those pension funds with them when they change jobs.

In 1981, workers were permitted to put aside up to $2,000 in an Individual Retirement Account (IRA) tax-free. Oddly, that amount has never been raised, even in the face of inflation and increased per capita earnings. Also, with the 1986 Tax Reform Act the number of participants dropped dramatically because of the disincentives it introduced. This bill addresses those shortcomings. It phases in increases for the maximum individual contribution reaching $5,000 by 2003. That means, that over the course of ten or twenty years, a couple can save tens of thousands of dollars more towards their retirement; that doesn't even begin to touch on interest and any additional matching funds from an employer. The $5,000 annual limit is also increased annually to ensure that inflation does not again erode the contributions that can be set aside for retirement.

Today, only half of all private sector workers have any kind of pension plan, and only 20 percent of small businesses offer retirement plans. However, we have seen over the past two decades that IRAs are an effective way for all Americans to save for their future, and with the proper incentives in this bill, it will significantly expand the rate of savings. This measure will help all workers. It can especially help among Generation X-ers, many of whom are already deciding to save for their retirement. In our expanding, technology driven economy, today's twenty- and thirty-somethings have taken it upon themselves to begin saving for the long-term. This bill helps them by enabling and encouraging them to set aside more of their own money over their working years for their own retirement.

Another component of the bill is targeted to my generation. It allows workers age 50 and above to be permitted to contribute up to $5,000 immediately in order to ''catch-up'' with years of being limited to only $2,000/year. Estimates indicate that over the next two decades over 16 million Baby Boomers will retire. So many of these hard-working Americans have scrimped and saved to put aside some money for their senior years. Now as they begin to see their personal incomes rise they are not able to set aside as much money as they would like to in their IRAs. We should enable them to put aside more money as their incomes grow and as they seriously consider their financial planning for their retirement.

In addition, this bill provides incentives to promote the portability of IRAs. With the expanding and ever-changing economy workers are changing jobs with increased frequency. The prospect of spending thirty or forty years with an American institution like a General Motors or a Ford are less likely today than they were in past generations. With the increased portability provision in this bill it will be easier for workers to take their retirement savings from one job to another. They can roll over their money into an IRA with their new employer and take it with them without penalties and continue to expand the growth of their retirement savings.

In closing, statistics indicate that personal savings among Americans has been down every year since 1992, and now it is at its lowest point in decades. Also, many women put their careers on hold to raise their children. These families not only gave up a second income for these years, but these women were not able to contribute to an IRA. This bill allows them to make-up contributions for those years. We should encourage savings and the best way to do that is to promote tax-free savings for retirement. This bill is a good bill. It is good for hard-working Americans and their families, and I encourage my colleagues to support it.

Mr. BILIRAKIS. Mr. Speaker, I rise in support of H.R. 1102, the Comprehensive Retirement Security and Pension Reform Act.

The authors of H.R. 1102 are to be commended for their work in drafting a bill to address the retirement savings gap by expanding small business retirement plans, allowing workers to save more, providing portability in retirement benefits for an increasingly mobile workforce, and securing the pensions of America's workers. I am pleased to see that H.R. 1102 increases IRA contribution and benefit limits, provides rollovers of retirement plan and IRA distributions, and reduces vesting requirements for employer matching contributions. These provisions will help Americans save more for their retirement needs.

However, I still have concerns about the protection of pension benefits of workers and retirees.

Over the years, I have heard from many of my constituents who have lost pension benefits as the result of their employer declaring bankruptcy or merging with another company. Current law does not do enough to protect the retirement benefits of these employees and the company's retirees.

Mr. Speaker, hard-working Americans do not deserve to lose their hard-earned benefits due to a company's declaration of bankruptcy or merger with another corporation.

As Members of Congress, we spend a lot of time and effort debating what we can do to improve the lives of our constituents. Providing additional protections for the retirement benefits of hard-working Americans is a step in the right direction, and I hope my colleagues will work with me to ensure that changes in a company's structure will not result in the loss of benefits for our constituents.

Mr. PORTMAN. Mr. Speaker, I yield back the balance of my time.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. NEAL OF MASSACHUSETTS

Mr. NEAL of Massachusetts. Mr. Speaker, I offer an amendment in the nature of substitute.

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

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

Amendment in the nature of a substitute offered by Mr. NEAL of Massachusetts:

Strike all after the enacting clause and insert the text of H.R. 4843, as reported, and add at the end the following new title:

TITLE VIII—ADDITIONAL PROVISIONS

SEC. 801. REFUNDABLE CREDIT TO CERTAIN INDIVIDUALS FOR ELECTIVE DEFERRALS AND IRA CONTRIBUTIONS.

(a) IN GENERAL.—Subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to refundable credits) is amended by redesignating section 35 as section 36 and by inserting after section 34 the following new section:

''SEC. 35. ELECTIVE DEFERRALS AND IRA CONTRIBUTIONS BY CERTAIN INDIVIDUALS.

''(a) ALLOWANCE OF CREDIT.—In the case of an eligible individual, there shall be allowed as a credit against the tax imposed by this subtitle for the taxable year an amount equal to the applicable percentage of so much of the qualified retirement savings contributions of the eligible individual for the taxable year as do not exceed $2,000.

''(b) APPLICABLE PERCENTAGE.—For purposes of this section, the applicable percentage is the percentage determined in accordance with the following table:

Adjusted Gross Income						Applicable percentage
Joint return		Head of a household		All other cases		
Over	Not over	Over	Not over	Over	Not over	
$0	$25,000	$0	$18,750	$0	$12,500	50
25,000	35,000	18,750	26,250	12,500	17,500	45
35,000	45,000	26,250	33,750	17,500	22,500	35
45,000	55,000	33,750	41,250	22,500	27,500	25
55,000	75,000	41,250	56,250	27,500	37,500	15
75,000	.....	56,250	.....	37,500	.....	0

''(c) ELIGIBLE INDIVIDUAL.—For purposes of this section—

''(1) IN GENERAL.—The term 'eligible individual' means any individual if—

''(A) such individual has attained the age of 18, but has not attained the age of 61, as of the close of the taxable year, and

''(B) the compensation (as defined in section 219(f)(1)) includible in the gross income of the individual (or, in the case of a joint return, of the taxpayer) for such taxable year is at least $5,000.

''(2) DEPENDENTS AND FULL-TIME STUDENTS NOT ELIGIBLE.—The term 'eligible individual' shall not include—

''(A) any individual with respect to whom a deduction under section 151 is allowable to another taxpayer for a taxable year beginning in the calendar year in which such individual's taxable year begins, and

''(B) any individual who is a student (as defined in section 151(c)(4)).

''(3) INDIVIDUALS RECEIVING CERTAIN RETIREMENT DISTRIBUTIONS NOT ELIGIBLE.—

''(A) IN GENERAL.—The term 'eligible individual' shall not include, with respect to a taxable year, any individual who received during the testing period—

''(i) any distribution from a qualified retirement plan (as defined in section 4974(c)),

or from an eligible deferred compensation plan (as defined in section 457(b)), which is includible in gross income, or

''(ii) any distribution from a Roth IRA which is not a qualified rollover contribution (as defined in section 408A(e)) to a Roth IRA.

''(B) TESTING PERIOD.—For purposes of subparagraph (A), the testing period, with respect to a taxable year, is the period which includes—

''(i) such taxable year,

''(ii) the 2 preceding taxable years, and

''(iii) the period after such taxable year and before the due date (without extensions) for filing the return of tax for such taxable year.

''(C) EXCEPTED DISTRIBUTIONS.—There shall not be taken into account under subparagraph (A)—

''(i) any distribution referred to in section 72(p), 401(k)(8), 401(m)(6), 402(g)(2), 404(k), or 408(d)(4),

''(ii) any distribution to which section 408A(d)(3) applies, and

''(iii) any distribution before January 1, 2002.

''(D) TREATMENT OF DISTRIBUTIONS RECEIVED BY SPOUSE OF INDIVIDUAL.—For purposes of determining whether an individual is an eligible individual for any taxable year, any distribution received by the spouse of such individual shall be treated as received by such individual if such individual and spouse file a joint return for such taxable year and for the taxable year during which the spouse receives the distribution.

''(d) QUALIFIED RETIREMENT SAVINGS CONTRIBUTIONS.—For purposes of this section, the term 'qualified retirement savings contributions' means the sum of—

''(1) the amount of the qualified retirement contributions (as defined in section 219(e)) for the benefit of the eligible individual,

''(2) the amount of the elective deferrals (as defined in section 414(u)(2)(C)) of such individual, and

''(3) the amount of voluntary employee contributions by such individual to any qualified retirement plan (as defined in section 4974(c)).

''(e) ADJUSTED GROSS INCOME.—For purposes of this section, adjusted gross income shall be determined without regard to sections 911, 931, and 933.

''(f) INVESTMENT IN THE CONTRACT.—Notwithstanding any other provision of law, a qualified retirement savings contribution shall not fail to be included in determining the investment in the contract for purposes of section 72 by reason of the credit under this section.

''(g) TRANSITIONAL RULES.—In the case of taxable years beginning before January 1, 2008—

''(1) CONTRIBUTION LIMIT.—Subsection (a) shall be applied by substituting for '$2,000'—

''(A) $600 in the case of taxable years beginning in 2002, 2003, or 2004, and

''(B) $1,000 in the case of taxable years beginning in 2005, 2006, or 2007.

''(2) APPLICABLE PERCENTAGE.—The applicable percentage shall be determined under the following table (in lieu of the table in subsection (b)):

Adjusted Gross Income						Applicable percentage
Joint return		Head of a household		All other cases		
Over	Not over	Over	Not over	Over	Not over	
$0	$20,000	$0	$15,000	$0	$10,000	50
20,000	25,000	15,000	18,750	10,000	12,500	45
25,000	30,000	18,750	22,500	12,500	15,000	35
30,000	35,000	22,500	26,250	15,000	17,500	25
35,000	40,000	26,250	30,000	17,500	20,000	15
40,000	.....	30,000	.....	20,000	.....	0.''

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (2) of section 1324(b) of title 31, United States Code, is amended by inserting before the period '', or from section 35 of such Code''.

(2) The table of sections for subpart C of part IV of subchapter A of chapter 1 of such Code is amended by striking the last item and inserting the following new items:

''Sec. 35. Elective deferrals and IRA contributions by certain individuals.

''Sec. 36. Overpayments of tax.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 802. CREDIT FOR PENSION PLAN STARTUP COSTS OF SMALL EMPLOYERS.

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

''SEC. 45D. SMALL EMPLOYER PENSION PLAN STARTUP COSTS.

''(a) GENERAL RULE.—For purposes of section 38, in the case of an eligible employer, the small employer pension plan startup cost credit determined under this section for any taxable year is an amount equal to 50 percent of the qualified startup costs paid or incurred by the taxpayer during the taxable year.

''(b) DOLLAR LIMITATION.—The amount of the credit determined under this section for any taxable year shall not exceed—

''(1) $1,000 for the first credit year,

''(2) $500 for each of the 2 taxable years immediately following the first credit year, and

''(3) zero for any other taxable year.

''(c) ELIGIBLE EMPLOYER.—For purposes of this section—

''(1) IN GENERAL.—The term 'eligible employer' has the meaning given such term by section 408(p)(2)(C)(i).

''(2) EMPLOYERS MAINTAINING QUALIFIED PLANS DURING 1998 NOT ELIGIBLE.—Such term shall not include an employer if such employer (or any predecessor employer) maintained a qualified plan (as defined in section 408(p)(2)(D)(ii)) with respect to which contributions were made, or benefits were accrued, for service in 1998. If only individuals other than employees described in subparagraph (A) or (B) of section 410(b)(3) are eligible to participate in the qualified employer plan referred to in subsection (d)(1), then the preceding sentence shall be applied without regard to any qualified plan in which only employees so described are eligible to participate.

''(d) OTHER DEFINITIONS.—For purposes of this section—

''(1) QUALIFIED STARTUP COSTS.—

''(A) IN GENERAL.—The term 'qualified startup costs' means any ordinary and necessary expenses of an eligible employer which are paid or incurred in connection with—

''(i) the establishment or administration of an eligible employer plan, or

''(ii) the retirement-related education of employees with respect to such plan.

''(B) PLAN MUST HAVE AT LEAST 2 PARTICIPANTS.—Such term shall not include any expense in connection with a plan that does not have at least 2 individuals who are eligible to participate.

''(C) PLAN MUST BE ESTABLISHED BEFORE JANUARY 1, 2010.—Such term shall not include any expense in connection with a plan established after December 31, 2009.

''(2) ELIGIBLE EMPLOYER PLAN.—The term 'eligible employer plan' means a qualified employer plan within the meaning of section 4972(d), or a qualified payroll deduction arrangement within the meaning of section 408(q)(1) (whether or not an election is made under section 408(q)(2)). A qualified payroll deduction arrangement shall be treated as an eligible employer plan only if all employees of the employer who—

''(A) have been employed for 90 days, and

''(B) are not described in subparagraph (A) or (C) of section 410(b)(3),

are eligible to make the election under section 408(q)(1)(A).

''(3) FIRST CREDIT YEAR.—The term 'first credit year' means—

''(A) the taxable year which includes the date that the eligible employer plan to which such costs relate becomes effective, or

''(B) at the election of the eligible employer, the taxable year preceding the taxable year referred to in subparagraph (A).

''(e) SPECIAL RULES.—For purposes of this section—

''(1) AGGREGATION RULES.—All persons treated as a single employer under subsection (a) or (b) of section 52, or subsection (n) or (o) of section 414, shall be treated as one person. All eligible employer plans shall be treated as 1 eligible employer plan.

''(2) DISALLOWANCE OF DEDUCTION.—No deduction shall be allowed for that portion of the qualified startup costs paid or incurred for the taxable year which is equal to the credit determined under subsection (a).

''(3) ELECTION NOT TO CLAIM CREDIT.—This section shall not apply to a taxpayer for any taxable year if such taxpayer elects to have this section not apply for such taxable year.''

(b) CREDIT ALLOWED AS PART OF GENERAL BUSINESS CREDIT.—Section 38(b) (defining 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) in the case of an eligible employer (as defined in section 45D(c)), the small employer pension plan startup cost credit determined under section 45D(a).''

(c) CONFORMING AMENDMENTS.—

(1) Section 39(d) is amended by adding at the end the following new paragraph:

''(8) NO CARRYBACK OF SMALL EMPLOYER PENSION PLAN STARTUP COST CREDIT BEFORE EFFECTIVE DATE.—No portion of the unused business credit for any taxable year which is attributable to the small employer pension plan startup cost credit determined under section 45D may be carried back to a taxable year ending on or before the date of the enactment of section 45D.''

(2) Subsection (c) of section 196 is amended by striking ''and'' at the end of paragraph (7), by striking the period at the end of paragraph (8) and inserting '', and'', and by adding at the end the following new paragraph:

''(9) the small employer pension plan startup cost credit determined under section 45D(a).''

(3) The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

''Sec. 45D. Small employer pension plan startup costs.''

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to costs paid or incurred in taxable years ending after the date of the enactment of this Act.

SEC. 803. CREDIT FOR QUALIFIED PENSION PLAN CONTRIBUTIONS OF SMALL EMPLOYERS.

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

''SEC. 45E. SMALL EMPLOYER PENSION PLAN CONTRIBUTIONS.

''(a) GENERAL RULE.—For purposes of section 38, in the case of an eligible employer, the small employer pension plan contribution credit determined under this section for any taxable year is an amount equal to 50 percent of the amount which would (but for subsection (f)(1)) be allowed as a deduction under section 404 for such taxable year for qualified employer contributions made to any qualified retirement plan on behalf of any nonhighly compensated employee.

''(b) CREDIT LIMITED TO 3 YEARS.—The credit allowable by this section shall be allowed only with respect to the period of 3 taxable years beginning with the taxable year in which the qualified retirement plan becomes effective.

''(c) QUALIFIED EMPLOYER CONTRIBUTION.—For purposes of this section—

''(1) DEFINED CONTRIBUTION PLANS.—In the case of a defined contribution plan, the term 'qualified employer contribution' means the amount of nonelective and matching contributions to the plan made by the employer on behalf of any nonhighly compensated employee to the extent such amount does not exceed 3 percent of such employee's compensation from the employer for the year.

''(2) DEFINED BENEFIT PLANS.—In the case of a defined benefit plan, the term 'qualified employer contribution' means the amount of employer contributions to the plan made on behalf of any nonhighly compensated employee to the extent that the accrued benefit of such employee derived from such contributions for the year do not exceed the equivalent (as determined under regulations prescribed by the Secretary and without regard to contributions and benefits under the Social Security Act) of 3 percent of such employee's compensation from the employer for the year.

''(d) QUALIFIED RETIREMENT PLAN.—

''(1) IN GENERAL.—The term 'qualified retirement plan' means any plan described in section 401(a) which includes a trust exempt from tax under section 501(a) if the plan meets—

''(A) the contribution requirements of paragraph (2),

''(B) the vesting requirements of paragraph (3), and

''(C) the distributions requirements of paragraph (4).

''(2) CONTRIBUTION REQUIREMENTS.—

''(A) IN GENERAL.—The requirements of this paragraph are met if, under the plan—

''(i) the employer is required to make nonelective contributions of at least 1 percent of compensation (or the equivalent thereof in the case of a defined benefit plan) for each nonhighly compensated employee who is eligible to participate in the plan, and

''(ii) allocations of nonelective employer contributions are either in equal dollar amounts for all employees covered by the plan or bear a uniform relationship to the total compensation, or the basic or regular rate of compensation, of the employees covered by the plan.

''(B) COMPENSATION LIMITATION.—The compensation taken into account under subparagraph (A) for any year shall not exceed the limitation in effect for such year under section 401(a)(17).

''(3) VESTING REQUIREMENTS.—The requirements of this paragraph are met if the plan satisfies the requirements of subparagraph (A) or (B).

''(A) 3-YEAR VESTING.—A plan satisfies the requirements of this subparagraph if an employee who has completed at least 3 years of service has a nonforfeitable right to 100 percent of the employee's accrued benefit derived from employer contributions.

''(B) 5-YEAR GRADED VESTING.—A plan satisfies the requirements of this subparagraph if an employee has a nonforfeitable right to a percentage of the employee's accrued benefit derived from employer contributions determined under the following table:

''Years of service:	**The nonforfeitable percentage is:**
1	20
2	40
3	60
4	80
5	100.

''(4) DISTRIBUTION REQUIREMENTS.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the requirements of this paragraph are met if, under the plan—

''(i) in the case of a profit-sharing or stock bonus plan, amounts are distributable only as provided in section 401(k)(2)(B), and

''(ii) in the case of a pension plan, amounts are distributable subject to the limitations applicable to other distributions from the plan.

''(B) DISTRIBUTIONS WITHIN 5 YEARS AFTER SEPARATION, ETC.—In no event shall a plan meet the requirements of this paragraph unless, under the plan, amounts distributed—

''(i) after separation from service or severance from employment, and

''(ii) within 5 years after the date of the earliest employer contribution to the plan,

may be distributed only in a direct trustee-to-trustee transfer to a plan having the same distribution restrictions as the distributing plan.

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

''(1) ELIGIBLE EMPLOYER.—The term 'eligible employer' has the meaning given such term by section 408(p)(2)(C)(i).

''(2) NONHIGHLY COMPENSATED EMPLOYEES.—The term 'highly compensated employee' has the meaning given such term by section 414(q) (determined without regard to section 414(q)(1)(B)(ii)).

''(f) SPECIAL RULES.—

''(1) DISALLOWANCE OF DEDUCTION.—No deduction shall be allowed for that portion of the qualified employer contributions paid or incurred for the taxable year which is equal to the credit determined under subsection (a).

''(2) ELECTION NOT TO CLAIM CREDIT.—This section shall not apply to a taxpayer for any taxable year if such taxpayer elects to have this section not apply for such taxable year.

''(g) RECAPTURE OF CREDIT ON FORFEITED CONTRIBUTIONS.—If any accrued benefit which is forfeitable by reason of subsection (d)(3) is forfeited, the employer's tax imposed by this chapter for the taxable year in which the forfeiture occurs shall be increased by 35 percent of the employer contributions from which such benefit is derived to the extent such contributions were taken into account in determining the credit under this section.

''(h) REGULATIONS.—The Secretary shall prescribe such regulations as may be appropriate to carry out the purposes of this section, including regulations to prevent the abuse of the purposes of this section through the use of multiple plans.

''(i) TERMINATION.—This section shall not apply to any plan established after December 31, 2009.''

(b) CREDIT ALLOWED AS PART OF GENERAL BUSINESS CREDIT.—Section 38(b) (defining current year business credit) is amended by striking ''plus'' at the end of paragraph (12), by striking the period at the end of paragraph (13) and inserting '', plus'', and by adding at the end the following new paragraph:

''(14) in the case of an eligible employer (as defined in section 45E(e)), the small employer pension plan contribution credit determined under section 45E(a).''

(c) CONFORMING AMENDMENTS.—

(1) Section 39(d) is amended by adding at the end the following new paragraph:

''(9) NO CARRYBACK OF SMALL EMPLOYER PENSION PLAN CONTRIBUTION CREDIT BEFORE JANUARY 1, 2002.—No portion of the unused business credit for any taxable year which is attributable to the small employer pension plan contribution credit determined under section 45E may be carried back to a taxable year beginning before January 1, 2002.''

(2) Subsection (c) of section 196 is amended by striking ''and'' at the end of paragraph (8), by striking the period at the end of paragraph (9) and inserting '', and'', and by adding at the end the following new paragraph:

''(10) the small employer pension plan contribution credit determined under section 45E(a).''

(3) The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

''Sec. 45E. Small employer pension plan contributions.''

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions paid or incurred in taxable years beginning after December 31, 2001.

SEC. 804. LIMITATION ON CATCH-UP CONTRIBUTIONS.

(a) IN GENERAL.—Section 414(v), as added by section 301, is amended by adding at the end the following new paragraph:

''(6) LIMITATION.—This subsection shall apply with respect to a participant for a year only if the participant is not a highly compensated employee and certifies to the plan administrator that the participant has been out of the workforce for at least 2 of the preceding 7 years. A plan shall not be treated as failing to meet the requirements of this subsection by reason of reliance on an incorrect

certification under this paragraph unless the plan administrator knew, or reasonably should have known, that the certification was incorrect.''

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

SEC. 805. TREATMENT OF MULTIEMPLOYER PLANS UNDER SECTION 415.

(a) EARLY RETIREMENT LIMITS FOR CERTAIN PLANS.—Subparagraph (F) of section 415(b)(2) is amended to read as follows:

''(F) MULTIEMPLOYER PLANS AND PLANS MAINTAINED BY GOVERNMENTS AND TAX EXEMPT ORGANIZATIONS.—In the case of a governmental plan (within the meaning of section 414(d)), a plan maintained by an organization (other than a governmental unit) exempt from tax under this subtitle, a multiemployer plan (as defined in section 414(f)), or a qualified merchant marine plan—

''(i) subparagraph (C) shall be applied—

''(I) by substituting 'age 62' for 'social security retirement age' each place it appears, and

''(II) as if the last sentence thereof read as follows: 'The reduction under this subparagraph shall not reduce the limitation of paragraph (1)(A) below (i) 80 percent of such limitation as in effect for the year, or (ii) if the benefit begins before age 55, the equivalent of such 80 percent amount for age 55.', and

''(ii) subparagraph (D) shall be applied by substituting 'age 65' for 'social security retirement age' each place it appears.

For purposes of this subparagraph, the term 'qualified merchant marine plan' means a plan in existence on January 1, 1986, the participants in which are merchant marine officers holding licenses issued by the Secretary of Transportation under title 46, United States Code.''.

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

SEC. 806. SENSE OF THE HOUSE OF REPRESENTATIVES REGARDING CASH BALANCE PENSION PLAN CONVERSIONS.

(a) FINDINGS.—The House of Representatives finds the following:

(1) Defined benefit pension plans are guaranteed by the Pension Benefit Guaranty Corporation and provide a lifetime benefit for a beneficiary and spouse.

(2) Defined benefit pension plans provide meaningful retirement benefits to rank and file workers, since such plans are generally funded by employer contributions.

(3) Employers should be encouraged to establish and maintain defined benefit pension plans.

(4) An increasing number of major employers have been converting their traditional defined benefit plans to ''cash balance'' or other hybrid defined benefit plans.

(5) Under current law, employers are not required to provide plan participants with meaningful disclosure of the impact of converting a traditional defined benefit plan to a ''cash balance'' or other hybrid formula.

(6) For a number of years after a conversion, the cash balance or other hybrid benefit formula may result in a period of ''wear away'' during which older and longer service participants earn no additional benefits.

(7) Federal law prohibits pension plan participants from being discriminated against on the basis of age in the provision of pension benefits.

(b) SENSE OF THE HOUSE.—It is the sense of the House of Representatives that pension plan participants whose plans are changed to cause older or longer service workers to earn less retirement income, including conversions to ''cash balance plans'', should receive additional protection under the Internal Revenue Code of 1986 than what is currently provided, and Congress should act this year to address this important issue. In particular, the tax laws, at a minimum, should provide that—

(1) all pension plan participants receive adequate, accurate, and timely notice of any change to a plan that will cause participants to earn less retirement income in the future; and

(2) pension plans that are changed to a cash balance or other hybrid formula not be permitted to ''wear away'' participants' benefits in such a manner that older and longer service participants earn no additional pension benefits for a period of time after the change.

The SPEAKER pro tempore. Pursuant to House Resolution 557, the gentleman from Massachusetts (Mr. NEAL) and a Member opposed each will control 30 minutes.

The Chair recognizes the gentleman from Massachusetts (Mr. NEAL).

Mr. NEAL of Massachusetts. Mr. Speaker, I yield myself such time as I may consume.

In the last hour, we have really gone through I think a very helpful exercise, and that is to point out that the differences are really not that large as currently proposed.

□ 1145

Even though the differences are not large, they remain for low-income and moderate-income workers substantial. If we let this get away from us in its current form, if the President were to sign this legislation, which I suggest that he will not, we would find ourselves quickly coming back to an issue in succeeding sessions of the Congress on how to deal with what is the most prickly part of the problem, and that is how do we get low-income wage earners into a pension system? How do we provide the necessary incentives for employers to do precisely that? How do we speak to moderate-income workers who find themselves perhaps in mid-life without the benefits of a pension plan as well?

The amendment today that we offer in the nature of a substitute would accomplish this goal by encouraging individuals, all workers, to save better for retirement through adding retirement savings accounts as proposed by the President and the Secretary of the Treasury, Mr. Summers. This proposal would provide a refundable credit to low- and middle-income workers who participate in an employer-sponsored pension plan or an individual retirement account. The credit would equal up to 50 percent of the annual contribution allowed under a traditional IRA.

Let me say that 2 years ago, the gentleman from California (Mr. THOMAS) and I led the fight here in a bipartisan manner on this floor in support of the Roth IRA. I hold no intransigence or opposition to the nature of expanding individual retirement accounts. I think that there is significant data, however, that indicates that the problem with IRAs is they tend to reward those who already have the ability to save for retirement. No problem with getting more people in, but at the same time we want to extend this benefit to low- and moderate-income workers.

Under this proposal, eligible taxpayers would receive an immediate credit equal up to $300, which would be phased up to $1,000. When fully phased in, individuals filing a joint return with adjusted gross income up to $75,000 would be eligible for the credit. Taxpayers filing as heads of households with an adjusted gross income of up to $56,000 would be eligible for the credit as well, and individuals filing as single would receive the credit if their adjusted gross income does not exceed $37,500.

Now, we have once again an opportunity in the closing days of this Congress to accomplish something that is very important to average Americans, and that is the opportunity, given the uncertainty that so many people feel about pension benefits that are allegedly set aside, we have watched the collapse in different States across the country of pension benefits and it is clearly an issue that is on the minds of the American people. So I ask in the spirit of bipartisanship that we take an opportunity in the next 6 weeks as the Congress adjourns to come back here in September, refreshed and energetic, with the goal of some tangible achievements.

I would alert the Members of Congress again that President Clinton has argued, through Secretary Summers, that he will not sign this legislation into law. That should be the stop sign that we all see at the intersection. Let us come back and revisit it. I think the gentleman from Ohio (Mr. PORTMAN) has done a commendable job. I think the gentleman from Maryland (Mr. CARDIN) has done a commendable job. The problem is that they have, in my judgment, not accomplished enough for moderate- and low-income workers.

MODIFICATION OF AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. NEAL OF MASSACHUSETTS

Mr. NEAL of Massachusetts. Mr. Speaker, I ask unanimous consent to modify this amendment. The modification is at the desk.

The SPEAKER pro tempore (Mr. OSE). The Clerk will report the modification.

The Clerk read as follows:

Modification to amendment offered by Mr. NEAL of Massachusetts:

Strike out section 804, and renumber succeeding sections accordingly.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts that the amendment in the nature of a substitute be modified?

Mr. PORTMAN. Mr. Speaker, reserving the right to object, I would just like to get a quick explanation of the legislation.

Mr. NEAL of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. PORTMAN. I yield to the gentleman from Massachusetts.

Mr. NEAL of Massachusetts. Mr. Speaker, I would say to the gentleman from Ohio (Mr. PORTMAN), my understanding is that this was not part of the amendment as proposed; that it was supposed to be deleted last evening and it was not.

Mr. PORTMAN. Is this on the catch-up provisions?

Mr. NEAL of Massachusetts. Yes, it is.

Mr. PORTMAN. I think this House ought to give unanimous consent to this. This essentially, as I understand it, would move the Democrat substitute into a similar position of where the underlying legislation is with regard to catch-ups. Is that correct?

Mr. NEAL of Massachusetts. Yes, that is correct.

Mr. PORTMAN. Otherwise, we would be gutting the catch-up provisions in the Democrat substitute, which none of us want to do.

Mr. NEAL of Massachusetts. This was supposed to be deleted last evening; and it is my understanding, based upon what the staff tells me, that it simply was a miscalculation.

Mr. PORTMAN. Mr. Speaker, I withdraw my reservation of objection. I think we ought to agree with the gentleman and give him unanimous consent.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. Does the gentleman from Ohio (Mr. PORTMAN) claim the time in opposition?

Mr. PORTMAN. Yes, Mr. Speaker. I am opposed to the substitute and would claim the time in opposition.

Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. HORN).

Mr. HORN. Mr. Speaker, a few months ago a constituent wrote me about him and his wife. They had been burdened 20 years before with student loans, and they had only recently paid them off. They never had a chance to vest money into an Individual Retirement Account. I introduced H.R. 3620, the Second Chance IRA Act, to allow workers to make up for years when they missed out or simply failed to make IRA contributions.

My legislation would have essentially doubled the IRA contribution and tax deductions from the current $2,000 to the $4,000 to catch up on those lost years.

Before us is H.R. 1102. It has provided a similar ''catch-up.'' This bill would allow those workers to immediately contribute up to $5,000 a year to an IRA. That achieves a good part of the goal to encourage a buildup of savings for workers who are nearing retirement and never had the opportunity to invest in an IRA.

I thank the gentleman from Texas (Mr. ARCHER), the gentleman from Ohio (Mr. PORTMAN), and the gentleman from Maryland (Mr. CARDIN) for their bipartisan effort which resulted in this legislation.

It is an important help for the women who are retiring and reentering the workforce after raising a family, and for many other Americans who want and need a significant retirement savings account so they can have security in their golden years.

Let us help retirement.

Let us encourage saving.

Let us vote for H.R. 1102.

Mr. NEAL of Massachusetts. Mr. Speaker, I yield 5 minutes to the gentleman from Maryland (Mr. CARDIN), who I indicated earlier has done a terrific job with the legislation, and our difference here is a small one. We have time to correct it. He has done a good job with this work.

Mr. CARDIN. Mr. Speaker, I thank the gentleman from Massachusetts (Mr. NEAL) for yielding me this time.

Mr. Speaker, let me point out that the Democratic substitute is an add-on to the underlying Portman-Cardin H.R. 1102 legislation. By that I mean that all of the provisions of H.R. 1102 remain if one votes for the Democratic substitute. It adds some additional provisions to provide more incentives for particularly low-wage workers to be able to put money away for their retirement.

When the gentleman from Ohio (Mr. PORTMAN) and I started working on this legislation 3 years ago, we were very sensitive to the fact that we had not balanced the Federal budget and that we should be very cautious on the use of tax revenues. We were very conservative in our approach. Quite frankly, we did not think that there would be as much money available for savings incentives as now appears to be the case as we start considering legislation, not only to reform our pension laws but to reform Social Security and the ability of individuals to have private accounts, whether they are part of Social Security or independent add-ons to Social Security.

So I think the discussion has changed somewhat.

The Democratic substitute provides for retirement savings accounts. That will help low-wage workers. Let me indicate some of the problems that we encountered as we worked on H.R. 1102. We were looking for ways to help low-wage workers and to help young workers, because the truth is young workers and low-wage workers are very difficult to get their attention to put money away for savings. I am proud of the provisions in the underlying bill that will help low-wage workers and will help young workers, because the underlying bill encourages employers to sponsor retirement plans and to use some of the same tools that we use in the thrift savings by offering employer contribution to retirement and to offer match by employer. That is good and that will help, and that is why this is an important bill.

The RSAs go to the next step and say let us have the government as a partner in providing incentives for particularly lower-wage workers to set up their own retirement funds.

There is another important part to the Democratic substitute I would like to mention, and that is the provision that deals with small business, small business credits. It was actually in the Portman-Cardin bill, H.R. 1102; and as has been pointed out in a little bit earlier debate, I hope it does make its way into the bill as it works its way through Congress. The gentlewoman from Michigan (Ms. STABENOW) first introduced this bill, H.R. 1021, that provides this credit.

We have incorporated it in the Democratic substitute. It was in H.R. 1102, and I think it is an improvement to add an additional tool for small business to set up pension plans. There is already important provisions in H.R. 1102 that are going to help small business. This improves it.

So, basically, the substitute is an improvement of the underlying bill and spends a lot more money than the underlying bill that we did not want to do when we originally looked at H.R. 1102. So I hope my colleagues will look favorably upon this substitute. I think it does provide a bridge for us to ultimately work out an arrangement with the White House on tax legislation.

I hope regardless of how one feels on the Democratic substitute, and I do hope that they will support it, I hope they will support the underlying bill.

I think this legislation is extremely important. I think we can improve it with the substitute; but regardless of what happens with the substitute, I urge my colleagues to support the legislation so that we can move forward to help secure retirement for those people when they retire.

Mr. PORTMAN. Mr. Speaker, I yield 2 minutes to the gentleman from Florida (Mr. FOLEY), a member of the Committee on Ways and Means who has been a leader on retirement security.

Mr. FOLEY. Mr. Speaker, let me first thank the gentleman from Ohio (Mr. PORTMAN) and the gentleman from Maryland (Mr. CARDIN) for their excellent work on this legislation that is important to all Americans.

Relative to the substitute retirement savings account, let me make certain people understand this is a new proposal. This has not been vetted yet. In fact, we first saw this proposal during markup and it has since been modified so we are still trying to grapple with the underlying assumptions that are made in the request.

The first we heard about it was the President's State of the Union address and budget proposal. So we have a lot to work out before we accept the substitute.

Let me again answer another claim that was made during debate relative to IRAs. Low- and middle-income Americans use IRAs to save for retirement. This is an absolute certainty. In fact, the median income of new IRA contributors dropped from $41,277 in 1982 to $28,677 in 1986. The vast majority of taxpayers making IRA contributions are lower- and middle-income

Americans. The inflation rate would have brought it to $5,000 today had it been adjusted, but it has had one increase, one increase alone from $1,500 to $2,000.

This very bill encapsulates an option to bring it up to $5,000, which I think is significantly important.

One of the greatest fears most Americans have is will they have enough savings and money to retire comfortably to take care of their health care needs, purchase prescription drugs, do the things that are required as one ages. This bill, a bipartisan bill, provides that kind of opportunity.

Let me also underscore that there are 106 Republican co-sponsors and 94 Democrats, for a total of 200 Members of the House of Representatives, that support this initiative. I am delighted today to at least hear positive things about a bill in Congress coming out of the Committee on Ways and Means. Oftentimes these bills we introduce are derided as reckless and risky. Today, we are hearing a celebration of bipartisanship on this floor talking about legislation that will advance the opportunities of all Americans, and I celebrated that. I am thrilled and delighted that this House finally has the common voice in supporting legislation authorized and issued by the committee, and I congratulate again the gentleman from Ohio (Mr. PORTMAN) for his fine work on this proposal.

Mr. NEAL of Massachusetts. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. MATSUI), a senior and distinguished member of the Committee on Ways and Means who is well known for his work on retirement savings.

□ 1200

Mr. MATSUI. Mr. Speaker, I thank the gentleman from Massachusetts for yielding me this time.

I would like to congratulate the gentleman from Ohio (Mr. PORTMAN) and certainly the gentleman from Maryland (Mr. CARDIN). They made a good try and made a good effort on this legislation.

However, I have to say that there are fundamental flaws in this legislation. First of all, it does make significant changes, although the authors talk about technical changes, in the top-heavy rules and the anti-discrimination rules. But these changes are actually substantive changes and, in fact, what they will do is make it more difficult for lower- and middle-income wage earners, employees, to be able to get pension benefits.

In addition, statistically, a number of outside groups, because we do not have a joint tax committee distribution table, but a number of outside groups have said that the top 10 percent of the taxpayers will get 62 percent of the benefits in this legislation, and that is taking into consideration the additional employees that will be covered under the original Portman-Cardin legislation. But this is not unusual, because all of the tax bills that we have seen coming from my Republican colleagues over the last 4 or 5 months have been basically for upper-income folks anyway. So I would not make that as a major argument. The marriage penalty and all of these others have been basically for them.

But it is very important that if this legislation passes, and I believe it will, that we add on the substitute provisions here. Because at least then, it will help the distribution of where the benefits will go and it will actually then, in fact, help wage earners and not the top management employees or the employers themselves.

But nevertheless, this bill is a bill that if it is unchanged, is not a good piece of legislation.

Let me just conclude by making one observation. There was an add-on to this bill. Right now, people that want to have IRAs can have up to $2,000 per individual per year on IRA accounts, individual retirement accounts. This will increase that number to $5,000. So a couple will be able to then put $10,000 a year into an IRA.

Now, I will tell my colleagues that there are not many Americans that even put $4,000 a year into IRAs. This means that a small business owner will probably say, I will just eliminate my entire pension program, because why should I give to my employees and share my profits? Why not just take two IRAs out at $5,000 each, husband and wife, and essentially then, I can take care of my retirement and let my employees deal with it themselves. So to a large extent, this legislation will actually reduce, in my opinion, the opportunities for small business to cover their employees. That is why this legislation standing by itself is not a good piece of legislation. It will be vetoed by the President if it stands by itself, and that is why this substitute is so critical to make this legislation work and to make sure that we take care of the average American taxpayer.

Mr. PORTMAN. Mr. Speaker, I yield myself 15 seconds to respond briefly to my friend from California. The intent of this legislation is, of course, just the opposite. It is to expand pension coverage to small businesses. It is an interesting theory that he plays out; but if we are to take the facts, it would be that that small business owner could put $20,000 aside now, $15,000 plus $5,000 catch-up for himself and if his spouse or her spouse is working, another $20,000. So it does not seem to make much sense to shift over to the IRA. If we were just increasing IRAs, the gentleman might have a good point.

Finally, of course, this goes to middle-income workers. We have already talked about that, both on the IRA side and the 401(k) side.

Mr. Speaker, I yield 3 minutes to the gentleman from Ohio (Mr. BOEHNER), the chair of the Subcommittee on Employer-Employee Relations, who has been a leader in expanding pension coverage and reforming ERISA.

Mr. BOEHNER. Mr. Speaker, let me thank the gentleman from Ohio (Mr. PORTMAN) and congratulate both him and the gentleman from Maryland (Mr. CARDIN) for their tireless work over the last 3 years of bringing this bill to the floor.

Clearly, improving retirement security is a top priority this year, as Congress works to secure America's future. But improving retirement security is just not about fixing Social Security. It is also about expanding access to private pensions and making innovations that will maximize every American's opportunity for a safe and secure retirement.

I want to commend the gentleman from Texas (Mr. ARCHER) for his work in crafting this bill along with the two authors and for all of his efforts in this and past Congresses relating to retirement security and improving our Nation's Tax Code to the benefit of all Americans.

Rarely has an ambitious legislation such as this earned such broad support from the AFSCME and Teamsters and other labor unions, to the U.S. Chamber of Commerce, the National Federation of Independent Business and other folks in the private sector. As I said earlier, I think it is a real tribute to the two authors, the gentleman from Ohio (Mr. PORTMAN) and the gentleman from Maryland (Mr. CARDIN) and the work that they have done.

The reforms in this bill will directly improve the retirement security of millions of workers by expanding small business retirement plans, allowing workers to save more, making pensions more secure, and cutting red tape, that have hamstrung employers who want to establish pension plans for their employees.

Mr. Speaker, H.R. 1102 was reported out of the Committee on Education and the Workforce on July 14, 1999 with a bipartisan vote. Our committee made amendments to the Employee Retirement Income Security Act, or ERISA, as we know it, that complement the Tax Code provisions that are on the floor today. And while the ERISA provisions were removed by the Committee on Rules for procedural reasons, the gentleman from Texas (Mr. ARCHER) has pledged to seek the restoration in conference, and I thank the gentleman for this commitment and I look forward to working with him to ensure enactment of H.R. 1102.

Mr. Speaker, we have a new world that we are living in today. As people retire, they are living much longer than anyone had ever anticipated; and if we want to make sure that people have safe and secure retirements, they are going to need more assets than our parents did when they retired. As a result, we all know about the three legs of the retirement security stool: Social Security, private pensions, and personal savings.

The bill we have before us today makes important strides in making sure that people have safe and secure

private pension plans and expands access to them, especially by small business owners. The incentives in this bill to expand the amount of money that can be set aside for private savings is also very important. Clearly, shoring up Social Security for the long term is something that we know is going to have to be done in the next Congress.

Just today, Mr. Speaker, the subcommittee that I chair, the Subcommittee on Employer-Employee Relations, moved out a bill that would expand investment advice provided by employers to their employees. It is another piece to this puzzle to help employees give them all of the advice and effort that they need to maximize their private pensions.

So I encourage my colleagues today to support the bill.

Mr. NEAL of Massachusetts. Mr. Speaker, I yield 4 minutes to the gentleman from North Dakota (Mr. POMEROY), whose work in pension security is well known to all Members of this House. In fact, I would submit that there are very few, if any, Members of this House that have more knowledge on this issue.

Mr. POMEROY. Mr. Speaker, I rise in response to a preceding speaker who said the Democrat substitute has not been vetted. It is based essentially on a proposal known as First Credit which I introduced last Congress and I introduced this Congress. We do not run the Committee on Ways and Means, but there have certainly been proposals out there to gear savings incentives to modest- and middle-income households to accelerate the rate of savings, and any fair-minded look at the savings issue in this country would identify that the lower-income, modest-income, middle-income levels are having the harder time saving.

Let me just say about the underlying legislation, the problem is not so much what is in it; the problem is what is left out. That is why the Democrat substitute is additive, not detractive. It does not change the underlying bill; it adds to it in a very important way, savings incentives for families who need it.

We have learned that the underlying bill addresses workplace savings. That is great, except half of the people in the workforce today have no workplace savings, half have no workplace savings. As we get down to lower levels of earnings, the percentage goes up. In fact, 70 percent of workers earning under $15,000 have no workplace savings in the workplace, 70 percent. Portman-Cardin will not relate to that group.

We know that the other second major component of the legislation is the IRA, taking the IRA from $2,000 to $5,000. Treasury data tells us that 93 percent of those eligible to use the tax deductible IRA, those earning $50,000 and below, do not use it as of 1995. Mr. Speaker, 93 percent. It is used by only 7 percent.

So if a family cannot afford to save $2,000 a year, our response saying, well, great, now you can save $5,000 a year is completely ridiculous. It misses the point. They need additional help. That is what our substitute offers, a tax credit on savings. For those income eligible, we would match 50 percent of the contribution. I consider this like an ''Uncle Sam'' match, much like an employer match on savings incentives. You save $2,000, the IRA tax credit of $1,000, matching your savings effort. I believe that this will accelerate savings for those most needing to save.

This chart shows that savings rates is related to income. Twenty-three percent earning between $15,000 and $25,000 are projected to be saving enough for retirement, whereas well over 60 percent earning over $100,000 are saving at the savings rate. We know that this tax credit incentive on savings will work because it is modeled after the savings incentive most effective in the marketplace, the 401(k) match. When employers provide savings opportunities with no match, 65 percent save. When there is a 50 percent match like this bill would provide, there is a 78 percent response in saving.

As Members of Congress, we have access to the Thrift Savings Plan and the Federal Government matches our savings contribution 100 percent on the dollar. Do we not think it is only fair that we extend a match opportunity to American workers who have no savings at the workplace and no opportunity to save in light of sparse discretionary dollars.

This is a tax cut, but it is tax relief to those who need it most, those earning up to $80,000 a year, struggling to save for retirement. It is time we take this step. Last Congress we passed the ROTH IRA, we increased the limits on the spousal IRA. We did a lot of things for a lot of people, but we did not do anything new by way of savings incentives for those earning $50,000 and below.

Mr. Speaker, it is time we take this step, and that is what the substitute is all about.

Mr. PORTMAN. Mr. Speaker, I yield 3 minutes to the gentlewoman from Maryland (Mrs. MORELLA).

Mrs. MORELLA. Mr. Speaker, I thank the gentleman for yielding me this time. I want to thank him and congratulate him for his diligent work over a long period of time on this important legislation.

My accolades also to the gentleman from Maryland (Mr. CARDIN) for the work that he has done, the fine work in a very bipartisan manner.

I am a cosponsor of H.R. 1102, and I rise in strong support of it, because it addresses the retirement savings gap by expanding small business retirement plans, allowing workers to save more, addressing the needs of an increasingly mobile workforce through portability and other changes, making pensions more secure, cutting the red tape that has hamstrung employers who want to establish pension plans for their employees.

Mr. Speaker, we all know that incentives are necessary to increase retirement savings for all Americans. Our savings rate is much too low to ensure the retirement security of American families. Statistics indicate that a typical household would need to triple its rate of asset accumulation in order to finance its retirement. Simply put, the current savings rate is not sufficient to fund retirement expenditures.

Even more alarming is that the U.S. personal savings rates dropped 6.3 percent of GDP in 1960 through 1980, to 4.1 percent in 1991 through the first quarter of this year, 2000. We need to take action now. H.R. 1102 provides incentives for reversing this alarming trend.

Mr. Speaker, I want to point out something else that needs to be done in this legislation. Unfortunately, the legislation does not address the unfair situation which exists under current law in which Federal employees are prohibited from saving for their retirement in the same manner as private sector 401(k) plans. Currently, FERS employees can contribute up to 10 percent of their salary with a government match of up to 5 percent, and CSRS employees can invest up to 5 percent of their salary.

For example, a FERS employee earning $35,498 per year may only contribute $3,550 annually into his or her Thrift Savings Plan account, while someone in the private sector earning the same amount may contribute $6,450 more annually into their 401(k) account.

Mr. Speaker, I have introduced legislation, H.R. 483, the Federal Thrift Savings Enhancement Act, which would eliminate that 10 percent and 5 percent restrictions and allow all Federal employees to make TSP contributions up to the IRS limit without changing the government contribution. This is fair and equitable.

Mr. Speaker, I would hope that during the conference on this legislation, our Federal workforce will be taken into consideration and the provisions of H.R. 483 will be included in the final conference report.

□ 1215

It is important. It is equitable. Let us pass the bill and add that provision.

Mr. NEAL of Massachusetts. Mr. Speaker, I yield 5 minutes to the gentleman from Missouri (Mr. GEPHARDT), the highly effective minority leader in this House.

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

Mr. GEPHARDT. Mr. Speaker, I rise to argue that this reform bill is in many ways a very good example of bipartisan legislation, and all of us I think can agree that tax incentives for retirement savings are needed, warranted, the right thing to do for our workers, and good for our country in general.

But as currently written, I think this reform bill is flawed, or not including

enough features that should be included, because it targets simply those Americans who need incentives for saving the least: corporate executives, managers, big business owners.

This legislation, as the Center on Budget Policy and Priorities wrote recently, ''would substantially expand pension tax preferences for high-income executives, but likely lead to reductions in pension coverage among low- and moderate-income workers and employees of small businesses.''

I am not opposed to helping upper-income Americans by raising the ceilings on their annual IRA contributions. These men and women have worked hard and deserve their piece of the pie. But I am very afraid that with this bill, as with many of the tax-cutting measures that we have seen in this Congress, we have lost sight of our principal challenge and concern. We have lost sight of our goal to provide tax relief for middle-income Americans and very small businesses, the men and women who really deserve a real reduction in their income taxes.

The greatest failing of this bill is that it does little to encourage retirement saving by lower- and middle-income workers, those Americans who simply are not saving enough because they do not have enough to save.

We have offered an alternative that we think addresses this shortcoming and that rights the playing field so middle-income Americans, not just the well off, receive the lion's share of incentives to boost their retirement accounts.

We have offered an amendment, supported by the administration, that will create retirement savings accounts in which the government will give refundable tax credits to the retirement accounts of millions of Americans.

Our amendment caps the level at which people can receive the tax cut at $75,000, so that the bulk of the incentives to invest in retirement accounts flow to the middle-income group. Our amendment provides tax credits to small businesses of up to 50 percent of the start-up and initial administration costs to set up businesses.

I have said many times in the last several weeks and I will say again, I believe that all of us, Democrats and Republicans, can come together, negotiate on the issues of taxes and spending, hammer out tax cuts that help the vast majority of Americans, while making sure that we address the issues that concern the American people the most: paying down the debt, strengthening social security and Medicare, providing a real prescription medicine reform, and sending the President a total budget that he can sign.

I ask all of us to work together to amend this legislation so that it truly benefits Americans most in need of tax relief; that we fashion these other tax bills so that the President will sign them, and the middle-income Americans and Americans trying to get in the middle class will get the bulk of the help; and that we enact these other reforms, like prescription drugs, medicine, a Patients' Bill of Rights, a minimum wage increase, doing something that is sensible about gun safety, trying to get smaller classroom sizes, which are the issues, along with tax cuts, that really have attracted the interest of the American people.

So I ask Members to vote for our alternative. Let us get a good piece of legislation done that can get the support of the administration and the bulk of the American people.

Mr. PORTMAN. Mr. Speaker, I yield myself 15 seconds.

I would like to say I agree with the minority leader, we need to work on a bipartisan basis to come together. That is what we have done here over the last 3 years. We have over 200 cosponsors, almost equally divided.

Second, I want to assure him that we have indeed not lost sight of the need to help middle- and lower-income categories. That is precisely where we target this legislation.

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

Mr. HAYWORTH. Mr. Speaker, I thank my colleague for yielding time to me, and I thank my friends, the gentleman from Ohio (Mr. PORTMAN) and the gentleman from Maryland (Mr. CARDIN), who have brought forth this commonsense bipartisan piece of legislation.

Mr. Speaker, I listened with great interest to my friend, the minority leader, and coincidentally, I want to wish him well in future endeavors that may extend beyond this House, as the Vice President of the United States may be looking for a partner in the upcoming general election, and want to salute him for coming out with a poll-tested speech.

Mr. Speaker, when all is said and done, I rise in opposition to the Democrat alternative and rise in strong support of our bipartisan bill with 200 cosponsors. I sympathize with the minority leader, because he is finding himself in a situation where we have sought consensus and compromise, we have come up with a commonsense piece of legislation that encourages savings accounts, that protects and builds pension plans.

So with this constructive piece of legislation, and now confronting an election, what is a minority party to do? Well, of course, stand and offer the curious paradox to say, we want cooperation, but this is not good enough.

Therein lies the fundamental problem. We encourage personal savings for every American. Our friends on the left in the substitute say, if you are American, you exist; therefore, you are entitled. It is not enough for one's personal initiative. No, the Federal government needs to step in with a plan that, by the way, as cobbled together here, is eminently unworkable. They ask their friends at the Internal Revenue Service to stick their magnifying glasses and microscopes into the affairs of Americans, because this very provision invites fraud. It appeals to what is the wrong course of action for Americans.

We have a simple, straightforward plan. We strengthen pensions, we build retirement savings accounts, and we do not set up a Rube Goldbergesque machination of entitlement that over the next 10 years will cost close to a quarter of a trillion dollars.

Support the underlying bill and reject the desperate Democrat substitute.

Mr. PORTMAN. Mr. Speaker, I yield 4 minutes to the gentleman from Illinois (Mr. CRANE), the chairman of the Subcommittee on Trade and an active member of the Committee on Ways and Means.

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

Mr. Speaker, I want to commend our two colleagues, the gentleman from Ohio (Mr. PORTMAN) and the gentleman from Maryland (Mr. CARDIN), for their work on this bill. This bill proves that Republicans and Democrats can work together in a bipartisan way to achieve worthwhile reforms.

I note that the ranking member of the Committee on Ways and Means often urges us to work together in a bipartisan way, and I appreciate that input from him. I am hopeful that he, too, will strongly support this bill.

This bill also proves that it can sometimes take more than one try to get important legislation passed. Members may have a sense of deja vu because we enacted this bill last year, only to have the President veto it. I hope this year he is able to sign this bill when it comes to his desk.

This is important legislation, Mr. Speaker, for at least two other reasons. The first is that we must do everything we can to encourage savings in America. The figures say our private savings rate is very low. I suspect it is lower than it should be. But I am sure we would be better off saving more than we do.

One way to do that is through fundamental tax reform, and that is just not in the cards right now. I hope we can focus on fundamental reform before long, perhaps with a change in administration.

In the meantime, by rationalizing the laws relating to pensions, by making it easier for businesses, and especially small businesses to establish and maintain pension plans for their workers, this bill will encourage more businesses to establish pension plans and it will encourage more workers to participate. In the end, I believe private saving will result as a consequence.

I also believe private saving will increase through the increase in the contribution limits on individual retirement accounts to $5,000. For individuals who do not have the benefit of an employer-based pension system this is terribly important. It is also, I would point out, a baby step towards tax reform.

Why is that so important? Why is it so important that individuals save more? First, savings is the key to acquiring wealth. It is the key to financial security to us as individuals. Financial security enhances our sense of personal freedom.

Second, the level of saving in America also goes a long way towards determining who owns the Nation's capital stock: the land, buildings, the plant, and equipment.

We have a very high rate of investment right now that has contributed mightily to our rapid rate of economic growth. If Americans do not save enough to fund this capital expansion, then our open economy and advanced capital markets permit us to lure foreign savings to make up the difference.

That is the good news. We can import the capital, the foreign savings necessary to keep our rate of investment high.

The bad news is that that means that foreign savers reap the lion's share of the benefits from that investment. If Members want a sense of the magnitude of this effect, just look at our persistent and high trade deficit. Our trade deficit represents the flip side in the balance of payments to all of the capital we are importing from abroad.

As we find ways to increase our rate of savings at home, at the very least we help Americans to own a greater share of the capital stock driving our economy.

The second reason this bill is so important is because it strengthens the private pension leg of our national pension system at a time when the public leg of that system, social security, is under a cloud.

We have heard about the troubled financial State of social security many times in the Committee on Ways and Means. Fortunately, we have the lockbox in place to keep the Congress from its former practice of spending the American workers' payroll taxes on anything but paying social security benefits. The lockbox performs a function very much like the medical profession's dictum: First, do no harm.

The first step towards restoring social security's financial soundness is to keep Washington from spending payroll taxes on other programs. The lockbox achieves that goal. But beyond that, once again, it appears we must wait for the next administration to take on social security reform.

Until then, and even after we have enacted social security reform, we must do everything we can to strengthen the private pension and savings system. That means eliminating unnecessary rules and regulations and other accumulated barnacles that have attached themselves to this part of the tax law.

I want to thank our two colleagues for undertaking the hard work necessary to bring this to the floor, and urge our colleagues to support it.

Mr. NEAL of Massachusetts. Mr. Speaker, I yield 2 minutes to the gentlewoman from New York (Mrs. MALONEY), who is well known for her work on retirement savings.

Mrs. MALONEY of New York. Mr. Speaker, I rise in support of the Democratic substitute, which would more fairly distribute the benefits to lower-income people, but also for the underlying comprehensive reform legislation.

Mr. Speaker, we all know that our population is graying. Fifty years from now, more than 80 million people will be over the age of 65. In order to help retirees in the near term and many decades from now, it is critical that we provide them the maximum flexibility to supplement social security.

While President Clinton's plans to dedicate surplus money to social security and Medicare are an important step in preserving these programs for the long-term, individuals should have a range of options for their retirement savings.

This is especially true and important for women. Sixty percent of social security beneficiaries are women. Women are heavily reliant on social security benefits because women earn less than men and because they spend less time in the work force. Women live, on average, 7 years longer. Less than one-third of all women retirees over age 55 receive pension benefits, yet the typical American woman who retires can expect to live approximately 19 years longer.

Women often choose to take time out of their working careers to attend to their families. This bill will allow them to catch up on their pension contributions and increase the yearly amount they can contribute to IRAs and 401(k) plans to make up for lost time, up to an additional $5,000 per year.

I strongly support the fair Rangel substitute and urge my colleagues to support it, and the underlying bill.

□ 1230

Mr. PORTMAN. Mr. Speaker, I yield 3½ minutes to the gentleman from California (Mr. THOMAS), another distinguished member of the Committee on Ways and Means, chairman of the Subcommittee on Health, who has been very active on the IRA front for many years.

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

Mr. THOMAS. Mr. Speaker, first of all, the fact that we are on the floor today with a bipartisan proposal to reform the pension and the individual retirement accounts is quite an accomplishment, and I want to compliment the gentleman from Ohio (Mr. PORTMAN) and the gentleman from Maryland (Mr. CARDIN). It has been more than 20 years since we made an adjustment in this important savings area.

I heard the gentleman from North Dakota (Mr. POMEROY) say that the substitute had been looked at and that it was thoroughly understood. I do have to say it is fundamentally different than the President's initial offering. In fact, it is substantially different than the offering that the Democrats have presented in the Committee on Ways and Means just last week.

Last week's offering cost $225 billion over 10 years on top of the fund. This one only costs $105 billion over 10 years. In one narrow particular area, the refundable credit, which was not in the President's initial budget proposal, cost $35 billion. So it is substantially different. It has not been aired in committee as this bipartisan proposal has.

I heard the minority leader say that this plan simply did not treat low-income people fairly. Well, I know the gentleman from Maryland (Mr. CARDIN), I know the gentleman from Maryland (Mr. WYNN), I know the gentleman from Kansas (Mr. MOORE), I know the gentleman from Tennessee (Mr. TANNER), I know the gentlewoman from Florida (Mrs. THURMAN), and I know the more than 100 Democrats who cosponsor this proposal. They would not cosponsor this proposal if it did not treat low-income people fairly.

Now, I heard my friend from California give my colleagues an example of what would happen under this bill with the expanded IRAs and that, in fact, the employers, while looking out for their self-interest, could in fact damage the savings interest of their employees. The response we heard from the cosponsor was I think significant, and I want to make sure everyone understands it.

This is a bipartisan proposal, precisely because, under all aspects of the bill, the employers maximize their benefit by utilizing all of the portions of the bill; and in pursuing their self-interest and maximizing it, it in fact maximizes the employees' savings capabilities.

It is the way in which this proposal is integrated that makes it really superior. It is the product of the bipartisan working relationship. It is the best of what this House does.

As far as the veto threat, around here we learn to read the tea leaves, and the tea leaves are very clear. The message was very clear, it did not say veto. It does not say veto. Treasury is trying to buy leverage. As a matter of fact, once this moves out of here with the bipartisan majority and off the floor of the Senate, the President does not dare veto this piece of legislation because the last thing he wants is an override of his veto.

The way this piece of legislation was put together, frankly, the House owes a debt of gratitude to the gentleman from Ohio (Mr. PORTMAN) and the gentleman from Maryland (Mr. CARDIN) and all of those who have worked together to make these changes. They are long overdue. They are much appreciated. It fits our needs today.

Vote no on the substitute, vote yes on H.R. 1102, and send the President a message. This Congress is working, and it is working for the American people in a bipartisan way.

Mr. NEAL of Massachusetts. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me reiterate quickly, Secretary Summers has told me in a phone conversation he will recommend a veto of this legislation as currently proposed if it goes to the President's desk.

Mr. Speaker, I yield 2 minutes to the gentleman from Vermont (Mr. SANDERS), who worked on a recent pension case in the State of Vermont who has been an inspiration for all of us.

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

Mr. SANDERS. Mr. Speaker, I thank the gentleman from Massachusetts for yielding to me.

Mr. Speaker, I rise in opposition to H.R. 1102. This bill is being touted as a package of pension provisions designed to increase pension benefits for Americans; yet some of the pension provisions included in the bill are simply new tax breaks that mostly accrues to the wealthiest Americans and may have the effect of slashing the pensions of lower- and middle-income families.

Mr. Speaker, if Congress is really concerned about protecting the pensions of American workers, it should quickly address the cash balance pension rip-off scheme being implemented by hundreds of large corporations all over this country.

Since 1985, despite large profits and growing surpluses in their pension funds, over 300 companies have slashed the retirement benefits that they promised their employees. Cash balance schemes typically reduce the future pension benefits of older workers by as much as 50 percent. Not only is this immoral, it is also illegal, because the reductions in benefits are in violation of Federal age-discrimination laws.

What makes the conversions even more indefensible is the fact that many of these companies have pension fund surpluses in the billions of dollars, and these surpluses have grown significantly in recent years.

Frankly, it is simply unacceptable that, during a time of record-breaking corporate profits, huge pension fund surpluses, massive compensations for CEOs, including, interestingly, very generous retirement benefits, that corporate America renege on the commitments that they have made to workers by slashing their pensions.

Last year, I held a town meeting in Winooski, Vermont, for IBM workers, the older IBM workers who had seen their pensions cut by as much as 50 percent. Over 700 older workers came out and expressed their outrage at what the company had done. I congratulate the IBM workers and look forward to working with them.

Mr. Speaker, I rise in opposition to H.R. 1102. This bill is being touted as a package of pension provisions designed to increase pension benefits for Americans. Yet some of the pension provisions included in the bill are simply new tax breaks that mostly accrue to the wealthiest Americans and may have the effect of slashing the pensions of lower and middle income families.

Last November, Treasury Secretary Summers and Labor Secretary Herman, criticized these pension provisions, saying that they ''could lead to reductions in retirement benefits for moderate and lower-income workers.''

Mr. Speaker, if Congress is really concerned about protecting the pensions of American workers it should quickly address the cash balance pension rip off scheme being implemented by hundreds of large corporations all over this country. In fact if this Congress is really concerned about protecting the pensions of American workers it should pass H.R. 2902, the Pension Benefits Preservation and Protection Act, legislation that I authored and that now has a total of 84 co-sponsors.

Mr. Speaker, all across this country, American workers are deeply concerned about the status of their pension plans. That concern is well founded. Since 1985, despite large profits and growing surpluses in their pension funds, over 300 companies have slashed the retirement benefits that they promised their employees. Cash balance schemes typically reduce the future pension benefits of older workers by as much as 50 percent. Not only is this immoral, it is also illegal because the reductions in benefits are in violation of Federal age discrimination law. What makes the conversions even more indefensible is the fact that many of these companies have pension fund surpluses in the billions of dollars and that have grown huge in recent years.

Frankly, it is simply unacceptable that during a time of record breaking corporate profits, huge pension fund surpluses, massive compensation for CEOs (including very generous retirement benefits), that corporate America renege on the commitments that they have made to workers by slashing their pensions.

Last summer, I held a town meeting in Vermont for IBM workers who live there. Seven hundred came out.

According to the Office of Management and Budget, corporations currently receive $100 billion a year in federal government subsidies through the tax code by offering pension plans. American taxpayers have a right to expect that corporations who take advantage of this special tax treatment will not slash the pensions of American workers.

Yet, hundreds of corporations throughout the country from IBM to AT&T are doing just that by converting their traditional defined benefit pension plans to these cash balance schemes.

Cash balance schemes are nothing but a replay of the corporate pension raids we experienced during the 1980's. While these companies claim that they are converting to cash balance plans to attract younger workers into their workforce, the fact of the matter is that cash balance plans are intentional attempts to slash the pension benefits of older workers.

The reason why large corporations are targeting their older workers' pensions is easy to understand. Millions and millions of Americans in the so-called ''baby boom'' generation are rapidly approaching retirement age. Companies that reduce the pensions of older workers will thus realize tremendous cost savings when these people retire.

Companies claim that they are converting to cash balance schemes to attract a younger, more mobile workforce. But, worker mobility is not the rationale for converting to a cash balance plan, money is. As 11,000 people a day turn 50, which cash balance promoter Watson Wyatt claims will turn us into a ''Nation of Floridas,'' employers are looking for any way possible to reduce older workers' promised benefits. This is outrageous.

But, what is even more outrageous is that they are not being honest to the employees whose pensions they are slashing. As Joseph Edmunds stated at a 1987 Conference of Consulting Actuaries, ''It is easy to install a cash balance plan in place of a traditional defined benefit plan and cover up cutbacks in future benefits.''

Despite the protestations of cash balance promoters, cash balance schemes are implemented to unlawfully cut the benefits of older employees and to disguise those cuts by implementing a plan that makes it virtually impossible for employees to make an ''apples to apples'' comparison of their benefits under the old and new plans.

Not only does the federal government need to enforce the laws that are on the books, Congress also must pass meaningful pension protections right now. That is why I introduced H.R. 2902. This legislation would primarily do three things:

(1) It would send a directive to the Secretary of Treasury to enforce the laws that are already on the books;

(2) It would provide a safe harbor making cash balance plans legal only if employees are given the choice to remain in their old pension plan with detailed disclosure; and

(3) It would provide a major disincentive for companies to slash the future pension benefits of employees.

Mr. Speaker, H.R. 2902 would provide meaningful pension protection to millions of Americans, unlike the current bill being considered right now. My legislation is being supported by the Pension Rights Center, the National Council of Senior Citizens, the Communications Workers of America, the IBM Employees Benefits Action Coalition, and several other groups. I urge my colleagues to defeat H.R. 1102, and work with me to pass real pension protection.

Mr. PORTMAN. Mr. Speaker, I yield 3 minutes to the gentleman from Louisiana (Mr. MCCRERY), a colleague on the Committee on Ways and Means who has been actively involved and a leader on this issue of expanding retirement savings.

Mr. MCCRERY. Mr. Speaker, I thank the gentleman from Ohio for yielding me this time, and I commend him on his efforts as well as those of the gentleman from Maryland (Mr. CARDIN) in a bipartisan effort to improve pensions in this country.

The gentleman from Vermont (Mr. SANDERS) spoke about the cash balance programs, and it just so happens that the gentleman from Maryland (Mr. CARDIN) and the gentleman from Ohio (Mr. PORTMAN) recognize that there are some problems with those, and they call for full disclosure and transparency in those programs. The gentleman from Vermont ought to be supporting this bill.

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

Mr. MCCRERY. I am glad to yield to the gentleman from Vermont.

Mr. SANDERS. Mr. Speaker, there are tens of thousands of IBM workers and millions of other workers who have seen significant reductions as the result of the conversion to cash balance. What will this legislation do for any one of those people?

Mr. MCCRERY. Mr. Speaker, reclaiming my time, if the gentleman from Vermont would allow me to reiterate that this bill does provide for accounting disclosure of every parcel of those plans so that those employees will have access to the information that they have not had access to in some of those situations that the gentleman from Vermont presents. So while this bill may not do everything the gentleman wants, it certainly improves the situation, and he should support that. But the gentleman from Vermont certainly should take some solace in the provisions that are in this bill.

The substitute, on the other hand, is something that this House should not support for a couple of reasons. Number one, it has not been properly vetted. It was sprung on the Committee on Ways and Means for the first time last week, and today we have an even different version from that that was sprung on the Committee on Ways and Means just last week.

It doubles the cost of the underlying bill, the new substitute does. The version that was sprung on us last week actually increased the cost by four or five times. Today's version only doubles the cost of the underlying bill.

The substitute is patterned after the earned income tax credit. Now, while I support the EIC, we should know that, before we create yet another program based upon that concept, that the Taxpayer Advocate's 1999 Annual Report to Congress identified the refundable earned income credit as one of the most serious problems facing taxpayers and the Internal Revenue Service in terms of its complexity, compliance, and litigation associated with it. Surely we do not want to double the problems with the IRS by creating a new program based on that concept.

Number two, this proposal would give refundable tax credits only to people who cannot afford now to put part of their salaries forward. So it really would have no effect. It would not help those folks at all.

This substitute, while well-intentioned is wrong headed. They came up with it very quickly to try to obfuscate the issue, try to detract attention from the fact that this is a bipartisan proposal. If the President wants to veto this, shame on him. We are finally doing what he asked us to do in a bipartisan way. He ought to sign it.

Mr. NEAL of Massachusetts. Mr. Speaker, I yield 3 minutes to the gentleman from New York (Mr. RANGEL), the distinguished leader of the Democratic members on the Committee on Ways and Means. He is very effective.

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

Mr. RANGEL. Mr. Speaker, the gentleman from Louisiana (Mr. MCCRERY), the previous speaker, said, if the President intends to veto this, shame on him. This really shatters the whole concept of the bipartisanship which the gentleman from Ohio (Mr. PORTMAN) and the gentleman from Maryland (Mr. CARDIN) had tried and continue to try to bring to this House.

Whether the majority likes it or not, the President of the United States is a part of the equation. When he presented the retirement savings accounts to this Congress, it would seem to me that the majority, as well as the minority, should at least look at these concepts and to see what could be worked out for true bipartisanship.

The whole idea that people would complain that the substitute had not passed the committee when, even yesterday, we had budget issues coming to the floor for votes that did not even come to the committee, this whole idea that Committee on Ways and Means issues and tax issues should come before the Committee on Ways and Means is relatively new. I thought my colleagues just went to the Committee on Rules for these issues to be before us.

But I am convinced that those who put this bill together, if they had any idea that we would have the type of cash flow, the type of surpluses that are available today, when they put together their bill, that it would have been more expansive, and they would have concerned themselves with those group of Americans that do not have disposable income in order to have pensions.

We have less than one-third of those small business people that have any pensions at all. Yet, two out of five of every working people work for small businesses.

The Social Security system was not created to be a pension. It was created to supplement a pension. So while work has been done to be of assistance to those in the higher income tax brackets, what this does is provide incentives, not only for employees, but it provides an incentive for small employers to be able to do what they would want to do for the employees and, therefore, would enhance and supplement the Social Security benefits.

So the substitute takes into consideration the fine work that has been done by our colleagues and just broadens it to enhance those people who, by any standard, have been excluded from the bill that is before us.

So I ask my colleagues to support the substitute; and I also ask them, when they think in terms of bipartisanship, would they please include my President.

Mr. PORTMAN. Mr. Speaker, may I inquire how much time is remaining on each side.

The SPEAKER pro tempore (Mr. SIMPSON). The gentleman from Ohio (Mr. PORTMAN) has 7 minutes remaining. The gentleman from Massachusetts (Mr. NEAL) has 3 minutes remaining.

□ 1245

Mr. PORTMAN. Mr. Speaker, I yield 1½ minutes to the gentleman from New York (Mr. FOSSELLA).

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

Mr. FOSSELLA. Mr. Speaker, I applaud the gentleman from Ohio (Mr. PORTMAN) and the gentleman from Maryland (Mr. CARDIN) for pursuing this legislation because it is truly of benefit to the American people.

And the distinctions are very clear, as I see it, because we believe that individuals should have more power, more freedom, and more opportunities to save for their retirement. This legislation allows individuals to do so.

We believe that creating wealth for Americans and their families, for their retirement, are good things. This legislation allows those Americans to do so.

We believe that small business owners who want to create pensions for their employees to keep them with them so that they and their employees can save for their retirement, should be able to do that effectively. This legislation allows them to do so.

We believe that firefighters and police officers who want to save a little bit more each year for their retirement, for themselves and their families, should have the opportunity to do so. This legislation allows them to do it.

Yes, we give to Americans the power, the freedom and the opportunity to save a little more if they want to. That is what this Nation is all about. And I think that is what this legislation attempts to do and, indeed, does.

With that, Mr. Speaker, I compliment all those Members, Democrats and Republicans, who give Americans more power to save for their retirement.

Mr. PORTMAN. Mr. Speaker, I yield 30 seconds to the gentleman from California (Mr. ROYCE).

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

Mr. Speaker, clearly Social Security alone is not enough for retirement in relative comfort today. The private pension system is an indispensable part of retirement security, and this underlying bill, which I have been proud to coauthor, would give American workers more tools to prepare for a better future.

The pension reforms we are considering today will help individuals to save more for retirement. Increased pension portability will allow workers to roll over their pension savings between plans when they change jobs. And streamlined rules and regulations would make it easier for small businesses to offer pensions.

If these changes are enacted, they will give millions of American workers better tools to prepare for retirement.

Mr. PORTMAN. Mr. Speaker, I yield 2 minutes to the gentleman from Missouri (Mr. BLUNT), who put together his own legislation, which was very popular here in the House. He had a number of cosponsors for the Blunt-Bentsen legislation on expanding small business retirement plans. I thank the gentleman for his contributions to this effort.

Mr. BLUNT. Mr. Speaker, I thank the gentleman for yielding me this time and for his great work, as well as the work of the gentleman from Maryland (Mr. CARDIN) on this bipartisan legislation for retirement security.

I also want to thank the gentleman from Texas (Mr. ARCHER) for seeing that this bill gets to the floor. It makes a difference for the future of Americans.

I want to thank the gentleman from Texas (Mr. BENTSEN), who joined me 2 years ago to come up with legislation that really tried to fill the gap for small business in America, small business and their employees, who really had been left out of retirement security.

Today, as we talk about this bill, 84 percent of all Americans who work for employers with 1,000 or more employees have access to employer-sponsored pension plans. Sixty-nine percent of people who work for employers that have between 100 and 1,000 employees have access to pension plans. Only 42 percent of people who work for employers who have fewer than 100 employees and only 17 percent of small businesses that have fewer than 25 employees have access to a pension plan.

As America gets more focused on retirement security, as Americans understand that that has to be a combination of personal savings and Social Security and a pension, they are more and more concerned about working somewhere where that pension is available. We have kept small business, the engine that runs America, out of the pension environment. This bill removes many of the obstacles. This bill makes it possible for employers of a few people to have the same kind of access to long-term retirement security that mega corporations have today.

It is unfair for an employer in Joplin, Missouri or Springfield, Missouri that has 20 hard-working employees, the people who work to make that business a reality, to not have access to pensions. That happens with this bill.

This is an important bill, and I urge my colleagues to vote for H.R. 1102. This is a giant step for retirement security in America. It is a giant step for small business. It is a giant step for those who would like to see their own IRA have a meaningful annual contribution.

This legislation creates significant new opportunities for small businesses and individuals to establish retirement security plans. It does so by expanding small business retirement plans, such as unnecessary regulations and expenses. This bill also increases the limit on IRA's from $2,000 to $5,000, which is a long overdue updating of a limit set almost 20 years ago.

I feel fortunate that I've had the opportunity to work closely with Congressman PORTMAN and Congressman CARDIN on the provisions of this bill that specifically affect small businesses. In fact, H.R. 1102 includes several key features from legislation I introduced, H.R. 352, the Blunt/Bentsen Retirement Plan.

Why do small employers offer retirement benefits so less frequently than their larger counterparts? According to the 1998 Small Employer Retirement Survey conducted by the Employee Benefit Research Institute Research Institute, small businesses do not offer retirement benefits because, among other things, their revenue stream is too uncertain to commit to a plan, because their employees prefer immediate wages or other benefits, and because plans are too complex and expensive to set up and maintain. In exchange for the tax benefits of an employer sponsored retirement plan, current law imposes myriad requirements on employers. Unfortunately, the complexity of these requirements make the cost of administering these plans prohibitively expensive for small employers.

H.R. 1102 includes several key provisions that address this problem. Under current law, an employer's contributions are effectively limited to 15 percent of the employer's payroll because contributions in excess of 15 percent are nondeductible and subject to a 10 percent excise tax. H.R. 1102 increases the limit on an employer's deduction for contributions to a defined contribution plan from 15 percent to 20 percent. This will enable employers to provide more generous benefits to employees and reduce the need for complex two-plan arrangements. H.R. 1102 also increases the amount that can be contributed on behalf of individuals to $40,000 or 100 percent of pay and provides regulatory relief to encourage small businesses to offer plans. Employer sponsored retirement plans are good for employees because they are proven to be among the most effective ways for individuals to accumulate retirement savings. They are good for employers because they help them to attract and retain workers they need to remain competitive in the global economy. These statements do not apply only to multi-national corporations and their employees; they are every bit as relevant for the small manufacturer in Joplin or Springfield, Missouri and their 20 hard-working employees. Unfortunately, whether or not a particular individual has access to a retirement plan depends a great deal on the size of his employer. H.R. 1102 is a giant step toward correcting this inequity and I urge my colleagues to support this legislation.

Mr. NEAL of Massachusetts. Mr. Speaker, I yield 2 minutes to the gentleman from Connecticut (Mr. GEJDENSON), the very erudite gentleman.

Mr. GEJDENSON. Mr. Speaker, I thank the gentleman from Massachusetts for yielding me this time and for his generosity.

It is astounding to me, when we listen to this debate, where the division is once again. There is no debate about the underlying bill. And what has been ignored by our colleagues on the Republican side of the aisle again is whether, in this time of great surpluses thanks to the Clinton-Gore economic plan, whether we are going to be able to get a few resources for the poorest of the poor, for women, and for small businesses. That is the real debate.

It is kind of like the pension debate. The Democrats were ready to give $4 million estates tax exempt. On the Republican side they had to go to Bill Gates, $70 billion tax exempt. It was not enough that Bill Gates would pass his kids $35 billion, he had to go to $70 billion.

We are not arguing with helping people who are better off in this society and making it easier for people who own the companies to do better in pensions. What we are frustrated by is the failure to support the chairman and the gentleman from Massachusetts by reaching out to the poorest of the poor, to working poor people; making sure that those who have the least in this society get a little bit of assistance.

For a long time the Reagan-Bush deficits prevented us from having the resources to do that job. Now, with the fiscal situation we are in today, we have some resources. Yes, we ought to use some of those for upper-income people, to give them a break, but why can we never seem to have enough money at the table to take care of women, who are working often in places without pensions; why can we not provide some assistance to the smallest businesses to provide pensions for the poorest people, to make sure those who are at the bottom of the economic ladder get some benefit out of this society?

It seems to me to be clear that the gentleman from Massachusetts and the ranking member, soon hopefully to be chairman of this committee, offer an opportunity to make sure that we take care of average people and working people to some small degree.

Mr. NEAL of Massachusetts. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, we do not object to the legislation necessarily that has been proposed here. We believe that the amendment that we have offered can actually strengthen this legislation.

I think the gentleman from Connecticut (Mr. GEJDENSON) adequately summed up the arguments that we offer. If an individual is willing to go to work in America, they ought to be in a pension system. That is precisely what our legislation, my amendment, proposes to do.

This is a decent start that has been offered here today. We can improve this legislation, thereby providing an opportunity for people who do get out of bed every morning and go to work to have pension rights.

It is our argument today, based upon the evidence in front of us, that the legislation as proposed does not go far enough. We speak to those in the middle-income range, we speak to those in the lower-income range based upon the notion that if an individual goes to work, they ought to have pension rights. In the end, that is what our proposal is all about. That is what our substitute stands for.

We have had a good debate today; a clarifying debate. We think our substitute stands up under the magnifying glass. While we believe the legislation proposed is a good start, it is simply not enough.

Mr. Speaker, I yield back the balance of my time.

Mr. PORTMAN. Mr. Speaker, I yield myself the balance of my time.

I would like to start by thanking the gentleman from Massachusetts for a good debate today and thank him for his support of the process and saying a moment ago that he thinks the underlying legislation is a good start and that he does not necessarily oppose it. He would like to add to it.

I want to tell him that I share his concern about those lower- and middle-income workers who are not saving enough for their retirement. We think we address that here.

The previous speaker from Connecticut talked about how we are trying to help Bill Gates. Let me tell my colleagues who we are trying to help. Seventy-seven percent of pension plan participants make less than $50,000 a year. Seventy-seven percent of them. The average salary of someone who contributes to an IRA is less than $30,000 a year.

Those are precisely the people who are going to be helped most by this legislation; workers making between $15,000 and $50,000 a year benefit most from pension plans. They get two-thirds of pension accruals, even though they pay only about one-third of Federal taxes. These are the folks we are going to help with this underlying legislation.

Now, the substitute is before us. And again I share the concern that the gentleman has addressed. We think we address the problem that he states. But let us look at the substitute, because we do not know much about it yet. It came at the committee markup level, it has been changed a little, and now it is on the floor. We know it doubles the cost of this legislation.

It is interesting, as a Republican, for me to be talking about the cost of tax provisions, because the Democrats have been saying all year, these tax relief proposals are too costly. We cannot afford to do it because we have to save Medicare, Social Security, and so on. But here they are doubling the cost of a tax bill. But my more fundamental concern with it is we just do not know how it would work.

Let me give an example, and it has been talked about a little today. If an individual was to take advantage of this new government program and have the government contribute a 100 percent match into that plan, then that individual could take that money out the next year. And we do not know that there is a mechanism to keep that person from doing that; or, if there is, how it could be administered by the Internal Revenue Service.

We talked about the fraud in existing refundable tax credit programs. We have a concern about that. Is it administrable? It is something I would love to sit down with the gentleman and work out with him. I would love to sit with the Treasury Department and work on it. This has not been vetted.

In contrast, the underlying bill before us has gone through a 3-year bipartisan process, reaching out across the spectrum from labor unions to small businesses to put together something that is really going to work in the real world to expand pension coverage and IRA coverage for those middle-income and lower-income workers we talked about a moment ago. Those are precisely the people who will benefit from this.

Yes, it is important to backstop Social Security. Yes, it is important to increase the savings rate in this country that is at an all-time low. But it is most important of all to give American workers, particularly those baby boomers who have not saved enough, more security in their retirement. This underlying legislation does it. It provides for that comfort level in retirement; that peace of mind in retirement.

I ask my colleagues to oppose the Democrat substitute; to stick to the real thing, and vote for H.R. 1102.

Mr. KENNEDY of Rhode Island. Mr. Speaker, I rise today in support of the Democratic substitute to the underlying bill.

I want to commend the hard work and efforts of the authors of the bill we have before us today.

I also want to thank the authors of the Democratic substitute, and the ranking member of the committee, Mr. RANGEL, a champion for retirement security and the preservation of our Social Security system.

It is no secret that many families have great difficulties setting aside even nominal amounts in savings accounts or other means of asset development. Most families are living paycheck to paycheck and at the same time that many families are struggling, there is a high correlation between income levels and the ability to save.

Reports show that fifty percent of American households have total financial assets of $1000 or less; and that half of American families have less than two percent of America's net financial assets.

The Congressional Research Service notes that 60 percent of Americans have no other retirement plan than Social Security.

Today, I would have liked to offer an amendment to the bill, providing the support of the Congress for increasing individual savings and investment, with specific notice given to the needs of lower income families, and the support of the Congress for moving forward legislation that will encourage education and opportunity in the area of personal savings and investment.

Unfortunately, under the closed rule that we were given, I did not have an opportunity to offer this amendment, but the Democratic substitute that we are debating allows for a vote of these principals.

The Democratic substitute provides assistance to low and middle income workers and gives small business employees eligibility for credits on their retirement plans.

This would help level the playing field in the area of retirement security.

This is important because, in the last decade years we have witnessed the emergence of a new wealth gap in America which threatens our sense of fairness and our fundamental tradition of equal economic opportunity. The division is largely between those who have savings and investment and those who don't.

The Retirement Savings Account proposal that was included in the substitute, is designed to provide incentives for low and middle income workers to save or add additional money to their investment plans. In addition to this very necessary effort, we need to move forward with further legislation that will address the special need to close the income gap through facilitation and education on personal savings and investment.

The American Dream for many families revolves around the future of their children. They want their children to be able to receive higher education, own a home or a business, and certainly have retirement security. Yet, this creates a dilemma, because while meaningful savings are required to attain the American Dream, as many as two out of three Americans are shut out from this opportunity.

One way to make the American Dream more accessible is to increase wages and assure livable incomes. That is why I so strongly support our public schools and education reform. But this will get us only part of the way.

I strongly believe that we need to pass an equity and assert rights act that is modeled after the Full Employment Act of 1946. After World War II, Congress understood that we needed to create the national opportunity for all Americans to have a decent job. As we head into the 21st Century, we need to understand the importance of savings—so that all Americans can have a stake in the earning power of America's future economic growth.

In short, if we enable families to save and invest, we facilitate the economic freedom that will allow all Americans to afford higher education, buy a home, and have security in their senior years.

I urge all my colleagues to vote for the substitute, which ensures that all Americans are given a chance at greater retirement security.

Mr. PORTMAN. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SIMPSON). Pursuant to House Resolution 557, the previous question is ordered on the bill and on the amendment, as modified, offered by the gentleman from Massachusetts (Mr. NEAL).

The question is on the amendment in the nature of a substitute, as modified, offered by the gentleman from Massachusetts (Mr. NEAL).

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. NEAL of Massachusetts. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 200, nays 221, not voting 13, as follows:

[Roll No. 410]

YEAS—200

Abercrombie
Ackerman
Allen
Andrews
Baird
Baldacci
Baldwin
Barcia
Barrett (WI)
Becerra
Bentsen
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boucher
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Forbes
Ford
Frank (MA)
Frost
Gejdenson
Gephardt
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hall (TX)
Hastings (FL)
Hill (IN)
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Hooley
Hoyer
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
LaFalce
Lampson
Lantos
Larson
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Luther
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Phelps
Pickett
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sandlin
Sawyer
Schakowsky
Scott
Serrano
Sherman
Shows
Sisisky
Skelton
Slaughter
Snyder
Spratt
Stabenow
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velazquez
Visclosky
Waters
Watt (NC)
Waxman
Weiner
Wexler
Wise
Woolsey
Wu
Wynn

NAYS—221

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Bass
Bereuter
Biggert
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Boyd
Brady (TX)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth-Hage
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cox
Crane
Cubin
Cunningham
Davis (VA)
Deal
DeLay
DeMint
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ewing
Fletcher
Foley
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Green (WI)
Greenwood
Gutknecht
Hansen
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (MT)
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones (NC)
Kasich
Kelly
King (NY)
Kingston
Knollenberg
Kolbe
Kuykendall
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCollum
McCrery
McHugh
McInnis
McKeon
Metcalf
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Ose
Oxley
Packard
Paul
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Regula
Reynolds
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sanders
Sanford
Saxton
Scarborough
Schaffer
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Stearns
Stump
Sununu
Sweeney
Talent
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Toomey
Traficant
Upton
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOT VOTING—13

Baca
Barton
Bateman
Boswell
Campbell
Kennedy
Klink
Martinez
McIntosh
Smith (WA)
Vento
Weldon (PA)
Weygand

□ 1319

Mr. PITTS and Mr. HOBSON changed their vote from ''yea'' to ''nay.''

Mr. BERRY, Mr. DOOLEY of California, Ms. BROWN of Florida, and Mr. INSLEE changed their vote from ''nay'' to ''yea.''

So the amendment in the nature of a substitute, as modified, was rejected.

The result of the vote was announced as above recorded.

Stated for:

Mr. KENNEDY of Rhode Island. Mr. Speaker, today I was accompanying President Clinton to a funeral in the First District of Rhode Island and consequently I missed one vote. Had I been here I would have voted "yes" on rollcall No. 410, the Neal amendment.

The SPEAKER pro tempore (Mr. SIMPSON). The question is on the engrossment and third reading of the bill.

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

MOTION TO RECOMMIT OFFERED BY MR. NEAL OF MASSACHUSETTS

Mr. NEAL of Massachusetts. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. NEAL of Massachusetts. I am opposed to the bill in its current form, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. NEAL of Massachusetts moves to recommit the bill H.R. 1102 to the Committee on Ways and Means with instructions to report the same back to the House forthwith with the following amendment:

Add at the end of the bill the following new title:

TITLE VIII—CONTINGENCY BASED ON MEDICARE PRESCRIPTION DRUG BENEFIT AND NO ON-BUDGET DEFICIT

SEC. 801. CONTINGENCY BASED ON MEDICARE PRESCRIPTION DRUG BENEFIT AND NO ON-BUDGET DEFICIT.

(a) IN GENERAL.—Subpart A of part 1 of subchapter D of chapter 1 is amended by adding at the end the following new section:

''SEC. 409A. CONTINGENCY BASED ON MEDICARE PRESCRIPTION DRUG BENEFIT AND NO ON-BUDGET DEFICIT.

''(a) COMPREHENSIVE RETIREMENT SECURITY AND PENSION REFORM ACT OF 2000 TO APPLY IF CERTAIN CONDITIONS MET.—The Comprehensive Retirement Security and Pension Reform Act of 2000 and the amendments made by such Act shall apply to any taxable year beginning in a calendar year after 2000 only if the Secretary of the Treasury certifies (before the close of such calendar year) that each of the conditions specified in subsection (b) are met with respect to such calendar year.

''(b) CONDITIONS.—For purposes of subsection (a), the conditions specified in this subsection for any calendar year are the following:

''(1) NO ON-BUDGET DEFICIT.—Allowing subsection (a) to be effective for taxable years beginning in the calendar year, when added to the cost of the coverage described in paragraph (2), would not create or increase an on-budget deficit (determined by excluding the receipts and disbursements of part A of the medicare program) for the fiscal year beginning in such calendar year.

''(2) PRESCRIPTION DRUG COVERAGE.—Coverage for outpatient prescription drugs is provided for Medicare beneficiaries under the Medicare Program on a voluntary basis at all times during the calendar year with—

''(A) the premium for such coverage being not more than $25 per month (adjusted for cost increases after 2003) with low-income assistance for Medicare beneficiaries having incomes below 135 percent of the Federal poverty level and phasing out for such beneficiaries having incomes between 135 percent and 150 percent of the Federal poverty level,

''(B) no deductible required before such coverage is provided,

''(C) the amount of the benefit being at least 50 percent of prescription drug expenses not in excess of the coverage limit (as defined in subsection (c)),

''(D) a $4,000 limitation (adjusted for cost increases after 2003) on out-of-pocket prescription drug expenses of electing Medicare beneficiaries, and

''(E) all Medicare beneficiaries entitled to receive the discounts (otherwise available to large prescription drug purchasers) on their purchases of prescription drugs.

''(c) COVERAGE LIMIT.—The coverage limit is $2,000 for calendar years 2003 and 2004, $3,000 for calendar years 2005 and 2006, $4,000 for calendar years 2007 and 2008, and $5,000 for calendar year 2009 and thereafter (with adjustments for cost increases).

''(d) TRANSITION RULE.—For calendar years 2001 and 2002, the conditions specified in subsection (b)(2) shall be treated as met if the Secretary of the Treasury certifies that coverage described in such subsection will be available as of January 1, 2003.''.

(b) CLERICAL AMENDMENT.—The table of sections for subpart A of part 1 of subchapter D of chapter 1 is amended by adding after the item relating to section 409 the following new item:

''SEC. 409A. Contingency based on medicare prescription drug benefit and no on-budget deficit.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

Mr. NEAL of Massachusetts (during the reading). Mr. Speaker, I ask unanimous consent that the motion to recommit be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Massachusetts (Mr. NEAL) is recognized for 5 minutes in support of his motion.

Mr. NEAL of Massachusetts. Mr. Speaker, for the last 3 hours, we have had an opportunity to clarify many differences about the legislation that is in front of us. I think all of us would acknowledge that the work that the gentleman from Maryland (Mr. CARDIN) and the gentleman from Ohio (Mr. PORTMAN) have done on this legislation has been a decent start. In fact, we believe that the substitute we offered was Cardin-Portman improved. Cardin-Portman plus. We also would argue, I think, that the substitute that we offered spoke to the issue that the gentleman from Ohio (Mr. PORTMAN) acknowledged about doing more for middle-income and lower-income wage earners in America.

What is important about this discussion, I think, is simply this. Some of the people that have spoken today on this legislation have suggested that there is some doubt as to whether or not the President will veto this legislation in its current form. Let me reiterate as I did an hour ago. Secretary Summers has told me in a phone conversation he will recommend to the President that this legislation in its current form be vetoed. We have an opportunity to fix this legislation, acknowledging a good start but an improved opportunity.

Let me speak specifically, if I can, to the motion to recommit that is in front of this body. We all acknowledge that there is a desire for tax cuts based upon the current surplus projections. But the question before us now is whether or not those tax cuts leave sufficient resources for other priorities. This motion to recommit provides that the tax reductions proposed will not go into effect unless the Secretary of the Treasury certifies the following: that the bill will not invade the portion of existing surpluses dedicated to Medicare and Social Security programs, and—and the most important part of this motion to recommit—a meaningful Medicare prescription medicine benefit be enacted.

The motion to recommit is also required because of a Republican strategy of considering separate tax bills without taking into account their overall cost. Voting against the motion to recommit is a vote for placing these tax reductions ahead of Social Security and Medicare solvency and a meaningful Medicare prescription drug benefit.

It is simple; it is clarifying. I am not intending to belabor the point. What we have now in front of us is a very simple measure, whether or not we will proceed with these cuts or we will proceed with a healthy discussion about a Medicare prescription drug benefit. This is not the end of the debate by any stretch of the imagination. When we come back in September because of the President's veto pen, we are going to have a chance to improve this legislation.

I hope that my colleagues will vote ''no'' on the measure in front of us after we vote for the motion to recommit.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Is the gentleman from Ohio (Mr. PORTMAN) opposed to the motion?

Mr. PORTMAN. I am, Mr. Speaker.

The SPEAKER pro tempore. The gentleman is recognized for 5 minutes in opposition to the motion.

Mr. PORTMAN. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. THOMAS), the chairman of the Subcommittee on Health.

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

Bear with me, folks. Let us take a look at this motion to recommit. Let us find out exactly what it says. Less than 5 minutes ago, the Democrats offered their substitute which was double the Portman-Cardin bill. You would think that they had enough pride in authorship to require their substitute to be in this motion to recommit. Well, that is not true. The Portman-Cardin bill is in this motion to recommit. The only problem is, how do you get to this new pension relief in the Portman-Cardin bill? The motion to recommit says you have to do two things, because it says Comprehensive Retirement Security and Pension Reform Act of 2000, Portman-Cardin legislation, to apply if certain conditions are met.

Now, what are those certain conditions? Number one, you have a zero budget deficit. Number two, we have to pass and make law the Democrats' prescription drug proposal which was defeated in the House 2 weeks ago. So, one, they do not even have pride in authorship, including their Democrat substitute in the motion to recommit. Secondly, they frankly in my opinion lower the level of this debate to say, one, if you really want this, you have to do these two other things, but here is the insidious part about this motion to recommit: because it is conditional, because we will not get the Portman-Cardin bill unless these other two conditions are met, the Joint Committee on Taxation says this has a zero score.

What does it mean? If you vote for the motion to recommit, you defeat, not that you are cute about it, you defeat the Portman-Cardin legislation. Frankly, the gentleman from Ohio and the gentleman from Maryland deserve a better motion to recommit than this. This is not the kind of motion that lends the kind of sobriety to the debate that we have. What we need to do is hopefully not have a recorded vote on this motion to recommit and move rapidly to the passage of much-needed pension reform, the Portman-Cardin bill.

☐ 1330

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

This has been a refreshing debate on the House floor today, because it has been an honest discussion of some differences and how we would approach IRAs and pension expansion, but in the end, as the gentleman from Massachusetts (Mr. NEAL) said, Democrat opposition to the underlying legislation has really not surfaced, in the sense that the gentleman from Massachusetts (Mr. NEAL) has said this is a good start.

I applaud the gentleman for this motion to recommit, because it essentially says that the Portman-Cardin legislation, H.R. 1102, that over 200 Members of this House have cosponsored, about half Democrats, about half Republicans, ought to become law. It is just that the motion says there ought to be a couple of things that happen in between; one, we have to be sure we have a surplus; the second is we offer prescription drug coverage.

Unfortunately, the prescription drug coverage that is being suggested here that would have to be enacted into law is not precisely what this House just voted on in terms of prescription drug coverage. It is much different.

I want to thank the gentleman from Massachusetts (Mr. NEAL) for implicitly supporting Portman-Cardin. I want to thank all of the Members of this House who have played such an important role in getting us to this point. This has been a 3-year bipartisan process where we have done precisely what so many of us talk about around here, which is engage in a bipartisan consultative process with the people who are most affected, that is, small businesses, labor unions, individuals who are trying to save more in their IRAs, workers who are trying to save more in their 401(k) plans and other pension plans.

This legislation is going to help precisely those lower income and middle income workers out there who we talked about earlier today as needing to save more for retirement.

We would not be here today but for the help of the gentleman from Maryland (Mr. CARDIN), who has been my partner in this for the last 3 years, also but for the help of the gentleman from Texas (Mr. ARCHER), who has spent a career coming up with ways to expand savings options for Americans and got

this through the committee and to the floor today.

Ladies and gentleman, I urge a no on this motion to recommit. Again, I thank the authors of it for the implicit support of the underlying legislation, and I strongly urge Members on both sides of the aisle to vote yes on final passage, to send a strong message to the United States Senate, a strong message to the President of the United States that we, on a bipartisan basis, want to provide for retirement security for all Americans, and we want to do it this year.

Mr. Speaker, many have dubbed this as a partisan, political year, we want to show the American people we can get something done together. Let us continue this 3-year bipartisan process. Let us vote yes on final passage and let us help all of our constituents have more financial security in their retirement.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. SIMPSON). Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. NEAL of Massachusetts. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 9 of rule XX, the Chair will reduce to 5 minutes the minimum time for any electronic vote on the question of passage.

The vote was taken by electronic device, and there were—yeas 185, nays 239, not voting 10, as follows:

[Roll No. 411]

YEAS—185

Abercrombie
Ackerman
Allen
Andrews
Baldacci
Baldwin
Barrett (WI)
Becerra
Berkley
Berman
Berry
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Carson
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gejdenson
Gephardt
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hastings (FL)
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Hooley
Hoyer
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind (WI)
Kleczka
Kucinich
LaFalce
Lampson
Lantos
Larson
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Mink
Moakley
Mollohan
Moran (VA)
Murtha
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Phelps
Pickett
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sawyer
Schakowsky
Scott
Serrano
Sherman
Shows
Sisisky
Skelton
Slaughter
Snyder
Spratt
Stabenow
Stark
Strickland
Stupak
Tanner
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velazquez
Visclosky
Waters
Watt (NC)
Waxman
Weiner
Wexler
Wise
Woolsey
Wu
Wynn

NAYS—239

Aderholt
Archer
Armey
Bachus
Baird
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Bass
Bateman
Bentsen
Bereuter
Biggert
Bilbray
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Cardin
Castle
Chabot
Chambliss
Chenoweth-Hage
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cox
Crane
Cubin
Cunningham
Davis (VA)
Deal
DeLay
DeMint
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
English
Everett
Ewing
Fletcher
Foley
Forbes
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Green (WI)
Greenwood
Gutknecht
Hall (TX)
Hansen
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Istook
Jenkins
Johnson (CT)
Johnson, Sam
Jones (NC)
Kasich
Kelly
King (NY)
Kingston
Knollenberg
Kolbe
Kuykendall
LaHood
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Luther
Manzullo
McCollum
McCrery
McHugh
McInnis
McIntyre
McKeon
Metcalf
Mica
Miller (FL)
Miller, Gary
Minge
Moore
Moran (KS)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Ose
Oxley
Packard
Paul
Pease
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Pomeroy
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Regula
Reynolds
Riley
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sandlin
Sanford
Saxton
Scarborough
Schaffer
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simpson
Skeen
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Stearns
Stenholm
Stump
Sununu
Sweeney
Talent
Tancredo
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Toomey
Traficant
Upton
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOT VOTING—10

Baca
Barton
Boswell
Campbell
Klink
Martinez
McIntosh
Smith (WA)
Vento
Weygand

□ 1351

Mr. MINGE and Mr. LUTHER changed their vote from ''yea'' to ''nay.''

So the motion to instruct was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. SIMPSON). The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. PORTMAN. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 401, noes 25, not voting 9, as follows:

[Roll No. 412]

AYES—401

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Bass
Bateman
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bono
Borski
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Capps
Capuano
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth-Hage
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fletcher
Foley
Forbes
Ford
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger

Green (TX)
Green (WI)
Greenwood
Gutierrez
Hall (OH)
Hall (TX)
Hansen
Hastert
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Knollenberg
Kolbe
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Mascara
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Ortiz
Ose
Owens
Oxley
Packard
Pallone
Pascrell
Pastor
Paul
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Royce
Rush
Ryan (WI)
Ryun (KS)
Salmon
Sanchez
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaffer
Schakowsky
Scott
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Spence
Spratt
Stabenow
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOES—25

Becerra
Bonior
Brown (OH)
Clay
Conyers
Filner
Frank (MA)
Gephardt
Gutknecht
Hinchey
Jackson (IL)
Kennedy
Lee
Markey
Matsui
McDermott
Neal
Olver
Rangel
Roybal-Allard
Sabo
Sanders
Serrano
Stark
Visclosky

NOT VOTING—9

Baca
Barton
Boswell
Campbell
Klink
Martinez
McIntosh
Smith (WA)
Vento

□ 1359

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

□

GENERAL LEAVE

Mr. PORTMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 1102, the bill just passed.

The SPEAKER pro tempore (Mr. BARRETT of Nebraska). Is there objection to the request of the gentleman from Ohio?

There was no objection.

□

WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 4576, DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2001

Mrs. MYRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 554 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 554

Resolved, That upon adoption of this resolution it shall be in order to consider the conference report to accompany the bill (H.R. 4576) making appropriations for the Department of Defense for the fiscal year ending September 30, 2001, and for other purposes. All points of order against the conference report and against its consideration are waived. The conference report shall be considered as read.

The SPEAKER pro tempore. The gentlewoman from North Carolina (Mrs. MYRICK) is recognized for 1 hour.

Mrs. MYRICK. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Texas (Mr. FROST), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Yesterday, the Committee on Rules met and granted a normal conference report rule for H.R. 4576, the Fiscal Year 2001 Department of Defense Appropriations Act. The rule waives all points of order against the conference report and against its consideration. The rule also provides that the conference report shall be considered as read.

Mr. Speaker, H. Res. 554 is a noncontroversial rule for a strong bipartisan bill. In fact, the Committee on Appropriations approved this bill in late May by voice vote and without an amendment.

I have always admired the patriotism and dedication of our military personnel, especially given the poor quality of military life for our enlisted men and women. But today, we are doing something to improve military pay, housing and benefits.

Mr. Speaker, we are helping to take some of our enlisted men off food stamps by giving them a 3.7 percent pay raise and we are boosting their enlistment and re-enlistment bonuses. To follow through on our health care promises to our servicemen and women, we are increasing funding for the Department of Defense Health Program by $963 million this year. A good portion of these funds will go to improving care for our military retirees who have never been given the treatment that they deserve.

At the same time, we are increasing the basic allowance for housing so that our military families do not have to pay as much out of their own pockets. Along with personnel, we have to take care of our military readiness. We live in a dangerous world and Congress is working to protect our friends and families back home from our enemies abroad.

We are providing for our national missile defense system so that we can stop a warhead from places like China or North Korea, if that day ever comes; and we are boosting the military's budget for weapons and ammunition. We are providing $41 billion for research and development so that our forces will have top of the line equipment to do their job.

Mr. Speaker, I urge my colleagues to support this rule and to support the underlying bill because now, more than ever, we must improve our national security.

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

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

Mr. Speaker, I rise in support of this rule and the conference report to accompany fiscal year 2001 Department of Defense Appropriations. This important appropriations bill provides the funding for the security and defense of the United States and ensures that our military strength remain second to none. This conference agreement will provide $288 billion for the programs of the Defense Department, and includes a 3.7 percent pay raise for our military personnel, an increase of nearly $1 billion over fiscal year 2000 for military health care.

Mr. Speaker, this is a good bill and deserves the support of this House. This rule is the standard rule for the consideration of conference reports in the House, and it waives all points of order against the consideration of the conference report. This rule is noncontroversial, and I urge Members to support it.

I also urge Members to support this conference report. The pay raise provided to our Armed Forces is of great importance, especially for younger military members with families, and for those mid-career personnel who are considering abandoning the military

for the civilian world. The bill also addresses an important need for those who have served and are now retired by funding the Expanded Pharmacy Access Program that was part of the National Defense Authorization Act.

These are important benefits for active duty and retired personnel, and I urge Members to support them.

I am particularly pleased that the conference agreement contains $3.9 billion for overseas contingency operations in Bosnia, Kosovo, and southwest Asia. While many Members may disagree with these operations, it would be irresponsible for the Congress to withhold the funds necessary to maintain them, unless and until the Congress decides to end them in an orderly fashion. The conference report also provides $1.1 billion for the acquisition of 16 V–22 tiltrotor aircraft and $122 million for the acquisition of four F–16s. These are important procurements for the Marine Corps and the Air Force.

In addition, the conference report fully funds the F–22 Raptor jet fighter program with $2.1 billion for 10 aircraft, $396 million for advanced procurement, and $1.4 billion for research and development. Fully funding this stage of the procurement of this important addition to our Nation's arsenal is key to ensuring our continued air superiority well into this new century.

Mr. Speaker, this is a very good conference agreement, and I urge Members to support it.

Mr. Speaker, I yield back the balance of my time.

Mrs. MYRICK. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. LEWIS of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the conference report to accompany H.R. 4576, and that I may include tabular and extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

□

CONFERENCE REPORT ON H.R. 4576, DEPARTMENT OF DEFENSE APPROPRIATIONS ACT, 2001

Mr. LEWIS of California. Mr. Speaker, pursuant to House Resolution 554, I call up the conference report on the bill (H.R. 4576), making appropriations for the Department of Defense for the fiscal year ending September 30, 2001, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to House Resolution 554, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of July 17, 2000 at page H6102.)

The SPEAKER pro tempore. The gentleman from California (Mr. LEWIS) and the gentleman from Pennsylvania (Mr. MURTHA) each will control 30 minutes.

The Chair recognizes the gentleman from California (Mr. LEWIS).

(Mr. LEWIS of California asked and was given permission to revise and extend his remarks.)

Mr. LEWIS of California. Mr. Speaker, I yield myself such time as I may consume.

First, let me say that this conference report is, in my judgment, a fabulous piece of work. It provides funding for fiscal year 2001 at levels that reflect very much the legislation that was passed by the House only a few weeks ago. Indeed, as the Members may know, I was somewhat disconcerted by the supplemental bill that we passed some weeks ago, because it was my view that that legislation, while significant, failed to fully address certain critical areas of interest, such as our readiness needs, the contingency operations funding challenges that exist around the world, all the outstanding needs, military medical system, et cetera. We made up for much of that in an emergency funding title in their conference report.

Indeed, in working with the other side of the aisle, we have had truly a hallmark year, in terms of laying the foundation for our future national defense. We need to make sure that America continues to lead the world as the strongest among the countries of the world and continue to play our role on behalf of freedom.

Mr. Speaker, let me say that I would like to express to the Members my deepest appreciation for the work done with my colleague, the gentleman from Pennsylvania (Mr. MURTHA); indeed, the cooperation of the ranking member of the full committee has been extremely helpful as well. I must say that the staff on both sides of the aisle, Kevin Roper and his gang of, it looks like 112 staff people, but it is actually only 13 women and men doing three dozen people's work.

Beyond that, Mr. Speaker, let me say that the cooperation on the Senate side, in the other body's committee has been extremely valuable as well. The work of that staff, led by Steve Coatese, as well as Senator STEVENS and the ranking member Senator INOUYE, are very much appreciated.

At this point I would like to insert for the RECORD a summary of the funding levels agreed to in the conference agreement.

H.R. 4576 - DEFENSE APPROPRIATIONS, 2001

(Amounts in thousands)

	FY 2000 Enacted	FY 2001 Request	House	Senate	Conference	Conference vs. enacted
TITLE I						
MILITARY PERSONNEL						
Military Personnel, Army	22,006,361	22,198,457	22,242,457	22,173,929	22,175,357	+168,996
Military Personnel, Navy	17,258,823	17,742,897	17,799,297	17,877,215	17,772,297	+513,474
Military Personnel, Marine Corps	6,555,403	6,822,300	6,818,300	6,831,373	6,833,100	+277,697
Military Personnel, Air Force	17,861,803	18,282,834	18,238,234	18,110,764	18,174,284	+312,481
Reserve Personnel, Army	2,289,996	2,433,880	2,463,320	2,458,961	2,473,001	+183,005
Reserve Personnel, Navy	1,473,388	1,528,385	1,566,095	1,539,490	1,576,174	+102,786
Reserve Personnel, Marine Corps	412,650	436,386	440,886	446,586	448,886	+36,236
Reserve Personnel, Air Force	892,594	981,710	980,610	963,752	971,024	+78,430
National Guard Personnel, Army	3,610,479	3,747,636	3,719,336	3,781,236	3,782,536	+172,057
National Guard Personnel, Air Force	1,533,196	1,627,181	1,635,681	1,634,181	1,641,081	+107,885
Total, title I, Military Personnel	73,894,693	75,801,666	75,904,216	75,817,487	75,847,740	+1,953,047
TITLE II						
OPERATION AND MAINTENANCE						
Operation and Maintenance, Army	19,256,152	19,073,731	19,386,843	19,049,881	19,144,431	-111,721
(By transfer - National Defense Stockpile)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	.....
Operation and Maintenance, Navy	22,958,784	23,250,154	23,426,830	23,398,254	23,419,360	+460,576
(By transfer - National Defense Stockpile)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	.....
Operation and Maintenance, Marine Corps	2,808,354	2,705,658	2,813,091	2,729,758	2,778,758	-29,596
Operation and Maintenance, Air Force 2/	20,896,959	22,296,977	22,316,797	22,268,977	22,383,521	+1,486,562
(By transfer - National Defense Stockpile)	(50,000)	(50,000)	(50,000)	(50,000)	(50,000)	.....
Operation and Maintenance, Defense-Wide	11,489,483	11,920,069	11,803,743	11,991,688	11,844,480	+354,997
Operation and Maintenance, Army Reserve	1,469,176	1,521,418	1,596,418	1,529,418	1,562,118	+92,942
Operation and Maintenance, Navy Reserve	958,978	960,946	992,646	968,946	978,946	+19,968
Operation and Maintenance, Marine Corps Reserve	138,911	133,959	145,959	141,159	145,959	+7,048
Operation and Maintenance, Air Force Reserve	1,782,591	1,885,859	1,921,659	1,893,859	1,903,659	+121,068
Operation and Maintenance, Army National Guard	3,161,378	3,182,335	3,263,235	3,330,535	3,333,835	+172,457
Operation and Maintenance, Air National Guard	3,241,138	3,446,375	3,480,375	3,481,775	3,474,375	+233,237
Overseas Contingency Operations Transfer Fund	1,722,600	4,100,577	4,100,577	4,100,577	3,938,777	+2,216,177
United States Court of Appeals for the Armed Forces	7,621	8,574	8,574	8,574	8,574	+953
Environmental Restoration, Army	378,170	389,932	389,932	389,932	389,932	+11,762
Environmental Restoration, Navy	284,000	294,038	294,038	294,038	294,038	+10,038
Environmental Restoration, Air Force	376,800	376,300	376,300	376,300	376,300	-500
Environmental Restoration, Defense-Wide	25,370	23,412	23,412	21,412	21,412	-3,958
Environmental Restoration, Formerly Used Defense Sites	239,214	186,499	196,499	231,499	231,499	-7,715
Overseas Humanitarian, Disaster, and Civic Aid	55,800	64,900	56,900	55,900	55,900	+100
Former Soviet Union Threat Reduction	460,500	458,400	433,400	458,400	443,400	-17,100
Pentagon Renovation Transfer Fund	222,800	.....	.....	.....	.....	-222,800
Quality of Life Enhancements, Defense	300,000	.....	480,000	.....	160,500	-139,500
Total, title II, Operation and maintenance	92,234,779	96,280,113	97,507,228	96,720,882	96,889,774	+4,654,995
(By transfer)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	.....
TITLE III						
PROCUREMENT						
Aircraft Procurement, Army	1,451,688	1,323,262	1,547,082	1,532,862	1,571,812	+120,124
Missile Procurement, Army	1,322,305	1,295,728	1,240,347	1,329,781	1,320,681	-1,624
Procurement of Weapons and Tracked Combat Vehicles, Army	1,586,490	1,874,638	2,634,786	2,166,574	2,472,524	+886,034
Procurement of Ammunition, Army	1,204,120	1,131,323	1,227,386	1,212,149	1,220,516	+16,396
Other Procurement, Army	3,738,934	3,795,870	4,254,564	4,060,728	4,497,009	+758,075
Aircraft Procurement, Navy	8,662,655	7,963,858	8,179,564	8,426,499	8,477,138	-185,517
Weapons Procurement, Navy	1,383,413	1,434,250	1,372,112	1,571,650	1,461,600	+78,187
Procurement of Ammunition, Navy and Marine Corps	525,200	429,649	491,749	471,749	498,349	-26,851
Shipbuilding and Conversion, Navy	7,053,454	12,296,919	12,266,919	11,612,090	11,614,633	+4,561,179
Other Procurement, Navy	4,320,238	3,334,611	3,433,063	3,400,180	3,557,380	-762,858
Procurement, Marine Corps	1,300,920	1,171,935	1,229,605	1,196,368	1,233,268	-67,652
Aircraft Procurement, Air Force	8,228,630	9,539,602	10,064,032	7,289,934	7,583,345	-645,285
Missile Procurement, Air Force 3/	2,211,407	3,031,346	2,893,529	2,920,815	2,863,778	+652,371
Procurement of Ammunition, Air Force	442,537	638,808	638,808	654,808	647,808	+205,271
Other Procurement, Air Force	7,146,157	7,699,127	7,778,997	7,605,027	7,763,747	+617,590
Procurement, Defense-Wide	2,249,566	2,275,308	2,303,136	2,294,908	2,346,258	+96,692
Defense Production Act Purchases	3,000	.....	3,000	.....	3,000	.....
National Guard and Reserve Equipment	150,000	.....	.....	150,000	100,000	-50,000
Total, title III, Procurement	52,980,714	59,236,234	61,558,679	57,896,122	59,232,846	+6,252,132

H.R. 4576 - DEFENSE APPROPRIATIONS, 2001 — continued

(Amounts in thousands)

	FY 2000 Enacted	FY 2001 Request	House	Senate	Conference	Conference vs. enacted
TITLE IV						
RESEARCH, DEVELOPMENT, TEST AND EVALUATION						
Research, Development, Test and Evaluation, Army	5,266,601	5,260,346	6,025,057	5,683,675	6,342,552	+1,075,951
Research, Development, Test and Evaluation, Navy	9,110,326	8,476,677	9,222,927	8,812,070	9,494,374	+384,048
Research, Development, Test and Evaluation, Air Force 3/	13,674,537	13,696,359	13,760,689	13,931,145	14,138,244	+463,707
Research, Development, Test and Evaluation, Defense-Wide	9,256,705	10,238,242	10,918,997	10,952,039	11,157,375	+1,900,670
Developmental Test and Evaluation, Defense	265,957	.....	.....	.....	.....	-265,957
Operational Test and Evaluation, Defense	31,434	201,560	242,560	218,560	227,060	+195,626
Total, title IV, Research, Development, Test and Evaluation	37,605,560	37,873,184	40,170,230	39,597,489	41,359,605	+3,754,045
TITLE V						
REVOLVING AND MANAGEMENT FUNDS						
Defense Working Capital Funds	90,344	916,276	916,276	916,276	916,276	+825,932
National Defense Sealift Fund:						
Ready Reserve Force	257,000	258,000	270,500	258,000	270,500	+13,500
Acquisition	460,200	130,158	130,158	130,158	130,158	-330,042
Subtotal	717,200	388,158	400,658	388,158	400,658	-316,542
National Defense Airlift:						
Airlift Fleet Support	.....	.....	.....	2,478,723	.....	.....
Acquisition	.....	.....	.....	412,200	.....	.....
C-17	.....	.....	.....	.....	2,170,923	+2,170,923
C-17 advance procurement	.....	.....	.....	.....	257,800	+257,800
C-17 ICS	.....	.....	.....	.....	412,200	+412,200
Subtotal	.....	.....	.....	2,890,923	2,840,923	+2,840,923
Total, title V, Revolving and Management Funds	807,544	1,304,434	1,316,934	4,195,357	4,157,857	+3,350,313
TITLE VI						
OTHER DEPARTMENT OF DEFENSE PROGRAMS						
Defense Health Program:						
Operation and maintenance	10,522,647	11,244,543	11,525,143	11,437,293	11,414,393	+891,746
Procurement	356,970	290,006	290,006	290,006	290,006	-66,964
Research and development	275,000	65,880	327,880	402,880	413,380	+138,380
Total, Defense Health Program	11,154,617	11,600,429	12,143,029	12,130,179	12,117,779	+963,162
Chemical Agents & Munitions Destruction, Army: 1/						
Operation and maintenance	543,500	607,200	607,200	600,000	600,000	+56,500
Procurement	191,500	121,900	105,700	105,000	105,700	-85,800
Research, development, test, and evaluation	294,000	274,400	214,200	274,400	274,400	-19,600
Total, Chemical Agents	1,029,000	1,003,500	927,100	979,400	980,100	-48,900
Drug Interdiction and Counter-Drug Activities, Defense	847,800	836,300	812,200	933,700	869,000	+21,200
Office of the Inspector General	137,544	147,545	147,545	147,545	147,545	+10,001
Total, title VI, Other Department of Defense Programs	13,168,961	13,587,774	14,029,874	14,190,824	14,114,424	+945,463
TITLE VII						
RELATED AGENCIES						
Central Intelligence Agency Retirement and Disability System Fund	209,100	216,000	216,000	216,000	216,000	+6,900
Intelligence Community Management Account	158,015	137,631	224,181	177,331	148,631	-9,384
Transfer to Dept of Justice	(27,000)	(27,000)	(33,100)	(27,000)	(34,100)	(+7,100)
Payment to Kaho'olawe Island Conveyance, Remediation, and Environmental Restoration Fund	35,000	25,000	25,000	60,000	60,000	+25,000
National Security Education Trust Fund	8,000	6,950	6,950	6,950	6,950	-1,050
Total, title VII, Related agencies	410,115	385,581	472,131	460,281	431,581	+21,466

H.R. 4576 - DEFENSE APPROPRIATIONS, 2001 — continued

(Amounts in thousands)

	FY 2000 Enacted	FY 2001 Request	House	Senate	Conference	Conference vs. enacted
TITLE VIII						
GENERAL PROVISIONS						
Ship Transfers (FY99 with FY2000 carryover)	-170,000					+170,000
Additional transfer authority (Sec. 8005)	(1,600,000)	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)	(+400,000)
Indian Financing Act incentives (Sec. 8022)	8,000		8,000	8,000	8,000	
Disposal & lease of DOD real property (Sec. 8038)	32,200	24,000	24,000	24,000	24,000	-8,200
Overseas Military Fac Investment Recovery (Sec. 8041)	4,300	3,000	3,000	3,000	3,000	-1,300
Rescissions (Sec. 8055)	-350,180		-690,492	-169,300	-546,980	-196,800
FY 1999 Economic Adjustment (rescission)	-452,100					+452,100
Women in Service for America Memorial	5,000					-5,000
Civilian personnel under execution	-123,200			-56,200		+123,200
Foreign Currency Rev Economic Assumptions (Sec. 8094)	-171,000		-537,600	-789,700	-856,900	-685,900
A-76 Studies	-100,000					+100,000
WMD consequence management	35,000					-35,000
Travel Cards (Sec. 8101)	5,000	5,000	5,000	5,000	5,000	
Recovery of DoD admin expenses from FMS	-87,000					+87,000
Advance pay appropriation	-1,838,426					+1,838,426
Transfer to Department of Transportation (Sec. 8109)	(5,000)			(10,000)	(10,000)	(+5,000)
Aircraft leasing	19,000			5,000		-19,000
Munitions/Readiness	-100,000					+100,000
American Red Cross (Sec. 8141)	5,000				5,000	
United Service Organizations (Sec. 8112)	5,000			10,000	7,500	+2,500
F-22 Program Transfer Account	1,000,000					-1,000,000
F-22 Program Termination Liability	300,000					-300,000
Performance Based Academic Model (Sec. 8114)	5,500		5,000		5,000	-500
Seattle Conveyance	1,000					-1,000
Eisenhower Memorial Commission	300					-300
Rome Labs	13,000					-13,000
Aviation Support Facility	10,000					-10,000
Depot Maintenance	-400,000					+400,000
Spares	-550,000					+550,000
Base Operations	-100,000					+100,000
Munitions	-356,400					+356,400
O&M general reduction	-7,200,000					+7,200,000
O&M contingent emergency	7,200,000					-7,200,000
Working Capital Fund Cash Balances (Sec. 8085)			-800,000		-800,000	-800,000
Foreign Currency Cash Balance Stabilization			-463,400			
Preservation of Democracy (Sec. 8129)				20,000	20,000	+20,000
Quarantine benefits (Sec. 8132)				1,000	1,000	+1,000
National D-Day Museum (Sec. 8134)				2,100	2,100	+2,100
Inflation rescission - Procurement				-173,711		
Inflation rescission - RDT&E				-145,977		
BMDO Support reduction management (Sec. 8126)				-26,154	-14,000	-14,000
Ship scrapping initiative (Sec. 8136)				10,000	10,000	+10,000
Chicago Military Academy (Sec. 8135)				5,000	5,000	+5,000
Joint information technology center				20,000		
San Bernardino (Newmark) (Sec. 8156)					10,000	+10,000
CAAS/Contract Growth (Sec. 8163)					-71,367	-71,367
Excess Funded Carryover (Sec. 8164)					-92,700	-92,700
Headquarters and Administration (Sec. 8165)					-159,076	-159,076
Gulf War illness (Sec. 8154)					1,650	+1,650
U.S./China Security Review Commission (Sec. 8148)					3,000	+3,000
Fisher House (Sec. 8158)					2,000	+2,000
Zero emission steam technology demo (Sec. 8161)					2,000	+2,000
Oakland military academy (Sec. 8155)					2,000	+2,000
Brownfield site (Sec. 8157)					2,000	+2,000
FY01 economic adjustment general reduction (Sec. 8086)					-705,000	-705,000
Overseas Contingency Oper Transfer Fund (Sec. 8166)					-1,100,000	-1,100,000
Total, title VIII	-3,350,006	32,000	-2,446,492	-1,247,942	-4,227,773	-877,767
TITLE IX - ADDITIONAL FY 2000 EMERGENCY SUPPLEMENTAL APPROPRIATIONS						
Operation and Maintenance: Overseas Contingency Operations Transfer Fund (contingent emergency)					1,100,000	+1,100,000
Contingent emergency (sec. 9001)					679,000	+679,000
Total, title IX, FY 2000 Supplemental					1,779,000	+1,779,000
Grand total, FY 2001 bill	267,752,360	284,500,986	288,512,800	287,630,500	287,806,054	+20,053,694
FY 2000 supplemental					1,779,000	+1,779,000

H.R. 4576 - DEFENSE APPROPRIATIONS, 2001 — continued

(Amounts in thousands)

	FY 2000 Enacted	FY 2001 Request	House	Senate	Conference	Conference vs. enacted
OTHER APPROPRIATIONS						
Waiver of certain sanctions against India and Pakistan	43,000					-43,000
P.L. 106-113:						
Title II - O&M, Army	100,000					-100,000
Title VI - 1994 Friendly Fire Settlement	2,000					-2,000
Title III - Across the board cut (0.38%)	-1,028,000					+1,028,000
Division B - H.R. 4425:						
Title I - Kosovo and other national security matters (net)	6,452,103					-6,452,103
Title III - Counternarcotics	184,059					-184,059
Total, other appropriations	5,753,162					-5,753,162
Adjusted total (incl other appropriations)	273,505,522	284,500,986	288,512,800	287,630,500	289,585,054	+16,079,532
CONGRESSIONAL BUDGET RECAP						
Scorekeeping adjustments:						
Adjustment for unapprop'd balance transfer (Stockpile)	150,000	150,000	150,000	150,000	150,000	
Stockpile collections (unappropriated)	-150,000	-150,000	-150,000	-150,000	-150,000	
Spectrum	-2,600,000					+2,600,000
O&M, Army transfer to National Park Service:						
Defense function			-6,000		-5,000	-5,000
Nondefense function			6,000		5,000	+5,000
O&M, AF transfer to Dept of Transportation:						
Defense function				-10,000	-10,000	-10,000
Nondefense function				10,000	10,000	+10,000
Subtotal	-2,600,000					+2,600,000
Advance pay appropriation (P.L. 106-31)	1,838,426					-1,838,426
FY 2000 emergency supplemental					-1,779,000	-1,779,000
Total adjustments	-761,574				-1,779,000	-1,017,426
Adjusted total (incl scorekeeping adjustments)	273,505,522	284,500,986	288,512,800	287,630,500	289,585,054	+16,079,532
Appropriations	(274,307,802)	(284,500,986)	(289,203,292)	(287,799,800)	(290,132,034)	(+15,824,232)
Rescissions	(-802,280)		(-690,492)	(-169,300)	(-546,980)	(+255,300)
Total mandatory and discretionary	273,505,522	284,500,986	288,512,800	287,630,500	289,585,054	+16,079,532
Mandatory	209,100	216,000	216,000	216,000	216,000	+6,900
Discretionary	273,296,422	284,284,986	288,296,800	287,414,500	289,369,054	+16,072,632
RECAPITULATION						
Title I - Military Personnel	73,894,693	75,801,666	75,904,216	75,817,487	75,847,740	+1,953,047
Title II - Operation and Maintenance	92,234,779	96,280,113	97,507,228	96,720,882	96,889,774	+4,654,995
(By transfer)	(150,000)	(150,000)	(150,000)	(150,000)	(150,000)	
Title III - Procurement	52,980,714	59,236,234	61,558,679	57,896,122	59,232,846	+6,252,132
Title IV - Research, Development, Test and Evaluation	37,605,560	37,873,184	40,170,230	39,597,489	41,359,605	+3,754,045
Title V - Revolving and Management Funds	807,544	1,304,434	1,316,934	4,195,357	4,157,857	+3,350,313
Title VI - Other Department of Defense Programs	13,168,961	13,587,774	14,029,874	14,190,824	14,114,424	+945,463
Title VII - Related agencies	410,115	385,581	472,131	460,281	431,581	+21,466
Title VIII - General provisions	-3,350,006	32,000	-2,446,492	-1,247,942	-4,227,773	-877,767
Total, Department of Defense (in this bill)	267,752,360	284,500,986	288,512,800	287,630,500	287,806,054	+20,053,694
Funds provided in Supplemental Acts	1,838,426					-1,838,426
Other appropriations	5,753,162					-5,753,162
Total DoD funding available	275,343,948	284,500,986	288,512,800	287,630,500	287,806,054	+12,462,106
Other scorekeeping adjustments	-2,600,000					+2,600,000
Total mandatory and discretionary	272,743,948	284,500,986	288,512,800	287,630,500	287,806,054	+15,062,106
Title IX - FY 2000 Emergency supplemental					1,779,000	+1,779,000

1/ Included in Budget under Procurement title.

2/ O&M, AF request reduced by $300,000 by a technical correction budget amendment (H. Doc. 106-222).

3/ A budget amendment reduced MPAF by $30,369,000 and increased R&D, AF by $10,783,000 for the Global Positioning System (H. Doc. 106-240).

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

Mr. MURTHA. Mr. Speaker, this is basically the same bill that we passed in the House.

I yield such time as he may consume to the gentleman from Ohio (Mr. KUCINICH).

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

Mr. KUCINICH. Mr. Speaker, I will include in the RECORD at this point materials relevant to this debate.

I object to the passage of the conference report because it contains billions of dollars for the inception of a failed missile program which has already cost the taxpayers of the United States over $60 billion in its previous presentations. I ask my colleagues to review the record of failures and also to review the anti-democratic lengths to which the Department of Defense is going to try to cover-up the failures of the system.

NATIONAL MISSILE DEFENSE

HOW IT IS SUPPOSED TO WORK

The ground-based anti-missile system would track warheads using ground-based radars and satellite-based infrared sensors, and the kill vehicles would use infrared sensors to home in on their targets.

An intercontinental missile when it is launched starts out early in its trajectory as a large missile, hot (because the rocket engine is still burning) and slow. This is called the boost phase. It would take approximately 30 minutes for a missile to reach its farthest point of 6,000 miles. The boost phase lasts 5 minutes.

When the boost phase ends and there is about 300 miles left before impact, only the warhead is left, leaving a small, cold (and therefor hard for infra-red sensors to see) and fast. This makes the warhead a much more difficult target. At this point the war head is traveling at a few miles per second.

So, this small, fast and hard to track warhead must be hit by an anti-missile traveling at a faster speed. This is how the system has received the analogy of trying to hit a ''bullet with a bullet''. It is practically impossible to do now, under controlled conditions.

TECHNOLOGICAL FAILURE

Before the decision is made, three exo-atmospheric intercept tests have been scheduled to determine the system success rate and reliability to deploy the system. The one of two tests failed. And the third test has been put off twice because it was not ready for testing. Three tests can not define the technical readiness of the system and serve the basis for deploying a national missile defense.

With only two of 19 tests conducted, it has yet to work under real-world conditions. According to a report by The Coalition to Reduce Nuclear Dangers and the Council for a Livable World Education Fund other anti-missile systems have been put through far more rigorous testing. The ''Safeguard'' missile defense system, deployed in 1975 and canceled after one day of operation, was put through 165 missile flight tests. The ''Patriot'' theater missile defense system was tested 114 times.

According to testimony taken from Dr. David Wright of the Union of Concerned Scientists before the US Senate Committee on Foreign Relations in 1998:

''. . . Since 1982 the US has conducted 16 intercept tests of exo-atmospheric hit-to-kill interceptors, which operate in a similar manner to the planned NMD interceptor. To date, the test record of such interceptors has been abysmal. Only 2 of these 16 intercept tests scored hits, for a 13 percent success rate. And the test record is not getting better with time: the most recent successful high-altitude test occurred in January 1991 and the last 11 such intercept tests have been failures.''

FRAUD DECEPTION AND MANIPULATED TESTS—NMD IS A TECHNOLOGICAL FAILURE

The Department of Defense recently ''classified'' a public letter and attachments from an MIT scientist, Dr. Ted Postol, containing devastating information about the failure of the national missile defense system, its inherent inability ever to protect the United States, and the fraud used to cover up these facts. Dr. Postol is a missile expert who worked in the Reagan Administration and has done analysis of weapons systems for the government.

According to Dr. Postol, the system failed those tests. The New York Times states that, ''The Pentagon hailed the first intercept try as success but later conceded that the interceptor had initially drifted off course and picked out the decoy balloon rather than the warhead.''

That is because, according to the Times, the system cannot tell the difference between warheads and decoys. Experiments with he National Missile Defense system have revealed that the system is''inherently unable to make the distinction [between target warhead and decoys].''

The Times characterized the MIT scientist as saying that the signals ''from the mock warhead and decoys . . . 'fluctuated in a varied and totally unpredictable way,' revealing no feature 'that could be used to distinguish one object from the other.'" Indeed, the Times reported, ''the test showed that warheads and decoys are so similar that sensors might never be able to tell them apart.'' In other words, national missile defense does not work and cannot work because it's inherently unable to tell the difference between warheads and decoys.

Not only is the national missile defense system incapable of working, but, according to the Times, contractors and the Pentagon have purposely altered data to create a different appearance. The Times reported that the ''Pentagon and its contractors had tried to hide this failure'' and that the MIT professor ''says the Pentagon conspired to cover up this sensor problem.''

The Times, quoting from the classified letter and analysis, goes on to say, ''the analytical team arbitrarily rejected and selected data to create an 'elaborate hoax' that was then hidden in reports by the use of 'misleading, confusion, and self-contradictory language.'" According to the Times, ''the coverup, [MIT scientist] said, was 'like rolling a pair of dice and throwing away all outcomes that did not give snake eyes.''

TRW, Inc. One of the major contractors for this system has had allegations of fraud made against it by a former senior engineer from TRW, Dr. Nira Schwartz. She has provided information challenging the claims the company made about the weapons ability to distinguishing decoys from actual warheads.

I have written to FBI Director, Louis Freeh, to investigate these allegations of fraud and cover-up of this program by Dr. Postol. The American people need an independent investigation of this matter to determine these serious allegations.

Moreover, according to Postol, all the data used for his analysis was unclassified when he used it. All his supporting information that he sent to the White House was also designated as unclassified. The DoD has classified allegations and evidence of fraud made from information that was unclassified by the Department. This could be in violation of Executive Order 12958. And I have included this in the letter to Mr. Freeh.

The Executive Order prohibits the use of the classification system to hide fraud or other wrongdoing. Subsection 1.8(a) states ''In no case shall information be classified in order to: (1) conceal violations of law, inefficiency, or administrative error; (2) prevent embarrassment to a person, organization, or agency; (3) restrain competition; or (4) prevent or delay the release of information that does not require protection in the interest of national security.'' Furthermore, the Executive Order states at 1.8(c): ''Information may not be reclassified after it has been declassified and released to the public under proper authority.'' Needless to say, the public deserve to expect that the laws of the nation, including Executive Order 12958, be upheld and enforced.

COUNTERMEASURES

The 1999 National Intelligence Estimate on the ballistic missile threat to the United States—a document prepared by the US intelligence community—stated that countermeasures would be available to emerging missile states.

According to the Union for Concerned Scientist, countermeasures could be deployed more rapidly and would be available to potential attackers before the United States could deploy even the much less capable first phase of the system.

A report by the Union of Concerned Scientist details how easily countermeasures could be used against this system. And it would not have to use new technology or new materials.

For example, it states that biological or chemical weapons can be divided into many small warheads called ''submunitions.'' Such submunitions, released shortly after boost phase, would overwhelm the planned defense. Any long-range missile attack with biological or chemical agents would almost certainly be delivered by submunitions, and that the NMD system could not defend against such an attack.

Also, you have heard about the past tests have used balloons as decoys, to see whether the missile can discriminate between the real war head and the missile. What could happen is that an attacker can deploy its nuclear weapons inside balloons along with many other empty balloons. So, the real warhead is indistinguishable from the decoys, therefore tricking the infra-red sensors. Nuclear warheads could also be with cooled materials that would prevent the kill vehicles from detecting and hitting the warhead.

COST ESTIMATES

The Congressional Budget Office has estimated that the system will cost $60 billion to build and deploy. Congress intends to spend $12 billion in the next 6 years.

The SDI/Star Wars system has cost the taxpayer more than $60 billion and it estimated that this system, though less far reaching than Star Wars will cost more.

We have spent more than $122 billion dollars on various missile defense systems. We need to reorganize our priorities and look at how we could better use these funds for programs, that benefit the poor, seniors and our nation's children.

ALTERNATIVES

We are the ONLY superpower in the world. The deterrent that we currently have is sufficient. We have thousands of missiles on hand that act as a deterrent. Any attack by another state would not be massive and would not be able to completely destroy our country or our nuclear arsenals. So any attack would leave the U.S. and its armed

forces intact. Our deterrent is impaired only if another state had enough missiles to knock off ours before they launched. The Star Wars system in the 80's assumed that Russia had enough missiles to destroy our missiles before they could launch, that is why we spent $69 billion dollars searching for way to stop incoming missiles. but that has changed and now we have full diplomatic relations with Russia.

We could use much cheaper measures to secure our national security. For example, preventative measures. Why not increase funding for our State Department to boost our diplomatic arms with these so-called rogue states? We know that strengthening diplomatic relations with nations ensures national security.

For example, France and Britain both have Submarine-Launched Ballistic missiles (64 and 48 respectively) or sea based missiles. But they have never attacked us or have never indicated that they will attack the United States. Why? Because we are allies. Because we have close economic and diplomatic ties. Israel has long ranged nuclear capabilities, but will they ever attack the United States, no? Why, because we are allies. Diplomacy is key. What makes these countries different than say North Korea or Iran? Our historical diplomatic relationship.

WHO WILL BENEFIT FROM THE NATIONAL MISSILE DEFENSE SYSTEM?

The national missile defense system will simply line the pockets of major weapons contractors, spending billions of dollars for a system that doesn't work and doesn't protect against real threats, we will undermine legitimate military expenditures, and erode readiness of our forces. So who's benefitting from having a national missile defense system? According to the Washington Post, Boeing in 1998 already obtained a three year contract for $1.6 billion dollars to assemble a basic system, before the President has even decided to deploy the system. The Post states that TRW has contracts for ''virtually every type of missile defense program.''

The military industry has the most to gain from a National Missile Defense system. According to the Washington Post, Lockheed Martin is the major contractor on theater missile defense, ''with its upgraded version of the Patriot missile and the Army's $14 billion Theater High Altitude Area Defense system.

According to Common Cause the defense industry as a whole supplied more than $2.3 million dollars in soft money to major campaigns last year.

NMD EFFECT ON NUCLEAR NON-PROLIFERATION AND INTERNATIONAL RELATIONS

Deploying a national missile defense system could politically succeed in setting the stage for a world-wide arms race and dismantle past arms treaties. The NMD violates the central principle of the ABM Treaty, which is a ban on the deployment of strategic missile defenses. It will undermine the Nuclear Non-Proliferation Treaty. It will frustrate SALT II and SALT III.

It will lead directly to proliferation by the nuclear nations. It will lead to transitions toward nuclear arms by the non-nuclear nations. It will make the world less safe. It will lead to the impoverishment of the people of many nations as budgets are re-fashioned for nuclear arms expenditures. That the United States would be willing to risk a showdown with Russia or China and the rest of the world over the unlikely possibility that North Korea may one day have a missile which can touch the continental United States—argues for talks with North Korea, not the beginning of a new world-wide arms race.

CIA officials realize that deploying a national missile defense system would cause world wide instability and endanger relations with our allies in Europe. The LA Times recently reported that officials are writing a secret report outline their thoughts on the devastating impact that this system will have throughout the world.

Russia and the US signed agreements (1) establishing a permanent joint early-warning center in Moscow to prevent miscalculations about missile launches, and (2) to reduce their stockpiles of military-grade plutonium by 34 tons each. This is a great sign. I think that dialogue is the step in the right direction, but nothing was resolved regarding the proposal of the ABM Treaty. I think it is a bad idea and it could upset our relationship with our allies to the east.

Even if Russia does agree to changing the ABM Treaty, we will most likely see Russia and China build up their nuclear arsenal risking opportunities to bring them and other nuclear countries into the arms control process.

(NOTE: According to law, any substantive change to a bilateral treaty must be agreed to by the Senate. Therefore, any changes to the ABM Treaty must be ratified by the Senate. The Clinton Administration urged Russia to include a protocol to their ratified ABM Treaty that makes Russia, Ukraine, Belarus and Kazakhstan the four ABM Successors. If the Senate wants to move forward with START II it must first agree to make these four states successors to the ABM Treaty.)

Russia has consistently made statements that deploying a National Missile Defense system would be interpreted by them as a threat to their national security. So, there is a great likelihood that deploying such a system could spark another arms race. For example, Gregory Berdennikov, the director of the Russian Foreign Ministry's Security and Disarmament Department warned that if the United States deploys a missile defense system,

''Russia will be forced to raise the effectiveness of its strategic nuclear armed forces and carry out several other military and political steps to guarantee its national security under new strategic conditions . . . We see no variants which would allow the United States to set up a national ABM system and still preserve the ABM treaty and strategic stability in the world.''

I would like to quote Col. General Vladimir Yakovlev, commander of Russia's strategic rocket forces. ''Problems have cropped up now with Russian-American 1972 AMB treaty; for this reason, we are forced to build in into our new missiles a capability for penetrating anti-missile defenses.'' 1999 (Isvestia)

Deploying National Missile Defense is the wrong approach. The United States needs to be in active engagement with Russia about disarmament and reducing nuclear proliferation. We need to continue a dialogue based not on fear but on cooperation.

UN Secretary—General Kofi Annan recently said that deploying a missile defense system would create a large arms race world wide.

THE THREAT FROM OTHER ''ROGUE'' NO . . . . ''STATES OF CONCERN'' NATIONS

First of all, any nation with ICBM technology does not have enough missiles to seriously combat the United States. Even if a ''rogue'' state launches one missile, they would not be able to retaliate because the US could easily bomb them with the thousands of nuclear bombs we have in our arsenal. So it would not make sense.

Also, the deterrent that we currently have is sufficient. We have thousands of missiles on hand that act as a deterrent. Our deterrent is impaired only if another state had enough missiles to knock off ours before they launched. The Star Wars system in the 80's assumed that Russia had enough missiles to destroy our missiles before they could launch, that is why we spent $69 billion dollars searching for a way to stop incoming missiles. But that has changed and now we have full diplomatic relations with Russia.

I think that no state will challenge the United States in a nuclear face-off. You will need to assume that the state is willing to face the consequences of their launch which would mean total annihilation by US nuclear forces. No state is ready to commit suicide. As I stated earlier, there are nuclear capable nations that would never deploy or launch a nuclear weapon against the United States because there simply is not match. Diplomacy is key. What makes our allies with nuclear weapons different than these ''rogue'' states? Our diplomatic relationship. Lets dialogue, lets establish diplomatic ties and maintain our national security. And if that doesn't work, we always have the deterrent of our vastly superior, well-stocked nuclear weapons supply.

We also have satellite technology that can pinpoint the origin of incoming missiles, thus resulting in a massive attack by the United States. A country would be suicidal to launch a missile against the United States.

I think the real threat is the risk from Russian missiles being launched accidentally. Russia has about 2000 (out of a total of 6000) nuclear warheads on high alert, all of which is able to destroy the United States in under an hour. The Russian economy has not allowed the government to adequately maintain their nuclear arsenals. I think that we need to first take our missiles off hair-trigger alert to secure against an accidental nuclear launch from Russia.

Keeping nuclear arsenals on hair-trigger alert increases the risk of an accidental nuclear launch caused by a technical either failure or human error. This nearly happened in 1995, when an American weather rocket launched from Norway was misconstrued by the Russians as nuclear attack. The mistake was caught at the last minute. But a human error nearly caused nuclear war. When missiles are at hair-trigger alert, a nuclear war is just an error away. We need to work with Russia through various programs to ensure that this does not happen again.

THE TESTS CONDUCTED THUS FAR ARE FRAUDULENT

IFA–1A Test—This test was the first test where it was discovered that the system did not work. The objective was to understand how objects looked by the sensors. And what they discovered is that the sensor could not distinguish between real warheads and decoys. These senors locate a target based on its infrared radiation that the target emits. There are three main factors that influences a sensor's ability to locate objects. The first is the infrared rays emitted by the earth, also known as earth shine, which illuminated the object from below. Secondly, there are strong infrared rays from the sun. So, the object has strong infrared rays surrounding it. Third, the infrared rays emitted by the object itself which varies based on temperature. The test put various objects in space to figure out what could and could not be seen. It turns out that the system could not tell the difference between various objects. So, yes the test was successful in achieving its intended objective of gathering information about what could be seen. But the result of this data indicates that the sensor could not distinguish between warheads and decoys.

IFT–2—This test was exactly the same as the first test, except a different kill (Raytheon) vehicle was used. However, this

fact does change the fact that the decoys and warheads are indistinguishable. Kill vehicle technology is almost identical from one company to another. It's like using two different brands of binoculars. They both do the same thing, and the differences are minimal.

IFT–3—This test was designed to see whether the missile could hit a warhead. The missile hit the warhead, but with a little help from the designers. However, the test was modified to hit the * * *

[Attachment 1]

DAVID W. AFFELD,
Los Angeles, CA, July 12, 2000.

Re: U.S. ex rel Schwartz. v. TRW, Inc., U.S.D.C. Case No. CV 96–3065 RAP (RMCx).

Letter from David Affeld to Theodore A. Postol regarding Defense Security Service claims about the release of classified information.

Prof. THEODORE A. POSTOL,
Department of Arms Control Studies,
Massachusetts Institute of Technology,
Cambridge, MA

DEAR PROF. POSTOL: I represent Dr. Nira Schwartz in the above-referenced qui tam lawsuit. In connection with that case, Dennis Egan of the Department of Justice and Lt. Col. Bill Groves of the Ballistic Missile Defense Organization (''BMDO'') spoke to me two days ago and yesterday, respectively, stating that the BMDO believes Dr. Schwartz improperly disclosed classified information to unauthorized persons over the past few months. In particular, Mr. Egan asserted that Dr. Schwartz had disclosed classified portions of a POET report to you.

Mr. Egan and Lt. Col. Groves also told me that agents of BMDO, the Defense Criminal Investigative Service and the U.S. Attorney's office want to question Dr. Schwartz regarding these allegations.

These allegations appear to be spurious. However, I am trying to determine whether there is any merit to them. I would appreciate it if you could give me your reaction to the above. For your reference, enclosed please find a copy of a letter regarding this matter which I sent to Mr. Egan and Lt. Col. Groves yesterday, July 11, 2000.

Very truly yours,

DAVID W. AFFELD.

[Attachment 2]

DAVID W. AFFELD,
Los Angeles, CA, July 11, 2000.

Re: U.S. ex rel Schwartz v. TRW, Inc., U.S.D.C. Case No. CV 96–3065 RAP (RMCx).

Letter from David Affeld to Lt. Col. Groves regarding false allegations of criminality against Dr. Schwartz.

Lt. Col. BILL GROVES,
BMDO General Counsel,
Washington DC.

DEAR LT. COL. GROVES: As you know, I represent Dr. Nira Schwartz in the above-referenced qui tam lawsuit. This letter is to confirm pertinent portions of our telephone conversation of today. July 11, 2000, regarding the case. It also confirms pertinent portions of the telephone conversation I had last night with Dennis Egan of the Department of Justice, which you apparently had discussed with Mr. Egan before you and I spoke.

I contacted both you and Mr. Egan yesterday in my quest to obtain a security clearance for classified information needed to prosecute the case. You both provided helpful suggestions regarding how a security clearance might be obtained. However, I am very concerned about another matter you both raised.

Last night Mr. Egan told me that agents of the Defense Security Service (''DSS'') and the Defense Criminal Investigative Service (''DCIS'') will be contacting Dr. Schwartz shortly, to question her regarding supposedly classified information which she allegedly disclosed to unauthorized persons over the past several months. He also said that someone from the U.S. Attorney's office would be involved. You confirmed to me today that such an investigation is indeed imminent, and that the Ballistic Missile Defense Organization (''BMDO''), to which your office is legal counsel, requires the investigation. You also stated that in making the alleged improper disclosures, Dr. Schwartz supposedly violated a protective order entered in the case.

I asked each of you to identify what this supposedly classified information was, so I could determine whether there is any truth to the charges. Mr. Egan vaguely referred to the POET report apparently relied upon by MIT Professor Theodore A. Postol in some of his criticisms of the current missile defense system. However, that document consists solely of non-classified portions of the report publicly available from the court docket in the above-referenced case. You, on the other hand, told me that you were ''duty-bound'' not to tell me what the supposedly classified information is, because I do not have a security clearance. You also did not identify any persons to whom the information was supposedly disclosed, the dates of any supposed disclosures, or any disclosure events. I am thus posed with a Catch-22. It is obviously impossible to respond to charges that you refuse to articulate.

Just in case you were referring to the materials Dr. Schwartz filed with the Court late last year, I have confirmed yet again that none of it was classified. I am not aware of any other ''disclosures'' by Dr. Schwartz. It appears that the charges—the unarticulated charges—by BMDO are false.

I am also concerned about what is motivating this ''investigation''. It comes at a time when the current missile defense program is the subject of heated national debate and intense media scrutiny. It also comes on the heels of the spectacular failure of the system last Friday, July 7, 2000. I am concerned that the ''investigation'' of Dr. Schwartz is motivated not to preserve national security, but rather to intimidate an outspoken critic of the program, at a time when the White House is deliberating over whether to continue funding the program.

I certainly want to be cooperative, particularly since you intimated that my security clearance might depend on it. However, I must ask that you identify the particular individuals at BMDO who initiated this ''investigation'', and what specific classified information was supposedly disclosed, to whom, and when. If such disclosures have indeed been made, the information is now in the public domain, and no harm can come form advising Dr. Schwartz's legal counsel what that now-public information is. Fairness and due process require no less. On the other hand, if you decline to provide these specifics, I can only conclude that there is no basis for the charges, and that the BMDO has raised the specter of a criminal investigation purely to scare Dr. Schwartz. Dr. Schwartz obviously will not be a party to such an agenda.

Very truly yours,

DAVID W. AFFELD.

[Attachment 3]

COMMAND, CONTROL, COMMUNICATIONS, AND INTELLIGENCE, ASSISTANT SECRETARY OF DEFENSE,
Washington, DC, June 23, 2000.

Letter from Arthur L. Money to Theodore A. Postol making non-credible claims about the routine nature of Defense Security Service actions.

Dr. THEODORE A. POSTOL,
Professor of Science, Technology and National Security Policy, Security Studies Program, Massachusetts Institute of Technology, Cambridge, MA

DEAR DR. POSTOL: I regret any confusion surrounding the recent visit of representatives of the Defense Security Service (DSS) to you at your office. I have been asked to write to clarify the purpose of that visit.

The DSS representatives who met with you on June 21 were Industrial Security Specialists, who are usually called IS Representatives, DSS IS Representatives routinely meet with contractors and contractor employees who hold security clearances to discuss security issues, such as a potential unauthorized release of classified information. Their purpose in visiting you was to obtain information you might have about the source of possibly classified information contained in attachments to your letter dated May 11, 2000. I understand that you discussed the source of these attachments with the IS Representatives and provided information they sought; I appreciate your willingness to do so.

I want to assure you that you are not under investigation, and I regret any misunderstanding about the purpose of this visit. I hope DSS will have your cooperation as they continue to review this matter.

Arthur L. Money.

GOVERNMENT OVERSIGHT,
SECURITY STUDIES PROGRAM,
Washington, DC, July 13, 2000.

DAVID W. AFFELD,
Attorney at Law,
Los Angeles, CA

DEAR MR. AFFELD: I am writing you in response to your letter and our phone discussion of 12 July about threats of criminal prosecution against your client Nira Schwartz for the release of classified information to me. I understand that these threats were made by Mr. Dennis Egan and Lt. Col. William Groves—lawyers working respectively for the Department of Justice and Defense. As I explained to you yesterday, it is clear that when these threats were made both Mr. Egan and Lt. Col. Groves knew, or should have known, that Dr. Schwartz had done nothing improper. It therefore appears that Mr. Egan and Lt. Col. Groves are involved in improper attempts to intimidate a witness in a qui tam lawsuit alleging fraud in the development of a weapons system that is supposed to defend the United States from nuclear attack. Furthermore, I was astounded to also find out that they attempted to interfere with the privileged relationship between an attorney and a client by falsely claiming that a security clearance you will need to work on the qui tam case would be contingent on your cooperating with them in their illegal efforts at intimidation.

The title of the document released to me that is being used as a vehicle for trying to intimidate Dr. Schwartz is ''Independent Review of TRW Discrimination Techniques Final Report, (POET Study 1998–5).'' This study is part of a scientific fraud that was designed to conceal the fact that the currently under development National Missile Defense system cannot tell the difference between warheads and decoys. The study was

performed by contractors for the Department of Defense and with full knowledge of high-level Department of Defense officials.

In particular, I have talked with Mr. Sam Reed, the Defense Criminal Investigation Service leader of the Department of Defense Inspector General's investigation of allegations of fraud at TRW. he told me that he sanitized the document in question with the knowledge of his supervisors during the course of pursuing this earlier investigation. Furthermore, he told me that he had explained to Mr. Egan how Dr. Schwartz had properly obtained this declassified document. In addition, Mr. Reed told me that the Defense Security Service was informed of these facts. I therefore conclude that the actions of Egan and Groves are part of an ongoing effort by Department of Defense officials, and possibly other agencies, to intimidate witnesses in a continuing effort to hide acts of fraud with regard to the development of the National Missile Defense.

It is equally clear that officials at the highest levels of the Department of Defense are in some way involved in these illegal activities of their agents. In particular, the Assistant Secretary of Defense for C^3I, Arthur Money, has been informed multiple times of these activities. I spoke with him by phone about a failed attempt to entrap and intimidate me by his agents on 21 June, after receiving a letter from him on 26 June via Express Mail. In that conversation he claimed ignorance of the details surrounding this event. I made it clear to him that I did not find his excuses credible and that I expected a better explanation of his involvement in the matter. In particular, I made it clear that if in fact he was ignorant of what was attempted by his agents he was culpable for not knowing what the agency under his control was doing, and if he was not ignorant, he was culpable for lying to me.

It is also of concern that these illegal actions are possibly being taken with the knowledge of members of the White House staff. The White House Chief of Staff, John Podesta, the President's Advisor on Arms Control, Hans Binnendijk, and the Vice President's National Security Advisor, Leon Fuerth, have all been provided with detailed evidence of fraud in the National Missile Defense Program as well as misconduct in the Pentagon's Defense Security Service in letters sent to them dated 11 May, 19 May, 21 June, and 6 July. There is as yet no visible evidence that anyone in the White House has taken a serious action to address the numerous issues raised in these letters, and it is hard to believe that no one in the White House is aware of the marauding and out of control activities of the Defense Security Service.

It is now clear that a series of questions will eventually need to be answered in an investigation that should include interviews with White House staff, the Defense Security Service, the Department of Defense Inspector General's Office, and the Department of Justice.

These questions are as follows:

1. Who at the Department of Justice, in addition to Mr. Egan, knew and approved of his knowingly making false allegations of criminality against Dr. Schwartz?

2. Who at the Department of Defense, in addition to Mr. Money, knew and/or approved of Lt. Col. Groves' involvement in this affair?

3. What is Assistant Secretary Money's repeated role in these matters? Who else above him at the Pentagon knows of his activities?

4. What was the nature of the SECRET classified information that was presented to me in the unannounced meeting at my MIT office with three agents of the Defense Security Service?

5. Who was responsible for initiating the use of SECRET letters to deal with matters that could simply be investigated in terms of chain of custody?

6. Is the Department of Defense Inspector General's (IG) Office aware of these attempts at intimidation and entrapment? If so, why has the IG not taken steps to investigate these improper actions?

7. Given the substantial amount of information over a two-month period provided by my letters to the White House, what did the White House know of these activities aimed at intimidation and entrapment? If any staff knew of these activities, what did they know and what was their role in the process? If staff did not know of these activities, why did they not know?

At a minimum the responsible U.S. government agencies have so far conducted themselves in a manner like that of a fictitious banana republic. Of greater concern to me is that the White House and other elements of our government, either by intent or negligence, are allowing, or worst yet, encouraging, Department of Defense officials to conduct business like Soviet style thugs.

In any case, it is clear that the document ''POET Study 1998–5'' was properly sanitized before it was released to Dr. Schwartz. If I were in Dr. Schwartz's position, I would not talk to the Defense Security Services. I suggest instead that if they approach her she simply ask them to write a letter to her explaining what they want to know from her, why they want to know this, and who, by name, is asking for the information. If the information is the letter is credible, she should respond in writing.

Sincerely,

THEODORE A. POSTOL,

Professor of Science, Technology, and National Security Policy, Security Studies Program and Program in Science, Technology, and Society.

Mr. MURTHA. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin (Mr. OBEY).

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

Let me say that I recognize all the hard work that went into putting this bill together, and I regret that I cannot vote for it, and let me explain why.

Number one, this bill does not respond to what the Congress always claims the problem is. Every year, when the President sends his budget down, we are then told by the majority that somehow the President is not responding sufficiently to the issue of readiness, and then, when we take a look at what Congress finally does, Congress responds, but it responds in a way which puts other items at a higher priority than a number of the readiness-related accounts.

For example, if we take a look at this budget or at this bill being presented today, the public will be told that for operation and maintenance, which is a key factor in readiness, that it is about $600 million above the President. But if we take a look at the adjustments that are then made by the committee in overseas contingency operations, in foreign currency reestimates, in working capital funds, in headquarters administration accounts, we will see that, in fact, the committee cuts those readiness-related items by about $3 billion. So this Congress, having attacked the President for not having enough in the budget to deal with readiness-related accounts, in fact, will have produced a bill which is about $2.4 billion below the President's request for those accounts. That money has been moved largely into procurement and into research and development.

□ 1415

It is just by accident, I suppose, that a good many of the congressionally earmarked projects are found in those areas.

I do not suggest that all of those projects are bad. They are not. Some of them are very deserving. All I do suggest is that this Congress should not pretend that it has strengthened the President's budget for readiness, because in fact it has made a number of reductions in this bill which produce readiness-related account funding levels lower than that recommended by the President.

Secondly, I would simply say that the President's budget as he submitted it to us had a very large increase, but that was presented in the context of also providing increases for education, for health care, for agriculture, for land acquisition, items like that.

This bill is presented to us in a far different context. This bill increases the military spending of the country by $20.9 billion, when we discount all the gimmicks. Just the increase in this bill is larger than the entire foreign aid bill. It is larger than the entire Interior appropriation bill.

If we take a look at where it goes, a lot of it goes, in my judgment, not on the basis of where it is needed militarily but where it is produced economically. I think the country needs to understand that, as well.

Secondly, I would say that we need to put in context what threat it is responding to. This chart demonstrates what our defense budget is versus the rest of the world, or certainly at least our adversaries and our allies.

The United States spends about $266 billion, as represented by this bar. That is far more than the combined total of Russia, China, Iran, North Korea, Libya, our major opponents. That does not count the allies, our NATO allies, which last time I looked were on our side. They spent $227 billion. So again, we dwarf the amount of money which is spent on military accounts worldwide.

If we are going to do that, it seems to me that we have an obligation both to take care of our other national priorities and to make certain that our budget has an accounting which is at least as forthright as that provided by the administration. I do not believe it is.

Mr. Speaker, for those reasons, and for others, I will be constrained to vote against the bill when the time comes.

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

Mr. Speaker, I hope the military will not misconstrue that chart to think that I like charts.

Mr. Speaker, I yield back the balance of my time.

Mr. LEWIS of California. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida (Mr. YOUNG), the chairman of the full committee.

Mr. YOUNG of Florida. Mr. Speaker, I rise in support of this bill. It is a good bill. The chairman and the ranking member and all the members of the subcommittee have done an outstanding job in bringing it to us originally, and bringing it to us from the conference committee.

There has already been more than enough debate on this issue of our Nation's security on this particular bill. I urge the Members to support it very strongly.

Mrs. MALONEY of New York. Mr. Speaker, I rise in support of the conference report for H.R. 4576, the Defense Appropriations Act for FY 2001. In addition to supporting defense projects, this bill provides critical funding for important health research programs.

I am pleased that the conference has included $15 million for the Neurotoxin Exposure Treatment Research Project in the search for answers to the mystery of Parkinson's disease.

Parkinson's Disease is a chronic, progressive disorder affecting one million Americans. In its final stages, the disease robs individuals of the ability to speak or move. Of the many things we know about Parkinson's, we know that there appears to be a disproportionate number of veterans who are afflicted with Parkinson's disease.

This breakthrough research will study the links between Parkinson's and environmental stress exposure factors encountered in military operations. The data will advance preventive measures and treatment interventions against the effects of military threats and operation hazards.

I am also pleased that the bill contains $12 million for ovarian cancer research, $100 million for basic and clinical prostate cancer research, and $175 million for the Peer-Reviewed Breast Cancer Research Program (BCRP). Breast cancer is the most common cancer among women; and one out of every eight women will be afflicted with the disease in her lifetime. Our best hope today is early detection and more research.

In just six years, the Breast Cancer Research Program has matured from an isolated research program to a well-respected resource in the cancer community. It is overseen by a group of distinguished scientists and activists, as recommended by the Institute of Medicine. 90% of the funds go directly to research grants, and consumer advocates are included at every level.

I thank the conferees for recognizing the importance of this program.

Mr. BLUMENAUER. Mr. Speaker, I will oppose the defense appropriations conference report before us because, at $288 billion, it spends too much money and spends it inefficiently. The $1.9 billion it contains for national missile defense is but the most glaring example. That is an amount even greater than the House voted for national missile defense last month.

President Clinton has said that later this year he will decide whether to deploy a national missile defense system. In light of the failure of the last two tests of this system, no decision to deploy should be made.

The President has said his decision will be based on four criteria: the technology, the cost, the threat, and the impact on arms control. For each, the case for deployment is weak at best.

On the technology, the recent test failures demonstrate just how hard effective missile defense is. It is impossible to know whether the system will work until realistic tests are done, and that will not happen for years, if ever. We should not risk American lives on a bet that missile defense will work.

On cost, since the late '50s, the U.S. has spent over $120 billion on missile defense, with almost nothing to show for it. The Congressional Budget Office estimates that the Pentagon's current proposal will cost $60 billion. This is pouring more money into a hole in the ground.

On threat, it is far better to pursue such endeavors as the ongoing talks with North Korea on ending its emerging missile program rather than attempting to build a defense against non-existent missiles.

On arms control, a U.S. national missile defense is likely to push countries that already have nuclear weapons, Russia and China, to maintain or expand their arsenals, and risks destroying the entire nonproliferation regime that the U.S. has tirelessly built over the last 50 years.

A missile defense that does not work while exacerbating tensions with potential adversaries is far worse than no defense at all. We should spend our money on more useful things.

Mr. WATTS of Oklahoma. Mr. Speaker, today the House passed the FY 2001 Defense Appropriation Bill. Included in this important legislation was the funding for the Crusader Program at the level requested by the President. The President's Budget requests includes $355.5 million for the continued development of the Crusader advanced field artillery system.

Artillery is the one combat capability where the United States significantly lags behind its allies and potential adversaries. Without Crusader this unacceptable situation will worsen and endanger our military personnel who are sent in harm's way. Furthermore, the major reason the Army felt it could accept the risk of the 1996 decision to reduce the combat power of its heavy divisions was that Crusader would be fielded with its increased capabilities.

The Army leadership staunchly supports the need for this system and the unified commanders have likewise voiced their support. The Army has restructured the program to ensure it fits within the overall transformation effort of the operational forces. The number of howitzers intended to be procured is 480. The Crusader is being modified to support the Army's transition initiatives and Objective Force across the full spectrum of missions. Crusader is the cannon system for the Army's one remaining counterattack corps. It will be providing continuous, all-weather fire support to the corps well into the fourth decade of the new century, a time when the corps transitions to the Objective Force.

Also, Crusader is being redesigned to increase its global strategic deployability while retaining all of its Key Performance Parameters (range, rate-of-fire, mobility, and resupply). Important features of the redesigned Crusader are lower weight (38 to 42 tons), smaller size (2 howitzers or a complete system transportable on a single C–5 or C–17 sortie), and a change in resupply vehicle philosophy.

This $355 million in research and development funds will be used to help secure our nation's future.

Mr. LEWIS of California. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. BARRETT of Nebraska). Without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER pro tempore. The question is on the conference report.

Pursuant to clause 10 of rule XX, the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 367, nays 58, not voting 9, as follows:

[Roll No. 413]

YEAS—367

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baird
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Bass
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth-Hage
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (VA)
Deal
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Dooley
Doolittle
Doyle
Dreier
Dunn
Edwards
Ehrlich
Emerson
Engel
English
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Fletcher
Foley
Forbes
Ford
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Knollenberg
Kolbe
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent

Larson
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lowey
Lucas (KY)
Lucas (OK)
Maloney (CT)
Maloney (NY)
Manzullo
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McHugh
McInnis
McIntyre
McKeon
McNulty
Meehan
Meek (FL)
Menendez
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Olver
Ortiz
Ose
Oxley
Packard
Pallone
Pascrell
Pastor
Pease
Pelosi
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Regula
Reyes
Reynolds
Riley
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Ryan (WI)
Ryun (KS)
Sabo
Salmon
Sanchez
Sandlin
Sawyer
Saxton
Scarborough
Schaffer
Scott
Serrano
Sessions
Shadegg
Shaw
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Spence
Spratt
Stabenow
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Toomey
Towns
Traficant
Turner
Udall (NM)
Visclosky
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—58

Baldwin
Barrett (WI)
Blumenauer
Brown (OH)
Capuano
Conyers
Coyne
Davis (IL)
DeFazio
DeGette
Delahunt
Doggett
Duncan
Ehlers
Eshoo
Filner
Frank (MA)
Ganske
Gutierrez
Hooley
Jackson (IL)
Kucinich
Lee
Lofgren
Luther
Markey
McDermott
McGovern
McKinney
Meeks (NY)
Metcalf
Miller, George
Minge
Nadler
Oberstar
Obey
Owens
Paul
Payne
Peterson (MN)
Ramstad
Rangel
Rivers
Rush
Sanders
Sanford
Schakowsky
Sensenbrenner
Shays
Stark
Tierney
Udall (CO)
Upton
Velazquez
Waters
Watt (NC)
Waxman
Weiner

NOT VOTING—9

Baca
Barton
Boswell
Campbell
Klink
McIntosh
Smith (WA)
Souder
Vento

□ 1445

Messrs. JACKSON of Illinois, OWENS, MCDERMOTT, RANGEL and MEEKS of New York changed their vote from ''yea'' to ''nay.''

Ms. GRANGER changed her vote from ''nay'' to ''yea.''

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

□

EXPRESSING SORROW OF THE HOUSE AT THE DEATH OF THE HONORABLE PAUL COVERDELL, SENATOR FROM THE STATE OF GEORGIA

Mr. LEWIS of Georgia. Mr. Speaker, I offer a privileged resolution (H. Res. 558) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 558

Resolved, That the House has heard with profound sorrow of the death of the Honorable Paul Coverdell, a Senator from the State of Georgia.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

Resolved, That a committee be appointed on the part of the House to join a committee appointed on the part of the Senate to attend the funeral.

Resolved, That when the House adjourns today, it adjourn as a further mark of respect to the memory of the deceased Senator.

The SPEAKER pro tempore (Mr. BARRETT of Nebraska). The gentleman from Georgia (Mr. LEWIS) is recognized for 1 hour.

Mr. LEWIS of Georgia. Mr. Speaker, I yield myself such time as I may consume.

It is with profound sadness that I rise today to offer a resolution of condolences on the passing of Senator PAUL COVERDELL. PAUL COVERDELL was the senior Senator from the State of Georgia and, more importantly, he was a dear friend.

It is with deep sadness that we say good-bye to our good friend, our colleague and our brother, PAUL COVERDELL. PAUL COVERDELL's unexpected death is so sad and so hard. I have known him for many years, almost 30 years. As young men, we both campaigned for an open congressional seat in 1977. Later, we both came here to Washington to represent the people of Georgia.

Over the years, we shared many rides together back and forth to Washington. We would often see each other here and in Georgia, and we spent a lot of time talking about life and about what is good for the people of Georgia and for the people of our Nation.

PAUL was not just another colleague. He was like family to me and to so many of our colleagues. His passing, his death, hurts. It is painful. It is more than sad. We have not just lost a friend, but we have lost a member of our family.

PAUL COVERDELL's intelligence, commitment, ethics and leadership stood out. He was a friendly, peaceful man. He cared for his colleagues, his friends, the people who elected him, and even people he did not know. He was wonderful to work with, to be with, to travel with. He was good to be around. A wonderful man. One of the good guys. He was my friend, Mr. Speaker. He was my brother.

We occupied different sides of the aisle, and we did not always agree, but always had the utmost respect and admiration for this man. For three decades, as a Georgia lawmaker, Peace Corps director, United States Senator, PAUL COVERDELL was a man who could be trusted to get the job done. He focused on the war on drugs, worked to improve education, and fought for the farmers and small business people of Georgia. He was always prepared to help out and take on any task that was required.

But PAUL COVERDELL never sought out the limelight. He never sought the headline. He would never grandstand. He worked hard behind the scenes without seeking any recognition. In today's political climate, PAUL COVERDELL was an unusual and extraordinary man who will be forever missed from among our midst.

When PAUL was director of the Peace Corps, he would come in to see me from time to time after he had just come back from a trip abroad. He was so enthused about what he saw and what the Peace Corps was doing, whether in Africa, Eastern Europe, Asia, Central America or South America, that his enthusiasm rubbed off on me during those meetings. I looked forward to talking with him and working with him on those concerns. He wanted to help people meet their basic needs, food, water, shelter, and he wanted to stop them from having to struggle. I admired his commitment and his work with the Peace Corps. PAUL COVERDELL will be remembered not just as a citizen of Georgia, an American, but as a citizen of the world.

Mr. Speaker, his death is a tremendous loss for the members of the Georgia delegation, for the people of Georgia, and a personal loss for me. We are all very sad, not just the people of Georgia, but all of his colleagues in the Senate and in the House. He will be deeply missed.

My heart and prayers go out to PAUL's wife, Nancy, to the other members of the Coverdell family, and his staff here in Washington and in Georgia.

Mr. Speaker, I yield such time as he may consume to the gentleman from Georgia (Mr. LINDER), a member of our delegation from the State of Georgia.

Mr. LINDER. Mr. Speaker, I thank the gentleman for yielding me this time and for bringing this proposal to the floor.

Mr. Speaker, I met PAUL COVERDELL in 1972. He was one of 22 or 23 members of the State Senate who were Republicans, out of 56 members, and 3 years later I was one of 19 members, I believe it was, out of 180 members in the Georgia House who were Republicans. And PAUL never stopped a moment from trying to build a party, to be competitive, not because he thought Republicans were better than Democrats, but he thought more Republicans would make the Democrats better.

PAUL had an unbelievable appetite for work, and those who worked with him understand that he had one failing in that appetite, and that was that he always wanted to have meetings. Whatever he came up with, he called a meeting. I recall helping him in 1977 in the race the gentleman from Georgia (Mr. LEWIS) referred to, a special election. I said, PAUL, how can I help you? He said, we are having a meeting at 5:30. I showed up at his office and we talked strategy for an hour; and then I said, I have to get going and distribute some of this literature. And he said, well, we are going to have another meeting tomorrow at 5:30. I said, No, you, are going to have a meeting at 5:30; I am going to be out doing work.

He did that because he did not want to go off on his own on any issue and he wanted to talk things through. It was not uncommon to hear the phone ring at 11:30 at night, and when I answered it, it would be, JOHN, PAUL, I have to talk to you about something; and he would talk for a long time.

I would play tennis, he would study politics and policy. To him they were exactly the same. Politics and policy were not separate issues. He cared about them both and he cared nothing about attention for his successes. There is a reason why we did not see him on TV a lot because he preferred to work very quietly, very much behind the scenes, bringing people together, building coalitions as no one has in my lifetime.

I woke up this morning and thought there is a huge hole in my life, because PAUL has been a large part of it for 25 years; and he will be missed. I am sad that most of America will not know how much he is missed because his work was so quiet and so behind the scenes.

I thought a little while ago, when I was talking to a reporter about this, that I cannot think of a single former friend of PAUL COVERDELL's, not a single friend, who ever left his side in anger, because he was such a decent and gentle man. He has people working for him today in volunteer capacities who have been with him since 1970. They are still there because he was such a decent and gentle man, and he included them, gave them opportunities to excel, gave them their head and let them achieve, and then let them get the credit. They are all there, too, to this day. His loyalty to the people around him got that loyalty back from them.

I am sad beyond words. There is little left that we can do but to say to Nancy and his mother and loved ones and staff that we offer ourselves as poor substitutes for their beloved PAUL, and urge upon them the words of the Psalmist, who, feeling the pain that we here today feel, was moved to write ''The Lord is close to the brokenhearted, and those who are crushed in spirit, he saves.''

Mr. LEWIS of Georgia. Mr. Speaker, I yield such time as he may consume to the gentleman from Georgia (Mr. BISHOP).

Mr. BISHOP. Mr. Speaker, I thank the gentleman from Georgia (Mr. LEWIS) for yielding me this time. I am deeply saddened today by the loss of our friend and colleague, PAUL COVERDELL. His passing is not only a great loss for Georgia and our Nation, it is indeed a personal loss for me.

I first met Senator COVERDELL in 1974, when he came to Columbus, Georgia, where I lived, and he did his best to recruit me to run as a Republican for the State Senate. Senator COVERDELL was not successful in that endeavor, but he impressed upon me his commitment to integrity in government and his commitment to our two-party system.

I eventually ran for the legislature 2 years later as a Democrat, and I have served with PAUL, I guess now for nearly 20 years, both as a member of the General Assembly and as a member of our State's delegation here in Congress. He and I worked together on a number of issues over the years, and he was an extraordinary leader whose flexibility, his ability and commitment, and his integrity were recognized by anyone who knew him and had the opportunity to work with him. He was a thoughtful and soft-spoken man, but he was a tenacious fighter for all of the causes that he believed in.

Shakespeare wrote, ''All the world's a stage, and all the men and women merely players: They have their exits and their entrances; one man in his time plays many parts . . .''

So it was with PAUL. He was a soldier, having served in the Army in Korea and the Republic of China. He was a legislator, and emerged as one of the most ardent defenders of our American freedoms and our democracy, as a real true fighter for our two-party system. He was a Senator. He was elected by his colleagues to leadership in the U.S. Senate where he served as adviser, counselor, supporter, confidant for the Republican Party, and he gave an important voice to how our government conducts its business.

As a humanitarian, PAUL dedicated a segment of his life to leading the Peace Corps, an organization that needs no accolades in its efforts to lift the untouchables to places of respectability and to bring life and quality of life to people all across the world.

□ 1500

That was PAUL COVERDELL's commitment. He made numerous contributions in the Peace Corps, such as redesigning the agency's mission to serve the emerging democracies in Europe.

PAUL was a family man. He loved Nancy and his family, and he always held them dear. But PAUL was also a statesman; and everything that he did, he did it with dignity and with respect and with courtesy.

I have two personal stories or recollections and memories of PAUL. I have shared one, and that was his efforts in our conversations as he worked to try to recruit me as a Republican candidate for the State Senate in 1974.

But even more important than that was the kind of individual that PAUL was, the kind of integrity that he had. He was a man who was committed to integrity, who was committed to fairness, and who was committed to that which was right.

My colleagues may remember that former State Senator Julian Bond had been a member of the Georgia State House of Representatives and had made some statements regarding the Vietnam War which angered his colleagues in the Georgia House. They got together, passed a resolution, and expelled him from membership in the Georgia House. So he could not take his seat.

Then Representative Bond filed a lawsuit, took it all the way to the Supreme Court; and the Supreme Court had to order the State House to grant him his seat to represent his constituents.

Shortly thereafter, Julian Bond ran for the State Senate and was elected overwhelmingly and became a member of that august body. But the hostility was so great in the Georgia House because of the resentment for Senator Bond and what he stood for that any piece of legislation that he offered that passed the Senate, even if it passed unanimously, once it got to the House it was doomed to a certain death, a certain death.

So PAUL and Julian were friends. Anything that Julian felt so strongly about that he wanted it to be passed he discussed with his friend, PAUL COVERDELL. PAUL would take Julian's ghost-written legislation and he would offer it under his name; and when it got to the House, it would secure the usual passage.

PAUL did that not because he wanted the limelight, not because he wanted the credit, but because he believed in doing that which was right; and if it was a good piece of legislation, he felt that it did not matter who wrote the bill. What was important was the result.

PAUL COVERDELL set an example for all of us in elective office to follow. It is not important that we be concerned about the partisanship as it is that we be concerned about the policy.

Yes, all the world is a stage and all the men and women merely players. Each has his entrance and his exit. One man in his time may play many parts.

And so to Nancy and to the Coverdell family, our prayers go out to you; and we will wrap our arms around you, and we urge the Almighty to grant you the peace of spirit that only he can grant at a time like this.

PAUL was our friend, PAUL was a statesman, and we will miss him very deeply.

Mr. LEWIS of Georgia. Mr. Speaker, I yield such time as he may consume to the gentleman from Georgia (Mr. CHAMBLISS).

Mr. CHAMBLISS. Mr. Speaker, I thank the gentleman from Georgia (Mr. LEWIS) very much as the dean of our delegation for bringing this resolution to the floor.

Normally, we come down here to the well of the House to debate bills; and while we are sometimes loud and in heated debate, we are always having fun down here. This is one of those times where we are not necessarily here having fun, although I cannot help but think about PAUL COVERDELL and some of the fun times we had together and some of his traits that have been coming back to me over the last couple of days.

I am reminded particularly about the fact that, I do not care where you saw PAUL, he always had that same white shirt and tie on. I have the great pleasure of representing the Okefenokee Swamp. We were down at the Okefenokee a couple years ago, and some of my colleagues were down there, and we were doing a press event. It was as hot as blazes. We were out there in the middle of the swamp, and all of us were dressed in our golf shirts and our khaki pants. Just as the news conference starts, here comes PAUL driving up with his white shirt, his suit pants, and his tie on. What a classy guy.

Two years ago I was doing an event for him, and I remember it was a farm event and we were over in Terrell County. And again, it was in August. August in Georgia, my colleagues, particularly south Georgia, is hot. We were out in the middle of a field looking at some peanuts out there. And again I am in my golf shirt and my khakis, and PAUL is out there just as cool as he can be in that white shirt and that tie.

As we sat under the shade tree that day talking to a group of farmers, he was just so impressive, not just in what he was saying but in the way he looked and in the way he carried himself. That is the PAUL COVERDELL that I am going to remember.

PAUL and I had a habit of talking to each other about once a week over the last couple years just about things in general. We did not always get a chance to sit down face to face. Sometimes we missed a phone call. But the guy had more political insight, not just partisan political insight, but political insight about things in this country.

I will always remember the fact that if I called him and talked to him about an ag issue, which I did on a regular basis, we talked about whatever it was; but then PAUL with get off and he would, SAXBY, let me tell you what we are doing with the Straight A's bill, this education bill that is going to mean so much to the children that your wife teaches and to other children all across this country.

And you would be talking to him about a defense issue, again which we do on a regular basis; and we talk about our 130s or our F–22 problem, whatever it was, and PAUL would say, Well, let me tell you about one other thing that I am working on, this drug issue with the Colombian drug bill that we are working on. Let me tell you what that is going to do for America. Let me tell you what a difference that is going to make to people all across this country.

That is the PAUL COVERDELL that I am going to remember.

He was a very unique individual, a person who had the ability to take difficult issues, to deal with difficult people with difficult issues and bring common sense and political responsibility to the forefront.

PAUL COVERDELL was truly a unique Member of the United States Senate. He was a great colleague of all of ours, whether you are Republican or Democrat; and that is evidenced by the fact that this is being done in a bipartisan way. Yesterday, on the floor of this House, it was evidenced in a bipartisan way that there was tremendous respect for PAUL COVERDELL.

We will miss him very much. We certainly wish the best for him and his family. His staff are just great people that my staff has had the pleasure of working with every single day that I have been a Member of this House.

PAUL COVERDELL had gotten so political in his thoughts that he probably designed his death to take place on the day of the Georgia primary, which happened to be yesterday. And I am betting you when he got to the pearly gates last night, the first thing he asked St. Peter was for a copy of the Republican election results from yesterday. That is the kind of guy that he was.

He was a great friend, a great individual. This country will miss PAUL COVERDELL.

Mr. LEWIS of Georgia. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Georgia (Ms. MCKINNEY).

Ms. MCKINNEY. Mr. Speaker, I guess it is not a secret, PAUL COVERDELL and I were about as different as night and day. But vastly different paths in life led us both to serve in the Georgia legislature and then on to Congress so that we could work together on behalf of the people of the great State of Georgia. And when it came to the interests of the people of Georgia, we often saw eye to eye.

I want to send all of my deepest and most heartfelt condolences to the Coverdell family and to all the people who knew and loved PAUL COVERDELL.

Immediately after the 1996 election, when I had been redistricted and had a vastly changed district and we were able to pull out a victory in a very close race, PAUL COVERDELL and I got together and decided that we needed to build bridges with each other so that we could do the work that the people of Georgia sent us both to do.

Our first project together resulted in about $20 million being protected on the Senate side for my constituents who live in and about the environs of Peach Tree De Kalb Airport.

PAUL COVERDELL's latest project that we all were working on was a veterans cemetery for our Georgia veterans.

But more than anything else, I have to say that I am struck by the finality of death and the incomplete way many of us in public life lead our lives. We are so busy, we are rushing here and rushing there and going to meetings and going here and going there and always, always, always in a rush and too busy to appreciate the people around us, too busy to stop and say ''I love you,'' too busy to stop and say ''I thank you'' to the people who make a difference in our lives.

This past weekend, I was looking at the Coverdell report on television; and now I am standing here today sending condolences to PAUL COVERDELL's family.

I want to thank the gentleman from Georgia (Mr. LEWIS), the dean of our delegation, for providing us this resolution so that we can pay our respects to our senior Senator. I want to thank all of the people who are responsible for all of us being here serving our people of our State.

I would like to thank my colleagues, who, through difficult times, have stood beside me in particular. And perhaps I have not said thank you appropriately enough, but I want to say thank you today. I want to say thank you to my Georgia delegation members. Because we do not see eye to eye on a lot of issues and we do not even meet as often as we probably should, but I do not think there is a single issue that will benefit the people of our State that we do not come together and work on.

And then finally, I would like to thank the Coverdell family for sharing their leader with the people of our State and the people of our country for about 30 years of public service.

Mr. LEWIS of Georgia. Mr. Speaker, I yield such time as he may consume to the gentleman from Georgia (Mr. DEAL).

Mr. DEAL of Georgia. Mr. Speaker, I thank the gentleman from Georgia (Mr. LEWIS) for bringing this resolution to the floor.

This is a sad day for all of us, and I am dearly impressed with the eloquence of my colleagues who have already spoken.

PAUL COVERDELL was indeed a good friend of ours. And it is difficult on occasions like this to say anything that lends full value to the life that he shared with all of us. I realize that labels and slogans themselves are often inadequate. But I will be very brief, and I have a few labels that I would like to put on PAUL COVERDELL.

The first is that he was a defender of democracy. That may seem to be a very bland statement, but he truly believed in this Republic that we have here as a country.

He believed that one of the great things that it embodied was the free enterprise system. And he, as a small businessman, grew his business to a

successful national enterprise. So he was indeed a defender of democracy.

And he was a proponent of peace. We have heard the statements about his service as the Director of the United States Peace Corps. But in all of his dealings, both politically and personally, he was indeed a man of peace.

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And he was, of course, a patriot with passion. You have heard of his service as a captain in the United States Army overseas. But he also brought that same degree of passion and patriotism to his public service, having been recognized by educational institutions and by other public institutions for his service both at the State level and here in Washington. And he was a statesman with stature.

Like many of my colleagues, we served with PAUL at the State legislative level. PAUL was in the State Senate when I arrived in 1981, and even though he was in the minority in that body, he was respected, because he displayed the kind of dedication to public service that all of us would like to have.

I recall that he was on the retirement committee. I want to tell you, folks, when you get assigned to the retirement committee in the Georgia legislature, you really do not aspire to that position. But he was one of those individuals that everybody, regardless of political party, would go to to ask about those intricate, detailed, often boring and mundane issues relating to retirement, and PAUL always knew what the answer was, because he was willing to do his homework. He was willing to work on the things that other people would want to cast aside because there was not enough public attention given to the subject. But PAUL knew how important things like that were; and that is, of course, what distinguished him here as well and made him a statesman with stature.

He was also and lastly a friend without reservation. He was somebody that you could talk with on a personal and intimate basis. You could rely on his judgment. You could trust the fact that he would keep confidences and he would give you the best and sound advice that he possibly could, both politically and personally.

Lastly, I would simply like to say that PAUL COVERDELL was a quiet man of courage, and he will be deeply missed.

Mr. LEWIS of Georgia. Mr. Speaker, I yield such time as he may consume to the gentleman from Georgia (Mr. COLLINS).

Mr. COLLINS. I thank the gentleman from Georgia (Mr. LEWIS) for yielding me this time.

Mr. Speaker, PAUL COVERDELL's passing is a great loss to the United States, to the other Chamber, to Georgia, to his wife, Nancy, and his family. He was a hardworking, thoughtful legislator who possessed the rare gift of leadership and the even rarer gift of being a good man. The news of his death hit me hard, because I saw PAUL as more than a colleague. I saw him as a true friend, and more than that as a mentor.

When I was first elected to the Georgia Senate, he and I took a walk through his neighborhood to talk about the job that I would be facing. That was his style, quiet and purposeful. He was a teacher who was less concerned about who received the credit than he was of getting the job done.

Mr. Speaker, many others in Georgia's Third Congressional District feel the loss of PAUL COVERDELL. I spoke with several this morning who worked with PAUL to build the Republican Party in Georgia or who served with him in the Georgia legislature, people like Barbara Scruggs, chairperson of the Third Congressional District Republican Party. She said, ''I've known PAUL since the first election he ran. I always admired how hard he worked for us. He was always quiet and unassuming and a great leader of the State of Georgia.''

Former Congressman Bo Callaway said this morning, ''This is such a shock to have PAUL in his prime of life so suddenly taken from us. I really think the people of Georgia and America will never know how much we have lost, for PAUL COVERDELL was really on the way to becoming one of our great leaders. It will be hard to imagine going on without him.''

Ted Land, who served in Georgia's Senate with PAUL, said, ''PAUL COVERDELL was a man of highest integrity. I never in my 10 years with PAUL ever heard him speak a mean-spirited word about anyone on either side of the aisle. A man of boundless energy, he was totally dedicated to serving his State and his party. The void created by his death will be extremely difficult to fill.''

Former State Senator Arthur ''Skin'' Edge summed up PAUL in one word: patriot. He said that as he heard of the death of PAUL last night, the one thing that kept coming back to his mind is that PAUL COVERDELL is a 21st-century patriot. He stood for the principles that this country was founded on and fought for them all of his life.

Mr. Speaker, on behalf of Georgia's Third District, we mourn PAUL COVERDELL's death, and we cherish the memories of his friendship.

Mr. LEWIS of Georgia. Mr. Speaker, I yield such time as he may consume to the gentleman from Georgia (Mr. NORWOOD).

Mr. NORWOOD. Mr. Speaker, I thank the gentleman from Georgia (Mr. LEWIS) as dean of our delegation for bringing this resolution today.

Mr. Speaker, PAUL COVERDELL was a sterling example of what a United States Senator should be all about. He provided the kind of leadership for Georgia, America, and the world that will be sorely missed. PAUL COVERDELL was unshakeable in his resolve to support the right policies for Georgia and America. Yet in 6 years of serving with him in Congress, I never heard him utter an unkind word toward any opponent. He was a man of reason, of principle, and provided a shining example of civility in action in the arena of public debate. That is unusual to find a man such as that.

He never to my knowledge backed down on principle; yet he held his ground with dignity and respect for the position of those who disagreed. And he never gave up.

Since coming to Washington in 1993, Senator COVERDELL fought to improve the education of America's children. That fight continues today. But because of his effort, I believe that fight will eventually be won because of his enthusiasm and his sincere belief that we could make it better. When it is, the final product will have the fingerprints of PAUL COVERDELL on every page.

Senator COVERDELL was likewise a champion of those who served this country in our Armed Forces. When Congress forgot the promises made to our veterans, PAUL COVERDELL reminded us all of those commitments. His legislation to restore those promises is still pending in both Chambers, and the finest tribute I think we could all pay to this true statesman would be to pass that measure into law before this session ends. Today, I recommit myself to helping make that happen.

There are far too many issues to mention in which Senator COVERDELL played a decisive role. But we need to reflect on PAUL COVERDELL's public service before he became a Senator, I think, because it reflects a lifetime of public service.

He began adult life, of course, by serving America in the U.S. Army in Korea and the Republic of China. He served his State in the Georgia Senate for nearly 2 decades. He served America and the world as the director of the Peace Corps, as we have heard, where his leadership in building democracy was vital in reclaiming much of Eastern Europe from the dictatorship of Communism.

Our hearts go out to Nancy Coverdell and the entire Coverdell family. They should be and are remembered in the prayers of this Nation in their hour of loss. And we should remember the loyal staff of Senator COVERDELL. Perhaps the strongest confirmation of the basic decency of a Member of Congress can be found in the affection of those who work with him every day, many times under the most trying circumstances. From the true grief that I personally know his staff to be feeling today, the decency of this great American is affirmed in full measure.

That slender thread of life by which we were tied to PAUL COVERDELL is now broken. But the wisdom, the generosity, the civility, the patriotism, and the dedication which he brought to this Congress will never die. The leadership of PAUL COVERDELL will continue to live in the legislation he has enacted and has sponsored. We can best

honor his memory by seeing the mission through, from giving our children a choice in education to restoring the health care of the defenders of America.

Mr. Speaker, let us pay tribute to a great leader by picking up the fallen banner of Senator PAUL COVERDELL and carrying it through to victory. I personally feel a great loss for a dear friend; indeed, we all do, a man that we have all become very close to and loved, a quiet, gentle giant in the Government of America.

Today we pray for PAUL's soul and pray God will give comfort to Nancy and the Coverdell family.

Mr. LEWIS of Georgia. Mr. Speaker, I yield such time as he may consume to the gentleman from Georgia (Mr. BARR).

Mr. BARR of Georgia. Mr. Speaker, I am proud to rise today in support of the resolution authored by the dean of the Georgia delegation, the distinguished gentleman from Georgia (Mr. LEWIS).

Let me first say to PAUL's lovely bride, Nancy, you have the love, the affection, and the prayers of this entire body on both sides of the aisle, on both sides of the Rotunda. We pay tribute today to the hardest-working man in the U.S. Senate. Although his venue has changed, the job description has not. PAUL COVERDELL is now the hardest-working man in heaven. I can hear him already, sleeves rolled up, white sleeves, of course, tie impeccable, saying, There must be some unfinished work up here in heaven, Lord. Point me in the right direction. I'm ready to work.

While PAUL COVERDELL never spoke from this well, but rather from the well on the other side of the Rotunda in the United States Senate, you could often hear his voice here, in front of this American flag that he loved and the country that it represents that he loved so deeply and so passionately. You could hear PAUL COVERDELL whenever we debated such issues of fundamental importance to the American people as those he had championed and loved: education, national defense, and always the needs, wishes, hopes, and desires of our citizens of his and our beloved State of Georgia. You could hear the passion, the conviction, and the patriotism always of PAUL D. COVERDELL. Those words, that passion, that commitment will echo out now forever across the ages as part of what former President Ronald Reagan called in his second inaugural address, the American sound. PAUL COVERDELL is now part of that American sound that President Reagan identified as the sound of love, decency and compassion that has always echoed out across America and through the halls of its leadership and around the world, representing the very best of mankind.

PAUL COVERDELL is a friend. Though we briefly found ourselves, he and I, in a competitive race in the primary, in the primary runoff in 1992, we were friends before that race. Indeed, PAUL was my very first political friend when I moved to Georgia in the 1970s.

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I was referred to him by our mutual friend and my former boss at the CIA, George Bush. We remained friends throughout those two races in 1992, and we remained ever closer friends both immediately after and in the years since PAUL was elected with honor and dignity to the United States Senate in 1992.

I am reminded today in closing, as a man of God, I know the gentleman from Georgia (Mr. LEWIS) is, too, of Matthew who tells us in chapter 5 in those words that are so familiar to all that there Beatitudes, blessed are the peacemakers for they shall be called the children of God.

PAUL COVERDELL was a peacemaker. PAUL COVERDELL is a child of God, now and for the ages. I thank the gentleman from Georgia (Mr. LEWIS) and God bless PAUL D. COVERDELL and his family.

Mr. LEWIS of Georgia. Mr. Speaker, I yield such time as he may consume to the gentleman from Georgia (Mr. ISAKSON).

Mr. ISAKSON. Mr. Speaker, I thank the gentleman from Georgia (Mr. LEWIS) for bringing this resolution to the floor today. Mr. Speaker, I thank each of my colleagues from Georgia for paying tribute today to our dear friend, and I hope everyone in this room and I hope everyone listening recognizes that 11 Georgians, Democrat and Republican alike, sit today under this symbol and in this room and pay tribute to a man who transcends politics and who in our State, as we have heard from each speaker, through example after example, changed lives and made them better.

Mr. Speaker, rather than repeat everything that has been said, I would just say this to those of us who are not from Georgia; if you have ever flown through Hartsfield International Airport, PAUL COVERDELL touched your life. If you ever came into Atlanta and rode on its rapid transit, PAUL COVERDELL touched your life. If you are a Georgia citizen whose life or the life of a loved one was saved because of a seat belt, PAUL COVERDELL touched your life.

While so many politicians talk a good game, PAUL COVERDELL lived one; but, you know, at a time like this when a contemporary of all of ours dies, it puts life into perspective.

It makes us think for just a minute what if I die. But for those of you who did not know him, let me just tell you this, PAUL did it all. He did it with dignity and with grace. He did it with passion and with understanding, and he did it with not a single evil touch to anything he ever did. He did it for the best of the United States of America and for the people of Georgia.

In my Sunday school class, in Marietta, Georgia in the Methodist church, we have a little book called Leaves of Gold, and in it there is a poem, and I cannot remember, but twice before that poem has been recalled to me in paying tribute to an individual, but it just seems to fit the life and the legacy and the lasting memory of PAUL COVERDELL.

I hope I can get through it, but it goes a little bit like this: I would rather see a good person than hear about one any day. And I would rather have a good person walk with me than merely point the way. For my eyes are better pupils and more willing than my ear, and fine counsel is confusing but examples crystal clear. And the best of all the people are the ones that live their creeds, for to see the good in action is what everybody needs. Oh, I will be very glad to do it if you let me see it done, but your tongue too fast sometimes may run. And the lectures you deliver may be very wise and very true, but I would rather get my lecture by observing what you do. For I may misunderstand you and the high advice you give, but I will never misunderstand the way you act and the way you live.

Mr. Speaker, I associate myself with all of my colleagues to pay tribute to a man who acted and lived a life exemplary of the finest in public service, the finest in commitment to his wife and to his family and in the finest tradition of public service.

Mr. LEWIS of Georgia. Mr. Speaker, I yield such time as he may consume to the gentleman from Georgia (Mr. KINGSTON).

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

Nancy Coverdell has lost a great husband, as has the Coverdell family lost a great member. The United States of America has lost a great Senator. Georgia has lost a great leader and the Republican party in Georgia has lost the father of our party.

PAUL COVERDELL was the minority leader in the State Senate. He was the State Republican party chairman. He was the official Georgia connection to the Bush White House. He was the director of the Peace Corps. He was the United States Senator, and then also in the great Bush-Coverdell legacy, the official contact for the George W. Bush campaign.

He put our party on the map, and the reason I underscore that is, I believe the State and its citizens are better for it. I believe that having two parties gives our voters every day a choice, and I believe I am a better Republican because of Democrat opposition. I hope that our Democrat counterparts, and I am sure they will agree, they would say they are better Democrats because of Republican opposition.

The State, indeed, is the winner. PAUL COVERDELL was a great strategist. I remember in 1974 my mother, who is a great newspaper clipper, sent me an article called the Gospel According to PAUL. And it was talking about

this young guy running for the State Senate in Atlanta, who was doing strange things, like going door to door and having living room coffees and roadside sign wavings. And he was struggling in an uphill battle in a Democrat-controlled State to win, but he did win. I believe, as the gentleman from Georgia (Mr. LINDER) has already said, there were only three Republican Members in the Senate at the time. I know by the time I got to the State House, there were a whopping nine Senators.

COVERDELL was the minority leader. But while he did not have numerical superiority, he did not let that keep him out of the ideas arena. And he was very competitive on ideas. At that time, Governor Joe Frank Harris was introducing a number of DUI laws.

The gentleman from Georgia (Mr. ISAKSON) will remember COVERDELL passed and sponsored a bill in the Senate that said, you know, it is not just enough to give somebody a heftier DUI penalty, what we have found through research is a lot of these people are addicted to alcohol. We need to put in a component of mandatory assessment to see if they are addicted, and then we cannot just leave them addicted to alcohol, we need to have mandatory or at least optional treatment. This was a solid idea.

Mr. Speaker, I remember being on the Motor Vehicles Committee as he pushed that. PAUL COVERDELL was an ideas man. He also had a great world view. As director of the Peace Corps, he did not just use this, okay, this is my political plumb for helping President Bush along the campaign trail. He used it to promote farming in Third World countries, economic growth and development, medical help. Indeed, he saw the formula for world prosperity meant world peace, and it was great and important for the United States of America to be there leading the way.

PAUL COVERDELL was a sobby-eyed patriot in many ways. I remember when he was running for the U.S. Senate and I had him in my living room for a coffee, and at that time all of these people came, and they were asking very lofty intellectual questions about the world situation. PAUL was hanging in there with the best of them. In the middle of this, my small daughter, Ann, 4 years old at the time, had left the playground where all of these kids were, came running into the living room, crashed through the circle of adults to the middle of where this dignified U.S. senatorial candidate was speaking, and said, Daddy, it was my turn in line to go down the slide and they pushed me down the slide and I fell down and hurt my heinie to which the whole audience starting laughing.

Senator COVERDELL was there, acknowledged the little girl and her plight and went on with his speech. And I thought it was so cute because he did not lose control, he kept that COVERDELL dignity through the whole thing. And, indeed, he carried that dignity and that gentleman manner with him everywhere he went.

As the gentleman from Georgia (Mr. CHAMBLISS) has already said, he was a great organizer and a communicator. I remember in the 1992 campaign during the runoff one day, he was at Georgia Southern University, all kinds of people there, and he had done a TV and a radio interview, and he turned on his watch and he said, Jack, we have to go to this event. I said, PAUL, the game has not started. He said, well, we have got a schedule. I said but, PAUL, all of these people are here. He said, well, we really need to get to Savannah and keep our schedule. Indeed, we did leave and go to Savannah.

I was totally amazed and a little bit irritated by this, and only later did I realize the importance of him in terms of strategy; it meant everything, and that is why he could accomplish all of the things that he did accomplish. In our area, he fought as, the gentleman from Georgia (Mr. NORWOOD) said, for the veterans, the active soldiers at Fort Stewart, but the veterans in our area.

Agriculture, we all know in south Georgia good old ''Senator Cloverdale.'' That is what the farmers would always call him. Well, let us just go ask Cloverdale. And they loved Mr. Cloverdale.

Education, if I go to talk to the teachers about educational savings acts, they like that idea. If I talk to seniors about Social Security and lockbox ideas, they like that idea.

PAUL COVERDELL had the uncanny ability, not just to have an opinion on every issue, but have a thought on every issue and a consequential action. He was a man of action.

His civility, as the gentleman from Georgia (Mr. BISHOP) knows, he worked with him very closely on passing the C.B. King Courthouse in Albany, Georgia. I remember, the gentleman from Georgia (Mr. LEWIS) knows, he was friends of Mr. Bond. When Mr. Bond left the State Senate to run for the congressional seat, which the gentleman was successful in obtaining, PAUL COVERDELL was one of the men in the Georgia Senate who stood up and gave a great farewell speech for Julian Bond.

I remember watching that and saying here is a liberal Democrat and the conservative Republican leader of the State. What is he doing? I said there is a lesson here. Bipartisanship and civility is important, and you should never let politics rule over policy.

A week ago, he called me at my home on Sunday. We had an issue in our area with the Federal Law Enforcement Training Center, and we kind of got off path. He said, Jack, I think we are a little out of sync here. I just want to make sure that you and I are okay on this.

It was typical of COVERDELL, because I think so many of us, including me, and especially me, would have said, all right, you are way off base, I am right and you are wrong; not PAUL, he made it so that it was just so easy to get along.

He also told me a couple of weeks ago in a private conversation about committing to the team, when you are a Member of Congress, when you are a Member of an issue and you are associated with that issue, commit to your team and be proud to be on that team, even if the vote is an uncomfortable one.

He talked to me about Nancy. He said, you know, we are doing a little bit with real estate. I have to tell you Nancy is better at real estate than I am. She is real good at it. I will tell you what, you men know. It is a rare man who really privately one on one takes time to brag about his wife to another man, and that is a sign of a great marriage and a great husband and true love.

PAUL COVERDELL was a good Republican, a great strategist, a great ideas man, had a world view, had civility and integrity, a great organizer. He was energetic. He was a great communicator and a loyalist.

In short, PAUL COVERDELL was a statesman. Years ago, there was another Paul on this earth, and he tells us in a scripture that it is better to wear out than rust out. I would not submit to you that PAUL COVERDELL wore out, but I would also say he certainly did not wear out, and maybe in this institution which he loves so dearly we could say, and he would agree, the gentleman's time expired. But while the gentleman's time has expired, I also think we could evoke the words of St. Paul, one more time and say, well done, that good and faithful servant.

Mr. LEWIS of Georgia. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Florida, (Mrs. FOWLER), formerly from the State of Georgia.

Mrs. FOWLER. Mr. Speaker, I did grow up in the State of Georgia, and it was with a really heavy heart yesterday when I learned of the loss of PAUL COVERDELL. PAUL and my dad served together in the Georgia State legislature, and though they were in different parties, they became good friends, and shared many funny stories together as they served.

When I came to the U.S. Congress 8 years ago, PAUL sort of took me under his wing and was such a dear friend to me and a mentor, and I could always go to him for advice and know I could always rely on it. He was such an outstanding man. We have been hearing people talk today about all the wonderful qualities that PAUL had, and when I think of PAUL, I think of someone who lived life with zest and enthusiasm, who loved his family, who loved his country, who loved serving the people.

He was the finest example of a public servant that I have ever known, a decent, honorable man, such deep integrity, who loved people so much and loved doing for them. I look back when

he was director of the Peace Corps and all he did to guide and mentor those young people that were serving all around the world.

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So really today, as we all have very heavy hearts because we will all miss PAUL deeply, miss his friendship, miss his service, miss his strength that he brought to the representation of the State of Georgia in the United States Senate but most of all, PAUL, we are going to really miss you.

Mr. LEWIS of Georgia. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. GILMAN).

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

Mr. GILMAN. Mr. Speaker, I thank the gentleman from Georgia (Mr. LEWIS) for yielding me this time.

Mr. Speaker, I want to thank the gentleman from Georgia (Mr. LEWIS) for bringing this resolution to the floor at this time. It is with deep regret that I rise to join my colleagues in mourning the loss of the remarkable public servant, Senator PAUL COVERDELL of Georgia. As chairman of the Senate Foreign Relations Western Hemisphere Subcommittee, Senator PAUL COVERDELL was dedicated to fostering good relations with our neighbors in the Americas.

Among his many contributions, PAUL actively and ably cochaired our interparliamentary meeting with the Mexican Congress, and I was pleased to have had a personal relationship with PAUL in relation to his work on the Senate Foreign Relations Committee.

Last year, Senator COVERDELL was extremely proud to be able to host our Mexican colleagues in Savannah, Georgia. PAUL went to great lengths to make all of us feel welcome, including delivering a substantial portion of his opening address in Spanish, and I recall PAUL and Nancy guiding Georgia and I through his hometown and pointing out where they lived and pointing out his offices. He had a great deal of pride in his city. It was certainly one of the most productive and pleasant interparliamentary meetings we held in Savannah.

Fortunately, PAUL was able to see the Mexican people secure full democracy for themselves through their recent elections on July 2, something that PAUL was strongly supportive of.

It was my privilege to work with Senator COVERDELL on a number of important regional issues. He was dedicated to defining and defending American interests abroad, and when it came time to stand up to support our efforts in our fight against illicit drugs, PAUL COVERDELL never failed the American people; always taking the lead in galvanizing support in the Senate for moving a substantial, meaningful aid package to help our troubled neighborhoods in the Andean region of South America and more recently particularly in Colombia.

Just last week, President Clinton signed into law a bipartisan emergency supplemental aid package for Colombia, and it was gratifying that PAUL was able to see the consummation of his extraordinary efforts to help our neighbors to the south.

Senator COVERDELL was a principled man. He was a leading voice in the Congress, calling for a firm response to the undermining of democratic institutions through the illegitimate elections in Peru; and we should honor Senator COVERDELL's leadership by strongly supporting his respect for democracy in Peru.

My spouse, Georgia, joins with me in extending our deepest condolences to PAUL's widow, Nancy. PAUL and Nancy were loved by many. We extend our sympathy, too, to the many people in Georgia and elsewhere who admired and followed this remarkable public leader.

Mr. LEWIS of Georgia. Mr. Speaker, I yield such time as he may consume to the gentleman from California (Mr. DREIER).

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

Mr. DREIER. Mr. Speaker, I thank the dean of the Georgia delegation for yielding me this time.

Mr. Speaker, I am honored to be here with my colleagues from Georgia and other parts of the country to talk about our friend PAUL COVERDELL. No one could ask for a better friend than PAUL COVERDELL. I first met him when he was appointed director of the Peace Corps in the late 1980s, and at that time the attention in this House and around the world was focused on the emerging democracies of Eastern and Central Europe. In several meetings that we had in my office, PAUL COVERDELL was talking with such enthusiasm about creative ways in which we could help the people of Czechoslovakia, Hungary, Poland, Romania, and other countries that were starting to get that first taste of freedom.

I was so struck with the dedication that this man showed that I made a decision early on that I wanted to do anything that I possibly could to help him. So he took me up on that. He took me up on it when in 1992 he called me and told me that he was going to run for the United States Senate. I thought, what a great idea. He asked me to help him, so I did; and I will never forget the day that I was flying to Atlanta from what is now, and I see Mr. BARR here, affectionately referred to as Ronald Reagan National Airport; and I was standing in the terminal with a former colleague of ours from the other side of the aisle, and he said, Well, why are you flying to Atlanta?

I said I am flying down to help PAUL COVERDELL win his election to the United States Senate.

Well, this former colleague of ours from the other side of the aisle laughed hysterically because he did not believe that PAUL had much of a chance to win, and there were a lot of people who did not think PAUL had a great chance to win. In fact, I suspected that this former colleague of ours from the other side of the aisle kind of thought that PAUL had about as much chance of winning as he did of losing.

So the fact of the matter is, we saw in PAUL COVERDELL a stick-to-itiveness that was very, very impressive. He was dedicated to his work.

I spent time traveling in Georgia with him, and he had a couple of events. There were a few people who attended a number of those events. I assumed it was because they had announced that I was going to be there. But the fact of the matter was, this guy never gave up. He was a real fighter.

One of the things that we have so often found in these Members who worked with him closely in Georgia for decades know that whenever someone wanted a job to be done, the person to whom they would look was PAUL COVERDELL because when this guy said that he was going to take on a job and do it, he did it.

We so often hear the juxtaposition between work horses and show horses in this place, and we all know that PAUL COVERDELL epitomized the work horse. He was a guy who was extremely dedicated.

I am so happy that the chairman of the Committee on International Relations reminded us of his having hosted the Mexican Interparliamentary Conference along with, I remember the gentleman from Georgia (Mr. KINGSTON) was there with us when we held that meeting and PAUL was so proud of the opportunity to host that very important meeting.

I served with him as a cochairman of the Republican House-Senate Dinner. Boy, that guy was absolutely relentless when it came to our goal of building a strong Republican Party, and as has been said by our colleagues from the other side of the aisle, he, working for a strong Republican Party, knew that ultimately working in a bipartisan way was the only way that we could actually get things accomplished.

My thoughts and prayers go to Nancy and other members of the family, and I cannot say what a shocking and devastating loss this is, not only for this great institution of ours but for the Nation as a whole.

The SPEAKER pro tempore (Mr. BARRETT of Nebraska). The Chair advises that the time of the gentleman from Georgia (Mr. LEWIS) has expired.

Pursuant to clause 2 of rule XVII, the gentleman from Georgia (Mr. KINGSTON) is recognized for 1 hour on the resolution.

Mr. KINGSTON. Mr. Speaker, I yield such time as he may consume to the gentleman from Tennessee (Mr. WAMP).

Mr. WAMP. Mr. Speaker, I thank the gentleman from Georgia (Mr. KINGSTON) for yielding me this time.

Mr. Speaker, I believe for the ages Senator PAUL COVERDELL will be remembered as one of the most thoughtful, diligent, and detail-oriented Members in the history of the United States Senate. Who would have ever thought this time last week that we would be here today paying tribute to the memory of Senator COVERDELL?

There are times here where everything seems to stand still, and this is one of those days where we come together at the water's edge, as people, as God's children, no differences, to pay the proper tribute to a truly great public servant. A lot of political people skim the surface, stay on the surface from fear of the details, from fear of the slip of the tongue, from fear of incompetency on very complicated matters of the day, but not Senator COVERDELL.

My experience with him was a fearless master of details and complexity, never worrying about how far deep he would swim into issues, about whether he could comprehend them or always carry a host of things going on at the same time. Unbelievable, really, in his capacity to carry all of the different issues with him and stay that intricately involved. It really bodes well for public service in America that people like PAUL would dedicate his life to others through public service.

As a Tennessean who was born in Georgia when my dad was on active duty at Fort Benning, my dad always said that it cost $12 for me to be born at Fort Benning, and he still wonders if he got his money's worth; but that is my Georgia roots, and I am a Southerner. Georgia mourns the loss today of a truly great United States Senator, but the South has lost one of its greatest leaders as well.

I come as a Southerner today to say, Nancy, we are sorry; to the Georgia delegation, we are sorry that they have lost their friend and lifetime companion in the flesh.

Last October I was coming to the Chattanooga Airport to leave right after Payne Stewart had died tragically at the height of his career, and you think about PAUL at 61 years old, he is really politically at the height of his career and he is gone in the flesh, right at the height of his ability to effectively carry out the responsibilities as a United States Senator and he is gone.

I said to R.V. Brown, a pastor who I know who I ran into at the airport, Reverend R.V. Brown is that not unbelievable that Payne Stewart just vanished like that in the flesh? And here is what he said, and it was a great comfort to me, and I hope it is great comfort to Nancy and others who mourn the loss of PAUL COVERDELL. He said sometimes the Lord picks the ripest fruit to have the greatest impact on everyone around that individual.

I believe that the United States Senate, the United States House, the State of Georgia, the South, the United States of America, mankind at large can come closer together and truly appreciate each other more because of this moment when we forever and ever memorialize a fine person and a great public servant, Senator PAUL COVERDELL. Good-bye, sir.

Mr. KINGSTON. Mr. Speaker, I thank the gentleman from Tennessee (Mr. WAMP), the chairman of the Morning Prayer Breakfast each Thursday, for his remarks.

Mr. Speaker, I yield such time as he may consume to the gentleman from Missouri (Mr. BLUNT), the deputy whip.

Mr. BLUNT. Mr. Speaker, I thank the gentleman from Georgia (Mr. KINGSTON) for yielding the floor to me.

Mr. Speaker, just yesterday some of us took the floor in an unanticipated moment to wish the very best and to extend our thoughts and our prayers to Senator COVERDELL, his wife, Nancy, and to their family, as they struggled with this unanticipated challenge. Today, just a few hours beyond, almost exactly 24 hours beyond, the time that we were so hopeful in those last moments of PAUL COVERDELL's life that he would continue to be with us, beyond the time when we thought that if anybody could come back from any challenge it would be PAUL COVERDELL, beyond the time when we thought that if anybody else could do this, could be back in a year, he could be back in a few months, we are here today with a person who has been so important in this building to both the House and the Senate and so important to the country, gone from us.

I was moved by the observation that our friend, the gentleman from Tennessee (Mr. WAMP), just made about how the Lord may take someone at such an inopportune time in their life to challenge the rest of us to meet a new standard in our life, a new standard with each other, a new standard of public service, a new standard of being able to reach out as PAUL was famous for to others and say, gee, you have got a lot to do here, can I help you? At the same time, we know that PAUL every time he was saying that it seemed that when you would think about it that he surely had more to do than the person he was offering to reach out and help, but his predisposition in life was to help other people.

I did not know PAUL COVERDELL when I came to Congress 3½ years ago. In fact, I did not really know him except to speak to him in the hallways of the House and the Senate where he was always friendly to me until about a year and a half ago when he and I were both asked to be on the exploratory committee for Governor Bush. That was a 10-person committee. Our jobs were to represent the governor with the House and the Senate in that year and a half. There was not a week that we did not talk on the phone, and many weeks that we saw each other, just to compare notes, just to talk about what was happening.

□ 1600

Even in that relationship, he would often say, well, you have 200 people over there that you are talking to and dealing with and I only have about 55 over here. Can I help you do anything to make your job in the House easier? I usually observed that probably it was easier to deal with a couple of hundred House Members than 55 people from the other body. He would always smile.

Mr. Speaker, I told somebody not too long ago that there were many good reasons to do that particular job, as the liaison for the Bush Committee, but I would have done it knowing what I knew then, and this was 2 or 3 months ago with no anticipation of this moment, certainly. I would have done it all just to have the chance to work with PAUL COVERDELL. He was that kind of person. He was the kind of person that all of us who got a chance to work with him I am sure were looking forward to a couple more decades of that relationship, not thinking that each time we saw him might be the last time we saw him; but thinking, now, I wonder what it is that we can next do that allows us to work together, because it was such a joy and a privilege to work together with him.

I told someone earlier today that one of the things that one really noticed when one dealt with our friends on the other side of the Capitol was the interesting oil that PAUL COVERDELL added to the process just to make things work that otherwise you did not quite know during a meeting how they might have worked if Senator COVERDELL had not been there. Of course now we are challenged to know how they would work, but we do know the example he set of making things work, the example he set of being willing to reach out to other people, the example he set of always trying his best to appear to be the most humble guy in the room, the person who would be the most likely to take the most difficult assignment, the person who would never show any sense that there was any job that needed to be done that was below or beneath him as an individual. It is a standard that is hard to achieve, frankly, in politics and government, and even hard to achieve in this building; but it is one that he established so well that he made serving others and doing the most menial job seem like that, somehow, that was the most important thing to do.

Mr. Speaker, we will miss him in this building. We will miss him in our relationships between this House and our friends on the other side of the Capitol. We will miss his willingness to work, his capacity, his insight. But as the gentleman from Tennessee (Mr. WAMP) observed earlier, maybe there is a challenge here. There is a purpose in most things in life; and if we search for the purpose of this, one of the purposes might be to emulate some of the things that are so easy to say about PAUL COVERDELL.

Mr. Speaker, it is written somewhere, we will miss him tomorrow and tomorrow and tomorrow.

Mr. KINGSTON. Mr. Speaker, I thank the gentleman from Missouri.

Mr. Speaker, I yield such time as he may consume to the gentleman from Florida (Mr. GOSS), the chairman of the House Permanent Select Committee on Intelligence.

Mr. GOSS. Mr. Speaker, I appreciate very much the distinguished gentleman from Georgia, the honorable JOHN LEWIS, the dean of the delegation, and the gentleman from Georgia (Mr. KINGSTON) and the other members of the Georgia delegation, affording us this time to speak about Senator PAUL COVERDELL. The Rules of the House do not permit us to refer to the other body or Members of the other body, and we seldom do speak about them. This is exceptional, because PAUL COVERDELL was really an exceptional person. I think he did touch our lives. Certainly those of us who live in Florida who have to fly through Atlanta understand very well the meaning of having the Atlanta airport there.

What I wanted to talk a little bit about today is the loss to Nancy and his family, to the State of Georgia, and to our country. I think it is pretty much of an incalculable loss, and it is obviously very painful if we have listened to the speakers who have gone before.

We are going to miss PAUL COVERDELL deeply, and we are going to miss him for a very long time to come, not only as a person, but for the skills he brought to the art and science of crafting legislation and people persuasion here in these hallowed halls of the United States Congress.

To me, he had several distinctive hallmarks. They were honor and decency, things that count for a lot here. And effectiveness and accomplishment, of course, the way we are measured. Those of us who were privileged to work with him knew of this literally unrelenting energy. He was a man who could tire out the most hard working of us. He certainly had the intellect to challenge us as well. We all admired his ability, as we have heard testimony to, to find common sense solutions that seemed to work for all sides in a given debate. Those are wonderful people skills. As the gentleman from Georgia (Mr. BISHOP) said in his testimony on the floor, that unquestioning integrity was also another PAUL COVERDELL trademark. That is very high praise.

I well recall his commitment to fighting the war on drugs, just one of the many things he did here, and to his finding a way to get the money to pay for fighting the war on drugs, which is the harder part. His contribution to that was characteristically second to none; and more importantly, he was successful. And that success is now being employed on the front lines in Colombia and in other meaningful ways, and that will affect America as well and those who are concerned about the scourge of drugs on our youth and on our quality of life in this country.

So, Mr. Speaker, I would like to say for my wife and myself and other neighbors in the neighboring State of Florida, we send our condolences, our keen sympathy, and our love to Nancy and the people of Georgia. PAUL COVERDELL was a man who gave so much. He was taken too soon.

Mr. SOUDER. Mr. Speaker, I rise today to express my condolences to the family and staff of Senator PAUL COVERDELL.

I admired and appreciated Senator COVERDELL's commitment to stopping the flow of illegal drugs across our borders and his tireless efforts to expand educational opportunity in America. Senator COVERDELL demonstrated the effectiveness of quiet, but persistent, leadership. He has been hailed as a workhorse and, indeed, his dedication to public service is an example to every official at every level of Government who works for the public good.

My former chief of staff, Ziad Ojakli, is the chief of staff in the Senator's leadership office. On behalf of all of us who are friends of Z and have worked with him over the years, I wish to convey our deepest sympathy to the family, friends and staff of Senator PAUL COVERDELL. They are in our prayers.

Mr. KINGSTON. Mr. Speaker, I yield back the balance of my time.

Mr. Speaker, on behalf of my colleagues in the Georgia delegation, Mr. LEWIS, Mr. NORWOOD, Mr. ISAKSON, Ms. MCKINNEY, Mr. LINDER, Mr. BISHOP, Mr. BARR, Mr. CHAMBLISS, Mr. DEAL and Mr. COLLINS, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agree to.

A motion to reconsider was laid on the table.

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GENERAL LEAVE

Mr. KINGSTON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H. Res. 558, the resolution just adopted.

The SPEAKER pro tempore (Mr. FOSSELLA Is there objection to the request of the gentleman from Georgia?

There was no objection.

□

RUSSIAN-AMERICAN TRUST AND COOPERATION ACT OF 2000

Mr. GOSS. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 555 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 555

Resolved, That upon the adoption of this resolution it shall be in order to consider in the House the bill (H.R. 4118) to prohibit the rescheduling or forgiveness of any outstanding bilateral debt owed to the United States by the Government of the Russian Federation until the President certifies to the Congress that the Government of the Russian Federation has ceased all its operations at, removed all personnel from, and permanently closed the intelligence facility at Lourdes, Cuba. The bill shall be considered as read for amendment. The amendment recommended by the Committee on International Relations now printed in the bill shall be considered as adopted. The previous question shall be considered as ordered on the bill, as amended, and on any further amendment thereto to final passage without intervening motion except: (1) one hour of debate on the bill, as amended, equally divided and controlled by the chairman and ranking minority member of the Committee on International Relations; (2) an amendment in the nature of a substitute printed in the Congressional Record pursuant to clause 8 of rule XVIII, if offered by Representative Gejdenson of Connecticut or his designee, which shall be considered as read and shall be separately debatable for one hour equally divided and controlled by the proponent and an opponent; and (3) one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Florida (Mr. GOSS) is recognized for 1 hour.

Mr. GOSS. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the distinguished gentleman from Massachusetts (Mr. MOAKLEY), my colleague and friend, pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate on this subject only.

Mr. Speaker, H. Res. 555 provides for House consideration of H.R. 4118, The Russian-American Trust Cooperation Act. The modified closed rule provides 1 hour of general debate, equally divided between the chairman and ranking member of the Committee on International Relations. In addition, the rule makes in order a minority substitute and one motion to recommit, with or without instructions; in other words, 2 bites at the apple. I am aware of no Members who sought to offer amendments to the bill. Indeed, the only amendment offered during committee consideration that I know of has been actually incorporated into the bill.

Recognizing the time constraints in the floor calendar during this time of year and the relative simplicity of this bill, this is a fair and balanced rule, in my view, and I urge its support.

Mr. Speaker, H.R. 4118 is relatively straightforward as a piece of legislation, but it is enormously important from a national security perspective. Let me explain. Mr. Speaker, H.R. 4118 prohibits the U.S. Government from restructuring or rescheduling any of Russia's debt with the United States until the President certifies that the Russian government has ceased operating its intelligence eavesdropping facility which happens to be located nearby in Lourdes, Cuba.

I know that many Members have passionate feelings about Cuba; but to me, this has little to do with U.S. policy towards Cuba; it has everything to do with protecting American citizens and our national security. It is absolutely inconceivable to me, and I think to most Americans, that the United States would provide aid and loans to Russia at a time when, according to press reports, the Russian government pays Cuba hundreds of millions of dollars a year to operate a facility it uses

to eavesdrop on the United States and on our business and what is going on here.

For years now, the defense and intelligence community has been pointing out the danger posed by the Lourdes' listening facility. Relying solely on open-source information and press reporting, and I want to reiterate that point, all of this is based on open-source and media reports, the site at Lourdes is of concern for the following reasons: first, the Russian government allegedly pays up to $300 million each year in rent to the Cuban government for the facility. Second, the Russian government has reportedly invested over $3 billion, that is B, billion, for the operation and modernization of this huge intelligence base. Third, the Russian government, following the collapse of the Soviet Union in 1990, has apparently significantly stepped up its intelligence collection activities against the United States from its Lourdes base, and this is, of course, before the currently elected president of Russia, Mr. Putin, was elected and it is well known that Mr. Putin comes out of the intelligence community as a former KGBer; and I do not know what his view is on the subject of Lourdes, and I suspect it is time we find out.

Reportedly in recent years, Russian intelligence agencies have funded major facility and equipment upgrades and enhancements at the Lourdes site. Finally, the experts familiar with the Lourdes facility, including Russian defectors and former U.S. Government officials, assert that the Lourdes site is being used by the Russian government to collect personal information about American citizens and proprietary information about U.S. corporations.

□ 1615

Clearly, this capability offers the means to conduct cyberwarfare against the United States and its people. That is something most Americans understand and do not want to have happen.

Given the obvious national security implications, I am deeply puzzled by the Clinton-Gore administration's adamant opposition to this bill. It seems we have a very clear case where the Russians, with the assistance from Cuba, are engaged in activity in direct conflict with U.S. national security.

Through the leadership of the gentleman from New York (Mr. GILMAN), the gentlewoman from Florida (Ms. ROS-LEHTINEN) and others, we have found a way to apply real pressure to Russia to cease its activities at Lourdes. Yet, I understand the Clinton-Gore administration is opposed.

I would submit that their opposition to this bill is an example in a very long list that makes the Clinton-Gore administration's disdain for security policy appear again one more time before us, inexplicable as it is.

The Clinton-Gore administration, and in particular, Vice President Gore, who spearheaded administration policy toward Russia through the Gore-Chernomyrdin Commission, has repeatedly claimed that it had achieved a special relationship of trust with Russian, referring to them as partners.

I want to quote from the minority views that accompany this bill, because it contains truly amazing statements from the Clinton and Gore administration and its allies in Congress.

The minority suggest that ''the extent to which Lourdes may target U.S. individual or corporate communications is uncertain.'' We know it is there. We are just not really sure how much they are listening to or what they are getting, I guess is what that means.

Further, the minority suggests that allowing the Russians to eavesdrop on the United States to the Lourdes facility is a way of ''guaranteeing a certain level of political trust between Russia and the United States.

These statements remind me of many times that President Clinton has told the American people that our children could sleep peacefully at night because there were no nuclear missiles pointed at the United States. That is a very nice sentiment, it is a great statement and I wish it were true, but it is not. It gives the American people a false sense of security.

I think likewise the many press reports and the testimony by the Russian defectors and the others contradict the reassurances in the minority reports that the Lourdes site is nothing to be concerned about. I think it is something to be definitely concerned about.

I think the American people deserve better than those kinds of assurances, which cannot be backed up. I encourage my colleagues to support this bill. I think that the Republican government needs to understand and be made accountable that it has to honor its financial obligations, and that the Lourdes site must be shut down if it hopes to truly build a relationship of real trust between our two peoples.

Finally, I encourage my colleagues to send a very strong signal to the Clinton-Gore administration that the American people will no longer stand for their culture of disdain for security, whether it is the State Department laptops, bugging at the State Department, Los Alamos, or the many things we have been reading about. It is clear that lack of good security has been a hallmark of this administration from day one, and it is not acceptable. It is expensive, it is painful, and it is affecting our national security in a negative way.

I encourage my colleagues to support this fair rule and the underlying bill.

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

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

Mr. Speaker, the bill for which this rule provides consideration addresses some very valid security concerns in Cuba. However, Mr. Speaker, I think they could be addressed in a better way.

I believe the best way to engage Cuba is first to lift the food and medicine embargo, and then to open up trade and commercial dialogue. In all likelihood, the approach this bill takes will not adequately address American security concerns. Instead, it will further isolate Cuba, which will make it even more susceptible to outside influences other than ours.

My colleagues say that the way to improve human rights in China is to expand trade, an open dialogue. I say we should do the same in Cuba.

Mr. Speaker, when I was in Cuba just a few months ago our chief of mission, which would be our ambassador if we recognized Cuba, told me that her diplomats never have any face-to-face discussions with Cuban officials. They just do not talk. It is much harder to stay enemies with someone that you actually talk with.

The United States is the last country on Earth that still is not talking to Cuba. I suspect that this adds to our problems greatly, because, Mr. Speaker, as many of my colleagues probably know, the Cold War actually ended 9 years ago. Russia is no longer the Soviet Union. In fact, it is no longer Communist.

The debt restructuring is very important to the stability of Russia. A Russian default could upset any attempt at Russian economic reforms. That is something we want to avoid at all costs, because it could eventually threaten our own national security.

This is not leadership. We are not showing our strengths by withholding debt relief to Russia. We need to stand by our commitments and assist Russia as it works to become a true democracy with a market economy, but strangled by this debt, they will never get there.

This bill holds the debt hostage to our outdated Cold War policy. Mr. Speaker, that could have very, very serious ramifications.

Mr. Speaker, I would be the first one to say that we have to address surveillance issues. The United States communications are sacred. They should be protected. But if we are concerned about the types of security threats coming from Cuba, I think we should talk to people in Cuba the way we talk to everybody else. Why should they be any exception?

There are some who believe we should continue to isolate Cuba. They believe we should refuse food, we should refuse medicine. We should refuse any conversation with our neighbors to the south, regardless of the effect on the Cuban people or American businesses.

Mr. Speaker, we have tried isolating Cuba for 40 years. It is not working. This bill is well-intentioned, but might risk making things worse. Let us open the policy up. Let us send our diplomats in. Let us get talking. That is how we protect ourselves and everyone else. That is how we should protect ourselves here.

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

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

Mr. Speaker, I would point out that this bill asks Russia to stop renting the facility, and have it shut down that way. So we are dealing and focusing on Russia, not on Cuba in this bill.

Mr. Speaker, I yield 6 minutes to the distinguished gentleman from Florida (Mr. DIAZ-BALART), my colleague and a member of the Committee on Rules.

Mr. DIAZ-BALART. Mr. Speaker, I thank the gentleman from Sanibel, Florida, for yielding time to me.

Mr. Speaker, I rise in strong support of the rule, as well as the underlying legislation. I commend the gentleman from New York (Chairman GILMAN) and the gentleman from Florida (Chairman Goss), and especially my colleague, the gentlewoman from Florida (Ms. ROS-LEHTINEN), the author of the legislation, for their hard work in bringing forth this important bill to prohibit rescheduling of debt to Russia until it removes its intelligence personnel and closes the personnel base, the spying facility, in Cuba.

Almost a decade after the collapse of the Soviet Union, a Communist dictator continues to oppress and brutalize a country only 90 miles from our shores, denying the people of Cuba the most basic freedoms, including the freedom of speech, the right to assemble, the right to democratic elections, the right to participate in political parties and labor unions, the right to a free press; in other words, Mr. Speaker, the right of self-determination and the rule of law.

Cuba is going to be free, it is inevitable. But I think it is without any doubt in the national interests of the United States for Cuba to be free as soon as possible. I think it is important that we touch upon just a few of the reasons why.

We in Congress have the ability to receive research from many so-called think tanks. Obviously, they are institutions of research. One of the most respected, I believe, and certainly well-informed of those research institutes is the William Casey Institute of the Center for Security Policy.

In a recent report, they wrote, ''American advocates of normalization contend that Cuba no longer poses any threats to the United States, and that the U.S. embargo is therefore basically an obsolete and harmful relic of the Cold War. Unfortunately, this view ignores the abiding menacing character of the Cuban dictatorship.

''This is all the more remarkable given the emphasis Secretary of Defense William Cohen, among other Clinton administration officials, has placed on asymmetric threats, the very sort of threats that Castro's Cuba continues to pose to American citizens and interests.''

The Russian intelligence-gathering facilities in Cuba, which is what this legislation is dealing with, specifically, the vast signal intelligence facilities operated near Lourdes by Havana's and Moscow's intelligence services, permit the wholesale collection of sensitive United States military, diplomatic, and commercial data, and the invasion of millions of Americans' privacy.

The Cuban regime, with Russia's help, has the capability to conduct sustained and systematic information warfare against the United States. A stunning example of the potentially devastating consequences of this capability that this legislation is dealing with was recently provided by former Soviet military intelligence Colonel Stanislav Lunev.

As one of the most senior Russian military intelligence officers to come to this country, Lunev revealed that in 1990 the Soviet Union acquired America's most sensitive Desert Storm battle plans, including General Schwarzkopf's famed ''Hail Mary'' flanking maneuver, prior to the launch of the U.S. ground war in the Persian Gulf.

Moscow's penetration of such closely-guarded American military planning via its Cuban facility, which this legislation is dealing with, may have jeopardized the lives of literally thousands of U.S. troops in the event that the intelligence had been forwarded to Saddam Hussein at that time by Soviet premier Gorbachev.

By the way, Moscow pays over $200 million a year to this day to the Castro regime for the intelligence-gathering post, for the Russian intelligence-gathering post 90 miles from the shores of the United States. Even though they get a lot of money from the U.S. taxpayer, Mr. Speaker, the Russians turn around and pay over $200 million a year to Castro for the intelligence facility that the Russians maintain in Cuba.

Recent news reports have brought forth that the same types of concerns that existed during Desert Storm due to the intelligence-gathering operations in Cuba that this legislation is dealing with, the same types of concerns that existed during Desert Storm due to the intelligence-gathering operations in Cuba that the Russians maintain and the intelligence-gathering operations that Castro maintains with the help of the Russians, these same concerns remained during our recent operations in Iraq and in Kosovo.

Drug trafficking, money-laundering, assistance to narcoterrorists in Colombia and elsewhere, harboring murderers and many other fugitives from U.S. justice, those are but a few of the actions of the Cuban dictatorship which point out why a free and democratic Cuba as soon as possible is definitely in the national interests of the United States, as well, obviously, as in the national interests of Cuba.

But the intelligence post that we are dealing with today specifically, and that is the issue today brought forth by the legislation of the gentlewoman from Florida (Ms. ROS-LEHTINEN), is certainly another very key reason.

In conclusion, I urge both the adoption of the rule and the underlying bill, for which I commend my colleagues, and especially the gentlewoman from Florida (Ms. ROS-LEHTINEN) for bringing forward.

Mr. MOAKLEY. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts (Mr. MCGOVERN).

Mr. MCGOVERN. Mr. Speaker, I thank the gentleman from Massachusetts for yielding me the time.

Mr. Speaker, as the distinguished dean of the Massachusetts delegation noted, H.R. 4118 raises legitimate security issues. However, the bill puts forth the worst possible recommendation on how to deal with these issues.

Mr. Speaker, the Cold War is over. We are now in an era of engagement. Unfortunately, the sponsors of this bill want to link our policy with Russia to the failed U.S. policies towards Cuba. This bill would undermine U.S. leadership on engagement with Russia. It would cripple U.S. leadership in the Paris Club, that negotiates debt forgiveness and rescheduling of debt for Russia. It would place Russia's shaky economy in an even more precarious situation.

Why? Because the sponsors of this bill reject U.S. engagement with Cuba. If we had relations with Cuba, the United States could negotiate directly with the Cubans and the Russians about how to resolve the security issue.

Even worse, this bill will actually create new security problems for the United States. The United States maintains many listening stations around the world. We enjoy a significant advantage over Russia. Why do we want to bring public attention to these intelligence matters?

□ 1630

H.R. 4118 is part of the same effort that would deny Americans the right to travel to Cuba, and that would deny our farmers the ability to finance the sale of food and medicine to the people of Cuba. Sadly, the leadership of this Congress has, in a back room deal, refused to allow this House to work its will on that issue.

It is also part of the effort to block all efforts to pursue a new policy towards Cuba, one that engages the Cuban people, in order to ensure a peaceful transition to democracy.

This bill is a lose-lose proposition for American interests. I urge my colleagues to oppose H.R. 4118.

Mr. GOSS. Mr. Speaker, it is my great honor to yield 2 minutes to the gentleman from New York (Mr. GILMAN), the distinguished chairman of the House Committee on International Relations.

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

Mr. GILMAN. Mr. Speaker, I thank the gentleman from Florida for yielding me this time.

Mr. Speaker, I support the adoption of this rule for consideration of H.R.

4118, the Russian-American Trust and Cooperation Act of 2000.

This measure addresses a very serious situation, a situation that confronts our Nation with regard to espionage being conducted against our American Armed Forces, against our citizens, and against our companies from an expansive intelligence facility located in Cuba.

This measure also addresses a very serious situation with regard to the financial support that the Communist regime of Fidel Castro receives from the Russian Federation for the use of that intelligence facility.

In brief, this measure prohibits any further debt relief for the Russian government on the debts it owes to the United States until it closes down that espionage facility in Cuba; but the bill does contain a provision, adopted with bipartisan support in our Committee on International Relations, that grants the President limited waiver authority in the application of the requirements of this bill.

Mr. Speaker, I appreciate the expeditious work done by my colleague and the other members of the Committee on Rules to bring this bill to the floor.

Mr. MOAKLEY. Mr. Speaker, as my colleagues probably know, there is a Democratic Caucus going on, so I do not have any of my speakers here, so I will let the gentleman from Florida (Mr. GOSS) take over.

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

Mr. GOSS. Mr. Speaker, I am privileged to yield 2 minutes to the distinguished gentleman from Pennsylvania (Mr. GOODLING), chairman of the Committee on Education and the Workforce.

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

Mr. GOODLING. Mr. Speaker, I rise today in support of the rule for H.R. 4118, the Russian-American Trust in Cooperation Act of 2000, introduced by the gentlewoman from Florida (Chairman ROS-LEHTINEN). While the Cold War may have ended 10 years ago, the threat of Russian espionage remains alive and well on the island of Cuba.

Few Americans may know that the Russian government still maintains an agreement with the Castro regime that allows the Russians to operate an intelligence facility at Lourdes, Cuba, the largest espionage complex outside the former Soviet Union. With over 1,500 Russian engineers, technicians and military personnel, the Russian government is able to monitor communications activity in the United States and gather personal information about U.S. citizens. In fact, this facility enabled the Russians to intercept sensitive information about U.S. military operations during the Gulf War.

Now we have received startling news from our own intelligence that the Russian government is increasing its presence at Lourdes. It has been reported that the Russians have spent more than $3 billion to modernize and expand the Lourdes facility.

Our government must respond immediately and forcefully by prohibiting the forgiveness of bilateral debt owed to the U.S. by the Russian Federation and instruct our representative to the Paris Club of official creditors to vote against the rescheduling or forgiving of such debt until the President certifies that the Russian government has stopped all operations, removed all personnel, and permanently closed the Lourdes facility. The bill would provide the President a waiver if he certifies that doing so is in the national interest of the United States and that the Russian government is in compliance with multilateral and bilateral nonproliferation and arms limitation agreements.

Mr. Speaker, I would like to commend the gentleman from New York (Mr. GILMAN), the distinguished chairman of the House Committee on International Relations, for moving this important bill to the floor.

I urge my colleagues to support the efforts of the gentlewoman from Florida (Ms. ROS-LEHTINEN) and the gentleman from New York (Chairman GILMAN).

Mr. GOSS. Mr. Speaker, it is indeed a privilege to yield 3 minutes to the distinguished gentlewoman from Florida (Ms. ROS-LEHTINEN), the chairman of the Subcommittee on International Economic Policy and Trade.

Ms. ROS-LEHTINEN. Mr. Speaker, I would like to thank, first of all, the gentleman from Florida (Chairman GOSS) of the Permanent Select Committee on Intelligence for his support and, indeed, his enthusiasm for this bill. He is a staunch defender of U.S. national security interests and has been an unwavering ally in our efforts to curtail the threat posed by the Russian espionage facility at Lourdes, Cuba.

I would also like to take this opportunity to thank the distinguished gentleman from New York (Mr. GILMAN), the chairman of the Committee on International Relations, for his leadership and assistance in moving this bill through the committee process.

As has been explained, Mr. Speaker, H.R. 4118, a bill that I introduced in March of this year, documents several things. First, it documents the threat that is the Lourdes facility. Secondly, it documents the need for the legislation, and that is that the Russian Federation continues to have contempt for its financial obligations to the U.S. Thirdly, it provides a solution, that is, the prohibition of debt rescheduling and forgiveness.

H.R. 4118 documents the billions of dollars that the Russian Federation has spent and continues to spend in the leasing, the upgrading, and operation of its Lourdes post, providing much-needed financial support to the Castro regime to help keep it afloat. It underscores also the continued relation between the Russian intelligence service and the Castro tyranny by citing reports of a high-ranking Russian military delegation traveling to Cuba in December 1999 to discuss the continuing operation of Lourdes.

It refers to open sources which classify the Lourdes facility as the greatest single overseas asset for Russian intelligence, with 1,500 Russian engineers, technicians, military personnel, as well as tracking dishes and satellite systems, all tasked with intercepting computer communications, telephone calls, and faxes, as well as with the capacity to engage in cyberwarfare against the U.S.

The bill cites reports confirming the use of Lourdes to steal U.S. commercial and trade secrets as well as to collect personal information on American citizens in the private and government sectors.

H.R. 4118 is a focused bill which addresses specific policy issues, and this rule reflects this.

It enjoys the support of the majority leader and the majority whip, who are cosponsors of this measure; of the gentleman from New York (Chairman GILMAN) of the Committee on International Relations; and of the gentleman from Florida (Mr. GOSS), the distinguished chairman of the Permanent Select Committee on Intelligence, who, as we have seen, is managing debate on the rule.

The bill has Democrat cosponsorship and was passed in the committee on a voice vote with minority support. It was reported out as amended by compromised language offered by the gentleman from Connecticut (Mr. GEJDENSON), the ranking member of the Committee on International Relations.

I thank the Committee on Rules for reporting this rule. I ask my colleagues to vote in favor of the rule so that we can move forward with consideration of H.R. 4118, a bill which seeks to utilize the withholding of debt forgiveness and rescheduling to curb Russian behavior running contrary to our U.S. national security concerns.

Mr. MOAKLEY. Mr. Speaker, may I inquire of the gentleman from Florida (Mr. GOSS) if he has any remaining speakers.

Mr. GOSS. Mr. Speaker, I would like to advise the gentleman from Massachusetts, through the Chair, that we have no requests for further speakers. I am going to make a brief closing remark after the gentleman yields back.

Mr. MOAKLEY. Mr. Speaker, I await the remarks of the gentleman from Florida (Mr. GOSS).

Mr. Speaker, I yield back the balance of my time.

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

Mr. Speaker, I simply would put it this way. If we had an aircraft carrier parked off any part of the United States that was bristling with antennas and flying a foreign flag, people would want to know what was going on.

When there was evidence that that aircraft carrier was being used to obtain information that we regard as private information, our personal communications, our telephone calls, so forth, I know most Americans would want the United States Government to take action. That is not a far cry from the situation we are looking at.

The largest intelligence gathering facility is, in fact, at Lourdes, Cuba; and there is no doubt it is being used. Russians are having a hard time making ends meet. Yet they are still willing to put $300 million a year, or something thereabouts, into renting this facility; so presumably, they are getting at least that much back in their dividend, and that is undoubtedly at our expense.

It is worth noting that this weekend we are going to be renegotiating the debt. The Russians are going to be asking us one more time, could we do them a favor. I do not think most Americans want us to be paying our tax dollars to the Russians to spy on us, to take our secrets. That is what this bill seeks to stop.

My colleagues can remember the uproar we had just last week here when the Xinhua news agency for the People's Republic of China proposed to build a building that had line-of-sight capability on the United States Pentagon, the seat of the defense operations. There was huge uproar. That has been stopped because of the concern of spying.

Well, if we are able to stop something that simple, certainly we ought to make an effort to stop something as meaningful as what is going on at Lourdes. Nobody wants Big Brother reading their mail or looking over their shoulder or spying at them especially when Big Brother is not American; and, as all Americans know, we do not spy on ourselves in this country. So if we are being spied on, it is by somebody else, and we should stop it.

Mr. Speaker, I urge the support of the rule.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. GILMAN. Mr. Speaker, pursuant to House Resolution 555, I call up the bill (H.R. 4118) to prohibit the rescheduling or forgiveness of any outstanding bilateral debt owed to the United States by the government of the Russian Federation until the President certifies to the Congress that the Government of the Russian Federation has ceased all its operations at, removed all the personnel from, and permanently closed the intelligence facility at Lourdes, Cuba, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. FOSSELLA). Pursuant to House Resolution 555, the bill is considered read for amendment.

The text of H.R. 4118 is as follows:

H.R. 4118

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Russian-American Trust and Cooperation Act of 2000''.

SEC. 2. FINDINGS.

The Congress makes the following findings:

(1) The Government of the Russian Federation maintains an agreement with the Government of Cuba which allows Russia to operate an intelligence facility at Lourdes, Cuba.

(2) The Secretary of Defense has formally expressed concerns to the Congress regarding the espionage complex at Lourdes, Cuba, and its use as a base for intelligence activities directed against the United States.

(3) The Secretary of Defense, referring to a 1998 Defense Intelligence Agency assessment, has reported that the Russian Federation leases the Lourdes facility for an estimated $100,000,000 to $300,000,000 a year.

(4) It has been reported that the Lourdes facility is the largest such complex operated by the Russian Federation and its intelligence service outside the region of the former Soviet Union.

(5) The Lourdes facility is reported to cover a 28 square-mile area with over 1,500 Russian engineers, technicians, and military personnel working at the base.

(6) Experts familiar with the Lourdes facility have reportedly confirmed that the base has multiple groups of tracking dishes and its own satellite system, with some groups used to intercept telephone calls, faxes, and computer communications, in general, and with other groups used to cover targeted telephones and devices.

(7) News sources have reported that the predecessor regime to the Government of the Russian Federation had obtained sensitive information about United States military operations during Operation Desert Storm through the Lourdes facility.

(8) Academic studies assessing the threat the Lourdes espionage station poses to the United States cite official United States sources affirming that the Lourdes facility is being used to collect personal information about United States citizens in the private and government sectors, and offers the means to engage in cyberwarfare against the United States.

(9) It has been reported that the operational significance of the Lourdes facility has grown dramatically since February 7, 1996, when then Russian President, Boris Yeltsin, issued an order demanding that the Russian intelligence community increase its gathering of United States and other Western economic and trade secrets.

(10) It has been reported that the Government of the Russian Federation is estimated to have spent in excess of $3,000,000,000 in the operation and modernization of the Lourdes facility.

(11) Former United States Government officials have been quoted confirming reports about the Russian Federation's expansion and upgrade of the Lourdes facility.

(12) It was reported in December 1999 that a high-ranking Russian military delegation headed by Deputy Chief of the General Staff Colonel-General Valentin Korabelnikov visited Cuba to discuss the continuing Russian operation of the Lourdes facility.

SEC. 3. PROHIBITION ON BILATERAL DEBT RESCHEDULING AND FORGIVENESS FOR THE RUSSIAN FEDERATION.

Notwithstanding any other provision of law, the President—

(1) shall not reschedule or forgive any outstanding bilateral debt owed to the United States by the Government of the Russian Federation, and

(2) shall instruct the United States representative to the Paris Club of official creditors to use the voice and vote of the United States to oppose rescheduling or forgiveness of any outstanding bilateral debt owed by the Government of the Russian Federation,

until the President certifies to the Congress that the Government of the Russian Federation has ceased all its operations at, removed all personnel from, and permanently closed the intelligence facility at Lourdes, Cuba.

SEC. 4. REPORT ON THE CLOSING OF THE INTELLIGENCE FACILITY AT LOURDES, CUBA.

Not later than 30 days after the date of the enactment of this Act, and every 120 days thereafter until the President makes a certification under section 3, the President shall submit to the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate a report (with a classified annex) detailing—

(1) the actions taken by the Government of the Russian Federation to terminate its presence and activities at the intelligence facility at Lourdes, Cuba; and

(2) the efforts by each appropriate Federal department or agency to verify the actions described in paragraph (1).

The SPEAKER pro tempore. The amendment printed in the bill is adopted.

The text of H.R. 4118, as amended, is as follows:

H.R. 4118

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Russian-American Trust and Cooperation Act of 2000''.

SEC. 2. FINDINGS.

The Congress makes the following findings:

(1) The Government of the Russian Federation maintains an agreement with the Government of Cuba which allows Russia to operate an intelligence facility at Lourdes, Cuba.

(2) The Secretary of Defense has formally expressed concerns to the Congress regarding the espionage complex at Lourdes, Cuba, and its use as a base for intelligence activities directed against the United States.

(3) The Secretary of Defense, referring to a 1998 Defense Intelligence Agency assessment, has reported that the Russian Federation leases the Lourdes facility for an estimated $100,000,000 to $300,000,000 a year.

(4) It has been reported that the Lourdes facility is the largest such complex operated by the Russian Federation and its intelligence service outside the region of the former Soviet Union.

(5) The Lourdes facility is reported to cover a 28 square-mile area with over 1,500 Russian engineers, technicians, and military personnel working at the base.

(6) Experts familiar with the Lourdes facility have reportedly confirmed that the base has multiple groups of tracking dishes and its own satellite system, with some groups used to intercept telephone calls, faxes, and computer communications, in general, and with other groups used to cover targeted telephones and devices.

(7) News sources have reported that the predecessor regime to the Government of the Russian Federation had obtained sensitive information about United States military operations during Operation Desert Storm through the Lourdes facility.

(8) Academic studies assessing the threat the Lourdes espionage station poses to the United

States cite official United States sources affirming that the Lourdes facility is being used to collect personal information about United States citizens in the private and government sectors, and offers the means to engage in cyberwarfare against the United States.

(9) It has been reported that the operational significance of the Lourdes facility has grown dramatically since February 7, 1996, when then Russian President, Boris Yeltsin, issued an order demanding that the Russian intelligence community increase its gathering of United States and other Western economic and trade secrets.

(10) It has been reported that the Government of the Russian Federation is estimated to have spent in excess of $3,000,000,000 in the operation and modernization of the Lourdes facility.

(11) Former United States Government officials have been quoted confirming reports about the Russian Federation's expansion and upgrade of the Lourdes facility.

(12) It was reported in December 1999 that a high-ranking Russian military delegation headed by Deputy Chief of the General Staff Colonel-General Valentin Korabelnikov visited Cuba to discuss the continuing Russian operation of the Lourdes facility.

SEC. 3. PROHIBITION ON BILATERAL DEBT RESCHEDULING AND FORGIVENESS FOR THE RUSSIAN FEDERATION.

(a) PROHIBITION.—Notwithstanding any other provision of law, the President—

(1) shall not reschedule or forgive any outstanding bilateral debt owed to the United States by the Government of the Russian Federation, and

(2) shall instruct the United States representative to the Paris Club of official creditors to use the voice and vote of the United States to oppose rescheduling or forgiveness of any outstanding bilateral debt owed by the Government of the Russian Federation,

until the President certifies to the Congress that the Government of the Russian Federation has ceased all its operations at, removed all personnel from, and permanently closed the intelligence facility at Lourdes, Cuba.

(b) WAIVER.—

(1) IN GENERAL.—The President may waive the application of subsection (a)(1) with respect to rescheduling of outstanding bilateral debt if, not less than 10 days before the waiver is to take effect, the President determines and certifies in writing to the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate that—

(A) such waiver is necessary to the national interests of the United States; and

(B) the Government of the Russian Federation is substantially in compliance with multilateral and bilateral nonproliferation and arms limitation agreements.

(2) ADDITIONAL REQUIREMENT.—If the President waives the application of subsection (a)(1) pursuant to paragraph (1), the President shall include in the written certification under paragraph (1) a detailed description of the facts that support the determination to waive the application of subsection (a)(1).

(3) SUBMISSION IN CLASSIFIED FORM.—If the President considers it appropriate, the written certification under paragraph (1), or appropriate parts thereof, may be submitted in classified form.

(c) PERIODIC REPORTS.—The President shall, every 180 days after the transmission of the written certification under subsection (b)(1), prepare and transmit to the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate a report that contains a description of the extent to which the requirements of subparagraphs (A) and (B) of subsection (b)(1) are being met.

SEC. 4. REPORT ON THE CLOSING OF THE INTELLIGENCE FACILITY AT LOURDES, CUBA.

Not later than 30 days after the date of the enactment of this Act, and every 120 days thereafter until the President makes a certification under section 3, the President shall submit to the Committee on International Relations of the House of Representatives and the Committee on Foreign Relations of the Senate a report (with a classified annex) detailing—

(1) the actions taken by the Government of the Russian Federation to terminate its presence and activities at the intelligence facility at Lourdes, Cuba; and

(2) the efforts by each appropriate Federal department or agency to verify the actions described in paragraph (1).

The SPEAKER pro tempore. Pursuant to House Resolution 555, the gentleman from New York (Mr. GILMAN) and the gentleman from Connecticut (Mr. GEJDENSON) each will control 30 minutes of debate on the bill.

The Chair recognizes the gentleman from New York (Mr. GILMAN).

GENERAL LEAVE

Mr. GILMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 4118.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GILMAN. Mr. Speaker, I ask unanimous consent that, at the conclusion of my remarks, the gentlewoman from Florida (Ms. ROS-LEHTINEN), the Chair of the Subcommittee on International Economic Policy and Trade, be permitted to control the balance of the time on this side.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

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

(Mr. GILMAN asked and was given permission to revise and extend his remarks, and include extraneous material.)

Mr. GILMAN. Mr. Speaker, the measure we are considering in the House today, H.R. 4118, the Russian-American Trust and Cooperation Act, speaks to the twin issues of Russian electronic espionage conducted against our United States Armed Forces, against our companies and our citizens, and the Russian government's financial support for the Communist regime of Fidel Castro in Cuba, support that is provided by means of the hundreds of millions of dollars of annual rent paid for the use of a site in Cuba to conduct such espionage against our Nation.

Mr. Speaker, there are at least two fundamental questions that we need to address in this measure: first, why is the Russian government conducting such an expansive campaign of espionage against the United States at a time when we are supposed to be building a new relationship in this post-Cold War world?

Second, how does the Russian government explain that they have the financial means to turn over to the Castro regime every year Russian oil and commodities estimated to be worth as much as $300 million that it could otherwise sell to raise its own revenues, while at the same time Russia is claiming to the United States Government and its other creditors that it cannot afford to pay its debts to them?

□ 1645

Mr. Speaker, I suspect that many of our colleagues are not aware of the Russian track record with regard to meeting its debt obligations of the last 8 years. Permit me to take a moment to suggest a review of our committee's report on this bill, which lays out that track record in some detail, and let me summarize it in this manner:

Where the Russian government felt it could get away with not paying its debts, it did so; and that is particularly true with regard to its private, commercial creditors who, after years of Russian refusal to make payments, were earlier this year forced to write off over $12 billion in Russian debts. Twelve billion dollars as a matter of write-off.

Where the Russian government could not readily ignore its obligations, such as its debts to governments, including the United States, it sought out and won multiple reschedulings. Russia's debts to the United States Government have been rescheduled five times since 1993.

While Russia has manipulated its creditors, private and public, it has found the means to provide an estimated $2 billion in financing every 7 years to pay the Castro regime for the use of its espionage facility in Cuba. Over the past year, Russian officials have begun stating they expect the United States and their other official creditors to simply forgive a large part of their debt.

That is a far cry from the statements of Russian officials in 1992 and in 1993, when they laid claim to the former Soviet regime's assets around the world, embassies, gold stocks, foreign bank accounts, and solemnly vowed to take on the payment of that regime's debts. It now appears that the assets proved welcome but the debts were inconvenient. And as we see in so many other situations, the Russian government now wants to avoid its commitments. My colleagues, I leave it to other Members who are here today to speak to the character of espionage that is conducted by the Russian government from its Cuban facility.

It is a major concern for my colleagues when we learn the following: That sophisticated Russian listening devices have been placed in our State Department headquarters itself; that the number of Russian spies sent to the United States has risen sharply in recent years; and when we hear our FBI Director Louis Freeh state that Russian intelligence agencies present, ''A very formidable, very ominous threat to this country, to the infrastructure and to our economy.''

My colleagues, this measure is quite direct in its intent. If the Russian government wants further debt relief from our Nation, then it should close down its espionage facility in Cuba and stop supplying the hundreds of millions of dollars of support that that facility's operation provides to Fidel Castro.

A bipartisan amendment to the bill adopted by our Committee on International Relations provides the President with the authority to waive that prohibition for purposes of debt rescheduling for the Russian government, but not for any debt forgiveness, if he can certify that that is in the national interest of our Nation.

By passage of this measure, the House will make it clear to our own policymakers that it is time to strongly focus on this issue. If we are to have a new relationship with Russia, and if the Russian government seeks the support of our Nation, such as continued debt relief, then it is time that it hears clearly from our government about those actions that we do not appreciate; that supporting the Castro regime and spying on American citizens and our companies is not appreciated.

Accordingly, Mr. Speaker, I urge my colleagues to support this measure.

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

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

It is interesting that we are now going to drive our Russia policy, a country that has a significant nuclear arsenal, and that we are trying to get to transition to a full democracy, we are going to drive the Russian policy from Havana. If this was the free market, it would be as if we were going to Edsel to design Fords and to Beta to run the Sony business empire.

The Cuba policy has not worked. It does not work today. It leaves us looking foolish. We give PNTR to China; we will not sell food and medicine to Cuba. And now what we are going to try to do for the first time, as I understand it, is we are going to try to tie up our financial relations, in hopes to rebuild a Russia in the post-Soviet era, we are going to tie it all to what happens in Havana. Now, the Bush administration, the previous Republican administration, apparently never saw this facility as an obstacle to either American or multilateral assistance to Russia.

When we take a look at what we have here, we have a process where a delegation in this Congress, that is set on continuing a failed policy, now wants to weld the failed policy against Cuba to a policy of trying to deal with Russia in the post-Soviet era. It seems to me that this is not in America's best interest.

There are clearly debates we can have about the listening facility in Cuba. Some would argue it helps both sides when we have these mutual listening facilities, to make sure that international arms agreements are monitored by the sides, giving people a level of comfort. But even putting that aside, what we want to do here with this legislation is we will prevent the United States from its participation in Paris Club activities because we think this is one more nail in Fidel Castro's coffin. Well, for 40 years we have tried these plots. We have cut off food, we have cut off medicine, we have cut off trade, we have provided embargoes while we have opened up relations with China.

In China, we are told, by the way, that a completely undemocratic system that locks people up even who join exercise clubs, that this new commercial relationship will bring about democratic change and democratic institutions. It is the way to move forward. In Cuba we are told that 40 years of isolation is not enough; that if we can just isolate Cuba a little longer, this policy will work.

Well, my colleagues, it does seem time to bring back Edsel, the car Edsel, and the Beta format for Sony. This policy makes no sense for America's national interest. It is in our interest to make sure that the Russians repay their Soviet-era debt. If the United States uses this legislation to end the rescheduling of debt, what will happen? Well, if the Soviets choose to not repay the debt at that point, what is the damage to Russia? The damage is to America's creditors. We do not get the money back.

So it seems to me that this is bad from an arms control perspective; it is bad from trying to work with Russia to get it through the stage in the post-Soviet era; it seems to make no sense at all to tie a failed Cuban policy to Russia; and it is clearly a mistake for the United States to disrupt our relations in the Paris Club. I would hope, Mr. Speaker, that we would recognize that we need a new policy.

I know, Mr. Speaker, there are a large number of Republicans and Democrats who now see the need for a new policy in trying, frankly, to engage Cuba. Because it seems to me that when we have the better product, and when we show it to the other side, we do not undermine the United States, we undermine Cuba.

I can tell my colleagues that my parents fled the Soviet Union. We came to the United States. And in those early days, when we had the first visits by Soviet leaders, my mother and father said to me, Kruschev probably believes that he is being shown a Potemkin village; that when Kruschev came to the United States and saw grocery stores full of food and nice homes, she was convinced, and she was probably right, that Kruschev probably thought there was this barren wasteland beyond what he was being shown. By the time of Gorbachev, and even Brezhnev before him, they recognized ours was a great success and theirs was a horrendous failure.

Let Americans of Cuban descent and others easily travel to Cuba. Let the Cuban people see what freedom is all about. Let us not fear contact with the Cuban dictatorship. Every time an American in a free America has contact with Cuba, it undermines totalitarianism. Let us get rid of this policy that has hurt America's interest for 40 years.

And let us take a look for just one more moment to explain how silly some of what happens is. In my district there is a gentleman who exports hardwoods; and at one point several years ago, he shipped a shipment of hardwoods, oak, white oak, from eastern Connecticut to Japan. The Office of Foreign Control Authority grabbed all of his bank accounts. Why? It turned out the Cuban government owned a piece of the holding company in Japan, and we were taking his bank accounts away under the Trading With the Enemies Act.

We have created this insanity which more than isolating Cuba has isolated the United States and the world community. Every one of our democratic governments sees this as a policy that does not work. Let us try something new. Let us find a way to make sure the Cuban people understand that Americans care about the Cuban people; it is the type of government they have that we are against. Let us get rid of the hypocrisy of giving PNTR to China while we will not sell food and medicine to Cubans. Let us not tie our Russia policy to a failed policy in Cuba.

This is not going to change what happens in Cuba; it is not going to change what happens in Russia. It is just one more attempt to try to drive, I guess, all of our foreign policy out of how we see a failed policy in Cuba and continue it elsewhere around the globe. Reject this bill. It will not do much at the end of the day. It is just a bad idea.

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

Ms. ROS-LEHTINEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the threat posed by Russia's facility at Lourdes is not new. The Freedom Support Act of 1992 clearly underscored the dangers to U.S. national security, as did ensuing legislation.

Secretary of Defense Cohen stated in a May 1998 letter to the Congress, ''I remain concerned about the use of Cuba intelligence activities directed against the United States.'' And he further emphasized his concerns with the signals intelligence facility at Lourdes and what benefits the Cuban government may reap from this facility.

This latter statement sums up the dual threat that the Lourdes facility poses related to Russia's specific actions as well as the financial resources it affords the Cuban dictatorship through its yearly payments of $200 million to $300 million to the Castro regime for Lourdes.

However, after 8 years of talks, 8 years of providing the Russian Federation with billions of dollars in U.S. aid

of one sort or another, 8 years of rescheduling the Russian debt at different intervals, what has happened is that Lourdes remains a serious problem. In fact, evidence suggests that there has been an increase, not a reduction, of the threat posed by the Lourdes facility.

□ 1700

Coinciding with a February 7, 1996, order by then Russian President Yeltsin demanding that the Russian intelligence community increase its gathering of U.S. and other Western economic and trade secrets, multiple open sources confirm that the Russian Federation began a multi-billion dollar upgrade and expansion of the Lourdes facility, which included, according to open sources and public statements by former U.S. officials and Russian and Cuban defectors, the addition of satellite dishes, voice recognition facilities, more sophisticated computers for intercepting specific telephone numbers, faxes, and computer data, and the means by which to engage in cyberwarfare against the United States.

In fact, the ongoing sophisticated and organized cyberattacks that the Pentagon's military computer systems were subjected to in early 1999 came from a company routing through Russian computer addresses. These attacks have been occurring since 1998 and are believed to be stemming from the Lourdes facility.

Other public sources and reports refer to the jamming of U.S. FAA transmissions as an example of how Lourdes is used for cyberwarfare, which directly threatens the lives of all Americans.

On November 5, 1998, a Moscow publication reported that the Lourdes espionage facility provide between 60 and 70 percent of all intelligence data about the United States, including highly sensitive military information about our own Armed Forces. Such a penetration of closely guarded American military planning jeopardizes the lives of thousands of our men and women in uniform.

The use of Lourdes, however, according to academic studies and news reports quoting officials and unofficial sources, is not limited to secret U.S. military operations. Its targets include the interception of sensitive diplomatic, commercial, and economic traffic as well as private U.S. telecommunications. And these targets coincide with the previously mentioned mandate by Russian President Yeltsin that the focus of Russian intelligence had to be commercial and industrial espionage against the U.S. in particular.

According to surveys of the American Society for Industrial Security, commercial espionage bleeds the U.S. economy of at least $24 billion a year. However, nothing is being done to address Russia's active participation in a practice which has such devastating costs for American companies.

The economic traffic intercepted by Lourdes includes Federal Reserve deliberations, planned U.S. mergers and acquisitions, competitive bidding processes, data which could be used to bank-roll Russian global operations to the detriment of American equities.

The disdain for U.S. security extends into the private realm, as revealed by the director of the Defense Intelligence Agency in August 1996, who stated, ''Lourdes is being used to collect personal information about U.S. citizens in the private and government sectors.''

Still, the threat does not end there. Cuban engineers and officials of Cuba's Ministry of the Interior, which is Castro's intelligence service, who have defected to the United States in the last 5 years have stated that information on the U.S. obtained through the Lourdes espionage facility is offered by the Russians as a gift or is sold to regimes in countries such as Iran, Iraq, Libya, and China.

There are daily mail runs between the Lourdes facility and a Cuban intelligence office nearby. These are often used to exchange information and provide the Castro regime with valuable U.S. political and commercial data. According to defectors, this data is used by Cuban spies to target specific individuals and American companies in an attempt to undermine U.S. policy.

As the gentleman from New York (Mr. GILMAN), the distinguished chairman of the Committee on International Relations, has stated, the Russians have made a mockery of the debt rescheduling process; and they have ridiculed and scoffed at the United States for our continued willingness in recent years to look the other way, even when there is overwhelming evidence that Russia uses its alleged limited resources to indeed expand its espionage activities against the U.S. and to provide much-needed funds and information to the enemies of our country.

U.S. willingness to reschedule Russian debt while ignoring the threat posed by the Lourdes espionage facility has not only given the Russian Federation the impression that it can undermine U.S. national security with impunity, but it has sent a signal to the Castro regime that a foreign presence in Cuba which threatens the safety of the American people will be tolerated and indeed even encouraged.

For this reason, the Cuban dictatorship is affording China's military and intelligence services the opportunity to build their own listening post near Lourdes. It has engaged with Chinese Government technical experts who are assisting the Castro regime with infomatics and communications. This will assist the Cuban Foreign Service in what Castro officials term their worldwide struggle against the U.S. by increasing their Internet capabilities.

H.R. 4118, Mr. Speaker, a bill which I introduced in March of this year with several of our colleagues is a critical step in addressing the threats posed by Lourdes and sends an unequivocal message to the Russian Federation that here in the United States we will no longer allow ourselves to be manipulated into debt rescheduling for a country which demonstrates a blatant disregard for U.S. security and the safety of our American people.

Russia cannot continue to claim poverty and ask for debt restructuring from the U.S., whether bilaterally through the Paris Club or at the upcoming Economic Summit in Japan, all the while providing $200 million to $300 million a year in rental payments to the Castro regime. The claims by the Russian Federation fall flat in the face of logic.

If Russia has hundreds of millions of dollars for upgrades to the Lourdes espionage facility, if Russia has hundreds of millions of dollars to build an additional espionage base for the Castro regime at Bejucal nearby, then it has funds to cover its Ex-Im Bank exposure of over $2.2 billion or its $1.9 billion in outstanding loan guarantees under the Commodity Credit Corporation of the U.S. Department of Agriculture or any of its debt to the U.S.

This cannot and must not continue. H.R. 4118 affords us the necessary leverage to correct this situation. It holds the Russian government accountable for its actions. It prohibits the forgiveness and rescheduling of Russian debt to the United States until the Russian Federation discontinues its operations and closes its Lourdes facility.

While it does provide for a national security waiver by the President, the waiver applies only to debt forgiveness and requires certification and reporting to us in the Congress.

I ask my colleagues to act. The time is now to protect our secrets, our security, and the American people. I urge my colleagues to vote for H.R. 4118.

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

Mr. GEJDENSON. Mr. Speaker, before yielding to the gentlewoman from California (Ms. WATERS), I yield myself such time as I may consume to just say that the gentlewoman from Florida (Ms. ROS-LEHTINEN) would make a better case if she argued that the Castro government was a threat to the people of Cuba where they do not have full freedom and they do not have a lot of things that they ought to have.

It is a little hard to convince us that we are somehow threatened in the United States by Castro. And for all the listening the Russians have done from the Cold War to today, the United States is the singular superpower; and that the policy the gentlewoman supports has failed to have an impact on the Castro government for 40 years.

Ms. ROS-LEHTINEN. Mr. Speaker, will the gentleman yield?

Mr. GEJDENSON. I yield to the gentlewoman from Florida.

Ms. ROS-LEHTINEN. Mr. Speaker, I believe that if the gentleman reads the bill, it is very clear. We are talking about the threat that is posed by the

Russian listening post in Cuba. It happens to be stationed in Cuba. It could be stationed anywhere else. It is a threat to the U.S. security, and I am not the only one to say it.

My colleague can ask Secretary Cohen whether he believes that the intelligence facility of the Russians, and that is the topic of concern here, is a threat to the U.S. national security or not.

Mr. GEJDENSON. Mr. Speaker, reclaiming my time, I thank the gentlewoman for her comments. But the reality is what she is trying to do is make our failed Cuba policy control our Russia policy. That is a mistake.

Mr. Speaker, I yield 4 minutes to the gentlewoman from California (Ms. WATERS).

Ms. WATERS. Mr. Speaker, I appreciate the time that has been allotted to me by the gentleman from Connecticut (Mr. GEJDENSON).

I would continue his discussion and help to point to the fact that we know that the gentlewoman on the opposite side of the aisle and many others will have ongoing criticism of Castro and his policies, and it will surface on every issue possible. We know that this is a single issue with some of our colleagues; and they are determined that, whenever they have the opportunity, they are going to try and use it to once again point to what they would consider the failed policies of the Cuban government.

However, we cannot allow those kind of arguments to get in the way of our Government's ability to provide security for the people of the United States of America. The security of the American people is the first priority in our relationship with Russia.

I would like to just read to my colleagues part of a Statement of Administration Policy that will make this very clear. The administration sent us a document which says:

''We share congressional concerns about the Lourdes facility and its intelligence collection activities. However, this legislation is not likely to be an effective lever on Russian actions. The United States, like Russia, maintains a number of signals intelligence facilities around the world. One important function of such facilities for both countries is to collect information to verify arms control agreements. Successive administrations have steadfastly resisted attempts to define national technical means of verification or to circumscribe the location and use of such systems. Such a hindrance would run counter to fundamental U.S. national security interests and, in particular, to their ability to conduct arms verification. Legislation like this bill may rebound adversely to the United States by inviting Russia and other countries to pursue similar charges against U.S. facilities they characterize as threatening. Additional explanation or information relating to facilities such as Lourdes can be provided in classified briefings.''

Basically what the administration is telling us is to butt out of their ability to negotiate in the best interest of this country.

We all have our peeves. We all have our dislikes. But we cannot create foreign policy on the floor of this Congress one by one based on our own narrow interests.

I will grant my colleagues and I will not try to take away from any Member their feelings about Cuba or any other country that they wish to talk about. But I would ask them to restrain from trying to dictate foreign policy and tie the hands of this Government when it gets before the Paris Club to negotiate debt relief.

I was on the floor of this Congress just a few days ago where we all agreed that we were going to do debt relief. We have given the signal to our Government which direction we want to go in. We are leaders in this world; and we have got to go to the Paris Club, and we have got to negotiate for debt relief, and we have got to have Russia's interest at heart when we do that.

Now, make no mistake about it, yes, we have facilities. God knows where our facilities are. We spy where we have to spy. We look into what we have to look into. And that is why we have such a large intelligence community.

So let us not mix up our dislike for Castro and our effort to want to continue the embargo with this bill that we have before us. This is not in the best interest of this country. I ask my colleagues to vote against it.

Ms. ROS-LEHTINEN. Mr. Speaker, before I yield to my colleague from California, I yield myself such time as I may consume to remind our colleagues on the other side that perhaps they could read the bill, and they would find out that we are not talking about the embargo, we are not talking about trade sanctions. And, yes, we do have many listening facilities, I would say to my friend from California, in the world that we are not asking anyone for debt forgiveness and rescheduling of our debt.

The difference is that in this bill we say Russia wants rescheduling of their debt, and we believe that U.S. taxpayers should have assurances that their monies are being used wisely. I think our national security is a very important consideration, and that is why we are putting these safeguards in any negotiations with the Russians about rescheduling of the debt.

Mr. GEJDENSON. Mr. Speaker, will the gentlewoman yield?

Ms. ROS-LEHTINEN. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Speaker, first of all, we are not talking about forgiveness here as much as rescheduling, which is again in our interest. If they default at some point, that hurts us, the lenders.

Additionally, does the gentlewoman think that our present policy with Cuba has diminished Russian influence there or increased it? It seems to me, if they want to diminish Russian influence in Cuba, bring down the embargo and there will be less room for it.

Ms. ROS-LEHTINEN. Mr. Speaker, reclaiming my time, this bill is not about diminishing any power. This bill says national security is important to us in the United States. This bill also says that Russia owes billions of dollars to the United States, that we have a right to protect U.S. taxpayers' money by putting conditions on the forgiveness. We do have listening posts throughout the world and we are not asking anyone else to forgive our debt.

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Mr. Speaker, I yield 4 minutes to the gentleman from California (Mr. ROHRABACHER) who understands that this bill deals with national security and the protection of the U.S. taxpayer.

Mr. ROHRABACHER. Mr. Speaker, I rise in strong support of H.R. 4118. I am an original cosponsor of this bill. Let us get down to some basics. I know there is a major attempt by some when discussing this bill to try to refocus the debate on something that has nothing to do with this bill, and, that is, a general policy towards Cuba. We are not discussing a general policy towards Cuba. Any attempt to focus on a general policy towards Cuba is nothing more than an effort to get people not to confront the common sense alternative and the common sense policy that is being advocated in H.R. 4118.

I would ask anyone reading the CONGRESSIONAL RECORD or listening to the debate or my colleagues on either side of the aisle to ponder this question: Does it make sense for us to offer debt relief to a country, to a regime, namely, Russia, if Russia is using the economic resources that we are then making available to them through that debt relief to finance a facility that is aimed at undercutting American security, at a facility that is aimed at gathering intelligence that will put America's military personnel in jeopardy? Does that make sense? Does it make sense for us to do a favor for someone, the Russians, giving them resources so they can spend more money to put American lives in jeopardy?

If that does not make any sense, then you should support H.R. 4118, because it makes no sense to help finance someone who is putting their money into a facility that is aimed at gathering intelligence that puts the lives of American military personnel at risk. That is as simple as it gets. I do not understand how anybody can argue on the other side, except, of course, to try to talk about the general Cuba policy to deflect a reasonable discussion on the issue.

Ms. WATERS. Mr. Speaker, will the gentleman yield?

Mr. ROHRABACHER. I yield to the gentlewoman from California.

Ms. WATERS. Mr. Speaker, does the gentleman realize that one of the highest priorities of this country is to reduce and control arms in Russia? Does

the gentleman realize that we have spent a considerable amount of time and we have already rescheduled debt in the interest of helping to get rid of dangerous weapons in Russia and making this world a safer place? Does the gentleman realize that is the top priority?

Mr. ROHRABACHER. Reclaiming my time, that may be a stated goal of the administration, but obviously this is the difference between goals and what reality, what comes from those goals and what is a result of the goals, in seeking the goal. Yes, we have a goal of lots of wonderful things for Russia. As long as we act like a bunch of saps, as long as we act like we can be taken advantage of, giving debt restructuring while they are doing things in a belligerent way to the United States, and providing resources for an intelligence facility in Cuba, providing hundreds of millions of dollars of resources to an intelligence facility in Cuba that puts the lives of American military personnel at risk is a belligerent act on the part of the Russian government towards the United States.

We should not reward this type of belligerence by restructuring their debt. There is no moral equivalence between an American intelligence post and that of Russia. There is no moral equivalence between a Communist dictatorship in Cuba and other democratic societies. We should not be restructuring the debt of a country that is belligerent towards us and using their money to put the lives of American military personnel at risk.

Mr. GEJDENSON. Mr. Speaker, I yield 3 minutes to the gentleman from New Jersey (Mr. MENENDEZ) with whom I have some differences on this particular issue, but I am so often together with him that I am very happy to yield to him.

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

Mr. MENENDEZ. Mr. Speaker, I thank the distinguished ranking member of the committee for yielding time, even though I find this one of those occasions where I have to disagree with him.

Mr. Speaker, I know that there are people in the House who would want to paint this bill strictly about U.S.-Cuba relations. They believe it is a good time to do that. They believe it is propitious because of the set of circumstances that exists in the country and it would be easy to do so. But in my mind what this bill is about, it is about ending Cold War investments that Russia is still spending in Cuba.

I know everybody talks about let us end our Cold War mentality. Let Russia end its Cold War mentality. If any people need peace dividends more than even our citizens do, it is the Russian citizens. And clearly, the expenditures of moneys that they expend at the Lourdes spy station is in fact not a peace dividend to the people of Russia but is in fact totally unnecessary for the purposes that they have. The Russian government's continued operation of its intelligence gathering facility at Lourdes, Cuba is used to spy not just against military and political targets but, many observers believe, against commercial and technological interests in America. Public reports reveal that Russia has, in fact, expanded and modernized the Lourdes facility in recent years. So it is not only just having something that it had, it is expanding it. And we continue to assist Russia.

I have been one of those who have believed that in fact we have to assist Russia, and I have cast my votes on behalf of assisting Russia. But, my God, do we have to assist Russia to expand their spy facilities at Lourdes against the national interests of the United States, against the national security of the United States? I think not.

Now, Russian government revenues are estimated to total about $20 billion annually. The $200 million or more in yearly rent paid to the Cuban regime for use of the Lourdes site, therefore, represents a significant amount of the Russian government's annual revenues. And it is an affront to be asked to support yet another rescheduling of Russia's government debt to the United States and other governments or outright forgiveness of all or part of that debt when Russia spends an estimated 1 percent of its budget to spy on American citizens from this facility alone in Cuba, just from this facility alone.

Mr. Speaker, it is long past time that the Russian government close this spy facility which represents a clear threat to the country. I certainly urge support of the gentlewoman's legislation. I believe it is in the national interests of the United States to do so.

Ms. ROS-LEHTINEN. Mr. Speaker, following the very eloquent words of the minority whip, I am honored to yield 5 minutes to another great patriot, the distinguished gentleman from Texas (Mr. DELAY) our majority whip.

Mr. DELAY. Mr. Speaker, I appreciate the gentlewoman from Florida giving me the time, and I congratulate her on bringing this bill to the floor. It is a very meaningful piece of legislation that I hope the American people will pay some attention to.

Mr. Speaker, Members should support this bill and demand accountability in our relations with Russia. The simple fact that American taxpayers are targeted by a Russian intelligence facility on Cuban soil demonstrates the predictable fruits of this administration's flawed and failed foreign policy and its alarming disregard for our national security.

The Vice President has positioned himself as the architect of our relationship with Russia. He brags about it. Those policies have been a dismal failure. Our relations with Russia have fallen to the lowest ebb than at any time since the Cold War.

It is this administration's insane contention that Russian spying from this facility in Cuba enhances our relationship because it fosters trust. The fact that this facility remains open shows this administration's empty commitment to national security. American foreign policy should be negotiated from a position of strength, not the capitulation of appeasement.

This administration has tossed good dollars after bad to prop up failing, inefficient and corrupt institutions in Russia. For years, keeping Boris Yeltsin in office was seemingly our sole goal. The administration propped up Yeltsin at all costs as he and his cronies ransacked the government while they lined their own pockets.

Sound relations with Russia must begin with accountability. Unfortunately, the administration still has not embraced this fundamental concept. Their answer is to blindly pour more money at the problem. Clinton and GORE want to either restructure or forgive billions of dollars that Russia owes the United States.

We cannot forget that Russia's vast potential is not bound up in the destiny of any one man or one faction. Rather, success lies with the growth of those institutions that allow democracy to take root. Without the proper foundation, the Russian people will never know the blessings of a stable democracy.

Until that day comes, we must remain vigilant, and this cutting-edge spy facility is a bad sign. Many Americans will be shocked to learn that at the same time this administration is ready to write off billions of dollars that Russia owes the United States, the Russians are subsidizing Fidel Castro's evil regime with hundreds of millions of dollars.

Russia leases an intelligence gathering facility at Lourdes, Cuba. The committee reports that this annual payment may consume as much as 1 percent of Russia's entire budget. Money, of course, is fungible. Money sent to Russia for a high purpose can be misapplied to fund inappropriate activities. Intelligence gathered from this site may well be shared by Russia with regimes hostile to America. The simple cost of operating this facility alone directly benefits the most dangerous regime in our hemisphere.

We should not ask the American taxpayer to subsidize a hostile facility that is targeting the Nation from the foot of our continent. This is a regime that does evil to its people. The Russian lease for the Lourdes espionage center is an important source of hard currency for Fidel Castro.

It is strongly against our national interests to have an espionage facility actively stealing our vital national secrets, pilfering economic information, and collecting private information about individual Americans. This is simply wrong and we should not be paying for it.

Members should demand that Russia be given no economic support until this facility is out of business. They can do that by supporting this bill.

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

I would just like to say that we need to focus on what we are trying to do here. We are trying to run our Russia policy through Havana. If you want to reduce Russian influence in Cuba, then bring down the embargo. The reason that Cuba does so much with Russia is it does not have other alternatives. Our present Cuba policy has failed for 40 years. The idea that we come down to the floor and make all these great new charges and somehow it is going to make this failed policy work is mindless.

Mr. Speaker, I yield 2 minutes to the gentleman from North Dakota (Mr. POMEROY).

Mr. POMEROY. Mr. Speaker, I thank the gentleman for yielding me this time and want to follow along on his comments. As the preceding speaker, the majority whip indicated, this is not really about Russia, it is about Cuba. How I wish we could have an opportunity to discuss the full range of issues about Cuba, because the majority whip has stood singularly to stop this floor from the consideration of overturning the outdated, ineffective sanctions on the sale of food and medicine to Cuba, and he will not even let that proposal come up as proposed by the gentleman from Washington (Mr. NETHERCUTT) for full consideration of the House.

So that part of the Cuba question never comes to the floor. It is only this part, the piling-on part, the continuing of the outdated sanctions part, all inconsistent with this theme, that comes to the floor for consideration.

As to the issue before us, it is very, very bad business. Last week we marked up a foreign operations appropriations bill. The fact of the matter is we know that extension of taxpayer aid to other countries is at an all-time low relative to the size of our economy, at least in the context of recent history. So we have to have private economic opportunity flowing across the world and in the global marketplace. It will be a critical part of bringing developing countries along.

□ 1730

If any action by this Congress would push Russia into defaulting upon its debt, the ramifications would be felt far beyond Russia. They would be felt in countries like Brazil, struggling to get their economic house in order. They would be felt in countries like South Korea and Malaysia and elsewhere, as the market would contract and pull investment capital out of those developing countries.

Mr. Speaker, I cannot really think of a more unfair, unbalanced debate as what this bill introduces today, nor can I think of much that would do more to stop global development in these Third World countries and other developing countries all in the name of misguided Cuban policy.

Ms. ROS-LEHTINEN. Mr. Speaker, may I inquire how much time is remaining?

The SPEAKER pro tempore (Mr. FOSSELLA). The gentlewoman from Florida (Ms. ROS-LEHTINEN) has 3½ minutes remaining, and the gentleman from Connecticut (Mr. GEJDENSON) has 11½ minutes remaining.

Ms. ROS-LEHTINEN. Mr. Speaker, I reserve the balance of my time and encourage the gentleman from Connecticut (Mr. GEJDENSON) to use up his time.

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

Mr. Speaker, I would like to point out to my colleagues particularly on the other side of the aisle that the Bush administration, and this facility existed throughout the entire Bush administration, did not try to interfere with international rescheduling of Russian debt or any other actions based on this that I know of and that anybody has been able to present to me.

During the Bush administration, this facility was there. They certainly did not interfere with debt, and the gentlewoman from Florida (Ms. ROS-LEHTINEN), although it is again a bill that I thought made no sense. But the President already has the authority under Helms–Burton to withhold, I think, an equal amount of money from Russia, if the President so chooses. So what we have here again is it is all driven by how do we stop Cuba, how do we stop Cuba.

Ms. ROS-LEHTINEN. Mr. Chairman, will the gentleman yield?

Mr. GEJDENSON. I yield to the gentlewoman from Florida.

Ms. ROS-LEHTINEN. Mr. Speaker, the rescheduling has started since the breakup of the Soviet Union. The Clinton administration has been rescheduling the debt time and time again with no protection for the U.S. taxpayers.

Mr. GEJDENSON. Mr. Speaker, reclaiming my time, in the last 2 years of the Bush administration, they had this same $3.1 billion of Soviet-era debt sitting around. There was several years of end to the Soviet Union. You have Helms–Burton. The fundamental problem is we have a policy that has not worked for 40 years. If we want to reduce Russian influence in Cuba, let Americans in.

Mr. Speaker, I yield 2 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair would remind Members that it is not permissible to use wireless telephones or other personal electronic devices on the floor. Such devices should be disabled while in the Chamber.

Ms. JACKSON-LEE of Texas. Mr. Speaker, the distinguished gentlewoman from Florida (Ms. ROS-LEHTINEN) is a colleague and a beloved associate here in this House.

Let me say that I am against oppression and certainly recognize that we need to join together in a bipartisan manner to address many foreign policy issues. But this legislation clearly ties the hand of the President of the United States, the Commander in Chief.

We did not do it for previous administrations, and we should not do it now. Frankly, this is debt created in Russia during Communist times. I am a Member of the Committee on Science, and we realized that the Russian government is part of the international space station.

They could not pay their bill. But we recognized in the interests of international friendship, collegiality and working together on an important initiative that this issue of the space station, we should not penalize Russia because of having fallen on hard times.

This is what this legislative initiative does. It penalizes Russia because it has fallen on hard times, and it penalizes the Commander in Chief who is attempting to create peace. What would anyone say if we passed legislation dealing with peace proceedings that I agree with, and since I am on the floor of the House, I do not know the status of it, that kept the President from acting to develop a Middle East peace agreement because we did something negative to negate those negotiations?

This legislation will negate the negotiations of helping Russia. I believe if we have concerns with the Cuban government, we need to deal with it in a sense of having widespread discussions, working with concern to the issues of those who are for Cuba or against Cuba.

Mr. Speaker, I do not believe this particular legislative initiative does this country well in terms of its national and international responsibility as a world power creating peace and not war, to pass this legislation would undermine our relationships with Russia. We do not solve the problems that I believe my friends are attempting to solve.

Ms. ROS-LEHTINEN. Mr. Speaker, I reserve the balance of my time.

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

Mr. Speaker, I will close at this point, and just rise to say that in no other part of our society would we continue to press a failed policy. Ford Motor Company dropped Edsel pretty quickly. Sony made a valiant effort to have Beta change the format, but once it was clear it did not work, they abandoned it.

Mr. Speaker, for some reason, we have continued this Cuba policy for 40 years. We have Helms–Burton that isolates us globally, and the President has to continue to waive. In that language, there is already legislation. There is language that would give the President more ability to act if he was so inclined to on this issue.

America's interests are not served by trying to drive all of our foreign policy through Havana. The United States interests in dealing with Russia, with its large nuclear force is far more important to American security than trying to even topple the government of Castro.

I would like to see Castro gone. I would like to see a democracy there. I would like to see the people of Cuba living a better standard of living. I would like to see American farmers selling the food crops and American pharmaceuticals selling them the medicine they need to give their people a better life. I would like to see an end to this policy which for 40 years has only isolated America and not isolated Castro.

Ladies and gentlemen of this Chamber, we know why we are here. This is not about Soviet-era debt and the rescheduling of it at the Paris Club, if America, and this is kind of an esoteric debate for many people, if we fail to fulfill our responsibilities of the Paris Club, if this legislation passes and would go into effect, it would remove our ability to help the poorest of the poor countries, in doing away with their debt and trying to help them alleviate poverty.

There are so many issues that America is involved in. So much of the agenda, what happens in the world, is critical to this country, but yet we continue to try to drive all of that foreign policy, all of our interests through Havana. It has not worked for 40 years, and if you keep it up for another 40, it still is not going to work.

The strongest tool in a democracy's arsenal is contact. The more contact of Cuban-Americas and other Americans with the people in Cuba, the more pressure there would be on Castro for change.

Reject this proposal. Let us start looking for a rational, bipartisan policy and not continue down this path.

Mr. Speaker, I yield back the balance of my time.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield 1½ minutes to the gentleman from New York (Mr. GILMAN), who is the esteemed chairman of the Committee on International Relations.

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

Mr. GILMAN. Mr. Speaker, the gentleman from Connecticut (Mr. GEJDENSON) says what we need is contact; this is the wrong kind of contact. We are talking about Russian espionage, and let me note the nature of Russian espionage that is carried out against our country.

The Sunday Times newspaper of London stated in a report on January 26, 1997 that the Lourdes base, the largest spy facility outside of Russia, is staffed by about 1,500 Russians. Intelligence reports, using satellites and high speed computers, they pick up millions of microwave transmissions every day and communicate with Russian spies operating on the American continent.

Mr. Stanislav Lunev, a former colonel in the Russian GRU military, has said the following, and I quote, ''the strategic significance of the Lourdes facility has grown dramatically since the secret order from Russian Federation President Yeltsin of 7 February 1996 demanding that Russian intelligence community step up the theft of American and other western economic and trade secrets. It currently represents a formidable and ominous threat to the U.S. national security, as well as the American economy and infrastructure.''

Mr. Speaker, one other report is Izvestiya, the Russian newspaper, November 1998, the Russian intelligence facility in Lourdes, Cuba ''provides between 60 percent and 70 percent of all Russian intelligence data about the United States.''

These are the kind of contacts we are concerned about, not the diplomatic contacts. We are concerned about Russian espionage against our Nation.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to close on the bill with the remaining time, and I would like to thank the gentleman from New York (Mr. GILMAN), as well as the gentleman from Connecticut (Mr. GEJDENSON), who has always been very cooperative in our Committee on International Relations, and we have enjoyed bipartisan support on a myriad of issues, including this one, in spite of the tone and tenor and rhetoric of the debate on the floor.

It is a bipartisan bill. This bill is not about the trade embargo. It is not about economic sanctions. It is about Russian espionage. It is about protecting U.S. national security. It helps prevent the theft of political diplomatic and commercial secrets. It protects the American people.

It protects the taxpayers from bearing the burden once and again of Russia's failure to pay its debt, and it upholds congressional priorities regarding fiscal responsibility and exerts congressional oversight over foreign policy priorities.

I will continue to work on my good friend, the gentleman from Connecticut (Mr. GEJDENSON) and have the gentleman see the light about what this bill does, and what, in fact, it does not do.

Mr. SMITH of New Jersey. Mr. Speaker, I rise in support of H.R. 4118, the Russian-American Trust and Cooperation Act of 2000. I am proud to be an original cosponsor of this measure, which was introduced by my good friend from Florida, Representative ROS-LEHTINEN, in March of this year. The point of this bill is clear: United States taxpayers should not have to subsidize espionage activities directed against them, or help to fund the repressive Castro dictatorship.

Right now, more than 1,500 Russian engineers, technicians, and military personnel are stationed at an intelligence base in Lourdes, Cuba where they are using tracking dishes, satellites, and other equipment to intercept telephone calls, faxes, and computer communications within the United States. This espionage facility—the largest operated by Russia outside the former Soviet Union—was used to obtain sensitive military information during Operation Desert Storm, and is now being used to collect personal information about U.S. citizens. The Russian government has spent more than $3 billion to modernize and operate that base.

The Lourdes spy base is also a large source of revenue for the Castro regime. The Government of Russia pays Fidel Castro somewhere between $100 to $300 million per year to lease the facility.

The bill before us today makes clear that the United States does not want to underwrite this highly improper and destructive activity. The bill prohibits the President from forgiving any bilateral debt owed by Russia to the United States until he can certify that Russia has closed down the Lourdes spy base. It also requires that the President report to Congress on actions taken by Russia to terminate its activities at Lourdes, and on U.S. efforts to verify those actions. The bill also grants the President authority to waive the debt forgiveness prohibition if he determines that such waiver is in the national interest of the United States.

If the government of Russia wants the United States to forgive its debts, then it should first stop squandering its limited resources on efforts to spy on U.S. citizens, and to prop up the bankrupt dictatorship in Havana. I urge my colleagues to support this bill.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. All time for debate has expired.

Pursuant to House Resolution 555, the previous question is ordered on the bill, as amended.

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

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

MOTION TO RECOMMIT OFFERED BY MR. GEJDENSON

Mr. GEJDENSON. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman from Connecticut opposed to the bill?

Mr. GEJDENSON. Yes, I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. GEJDENSON moves to recommit the bill H.R. 4118 to the Committee on International Relations with instructions to establish a bipartisan national commission to study and report to the President on the exercise of the presidential waiver in section 3(b)(2) of the bill with regard to United States national interests in the context of other possible actions (including changes in United States policy toward Cuba) and provide that the restriction contained in section 3(a) of the bill on rescheduling or forgiving debt owed by the Government of the Russian Federation to the United States shall become effective only after the date on which the commission submits such report to the President.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Connecticut (Mr. GEJDENSON) is recognized for 5 minutes in support of his motion to recommit.

Mr. GEJDENSON. Mr. Speaker, I would just say to my colleagues I will not use my entire 5 minutes, but say to the gentlewoman from Florida (Ms. ROS-LEHTINEN), who I get along with very well, and we have worked together on many issues, she said she wanted to let the light in.

Mr. Speaker, I am giving her a chance here with this motion to recommit to let the light in. What this motion simply does it creates a bipartisan commission to take a look at the best way to take care of our interests in this area.

I think it is clear that if we want to diminish Russia's interests in Cuba, if we want to increase America's interests in Cuba, if we want to increase American national security, then we will vote for this commission to give us a chance to examine the policy, to figure out what is really best for the United States. For 40 years we have not made progress, but only to isolate America.

Let us end the isolation. Let us let the light in. Support this motion to recommit. It is a bipartisan study. The leadership of this Congress is Republican. My colleagues have plenty of voice. Let us not keep us in the dark, let America see where the light is and it is in a new Cuba policy.

Ms. ROS-LEHTINEN. Mr. Speaker, I rise to speak against the motion.

Mr. Speaker, this motion, in effect, kills the bill. If my good friend from Connecticut (Mr. GEJDENSON) was so enamored of this amendment, he should have offered it in the committee stage, and he did not.

The gentleman from Connecticut (Mr. GEJDENSON) crafted the waiver he seeks to amend. It is his very language that is in the bill, now he is amending that. This is not a Cuba study commission bill.

The other side wants to hide. They want to ignore. They want to confuse the very real and imminent and growing threat posed by the Lourdes facility, and that is, in fact, what this bill does.

It is not about sanctions. It is not about U.S. Cuba policy. It is about Russian espionage, and it is about protection of the U.S. taxpayer.

□ 1745

A very similar proposal that my good friend, the gentleman from Connecticut (Mr. GEJDENSON), is proposing today was soundly defeated just a few short weeks ago in the Senate, after it became abundantly clear that such a commission is nothing more than a waste of the taxpayers' money; that it would be a waste of time and effort given that it duplicates the role that we exert in the U.S. Congress through hearings, through briefings, through meetings, legislation on this issue.

Ironically, this proposal even infringes upon the existing authority of the President and the executive agencies which on a regular basis make modifications to export controls and other regulations that guide U.S. policy toward any government, especially the Castro regime.

However, what is astonishing about this attempt is the apparent willingness of the minority to appease the brutal tyrant who rules Cuba with an iron grip, the willingness of the minority to sacrifice the safety, the privacy, and security of the American people. I know the minority does not want that. Our constituents expect us to defend their interests, to defend their hard-earned dollars, and we should not be using it for the purpose of appeasing a dictator who is a declared enemy of the United States. It is inconceivable to see my colleagues on the other side go to this extreme.

We have had many blue ribbon committees and commissions studying the issue of U.S.-Cuba relations and other issues. In fact, right now in Havana is a delegation, and they will be reporting back to the Committee on Ways and Means in a few months about lifting sanctions and other issues. The Council on Foreign Relations headed by Bernie Aaronson had this similar proposal just a few months ago. We have had countless commissions and countless task forces and blue ribbon groups studying this ad nauseam, and I do not think that the taxpayers want to see their funds used and manipulated in this way.

Mr. Speaker, I yield the remaining time to the gentleman from New Jersey (Mr. MENENDEZ) to speak on this motion.

Mr. MENENDEZ. Mr. Speaker, I thank the gentlewoman from Florida (Ms. ROS-LEHTINEN) for yielding me this time.

Mr. Speaker, I have to oppose the motion to recommit of the distinguished gentleman from Connecticut (Mr. GEJDENSON), and the reason I do so is I do not believe that this body should delegate to any entity its powers and its rights to have a bipartisan commission on any issue.

We are the representatives elected by the people of the United States to make crucial policy decisions, including decisions in foreign policy; not some unelected group of individuals chosen maybe because of their economic interests in this issue. And the fact of the matter is I do not believe that we should abrogate our powers and our responsibilities as legislators to any unelected commission to determine foreign policy. Let us have a commission on the Middle East; let us have a commission on a whole host of other places in the world. The fact of the matter is that would not be the course of events that we should pursue, and I urge my colleagues to reject the motion to recommit.

Ms. ROS-LEHTINEN. Mr. Speaker, I yield the remaining time to the gentleman from New York (Mr. GILMAN), the chairman of the Committee on International Relations.

Mr. GILMAN. Mr. Speaker, I thank the gentlewoman from Florida (Ms. ROS-LEHTINEN) for yielding me this time.

Mr. Speaker, I rise in opposition to the motion to recommit with instructions because I do not believe that it is germane to the underlying bill. This measure addresses a very real threat to American security and privacy posed by the operation of a sophisticated Russian eavesdropping facility in Cuba. These days our papers are filled with articles that debate Internet privacy. I wonder how many Americans are aware that the Russians are operating an electronic spy center in our own backyard violating the very privacy of communications in our Nation each and every day.

I regret that our good friend, the gentleman from Connecticut (Mr. GEJDENSON), has offered this motion which seeks to divert attention to a separate issue, our U.S.-Cuba relations. Let us stick to the subject before us. This bill is about Russian debt relief and Russian espionage. Let us not try to look away from this issue by way of the motion to recommit.

I remind our colleagues this is Russian espionage. Vote against the motion to recommit.

The SPEAKER pro tempore (Mr. FOSSELLA). All time having expired, without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Ms. ROS-LEHTINEN. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 275, nays 146, not voting 13, as follows:

[Roll No. 414]

YEAS—275

Aderholt	Blunt	Coble
Andrews	Boehlert	Coburn
Archer	Boehner	Collins
Armey	Bonilla	Combest
Bachus	Bono	Condit
Baker	Borski	Cook
Ballenger	Boyd	Cooksey
Barcia	Bryant	Costello
Barr	Burr	Cox
Barrett (NE)	Burton	Crane
Bartlett	Buyer	Crowley
Bass	Callahan	Cubin
Bateman	Calvert	Cunningham
Bentsen	Camp	Danner
Bereuter	Canady	Davis (FL)
Berkley	Cannon	Davis (VA)
Biggert	Capps	Deal
Bilbray	Castle	DeFazio
Bilirakis	Chabot	DeLay
Bishop	Chambliss	DeMint
Bliley	Chenoweth-Hage	Deutsch

Diaz-Balart
Dickey
Doolittle
Doyle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Etheridge
Everett
Ewing
Fletcher
Foley
Forbes
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Greenwood
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (MT)
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Istook
Jenkins
Johnson, Sam
Jones (NC)
Kasich
Kelly
Kennedy
Kildee
King (NY)
Kingston
Knollenberg
Kolbe
Kuykendall
LaHood
Lampson
Largent
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lucas (KY)
Lucas (OK)
Manzullo
Martinez
Mascara
McCarthy (NY)
McCollum
McCrery
McHugh
McInnis
McIntyre
McKeon
Menendez
Metcalf
Mica
Miller (FL)
Miller, Gary
Moore
Moran (KS)
Moran (VA)
Morella
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Ortiz
Ose
Oxley
Packard
Pallone
Pascrell
Paul
Pease
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Pombo
Porter
Portman
Pryce (OH)
Quinn
Radanovich
Ramstad
Regula
Reynolds
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sandlin
Sanford
Saxton
Scarborough
Schaffer
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shows
Shuster
Simpson
Sisisky
Skeen
Skelton
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Spence
Stabenow
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Talent
Tancredo
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Thurman
Tiahrt
Toomey
Traficant
Turner
Upton
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wicker
Wilson
Wise
Wolf
Wu
Young (AK)
Young (FL)

NAYS—146

Abercrombie
Ackerman
Allen
Baird
Baldacci
Baldwin
Barrett (WI)
Becerra
Berman
Berry
Blagojevich
Blumenauer
Bonior
Boucher
Brady (PA)
Brown (FL)
Brown (OH)
Capuano
Cardin
Carson
Clay
Clayton
Clement
Clyburn
Conyers
Coyne
Cramer
Cummings
Davis (IL)
DeGette
Delahunt
DeLauro
Dicks
Dingell
Dixon
Doggett
Dooley
Edwards
Engel
Eshoo
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gejdenson
Gonzalez
Gutierrez
Hastings (FL)
Hill (IN)
Hilliard
Hinchey
Hinojosa
Houghton
Hoyer
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson (CT)
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lantos
Larson
Lee
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Matsui
McCarthy (MO)
McDermott
McGovern
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Millender-McDonald
Miller, George
Minge
Mink
Moakley
Mollohan
Nadler
Neal
Oberstar
Obey
Olver
Owens
Pastor
Payne
Pelosi
Pickett
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sawyer
Schakowsky
Scott
Serrano
Sherman
Slaughter
Snyder
Stark
Tanner
Tauscher
Thompson (CA)
Thompson (MS)
Tierney
Towns
Udall (CO)
Udall (NM)
Velazquez
Visclosky
Waters
Watt (NC)
Waxman
Weiner
Woolsey
Wynn

NOT VOTING—13

Baca
Barton
Boswell
Brady (TX)
Campbell
Hilleary
Lazio
McIntosh
Murtha
Napolitano
Smith (WA)
Spratt
Vento

□ 1810

Ms. SANCHEZ and Mrs. MINK of Hawaii changed their vote from ''yea'' to ''nay.''

Mr. PHELPS and Mr. CROWLEY changed their vote from ''nay'' to ''yea.''

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. BRADY of Texas. Mr. Speaker, on roll-call No. 414. I was inadvertently detained and was not recorded. Had I been present, I would have voted ''yea.''

□

APPOINTMENT ON CONFEREES ON H.R. 4577, DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, AND EDUCATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2001

Mr. PORTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 4577) making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2001, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

A motion to reconsider was laid on the table.

MOTION TO INSTRUCT OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I offer a motion to instruct conferees.

The SPEAKER pro tempore (Mr. FOSSELLA). The Clerk will report the motion.

The Clerk read as follows:

Mr. OBEY moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill, H.R. 4577, be instructed to insist on no less than the $42,674,645,000 in the Senate amendment for the Department of Education which provides an increase of $179,999,000 over the President's budget request; no less than $7,353,141,000 in the Senate amendment for the Individuals with Disabilities Act to help fulfill the commitment the House of Representatives made on May 3, 2000 in adopting H.R. 4055, the IDEA Full Funding Act of 2000; no less than $8,692,000,000 in the Senate amendment for the Pell Grant Program to provide a maximum Pell grant award of $3,650; no less than $6,267,000,000 in the Senate amendment for the Head Start Program which provides the President's budget request; no less than $817,328,000 in the Senate amendment for the Child Care Development Block Grant which provides the President's budget request for fiscal year 2001; and no less than $20,512,735,000 in the Senate amendment for the National Institutes of Health which provides an increase of $2,723,399,000 over the President's budget request; and to insist on disagreeing with provisions in the Senate amendment which deny the President's request for dedicated resources to reduce class sizes in the early grades and for local school construction and, instead, broadly expands the Title VI Education Block Grant with limited accountability in the use of funds.

Mr. OBEY (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

□ 1815

The SPEAKER pro tempore (Mr. FOSSELLA). The gentleman from Wisconsin (Mr. OBEY) and the gentleman from Illinois (Mr. PORTER) each will control 30 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. OBEY).

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

Mr. Speaker, this motion to instruct is very simple. It says that the conferees should bring back a Labor-HHS-Education conference report that provides the increased funding in the Senate bill for the Department of Education in total and for several key programs such as special education, Pell grants, Head Start, child care, the National Institutes of Health.

The Senate provides a total of $42.6 billion for the Department of Education. That is $3.1 billion over the bill passed by the House. This motion instructs the conferees to provide at least every single one of the dollars that the Senate has added.

Included within the overall total is $7.3 billion for special education authorized under the Individuals With Disabilities Education Act.

Mr. Speaker, let me simply say that this motion to instruct with respect to special education would result in an increase of $803 million in additional spending over the House bill for that item.

I would point out when the House adopted on May 3 of this year H.R. 4055, the IDEA Full Funding Act of 2000, it promised to provide an increase of $2

billion over last year for IDEA. Just about a month later, the Labor-HHS-Education bill adopted by the majority failed to keep that promise, and provided an increase of only $513 million over last year. We think that we ought to provide the full amount.

The Senate bill also does not fully meet the promise that we made, but it would provide $1.3 billion over last year for IDEA to help reach the goal of a $2 billion increase in the Federal contribution toward the additional cost of educating children with disabilities. Every Member who voted for the IDEA Full Funding Act to increase funding for special education ought to support this motion to instruct.

The Senate bill also provides, Mr. Speaker, $8.3 billion to fund the maximum Pell grant of at least $3,650, an increase of $384 million over the House bill. This motion also instructs the conferees to agree with that increase.

The Senate bill provides $6.26 billion for Head Start, which is the President's request, and $600 million over the House bill. With these additional resources, more than 53,000 disadvantaged children would benefit from early learning opportunities to get a good start in life.

The Senate bill also provides the President's request for $817 million in additional funding for the child care block grant in fiscal year 2001, while the House bill cuts the request only $400 million. This motion would go to the full Senate amount and would provide extra resources for an additional 80,000 low-income children.

The motion would also instruct the conferees to adopt the Senate funding levels for NIH, which provide an additional $1.7 billion in real dollars for NIH research, unlike the House bill, which pretended to provide this increase in the front of the bill, but then took it away in the back of the bill.

Mr. Speaker, my motion also instructs the conferees to insist on disagreeing to the Senate's provision concerning class size reduction and school construction. The Senate bill denies two of the President's highest education priorities by merging the funding requested for the class size and school construction initiatives into the title VI education block grant.

Fundamentally, block grants are little more than revenue-sharing programs with little accountability for addressing Federal needs.

Mr. Speaker, if we are going to provide funding for class size initiative, we really need to actually provide it for that initiative, rather than to have a ''let's pretend'' initiative which in fact allows money to be spent for something else.

A large majority, 61 percent, feel that the Federal government spends too little on education. They support targeted Federal investments to hire new teachers, to reduce class size, and to repair and modernize our schools.

So what we are asking in this motion is that we reject the Senate language, which prevents or which denies the President's request for dedicating those resources to reduce class size in the early grades and for local school construction, and instead, broadly expands the title VI education block grant with limited accountability in the use of those funds. This motion to instruct would ask the conferees to in fact reject that portion of the Senate action.

I might point out that in the past, if we take a look at some of the uses that this money was put to by States or local districts, we will see that in the past some of this money was used for unnecessary State bureaucracy. It was used by one State or by one district to hire a mariachi band when we had the old Chapter II program in effect. Personal computers were bought for boards of education. Printing bills for a district were paid, the entire printing bill for one district was paid. Entertainment costs were paid. We think that there ought to be very specific targeting for these funds.

MODIFICATION TO MOTION TO INSTRUCT OFFERED BY MR. OBEY

Mr. OBEY. Mr. Speaker, I ask unanimous consent to amend the motion to instruct to correctly reflect that the increase provided in the Senate amendment for NIH is $1.7 billion, rather than $2.7 billion over the Senate request.

There is a typo in the amendment before us.

The SPEAKER pro tempore (Mr. FOSSELLA). The Clerk will report the modification.

The Clerk read as follows:

Modification to motion to instruct offered by Mr. Obey:

Strike out ''$2,732,399,000'' and insert ''$1,700,000,000''.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The SPEAKER pro tempore. The motion to instruct is modified.

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

Mr. Speaker, I simply want to explain, it simply corrects the typo to make clear that the increase of the Senate over the President's budget request for the National Institutes of Health was $1.7 rather than $2.7 billion.

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

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

Mr. Speaker, as the gentleman from Wisconsin well knows, I did not support the budget resolution that passed the House of Representatives early this year because I felt it would not provide adequate funding levels for many of the priorities which are reflected in this motion.

So when the gentleman proposes that we yield to the higher number in each case in the Senate bill for important national priorities, I do not disagree with that. We have consistently attempted, when we have had a good budget allocation, to be at or ahead of the President for the Department of Education because we place education at the very highest priority, and have funded it at the maximum number whenever we have had adequate fund to do so.

Certainly no one has been a stronger advocate than our own chairman, the gentleman from Pennsylvania (Mr. GOODLING), in increasing funding for special education under the IDEA program, and during the last 6 years funding has been more than doubled, from 6 percent to 13 percent of the amount that we need to provide full funding at 40 percent for the IDEA program. So we certainly agree that this account should be plussed up, and we will support that higher figure.

The Pell Grant program we have consistently increased at a higher number than the President, and I would again agree that this is a very high priority for our country, and $3,650 is a proper figure to accede to in conference.

Head Start has been a high priority, and we agree that the number ought to be the Senate number rather than the House number, since the House was forced to mark up at a far smaller overall number than the Senate. Child care is, of course, also a very high priority. We support the higher Senate number as well.

Finally, on the number side, if we look at the National Institutes of Health, we have done everything possible to double funding for the National Institutes of Health over 5 years, and for the last 2 years have provided 15 percent increases in each of those 2 years.

If we provide a 15 percent increase this year, in the last 6 years we will have increased NIH by 82 percent, and we will, if 2 more years are added, have increased NIH from $11 billion in fiscal year 1996 to $27 billion by fiscal year 2003.

Now, I might add to my colleague, the gentleman from Wisconsin, during that time the President of the United States has vastly underfunded this account, in some years providing an increase in his budget as low as 1 percent. Thank goodness this past year the increase he suggested was at 4.5 percent. That is some improvement. But we have been consistent in our support for a 15 percent increase for biomedical research through the National Institutes of Health, and certainly would support the higher number in conference.

Where the gentleman loses me on his motion to instruct is with the last few sentences that say, ''and to insist on disagreeing with the provisions of the Senate bill which deny the President's request for dedicated resources to reduce class sizes in the early grades and for local school construction, and instead, broadly expands the title VI education block grant with limited accountability in the use of funds.''

□ 1830

Mr. Speaker, here is where we get into a very clear philosophical difference. We believe very strongly that all the wisdom does not reside in Washington at the Department of Education, and that the best decisions are made by those responsible for primary and secondary education in America. It is not the Government in Washington. It is the States and the local school districts. They can make the decision best as to how these funds can be spent, whether they are needed for more teachers, whether they are needed for teacher training, whether they are needed to equip classrooms for computers, whether they are needed for construction. Those decisions should not be made by Washington mandate. We should give our local school districts maximum flexibility to make those decisions for themselves.

So while I can agree with the gentleman on the higher funding levels reflected in the Senate bill that had a little bit more than $5 billion more than the House in its allocation, I certainly disagree with the gentleman in terms of giving less flexibility to the local school districts, less flexibility to the States, more control to Washington over education. There I think the gentleman is wrong, and I would oppose the motion to instruct for that reason.

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

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

Mr. Speaker, let me simply take a minute to respond to the gentleman from Illinois (Mr. PORTER); and if he is inclined, I will then yield back my time, and we can have a vote.

Mr. Speaker, I think it is important that this motion to instruct include the language to which the gentleman from Illinois (Mr. PORTER) objects. I want to be very clear about this. This motion, in addition to requiring the higher numbers for special education, Pell Grants, Head Start, child care, and the National Institutes of Health, it would also instruct the conferees to insist on disagreeing to the Senate provisions concerning class size reduction and school construction.

The Senate bill purports to provide funding for the President's initiatives for class size and school modernization; and, yet, in reality, it denies the President's highest education priorities by merging the funding requested for class size and school construction initiatives into the title VI education block grant.

As I tried to indicate earlier on the floor, fundamentally, in my view, block grants are little more than revenue sharing programs with little accountability for addressing Federal needs.

The gentleman from Illinois refers to the need of local school districts and school officials to have flexibility. I certainly agree they need a significant amount of flexibility, but I think that when it comes to spending taxpayers money, we also need accountability.

I did not come here to simply be the tax collector for some other level of government. I came here to try to help identify legitimate national priorities and direct hard-earned taxpayers funds to those priorities. That is why the motion to instruct is structured as it is.

Mr. Speaker, I yield back the balance of my time.

Mr. PORTER. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. FOSSELLA). Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from Wisconsin (Mr. OBEY).

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. OBEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The SPEAKER pro tempore. The Chair announces that he will reduce to 5 minutes the vote by electronic device on the motion to suspend the rules on which the yeas and nays were postponed yesterday. That vote will immediately follow the vote on the pending motion to instruct conferees.

The vote was taken by electronic device, and there were—yeas 207, nays 212, not voting 15, as follows:

[Roll No. 415]

YEAS—207

Abercrombie
Ackerman
Allen
Andrews
Baird
Baldacci
Baldwin
Barcia
Barrett (WI)
Becerra
Bentsen
Berkley
Berman
Berry
Bilbray
Bishop
Blagojevich
Blumenauer
Bonior
Borski
Boucher
Boyd
Brady (PA)
Brown (FL)
Brown (OH)
Capps
Capuano
Cardin
Carson
Clayton
Clement
Clyburn
Condit
Conyers
Costello
Coyne
Cramer
Crowley
Cummings
Danner
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Doyle
Edwards
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Fletcher
Forbes
Ford
Frank (MA)
Frost
Gejdenson
Gephardt
Gonzalez
Gordon
Green (TX)
Gutierrez
Hall (OH)
Hastings (FL)
Hill (IN)
Hilliard
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Hooley
Hoyer
Inslee
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick
Kind (WI)
Kleczka
Klink
Kucinich
LaFalce
Lampson
Lantos
Larson
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Luther
Maloney (CT)
Maloney (NY)
Markey
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McIntyre
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Millender-McDonald
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (VA)
Morella
Nadler
Napolitano
Neal
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Peterson (MN)
Phelps
Pickett
Pomeroy
Price (NC)
Quinn
Rahall
Rangel
Reyes
Rivers
Rodriguez
Roemer
Rothman
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schakowsky
Scott
Serrano
Sherman
Shows
Sisisky
Skelton
Slaughter
Snyder
Spratt
Stabenow
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Thurman
Tierney
Towns
Turner
Udall (CO)
Udall (NM)
Velazquez
Visclosky
Waters
Watt (NC)
Waxman
Weiner
Wexler
Weygand
Wise
Woolsey
Wu
Wynn

NAYS—212

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barr
Barrett (NE)
Bartlett
Bass
Bateman
Bereuter
Biggert
Bilirakis
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Brady (TX)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Castle
Chabot
Chambliss
Chenoweth-Hage
Coble
Coburn
Collins
Combest
Cook
Cooksey
Cox
Crane
Cubin
Cunningham
Davis (VA)
Deal
DeLay
DeMint
Diaz-Balart
Dickey
Doolittle
Dreier
Duncan
Dunn
Ehlers
Ehrlich
Emerson
English
Everett
Ewing
Foley
Fossella
Fowler
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Goode
Goodlatte
Goodling
Goss
Graham
Granger
Green (WI)
Gutknecht
Hall (TX)
Hansen
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (MT)
Hilleary
Hobson
Hoekstra
Horn
Hostettler
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Isakson
Istook
Jenkins
Johnson, Sam
Jones (NC)
Kasich
Kelly
King (NY)
Kingston
Knollenberg
Kolbe
Kuykendall
LaHood
Largent
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
Martinez
McCollum
McCrery
McHugh
McInnis
McKeon
Metcalf
Mica
Miller (FL)
Miller, Gary
Moran (KS)
Myrick
Nethercutt
Ney
Northup
Norwood
Nussle
Ose
Oxley
Packard
Paul
Pease
Peterson (PA)
Petri
Pickering
Pitts
Pombo
Porter
Portman
Radanovich
Ramstad
Regula
Reynolds
Riley
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Royce
Ryan (WI)
Ryun (KS)
Salmon
Sanford
Saxton
Scarborough
Schaffer
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simpson
Skeen
Smith (NJ)
Smith (TX)
Souder
Spence
Stearns
Stump
Sununu
Sweeney
Talent
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Thune
Tiahrt
Toomey
Traficant
Upton
Vitter
Walden
Walsh
Wamp
Watkins
Watts (OK)
Weldon (FL)
Weller

Whitfield
Wicker
Wilson
Wolf
Young (AK)
Young (FL)

NOT VOTING—15

Baca
Barton
Boswell
Campbell
Clay
Greenwood
Johnson (CT)
Lazio
McIntosh
Murtha
Pryce (OH)
Smith (MI)
Smith (WA)
Vento
Weldon (PA)

□ 1854

Messrs. GOODLING, KINGSTON, CALVERT, CHAMBLISS, NORWOOD, WHITFIELD, SIMPSON, LINDER and COX changed their vote from ''yea'' to ''nay.''

Mr. RODRIGUEZ and Ms. WOOLSEY changed their vote from ''nay'' to ''yea.''

So the motion to instruct was rejected.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated against:

Mr. SMITH of Michigan. Mr. Speaker, on rollcall No. 415 I put my card in the voting box but it failed to register. I would have voted "nay."

The SPEAKER pro tempore (Mr. FOSSELLA). Without objection, the Chair appoints the following conferees: Messrs. PORTER, Young of Florida, BONILLA, ISTOOK, MILLER of Florida, DICKEY, WICKER, Mrs. NORTHUP, Messrs. CUNNINGHAM, OBEY, HOYER, Ms. PELOSI, Mrs. LOWEY, Ms. DELAURO, and Mr. JACKSON of Illinois.

There was no objection.

□

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 8 of rule XX, the Chair will now put the question on the motion to suspend the rules on which further proceedings were postponed yesterday.

□

DRUG ADDICTION TREATMENT ACT OF 2000

The SPEAKER pro tempore. The unfinished business is the question of suspending the rules and passing the bill, H.R. 2634, as amended.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Virginia (Mr. BLILEY) that the House suspend the rules and pass the bill, H.R. 2634, as amended, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 412, nays 1, not voting 21, as follows:

[Roll No. 416]

YEAS—412

Abercrombie
Ackerman
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Bartlett
Bass
Bateman
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boucher
Boyd
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Capps
Capuano
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth-Hage
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crowley
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (IL)
Davis (VA)
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Evans
Everett
Ewing
Farr
Fattah
Filner
Fletcher
Foley
Forbes
Ford
Fossella
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green (TX)
Green (WI)
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill (IN)
Hill (MT)
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kasich
Kelly
Kennedy
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kucinich
Kuykendall
LaFalce
LaHood
Lampson
Lantos
Largent
Larson
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Minge
Mink
Moakley
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Ose
Owens
Oxley
Packard
Pallone
Pascrell
Pastor
Paul
Payne
Pease
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pickett
Pitts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Reyes
Reynolds
Riley
Rivers
Rodriguez
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Scarborough
Schaffer
Schakowsky
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Shuster
Simpson
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Snyder
Souder
Spence
Spratt
Stabenow
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Talent
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velazquez
Visclosky
Vitter
Walden
Walsh
Wamp
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
Whitfield
Wilson
Wise
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NAYS—1

Sanford

NOT VOTING—21

Baca
Barton
Boswell
Campbell
Cannon
Clay
Greenwood
Kolbe
Lazio
McIntosh
Murtha
Pelosi
Roemer
Rush
Salmon
Sisisky
Smith (WA)
Sweeney
Vento
Waters
Wicker

□ 1904

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The result of the vote was announced as above recorded.

The title of the bill was amended so as to read:

''A bill to amend the Controlled Substances Act with respect to registration requirements for practitioners who dispense narcotic drugs in schedule III, IV, or V for maintenance treatment or detoxification treatment.''.

A motion to reconsider was laid on the table.

□

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. FOSSELLA). Under the Speaker's announced policy of January 6, 1999, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

□

PIPELINE SAFETY REGULATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Washington (Mr. METCALF) is recognized for 5 minutes.

Mr. METCALF. Mr. Speaker, on June 10, 1999, a liquid gasoline pipeline owned by the Olympic Pipeline Company ruptured and spilled over 200,000 gallons of gasoline at Whatcom Falls Park, a 241-acre park in the city of Bellingham in my district.

Gasoline was carried into Whatcom Creek, where the spilled fuel was inadvertently ignited by two 10-year-old boys, Wade King and Stephen Tsiorvas,

who were playing by the creek. The resulting fireball raced down the length of the creek for a mile and a half, killing King, Tsiorvas and an 18-year-old fly fisherman named William Wood. Swaths as wide as 200 feet along the creek were burned within minutes.

The explosion of June 10 caused millions of dollars in property damage and did immeasurable damage to the families and friends of Wade King, Stephen Tsiorvas, and William Wood.

I have long held reservations about our system of pipeline safety regulations. In 1996, I voted against the pipeline deregulation bill because I felt it removed too many essential safeguards.

Since the tragedy, I have redoubled my effort to improve the regulatory climate. I have been in close contact with industry, public interest groups, local officials, and Federal regulators and constituents and have emerged with significant concerns.

To name a few, pipelines are not required to be inspected thoroughly enough to ensure safety. Rules for training pipeline employees are woefully inadequate. Industry is not required to report spills under 2,100 gallons. Forty-five States have almost no role in regulating interstate pipelines which run through their jurisdictions.

Earlier this year I introduced H.R. 3558, the Safe Pipelines Act of 2000, which was cosponsored by the entire Washington State House congressional delegation as well as the gentleman from Georgia (Mr. LEWIS) and the gentleman from Ohio (Mr. KUCINICH). Thus I am pleased that today a bipartisan group of legislators gathered in front of the Capitol to talk about pipeline safety.

I would like to thank the gentleman from New Jersey (Mr. FRANKS) for introducing the new pipeline safety legislation, which I have cosponsored. The gentleman from New Jersey (Mr. FRANKS) is the chairman of the subcommittee that oversees pipeline safety. So this is a very important step forward.

Just last month, the gentleman from Pennsylvania (Mr. SHUSTER) committed to the gentlewoman from Washington (Ms. DUNN) and myself to hold a hearing fully exploring this vital safety issue before the full Committee on Transportation. In addition, Senator MCCAIN has marked up a pipeline safety bill in his committee which is now ready for a vote in the full Senate.

I will continue to work for additional safety provisions on the bill as it moves through the committee process in the House. I will push for measures like hydrostatic testing, greater State participation, Federal safety certification for pipeline employees, and a 5-year time period for internal pipeline inspections.

Too many people have already been lost in tragic pipeline accidents. We must ensure pipeline safety now.

SCOUTING FOR ALL ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. WOOLSEY) is recognized for 5 minutes.

Ms. WOOLSEY. Mr. Speaker, earlier today I introduced a bill, the Scouting for All Act, to repeal the Boy Scouts of America's Federal charter. The bill's cosponsors are sending a message to the Boy Scouts and to all Americans that the Congress of the United States does not support intolerance.

As my colleagues know, a charter is an honorary title Congress awards to organizations that serve a charitable, patriotic, or educational purpose. But to me there is nothing charitable or patriotic about intolerance, and it is not a value we want our children to learn.

Revoking the charter sends a clear message that Congress does not support this value, this value of intolerance. The supporters of my bill are not saying that the Boy Scouts are bad. We are saying that intolerance is bad.

I was a Girl Scout. One of my sons was a Boy Scout. And I know the values of scouting, and that is why I believe it should be available to all boys.

The decision handed down by the Supreme Court last month shocked me; but, most of all, it saddened me. Yes, the Boy Scouts fought hard to win their right to discriminate. But for me and the bill's supporters, this is not a question of whether the Boy Scouts have a right to establish anti-gay policy. It is a question of whether the Boy Scouts' anti-gay policy is right.

We believe that choosing to do nothing in response to the court's decision would only compound the injury and would reaffirm the Boy Scouts' message that intolerance is okay.

As I said, the Boy Scouts fought hard to win their right to discriminate. While they may have won this right, we strongly feel the Government should not be a participant in any policy that promotes discrimination or intolerance.

I truly believe that when brave people step up and say intolerance is wrong, we will and can make a difference.

One of those brave people is Stephen Cozza, a teenager from my hometown of Petaluma, California, who founded Boy Scouts For All, which is a national campaign to change the Boy Scouts' anti-gay policy.

To date, Stephen Cozza and his father, Scot Cozza, have gotten more than 51,000 signatures on a nationwide petition supporting the change in the Boy Scout policy and making scouting inclusive for all boys.

As Members of Congress, we also have a part to play. We have an opportunity, an opportunity to let the Boy Scouts of America know that we do not accept their exclusionary and intolerant policy.

I dread the implication and the repercussions should Congress choose not to act. If both the Court and Congress convey the message that discrimination is okay, I fear we encourage other organizations to discriminate as well.

Mr. Speaker, we are halfway through the first year of the new millennium, and we are still debating the pros and cons of discrimination. Did we not learn anything from the last century? All of our children need a tolerant environment in which to grow and learn. Straight kids and gay kids need to know that they are accepted. We must make it clear to those children that the Federal Government supports them and does not support intolerance.

I urge my colleagues to support our children. Join with me and the bill's cosponsors and support repealing the charter of the Boy Scouts of America. But let me repeat. We are not saying that the Boy Scouts are bad. We are saying, and we are saying in absolute terms, that intolerance is bad.

□

□ 1915

NORTH KOREAN ATROCITIES

The SPEAKER pro tempore (Mr. TOOMEY). Under a previous order of the House, the gentleman from Pennsylvania (Mr. PITTS) is recognized for 5 minutes.

Mr. PITTS. Mr. Speaker, I rise today to speak on behalf of the numerous individuals being forgotten in the negotiations between the United States and the hard-line dictatorship in North Korea, those 200,000 plus people who suffer horrifying hardships in the prison camps throughout North Korea.

Despite the fact that the leaders of North Korea refuse to admit that these concentration camps exist, they are real. Individuals that I have met with who have escaped from these camps have said that they want the world to know of the evil that is perpetrated there, even against children.

One young man that I met with was imprisoned at the age of 10 because his grandfather was arrested, so they imprisoned the whole family. The North Korean regime incarcerates three generations of a family due to one generation's crime. What type of government imprisons a 10-year-old boy for his grandfather's crime? Certainly not a civilized one.

Another woman I met with described the terrible torture she endured because she was honest and would not embezzle material goods for her boss. As a result, her boss concocted false crimes, she was arrested, taken to a prison camp and routinely tortured to the point of losing consciousness. As soon as she lost consciousness, the security officials would pour water on her face, revive her and begin the torture process over again, all of this for 14 months. Then she was sentenced to 13 years in a resocialization camp.

Let me read some excerpts of testimony from torture survivors and escapees regarding the horrendous pain and suffering at the hands of this brutal and repressive regime, a regime that our administration is now looking to appease.

''Officers treated us like animals. They never explained to us what to do but communicated with the prisoners by whipping, kicking and cursing. While prisoners were being beaten, they couldn't stop working or look back at the officers. If a prisoner moaned or tried to avoid getting hit, she was put into solitary confinement, the worst punishment in prison. The solitary confinement cell was only high enough to allow a person to sit on the floor. Concrete thorns stuck out of the walls so the prisoner could not lean against them. The person could only sit and not move for many days. If prisoners were consigned to solitary confinement during the winter, their legs became paralyzed.''

''The different forms of torture are too numerous to recount. Sometimes they put a wooden stick with sharp edges behind my knees, make me kneel, and then trampled my body with their heavy boots. At other times, they would hang me by the shackles on my wrists, high enough so that I was forced to stand on tiptoe. At night water would fill the solitary cell up to my stomach, depriving me of any sleep. During the long hours underwater my body would gradually swell up, making it difficult for me to keep my balance. If I fell, the guards kicked me until I scrambled up again in extreme pain and fatigue.''

''The prisoners in the export factory were treated even worse than those in the other factories. Our days were a series of unendurable labor. Getting kicked and slapped was common. The female prisoners got used to an officer's kick or slap on the face. After a few years of little food, no sunshine, constant beatings and demanding work, prisoners began to lose the strength in their backbones. As the spine weakened, ligaments started popping out at the back of their necks. The prisoners became ugly like beasts. The export production was the fruit of unbelievable human abuse. These exports went to Japan, to Poland, to France.''

I would ask, do we want to participate in this as well? Let me end with this quote:

''When pregnant women came to prison, they were forced to abort their babies. Poison was injected into the babies cuddled in their mother's wombs. After the injection, the pregnant woman suffered tremendous pain until the babies were stillborn about 24 hours later. Medical officers walked around the pregnant women and kicked their swollen bellies if they screamed or moaned.''

Mr. Speaker, I could go on and on. These are a few excerpts of people that I have met. We must not forget these people. We must fight to stop the painful, horrifying torture and the other human rights abuses the North Korean people are enduring at the hands of the brutal dictatorship ruling that country.

SELF-ENRICHMENT FROM NUCLEAR POWER PLANT PRIVATIZATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. STRICKLAND) is recognized for 5 minutes.

Mr. STRICKLAND. Mr. Speaker, just 2 weeks ago, the United States Enrichment Corporation made the devastating decision to close its uranium enrichment facility in Piketon, Ohio, where nearly 2,000 dedicated Americans work. This is devastating not only to my community and to my region of Ohio but it is devastating, I believe, to this country. Some 23 percent of all of the electricity that is generated in our country is generated through nuclear power plants. Nearly all of that material that is necessary to provide the fuel for these nuclear power plants comes from two sites, in Paducah, Kentucky, and in Piketon, Ohio.

Until 2 years ago, the industry which produced this vital fuel for our Nation was under the ownership and control of the United States Government. We made the decision to privatize this vital industry. We did so with the hope and belief that the industry would thrive and that the private company would keep its obligations to this Nation and continue to operate the two plants through the year 2004. Sadly, the leadership of this new private company has broken faith with our government and with the American people, and they have announced that they are closing the Piketon plant.

Mr. Speaker, I want to be very clear. I am upset about this because of its immediate impact upon my district and upon the men and women who work in the facility in my district. But I am equally concerned because this decision can have a terribly adverse effect upon this Nation in terms of our national security and in terms of our energy security.

I am convinced that the management of this company cares for neither but simply is determined to do whatever it can to enrich itself, and the American people and the people who work in these plants can be damned.

That is why I am very, very pleased that the gentleman from Virginia (Mr. BLILEY), who is the chairman of the Committee on Commerce, has recently written the CEO of this private company, Mr. Nick Timbers, a letter in which he expresses concern and asks certain questions. I would like to share a couple of paragraphs from Chairman BLILEY's letter to Mr. Nick Timbers. He says:

''Dear Mr. Timbers:

''As you know, the Commerce Committee is continuing its review of USEC privatization and its impact on our national security and the domestic uranium industry. I am writing to you with respect to recent troubling statements you have made on this subject and to obtain additional documents and information related to USEC privatization.''

Then Mr. BLILEY continues:

''Quoting the Wall Street Journal editorial dated Thursday, June 28, 2000, you indicated that USEC's recent decision to close the Department of Energy's Portsmouth gaseous diffusion plant was made in response to congressional intent in privatization legislation. Specifically, you state that USEC's decision to close the Portsmouth plant was, quote, the reason Congress privatized the company, close quote.''

Then Mr. BLILEY says:

''I can assure you that this is not the case. A single operating gaseous diffusion plant with no credible plan for a succeeding enrichment technology is not what Congress intended for the privatized company.''

My understanding is that we will have hearings this fall, and we will delve into the matters surrounding the privatization of this company. I think Mr. Timbers has some explaining to do, and I think those responsible for the decisions that led to privatization within this administration have some explaining to do. I think there was a terrible, unacceptable, conflict of interest that existed when Mr. Timbers was given the authority to advise and to consult and to give direction as to how this company would be privatized because the decisions that he made resulted in his self-enrichment. This man, who was making as a government employee approximately $350,000, ended up with a salary of some $2.48 million.

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PRESCRIPTION DRUG COVERAGE FOR SENIORS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Michigan (Ms. STABENOW) is recognized for 5 minutes.

Ms. STABENOW. Mr. Speaker, I rise this evening as I have on too many occasions to speak out about the issue of Medicare coverage for prescription drugs. I say too many because the time is up for this Congress to act and to modernize Medicare to cover the way health care is provided today.

We have the most wonderful health care system in the world. I know a gentleman who takes a pill once a month instead of having open heart surgery. The pill costs $400. Medicare will cover the surgery. Medicare will not cover the pill. We have got to change and modernize Medicare so that our seniors are not left in the situation of getting up in the morning and saying do I eat today, do I get my breakfast, or do I get my medicine? Too many seniors in this country find themselves in that situation.

I have been conducting a prescription drug fairness campaign in Michigan now for a year. I set up a hotline, have asked seniors to write, to call, to share with me their situations so we can put names and faces on this problem and encourage, plead and beg with this Congress to act now.

I would like today to once again read a letter. This one is from my hometown of Lansing. Jackie Billion wrote to me, and I would like to share with you this letter:

''Dear Debbie:

''I live alone in a subsidized ground floor apartment. I'm 70 years old and have osteoporosis, rheumatoid arthritis, osteoarthritis and fymalogy. I also have macular degeneration. I'm legally blind in the left eye. Last week, I spent 2 days at Beaumont Hospital.

''I receive $645 a month and quite often I have to decide whether to get some of my prescriptions or eat. I hope and pray that seniors will receive prescription drug coverage soon.

''Thank you, Jackie Billion.''

I thank Jackie for sharing these comments with me and for speaking out on behalf of literally millions of seniors that have the same situation that she has today.

This Congress has the opportunity with the best economy in a generation to fix this if we have the political will to do it. If we are willing to stand up to those who are fighting us, who are not understanding or caring about what is happening to Jackie Billion, we can fix this and modernize Medicare for our seniors and for those who will be the next generation of seniors. I would call on the Congress again to take this opportunity, the best economy in a generation, budget surpluses that we have not seen in my lifetime, and place a priority on modernizing Medicare to cover costs of prescription drugs so that seniors like Jackie Billion will not have to worry about choosing between their meals and their medicine.

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LOOKING BACK AT 6 YEARS OF REPUBLICAN CONTROL IN THE HOUSE OF REPRESENTATIVES

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from Minnesota (Mr. GUTKNECHT) is recognized for 60 minutes as the designee of the majority leader.

Mr. GUTKNECHT. Mr. Speaker, we rise tonight to talk a little bit about what has happened in the last 6 years, and I am delighted to have with me tonight one of my colleagues who came to the Congress with me in 1994. I think once in a while it is important to remind our colleagues where we were in 1994, what was happening here in Washington, what was happening with our government, when the American people said, in effect, enough is enough.

□ 1930

They sent 73 new Republican freshmen to this Congress to begin to change the way Washington did business. We had with us a Contract with America, not a Contract on America, some of the critics like to say, but it was a Contract with America. And we said if you will elect us to the Congress, here are some things we are going to do.

I am happy to report that virtually all of those planks in that contract with the American people have now come to fruition. In fact, we kept every item. We kept our bargain on every one of those items. We had a vote on a few occasions. There were not the constitutionally required majorities, and so those have not become law, for example, with term limits. But on virtually every other item.

One of the first items on that contract was to make Congress live by the same laws as everybody else, and perhaps later this evening, the gentleman from Connecticut (Mr. SHAYS) will join us and talk about that particular plank. I am privileged tonight to have one of my colleagues who came with me in 1994, the gentleman from Oklahoma (Mr. WATTS); and we have really come a long ways.

Let me just talk about the budget side of the equation, and I will talk about this more after the gentleman from Oklahoma (Mr. WATTS) leaves us. But when we first came to Washington, the Congressional Budget Office, and I have a copy of this, if any Member would like a copy of what the Congressional Budget Office said, our official scorekeepers were telling us back in 1994 and 1995, they were telling us that the on-budget deficit for each of the years 1994, 1995, 1996, 1997, 1998, 1999 and 2000 was going to be $208 billion, $176 billion, $207 billion, $224 billion, $222 billion, $253 billion and $284 billion. Now, that was the deficit that they were projecting when we came to Washington in 1994.

That did not include all of the money that the Congress was regularly taking from Social Security to spend on other items; if we include that, we are actually looking at deficits of $259 billion growing ultimately to $381 billion by fiscal year 2000.

That is where we were back in 1994, and what the American people said in that election is listen, there must be a better way. Every family, every business, every association has to balance its budget and somehow they figured out a way to make the income meet the expenditures. Every family does it every week.

It really is time for the Federal Government to do the same, and so they sent some of us there and said, listen, if you do nothing else, at least balance the Federal books.

Mr. Speaker, I am happy to report that we not only have balanced the Federal books, we are now looking at enormous deficits. We will talk more about that. I would like to yield to my friend and colleague, the gentleman from the great State of Oklahoma (Mr. WATTS) to talk just a little bit about where we were, where we are and hopefully where we are going with this Congress.

Mr. WATTS of Oklahoma. Mr. Speaker, I thank my friend from Minnesota (Mr. GUTKNECHT) for yielding to me. And I am appreciative of the fact that the gentleman has chosen this time tonight over the next hour to talk about what we have done in Washington and, although, he and I are Republicans, the wins, the victories that we have seen over the last 5½ years really are not Republican victories. They have been victories for the American people.

I recall back when we were sworn in. I was sworn in on January 9, 1995, my colleagues were sworn in 4 days or 5 days before I was, because of some obligations I had back home, but when I was sworn in on January 9, I believe, and I think the gentleman has the numbers there, that the deficit of that year in 1995 was about $285 billion, somewhere thereabouts, $285 billion or $300 billion. Those were the deficits, and deficits means that we have spent out a whole lot more money than we take in and we create a deficit position.

As the gentleman has said, we came in and wanted to do things differently. We felt like Washington could be better, and it is interesting the Contract with America items that the gentleman has mentioned, about 80 percent of those items today are law.

Although people campaign and they talk about the evils of the Contract with America, 80 percent of the Contract with America today is law and a Democrat President signed those things into law.

A balanced budget amendment, we did not pass that. We did not pass term limits, but I think we both voted for term limits and both voted to say that we should amend the Constitution, have an amendment to force Congress to do about what 39 different States around the country have to do, by law they have to balance their books. They cannot spend out one dime more than they were appropriated or that the legislators appropriated.

So what we have done over the last 5½ years, we do have a balanced budget today. We do not spend out more money than we take in. Welfare reform, we were beaten on that, because we wanted to reform welfare to say, let us not define compassion by how many people we can have on food stamps and AFDC or in public housing, instead let us define compassion by how few people are on food stamps and AFDC and public housing because we have helped them climb the ladder of economic opportunity.

Today 6 million more Americans are in the workplace because we chose to define compassion in a different way.

We cut committee staff by a third for the first time, I understand, in the history of the House of Representatives. We audited the books of the House of Representatives. If Members will recall, back when the gentleman and I were freshman, every morning we would have people pushing these little carts around that had these buckets of ice on them that would give Members a bucket of ice. I thought this was somewhat unusual. The gentleman thought it was unusual, because we had refrigerators inside of our offices that keep

our Nehi peach and a Nehi grape cold, and these pockets of ice would melt.

These were no good. So we looked into this, and I think it was costing the taxpayers something like $600,000 a year. We cut it out. We eliminated it. We said that is wasting taxpayers' dollars. I think the people back in the fourth district of Oklahoma would be pretty proud and folks in the gentleman's district back in Minnesota would be proud to know we did not have to put together a task force to do that. We just eliminated it. We said Congress, the American taxpayers are paying for that. We do not need that.

We have given tax relief, $500 per child tax relief. We have done that. We paid down our public debt by $350 billion. Now, 5½ years ago when the gentleman and I came, that was just a theory that some day we would start down that track of paying down our public debt.

We have done all of these things over the last 5½ years, which these things are good for the American people. The gentleman mentioned about stopping the raid on the Social Security and Medicare surplus. We think that is important.

Why is that important? We believe that the FICA fellow who takes money out of your payroll, he ought to do with it what he says he is going to do with it, and that is set aside nothing but for Social Security and Medicare.

Mr. GUTKNECHT. If the gentleman would yield, one of the comments that I made, and I think that the people in my district really appreciated this, was that when we started talking about taking money from Social Security and spending it on other things, what I said was, when the American people allowed the Federal Government to get into their paychecks to pay for Social Security, they never told the Federal Government that they could keep the change. That is what was happening.

The Federal Government was keeping the change and spending it on other programs. And 2 years, thanks to your leadership and the leadership of others in the House, we finally stopped that abuse. For the first time, we are making certain that every penny of Social Security taxes goes only for Social Security or to pay down debt.

As the gentleman has mentioned, we paid down $350 billion of debt and, as a matter of fact, I believe by the end of this fiscal year, that number will be greater than $400 billion that we will have paid down.

Mr. KINGSTON. Mr. Speaker, if the gentleman would yield, I wanted to point this out. Jimmy Carter wrote a book in the 1970s called Why Not the Best? And he talked about rethinking. So many of the things that we do routinely in government, and I think that even though we had philosophical differences of what that blueprint should be, that is what, in fact, happened in 1994.

I think it took many years with ideas like the challenge of Jimmy Carter, Why Not the Best; and then Ronald Reagan saying, good morning America, bringing out the best news. Now, in this day of great prosperity, the day of great medicine, great technology, great entertainment, great food supply, we still need to get to that next level in a government where our priorities have been very focused in the last 5 years. We protect and preserve Social Security. We protect and preserve Medicare. Then we pay down the debt for the next generation, and then the change.

If we go to WalMart and we buy $7 hamburger and we give $10 at the counter, they are going to give us $3 back. The Federal Government, if we get a congressional cashier, he is going to keep the change and give us some more nails and all kinds of things we did not ask for. We are stopping that.

To go after great communities, where the kids can walk the streets late at night not having to worry about drug pushers and crime. Education, where teachers in the classroom are getting the money, not the bureaucrats in Washington. Just think about every dollar we spend on education, 50 cents never leaves this city.

That is something we have got to change. Our constituents would never put up with that in the private sector. It is outrageous.

Mr. WATTS. Mr. Speaker, I thank the gentleman from Georgia (Mr. KINGSTON) for sharing those thoughts with us, because I think what the gentleman has said, what the gentleman from Minnesota (Mr. GUTKNECHT) has talked about in getting us into this special order this evening, I think it is critical to look at where we have come from to see where we are going. Had we not made those tough decisions 5½ years ago when we first came, putting more people in the workplace today. We balanced our budget. We do not spend out more money than we take in. We have sent more education dollars home. We stopped the raid on the Social Security surplus and on the Medicare surplus.

We have cut our committee staff by a third. We have given tax relief. We paid down our public debt, because we have done all of these things. Now we are in a position over the next 8 years to 10 years that we are talking about massive surpluses. No longer are people talking about deficit spending any longer.

We are talking about massive surpluses, and over the next 10 years, we really have an opportunity to do some wonderful things to secure the future of America. Just think, just imagine, over the next 10 years, because of decisions we made early on, we have surpluses that we can find a cure for cancer. We can find a cure for sickle cell anemia and diabetes and Alzheimer's. This is within our reach.

Mr. Speaker, consider an America that we had paid off our debt. I mean, that is within our reach. Consider an America that every child in America gets up every day and they went to a venue of learning that was safe, that taught them how to read and write, do the arithmetic, have the computer skills necessary to compete in the global marketplace, imagine that kind of an America. Imagine an America that was safe from foreign enemies, because our military was strong and people's retirement security was safe.

They could retire at their retirement age with security. This is within our reach, thanks to, in large part, by what we have done and all the names we went through, what we were called and all the things that we had to go through to get here, but we are here, and now if we will manage it properly, not go on some wild goose chase of government spending, these things really are within our grasp over the next 8 years to 10 years.

Finding the cure for these many illnesses out there, the many diseases that plagues the greatest Nation in all the world. I said it time and time again, as I close, this place that we all call home and the rest of the world calls America, it is a pretty fascinating place.

Mr. GUTKNECHT. That is right.

Mr. WATTS. I appreciate what the gentleman from Georgia (Mr. KINGSTON) said, and we should be about being our best, not our worst, giving our most, not our least, understanding the importance of who we are.

□ 1945

Again, I am delighted in some very, very, very small way that folks in the fourth district of Oklahoma that they have given me an opportunity to be a part of what we have seen happen as Members of Congress over the last 5½ years.

Mr. KINGSTON. One thing that he has done a lot for, that I think that it is important to talk about in terms of getting everybody at the table, because when we were passing welfare reform we were accused of pushing children out in the street, pushing women out in the street. The President vetoed the bill twice, and then as soon as it turned out to be a success, 40 percent of the people on welfare got jobs and liked those jobs, then the President went around saying it was his bill, which is fine. If that is the way the system works, let us do another bill like that.

What I think the gentleman has been good at is getting everybody in on it, pushing for an education system where no child is left behind and saying, as the gentleman has pointed out, America's prosperity is the envy of the world, but there are people in the world who are not sharing in that prosperity. We are saying we want to invite them to the table, and we are going to show them a pathway to the table, and we are going to help them get to the table so that they too can enjoy this great land and negotiate for a better America. I think that is something that we do not talk about.

The gentleman has reached out to the children who are at risk, and I

think that that is something that we need to always keep in mind for the next generation.

Mr. WATTS of Oklahoma. George Bush calls it prosperity with a purpose. We are experiencing unprecedented prosperity in America. The Dow is going through the roof. NASDAQ is doing very, very well. These days if one is older than 30, they are too old to be a billionaire in America.

It is fascinating the wealth that we see, and I think that if our objective is just to make money, that is a bad purpose. Prosperity with a purpose says that, yes, I want to take the wealth that we have in America and make sure that those who are left behind, that in spite of what skin color they are, in spite of what party they are in, we can go to them and say these are my values, these are my principles, how can we help accomplish what they want to accomplish in life?

This prosperity that we are experiencing, we have an opportunity to do wonderful things for the United States of America, but I think we have to be disciplined enough, composed enough, that we do not get dollar signs in our eyes and say let us spend, spend, spend, spend, spend. Let us grow, grow, grow, grow, grow. We have to have a purpose, I believe, in the wealth that we have created in America and in the surpluses that we have that we are experiencing today.

I think we have to have purpose in our surpluses. If we do, boy, we will surely create that shining city on a hill.

I thank the gentleman from Minnesota (Mr. GUTKNECHT) very much for letting me participate this evening.

Mr. GUTKNECHT. Mr. Speaker, I want to thank the gentleman from Oklahoma (Mr. WATTS) because I think in many respects he has done the best job of communicating what it was we were trying to do. As the gentleman from Georgia (Mr. KINGSTON) mentioned, welfare reform was not about saving money. I think to a large degree that was miscommunicated by so many people.

Welfare reform was not about saving money. It was about saving people, because we all knew that there were too many people that were being trapped in an endless cycle of dependency and despair, and because of our welfare reforms we allowed States and governors and legislatures to decide what it was that they wanted for their people and how it was that they could use the instruments of government to encourage work, to encourage personal responsibility, to encourage families to stay together, and that is what welfare reform was all about.

The great news is, since we passed that bill, gave that authority back to the States, we have seen the welfare roles in the United States drop by 50 percent. That is a great story, not in terms of how much money it will save but most importantly how many people it saves.

One of the stories that I love to tell, and many of us do visits to our local schools, I was at one of my local schools a couple of years ago, about a year after we passed the welfare reform, and we were talking to the teachers after school.

One of the teachers said, Of all of the things that have been done since you went to Washington, GIL, I think the best thing is this welfare reform.

I said, Really? Tell me about that.

She said, Well, let me talk about one of my students and let us call him Johnny. All of a sudden Johnny started to behave better. He was a better student. He was a better kid. He carried himself better. Everything about Johnny was better.

So finally one day the teacher said to Johnny, Johnny, is there something different at your house?

Johnny said, Yeah. My dad got a job.

We sometimes forget that a job is more than the way one earns their living. A job helps to define their very life, and when the breadwinner of a family is unemployed and on a government welfare program, it not only affects the attitude of the breadwinner, it affects the attitudes of everyone in that family.

Mr. KINGSTON. I think that as we talk about welfare reform, and as the gentleman said it is about people and giving people opportunities, it is not about taxes, it is not about saving dollars but there are really three legs to the stool. One is for those who are able and capable, able-bodied to work. The other one is the single mother with transportation needs, health care needs, day care needs, education needs, housing needs. The third leg, though, is something very important and the gentleman just touched on it when he talked about little Johnny, and that is Dad.

Our welfare system for years has been geared under the premise that if Dad is around, then one does not qualify for public housing; they do not qualify for the health care benefits for their children. What we are doing now under the leadership of the gentlewoman from Connecticut (Mrs. JOHNSON) is a great Fatherhood Project, saying to the kids, in some sectors of society it is as high as 70 percent of the children who are born without fathers at home, we are saying we want to bring their dad back because if we bring their dad back, the teenage dropout rate will go down; the drug usage rate will go down; the grades at school will go up and the teen pregnancy will go down.

I think that is the kind of common sense legislation that we need to do, not just say, okay, we did welfare reform, now we are through; but to go back and say, now look the father has to be in the picture. When 70 percent of the kids are born without dads at home, they end up on welfare. Dad has to be brought back. I think that that is one of the keys.

Mr. GUTKNECHT. In many respects what we have done since 1994 was to reverse sort of the unwritten rule of Washington, which had become almost an epidemic; and the unwritten rule was that no good deed goes unpunished. If families stayed together, as the gentleman said, they got punished. If people worked, they got punished. If they invested, they got punished. If they saved, they got punished. If they created jobs, they got punished.

If one thinks about that, that was a perverse incentive. It should be no surprise that the welfare system particularly was destroying the work ethic, was destroying families, was encouraging dads to leave the household. It was the most perverse thing.

The good news is we have begun to reverse those perverse incentives. As a result, I think we are not only going to save, quote, money we are going to save families; we are going to save children from one more generation of dependency and despair.

Mr. KINGSTON. Getting back to this in just a second because the bill of the gentlewoman from Connecticut (Mrs. JOHNSON), which will be passed by this House, it has already been passed and we have another version we are going to consider, I hope, next week; but I have been involved with the Georgia Fatherhood Project with the director named Robert Johnson, and then locally Robby Richardson, whose wife, Annette, works with us, he is the Savannah coordinator of it, they invited me to one of their meetings to talk to the men who are 23, 24 years old who have said when I was 19 years old, I was irresponsible and then the system kept pushing me out and pushing me further out the door. I made a mistake or two, but I could not get back in because society kept shutting the door on me.

Now through this fatherhood project I can come back in and get my high school diploma, maybe get some college credits, get some vocational learning, learn a skill, get my job; and it is not necessarily the job I want, but it is the entry level job and then to get to the next level of the ladder.

These guys are talking about I went four years without seeing my little girl, and now I am seeing her again, and I am part of her life; I do not have to hide from the Government to do this. Mom is in on it, too. It is win/win for society; win/win for the mom; win/win for the dad. But, more importantly, it is a win/win for that little girl.

SENIOR CITIZENS SHOULD BE ABLE TO BUY THEIR PRESCRIPTION DRUGS FROM OTHER COUNTRIES

Mr. KINGSTON. The gentleman has been a leader in something that I want to talk about in terms of why not the best and in terms of common sense legislation, and that is the fact that our Food and Drug Administration has prohibited our senior citizens from buying drugs, prescription drugs, medicine, in Canada, which is sold at a lower price than it is in America.

I have a chart with some of these price differences on it, but I thought the gentleman might want to explain

that because I think it is so important to our seniors and to the family members.

Mr. GUTKNECHT. I thank the gentleman for allowing us to talk about this tonight. Actually, it all started several years ago at a meeting with some senior citizens at one of my townhall meetings, and they started talking about the differences between what prescription drugs sold for in the United States compared to what they sell for in Canada, in Mexico, in other countries in the world. So I began to do some research and began to do some work, and I came to the realization that they were in fact telling the truth; that there was a huge difference.

What the gentleman has next to him there is a chart based on some information that we got from the Life Extension Foundation. These actually compare some of the prices of drugs between what the average price is in the United States. As a matter of fact, I might say that those prices on that chart are probably about a year old now. They are actually probably worse today in terms of the actual prices, but I want to pick out a couple of them there that are important to my family.

The first one is Synthroid.

Mr. KINGSTON. Let me look at Synthroid here. Synthroid, why does the gentleman maybe tell us what it is used for. In America, our American citizens have to pay $13.84. In Canada they can get it for $2.95.

Mr. GUTKNECHT. Let me clarify that. It is actually in Europe. Those are all European prices. Now the price in Canada, I believe, is about half what it is in the United States. The point is, it is even cheaper in Europe.

Now, Synthroid is a drug that my wife takes because she has a goiter, an enlargement of her goiter, and many Americans have to take that drug. As long as she takes her drug, she has no medical complications because of that. So it is a wonderful drug, and we are certainly appreciative of that drug and that it is available.

We can afford the $13.85 or whatever the price is here in the United States. That does not really break us, but it does begin to bother when it has to be taken all the time. Literally, she has to take that drug probably for the rest of her life.

When one looks at the differences between what the Europeans pay for exactly the same drug, made in exactly the same plant, under exactly the same FDA approval, one begins to ask the question, why is it the world's best customers, the Americans, pay the world's highest prices?

Mr. KINGSTON. Let us look at Prozac. Prozac is $36.13 in America. In Europe, it is $18.50, and I would suppose in Canada maybe it is $25.

Mr. GUTKNECHT. Somewhere in there.

Mr. KINGSTON. People can go to Canada and buy it if they live in Maine or Michigan; it is ready access. It will not really help us much in Georgia, but the fact they could get it, and they should under the North American Free Trade Agreement. Free trade means free trade for anything that is a legal product, and yet they cannot get it.

Now, the legislation of the gentleman which was passed by the Republican Congress 2 weeks ago stops this practice, does it not?

Mr. GUTKNECHT. Well, it begins to open the door. It is not a complete solution.

Mr. KINGSTON. It stops the practice of not being able to buy the same drug for a cheaper price in Canada?

Mr. GUTKNECHT. We begin to open the door. What happens right now, to try and explain what happens, for example, and let me take another drug on that list, Cumadin, that is a drug that my 82-year-old father takes. The average price in the United States is over $30. The price in Europe for the same drug is $2.85. What happens sometimes is people are traveling, and they happen to have their prescription along with them; they are traveling perhaps in Italy and they realize they are running short on their Cumadin. It is a blood thinner. It is very commonly prescribed. They go into a pharmacy and they buy it; and when they convert the lira to dollars, they realize that it was less than $3.00. That is 10 percent of what they pay back in the United States.

So when it is time to renew that prescription, some people have said, I have the phone number of the pharmacy there in Rome. Maybe what I could do is just give them a call, and see if I could get my prescription refilled and have them ship it to me.

What happens is, and the gentleman has it behind him there, there is another chart, what our FDA does when that drug comes into the United States, even though it clearly is the same drug, made by the same company in the same plant, what our own FDA does is they send a threatening letter to that senior citizen or to any citizen, as a matter of fact, who happens to be importing drugs, and this letter is one of the most threatening letters.

It says, ''It appears that you are violating drug importation laws and that you are importing a drug that is illegal in the United States,'' even though it says clearly on the carton that this is Cumadin or this is Prozac or this is Premarin or whatever the drug happens to be.

□ 2000

So it is clear to everyone what that drug is. As a matter of fact, the FDA has the right to actually test that drug.

But beyond that, it strikes me that it is outrageous because the burden of proof right now is on the individual to prove, in fact, that it is a legal drug. So what my amendment does is it reverses the burden of proof so that the FDA must now prove that that is, in fact, an illegal drug.

Now, in doing so, what it does is it changes everything. It begins to reverse the process so that it will be virtually impossible for the FDA to send these threatening letters to consumers who are abiding by the law, have a legal prescription, and are importing legal drugs into the United States. And when that happens, markets work. We have a world market price for oil, we have a world market price for wheat, we have a world market price for automobiles. And we should not allow our own FDA to stand between American consumers and especially American seniors.

Mr. KINGSTON. Mr. Speaker, if the gentleman will yield, it is common sense, if the gentleman will yield, 86 percent of our seniors take at least one prescription a year, and the average senior consumes about 18 prescriptions each year. The average cost for the drugs is around $1,000 annually, or about $80 a month. Mr. Speaker, 44 percent of those seniors that are having to take or buy their own drugs have an income of less than $10,000 a year. So one of the things that we have done, not just pass the ''Gutknecht Law'' in terms of allowing free commerce between two nations who do have free commerce and are trading back and forth, but we have also passed a prescription drug benefit for Medicare.

The important thing is that it reduces the average cost of prescription drugs by about 39 percent, it gives seniors still the option to buy it where they want, it does not endanger Medicare, and it does not come between the doctor-patient relationship, and that is something very important.

Mr. Speaker, one difference that we have between the Republican plan and the President's plan is, we are saying this affects about 30 percent of the seniors on Medicare. They do not have prescription drug coverage. The other ones, about two-thirds do, either from their Federal retirement program or from the program that they were in in the private sector. But what we are saying is, because of that, we do not want to pick up Ross Perot's prescription drug charges. That is common sense.

Now, the President wants it universal, which has a great ring to it, but when we do that, we buy prescription drugs for people who do not need that benefit. That is not quite the American way to subsidize somebody who does not need subsidizing.

So we are trying to work this out with the White House, but I say to my colleague, I want the best plan to prevail. Prescription drugs is not a partisan issue. I want the best of the Democrat ideas in the House, the best Democrat and Republican ideas in the Senate, the best ideas from the White House, and let us put grandmother's prescription drug issue first and not politics.

Mr. GUTKNECHT. Mr. Speaker, without being overly political, though, I do have to say this: This administration has had 8 years to deal with this issue and what they have given senior

citizens most are these threatening letters. I mean, hundreds of thousands of seniors have received these threatening letters from our own FDA. That is not the way to deal with this issue.

And let me also point out, if we could put the other chart up, so we can talk a little bit about this, what we have said, what I have said and I know the gentleman has joined me on this both on the agriculture appropriations bill and some others, what we have said is, if we do not deal with this price problem, because the real problem for seniors is price, when we have drugs like Prilosec, for example, that sells for over $100 here in the United States, sells for about $56 in Canada, the same drug sells in Mexico for about $17.50, the average price in Europe for the same drug is about $39.25, the problem is that over the last 4 years, prescription drug prices have gone up by about 60 percent.

When we look into the eyes of some of the seniors at our town hall meetings and they say, I can afford the price of prescription drugs today, now; it is not easy, but when we look at how much they are going up every year, I do not know if I will be able to afford them in another 2 years. The problem is, if we do not deal with the price side of that equation, we will never be able to catch up just by pouring more Federal taxpayers' money at this problem.

As one person put it, I think, very accurately, if we think prescription drugs are expensive today, just wait until the Federal Government provides them for free.

So we have said that we have to deal with this problem from both sides. We have to open up markets so that Americans have access to market prices for drugs, world market prices for drugs; and secondly, we have to provide a prescription drug benefit as part of Medicare as an option, if people choose it, so that it is affordable, available, and that people have choices. That is the plan that we are working on.

I think if we attack the problem from both sides of that equation, we can make certain that every senior has access to the drugs that they need at affordable prices that will not bankrupt them now or in the future. I think that is the right prescription drug plan. Frankly, I am prepared to debate that with anybody in front of any audience, anywhere in the United States, because I think once people have the facts before them, they will see that the plan that we are trying to put together is superior to what the President is talking about.

SAVING SOCIAL SECURITY AND RESPONSIBLE SPENDING

Mr. KINGSTON. Mr. Speaker, I appreciate the gentleman saying that. The other thing along this line in terms of a safe retirement is Social Security. The gentleman mentioned it earlier, but to think that this House, for 40 years, routinely would take any surplus in the Social Security Trust Fund and spend it on roads and bridges is just outrageous to think about.

In 1999, in January, during the President's State of the Union address, standing right behind the podium where I am right now, he made the statement, let us save 60 percent of the Social Security surplus; i.e., let us spend 40 percent. And we on this side of the aisle said, no, Mr. President, we are not going to do it. We are going to protect and preserve 100 percent of grandmother's pension plan, because there is no business in the world that can mix operating expenses and a pension plan. At the time, everybody said yes, you all are talking a good game, but you are not going to do it. Well, we did do it. Not only did we do it for 1999, but we did it for the year 2000, and we will do it for the year 2001. The reason why that is important is once we have set the precedent, we have that firewall.

In addition to that, I believe we could go another step and say, let us put it in a lockbox. Just putting the money aside is not good enough, let us put a lock on it so that in order to break that sacred implied promise, that sacred practice, let us say we have to vote. That would make it really impossible for people to frivolously spend this hard-fought-for Social Security surplus.

Now, one reason why we know we need to do all of these things is because Americans are working their tails off. They are working harder than ever, and we need to protect their money and spend it like we spend our own money.

Mr. Speaker, back in Savannah, Georgia and Glennville, Georgia and Hinesville, Georgia and Brunswick, Georgia, what my constituents do is, if gas is $1.47 at one pump and it is $1.42 down the street, they will drive that extra block to get the $1.42 and pump it themselves, even if they are wearing a coat and tie. If they need a new suit, they wait for the sales when suits are marked down, and if we need to wait until the fall to buy the spring outfit or the spring to buy the winter outfit, that is what they are going to do. If they are buying a pair of jogging shoes, they will wait until they are on sale with a discontinued brand. If they buy some Kellogs Cornflakes, they wait until they have the 50 cents off coupon. That is how American consumers spend their money, and that is how we should spend their money. We should follow that example in everything we do.

Mr. GUTKNECHT. Mr. Speaker, talking about coupons, sometimes we need to be reminded of this here in Washington, that every Sunday, families sit around their coffee tables and their kitchen tables and they clip over 80 million coupons out of the Sunday paper, worth an average of 53 cents, and that is how they balance their budgets every single week. They watch their pennies.

Now, we still have an awful lot of waste in the Federal Government. I will not be one to say that we do not have waste. But we have much more accountability, and I think we have less waste today than we have had in the last 10 years.

Mr. KINGSTON. Mr. Speaker, I want to say this. My wife has one of the most important jobs in America. She is raising John, Betsy, Ann and Jim Kingston, who are all at home and we are glad to have them there, but she clips those coupons every Sunday and she goes through the two for ones and the 30 cents off and the good until next month, and she reminds me every now and then, last month I saved $13.33 in coupons, or this month I am up to $27. She asks me if she needs to report that every now and then jokingly, and I am afraid that if Uncle Sam knows that if we are so thrifty, that he will require it.

SIMPLIFYING THE TAX CODE

That is another reason why, in this Republican Congress, we have passed a Taxpayers' Bill of Rights, so that if the IRS comes to your door, you are no longer guilty until you prove yourself innocent through your lawyers and your accountants and 7 years of records; you are presumed innocent.

A question that I ask people in coastal Georgia on occasion is all right, now, look, you leave here today and let us say you leave the Rotary Club today and you walk out and you remember for some reason you pulled your wallet out of the car and you put it on the hood, or your purses, and you meant to pick it up, but in the flurry of locking the car and picking up your papers, your briefcase and all that and getting to your meeting on time, you forgot. You walk out and you realize, I left my wallet on the car and it is gone. All your credit cards, all your cash, everything else. That is choice number one, losing the wallet. Choice number two is you do not lose your wallet at all, you just come home and you are going through your mail at the end of the day and under that letter from Aunt Gladys and from the Visa to pay your bill is a little friendly calling card from the IRS that says, we have chosen you randomly to be audited.

Now, you are a hard-working, taxpaying American. What do you want, to lose your wallet with all of your credit cards or to be audited by the IRS? Most people, regardless of how conscientious they have been paying their taxes, filling out the forms, getting an accountant to do it, maybe, they would rather lose their wallet than be audited.

Mr. GUTKNECHT. Mr. Speaker, it is an incredible tragedy in America today that the IRS knows more about one's personal finances many times than one's spouse.

Which leads me to the next point. I hope we have made some progress in terms of simplifying this Tax Code. But it is very small progress. I would hope that in the next Congress, with perhaps a different leadership at the other end of Pennsylvania Avenue, we can get very serious about simplifying and making this Tax Code much fairer. There are several things we could do.

But it really is amazing that Americans even allow this system to survive.

When we think about what Americans did back at the beginning of this country, we started throwing tea in Boston harbor because the king wanted to put a penny per pound tax on tea. I mean that outraged the American people. Today, we allow an IRS to continue to look into every nook and cranny of our personal lives, and if we make a mistake, even to the tune of $1, it puts a tremendous burden on the American people, and it is simply wrong.

Mr. KINGSTON. Mr. Speaker, did the gentleman know that the Tax Code contains 5.7 million words. Now, that is eight times as many words as the Bible. One thing they do have in common is the Tax Code gives lots of instructions, but the Tax Code gives very little inspiration and zero forgiveness. In terms of the IRS laws, there is 101,200 pages of IRS laws and regulations. Just to comply with this Tax Code, our American taxpayers spend about $250 billion each year paying the H&R Blocks, paying the accountant down the street, the local folks, paying the lawyers or whatever, businesses, $250 million. To give my colleagues an idea, for our Commerce, State and Justice bill that has a lot of our drug enforcement money, we spend about $35 billion on that. So we have $250 billion to comply with taxes, not to pay taxes, but to comply, and yet to fight drugs, $35 billion. It is absurd.

Mr. Speaker, in terms of the amount that we take, Americans today spend about 9 percent of their income on food, about 4 percent on clothing, unless one has teenagers, then it spikes well into about 20 percent. My daughter told me, she said, ''You are a horrible dresser.''

I said, ''You are right, but I was not this way until you were born and particularly since you turned 13.'' I tell her, I said, ''You know, I still dress better than my dad does.'' She does not give me any credit for that, but he is recovering from raising four kids himself.

Now, on housing, we spend about 16 percent, on transportation, about 7 percent, and yet, on taxes, the two-income family, 39 percent of our income goes to taxes.

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We struck a blow for that here in the last couple of weeks, another example of the ''No good deed goes unpunished.''

Most people were unaware until just a few years ago that literally hundreds of thousands, if not millions of American couples, paid extra taxes, in fact, pay extra taxes, simply because they are married. In my congressional district alone, we have a study that says that there are 70,000 couples that pay extra taxes just because they are married. There is the marriage penalty.

It works out, the amazing thing is, it works out to something like $1,400 per couple that they pay in extra taxes. That is just not bad tax policy, that is bad family policy, and if we think about it, it is fundamentally immoral.

A couple of years ago at one of my town hall meetings I had an older couple come up to me after the meeting. They said, you have to do something about this marriage penalty thing. I said, really? Tell me about that. They said, we are thinking about getting married, but we have figured it out with our accountants and we would be penalized to the tune of over $1,300 a year just because we were married.

After they explained that to me, I said to myself, the Federal government should not discourage marriage. We all know that marriage and strong families are the glue that holds this society together. Yet, we have a system right now where hundreds of thousands of couples around the United States that are married pay extra taxes simply because they have a wedding certificate. That is simply wrong. This Congress is sending a very clear message to the administration and to the American people that we intend to change that.

Mr. KINGSTON. About the marriage tax penalty, I have found in my district that the Democrats and Republicans are united on that. There are 25 million people paying absurd taxes. People are in favor of it.

Another tax decrease this House has passed is the Spanish American War tax. It is interesting, because I say with great pride, General Wheeler, who led our troops over there, and the Rough Riders with Theodore Roosevelt, actually one of his descendents lives in Savannah, Spencer Wheeler.

General Wheeler was a Member of Congress, and the President actually called him out of Congress to lead our troops in Cuba. What is interesting, I have talked to Spencer Wheeler, a doctor in Savannah, about it. I said, there is a tax that is still around that helped finance the Spanish American War, and it is a little tax on our telephone bills; not a huge tax, but it was earmarked or it was implemented for a certain purpose, it was earmarked for that purpose. But according to my history, we have been finished with the Spanish American War a long time. Yet, only in Washington do these things live on and on forever.

We have passed that bill. I think the Senate is going to pass it. I hope the President will sign it. Again, it is common sense, kill the Spanish American War tax. We are finished with it.

Mr. GUTKNECHT. On the tax side, it all fits with the total budget plan. I only wish that he were here tonight. I remember so many nights doing special orders with Congressman Mark Neumann of Wisconsin. He has left us now, he decided to run for the other body, and now he is back in the private sector and doing quite well.

I remember doing special orders and talking about, if we could get Congress to limit the growth in Federal spending to roughly the inflation rate, he had these models, he was a former math teacher, and he showed us with charts what would happen, how we could balance the budget, pay down debt, make certain that every penny of social security and Medicare went only for social security and Medicare, and we could provide real tax relief to the American people.

In fact, what he said is if we did those things, if we could limit the growth in Federal spending to roughly the inflation rate, that we could pay off the national debt in 20 years.

Americans have always loved big dreams. In fact, Ronald Reagan said, ''America is the place where we love to dream heroic dreams.'' That has been the history of this country. What a great dream. What a great dream, to say that we are going to leave this country to our kids debt-free. The truth is, it can be done. We are on the path to do that today.

Part of the reason is when we first came here, when I first came here, Federal spending was growing between 6 percent and 8 percent. In fact, years before that Federal spending was actually increasing by more like 10 percent and 12 percent per year. Now we have reduced the rate of growth in Federal spending so this year, if we can abide by the spending agreement that we have with the Senate, we will limit the growth in total Federal spending to only about 2.8 percent. That is at a time when we are estimating the inflation rate will be something like 2.9 percent.

If we can do that, and that is going to be tough in the next several weeks because all of these groups are descending on Washington and they want more money for this and that program, and it is going to be tough to limit that growth in spending. But if we do that, we can balance the budget, pay down the debt, strengthen social security, but most importantly, we can allow families to keep more of what they earn.

The interesting thing is, when we allow families to keep more of what they earn, they spend it a whole lot smarter than we spend it on their behalf here in Washington. They get more value for that money, and they help grow the economy. A growing economy makes everything easier.

Mr. KINGSTON. Another part of that is not only passing the money on in our Nation from one generation to the next generation, but from family to family. The death taxes that rob so many of our families, our farmers, is a factor.

I live in a growth area, and it is not unusual for me at all to see a widow who has bought the family property on Whitmarsh Island on the Intercoastal Waterway, bought it in the 1960s for $30,000, and after 20 years paid it off. Her husband is dead, she is on a fixed income, and now that property is worth $700,000, $800,000, maybe $1 million, but she is still on a fixed income and does not want to sell, does not want to move, and does not want to develop. Yet, our property taxes are pushing her

out, and then our estate taxes are. If she wants to pass that on to the next generation, the next generation is going to incur a big tax on it.

Here is a woman who is really independent, not on public assistance, who has money in the bank or an asset that if she needs emergency long-term care, if she has a catastrophe in her family, she has something. We are saying to her, you have to sell that cushion, because if you die your children are going to have to pay a whopping tax on it. We run off family farms because of that, and we make it impossible for small businesses to go from generation to generation.

One of the things that is real important now is women own small businesses in unprecedented numbers. As they find out, hey, I have worked for the last 20 years to build up this company and it is worth a little money now, $1 million, $2 million net worth of a business, and I want to pass it on to my daughter, but guess what, Uncle Sam is saying they cannot do it.

We have passed the end of that death tax penalty. There again, we have passed a version, the Republicans have, but we are willing to work with the President on it. If the President does not want to have too many wealthy people, I think wealth is something that in Arkansas, at least his school taught him that that was evil, that people who have been successful are not the people who have enjoyed the American dream but people who seem to be destroying the American dream.

There seems to be this constant class warfare. The idea that you work hard all your life, you build up an estate, you build up wealth, you want to pass it on to your kids, I think is part of being an American. So we have passed estate tax relief.

Again, we are willing to compromise with the President. We want to do what is best for America.

Mr. GUTKNECHT. Let us not be too willing. The truth of the matter is, no family should have to visit the undertaker and the IRS in the same week. I do not think most Americans realize that very quickly, and it does not take much of a farm in my part of the world to quickly be worth $2 million, perhaps $3 million, that has been the family farm perhaps for a couple of generations, all of a sudden the patriarch dies, and in a very short period of time the family could have to cough up upwards of 55 percent. So I hope we are not too willing to compromise.

I agree with the gentleman, we have to be willing to meet the President halfway. Frankly, I do not want to meet the President halfway going in the wrong direction. Frankly, I think it is time for us to say, this is not the government's money.

At some point, I think every one of these estates, every one of these businesses, we have to be honest, they have been paying taxes all through the years. They have paid sales taxes, they have paid income taxes. As the gentleman mentioned, they have paid property taxes.

For the Federal government to step right in and say, oh, by the way, we want upwards of 55 percent of the value of that estate, I am willing to compromise and I think we are willing to meet the President halfway on this, but I think the principle that families should not have to meet the undertaker and the IRS in the same week is a very important principle.

As we were told this morning at a breakfast meeting we were at, that is not the Statue of Fairness, that is a Statue of Liberty. The people who came here came here for liberty and freedom and opportunity. I hope we will always remain a society that understands that the three magic words are hope, growth, and opportunity.

We cannot make things completely fair. People came to this country so they could create their own fortunes, so they could take their chance at life, so they could use their God-given skills and create wealth for themselves, for their families, and in many cases, for hundreds, perhaps even thousands of other people. That is the magic of America, where ordinary people are allowed to do extraordinary things.

We have to make certain that we have a government that respects the fact that people have a right and an opportunity in America to make the most of it.

Mr. KINGSTON. I think the gentleman is right. That is also one reason that we are investing in fighting the drug war, because our children need to be safe from drug pushers at their school, and we need to pass this legacy on to the next generation.

It is odd, as much money as a company like Nike or Coca-Cola spend advertising, that with drug dealers, there is no advertising plan, no business cards, you cannot tell everybody who you work for, no pension plan, no corporate logo. Yet as I go to the school districts in the 18 First District of Georgia counties and I ask in schools, private or public, rural or city, ''How many of you kids can get drugs in the high schools by the end of the day if you wanted to,'' in just about every school, 50 percent of the hands go up.

That is too many. We have got to stop it. I would like to ask that question one day and see zero hands go up. But that is one reason why we are pushing for drug interdiction, keeping the stuff from even coming to our counties; drug enforcement, that if you are caught selling this deadly poison to our children, you are going to go to jail; and drug treatment. To that kid, that user, who says, I made a mistake, now I am addicted, I need some help, we want to give them a lifeline.

Mr. GUTKNECHT. We are just about at the end of our time for this special order, but I am really happy we have had the opportunity, and I was delighted our colleague, the gentleman from Oklahoma, could join us.

Because really, in many respects, this country is a much better place than it was 6 years ago. Instead of a future of debt, dependency, and despair, I really think we are giving to our kids a future of hope, growth, and opportunity. Instead of having huge deficits piling up bigger and bigger every year, we are now talking about surpluses. We are not talking about leaving them a legacy of debt, but perhaps actually paying off all of the debt held by the general public.

We have welfare reform so we encourage work and personal responsibility. We want to allow families to keep more of what they earn, because we know at the end of the day the magic of America is not here in Washington, D.C. It really is back there in places like Savannah, Georgia, and Rochester, Minnesota, in Kasson, Minnesota, where real people, ordinary people, are allowed to do extraordinary things.

That is the magic of America. That is the magic we cannot afford to lose, because if we continued down the path we were on 6 years ago of higher taxes and bigger debts, more government regulation, and even more government interference in the activities of business, we were absolutely guaranteed that we were on a downhill spiral, not only for the economy but for our society.

The good news is we are moving up now, we are headed in the right direction. Taxes should be coming down. The deficit is coming down. Spending is under control. We are encouraging work and personal responsibility. I think that is the future that we want to leave to our kids. That is a legacy that I think we can all be proud of.

I want to thank the gentleman for joining us tonight. If the gentleman from Georgia (Mr. KINGSTON) has any closing words, I yield to the gentleman.

Mr. KINGSTON. Mr. Speaker, I do want to say this. We lost a great United States Senator this week. It is tragic for all parties.

In discussing him, I learned a lot from Senator PAUL COVERDELL. One thing I learned, although he was a Republican and was a great, key member of the Republican team, he always showed us by instruction, never put politics over policy.

What we are about here is good policy. Our hands are open to the White House, to the Senate, to the Democrats, to Republicans of different philosophies, to let us all put our policies first for the good of America.

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MEDICARE PRESCRIPTION DRUG PLAN

The SPEAKER pro tempore (Mr. SHERWOOD). Under the Speaker's announced policy of January 6, 1999, the gentleman from New Jersey (Mr. PALLONE) is recognized for 60 minutes as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, tonight, I would like to start our 1 hour Special Order on the Democratic side by talking about the need for a Medicare prescription drug plan. This is an issue

that I have taken to the floor many times to discuss. It is the highest priority for the Democratic Party and those Democrats in the Congress both in the House and the Senate.

I noticed that my colleagues on the other side who spoke before me mentioned the issue of drug prices and how drug prices have increased significantly and the disparity between drug prices here in the United States versus Canada or Mexico or other countries.

But I have to be somewhat critical of the Republican leadership because the fact of the matter is that, on many occasions over the last few weeks, Democrats have tried to bring a Medicare prescription drug bill to the floor to adopt and have the Congress adopt a comprehensive package that would include prescription drugs under Medicare for seniors and the disabled.

On every occasion when we have tried to do that, and there have been at least two so far in the last few weeks, the Republicans have stopped the effort, and, instead, put forward a plan that seeks to basically give some money to seniors to go out and try and see if they can get an insurance company to sell them a policy that would cover prescription drugs, not under the rubric of Medicare, in a fashion that the insurance companies have already indicated that they would not sell such policies, such drug-only policies.

As a result, I have been very critical of the fact that the Republican leadership really does not want a Medicare prescription drug plan; they do not want seniors seriously to see enacted into law by the President a plan that will actually provide seniors with prescription drugs.

Instead of just talking about this sham insurance policy where one goes out and sees if one can buy an insurance policy, which people can try to do that anyway today and find that they will be largely unsuccessful because the private market is not interested in offering drug only insurance policies.

So I want to talk a little bit about the prescription drug issue tonight. I want to also point out that, even though my Republican colleagues talked about prices and the rising prices of prescription drugs, that their legislation, their prescription drug legislation does not address the issue of price, whereas the Democrats have tried to do that.

They have tried to point out that, in the same way that there is a huge disparity between the price of prescription drugs here in the United States versus Canada, for example, there is also a huge disparity between the cost of the price that seniors who are in HMOs or employer pension plans, seniors that are part of an existing prescription drug plan through their HMO or in some other way where they are collectively able to negotiate for a cheaper price tend to be paying significantly less than seniors who do not have a prescription drug plan because they are not in an HMO or they are not covered in some way and have to go to the drug store on their own and just buy the prescription.

There is a huge price disparity here in the United States between what seniors pay who do not have coverage as opposed to seniors who happen to be part of a larger group through their HMO or in some other way where they can bargain for a better price.

The Democrats in our Medicare prescription drug plan, which we have tried to bring up, which the Republicans will not let us bring up, we address the issue of price discrimination by basically allowing Medicare and the Medicare program, HCFA, which is the agency that administers the Medicare program, to actually be a bargaining agent through regional benefit providers to go out and get a cheaper price for seniors so that the disparity, the price discrimination would no longer exist in this country, and we would not have this problem where many seniors pay a lot higher prices than a few select seniors.

I also wanted to mention that this evening I am going to be joined by the gentlewoman from Texas (Ms. JACKSON-LEE) and the gentleman from Texas (Mr. RODRIGUEZ), both who have been leaders on health care issues in general, and who are going to talk about mental health issues and children's mental health in the context of the special order that we are going to have for the next hour or so.

Mr. Speaker, I yield to the gentleman from Texas (Mr. RODRIGUEZ) briefly. I know he was very concerned about this price discrimination issue.

Mr. RODRIGUEZ. Mr. Speaker, let me, first of all, thank the gentleman from New Jersey for allowing me to say a few words.

I was very pleased to see that, at least from the Republican perspective, our fellow colleagues before were talking about the price disparities that exist between this country and other countries on the same prescriptions.

That same disparity exists in this country when it comes to the price that that senior citizen pays here in the United States and what that HMO individual pays on that same prescription. So that disparity not only exists in this country to other countries, but within our own country itself.

So the real problem is that the pharmaceutical companies have chosen to play a game with us. We have taken them on, and we have said we are not going to deal with it anymore. They have actually come back, contributed to a lot of the politicians up here, and are contributing heavily and expending a lot of money, as my colleagues well know, on advertisement that brings out the senior citizen by the name of Flo that talks about that she does not want government involved.

Well, the reason she does not want government involved is because she wants to make sure that the pharmaceutical companies continue to do what they have been doing, and that is price fixing as far as I am concerned.

One of the things that we have in this country is, as my colleagues well know, is that senior citizens on Medicare who might be receiving the only pension, might be Social Security, having to pay higher prices than someone that is under an insurance HMO. We should not tolerate that.

The other thing that I think we recognize as Americans is that health care and prescription coverage go hand in hand. When we established Medicare, the prescription coverage aspect of it was not considered at that point in time. Yet, for Medicaid, for indigent individuals, we provide prescription coverage. It is only fair that we take into consideration our senior citizens and that we provide for them, especially those that are on a fixed income.

I think they recognize the disparity, but they lost track of who we need to go after, and that is our pharmaceutical companies that we need to make sure that they are fair about the prices.

One of the proposals that they had, I was looking at it, and it sounds great, but one of the main fights that we have in this country is the war on drugs. I represent the border. We have packages that come in that Customs has to check. Can my colleagues imagine having to check foreign prescriptions and foreign drugs that come in and to determine whether they are legal or not legal? As it is, we have heroin that is mailed into this country. We have pot that is mailed in. We have other types of pharmaceutical, illegal pharmaceutical things that are mailed in under the black market. How are we going to distinguish that?

So I think the best thing to do is to look in terms of that cost now in this country and make sure that they provide an affordable cost and do everything we can to help our senior citizens have access to prescription coverage. I think that is the only thing that makes sense. It is something that they have been unwilling to do in the last two Congresses here; I am hoping that we can make it happen.

Again, I just want to thank the gentleman from New Jersey (Mr. PALLONE) for his efforts in this area because I think it is a key area that needs to be dealt with.

Mr. PALLONE. Mr. Speaker, I thank the gentleman from Texas (Mr. RODRIGUEZ) for pointing out the two problems that we have right now with prescription drugs for seniors. One is there is no benefit; there is no guaranteed benefit under Medicare right now. The second is the price discrimination. If I could, I just will very quickly talk about both of those points.

We are not really trying to reinvent the wheel as Democrats, but we are saying, and I know the gentleman from Texas said, that Medicare is a good program. It has been on the books now for over 30 years.

One has part A to get one one's hospitalization. One has part B where one pays a certain amount per month, 40-

something dollars a month on average, and one gets one's doctors care paid for. One has a certain co-payment, one gets one's doctors bill paid for.

So what we are saying is we have this existing program which is a good program, very low administrative cost. We know that when Medicare started 30 years ago, prescription drugs really were not much of an issue because people did not buy many of them, but now it is.

From a preventive point of view, we want to make sure that people have prescription drug coverage. So we are going to establish another part C or part D, if you will, under Medicare. Just like part B for one's doctor bills, one will pay $40 a month, whatever it is a month; and one will get a significant portion of one's prescription drugs paid for, starting with the first prescription, in the same way that one's doctor bills are paid for.

It is a guaranteed benefit. In other words, if one decides to participate and pay the money per month, if one cannot afford it, just like part B, the Government will pay for it; but if one can afford it, one has to pay a certain premium, and then one is guaranteed all medically necessary drugs.

In other words, the doctor decides that, if one needs a particular prescription, it is covered. It is not like where the HMO is going to say, well, maybe one cannot have this or one cannot have that. So whatever is medically necessary.

Now, the Republicans instead, because of the drug companies, the drug companies lobbied them and said no, no, no, we do not want that because they are concerned, once this comes under the rubric of Medicare, there is going to be some government control over it.

So what they do is they tell the Republicans, why do you not forget about the Medicare example that has been so successful, and you just give some money to seniors, I do not know how much, whatever you think you can afford with this surplus that we have; and you see if the seniors can go out and see if an insurance company will sell them a policy.

Well, that is not Medicare. That is not building on the existing program. Every one of the insurance company representatives that came before the House committee, my Committee on Commerce, Committee on Ways and Means, said they will not sell those Republican drug-only policies because it is a benefit. It is not a risk.

When one is selling insurance, one wants to make sure some people do not use the benefit and others do, and that is how one makes money. Well, insurance companies are not going to sell a policy where everybody needs a drug benefit, which 90 percent-plus seniors do.

Now, the other thing the Democrats are saying is that, once this Medicare prescription drug program is established under Medicare, now HCFA can basically, in each region of the country, establish what we call a benefit provider.

I do not want to be too bureaucratic, but this is some agency that will go out and negotiate a price because now there are going to be 40 million people, seniors who are Medicare beneficiaries that the Government can bargain for the best price, just like the HMOs do. That drives the cost down. That eliminates the price discrimination that one is talking about.

The Republicans do not have anything like that. They do not even address the issue. So our colleagues over there, and I am not trying to say they are badly intentioned here, but they are talking about the price of prescription drugs; but they are not addressing it in their bill.

They will not even let us bring our bill up. We tried to do it in Committee on Rules when they brought up their prescription drug plan. They said, no, we cannot do that. Then last week, when we had the marriage penalty, the President came out and said, look, I will even agree to the Republican marriage penalty provision, even though it is not really helping the average person the way they have set it up; but you have got to add our prescription drug benefit to it. They said no, we are not going to do that.

Mr. RODRIGUEZ. Mr. Speaker, I know. One of the things I think that the gentleman from New Jersey (Mr. PALLONE) mentioned, because the insurance companies are unwilling to come in and take care of our senior citizens, and they do it for good reasons, is because they know that, when one becomes a senior, that is when one is going to need the service.

If I can be as cynical to say that, during the time of LBJ and when we established both Medicaid and went forth with Medicare, there was an understanding with the insurance companies that, number one, it was okay to have Medicare because that is when one becomes a senior citizen, and that is when one was not cost effective for the insurance companies to take one on.

So that was okay for government to get involved with that. It was okay for us to have Medicaid because, after all, with Medicaid, one had no money to buy insurance so then it is okay. They wanted to take care of those that were healthy and young during that period.

So that is one of the reasons why they would be unwilling to go and get involved in providing prescription coverage when we know full well that the average citizen is expending over $1,000, more than the majority are spending, over $1,000 a year on just prescription coverage. So it is not to their advantage. They are not going to make the profits that they would like to.

The ones that are making the huge profits are our pharmaceutical companies, which they ought to be embarrassed; and they ought to be embarrassed in terms of the amount of millions of dollars they are out there expending on the waivers and coming out on TV talking about the fact that we should not want government involved. The ones who are doing a number on us are the pharmaceutical companies, the private sector. I think it is time we put a stop to that.

Mr. PALLONE. Mr. Speaker, I agree.

Mr. Speaker, just briefly, I am not an ideological type. I want to do what is practical and what works. The bottom line is one can call Medicare a government program. Sure it is, but I do not think it is bad because it is a government program. It works. The administrative costs of Medicare are, like, 3 percent. I would defy anybody on the Republican side to tell me that their typical constituent does not like Medicare.

Plus it is voluntary. We are not saying that one has to participate in this. It is just like part B. If one does not want it, one does not participate.

So if one looks at this practically speaking, the Republicans are talking about this drug-only insurance policy that is not going to work. Nobody is going to sell it. We are talking about expanding the existing Medicare program to cover prescription drugs which has worked for the last 35 years.

I have to say that I was amazed, because I mentioned this before, too, that in Nevada a few months ago, they passed a plan very similar to the Republican plan where they are going to basically give people money to go out and see if they can buy these insurance-only policies. Not one insurance company stepped up to the plate and said they wanted to buy the policy.

□ 2045

So even though the legislature passed the bill and the governor signed the bill, just like the Republican bill here in the House of Representatives, there is nobody benefiting from the program because no insurance company will sell the policy. So what good is it? It does not make any sense.

Mr. Speaker, I yield to the gentlewoman from Texas, and again I want to thank her for all her work on these health care issues. I know tonight she wants to highlight the mental health issue.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentleman for yielding to me, and before I turn to that I certainly cannot not acknowledge the crisis that we are in as it relates to our senior citizens and their desperate need for a benefit.

And if I can draw from the gentleman from Texas and the fine leadership of the gentleman from New Jersey on these issues dealing with prescription drugs, let me just tell my colleagues how I define it. I define the effort that we are undergoing here as a Democratic caucus to provide a benefit as contrasted to a promise; an opportunity to dial the telephone. Some of our seniors, of course, as the gentleman well knows, still have those dial phones and not push-button

phones because they have lived frugally all their life, and they have now the right to dial the telephone to an insurance company and hear them either get a dial tone or a hang-up sound, which means they do not have the money to pay for the opportunity for an insurance company to consider whether or not they would cover them.

In my own county alone we have had at least two HMOs pull up stakes. And this is why we are talking about mental health this evening, because in some of those instances the HMOs do not even cover mental health services. But we find that they are pulling up stakes. Senior citizens are left holding the bag.

I can remember when I was first elected and we were talking about saving Medicare and I would go around to my seniors, guess who would beat me to the punch? HMOs, who were signing up senior citizens on the Medicare program. I would have senior citizens coming to me and asking which one they should choose. Of course, I could not advise them on personal decisions, but I could advise them on our determination to save Medicare.

But those same HMOs now have flown the coop and left senior citizens with the opportunity simply to dial a telephone number. I believe it will be a tragedy if we allow this to occur, the same way it will be a tragedy to allow the fact that people who are suffering with mental illness, as we will be talking about in just a moment, will not be able to have coverage.

I want to show this little chart, which indicates that in the Republican bill that they are trying to push through the beneficiary pays $1744, minimally speaking. Now, we know today that there are some senior citizens who cannot buy food or pay rent. They do not have the money to take care of themselves and the high cost of prescription drugs, along with providing for their other needs to provide for a quality of life that we want them to have.

I understand there was some jolly celebrations pooh-poohing the fact that we have a surplus. All right, we have a surplus. Now then is the time to respond to those whose hard work have helped us gain this prosperity, our senior citizens and many that are coming after them, to give them this prescription benefit through the Medicare structure and make it a real benefit.

Mr. PALLONE. I want to thank the gentlewoman, and just before we turn to the mental health issue, I just wanted to say that she was right on point when she talked about these HMOs.

I do not have a problem with HMOs. Let us face it, in our Democratic bill, in our Democratic Medicare prescription drug bill, we actually provide the HMOs with the majority of the cost of the prescription drugs. So sometimes Republicans say, well, they want choice; and if they go out and try to buy this insurance policy, they are going to have choice.

Well, seniors are going to have more choice with us because we guarantee the benefit under Medicare. If they want to stay in the HMO, they can. We give the HMO more than 50 percent of the cost of providing the prescription drugs, so they can stay in their HMO. And the HMOs actually will be encouraged to offer more benefits because we will give them the majority of the money to pay for the prescription drug benefit.

But as the gentlewoman from Texas said, the problem is now that so many of these HMOs are strictly just canceling coverage. As of July 3, when they had the latest round where they had to announce if they were going to pull out of the Medicare market, over 700,000 people are likely to lose their HMO benefits, and most likely their prescription drug benefits, because the HMOs are pulling out. They had to announce by July 3 if they want to pull out by January 2001.

So, again, the HMOs are not the answer to prescription drugs, because they are not providing it or they are getting out of the market. The answer is to provide the guaranteed benefit under Medicare.

What I would like to do now, Mr. Speaker, if I could, is to yield the balance of the hour to the gentlewoman from Texas to address the mental health issues and the children's mental health issues that she has been such a champion for.

The SPEAKER pro tempore (Mr. SHERWOOD). Under the designation of the minority leader, the balance of the hour is allocated to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. I thank the gentleman very much, and as I indicated, I thank the gentleman from New Jersey (Mr. PALLONE) for being persistent in his commitment to ensuring that we as a Nation face the question of viable health care and viable health benefits, which include prescription drugs.

And now this evening, Mr. Speaker, I believe that we will also see where Americans are crying out, sometimes in complete silence, in complete isolation for America to address the question of mental health needs. Notice, Mr. Speaker, that I do not define it as mental illness. I define it as mental health needs. And I am going to try to speak about the children that need these services as special needs children.

It is important that we highlight the fact that it is so very important that we eliminate what is such a devastating impact of mental health issues, and that is the stigma attached to it. I am not reading from Webster's dictionary as to the definition of stigma, so my colleagues will have to forgive me, but even the sound of the word sounds negative. And in my own attempt to define it, it seems to me to be allowing or encouraging or suggesting that we must live in silence about the mental health needs of our family.

I remember growing up and there were certain illnesses that people would not talk about. And as I was in a meeting with mental health providers, they related that we have now overcome the stigma of cancer. People get up and proudly say that they are cancer survivors; that they have survived and are fighting and their family is working with them. As I am told, years ago that was not something people talked about. We did not know. It was an unknown.

Today, I believe that mental health needs are equated to that era. And as we are now in the 21st century, people are living lonely lives. I work a lot with the veterans hospital. I work a lot with veterans, and with homeless veterans. It is well documented that large numbers of veterans from the Vietnam War, who I give great homage and great respect to, who many times they are sensitive to these statistics, are amongst our homeless veterans. They suffer from a number of conditions, some of them of substance abuse, but a lot deal with mental health needs. They are homeless because there is a disturbance that has not been treated. Their families did not know how to handle it.

When we look at the numbers dealing with children, some 13.7 million children suffer from diagnostical mental health disorders and only 20 percent receive the mental health services they need.

It is interesting that when we were funding Labor HHS, and I know we are about to address that issue again, I attempted to offer an amendment to the national mental health community, mental health clinics and services, that we got a mere $86 million. I was trying to push it up to the President's request. In actuality, the children's mental health services serves approximately 34,000 children, Mr. Speaker, and we are a Nation of 200 million plus, an increasingly younger nation with children who suffer from depression.

I would imagine if we passed a playground and saw one or two children fall off the monkey bars or the slide or the seesaw, maybe they do not call them those names anymore, but we saw that they could not move their arm, we would rush to their aid, call the teachers' aide or the teacher and say two or three children have fallen and it looks as if they have broken their arm or broken their leg. We would rush them to the hospital, and before long they would come back with their badge of honor, their arm in a sling or a cast, and soon they would be well. But what would we do if there was a little child on the playground that seemed isolated, that seemed distraught and frustrated, that seemed disturbed? Maybe we would send them to the principal's office because they were misbehaving, but many times we would not help them.

So this evening I am going to share with a number of my colleagues, and I am delighted to see the gentleman

from Texas (Mr. RODRIGUEZ), the gentlewoman from Indiana (Ms. CARSON), and the gentlewoman from California (Ms. LEE). I want them to join me. I am so honored that they have come to talk about this stigma.

I would be happy to yield to the gentleman from Texas, who as a State legislator was not afraid of tackling those issues that others would not speak about. I believe mental health is an issue that people do not speak about. They are our neighbors. We need more funding. And the people who are fighting this alone, whose relatives are hospitalized because they cannot get home care, need our help.

I yield to the distinguished gentleman from Texas (Mr. RODRIGUEZ).

Mr. RODRIGUEZ. First I want to thank the gentlewoman for yielding to me, and I want to congratulate her because I know she has had legislation to address this problem.

The gentlewoman mentioned some startling statistics, about 13.7 million youngsters in this country that suffer from mental health problems. One of the other statistics that she mentioned that was also very interesting was that only 20 percent of those receive service. That means two out of every ten that get diagnosed actually get service.

I want to share with my colleagues that by profession I am a social worker. I worked 3 years with adult heroin addicts, I worked about 4 years with adolescent substance abusers, and approximately a couple of years in community mental health. While I was working with adolescents in the entire Bexar County area, back then it was called the mental health and mental retardation center, we had two people that worked with adolescent substance abuse, two people for a county over a million. And one of the things I recall is that they used to call us asking for help and the first thing we had to ask is, has your son or your daughter been incarcerated? And when they said no, they have not gotten into trouble, but we need help. I would have to say, well, I am sorry, we cannot help you until you get into the judicial system.

So it is unfortunate that we could not reach out to these families and provide assistance when those individuals were in school having difficulties and having problems. And I want to congratulate the gentlewoman for pushing forward in this area.

When we talk about mental health, I want to share with my colleagues, and I know the gentlewoman from Texas is aware of this, that suicide is the eighth leading cause of death in the United States, accounting for more than 1 percent of all deaths. In addition to that, when we look at persons under the age of 25, it accounts for 15 percent of suicides in 1997. Between 1980 and 1997, suicide rates for 15- to 19-year-olds increased 11 percent. So we have had this real problem in terms of increases in suicide.

□ 2100

It is unfortunate that it has gotten to the point that we have very little service. The other reality that we really need to be very conscious about is the suicides. Let me just give you one more figure. Twelve young people between the ages of 15 to 24 die every day. Today, 12 young people on the average committed suicide. African Americans is growing, in terms of the young African Americans who are committing suicide. Latino women are also suffering from depression. So it is an issue that we need to come to and revisit.

I know that your piece of legislation helps to begin to address this problem and sometimes we do not realize the connection between what is happening out there, the consequences in terms of our schools and the danger that is occurring there.

Ms. JACKSON-LEE of Texas. I think the gentleman made an important point. Many people believe that for some reason or another, Members of the United States Congress, and I hope the gentlewoman from Indiana will maybe mention her background a little bit, sort of drop out of the sky and come into the United States Congress. As a lawyer, I practiced what we call probate law in Texas, the mental health commitments under the probate courts. So I got a chance to go into all kind of halfway houses and facilities to see people. Some of them were not as I would have wanted. They were tragic circumstances in terms of anyone getting any good treatment. But we had to in essence put someone somewhere. I felt the pain of families. I think you should repeat again, you were a social worker. You wanted to help people, but you could not help a young person unless they were put in the detention or the juvenile crime system.

Mr. RODRIGUEZ. Unless they had already broken the law, we could not help them. That was the way it was structured in terms of how it was funded. So individuals out there that are having difficulties, parents, a multitude of parents with adolescents, we could not reach out to them at all. Those services are lacking throughout this country. There is a real need for us to revisit that. There are a lot of issues in mental health. I think that this is one of the areas that we are looking forward to. I was real pleased to see Tipper Gore reach out and do the conference here in Washington on mental health and the importance and the testimony that she provided on her first-hand experiences with depression and how difficult that is and the need for us to have a better understanding of what that can cause and the problems that that can bring.

As a country, we need to recognize that a lot of people are falling through the cracks. If you look at the incident, the shooting that occurred here with that individual that had a mental health problem, that individual had been under treatment and had dropped out of that treatment. One of the few ways that we can prevent those kinds of atrocities is by providing mental health services. I think it is important that we take and work with those youngsters.

If I can add one other thing that I am real concerned about, not enough studies and research have been done with the use of Ritalin and prescription coverage with youngsters. Ritalin and some of those prescriptions were made for adults. All of a sudden we started to provide those prescriptions for our youngsters. We do not know what the long-term effects are going to be. And I think we have gone overboard on the use of some of those prescription items with our youngsters. So we really need to be very cautious. There is a need for research to occur in this area. I am hoping that your piece of legislation will be funded and that we can reach out to those youngsters throughout this country that are suffering from depression and a variety of different other disorders.

Ms. JACKSON-LEE of Texas. I thank the gentleman for his expertise and his leadership on this issue. We are going to work together.

As I introduce the gentlewoman from Indiana, let me cite for you a statement of needs of mentally ill children in the juvenile justice system in a position paper done by the Mental Health and Mental Retardation Authority of Harris County, Joy Cunningham, executive director. She used the term mental illness or mentally ill children. I said that I was going to focus it on special needs children, but mentally ill children, as this paper cites, are more vulnerable to drug and alcohol problems and are at high risk for suicide and for committing nonrational violent acts. While we cannot completely divert these children from the juvenile justice system because their condition is manifested in serious behavioral problems, for the majority of these children an improvement in their condition equals an improvement in their behavior.

This is a fait accompli. This is what is going on now. Would it not be great if we could get these children before it resulted in violent behavior? The gentlewoman has worked to try and curb the use of handguns or guns getting in the hands of children. Part of that, of course, is accidental. But part of it is guns mixing with children who are disturbed. She has been working on the antiviolence, and I believe they are all interwoven. We thank her for her leadership and sharing this time with us to talk about the needs of people who are suffering from mental needs or mental health needs and as well our children.

I yield to the distinguished gentlewoman from Indiana (Ms. CARSON).

Ms. CARSON. Mr. Speaker, I would like first and foremost to give honor to whom honor is due, and that is to the distinguished gentlewoman and my friend from Texas (Ms. JACKSON-LEE) and certainly to the honorable gentleman from Texas (Mr. RODRIGUEZ).

Mental health is an issue that has historically been kept quiet. It was sort of like a quiet storm within various households across this country

and across this world. People were not inclined to talk about mental illness. They would pretend when they had a family member with mental health challenges to have been gone away on a visit or be in some place other than hospitalized because of their mental health challenges. That is not something that I have learned by reading a book; it is something that I have learned firsthand through my neighbors and through my churches. Prior to coming to the United States Congress, I was elected to township trustee. The reason I wanted to do that is because I wanted to buy a building which has since been named the Julia Carson Government Center in Indianapolis because it is set in a very nice neighborhood. But it had the highest number of homeless children in the whole of Marion County. It was the Mapleton-Fall Creek area as it is known. The kids were laying on the steps all night and all day. These were young children. They were 7 and 8 years of age. They were classified as delinquent sometimes or homeless sometimes; and their basic underlying needs were left ignored or unmet, the kind of mental health challenges that are often referred to in terms of a description of what really faced those very vulnerable children.

I am pleased that the honorable gentlewoman from Texas (Ms. Jackson-Lee) allowed me to become a cosponsor of the bill that she inspired and authored, H.R. 3455. I commend her for her outstanding foresight and insight and activism on behalf of our children who are diagnosed with mental health disorders. The gentlewoman's bill provides mental health services to children, adolescents, their families, schools and communities. This issue reminds me in the academic sense of the mathematical axiom that the whole equals the sum of its parts. While we talk about mental health challenges and mental health disorders among young people and trying to access them to proper medical services and coverage, we have to further recognize that there are other axioms out here that perpetuate that whole challenge of mental illness, and that is the kind of environment in which kids grow up.

Kids live in old neighborhoods, in old houses. They still have lead-based paint in the houses which has been known to perpetuate violence, delinquency and mental health disorders. We have a food stamp program that covers food for children, but it does not allow good nutritional kinds of support for children. For example, food stamps do not cover vitamins. It specifically denies purchase of vitamins with food stamps, which to me is a very vital component of anybody's well-being, nutrition, et cetera. I think those are areas that we need to further expand upon as we try to deal with the mental health disorders that this bill addresses.

The gentlewoman's bill authorizes the Substance Abuse and Mental Health Services Administration to work with the Department of Education to increase the level of available resources for localities, to identify emotional and behavioral problems in children and adolescents and provide service through school and community-based clinics.

I do not want to get into another kind of discussion here, but while we deny the majority of America's children who are in public education access to quality education and all of the tools that are attendant to quality education such as mental health services, counselors, nurses, professional people within a school setting who are adept in identifying potential problems, I think we do this country a disservice while we wade off into areas that really do not benefit the majority of America's children.

Her bill provides mental health services to children and adolescents, their families and their schools and communities. That is so vital if we are really going to get a grip on this issue. Everybody may not know that an estimated 20 percent of American children and adolescents, 11 million in all, have serious diagnosable emotional or behavioral health disorders which range from attention deficit disorder and depression to bipolar disorder and schizophrenia. That is a lot of people, 11 million in all, of our children.

Ms. JACKSON-LEE of Texas. That is a very good point. That is a large number. That is documented. We do not know what are the other numbers. The reason why I wanted to have this discussion on the floor of the House is because I have encountered a number of custodians of children, those who have custodial care, whether they are grandparents or aunts and uncles, single parents and families who are suffering alone with children who need mental health care.

But one of the major problems is as we all know, the work of children is going to school. We get up every morning and we head out for our work as an adult. I am told that that work for children is when they go to school. The issue is, this is where they live a good portion of their life. And knowing children, working with children, having, I know, some wonderful grandchildren, are children apt to just pop up one day and say, my emotions don't feel well?

This is the problem that we are facing. How do you get help for children who are children and do not know how to express that they are depressed or something is wrong other than when they act it out? And then that parent is left just aghast as to what happened.

Have you seen that, particularly with those homeless children, you do not know, you are able to house them maybe, but were there resources there to help them with their state of mind?

Ms. CARSON. There were not resources available. As the gentleman from Texas (Mr. RODRIGUEZ) pointed out his experience, unless a child gets into the juvenile justice system, they are sort of just out there with no kind of support, no emotional support, nobody to talk to, nobody who understands. Their home conditions are such that they really cannot get the kind of help they need through the home. We have an inordinate number of children who are born with substance abuses because their parents were substance abusers and so we have all these little babies being born now who are addicted from the time that they are flushed into the world, if you will. There are not enough services, not enough identification, not enough early prevention and care for those children before they become problems, if you will, for society. That is indeed a problem, and that is why it is imperative for this Congress to recognize the importance of passing the measure that you have introduced.

Between 9 percent and 13 percent of children ages 9 to 17 have serious mental and emotional disturbances that substantially interfere with or limit their ability to function in a family, school and community. Evidence that was compiled by the World Health Organization indicates by the year 2020, internationally, childhood neuro-psychiatric disorders will rise proportionately by over 50 percent to increase one of the five most common causes of morbidity, mortality and disability among children. And, of course, the Mental Health Association reports that most people who commit suicide have a mental or emotional disorder. Within every 1 hour and 57 minutes, a person under the age of 25 years of age commits suicide.

□ 2115

I think this Congress has an obligation if we stand here day and night and talk about family values, then we need to move forward not just in word but in deed in terms of providing some help for all of these people out here who are dependent on the Sheila Jackson-Lees and the Barbara Lees of the country to step forward and provide meaningful opportunities to redress this very serious problem in our communities, in our individual communities and in our country.

I would say to the gentlewoman from Texas (Ms. JACKSON-LEE) that I have a great deal of gratitude, and I want to thank her for the opportunity to stand here and speak on a problem that was not a popular subject matter; but she certainly has done a yeoman's job in bringing it to the fore of the American people.

Mr. Speaker, I am a cosponsor in support of Congresswoman JACKSON-LEE's bill H.R. 3455 and commend my colleague for her outstanding activism on behalf of children diagnosed with mental health disorders.

This bill would provide mental health services to children, adolescents and their families, schools and communities.

This legislation would authorize the Substance Abuse and Mental Health Services Administration to work with the Department of Education to increase the level of available resources for localities to identify emotional and

behavioral problems in children and adolescents and would provide service through school and community based health clinics.

Mental health care needs among our children are on the rise.

An estimated 20% of American children and adolescents, 11 million in all, have serious diagnosable emotional or behavioral health disorders, which range from attention deficit disorder and depression to bipolar disorder and schizophrenia.

Between 9% and 13% of children ages 9 to 17 have serious mental or emotional disturbances that substantially interfere with or limit their ability to function in the family, school, and community.

Recent evidence compiled by the World Health Organization indicates by the year 2020, internationally, childhood neuropsychiatric disorders will rise proportionally by over 50% to become one of the five most common causes of morbidity, mortality, and disability among children.

The National Mental Health Association reports that most people who commit suicide have a mental or emotional disorder. Within every 1 hour and 57 minutes, a person under the age of 25 commits suicide.

Furthermore, the U.S. Surgeon General reports that suicide among African-American youth has increased 100% in the last decade.

Too many children suffering from a mental or emotional disorder go unserved. An estimated two-thirds of all young people are not getting the mental health treatment they need.

Effective treatments for children's psychiatric disorders typically require not only direct interventions such as psychotherapy or medication, but also a range of other actions, including interventions with parents and school personnel.

The Children's Defense Fund reports that when children's mental health services are unavailable, affordable, or inappropriate, young people often end up caught in the child protection or juvenile justice systems. Furthermore, parents may even be forced to give up custody of the children to secure appropriate treatment.

The rise in youth violence across this nation has created a climate of fear in our schools and communities and has therefore, contributed to the increase in children having mental or emotional disorders.

The serious consequences of untreated mental health problems among children result in school drop-out, rise in juvenile delinquency, alcohol and drug abuse, and even suicide.

We need to advocate for initiatives that promote healthy mental and physical growth among our youth by providing prevention efforts, community-based mental health services, and ensuring quality mental health care services.

Implementing early-intervention services will ultimately decrease the likelihood of more severe emotional or behavioral problems.

Representative JACKSON-LEE's bill would not only expand resources for communities but would also allow communities to expand existing school-based anti-violence prevention programs that provide crisis intervention, emergency services, school safety, and behavior management.

Therefore, I ask my other colleagues to support this important and needed legislation and help our children receive the quality mental health services that they deserve.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the distinguished gentlewoman from Indiana (Ms. CARSON). I can assure her that she has done a great service to those who are suffering in isolation by coming to the floor tonight and saying to those who are suffering with mental health needs that they are not alone.

It is interesting, as the gentlewoman from California (Ms. LEE) worked so hard on the floor last week to challenge this Congress and ask the very simple question, can we not provide for the poor of the world. And I thank the gentlewoman from Indiana (Ms. CARSON) very much for her commitment and support of the legislation that we are trying to pass to provide $100 million in funding for mental health needs.

The gentlewoman from California (Ms. LEE) fought just last week when unfortunately we were told we had no money; we come just a few days later and we are hearing of the booming surplus that is coming about. Of course, there is a lot of debate about tax cuts to people and people wonder why, many of us, particularly Democrats, have a different perspective. Because I realize that out of information that we have gotten from the National Mental Health Association, and we applaud their work, and the White House conference with Tipper Gore, that people in the United States, what a tragedy, we can only serve 34,000 children, when I have pages of gun violence incidents that suggest that we have troubled children in our midst and we cannot find a way to provide an extra $100 million for school nurses, for counselors, for training teachers to be able to detect whether a child is troubled. I believe the fight of the gentlewoman was a very important fight, dealing with debt relief, but dealing with HIV/AIDS around the world.

I believe this is an important fight for the children of America, and I am delighted with the leadership of the gentlewoman from California (Ms. LEE) and would like to yield to the distinguished gentlewoman from California (Ms. LEE), who is aware that human needs must be paramount.

Ms. LEE. Mr. Speaker, I would like to thank my esteemed colleague, the gentlewoman from Texas (Ms. JACKSON-LEE), for really organizing the opportunity to discuss a crucial national issue, the mental health of our children. Let me just say I am a proud social worker. I actually studied psychology during my undergraduate term at Mills College in California and then I went on to receive my masters in social work, a degree at the University of California.

Ms. JACKSON-LEE of Texas. If the gentlewoman would yield, it is wonderful that as we debate this that the American people understand that we did not just come here; that we bring experiences.

Ms. LEE. I studied Maslow and Freud and Jung and all of the great psychiatrists and behavioral scientists of our time, and I studied psychology because I wanted to try to understand human behavior more. I went into community mental health, psychiatric social work, because I learned very quickly that the environment and the social context in which a child or a human being lives really that context impacts their life, their behavior and their mental health.

So mental health is a question of just that; it is a question of health. For too long it has been stigmatized, and it has been neglected.

In the early 1970s, when I was in graduate school, I actually founded a community mental health center; and it was called Change, Incorporated, and it was in Berkeley, California. I founded that center so that we could destigmatize and remove the artificial barriers about mental health for primarily low-income African American residents of that community.

That mental health center survived for 10 years, but this was in the early 1970s, and we had a hard time raising money then for resources to provide the intervention and the counseling. What we saw, though, during those 10 years was the psychologists, social workers, counselors, made an enormous difference in the lives of children and families through intervention, through quality mental health services.

Now, as I said, this was in the early 1970s. Here we are now in the year 2000 and we are still talking about the fact that mental health is not a critical component of our national health policy, and we are struggling to raise resources and to provide new resources for mental health counselors. We can help our children and we can offer alternatives to desperate young people, averting some of the terrible schoolyard tragedies which we have seen that really dominate our nightly news.

Substance abuse, violence, school dropouts, suicide all of these are manifestations of a young child's acting out, yearning to be heard, wanting us as adults to do something to help. They are calling out for help. Suicide rates among African American youth have increased 100 percent in the last 10 years, 100 percent. This is really a silent epidemic that is taking our young people one by one, and I know that with some form of intervention most of these lives would have been saved.

So we do need community programs, and we do need to offer mental health services in our schools. We need school counselors. In my own State of California we have one counselor to 1,100 children. Can one imagine? Teachers need to be freed up to teach.

Some children come to school hungry. They cannot concentrate. Consequently they act out. A teacher has to deal with that. If there were a counselor available, the teacher could refer that child to a counselor; and the counselor could develop a case management plan to help that child rather than allowing that child to be suspended or to fall out or to drop out of school.

So I am very proud to be with the gentlewoman tonight. I thank her for this. I am in full support of her bill, which is such an important bill, The Give a Kid a Chance Omnibus Mental Health Services Act for Children. I think that is a great title for the bill.

It will really forge a critical link in our health network. It also will boost badly needed resources for communities to develop community mental health programs for children and adults, the same thing that we tried to do in Berkeley, California, in the early 1970s.

So here we are again. We need mental health professionals in every school. We need our families and children to know that it is okay to seek a counselor and to seek a mental health professional, and we need to give our kids a chance.

Ms. JACKSON-LEE of Texas. The gentlewoman has highlighted so many important points I do not know where to start, but having just finished the fight to assist the world in its fight for HIV/AIDS, does the gentlewoman not think that if we discover that we have a surplus that was unexpected that it would not be fiscally irresponsible to be able to look at mental health parity in our HMO coverage? The gentlewoman being a psychiatric social worker has seen the pain of people suffering from mental illness and mental health needs, as I have called it. What I have seen is people who are isolated and do not know where to go.

Let me cite these numbers for a moment. It is estimated between 118,700 and 186,600 youth were involved in the juvenile justice system, I call it the juvenile crime justice system, have at least one mental disorder. So they really needed other kinds of help.

According to a 1994 OJJDP study of juveniles' response to health screening conducted at the Mission of Juvenile Facilities, 73 percent of juveniles reported having mental health problems and 57 percent reported having prior mental health treatment. Of the 100,000 teenagers in juvenile detention, estimates indicate that 60 percent have behavioral, mental, or emotional problems.

Is it important that we try to find the funding to be able to help not only these children but these families? And I know social workers are not paid what they should be paid.

Ms. LEE. Or psychiatrists or psychologists.

Ms. JACKSON-LEE of Texas. Or child psychiatrists.

Ms. LEE. Mental health professionals need to be paid what they deserve to be paid, and based on their workload they need to be paid twice as much.

Let me just say that one has to believe that the mind and the body are equally important. I think all of us believe that, but we have not put our money where our mouth is.

Mental health parity is critical if one believes that one's spirit, one's mind is just as important as the physical body. Psychosis, schizophrenia, depression, all of these mental issues, and I will not call it mental illness either because we still do not have a clear definition of mental illness, but all of these behavioral difficulties can be cured in many instances.

So why do we not elevate the mind and the body on an equal basis, because certainly one cannot be treated without treating the other? So additional resources making mental health policy as part of our national health policy should really be a national priority, and we should use some of our surplus to do just that.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I thank the gentlewoman from California (Ms. LEE) very much. I thank her for her work before coming to Congress, her work now. Let us commit ourselves, first of all, to the reality that this Nation is suffering from inadequate mental health services.

Yes, they are there in spotty places throughout the Nation, but even the community mental health services or the community mental health centers are only in about 37 of our States. The funding does not allow for complete use in all 50 States.

More teenagers die from suicide, Mr. Speaker, than from cancer, heart disease, AIDS, birth defects, strokes, influenza and chronic lung disease combined.

The U.S. Surgeon General stresses that mental health needs should be a central part of this Nation's health policy debate because mental health is indispensable to personal well-being, family interpersonal relationships, and contribution to community and society. I think when we talk about our children, families know about anorexia nervosa, we know about that. We have heard about anxiety disorders, but are we aware that our children suffer greatly from depression?

If I might share as I close this evening, depression is one of the most treatable mental illnesses as it is said here on the National Mental Health Association fact sheet, but early diagnosis and treatment are essential to depressed children and can help them lead to better long-term good health.

Mr. Speaker, the real question is, how many of us would run to aid a fallen child with that broken arm or that bruised knee or bruised finger, and the tears coming to their eyes? But how many of us have come to this floor to demand parity for mental health treatment for all Americans in their HMOs and health plans?

I want to applaud some of the great works of some Members of our Congress, both Republicans and Democrats, but we need to finish the job. The job means that we have to find good resources for children so that they can grow up to be healthy adults.

Let me acknowledge Dr. James Comer, who is here with the Yale University Child Study Center, been a leading force on children's mental health; Dr. Koplewicz, from the New York University Child Study Center who has also been working, but they need us in the United States Congress to fund legislation. I hope that H.R. 3455, give a kid a chance legislation, that asks for just $100 million to be able to put school counselors and nurses in schools, to be able to help our children find their way and to help their parents, would be considered in this Congress.

I do hope that those who feel isolated with the impact of mental illness in their families will find a way to believe in the United States Congress that we are moving toward addressing this question and not leaving them to suffer alone, Mr. Speaker.

NEEDS OF MENTALLY ILL CHILDREN IN THE JUVENILE JUSTICE SYSTEM POSITION PAPER

MENTAL HEALTH MENTAL RETARDATION AUTHORITY OF HARRIS COUNTY

Joy Cunningham Exec. Dir.

Over the years, the MHMRA Child and Adolescent Services Division, operating with limited resources, has been able to serve the needs of a variety of juvenile offenders through their outpatient clinics, school-based programs and day treatment services. However, it is apparent that there is a growing number of juveniles who are dually diagnosed whose needs cannot be met in our current county institutions.

Data collected by the Forensic unit on juvenile offenders indicate 17% of these youth (one of every five) suffer from a severe mental condition characterized by disturbed thinking, mood disorder, or impulse control disorder. When we include children who are diagnosed with Conduct Disorder, this percentage increases to 33% (two out of every five). Yet, the juvenile justice system does not have a single facility for mentally ill offenders. At present time, the Juvenile Probation Department sends children with severe mental health problems to private placement. This has resulted in the unprecedented amount of money spent in private placement. Within the last year, the collaboration between MHMRA and the juvenile probation department has resulted in the provision of some psychiatric services at juvenile probation facilities. However, this does not begin to address the needs of mentally ill children.

Mentally ill children are more vulnerable to drug and alcohol problems, and are at high risk for suicide and for committing non-rational violent acts. While we can not completely divert these children from the juvenile justice system because their condition is manifested in serious behavioral problems, for the majority of these children, an improvement in their condition equals an improvement in their behavior.

In order to address the needs of these mentally ill children, we need specialized programs that emphasize psychological/psychiatric intervention and that are manned by professionals with training in dealing with these children. These specialized services should be available in a continuum of care that addresses all levels of severity, and can either be contracted out or provided through MHMRA and Juvenile Probation with additional funding. Some of these specialized services/needs are described below.

Because of the severity of behavior problems, many of the most seriously mentally ill children are held in the detention center either awaiting court or awaiting placement. This is particularly detrimental for these children because of their limited cognitive and emotional resources. Consequently, their

behavior is prone to deterioration often resulting in them becoming a danger to themselves or others. The needs of these children can be best addressed in a short-term inpatient setting where they can have access to medication, and where monitoring for self-injurious behavior is an integral part of the program.

Chronically mentally ill children who are adjudicated delinquent and who, as a result of their condition, are prone to aggressive outbursts and whose behavior is so impaired that they represent a substantial risk to themselves or others, will necessitate a long term Residential Treatment Placement. The focus of this placement will be to provide regular psychiatric/psychological interventions in the form of individual, group, and family counseling, as well as medication interventions. It will also be important to incorporate an aftercare program that includes a transition to a less restricted facility prior to return to home placement.

No one agency should be responsible for providing services for these children. The needs of these children are complex and, as a result, need the efforts of all local agencies including Juvenile Probation Department, MHMRA, Child Protective Services, and the local school district.

Recommendations: It is imperative that Harris County have a centralized data bank, so that all the different agencies have immediate access to information regarding performance and participation in school program, history of mental illness/condition, history of referrals to the Juvenile Probation Department, and information regarding physical or sexual abuse or foster placement. The lack of this information makes it difficult to recognize the needs of children and offer appropriate alternatives.

Need for Research: It is imperative to have research driven treatment alternatives. To this end a centralized data source would be helpful. In Harris county, this would involve having a data system that includes the HCJS, MHMRA, CPS, and HISD, so that children can be easily identified, and to allow for continuation of services.

Training of Practitioners: Government should sponsor internship/resident programs with local universities or institutions of higher learning to allow for a rotation with these mentally ill children. This would serve the purpose of educating professionals who will be going into positions of responsibility with regards to these children, and/or to provide a larger pool of professionals with training with this specialized population.

Training of Juvenile Court Staff: It is imperative that all levels of court personnel (judges, district attorney, juvenile attorneys) and Juvenile Probation staff have an understanding of how mental illness or level of functioning can be a factor in criminal activity. Training in the complex issues of competency should be mandatory.

Legal System: Courts must continue to be involved because these children do have severe behavioral problems that put the public at risk, but also because in many instances it is the threat of legal action that motivates families and youth to participate in many of these programs. Therefore, they should have ultimate authority to remove these children from participation in these specialized programs should there be no indication that they are making an impact on the youth and/or the family. In making these decisions it will be important that those more closely involved with the implementation of these programs should receive education regarding mental illness so that they can make better decisions regarding the alternatives for these children.

Federal Funding: There is no doubt that implementation of the above recommendations is a costly endeavor. Support at the federal level in the way of legislation that provides line item funding for these services is recommended.

Mr. Speaker, children's mental health needs to be a national priority in this country today!

In this nation, we have taken great strides to address spend 10 times the amount on research into childhood cancer, than on children's mental health, yet one of five children is affected by some sort of mental illness.

Even more devastating is the fact that although one in five children and adolescents has a diagnosable mental, emotional, or behavioral problem that can lead to school failure, substance abuse, violence or suicide, 75 to 80 percent of these children do not receive any services in the form of specialty treatment or some form of mental health intervention.

This heartbreaking story of Kip Kinkle, the fifteen year-old student of Springfield, Oregon, who shot his parents and went to school to kill several other students is tragic, yet illuminating.

For three years before this horrendous event, Kip suffered from psychosis and heard voices, yet no one did anything to address this situation. No teacher sent him to the nurse and no one asked his parents to take him to a doctor to find out what was wrong.

This is why I stand before you today to encourage my Colleagues to address the inadequate funding for comprehensive children's mental health services. We need to reach these 75 to 80 percent of children suffering from mental illness and not allow any more days to go by, otherwise we are waiting for another school tragedy like Kip Kinkle to occur.

The recent Surgeon General's Report on Children's Mental Health specifically states that ''most children in need of mental health services do not get them . . .'' Hence, when children's mental health needs are not met, young people often get caught in child protective services or the juvenile justice system. As a result, we see that almost 60 percent of teenagers in juvenile detention have behavioral, mental or emotional disorders.

Although children's mental health services were funded at the President's request under H.R. 4577, this funding was still below the requested funding by National Mental health Association and the Federation of Families for Children's Mental Health Services. In order to adequately fund children's mental health services, we would need to fund this program with at least $93 million and not the $86 million allocated in the poorly funded bill H.R. 4577.

Currently, the Children's Mental Health Services Program only serves approximately 34,000 children. Additional funding would enable more states to provide more mental health services on the community level.

This is why I attempted to offer an amendment to H.R. 4577 to increase the funding for the Substance Abuse and Mental Health Services Administration by $10 million dollars. The intent of this Amendment was to increase the funding for the Children's Mental Health Services Program under SAMSHA.

Both the National Mental Health Association and the Federation of Families for Children's Mental Health Services support increased funding for children's mental health and agree that we need to focus this nation's attention on intervention measures so that we can prevent tragedies like Columbine in Littleton, Colorado, Heath High School in Paducah, Kentucky, and Westside Middle School in Jonesboro, Arkansas.

The grant programs funded under the comprehensive community mental health services program are critical to insure that children with mental health problems and their families have access to a full array of quality and appropriate care in their communities. To date, there have not been sufficient funds to award grants to communities in all the states.

It is also crucial that we emphasize the fact that mental health disorders often lead to teen suicide with a person under the age of 25 committing suicide every 1 hour and 57 minutes! The fact that 8 out of 10 suicidal persons give some sign of their intentions also begs the question, why do we not make children's mental health a national priority.

We know that more teenagers died from suicide than from cancer, heart disease, AIDS, birth defects, strokes, influenza and chronic lung disease combined.

Because childhood depression is so very prevalent, we must recognize the dire need for increased services to treat our youth.

One of the unfortunate realities of the lack of mental health services is the fact that many juveniles convicted in the criminal justice system are in the system because they need mental health services. Recently, the Human Rights Watch released its year 2000 report entitled, ''Punishment and Prejudice: Racial Disparities in the War on Drugs.'' This report detailing the discrepancies between criminal sentencing of African-American and Hispanic drug offenders versus White drug offenders in the juvenile justice system. This report also makes reference to the failure of minority youth to be provided adequate mental health services or appropriately sentenced according to their mental health needs.

Additionally, the New York Times released a study this past March that was conducted on 100 rampage killings. This Report indicated that mental health services could help prevent future outbreaks of violence among our youth and save students and their parents from the torture of another school shooting.

This is further support for the belief that all children need access to mental health services. Whether these services are provided in a private therapy session or in a group setting in community health clinics, private sessions or through the schools, we need to make these services available. That is why this Congress should support legislation that will help remedy the lack of mental health services in the school system.

The National Mental Health Association recommends initiatives to promote the ''healthy physical and mental development for America's youth.'' They support initiatives like increased mental health services in the school system and the surrounding community so that children have access to help when they need it. Recommended also are community based programs that promote good emotional development in children and adolescents.

Furthermore, the Substance Abuse and Mental Health Services Administration (SAMHSA) states that it advocates ''legislation that would provide support to communities to integrate mental health principles, services and supports into existing early childhood programs . . .''

This is why I introduced my bill, H.R. 3455, ''Give a Kid a Chance, Omnibus Mental Health

Services Act for Children of 1999,'' which would provide mental health services to children, adolescents and their families in the schools and in our communities. Already, this bill is supported by 58 members of Congress and numerous organizations including the National Mental Health Association, the National Association of School Psychologists and the Federation of Families for Children's Mental Health.

By making mental health services more readily available, we can spot mental health issues in children early before we have escalated incidents of violence. My bill, H.R. 3455, would authorize the Substance Abuse and Mental Health Services Administration (SAMHSA) to work with the Department of Education (DOE) to increase the level of available resources for localities to identify emotional and behavioral problems in children and adolescents and to provide service through the schools and community based health clinics.

Unlike other limited legislative remedies, my bill would require local entities to implement "comprehensive community-based programs that provide public health interventions and promote good emotional development in children and adolescents. These programs would provide early intervention services when mental health problems occur and would reach children who may be at-risk for a serious emotional or behavioral disorder (SED) and/or substance abuse.

One of the significant points of my legislation is that in order for a student to access the services of any of the mental health professionals, he/she would not have to have a "medically diagnosed'' mental health disorder. Thus, any student in need of someone to talk to about their emotional problems or simply in need of a ''friend'' would have access.

□

GENERAL LEAVE

Ms. JACKSON-LEE of Texas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the subject of this special order.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Texas?

There was no objection.

□

CONFERENCE REPORT ON H.R. 4810, MARRIAGE TAX RELIEF RECONCILIATION ACT OF 2000

Mr. ARMEY (during the special order of Ms. JACKSON-LEE of Texas), submitted the following conference report and statement on the bill (H.R. 4810) to provide for reconciliation pursuant to section 103(a)(1) of the concurrent resolution on the budget for fiscal year 2001.

CONFERENCE REPORT (H. REPT. 106–765)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4810), to provide for reconciliation pursuant to section 103(a)(1) of the concurrent resolution on the budget for fiscal year 2001, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

SECTION 1. SHORT TITLE.

(a) SHORT TITLE.—This Act may be cited as the ''Marriage Tax Relief Reconciliation Act of 2000''.

(b) SECTION 15 NOT TO APPLY.—No amendment made by this Act shall be treated as a change in a rate of tax for purposes of section 15 of the Internal Revenue Code of 1986.

SEC. 2. ELIMINATION OF MARRIAGE PENALTY IN STANDARD DEDUCTION.

(a) IN GENERAL.—Paragraph (2) of section 63(c) of the Internal Revenue Code of 1986 (relating to standard deduction) is amended—

(1) by striking ''$5,000'' in subparagraph (A) and inserting ''200 percent of the dollar amount in effect under subparagraph (C) for the taxable year'',

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

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

(4) by striking subparagraph (D).

(b) TECHNICAL AMENDMENTS.—

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

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

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

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

SEC. 3. PHASEOUT OF MARRIAGE PENALTY IN 15-PERCENT BRACKET.

(a) IN GENERAL.—Subsection (f) of section 1 of the Internal Revenue Code of 1986 (relating to adjustments in tax tables so that inflation will not result in tax increases) is amended by adding at the end the following new paragraph:

''(8) PHASEOUT OF MARRIAGE PENALTY IN 15-PERCENT BRACKET.—

''(A) IN GENERAL.—With respect to taxable years beginning after December 31, 1999, in prescribing the tables under paragraph (1)—

''(i) the maximum taxable income in the lowest rate bracket in the table contained in subsection (a) (and the minimum taxable income in the next higher taxable income bracket in such table) shall be the applicable percentage of the maximum taxable income in the lowest rate bracket in the table contained in subsection (c) (after any other adjustment under this subsection), and

''(ii) the comparable taxable income amounts in the table contained in subsection (d) shall be ½ of the amounts determined under clause (i).

''(B) APPLICABLE PERCENTAGE.—For purposes of subparagraph (A), the applicable percentage shall be determined in accordance with the following table:

''For taxable years beginning in calendar year—	***The applicable percentage is—***
2000	*170*
2001	*173*
2002	*178*
2003	*183*
2004 and thereafter	*200.*

''(C) ROUNDING.—If any amount determined under subparagraph (A)(i) is not a multiple of $50, such amount shall be rounded to the next lowest multiple of $50.''.

(b) TECHNICAL AMENDMENTS.—

(1) Subparagraph (A) of section 1(f)(2) of such Code is amended by inserting ''except as provided in paragraph (8),'' before ''by increasing''.

(2) The heading for subsection (f) of section 1 of such Code is amended by inserting ''PHASEOUT OF MARRIAGE PENALTY IN 15-PERCENT BRACKET;'' before ''ADJUSTMENTS''.

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

SEC. 4. MARRIAGE PENALTY RELIEF FOR EARNED INCOME CREDIT.

(a) IN GENERAL.—Paragraph (2) of section 32(b) of the Internal Revenue Code of 1986 (relating to percentages and amounts) is amended—

(1) by striking ''AMOUNTS.—The earned'' and inserting ''AMOUNTS.—

''(A) IN GENERAL.—Subject to subparagraph (B), the earned'', and

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

''(B) JOINT RETURNS.—In the case of a joint return, the phaseout amount determined under subparagraph (A) shall be increased by $2,000.''.

(b) INFLATION ADJUSTMENT.—Paragraph (1)(B) of section 32(j) of such Code (relating to inflation adjustments) is amended to read as follows:

''(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined—

''(i) in the case of amounts in subsections (b)(2)(A) and (i)(1), by substituting 'calendar year 1995' for 'calendar year 1992' in subparagraph (B) of section 1(f)(3), and

''(ii) in the case of the $2,000 amount in subsection (b)(2)(B), by substituting 'calendar year 1999' for 'calendar year 1992' in subparagraph (B) of section 1(f)(3).''.

(c) ROUNDING.—Section 32(j)(2)(A) of such Code (relating to rounding) is amended by striking ''subsection (b)(2)'' and inserting ''subparagraph (A) of subsection (b)(2) (after being increased under subparagraph (B) thereof)''.

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

SEC. 5. ALLOWANCE OF NONREFUNDABLE PERSONAL CREDITS AGAINST REGULAR AND MINIMUM TAX LIABILITY.

(a) IN GENERAL.—Subsection (a) of section 26 of the Internal Revenue Code of 1986 (relating to limitation based on tax liability; definition of tax liability) is amended to read as follows:

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

''(1) the taxpayer's regular tax liability for the taxable year reduced by the foreign tax credit allowable under section 27(a), and

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

(b) CONFORMING AMENDMENTS.—

(1) Subsection (d) of section 24 of such Code is amended by striking paragraph (2) and by redesignating paragraph (3) as paragraph (2).

(2) Section 32 of such Code is amended by striking subsection (h).

(3) Section 904 of such Code is amended by striking subsection (h) and by redesignating subsections (i), (j), and (k) as subsections (h), (i), and (j), respectively.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 6. ESTIMATED TAX.

The amendments made by this Act shall not be taken into account under section 6654 of the Internal Revenue Code of 1986 (relating to failure to pay estimated tax) in determining the amount of any installment required to be paid before October 1, 2000.

SEC. 7. COMPLIANCE WITH BUDGET ACT.

(a) IN GENERAL.—Except as provided in subsection (b), all amendments made by this Act which are in effect on September 30, 2005, shall cease to apply as of the close of September 30, 2005.

(b) SUNSET FOR CERTAIN PROVISIONS ABSENT SUBSEQUENT LEGISLATION.—The amendments made by sections 2, 3, 4, and 5 of this Act shall not apply to any taxable year beginning after December 31, 2004.

And the Senate agree to the same.

BILL ARCHER,
DICK ARMEY,
Managers on the Part of the House.

BILL ROTH,
TRENT LOTT,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4810), to provide for reconciliation pursuant to section 103(a)(1) of the concurrent resolution on the budget for fiscal year 2001, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment that is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clerical changes.

I. EXPLANATION OF THE BILL

A. STANDARD DEDUCTION TAX RELIEF (SEC. 2 OF THE HOUSE BILL, SEC. 2 OF THE SENATE AMENDMENT, AND SEC. 63 OF THE CODE)

PRESENT LAW

Marriage penalty

A married couple generally is treated as one tax unit that must pay tax on the couple's total taxable income. Although married couples may elect to file separate returns, the rate schedules and other provisions are structured so that filing separate returns usually results in a higher tax than filing a joint return. Other rate schedules apply to single individuals and to single heads of households.

A ''marriage penalty'' exists when the combined tax liability of a married couple filing a joint return is greater than the sum of the tax liabilities of each individual computed as if they were not married. A ''marriage bonus'' exists when the combined tax liability of a married couple filing a joint return is less than the sum of the tax liabilities of each individual computed as if they were not married.

While the size of any marriage penalty or bonus under present law depends upon the individuals' incomes, number of dependents, and itemized deductions, as a general rule married couples whose incomes are split more evenly than 70–30 suffer a marriage penalty. Married couples whose incomes are largely attributable to one spouse generally receive a marriage bonus.

Under present law, the amount of the standard deduction and the tax bracket breakpoints follow certain customary ratios across filing statuses. The standard deduction and tax bracket breakpoints for single individuals are roughly 60 percent of those for married couples filing joint returns.[1] Thus, the sum of the standard deductions for two single individuals exceeds the standard deduction for a married couple filing a joint return.

Basic standard deduction

Taxpayers who do not itemize deductions may choose the basic standard deduction (and additional standard deductions, if applicable),[2] which is subtracted from adjusted gross income (''AGI'') in arriving at taxable income. The amount of the basic standard deduction varies according to filing status and is indexed for inflation. For 2000, the amount of the basic standard deduction for each filing status is shown in the following table:

Table 1.—Basic standard deduction amounts

Filing status	*Basic standard deduction*
Married, joint return	$7,350
Head of household return	6,450
Single return	4,400
Married, separate return	3,675

For 2000, the basic standard deduction for joint returns is 1.67 times the basic standard deduction for single returns.

HOUSE BILL

The House bill increases the basic standard deduction for a married couple filing a joint return to twice the basic standard deduction for a single individual. The basic standard deduction for a married taxpayer filing a separate return will continue to equal one-half of the basic standard deduction for a married couple filing a joint return.

Effective date.—The provision is effective for taxable years beginning after December 31, 2000.

SENATE AMENDMENT

The Senate amendment is the same as the House bill.

CONFERENCE AGREEMENT

The conference agreement follows the House bill and the Senate amendment, with the modification that the provision is effective for taxable years beginning after December 31, 1999. The agreement further provides that the provision cannot be taken into account for estimated tax purposes prior to October 1, 2000.

B. EXPANSION OF THE 15-PERCENT AND 28-PERCENT RATE BRACKETS (SEC. 3(a) OF THE HOUSE BILL, SEC. 3(a) OF THE SENATE AMENDMENT, AND SEC. 1 OF THE CODE)

PRESENT LAW

Rate brackets

To determine regular income tax liability, a taxpayer generally must apply the tax rate schedules (or the tax tables) to his or her taxable income. The rate schedules are broken into several ranges of income, known as income brackets, and the marginal tax rate increases as a taxpayer's income increases. The income bracket amounts are indexed for inflation. Separate rate schedules apply based on an individual's filing status. In order to limit multiple uses of a graduated rate schedule within a family, the net unearned income of a child under age 14 may be taxed as if it were the parent's income. For 2000, the individual regular income tax rate schedules are shown below. These rates apply to ordinary income; separate rates apply to capital gains.

Table 2.—Federal individual income tax rates for 2000

If taxable income is:	*Then income tax equals:*
Single individuals	
$0–$26,250	15 percent of taxable income.
$26,250–$63,550	$3,937.50, plus 28% of the amount over $26,250.
$63,550–$132,600	$14,381.50 plus 31% of the amount over $63,550.
$132,600–$288,350	$35,787 plus 36% of the amount over $132,600.
Over $288,350	$91,857 plus 39.6% of the amount over $288,350.
Heads of households	
$0–$35,150	15 percent of taxable income.
$35,150–$90,800	$5,272.50 plus 28% of the amount over $35,150.
$90,800–$147,050	$20,854.50 plus 31% of the amount over $90,800.
$147,050–$288,350	$38,292 plus 36% of the amount over $147,050.
Over $288,350	$89,160 plus 39.6% of the amount over $288,350.
Married individuals filing joint returns[1]	
$0–$43,850	15 percent of taxable income.
$43,850–$105,950	$6,577.50 plus 28% of the amount over $43,850.
$105,950–$161,450	$23,965.50 plus 31% of the amount over $105,950.
$161,450–$288,350	$41,170.40 plus 36% of the amount over $161,450.
Over $288,350	$86,854.50 plus 39% of the amount over $288,350.

[1] Married individuals filing separate returns must apply a separate rate structure with tax rate brackets one-half the width of those for married individuals filing joint returns.

[1] The beginning point of the 39.6 percent rate bracket is the same for all taxpayers regardless of filing status.

[2] Additional standard deductions are allowed with respect to any individual who is elderly (age 65 or over) or blind.

HOUSE BILL

The House bill increases the size of the 15-percent regular income tax rate bracket for a married couple filing a joint return to twice the size of the corresponding rate bracket for a single individual. This increase is phased in over six years as shown in the following table. Therefore, this provision is fully effective (i.e., the size of the 15-percent regular income tax rate bracket for a married couple filing a joint return will be twice the size of the 15-percent regular income tax rate bracket for a single individual) for taxable years beginning after December 31, 2007.

Taxable year	*Joint return 15-percent rate bracket as a percentage of single return 15-percent rate bracket*
2003	170.3
2004	173.8
2005	183.5
2006	184.3
2007	187.9
2008 and thereafter	200.0

Effective date.—The provision is effective for taxable years beginning after December 31, 2002.

SENATE AMENDMENT

The Senate amendment increases the size of the 15-percent and 28-percent regular income tax rate brackets for a married couple filing a joint return to twice the size of the corresponding rate brackets for a single individual. This increase is phased in over six years as shown in the following table. The Senate amendment is fully effective (i.e., the size of the 15-percent and 28-percent regular income tax rate brackets for a married couple filing a joint return is twice the size of the corresponding regular income tax rate brackets for a single individual) for taxable years beginning after December 31, 2006.

Taxable year	*Joint return 15-percent and 28-percent rate bracket as a percentage of single return 15- and 28-percent rate bracket*
2002	170.3
2003	173.8
2004	180.0
2005	183.2
2006	185.0
2007 and thereafter	200.0

Effective date.—The provision is effective for taxable years beginning after December 31, 2001.

CONFERENCE AGREEMENT

The conference agreement follows the House bill, but with a different phase-in, as described in the following table:

Taxable year	*Joint return 15-percent rate bracket as a percentage of single return 15-percent rate bracket*
2000	170.0
2001	173.0
2002	178.0
2003	183.0
2004 and thereafter	200.0

The agreement further provides that the provision cannot be taken into account for estimated tax purposes prior to October 1, 2000.

Effective date.—The provision is effective for taxable years beginning after December 31, 1999.

C. ALLOWANCE OF NONREFUNDABLE PERSONAL CREDITS AGAINST REGULAR AND MINIMUM TAX LIABILITY (SEC. 3(b) OF THE HOUSE BILL, SEC. 5 OF THE SENATE AMENDMENT, AND SECS. 24, 26, AND 32 OF THE CODE

PRESENT LAW

Allow nonrefundable personal credits to offset both the regular tax and the alternative minimum tax

Present law provides for certain nonrefundable personal tax credits (i.e., the dependent care credit, the credit for the elderly and disabled, the adoption credit, the child credit, the credit for interest on certain home mortgages, the HOPE Scholarship and Lifetime Learning credits, and the D.C. homebuyer's credit). Except for taxable years beginning during 1998–2001, these credits are allowed only to the extent that the individual's regular income tax liability exceeds the individual's tentative minimum tax, determined without regard to the minimum tax foreign tax credit. For taxable years beginning during 1998 and 1999, these credits are allowed to the extent of the full amount of the individual's regular tax (without regard to the tentative minimum tax). For taxable years beginning during 2000 and 2001, the nonrefundable personal credits may offset both the regular tax and the minimum tax.[3]

An individual's tentative minimum tax is an amount equal to (1) 26 percent of the first $175,000 ($87,500 in the case of a married individual filing a separate return) of alternative minimum taxable income (''AMTI'') in excess of a phased-out exemption amount plus (2) 28 percent of the remaining AMTI, if any. The maximum tax rates on net capital gain used in computing the tentative minimum tax are the same as under the regular tax. AMTI is the individual's taxable income adjusted to take account of specified preferences and adjustments. The exemption amounts are: (1) $45,000 in the case of married individuals filing a joint return and surviving spouses; (2) $33,750 in the case of other individuals; and (3) $22,500 in the case of married individuals filing a separate return, estates and trusts. The exemption amounts are phased out by an amount equal to 25 percent of the amount by which the individual's AMTI exceeds (1) $150,000 in the case of married individuals filing a joint return and surviving spouses, (2) $112,500 in the case of other unmarried individuals, and (3) $75,000 in the case of married individuals filing separate returns or an estate or a trust. These amounts are not indexed for inflation.

Reduction of refundable credits by alternative minimum tax

Refundable credits may offset tax liability determined under present-law tax rates and allow refunds to an individual in excess of income tax liability. However, the refundable child credit (beginning in taxable years beginning after December 31, 2001) and the earned income credit are reduced by the amount of the individual's alternative minimum tax.

HOUSE BILL

Allow nonrefundable personal credits to offset both the regular tax and the alternative minimum tax

No provision.

Reduction of refundable credits by alternative minimum tax

The House bill repeals the provisions that reduce the refundable child credit and the earned income credit by the amount of the individual's alternative minimum tax.

[3] The foreign tax credit is allowed before the personal credits in computing the regular tax for these years.

Effective date.—The provision is effective for taxable years beginning after December 31, 2001.

SENATE AMENDMENT

Allow nonrefundable personal credits to offset both the regular tax and the alternative minimum tax

The Senate amendment permanently extends the present-law temporary provision that allows the nonrefundable personal credits to offset both the regular tax and the minimum tax.[4]

Reduction of refundable credits by alternative minimum tax

The Senate amendment is the same as the House bill.

Effective date

The provisions are effective for taxable years beginning after December 31, 2001.

CONFERENCE AGREEMENT

Allow nonrefundable personal credits to offset both the regular tax and the alternative minimum tax

The conference agreement follows the Senate amendment.

Reduction of refundable credits by alternative minimum tax

The conference agreement follows the House bill and the Senate amendment.

D. MARRIAGE TAX RELIEF RELATING TO THE EARNED INCOME CREDIT (SEC. 4 OF THE HOUSE BILL, SEC. 4 OF THE SENATE AMENDMENT, AND SEC. 32 OF THE CODE)

PRESENT LAW

Certain eligible low-income workers are entitled to claim a refundable earned income credit (''EIC'') on their income tax returns.[5] The amount of the EIC an eligible individual may claim depends upon whether the individual has one, more than one, or no qualifying children, and is determined by multiplying the applicable credit rate by the individual's earned income up to an earned income amount. The maximum amount of the credit is the product of the credit rate and the earned income amount. The credit is phased out above certain income levels. For individuals with earned income (or modified AGI, if greater) in excess of the beginning of the phase-out range, the maximum credit amount is reduced by the phase-out rate multiplied by earned income (or modified AGI, if greater) in excess of the beginning of the phase-out range. For individuals with earned income (or modified AGI, if greater) in excess of the end of the phase-out range, no credit is allowed. In the case of a married individual who files a joint return. income for purposes of these tests is the combined income of the couple.

The parameters of the EIC for 2000 are provided in the following table:

TABLE 3.—EARNED INCOME CREDIT PARAMETERS (2000)

	Two or more qualifying children	One qualifying child	No qualifying children
Credit rate (percent)	40.00	34.00	7.65
Earned income amount	$9,720	$6,920	$4,610
Maximum credit	$3,888	$2,353	$353
Phase-out begins	$12,690	$12,690	$5,770
Phase-out rate (percent)	21.06	15.98	7.65
Phase-out ends	$31,152	$27,413	$10,380

HOUSE BILL

The House bill increases the beginning point of the phase-out range of the EIC for

[4] The foreign tax credit will continue to be allowed before the personal credits in computing the regular tax.

[5] A refundable credit is a credit that not only reduces an individual's tax liability but also allows refunds to the individual of amounts in excess of income tax liability.

married couples filing a joint return by $2,000. Because the rate of the phase-out range is not changed by the House bill, the endpoint of the phase-out range is also increased by $2,000. The effect of the increase in the beginning of the phase-out range is to increase the EIC for taxpayers in the phase-out range by an amount up to $2,000 times the phase-out rate. For example, for couples with two or more qualifying children, the maximum increase in the EIC as a result of the provision will be $2,000 multiplied by 21.06 percent, or $421.20. The House bill also expands the number of married couples eligible for the EIC. Specifically, the $2,000 increase in the end of the phase-out range will make married couples with earnings up to $2,000 beyond the present-law phase-out range eligible for the credit. The beginning and ending points of the phase-out range of the EIC (including the $2,000 increase for joint returns) will continue to be indexed for inflation, as under present law.

Effective date.—The provision is effective for taxable years beginning after December 31, 2000.

SENATE AMENDMENT

The Senate amendment is the same as the House bill except that the Senate amendment increases the beginning and ending income levels of the phase-out of the EIC for married couples filing a joint return by $2,500 rather than by $2,000.

Effective date.—The provision is effective for taxable years beginning after December 31, 2000.

CONFERENCE AGREEMENT

The conference agreement follows the House bill, with the modification that the provision is effective for taxable years beginning after December 31, 1999. The agreement further provides that the provision cannot be taken into account for estimated tax purposes prior to October 1, 2000.

E. COMPLIANCE WITH CONGRESSIONAL BUDGET ACT (SEC. 6 OF THE SENATE AMENDMENT)

PRESENT LAW

Reconciliation is a procedure under the Congressional Budget Act of 1974 (''the Budget Act'') by which Congress implements spending and tax policies contained in a budget resolution. The Budget Act contains rules defining the scope of items permitted to be considered under the budget reconciliation process. One such rule, the so-called ''Byrd rule,'' was incorporated into the Budget Act in 1990. The Byrd rule, named after its principal sponsor, Senator Robert C. Byrd, is contained in section 313 of the Budget Act. The Byrd rule is generally interpreted to permit Members to make a motion to strike extraneous provisions (those which are unrelated to the deficit reduction goals of the reconciliation process) from either a budget reconciliation bill or a conference report on such a bill.

Under the Byrd rule, a provision is considered to be extraneous if it falls under one or more of the following six definitions:

(1) it does not produce a change in outlays or revenues;

(2) it produces an outlay increase or revenue decrease when the instructed committee is not in compliance with its instructions;

(3) it is outside of the jurisdiction of the committee that submitted the title or provision for inclusion in the reconciliation measure;

(4) it produces a change in outlays or revenues which is merely incidental to the nonbudgetary components of the provision;

(5) it would increase the deficit for a fiscal year beyond those covered by the reconciliation measure; and

(6) it recommends changes in Social Security.

HOUSE BILL

No provision.

SENATE AMENDMENT

To ensure compliance with the Budget Act, the provision provides that all provisions of, and amendments made by, the Senate amendment shall cease to apply for taxable years beginning after December 31, 2004.

Effective date.—The provision is effective on date of enactment.

CONFERENCE AGREEMENT

The conference agreement follows the Senate amendment.

II. COMPLEXITY ANALYSIS

The following tax complexity analysis is provided pursuant to section 4022(b) of the Internal Revenue Service Reform and Restructuring Act of 1998, which requires the staff of the Joint Committee on Taxation (in consultation with the Internal Revenue Service (''IRS'') and the Treasury Department) to provide a complexity analysis of tax legislation reported by the House Committee on Ways and Means, the Senate Committee on Finance, or a Conference Report containing tax provisions. The complexity analysis is required to report on the complexity and administrative issues raised by provisions that directly or indirectly amend the Internal Revenue Code and that have widespread applicability to individuals or small businesses. For each such provision identified by the staff of the Joint Committee on Taxation, a summary description of the provision is provided, along with an estimate of the number and the type of affected taxpayers, and a discussion regarding the relevant complexity and administrative issues. Time constraints prevented the staff of the Joint Committee on Taxation from consulting with the IRS regarding the provisions in the conference agreement that has widespread applicability.

1. Standard deduction tax relief (sec. 2 of the conference agreement)

Summary description of provision

For taxable years beginning after December 31, 1999, the bill phases in an increase in the basic standard deduction for a married couple filing a joint return until it is twice the basic standard deduction for a single individual.

Number of affected taxpayers

It is estimated that the provision will affect approximately 25 million individual tax returns.

Discussion

It is not anticipated that individuals will need to keep additional records due to this provision. The higher basic standard deduction should not result in an increase in disputes with the IRS, nor will regulatory guidance be necessary to implement this provision. In addition, the provision should not increase individual's tax preparation costs.

Some taxpayers who currently itemize deductions may respond to the provision by claiming the increased standard deduction in lieu of itemizing. According to estimates by the staff of the Joint Committee on Taxation, approximately three million individual tax returns will realize greater tax savings from the increased standard deduction than from itemizing their deductions. In addition to the tax savings, such taxpayers will no longer have to file Schedule A to Form 1040 or need to engage in the record keeping inherent in itemizing below-the-line deductions. Moreover, by claiming the standard deduction, such taxpayers may qualify to use simpler versions of the Form 1040 (i.e., Form 1040EZ or Form 1040A) that are not available to individuals who itemize their deductions. These forms simplify the return preparation process by eliminating from the Form 1040 those items that do not apply to a particular taxpayer.

This reduction in complexity and record keeping may also result in a decline in the number of individuals using a tax preparation service (or a decline in the cost of using such a service). Furthermore, if the provision results in a taxpayer qualifying to use one of the simpler versions of the Form 1040, the taxpayer may be eligible to file a paperless Federal tax return by telephone. The provision also should reduce the number of disputes between taxpayers and the IRS regarding substantiation of itemized deductions.

2. Expansion of the 15-percent rate bracket for married couples filing a joint return (sec. 3 of the conference agreement)

Summary description of provision

The provision increases the size of the 15-percent regular income tax rate bracket for married couples filing a joint return to twice the size of the corresponding rate brackets for a single individual. This increase is phased in over five years beginning for taxable years beginning after December 31, 1999. It is fully effective for taxable years beginning after December 31, 2003.

Number of affected taxpayers

It is estimated that the provision will affect approximately 21 million individual tax returns.

Discussion

It is not anticipated that individuals will need to keep additional records due to this provision. The increased size of the 15-percent regular income tax rate bracket for married couples filing joint returns should not result in an increase in disputes with the IRS, nor will regulatory guidance be necessary to implement this provision.

3. Interactive effect of the alternative minimum tax rules

Both provisions (i.e., the standard deduction tax relief and the expanded 15-percent rate bracket) are affected by the alternative minimum tax (''AMT'') rules. Specifically, because neither provision makes corresponding changes to the alternative minimum tax regime other than the allowance of the nonrefundable personal credits against the AMT, additional individual taxpayers will need to make the necessary calculations to determine the applicability of the alternative minimum tax rules. It is estimated that for the year 2005, less than two million additional individual income tax returns with a benefit from the provisions will be required to include a calculation of the tentative minimum tax and file the appropriate alternative minimum tax forms. By the year 2009, this number is expected to rise to over seven million additional individual income tax returns. At the same time, however, by 2009, there will be approximately two million individual income tax returns that will be relieved of the burden of the AMT calculations by virtue of the extension of the nonrefundable personal credits against the AMT.

For taxpayers who have to calculate the tentative minimum tax and file the appropriate alternative minimum tax forms, it could be expected that the interaction of the provisions with the alternative minimum tax rules would result in an increase in tax preparation costs and in the number of individuals using a tax preparation service.

4. Sunset (sec. 7 of the conference agreement)

Summary description of provision

The provision sunsets the provisions and amendments made by the bill for taxable years beginning after December 31, 2004.

Number of affected taxpayers

It is estimated that the provision would affect almost all individuals affected by the other provisions of the bill.

Discussion

The provision would reverse any simplification achieved under the other provisions of the bill. Specifically, two categories of individuals would have additional record keeping and tax return filing complexity. First, individuals who, because of the bill changes, switch from itemizing deductions to using the increased standard deduction would likely revert to itemizing deductions when the increased standard deduction sunsets. Second, individuals who are relieved of the AMT calculations under the bill would be required to make such AMT calculations after the sunset. The sunset provision also can be expected to result in an increase in the tax preparation cost of individuals using a tax preparation service. In addition, the provision may require the IRS to issue guidance regarding the termination of the tax benefits as a result of the sunset.

ESTIMATED REVENUE EFFECTS OF THE CONFERENCE AGREEMENT FOR H.R. 4810, THE ''MARRIAGE TAX RELIEF RECONCILIATION ACT OF 2000''

[Fiscal years 2001–2010 [1] in millions of dollars]

Provision	Effective	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2001–05	2001–10
1. Standard deduction set at 2 times single for married filing jointly (sunset 12/31/04).	tyba 12/31/99	−9,873	−6,003	−6,383	−6,523	−1,959	.....	.....	.....	.....	.....	−30,741	−30,741
2. 15% rate bracket set at 2 times single for married filing jointly; 5-year phasein (sunset 12/31/04).	tyba 12/31/99	−4,146	−6,361	−9,718	−17,680	−6,277	.....	.....	.....	.....	.....	−44,182	−44,182
3. Extension of AMT treatment of refundable and nonrefundable personal credit (sunset 12/31/04).	typa 12/31/01	.....	−343	−1,876	−2,875	−3,460	.....	.....	.....	.....	.....	−8,554	−8,554
4. $2,000 increase to the beginning and ending income levels for the EIC phaseout for married filing jointly (sunset 12/31/04) [2].	tyba 12/31/99	−1,250	−1,281	−1,255	−1,268	−1,287	.....	.....	.....	.....	.....	−6,341	−6,341
Net Total		−15,269	−13,988	−19,232	−28,346	−12,983	.....	.....	.....	.....	.....	−89,818	−89,818

[1] The provisions of the bill generally are effective to taxable years beginning after 12/31/99. The bill provides that these provisions can not be taken into account for estimated tax purposes before 10/1/00. Accordingly, the provisions result in little to no effect on receipts in fiscal year 2000.

[2] Estimate includes the following effects on fiscal year outlays: 2001—1,073; 2002—1,109; 2003—1,078; 2004—1,082; 2005—1,097; 2006—....; 2007—....; 2008—....; 2009—....; 2010—....; 2001–05—5,439; 2001–10—5,439.

Legend for ''Effective'' column: tyba=taxable years beginning after.

Note.—Details may not add to totals due to rounding.
Source: Joint Committee on Taxation.

BILL ARCHER,
DICK ARMEY,
Managers on the Part of the House.

BILL ROTH,
TRENT LOTT,
Managers on the Part of the Senate.

□

TRIBUTE TO THE LATE ABILIO BACA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. BACA) is recognized for 5 minutes.

Mr. BACA. Mr. Speaker, I ask that the Congress reflect on the memory of my brother, Abilio Baca, of Barstow, California, who passed away this morning July 19, 2000, after a heart attack.

They say a man is measured by the lives he touches. Through the grace of God, Abilio touched many lives.

Born in Las Neutras, New Mexico, Abilio served family and country with distinction. Although circumstances didn't permit him to complete school, he made an ever-lasting impact and contribution to his family and community.

He served as an E–7 Staff Sergeant in the Army, where he fought in the Korean War; served twenty years with the National Guard; worked as an Army recruiter; and concluded his career as a Rigger Foreman for the Marine Corps Logistics Base.

Albilio was widely admired by family, friends and colleagues. He was hard working, dedicated, committed, disciplined, loving and supporting. He was everything one would want in a brother, son, father, husband, grandfather and great grandfather.

Abilio was like a father, coach and mentor to me. He was my oldest brother, my friend. He was the father I had after my dad passed away.

He started me in little league and bought me my first baseball shoes. He attended many of my games, and even would bring my parents. I played softball at the age of 14, for a team he coached, that was called the ''gophers'', which won many championships. This was an adult team but he had trust and faith in me that I could do it. We won many softball league championships in Barstow.

He coached and ran a semi-pro baseball team, that I played for, the Knights of Columbus, that played in San Bernardino and Riverside counties.

We are a semi-pro baseball team in the ''Sunset League'', that won numerous championships and he was named coach of the year.

I was fortunate to play basketball in the City League under this coaching.

He coached me as a child, in my teenage years, and as an adult in semi-pro baseball. I developed as an athlete under his leadership and guidance.

Abilio was a devoted Catholic and active at St. Joseph's Catholic Church and a member of the Knights of Columbus. He helped raise money for the church through Bingo.

He helped me on my campaigns locally, Assembly, Senate and the Congress.

His hobbies were jogging and he competed in 5 and 10 K's.

From Las Neutras, New Mexico, to Barstow, California, Abilio's life was dedicated to family, friends and community. His memory lives on in our thoughts and prayers. We say ''goodbye. God bless you, we love you, we miss you.''

Abilio is survived by his wife, Barbara Baca; his children, Sabra Baca, Mary Arreola, Richard Baca, Patsy Baca, Ronnie Baca, and Brenda Guerrero; brothers and sisters, Annie Saiz, Florenio Baca, Lupe Baca, Morris Baca, Tanny Baca, Raymond Baca, Joe Baca, and Theresa Perez, grandchildren, Mark Nickerson, Paul Arreola, Alex Chavira, Ryan Baca, Christina Arreola, Anthony Chavira, Michael Arreola; Daniel Guerrero, Brittney Baca, Mathews Baca, Marissa Guerrero, Andrew Baca, and Joshua Baca, a great-grandchild, Jocelyn Leigh Nickerson; and by a large extended family, who share in the loss.

Mr. Speaker, I have additional family remembrances I would request be printed in the CONGRESSIONAL RECORD:

Dad, I remember when you used to come home after work. I was very little. I would wait until you came through the door, and I would run into your arms and you would form your hands like a swing. You would swing me back and forth, making a funny sound while doing this. I really looked forward to that moment.

After you washed up, Mom always had dinner ready. We would eat as a family and whenever Rick or Tonnie would come to the table with a hat on, all you had to do was look at them. You would say nothing and off came those hats. As we were eating you would always tear a piece of Mom's tortilla to the dogs waiting under you.

And now when I got my new house, you would bring my mail and always look for the apple you know I had waiting for you in our fruit basket.

And the early morning phone calls.

Dad these are memorable days that I will cherish forever. I love you. Your baby daughter, Brenda Guerrero. P.S. Dad, I will still leave that apple there for you.

As a young child I remember me running to the door so I could see what was in his lunch pail. At the end of his workday, I remember sitting in his lap as a child.

He taught me how important it was to always go to work on time. Work hard and not to take ''no'' from anyone. He showed me how important family is. He loved us all unconditionally and I will always have the utmost respect for my dad. I love my dad so much and he will truly be missed.—Patsy.

I remember as a small child growing up. My dad always did his best to give us the things in life that he did not have growing up; he would always put my mom and us kids first, in front of all of his needs. At one time I could remember he had three jobs to make sure we had enough.

I also remember sitting at the dinner table and seeing a stranger's face at the table. So I would quietly ask my mom, ''who is this person?'' She would say that my dad had met this person and he was down on his luck so my dad offered him to come and eat with us. My dad always showed his love not only to us but also to complete strangers, too.

As a teenager growing up, I decided to play an instrument. I remember seeing my dad and mom at every concert and parade I was in, how he would travel so many miles to show me his support and love.

When I was in high school, my dad said he wanted me to graduate and get a good education so I wouldn't have to work as hard as he worked. No matter what I set my goals at, he would always support me to achieve those dreams.

As an adult getting married and starting a family, my dad was there for every child my wife gave birth to, and how proud he was to find out it was a ''boy.''

I also remember helping my dad at different church functions, how my dad loved to serve the Lord and how people said ''God Bless you Mr. Baca.''

After all his services that he has done, I know my dad is finally getting all those

''Blessings.'' I loved my dad as a teenager and I will always love and miss my dad. I love you.—Ronnie.

What I could recall as if it occurred yesterday as a small child growing up in an environment filled with an abundance of love, honesty, and respect for humanity, this was all bestowed by my mentor and father, Abilio G. Baca.

One particular incident occurred when I was disciplined for getting out of line with my Dad's father. His last words were ''if you don't ever get anything out of life remember this: never stop showing respect and love for those people who you say are dear and close to you.''

Dad always wanted us kids to get an education, because he wasn't given that opportunity, so we all did. This meant the world to him, when they announced our names as we graduated in High School and college.

My father was a very giving individual, and never hesitated to apply ''mi casa es su casa''—my home is your home, and we always had room for our friends to sit at the table and eat.

When he coached baseball he had team players that mom would make a sack lunch and take time to manage to do some mending on fifteen to twenty baseball uniforms.

Last but not least there was always room for honesty, integrity and putting 110% at your place of employment.

I will truly miss my father's presence but he still remains in spirit. His wisdom will be carried from generation to generation.

Dad, from the bottom of my heart, thank you for being the best father you could be doing all you have done for us and having a vision for all humanity, without reservation.—Sabra Baca

What I remembered the most about my Dad, he was a good father to us. He was really strict when we were growing up but now that I am a mother, I know why he did it.

When we were growing up, he loved family time. We would always eat together as a family, and at night he would make all of us kids kneel down around the bed to pray the Rosary. No matter how tired he was he always would make us pray the Rosary as a family. My dad loved the Lord and served him!

He would get up every morning and call me and say ''Feliz''—that was his nickname for me—''what are you doing today?'' He never failed, he would call each one of us kids. No matter how busy he was he took the time every morning to call us every single day and sometimes two or three times a day. I will miss that special call from my dad. Dad, I love you very much and will miss you. I know you are looking down on us but when I get that special call, I know I will be up there with you. Love you, your daughter.—Ruppie Arreola.

My dad—the things that I remember as a youth about my Pop was he would get up to breakfast. Mom would make eggs, beans, chili, every morning.

He then would go to work, an eight hour job as a forklift operator, while I went to school.

I'd come home from school and do my homework, then my chores, wait till Pop came home from work. He would kiss Mom, put his lunch pail down, go wash his hands.

Then we would all be sitting at the supper table. Food smelled so good, chile, pappas, beans, noodles, meat loaf. Oh yea, tortillas, Kool-Aid to drink. Dad would bless the food. Head right for the green chile and tortillas. Then we would start passing around the food.

Right after dinner, no TV. He and I and Mom, sometimes Ronnie, would shag baseballs. I would pitch to him, then he would hit me a ton of ground balls, then he would pitch batting practice, if we had enough daylight to run bases. Wow I was happy. I had this black mitt that he bought me, I ate, sleep with it. Then we would call it a day. He would rest for a while then go pump gas at a service station called Far-go till 10:00 p.m. My pop. Wow.—Ricky Baca

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□ 2130

MENTAL ILLNESS AWARENESS

The SPEAKER pro tempore (Mr. HULSHOF). Under a previous order of the House, the gentleman from New Jersey (Mr. HOLT) is recognized for 5 minutes.

Mr. HOLT. Mr. Speaker, I am pleased to associate myself with the remarks of the gentlewoman from Texas (Ms. JACKSON-LEE), and I thank her for organizing this Special Order this evening to talk about an issue that is not getting enough attention, the issue of mental health. It is an issue that needs so much attention, because, as the speakers tonight have pointed out, we have a lot of work to do.

We talk about health care a great deal here, but there is an aspect of health care that does not get much talk. Many of us can remember a day when we could not talk about cancer or about AIDS, how many people suffered; people who did not come forward for treatment because of those stigmas. Mental illness is really the last great health stigma. We need to continue this fight, to fight the ignorance, first of all, to fight the ignorance with information. All of us can think of Americans who have struggled with mental illness, whether it was Abraham Lincoln or William Styron or countless others.

Mr. Speaker, the fact is, we do not need to look that far. All of us, every one of us knows someone who has had a mental health problem. In fact, 50 million Americans will experience a mental health problem at some point in their lives. Those Americans deserve our respect, our help, and our understanding. But because of the stigma associated with mental illness, the job is harder. We not only have to work to pass protections for those who suffer from mental illness, protections like a strong Patients' Bill of Rights, parity in insurance coverage for serious mental illness, guidelines for the use of restraints in mental health facilities; in addition, we have to educate people. We have to educate them about the misperceptions that are associated with mental illness, Mr. Speaker, to assure everyone that Americans can and should get the mental help they need to lead productive lives, whether they are suffering from depression, bipolar illness, or schizophrenia, because only 20 percent of people seek treatment for mental health conditions, and it is a tragedy. We must create a climate to change that. We need to help stress that early intervention, continued research at NIH, and the National Institutes of Mental Health will help lead to better treatment and a cure for mental illness.

Mr. Speaker, we talk about the violence in schools, and, of course, there are many aspects to that. There are many facets to the violence that we have seen. It raises questions about our parenting, about our teaching, about our school administering, about our policing. It raises questions about almost every aspect of our society. But one thing that it clearly cries out for is more attention to the mental health of our children in school. School counselors are not just those who advise students on college admission. We should have counselors in ample supply in all of the schools to deal with the tough growing up problems, including mental health problems that our students experience. Most of all, we need to remind people that mental illness affects people and it affects families.

So I am proud to join tonight with the gentlewoman from Texas (Ms. JACKSON-LEE) to continue to call attention to this important subject. I am pleased to join the gentlewoman in recognizing the courage of those who are living productive lives with mental illness.

Ms. JACKSON-LEE of Texas. Mr. Speaker, if the gentleman will yield.

Mr. HOLT. Mr. Speaker, I am pleased to yield to the gentlewoman from Texas.

Ms. JACKSON-LEE of Texas. Mr. Speaker, I want to thank the gentleman, first of all, for his leadership and adding to the discussion on the floor, which really is adding to the national debate that people are not living alone with mental illness or mental health needs, nor are their children. I thank the distinguished gentleman for all that he is doing, and I think that we can collectively do this in a bipartisan way to take the stigma, the harshness out of people who truly need help.

Mr. HOLT. Mr. Speaker, the gentlewoman is very eloquent and has been very eloquent on the subject this evening, as she always is on every subject.

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NIGHTSIDE CHAT

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from Colorado (Mr. MCINNIS) is recognized for 60 minutes.

Mr. McINNIS. Mr. Speaker, I am back for a nightside chat. I have three subjects which I would like to cover tonight. The first one is a sad situation that has occurred out in the State of Colorado, a very tragic situation.

The second that I think is very important for us to discuss, a subject which I addressed just a couple of days ago but, which subsequent to my discussions, I have heard some comments on this House Floor that are, in my opinion, discouraging, comments that I think are off base, comments that I think are not based on reality, reality beyond the Potomac River, reality beyond this large city of government out here in the East. I want to address the death tax, once again.

The third subject which I would like to address this evening based on the time that we have left is, of course, Social Security. Regarding the death tax and the Social Security issues, I hope that many of my colleagues will go out, when they go to their districts and talk, especially to their young constituents, because the Social Security challenge in this country is a challenge based on: can we deliver for the young people of this country. The question about death taxes is, when we have something from a generation, can a generation legitimately expect to work in their lifetime and be able to pass something on to the young generation behind them. So tonight's comments are really directed to the younger people of this country.

IN MEMORY OF FRED BITTERMAN

Mr. Speaker, first of all, let me cover a subject of which I stand forward with a very hurt heart. A friend of mine, a friend of the community of Glenwood Springs, Colorado, an officer of the Colorado State Patrol, a friend and a strong supporter and a leader of law enforcement in the State of Colorado, was tragically killed Tuesday. Captain Fred Bitterman, who was the commander of the Glenwood Springs Unit of the Colorado Springs State Patrol Unit, lost his life in a tragic accident. This was a man who was a good cop.

Mr. Speaker, I used to be a police officer. I got to serve with the Colorado State Patrol. I was not a Colorado State patrolman, I was a city police officer, but I worked alongside the Colorado State Patrol. These guys and gals are professionals. They bring a great pride to our State, and the Colorado State Patrol in Colorado is seen as a very elite unit. Of course, to be seen and respected by the people and the citizens of Colorado as an elite unit, it means they have had good leadership, and at the very front of that good and strong leadership was this gentleman named Fred Bitterman.

Mr. Speaker, Fred was 59 years old. He leaves behind six children and a number of grandchildren, and his wife, Kathy. I want my colleagues to know that these are the kind of people that make this country great. So it is with a great deal of sympathy that I acknowledge the fine service and the fine gentleman that this captain was.

I also want to share with my colleagues that he not only enjoyed an excellent reputation in his profession of law enforcement, but he was known throughout our community as a good neighbor. Mr. Speaker, one can hardly beat a good neighbor. But probably more important than the professionalism in the field of law enforcement, probably more important than the recognition as a good neighbor, was the fact that he was a very strong family man, and each of those six children and those grandchildren and all of the family that he had and all of the friends that he knew and all of the people throughout these many, many years of service in the Colorado State Patrol that he helped at the scene of an accident or at the scene of a disturbance, or all the people that he comforted during their particular times of tragedy, this man will be sorely missed. It is that reputation which comes to the top. He was the cream that rose to the top.

Captain, we are going to miss you.

THE DEATH TAX

Mr. Speaker, I want to move to another subject now concerning the death tax. I have a few quotes here. Let me step back to two nights ago. Two nights ago, I had an opportunity to speak to my colleagues about the death tax and the impact that the death tax has on the communities across this country.

Now, we should remember that Washington, D.C. is a very unique community. Washington, D.C. is the only city in this Nation where really, most of the city is dependent upon money coming from the outside into the government in Washington so that the city can thrive. This is a city that thrives on big government. This is a city that thrives on taxes. So understandably, the people, a lot of the people in Washington, D.C., in my opinion, enjoy the fact that these taxes head in their direction. A lot of people are dependent, their lifestyles, they know nothing but government, that is all they know. But Washington, D.C. is a unique community, and as I stressed in my comments the other day, there are a lot of communities outside of Washington, D.C. where the transfer of money from their community to the government city of Washington, D.C. works great pain on their communities. It is a sacrifice on those communities.

By the way, we know that the money that comes to Washington, D.C. is not the money of the government of Washington, D.C.; it is the money of the people of whom this government represents in Washington, D.C. it is the people's money. And we have a fiduciary responsibility, colleagues, as elected official, as representatives, to make sure that we always understand those dollars belong to the people of this country. They do not belong to the bureaucracy in Washington, D.C.

Now, why do I make these comments? What leads me to this?

Mr. Speaker, what leads me to this is simply a statement that was made after I gave my comments the other day, and I quote from a Democrat, and I will get on this in a minute, but let me quote from an individual who happens to be a Democrat: ''Some say we ought to pass these massive tax cuts because this is the people's money.'' Well, that is exactly why we ought to have tax cuts back here, because we have now reached record surpluses. It is the people's money.

□ 2145

We ought to keep that in mind. Now clearly, we have to have enough money to operate. The speech before me given by some Democrats about mental health, it has some legitimate points in it: our education, our military, our interstate commerce, our highways. Of course it costs taxpayer dollars.

But do we have a right on any basis whatsoever to keep the excess money, or do we have an obligation to work with tax credits and tax refunds?

Mr. Speaker, I would address the gentleman from Georgia (Mr. LINDER) for just one moment.

Mr. Speaker, I understand that the gentleman, too, lost a good friend from the State of Georgia. I want the gentleman to know that the people of the State of Colorado send their greatest sympathies. I know that the Senator was a fine friend of the gentleman's, and I want the gentleman to know that those of us in the West feel the gentleman's pain and pass on their sympathies.

I yield to the gentleman from Georgia (Mr. LINDER).

Mr. LINDER. Mr. Speaker, that is a gracious and kind statement from the gentleman. I thank him very much.

Mr. MCINNIS. Mr. Speaker, my comments were directed at the death tax, and how that impacts the community. What is the death tax? We all know that the Federal government decided some time ago that there were wealthy families in this country, the Rockefellers, the Ford's, the Carnegies, and people like that.

Back then there was kind of a rage, kind of a class warfare type of situation. We see it today. We see people in a country that, by the way, has as its model an opportunity for free enterprise, an opportunity to make something of oneself, if one wants, or an opportunity to enjoy the fruits of one's labor.

Yet, when an individual, especially back at the beginning of this death tax, at that time, made something and had an opportunity to enjoy the fruits of their labor, there were people in our society who were jealous; who said, we ought to do something to punish people that have money. We ought to go after those Carnegies and those Fords and Kennedys, people like that. Let us go after them.

So they came up with this concept called the death tax. It is a tax that is placed upon the family on the event of a death. It is interesting, back here in Washington, D.C., they look for any opportunity they can, any event that they can to call it a taxable event. Many years ago they said, hey, why not when someone dies? After all, they will not be around to object anymore. That will be a good opportunity to take a little money from somebody who worked and transfer it to a bureaucracy that did not, so let us go ahead and tax the death of an individual.

I am going to go again into my comments about what it does to a community. I will give some firsthand examples, Mr. Speaker, of how it has impacted some small people; not the Carnegies, not the wealthiest people of this country, but some people out

there, people that own a bulldozer and a backhoe and are trying to make it, a farmer, a rancher.

What disturbed me after I made my comments the other night was the following night I heard these kinds of comments. Let me say, in this House, as Members know, 65 Democrats joined with the Republicans and we passed a bill to eliminate that death tax. Why? Because it is the most unjustified tax that we have in our system. The tax is simply there to punish, nothing more, simply there to punish. We cannot justify it. When we look at the basis of our tax system, there is no way that one can defend it other than, of course, saying that one wants to attack the wealthy.

Do Members know what, we had 65 Democrats who agreed with the Republicans, so it was a bipartisan bill. But there are still two teams in this House Chamber. Members know that, we have two teams in this Chamber. One team, as far as I can recall from the vote, all of the Republicans and 65 of the Democrats, that team said that the death tax is inherently unfair. That team says there is no justification for the death tax. That is the team to get rid of the death tax. Then we have a team on the other side, and let us face it, it is the Democrats; not all of them. But the team, the second team is comprised of the Democrats who say, hey, wait a minute, we ought to have a death tax.

In fact, that team is led by the President and the Vice President, who not only disagree with doing away with the death tax and have threatened to veto the bill which would eliminate the death tax, but they have the audacity, the administration, our president and our Vice President have the audacity this year in their budget to increase or propose an increase, an increase in the death tax of $9.5 billion.

That is a lot of money. That is going to hurt a lot of people. But that is $9.5 billion more, $9.5 billion, not million but billion more that is going to come from all of the communities across the United States and be funneled right into Washington, D.C. simply as a result of a death, simply as a result of the death of these individuals.

I do not think we ought to increase it. I do not think it ought to exist. Tonight my comments are primarily directed at that second team, that second team that thinks the death tax is justified.

That second team made some comments. Let me repeat a couple of others. ''Oh, this death tax, eliminating it, it goes to the wealthiest families in America.'' Well, I have news for them. I want them on the second team, why do they not take a little time to get beyond the Potomac River and to come out. I will take them out to some farms, some ranches.

I will show them in Colorado some small contractors, a contractor that has a bulldozer, a dump truck, a backhoe, and all of a sudden they fall into the classification of wealthy. I will show the Members people that just own simply homes in Colorado.

For example, my district, which is the Third Congressional District, has seen strong economic growth. Our property values have gone up. I can show Members people who have a small business, maybe a little bookstore, and they own their home, and all of a sudden, to the second team they fall in that classification of wealthy. They fall in that classification that they think they are justified on taxing them simply because there has been a tragedy or death in their family.

These people are not wealthy. Even if they were wealthy, what justification do they have to go out and tax the family simply because there has been a death? By the way, let us make it very clear, this property that is being taxed simply because there was a death in the family is property that has already been taxed. In some cases, it has been taxed and taxed and taxed.

We do not have citizens out there who are being assessed the death tax because they did not pay taxes on the property that they left. This is property that has already been taxed. At a minimum, at a minimum, it is double taxation. Yet, the second team still has the gumption to stand up, it almost sounds like a positive word, so I still have to go back to my other word, the audacity to stand up and say, yes, but it is still justified. It is a good way to punish the wealthy. Besides, it only hurts the wealthy. We will talk about that in a moment, about what it does to a community. ''You know, we need the money in Washington.'' That is the next one.

These are quotes from the CONGRESSIONAL RECORD: ''I think Democrats feel that we do not have to give Bill Gates and Ted Turner and Steve Forbes a massive multi-billion dollar tax cut to protect the family farmer in Texas or Gatesville or some small businessman in Texas.''

I have news for them, the second team, they can be assured that the Gateses and the Kennedys and the Turners and the Forbes and the wealthiest families in this country have got some of the finest lawyers in this country making sure that through the use of foundations and limited partnerships and other items, that they are not going to pay this tax.

This is not about the Forbes, the Carnegies or the Fords or the Kennedys, this is about the families in America who have a small farm, or the families in America who have a small business, or the contractors who simply have, and this is all it takes, a backhoe, a bulldozer, and a dump truck, and all of a sudden this is the guy or gal we are talking about.

These are not these big wealthy people, these are everyday people in communities outside of Washington, D.C. that they are about to continue to devastate if they meet an untimely death, or if they do not have the money to hire the legal counsel to go out there and protect their assets from their own government, who has already taxed them throughout their lives on this property, to protect them from their own government coming in and taking that property because a taxable event called a death took place.

Let me make another quote, another quote given after I made my remarks the other night by, again, this second team. Remember, the first team has 65 Democrats and all the Republicans on it. They say, get rid of the death tax. The second team has, unfortunately, all Democrats who want to keep the death tax in place.

Let me quote from that team: ''So, this business about being a farmer-driven issue, this being a small business-driven issue, that is fiction. That is bait and switch. They will hold out the farmer, they will hold out the small business owner. Believe me, repeal of the death tax is not about them at all.''

The heck it is not about them. Where do they come off that we stand up here and say we ought to get rid of it because it does impact farms in this country and ranches, yet they seem to say up here, hey, it is not about that at all. That is exactly what it is about. They need to leave the fine halls of this Capitol and go out to small-time America and look at the ranches, the farms, the small businesses.

More than that, they need to look at the communities where this money is circulating. Look at the communities where these families are helping that community thrive economically, and look what happens when we tax upon a death. We do not tax the families in these communities and then keep the money in the local community.

For example, if we have a death of an individual, let us say a contractor who owns a bulldozer, a backhoe, and a dump truck, and therefore is subject to the estate tax, and especially if we throw their home in there and if they own their own office.

Let us say that contractor is in Denver, Colorado, and the contractor meets an untimely death, so the government swoops in to tax it. Do Members think the death tax that is imposed upon that estate, that that money, when it goes to the government, is kept in the community of Denver, Colorado? Of course, it is not. It is money taken out of Denver, Colorado, and transferred to the government in Washington, D.C.

Do Members think for one moment that the government in Washington, D.C. says, Gosh, here is some money on property we have already taxed coming from Denver, Colorado; let us go ahead and send that money back to Denver, Colorado, so they can have better parks, light rail, or some other type of improvement to their community, because after all, these dollars came from that community? Of course, they do not say that in Washington, D.C.

I go on: ''The first question we want to address is, are the Republican tax

bills fiscally responsible?'' There are two key bills in front of us right now, two key bills that are going down to the President that will reduce taxes. Both of those bills are not justified in our tax system. One of them is called the marriage penalty. The second one is called the death tax.

The second team over here that says, hey, they take a look at this and they say, are these tax bills reducing the tax, getting rid of the marriage penalty and getting rid of the death tax? Forget the question whether they are justified or not, but is it fiscally responsible to get rid of them?

Guess what, second team, do they know what percentage of the surplus these two combined take up, what it will cost us of the surplus? That is right, 2 percent, 2 percent of our surplus. We are saying, team number one, again, which was 65 Democrats and the entire Republican body, we are saying that 2 percent of that surplus ought to go back to the taxpayers in the communities from whence it came because it got to us through a marriage penalty, after all, in a country which encourages marriage, a country which says, look, we not only encourage it, we think it is your responsibility to be married. We think it is a basic part of families.

The death tax, here it is, taxing property that has already been taxed. Neither one of these are justified. But do Members think it is fiscally irresponsible because we take 2 percent, 2 percent of that surplus and we send it back to the taxpayers by saying to them, from now on, when you get married, you are not going to be penalized for it; and number two, your death is no longer classified as a taxable event.

I go on, here. Again, I want to repeat the one statement that was said the other night: ''Some say,'' and that (some) is me, by the way, team number one, so let us just put the word, although the quote is ''some,'' let us put the word ''team number one'' in there.

□ 2200

Team number one says we ought to pass these massive tax cuts because this is the people's money. Again, they are darn right it is the people's money. It is not their money. It is not my money. We simply manage the money. We have a responsibility to manage this money in a fiscal way, but not only just fiscally responsible, we have a moral obligation to say, is it justified to penalize somebody because they are married, is it justified to tax somebody because of the event of a death.

Now, let me talk about something else, and, again, going back to this quote and this business about being farmer driven, small business driven, that is bait and switch. What a song and dance. That is simply a song and dance.

Let us take a look at what happens in the community. I am actually going to give my colleagues some true examples of how it has impacted these communities. By the way, these examples are not going to come from the Carnegies or the Fords or the Kennedys or the wealthiest people of this country. These are going to come from Main Street America. These will be from Main Street America.

Let us for a moment, before we go into these true-life stories, let us talk about something else. Number one, remember what I said. Here is Washington, D.C. Washington, D.C., as I said earlier, when one takes a look at the map, one will notice there is Florida that comes over like that. We better centralize Washington a little more. But when we look at Washington, D.C., remember what I said earlier, Washington, D.C. is the only city in the country which, the larger the government becomes, the more prosperous Washington, D.C. becomes.

Washington, D.C. has the largest percentage of any city in the country of people who work for the government. In Washington, D.C., many people's task, their job in Washington is to reach out with their fingers and gather as many tax dollars as possible and bring them to this city, bring it in from every direction in the country, bring that money to Washington, D.C. so Washington, D.C. turns around and can redistribute it on their terms, on their terms.

Well, let us do not talk about what goes on in Washington, D.C. Let us talk about what goes on in this community out in Utah or this community down in Louisiana or this community up in Montana or this community over in Wyoming or Idaho or Oregon or Washington or California. Let us for a moment talk about community.

Here is our community. Let us take two examples in our community. One of a very wealthy person. Let us go ahead and let us hit that nail on the head. Let us talk about an individual who, through the American dream, through the American free enterprise system, worked hard and became wealthy.

Let us say, for example, it was a person that developed a better mouse trap or maybe they are the ones that invented the seat belt, and every car needs it, so they are very wealthy. Here is that very wealthy person.

Now, team number two says that one ought to go after this wealthy person simply because of the fact that they are wealthy, no other reason, go after them on their death because they died with money in their hands. They say take that money and send it to Washington.

Well, let us take a look at where that money is in our community, this is our community, before it is sucked out of our community and sent east to Washington, D.C.

That money in that community, and there is one exception, if this very wealthy individual in that community takes that money and goes out in on his backyard or her backyard and digs a hole and buries it in the ground where it does not circulate in the community, then one has no benefit of that money being in the community. But in every other case, and, by the way, I know of no one who does that, but in every other case, that money in the community provides jobs. That money in the community goes to, not national, but community charities, maybe the local church, maybe help out the local school. That money in that community goes to the local bank; and that bank in turn loans out money to small business people or other people. Maybe they want to improve their house. Maybe they want a student loan. Maybe they want a new car. In other words, this money that this wealthy person has circulates in our community. But it circulates in our community.

What happens when X up here, when he or she dies, and the Federal Government decides to impose a death tax? What happens is the Federal Government comes in and takes this money used for jobs, this money used for local charity, this money used as a tax basis or otherwise for schools, this money deposited in the local bank, and it takes that money, and it moves from here to Washington, D.C. Then the people in Washington, D.C. get to use it in their community or get to redisburse it as they see fit. Example number one.

Now, let us talk about example number two in our community. In our community, we have somebody who is not wealthy, and I will give my colleagues a good example, a ranching family. Now, I come back to this quote given by team number two. So this business about being a farmer driven issue, as if it is not a farmer driven issue, about being a small business driven issue, as if it is not a small business driven issue, that is fiction. It is bait and switch.

This is no bait and switch. Lock, stock and barrel, it is about small business. Lock, stock and barrel, it is about small farms. Lock, stock and barrel, it is about small ranches. Lock, stock and barrel, it is about our young people. It is about the American dream.

As I said the other night with my comments, my wife and I, one of our goals in life, and we have sacrificed, we would like to have a boat. We really would like to have a boat at Lake Powell. We just bought a car the other day. We bought a used car. We would like to buy a new car. But do my colleagues know why? We are not a hardship case. I am not asking for that kind of sympathy. But we have made a conscious decision to try and put something aside for the next generation behind us so that they know they will have a college education, so that our grandchildren, we do not have grandchildren yet, but we hope to have grandchildren, that they will be able to have a college education. Maybe they will have enough money for a down payment on a home. Is that not the American dream? Is that not what it is about?

The previous speaker to me who spoke prior to my speech spoke about the youth of America. Now, her topic was a little different, but, nonetheless, one can look at most of the speeches given on this House floor, and they talk about the young people. They talk about the hope of this great country and how the hope is fundamentally based on the young people. Why not give them an opportunity? Why not give them a head start?

So it is about small business. It is about the dream and helping the next generation. It is not about the wealthiest people necessarily.

One may have an, and the reason I keep coming back to this contractor, because, as cited in the Wall Street Journal, if one is a contractor who owns a bulldozer, a dump truck, and a backhoe, they are now subject to the estate taxation in this country because team number two considers them wealthy.

So when one goes into a small community, and here is one's contractor, he has got the dump truck, he has got the backhoe, and he has got the bulldozer.

Here is Joe Rancher over there. Now, Joe Rancher has some land. Let us say the land went from one family to the next. I can tell my colleagues my in-laws are ranchers in Meeker, Colorado. They take great pride in the fact that the land has been in the family, the same ranch, since the 1880s, 120 years that ranch.

But this is the generation whereupon the biggest test will come because they do not have the money to pay off the people in Washington, D.C., the government, in the event of an untimely death in that family. So it is about that ranching family.

So what happens? By the way, anybody that cares about the environment, this is also about the environment, because in our example here of the ranch, with property, do my colleagues know what happens to that family upon the untimely death? Now, remember, again, if they are very wealthy, they have got estate planning. They can probably protect it. But the middle class rancher, and I would venture to say most of the ranching communities and most of the agriculture-based communities and most of the small business people in this country are not wealthy enough to go out and hire an entire regime of attorneys and CPAs to help them avoid this tax.

Take a look at what happens from an environmental point of view on this ranch. Do my colleagues know what is going to happen if there is a death there and they are subject to that estate tax? They are not going to be able to carry on the ranching operation. The only option they have, especially if they are in Colorado or Wyoming or one of these boom States like Utah or Arizona, their response is to go out there and divide this thing up into housing units, put the acres in there and put in housing subdivisions. That is what the government is forcing them to do, and this open space, not to say the least about the tradition of the ranch, goes up in a puff of tax.

Now look at this small business person that has that contractor. That contractor needs his bulldozer or she needs her bulldozer. They need their backhoe, and they need their dump truck. So we have a death. They are subject to the death tax. What happens, they have to sell the dump truck. Do my colleagues think this business can operate now with a backhoe and a bulldozer, but no dump truck? Or let us say they sold the bulldozer. Do my colleagues think they can operate just with a backhoe and a dump truck after paying its penalty to the government?

I am saying to team number two, this makes a difference.

Let me move to a few, as I said, examples. I apologize to my colleagues here for reading. Most of my comments are not from written script at all, but these are written, and I want to be sure that I read them correctly. These are letters that we have gotten or statements we have taken. This is not fiction, by the way. This is not, as the second team calls it, bait and switch. This is about real-life America. This is about the people that live outside the Beltway of Washington, D.C.

Let me begin with a story about Ray. Ray is deceased. He died earlier this year. He owned a service station on the corner. Ray had this service station for 27 years. For 27 years, other service stations were built on the other three corners. The intersection became busy. The roads forming that intersection were expanded to four lanes. So it was a good place for Ray's business. He had two service bays plus a car wash. He had some old pumps and old equipment. He cleared $70,000 a year, not wealthy, but he made a good living through his years and years of hard work. His wife she did the bookkeeping for the business. His grown son worked there. Eventually, the son and his family were going to take over the business.

When Ray died, he had a $50,000 term insurance policy, $60,000 in municipal bonds, $174,000 in his retirement plan, and of course the service station. A few months after he died, unfortunately Ray's wife passed away.

Upon the death of his parents, the son who was going to take over the business discovered that the land upon which the service station sat had appreciated over the years and was now worth $1.7 million. The service station and the equipment was worth about $158,000. He also learned that his father's retirement plan was funded on a before-tax basis. So not only would he have to pay the death taxes, but income taxes would be due on the retirement.

The son was now in a situation that was very dismal, and he began looking for a way to pay the taxes on this estate. The son's conclusion was, if I can run this as well as my father or even better, I can make, maybe, $70,000 a year, but I am going to have to pay somebody to keep the books, because his mom kept the books before. Now he is going to have to pay somebody, so it is going to be a little tighter.

He did not have a proven record so the only thing he could do was to borrow against the land and the equipment to pay the death taxes. However, when one looked at the revenue that came off the service station, it was not enough to service the interest on the loan that he had to take to pay off the government on property that had already been taxed. He has no choice but to sell the business.

Here is a letter from Derek Roberts. ''My family has ranched in Northern Colorado for 125 years.'' 125 years, Mr. Speaker. Think of how many generations in 125 years were on this farm. ''My sons are the sixth generation to work this land. We want to continue, but the'' Internal Revenue Service ''is forcing almost all ranchers and many farmers out of business. The problem is'' the death tax.

''The demand for our land is very high and 35-acre ranchettes are selling in this area for as high as'' several thousand dollars ''per acre. We want to keep it open space, but the U.S. government is making it impossible because we will have to pay 55 percent tax'', 55 percent, 55 cents on every dollar ''when my parents pass on.''

☐ 2215

''Ranchers are barely scraping by these days anyway, but since we want to save the ranch, we are in trouble. The family has been able to scrape up the estate taxes as each generation dies up to this point in time. This time, however, I think we're done for. Our only other option is to give the ranch to a nonprofit organization, and they all want that, but they won't guarantee they won't develop it.

''My dad's 90 years old, and we don't have much time to decide what to do. We are one of only two or three ranchers left around here. Most of the ranches have been subdivided. One of the last to go was a family that had been here as long as our family. When the old folks died, the kids borrowed money to pay the taxes. Pretty soon they had to start selling the cattle to pay the interest on the money that they borrowed to pay the taxes. When they ran out of cattle, their 18,000 acre ranch was foreclosed on, and now it's being developed. That family, by the way, now lives in a trailer near town, and the father is a highway foreman.

''If you want to stop sprawl, if you want to preserve ranching, you better ask the government to get off the backs of family farms and ranches.''

This letter is from Ron Edwards. ''Dear Representative, I'm writing to bring your attention to an issue of the utmost importance to me, my family, my employees and businesses: Elimination of the death tax. I urge you to support and pass death tax repeal legislation this year.''

Mr. Speaker, I would like Ron to know that we passed it out of the House, and the good news is that we passed it out of the Senate. Unfortunately, the President and the Vice President have vowed to veto that legislation. And, unfortunately, I have to report that in this House, while 65 Democrats and the Republicans supported the repeal of it, there is a team, team number two, that wants not only to keep it, but the administration is asking to increase it.

''We are celebrating 66 years in business.'' Sixty-six years in the same business. ''My grandfather Vic started with a fruit and vegetable stand in 1933 at our current location east of Fort Morgan, Colorado. The business grew into a grocery store and a lawn and garden center. My father Vic, Vic Junior, is 80 years old and, unfortunately, in poor health.

''No business can remain competitive in a tax regime that imposes rates as high as 55 percent upon the next generation that wants to take that business. Our tax laws should encourage,'' and this is probably the most important sentence that I have read in any letter, in any letter that has come to me about the death tax. This sentence written by Ron Edwards out of Fort Morgan, Colorado, is probably the most important, the most pertinent sentence to the death tax that I have, and let me read it. ''Our tax laws should encourage rather than discourage the continuation of these businesses.''

Let me repeat that. Our tax laws should encourage rather than discourage the continuation of these businesses. It is the American Dream to be able to pass from one generation to the next generation our mechanic shops or our ranches or our bulldozers or the family farm. And this gentleman right here, he is not a lawyer, he is not a politician, he is not a bureaucrat in Washington, D.C., he is not a C.P.A. he simply says I am confused; should it not be the policy of the United States Government to encourage rather than discourage the continuation of these businesses.

''While being a member of the House Ways and Means Committee, I'm sure you already know the urgency for estate tax repeal is supported by the Joint Economic Committee study Economics of the Estate Tax. Family-owned businesses and their employees will continue to suffer until this unfair, unprotective and uneconomic tax is abolished. My wife Vicki and I are active in the party and look forward to working with you and your staff to enact some common sense legislation to preserve and promote our Nation's family-owned enterprises.''

Now, let me read some testimony. First of all, colleagues, let me say that I fully intend to address Social Security next week, but tonight it is so important to talk about this death tax, especially after hearing the comments made subsequent to my comments the other evening. So I will continue on, and let me briefly talk about an article out of the Aspen Times, Aspen, Colorado.

''There are a lot of tales to be told about the conversion of former ranches into luxury homes or golf courses throughout this valley. Sometimes it was a simple financial decision, a choice to take advantage of soaring development values in the face of plummeting cattle prices. But for other families, the passing of a parent meant the passing of a way of life.'' The passing of a parent meant the passing of a way of life.

''We've been around a long time,'' says this ranch owner Dwight. ''The family roots are dug deep along Capitol Creek Road in old Snowmass, and for nearly a century heritage and hard work,'' heritage and hard work, ''were enough to sustain those who lived on this ranch. But that all changed in 1976.

''Until Dwight's father's death, each generation presided over a working cattle ranch that was both the lifeblood and the livelihood of this clan. His later years were lean times, but the fate of the ranch was not at risk until the Internal Revenue Service and the government of the United States came to tax us because he died.

''The tax bill came to $750,000, and what it took to pay this bill was one-half of the ranch and the ability to take our cattle to migrate in the winter months and 10 years to pay the last installment.'' Just to pay those taxes on property that had already been taxed.

''What those taxes took was also something very vital, the ability of the next generation to support the family by working the land that had been in the family for so long. Dwight now works as a mechanic for the Roaring Fork School District, and then at night when he gets home he gets to work on what's left of the ranch. He doesn't mind the long hours he has to put in. What does get under his skin, however, is the memory of how an IRS agent overseeing his father's taxes either didn't recognize the devastation that was about to occur or didn't care. It was just pay us or we will seize everything. If anything's left over, you can keep it, but if you can't make ends meet on what's left, then you can hit the streets.

''Our family has no intention of selling the remaining acres, but we really don't know if our daughters are going to be able to continue to keep what is left intact. With only half the land to graze and the tough prices in the ranching community, the ranch itself is only making enough to cover the annual property taxes and our operating expenses. It is the day job at the school district as a mechanic that pays the doctor bills, the car insurance, the grocery bills and everything else.

''There's always hope that things will change before my daughters need to make any decisions about the ranch, but I wonder if people really think about the permanent changes that will occur when the ranch is sold, dividing it up, chopping up a ranch that will never again in the history of this country become a ranch. It will become a housing subdivision.

''There are some movements with hope in the right direction, trying to eliminate the death tax. But are they moving quickly enough?''

That's the thought of mainstream America out there. Let me read another quote, and I will just take a couple of key areas here. This was a statement given on the record.

''I have been a member of small business for more than 10 years. My family lives in the central part of Idaho. Our family's cattle ranch is outside of Mackay, Idaho. The ranch consists of 2,600 deeded acres. My youngest brother lives and manages the ranch with my brother. We all grew up alongside my father, mother and grandfather. We worked weekends, we worked holidays, we worked summers branding, moving, and riding the range, fixing fences. We didn't have a lot of material things, but we had our family and the land and the life-style that we loved.

''On October 5, 1993, my father was accidentally killed when his clothing got caught in the farm machinery. He was 71 and he was healthy. He worked dawn until dusk, and he loved the land and he loved his family. We were always a very close-knit family and the hub of our family was my father and the ranch. Even though my brother, my sister, and I don't live there anymore, we all go home, along with the grandchildren, to help with the seasonal work. We take as much time off as we can to go up and help the ranch.

''My father's death was the most devastating event that any of us have ever gone through. The second most devastating event was sitting down with our estate attorney after my father's death. I will never forget his words. 'There is no way you can keep this place. Absolutely no way.' Still in shock from the accident, I said, how can this be? We own the land. We have no debt. We just lost our father and now we're going to lose the ranch?

''Our attorney proceeded to pencil out the death taxes that would be due after my mother's death and we all sat in total shock. It had taken my grandfather and his father their entire lifetimes to build up this ranch. And now we cannot continue on and the grandchildren will not have the land and the rich heritage that it provided.

□ 2230

''It has been 3½ years since my dad's accident, and we still don't know what we are going to do. We only know that we will not be able to keep the ranch unless something is done with the estate tax law now.

''The estimated estate tax on our family ranching assets is $3.3 million. We gross, not net, approximately $350,000 per year from the cattle. Without the land being paid for and tight

operating costs, we would not be able to make money from the business. Currently what we are trying to do is sell off one of our spring ranges in order to buy a million-dollar life insurance policy for our mother.'' So they are going to have to sell a part of the ranch to buy a life insurance policy on their mother so that perhaps it can allow them to pay off one-third of the estate taxes and avoid a fire sale.

''My mother does not have a husband anymore. She worked hard all her life and gave up a lot of material things to make this ranch operate. Now unless this estate tax law is changed or abolished, she will have to leave her home, the home she loves and our family will not have a base from which to carry on.

''This same scenario is happening to a lot of ranchers in our valley.'' It is not just happening to the Fords and the Carnegies and the wealthiest people of this country. It is happening to a lot of people in this country. It is happening and impacting heritage. It is impacting a lot of small businesses and it is impacting the American dream to be able to do something for the next generation.

Remember the statement that I made earlier? Why is it that this government discourages instead of encourages the continuation of these type of ranches or businesses? This letter goes on. Let me conclude the statement.

''I urge you to ask yourselves why does this tax exist? Is it worth the great harm it caused to my family and many others? If it is not worth the harm, then shouldn't the tax be eliminated? I hope you will remember our family when you consider this.''

Let me say in conclusion of these remarks this evening, do not think as you hear from team number two that is encouraging the continuation of the death tax, do not pay heed to the President and the Vice President's policy that says we should increase the estate tax, the death tax. What you should pay attention to are the 65 Democrats and the entire Republican body that says, This death tax is not fair. It is not justified. It is on property that has already been taxed. And it is devastating some of our communities for the simple reason that a death occurred. We are only taking 2 percent of the surplus to eliminate the marriage penalty and to eliminate the death tax.

I urge every one of my colleagues, and I am telling you, 65 of the Democrats have already joined team number one. The Republicans are on team number one. I urge the balance of my colleagues, stand up and say no to this death tax. If you think, for example, it only happens to the wealthy, go home this weekend, go out to the small businesses and the farms and ask them.

Just one final concluding remark, and, that is, remember the sentence in the letter I just read, and, that is, Mr. Speaker, should we not be encouraging rather than discouraging the continuation of these ranches and these small businesses? Of course we should. We have an obligation to do so.

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REPORT ON RESOLUTION WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON H.R. 4810, MARRIAGE TAX PENALTY ELIMINATION RECONCILIATION ACT OF 2000

Mr. LINDER (during the special order of Mr. MCINNIS), from the Committee on Rules, submitted a privileged report (Rept. No. 106–766) on the resolution (H. Res. 559) waiving points of order against the conference report to accompany the bill (H.R. 4810) to provide for reconciliation pursuant to section 103(a)(1) of the concurrent resolution on the budget for fiscal year 2001, which was referred to the House Calendar and ordered to be printed.

□

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 4871, TREASURY AND GENERAL GOVERNMENT APPROPRIATIONS ACT, 2001

Mr. LINDER (during the special order of Mr. MCINNIS), from the Committee on Rules, submitted a privileged report (Rept. No. 106–767) on the resolution (H. Res. 560) providing for consideration of the bill (H.R. 4871) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 2001, and for other purposes, which was referred to the House Calendar and ordered to be printed.

□

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. BACA (at the request of Mr. GEPHARDT) for today and the balance of the week on account of a death in the family.

Mr. BOSWELL (at the request of Mr. GEPHARDT) for today on account of illness in the family.

Mr. ROEMER (at the request of Mr. GEPHARDT) for today after 6:55 p.m. and the balance of the week on account of family matters.

□

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MCNULTY) to revise and extend their remarks and include extraneous material:)

Ms. WOOLSEY, for 5 minutes, today.

Mr. STRICKLAND, for 5 minutes, today.

Ms. STABENOW, for 5 minutes, today.

(The following Members (at the request of Mr. DEMINT) to revise and extend their remarks and include extraneous material:)

Mr. NORWOOD, for 5 minutes, July 20.

Mr. JONES of North Carolina, for 5 minutes, July 20.

(The following Member (at the request of Mr. PALLONE) to revise and extend their remarks and include extraneous material:)

Mr. BACA, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. HOLT, for 5 minutes, today.

□

ADJOURNMENT

Mr. MCINNIS. Mr. Speaker, pursuant to House Resolution 558, I move that the House do now adjourn in memory of the late Hon. PAUL COVERDELL.

The motion was agreed to; accordingly (at 10 o'clock and 31 minutes p.m.), pursuant to House Resolution 558, the House adjourned until tomorrow, Thursday, July 20, 2000, at 10 a.m., in memory of the late Hon. PAUL COVERDELL of Georgia.

□

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

8908. A letter from the Administrator, FSA, Deaprtment of Agirculture, transmitting the Department's final rule—Lamb Meat Adjustment Assistance Program (RIN: 0560–AG17) received June 20, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8909. A letter from the Associate Administrator, Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting the Department's final rule—Avocados Grown in South Florida; Increased Assessment Rate [Docket No. FV00–915–2 FR] received June 5, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8910. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting the Department's final rule—Tuberculosis in Cattle and Bison; State and Zone Designations [Docket No. 00–055–1] received June 27, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8911. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting the Department's final rule—Importation of Bovine Parts from Argentina [Docket No. 00–038–1] received June 27, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8912. A letter from the Associate Administrator, Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting the Department's final rule—Walnuts Grown in California; Report Regarding Interhandler Transfers of Walnuts [Docket No. FV00–984–1 FR] received June 28, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8913. A letter from the Associate Administrator, Agricultural Marketing Service, Fruit and Vegetable Programs, Department of Agriculture, transmitting the Department's final rule—Almonds Grown in California; Release of the Reserve Established

for the 1999–2000 Crop Year [Docket No. FV00–981–1 FIR] received June 28, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8914. A letter from the Associate Administrator, AMS, Department of Agriculture, transmitting the Department's final rule—Fresh Bartlett Pears Grown in Oregon and Washington; Decreased Assessment Rate [Docket No. FV00–931–1 IFR] received July 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8915. A letter from the Associate Administrator, AMS, Department of Agriculture, transmitting the Department's final rule—Irish Potatoes Grown in Modoc and Siskiyou Counties, California, and in all Counties in Oregon, except Malheur County; Suspension of Handling, Reporting, and Assessment Collection Regulations [Docket No. FV00–947–1 IFR] received July 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8916. A letter from the Associate Administrator, AMS, Department of Agriculture, transmitting the Department's final rule -Cranberries Grown in States of Massachusetts, Rhode Isalnd, Connecticut, New Jersey, Wisconsin, Michigan, Minnesota, Oregon, Washington, and Long Island in the State of New York; Establishment of Marketable Quantity and Allotment Percentage and Other Modifications Under the Cranberry Marketing Order [Docket No. FV00–929–2 FR] received July 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8917. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting the Department's final rule—Change in Disease Status of the Republic of Korea Because of Rinderpest and Foot-and-Mouth Disease [Docket No. 00–033–2] received July 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8918. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting the Department's final rule—Change in Disease Status of Japan Because of Rinderpest and Foot-and-Mouth Disease [Docket No. 00–031–2] received July 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8919. A letter from the Administrator & Executive VP, CCC, Department of Agriculture, transmitting the Department's final rule—Commodity Credit Corporation (RIN: 0560–AF51) received June 29, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8920. A letter from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Health and Human Services, transmitting the Department's final rule—Scrapie Pilot Projects [Docket No. 99–067–2] received June 28, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8921. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Tebufenozide; Pesticide Tolerances for Emergency Exemptions [OPP–301008; FRL–6590–1] (RIN: 2070–AB78) received July 5, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8922. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Fludioxonil; Extension of Tolerance for Emergency Exemption [OPP–301007; FRL–6590–3] (RIN: 2070–AB) received July 5, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

8923. A letter from the Architect of the Capitol, transmitting the report of all expenditures during the period October 1, 1999 through March 31, 2000, pursuant to 40 U.S.C. 162b; to the Committee on Appropriations.

8924. A letter from the Director, Research and Engineering, Department of Defense, transmitting certification that the budget does not jeopardize the stability of the defense technology base or increase the risk of failure to maintain technological superiority in future weapons systems; to the Committee on Armed Services.

8925. A letter from the Chief, General and International Law, Maritime Administration, Department of Transportation, transmitting the Department's final rule—Putting Customers First in the Title XI Program [Docket No. MARAD–98–3468] (RIN: 2133–AB32) received July 6, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Armed Services.

8926. A letter from the Secretary of Defense, transmitting the approved retirement and advancement to the grade of general on the retired list of General John A. Gordon, United States Air Force; to the Committee on Armed Services.

8927. A letter from the Assistant General Counsel for Regulation, Office of Assistant Secretary for Public and Indian Housing, Department of Housing and Urban Development, transmitting the Department's final rule—Section 8 Housing Choice Voucher Program; Expansion of Payment Standard Protection [Docket No. FR–4586–I–01] (RIN: 2577–AC18) received July 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

8928. A letter from the Assistant General Counsel for Regulations, Office of the Assistant Secretary for Public and Indian Housing, Department of Housing and Urban transmitting the Department's final rule—Pet Ownership in Public Housing [Docket No. FR–4437–F–02] (RIN: 2577–AB94) received July 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

8929. A letter from the Assistant General Counsel for Regulations, Office of the Assistant Secretary for Public and Indian Housing, Department of Housing and Urban transmitting the Department's final rule—Direct Funding of Public Housing Resident Management Corporations [Docket No. FR–4501–F–02] (RIN: 2577–AC12) received July 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

8930. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting Determinations on Export-Import Bank Financing in Support of Sale of Helicopters to Colombia; to the Committee on Banking and Financial Services.

8931. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report involving U.S. exports to Colombia, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Banking and Financial Services.

8932. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report involving U.S. exports to the Philippines, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Banking and Financial Services.

8933. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a report involving U.S. exports to Taiwan, pursuant to 12 U.S.C. 635(b)(3)(i); to the Committee on Banking and Financial Services.

8934. A letter from the General Counsel, Federal Emergency Management Agency, transmitting the Agency's final rule—Changes in Flood Elevation Determinations [Docket No. FEMA–7313] received July 5, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

8935. A letter from the General Counsel, Federal Emergency Management Agency, transmitting the Department's final rule—National Flood Insurance Program (NFIP); Assistance to Private Sector Property Isurances (RIN: 3067–AD11) received July 5, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

8936. A letter from the Secretary, Federal Trade Commission, transmitting the Twenty-Second Annual Report to Congress on the administration of the Fair Debt Collection Practices Act, pursuant to 15 U.S.C. 1692m; to the Committee on Banking and Financial Services.

8937. A letter from the General Counsel, National Credit Union Administration, transmitting the Administration's final rule—Privacy of Consumer Financial Information—received June 28, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

8938. A letter from the Administrator of National Banks, Legislative and Regulatory Activities Division, Office of the Comptroller of the Currency, transmitting the Office's final rule—Other Equity Investments [Docket No. 00–14] (RIN: 1557–AB86) received July 5, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Banking and Financial Services.

8939. A letter from the Acting Commissioner for Education Statistics, Department of Education, transmitting the annual statistical report of the National Center for Educational Statistics (NCES), ''The Condition of Education,'' pursuant to 20 U.S.C. 1221e—1(d)(1); to the Committee on Education and the Workforce.

8940. A letter from the Assistant Secretary for Educational Research and Improvements, Department of Education, transmitting Notice of Final Priority—Jacob K. Javits Gifted and Talented Education Program: National Research and Development Center; to the Committee on Education and the Workforce.

8941. A letter from the Assistant General Counsel for Regulatory Services, Office of Management, Department of Education, transmitting the Department's final rule—Family Educational Rights and Privacy—received June 30, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

8942. A letter from the Director, Corporate Policy and Research Department, Pension Benefit Guaranty Corporation, transmitting the Corporation's final rule—Benefits Payable in Terminated Single-Employer Plans; Allocation of Assets in Single-Employer Plans; Interest Assumptions for Valuing and Paying Benefits—received June 16, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Education and the Workforce.

8943. A letter from the Secretary of Transportation, transmitting the Department's Twenty-fourth Annual Report to Congress entitled ''Automotive Fuel Economy Program,'' pursuant to 49 U.S.C. 32916; to the Committee on Commerce.

8944. A letter from the Assistant General Counsel for Regulatory Law, Office of Environment, Safety and Health, Department of Energy, transmitting the Department's final rule—Supplementary Guidance and Design Experience for the Fusion Safety Standards DOE-STD–6002–96 and DOE-STD–6003–96 [DOE-HDBK–6004–99] received June 20, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8945. A letter from the Assistant General Counsel for Regulatory Law, Office of Environment, Safety and Health, Department of Energy, transmitting the Department's final

rule—Writer's Guide for Technical Procedures [DOE-STD–1029–92, Change Notice No. 1] received June 20, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8946. A letter from the Assistant General Counsel for Regulatory Law, Office of Environment, Safety and Health, Department of Energy, transmitting the Department's final rule—DOE Handbook; Radiological Worker Training [DOE-HDBK–1130–98] received June 20, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8947. A letter from the Assistant General Counsel for Regulatory Law, Office of Security and Emergency Operations, Department of Energy, transmitting the Department's final rule—Standardization of Chemical Protective Equipment for Protective Forces and Special Agents [DOE N 473.3] received June 22, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8948. A letter from the Assistant General Counsel for Regulatory Law, Office of Environment, Safety and Health, Department of Energy, transmitting the Department's final rule—DOE Standard; Safety of Magnetic Fusion Facilities: Requirements [DOE-STD–6002–96] received June 22, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8949. A letter from the Assistant General Counsel for Regulatory Law, Office of Energy Efficiency and Renewable Energy, Department of Energy, transmitting the Department's final rule—Extension of DOE O 430.2, In-house Energy Management [DOE N 430.2] received June 22, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8950. A letter from the Assistant General Counsel for Regulatory Law, Office of Chief Financial Officer, Department of Energy, transmitting the Department's final rule—Official Foreign Travel [DOE O 551.1] received June 22, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8951. A letter from the Assistant General Counsel for Regulatory Law, Office of Security and Emergency Operations, Department of Energy, transmitting the Department's final rule—Security Area Vouching and Piggybacking [DOE N 473.5] received June 22, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8952. A letter from the Assistant General Counsel for Regulatory Law, Office of Environment, Safety and Health, Department of Energy, transmitting the Department's final rule—DOE Standard; Guide to Good Practices for Lockouts and Tagouts [DOE-STD–1030–96] received June 22, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8953. A letter from the Assistant General Counsel for Regulatory Law, Office of Environment, Safety and Health, Department of Energy, transmitting the Department's final rule—DOE Standard; Specification for HEPA Filters Used by DOE Contractors [DOE-STD–3020–97] received June 22, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8954. A letter from the Director, Regulations Policy and Management, FDA, Department of Health and Human Service, transmitting the Department's final rule—Medical Devices; Anesthesiology Devices; Classification of Devices to Relieve Upper Airway Obstruction [Docket No. 00P–1117] received June 28, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8955. A letter from the Director, Regulations Policy and Management Staff, FDA, Department of Health and Human Services, transmitting the Department's final rule—Indirect Food Additives: Adjuvants, Production Aids, and Sanitizers; Technical Amendment [Docket No. 99F–1421] received June 28, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8956. A letter from the Director, Regulations Policy and Management Staff, FDA, Department of Health and Human Services, transmitting the Department's final rule—Indirect Food Additives: Adjuvants, Production Aids, and Sanitizers; Technical Amendment [Docket No. 99F–1421] received June 27, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8957. A letter from the Director, Regulations Policy and Management Staff, FDA, Department of Health and Human Services, transmitting the Department's final rule—Indirect Food Additives: Paper and Paperboard Components [Docket Nos. 94F–0185 and 95F–0111] received July 5, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8958. A letter from the Director, Regulations Policy and Management Staff, FDA, Department of Health and Human Services, transmitting the Department's final rule—Over-the-Counter Human Drugs; Labeling Requirements; Partial Extension of Compliance Dates [Docket Nos. 98N–0337, 96N–0420, 95N–0259, and 90P–0201] (RIN: 0910–AA79) received June 28, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8959. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Organobromines Production Wastes; Petroleum Refining Wastes; Identification and Listing of Hazardous Waste; Land Disposal Restrictions; Final Rule and Correcting Amendments [FRL–6711–4] received June 5, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8960. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Texas: Final Authorization of State Hazardous Waste Management Program Revisions [FRL–6730–8] received July 5, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8961. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Delaware: Final Authorization of State Hazardous Waste Management Program Revision [FRL 6732–8] received July 5, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8962. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—A Required State Implementation Plan for Carbon Monoxide; Anchorage, Alaska [FRL–6729–7] received July 5, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8963. A letter from the Attorney Advisor, Common Carrier Bureau, Federal Communication Commission, transmitting the Commission's final rule— Federal-State Joint Board on Universal Service; Promoting Deployment and Subscribership in Unserved and Underserved Areas, Including Tribal and Insular Areas [CC Docket No. 96–45] received July 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8964. A letter from the Special Assistant to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule— Amendment of Section 73.202(b), FM Table of Allotments, FM Broadcast Stations. (Cheyenne, Wyoming and Grover, Colorado) [MM Docket No. 96–242; RM–8940; RM–9243] received June 7, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8965. A letter from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations. (Moncks Corner, Kiawah Island, and Sampit, South Carolina) [MM Docket No. 94–70; RM–8474; RM–8706] received June 7, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8966. A letter from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting the Commission's final rule—Amendment of Section 73.202(b), Table of A llotments; FM Broadcast Stations, (Santa Anna, Texas) [MM Docket No. 99–337; RM–9524] received June 7, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8967. A letter from the Associate Chief, Wireless Telecommunications Bureau, Federal Communications Commission, transmitting the Commission's final rule—Rulemaking to Amend parts 1, 2, 21, and 25 of the Commission's Rules to Redesignate the 27.5–29.5 GHz Frequency Band, to Reallocate the 29.5–30.0 GHz Frequency Band, to Establish Rules and Policies for Local Multipoint Distribution Service and for Fixed Satellite Services [CC Docket No. 92–297] received June 5, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8968. A letter from the Deputy General Counsel, Office of General Counsel, Federal Communications Commission, transmitting the Commission's final rule— In the Matter of Establishing a Government-to-Government Relationship with Indian Tribes [FCC 00–207] received July 5, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Commerce.

8969. A letter from the Lieutenant General, Director, Defense Security Cooperation Agency, transmitting notification concerning the Department of the Army's Proposed Letter(s) of Offer and Acceptance (LOA) to Israel for defense articles and services (Transmittal No. 00–40), pursuant to 22 U.S.C. 2776(b); to the Committee on International Relations.

8970. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Australia [Transmittal No. DTC 033–00], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

8971. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Russia [Transmittal No. DTC 045–00], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

8972. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Germany, Italy, Russia and Kazakhstan [Transmittal No. DTC 046–00], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

8973. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to Israel [Transmittal No. DTC 048–00], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

8974. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting certification of a proposed license for the export of defense articles or defense services sold commercially under a contract to the Federation of Bosnia and

Herzegovina [Transmittal No. DTC 30–00], pursuant to 22 U.S.C. 2776(c); to the Committee on International Relations.

8975. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting Copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on International Relations.

8976. A letter from the Acting, Chief Counsel (Foreign Assets Control), Department of the Treasury, transmitting the Department's final rule— Reporting and Procedures Regulations; Foreign Narcotics Kingpin Sanctions Regulations—received June 29, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on International Relations.

8977. A letter from the Assistant Secretary for Export Administration, Bureau of Export Administration, Department of Commerce, transmitting the Department's final rule— Easing of Export Restrictions on North Korea [Docket No. 000605165–0165–01] (RIN: 0694–AC10) June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on International Relations.

8978. A letter from the Vice President, Governmental Affairs & Public Affairs, Legal Services Cooperation, transmitting the semiannual report of the Inspector General for the 6-month period ending March 31, 2000, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

8979. A letter from the Secretary of Agriculture, transmitting the semiannual Management Report for the period October 1, 1999 through March 31, 2000, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

8980. A letter from the Administrator, Agency for International Development, transmitting the semiannual report of the Office of Inspector General for the period October 1, 1999 through March 31, 2000, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

8981. A letter from the Executive Director, Committee For Purchase From People Who Are Blind Or Severely Disabled, transmitting the Committee's final rule—Procurement List Addition—received June 28, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

8982. A letter from the Chairman, Consumer Products Safety Commission, transmitting the report from the Acting Inspector General covering the activities of his office for the period of October 1, 1999—March 31, 2000, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

8983. A letter from the Inspector General, Corporation for National Service, transmitting the semiannual report on the activities of the Office of Inspector General for the period October 1, 1999 through March 31, 2000, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

8984. A letter from the Board of Governors, Federal Reserve System, transmitting the semiannual report on the activities of the Office of Inspector General for the period October 1, 1999 through March 31, 2000, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

8985. A letter from the Deputy Associate Administrator for Acquisition Policy, General Services Administration, transmitting the Administration's final rule—General Services Administration Acquisition Regulation; Part 525 Rewrite, Payment Information, And Clarification of Provisions and Clauses Applicable to Contract Actions Under the Javitts-Wagner-O'Day Act (RIN: 3090–AH22) received June 29, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

8986. A letter from the Chairman and General Counsel, National Labor Relations Board, transmitting the semiannual report on the activities of the Office of Inspector General for the period October 1, 1999 through March 31, 2000, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

8987. A letter from the General Counsel, Cost Accounting Standards Board, Office of Management and Budget, transmitting the Office's final rule—Cost Accounting Standards Board; Changes in Cost Accounting Practices—Recevied July 6, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

8988. A letter from the General Counsel, Cost Accounting Standards Board, Office of Management and Budget, transmitting the Office's final rule—Cost Accounting Standards; Applicability, Thresholds and Waiver of Cost Accounting Standards Coverage—received June 28, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

8989. A letter from the Director, Office of the General Counsel, Office of Personnel Management, transmitting the Office's final rule—Procedures for Settling Claims (RIN: 3206–AJ13) received June 29, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Government Reform.

8990. A letter from the Office of Special Counsel, transmitting the Annual Report of the Office of the Special Counsel (OSC) for Fiscal Year (FY) 1999, pursuant to 5 U.S.C. 1211; to the Committee on Government Reform.

8991. A letter from the Secretary of the Treasury, transmitting the semiannual report on activities of the Inspector General for the period ending March 31, 2000, and the Secretary's semiannual report for the same period, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

8992. A letter from the Secretary of Labor, transmitting the semiannual report on the activities of the Office of Inspector General for the period October 1, 1999, through March 31, 2000; and the semiannual management report for the same period, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

8993. A letter from the Administrator, Small Business Administration, transmitting the semiannual report of the Inspector General for the period October 1, 1999 through March 31, 2000, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

8994. A letter from the Commissioner, Social Security Administration, transmitting the semiannual report on the activities of the Office of Inspector General for the period October 1, 1999 through March 31, 2000, pursuant to 5 U.S.C. app. (Insp. Gen. Act) section 5(b); to the Committee on Government Reform.

8995. A letter from the Secretary of the Interior, transmitting a detailed boundary map for the 59-mile segment of the Missouri National Recreational River, extending from the Gavins Point Dam in South Dakota to Ponca State Park, Iowa, pursuant to 16 U.S.C. 1274; to the Committee on Resources.

8996. A letter from the Deputy Assistant Administrator, NOAA, Department of Commerce, transmitting the Department's final rule—Dean John A. Knauss Marine Policy Fellowship, National Sea Grant College Program [Docket No. 000522149–0149–01] (RIN: 0648–ZA87) received July 5, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8997. A letter from the Assistant Administrator for Fisheries, NMFS, Department of Commerce, transmitting the Department's final rule—Fisheries of the Exclusive Economic Zone Off Alaska; Prohibited Species Catch in the Bering Sea and Aleutian Islands [Docket No. 000623193–0193–01; I.D. 060800D] received July 10, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8998. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, Department of Commerce, transmitting the Department's final rule— Fisheries of the Exclusive Economic Zone Off Alaska; Open Access Sector Fishing Vessels Catching Pollock for Processing by the Inshore Component in the Bering Sea [Docket No. 000211040–0040–01; I.D. 070300A] received July 10, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

8999. A letter from the Acting Director, Office of Sustainable Fisheries, NMFS, Department of Commerce, transmitting the Department's final rule— Atlantic Highly Migratory Species (HMS) Fisheries; Prohibited Shark Species; Large Coastal Shark Species; Commercial Fishery Closure Change [I.D. 052500B] received July 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

9000. A letter from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Exclusive Economic Zone off Alaska; Bycatch Rate Standards for the Second Half of 2000 [I.D. 121399A] received June 28, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

9001. A letter from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule—Fisheries of the Northeastern United States; Summer Flounder Fishery; Commercial Quota Harvested for Maine [Docket No. 000119014–0137–02; I.D. 061900G] received July 5, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Resources.

9002. A letter from the Secretary of the Interior, transmitting a proposed plan under the Indian Tribal Judgement Funds Act, 25 U.S.C. 1401et seq., for the use and distribution of the settlement funds that are being held in trust in the United States Treasury for the Menominee Indian Tribe of Wisconsin (Tribe); to the Committee on Resources.

9003. A letter from the Commissioner, Financial Management Service, Department of the Treasury, transmitting notification that Title VI of H.R. 3425, enacted as an appendix to Public Law 106–113, directs the Secretary of the Treasury to pay the survivor, or collectively the survivors, of each of the 14 members of the United States Armed Forces and one United States civilian Federal employee who were mistakenly shot down over Iraq on April 14, 1994; to the Committee on the Judiciary.

9004. A letter from the Chairman, National Transportation Safety Board, Department of Transportation, transmitting the Department's 1999 annual report on the recommendations received from the National Transportation Board regarding transportation safety, pursuant to 49 U.S.C. 1135(d); to the Committee on Transportation and Infrastructure.

9005. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Safety Zone: OPSAIL 2000 Fireworks Displays and Search and Rescue Demonstrations, Port of New York/New Jersey [CGD01–00–009] (RIN: 2115–AA97) received June 5, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9006. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Safety Zone: Fireworks Display, New York Harbor, Ellis Island [CGD01–00–137] (RIN: 2115–AA97) received June 5, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9007. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Safety Zone; Ocean View Beach Park, Chesapeake Bay, VA [CGD05–00–018] (RIN: 2115–AA97) received June 5, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9008. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Operation Regulations; Pine River (Charlevoix), Michigan [CGD09–00–001] (RIN: 2115–AE47) received June 5, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9009. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Safety Zone: Coast Guard Activities New York Annual Fireworks Displays [CGD01–00–005] (RIN: 2115–AA97) received June 5, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9010. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Drawbridge Operation Regulations; Atlantic Intracoastal Waterway, mile 1084.6, Miami, FL [CGD07–00–053] (RIN: 2115–AE47) received June 5, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9011. A letter from the Chief, Office of Regulations and Administrative Law, USCG, Department of Transportation, transmitting the Department's final rule—Regulated Navigation Area: Navigable Waters within the First Coast Guard District [CGD01–98–151] (RIN: 2115–AE84) received June 5, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9012. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments [Docket No. 30089; Amdt. No. 1998] received July 6, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9013. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace; Minneapolis, Flying Cloud Airport, MN [Airspace Docket No. 00–AGL–08] received July 6, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9014. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Establishment of Class E Airspace; Minneapolis, Anoka County-Blaine Airport, MN [Airspace Docket No. 00–AGL–09] received July 6, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9015. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Standard Instrument Approach Procedures; Miscellaneous Amendments [Docket No. 30088; Amdt. No. 1997] received July 6, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9016. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Sikorsky Aircraft Corporation (Sikorsky) Model S–76A Helicopters [Docket No. 99–SW–37–AD; Amendment 39–11787; AD 2000–12–09] (RIN: 2120–AA64) received July 6, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9017. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 747 Series Airplanes [Docket No. 99–NM–330–AD; Amendment 39–11797; AD 2000–12–19] (RIN: 2120–AA64) received July 6, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9018. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A310 Series Airplanes [Docket No. 2000–NM–77–AD; Amendment 39–11798; AD 2000–12–20] (RIN: 2120–AA64) received July 6, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9019. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Industrie Model A300, A300–600, and A310 Series Airplanes [Docket No. 99–NM–240–AD; Amendment 39–11790; AD 200–12–12] (RIN: 2120–AA64) received July 6, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9020. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 747–400 Series Airplanes Equipped with Pratt & Whitney PW4000 Series Engines [Docket No. 99–NM–66–AD; Amendment 39–11799; AD 2000–12–21] (RIN: 2120–AA64) received July 6, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9021. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Eurocopter Deutschland GmbH Model EC 135 Helicopters [Docket No. 98–SW–74–AD; Amendment 39–11807; AD 2000–13–08] (RIN: 2120–AA64) received July 6, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9022. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Pratt & Whitney JT9D Series Turbofan Engines [Docket No. 94–ANE–54 AD; Amendment 39–11180; AD 99–11–09] (RIN: 2120–AA64) received July 6, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9023. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 727 Series Airplanes [Docket No. 99–NM–121–AD; Amendment 39–11199; AD 99–12–52] (RIN: 2120–AA64) received July 6, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9024. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Amendment to Class E Airspace; Pratt, KS [Airspace Docket No. 00–ACE–14] received June 29, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9025. A letter from the FHWA Regulations Officer, Federal Highway Administration, Department of Transportation, transmitting the Department's final rule—Motor Carrier Safety Assistance Program [Docket No. FMCSA–98–4878 (formerly FHWA Docket No. FHWA–98–4878)] (RIN: 2126–AA40 (formerly RIN: 2125–AE46)) received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9026. A letter from the FHWA Regulation Officer, Federal Highway Administration, Department of Transportation, transmitting the Department's final rule—Indian Reservation Road Bridge Program [FHWA Docket No. FHWA–98–4743] (RIN: 2125–AE57) received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9027. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Amendment of Class E Airspace; SMITHville, TN [Airspace Docket No. 00–ASO–18] received June 29, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9028. A letter from the FHWA Regulations Officer, Federal Highway Administration, Department of Transportation, transmitting the Department's final rule—Emergency Relief Program [FHWA Docket No. 97–3105] (RIN: 2125–AE27) received June 15, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9029. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Fokker Model F27 Mark 050, 100, 200, 300, 400, 500, 600, and 700 Series Airplanes; and Model F28 Mark 0070, 0100, 1000, 2000, 3000, and 4000 Series Airplanes [Docket No. 2000–NM–06–AD; Amendment 39–11778; AD 2000–11–29] (RIN: 2120–AA64) received June 29, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9030. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A319, A320, and A321 Series Airplanes [Docket No. 99–NM–95–AD; Amendment 39–11782; AD 2000–12–04] (RIN: 2120–AA64) received June 29, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9031. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 767 Series Airplanes [Docket No. 99–NM–182–AD; Amendment 39–11795; AD 2000–12–17] (RIN: 2120–AA64) received June 29, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9032. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 747 Series Airplanes [Docket No. 2000–NM–78–AD; Amendment 39–11794; AD 2000–12–16] (RIN: 2120–AA64) received June 29, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9033. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Saab Model SAAB SF340A and SAAB SF340A and SAAB 340B Series Airplanes [Docket No. 2000–NM–25–AD; Amendment 39–11792; AD 2000–12–14] (RIN: 2120–AA64) received June 29, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9034. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A300–600

Series Airplanes [Docket No. 98–NM–164–AD; Amendment 39–11789; AD 2000–12–11] (RIN: 2120–AA64) received June 29, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9035. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A319, A320, and A321 Series Airplanes [Docket No. 99–NM–351–AD; Amendment 39–11791; AD 2000–12–13] (RIN: 2120–AA64) received June 29, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9036. A letter from the Trial Attorney, Federal Railroad Administration, Department of Transportation, transmitting the Department's final rule— Passenger Equipment Safety Standards [FRA Docket No. PCSS–1, Notice No. 6] (RIN: 2130–AA95) received June 29, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9037. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—National Estuary Program FY 2000 Budget and Funding—Requirements for Grants—received July 5, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9038. A letter from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting the Agency's final rule—Revisions to the Water Quality Planning and Management Regulation and Revisions to the National Pollutant Discharge Elimination System Program in Support of Revisions to the Water Quality Planning and Management Regulation [FRL–6733–2] received July 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

9039. A letter from the Associate Administrator and Procurement, National Aeronautics and Space Administration, transmitting the Administration's final rule—Packaging, Handling, and Transportation—received June 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Science.

9040. A letter from the Associate Administrator and Procurement, National Aeronautics and Space Administration, transmitting the Administration's final rule—Risk Management—received June 12, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Science.

9041. A letter from the the Clerk of the House of Representatives, transmitting the annual compilation of personal financial disclosure statements and amendments thereto filed with the Clerk of the House of Representatives, pursuant to Rule XXVII, clause 1, of the House Rules; (H. Doc. No. 106—269); to the Committee on Standards of Official Conduct and ordered to be printed.

9042. A letter from the Director, Office of Regulations Management, Department of Veterans Affairs, transmitting the Department's final rule—The Veterans Millennium Health Care and Benefits Act (RIN: 2900–AK04) received July 7, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

9043. A letter from the Chief, Regulations Branch, U.S. Customs Service, Department of Treasury, transmitting the Department's final rule—Guidelines for the Imposition and Mitigation of Penalties for Violations of 19 U.S.C. 1592 [T.D. 00–41] (RIN: 1515–AC08) received June 20, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

9044. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Determination of Interest Rate [Rev. Rul. 2000–30] received June 5, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

9045. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Administrative, Procedural, and Miscellaneous; Tax Forms and Instructions [Rev. Proc. 2000–31] received July 13, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

9046. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Department Store Indexes—May 2000 [Rev. Rul. 2000–34] received June 29, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

9047. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Administrative, Procedural, and Miscellaneous Earnings Calculation for Returned or Recharacterized IRA Contributions [Notice 2000–39] received July 10, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

9048. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Sevice's final rule—April-June 2000 BOND Factor Amounts [Revenue Ruling 2000–31] received June 28, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

9049. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Targeted Jobs Tax Credit Settlement Announcement—received July 10, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

9050. A letter from the Regulations Officer, Social Security Administration, transmitting the Administration's final rule—Administrative Procedure for Imposing Penalties for False or Misleading Statements (RIN: 0960–AF20) received July 5, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

9051. A letter from the SSA Regulations Officer, Social Security Administration, transmitting the Administration's final rule—Reduction of Title II Benefits Under the Family Maximum Provisions in Cases of Dual Entitlement (RIN: 0960–AE85) received June 16, 2000, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

9052. A letter from the Assistant Secretary, Indian Affairs, Department of the Interior, transmitting draft legislation, ''To authorize the Use and Distributions of the Quinault Indian Nation Judgement Funds in Docket Nos. 772–71, 773–71, 774–71 and 775–71''; jointly to the Committees on Resources and Ways and Means.

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REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. YOUNG of Florida: Committee on Appropriations. Report on the Revised Suballocation of Budget Allocations for Fiscal Year 2001 (Rept. 106–761). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 3919. A bill to provide assistance for the conservation of coral reefs, to coordinate Federal coral reef conservation activities, and for other purposes; with an amendment (Rept. 106–762). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 3182. A bill to provide for a land conveyance to the city of Craig, Alaska, and for other purposes (Rept. 106–763). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG of Alaska: Committee on Resources. H.R. 2958. A bill to provide for the continuation of higher education through the conveyance of certain public lands in the State of Alaska to the University of Alaska, and for other purposes (Rept. 106–764). Referred to the Committee of the Whole House on the State of the Union.

Mr. ARCHER: Committee of Conference. Conference report on H.R. 4810. A bill to provide for reconciliation pursuant to section 103(a)(1) of the concurrent resolution on the budget for fiscal year 2001 (Rept. 106–765). Ordered to be printed.

Ms. PRYCE of Ohio: Committee on Rules. House Resolution 559. Resolution waiving points of order against the conference report to accompany the bill (H.R. 4810) to provide for reconciliation pursuant to section 103(a)(1) of the concurrent resolution on the budget for fiscal year 2001 (Rept. 106–766). Referred to the House Calendar.

Mr. LINDER: Committee on Rules. House Resolution 560. Resolution providing for consideration of the bill (H.R. 4871) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 2001, and for other purposes (Rept. 106–767). Referred to the House Calendar.

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PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. KNOLLENBERG (for himself, Mr. UPTON, Mr. HOEKSTRA, Mr. EHLERS, Mr. CAMP, Mr. SMITH of Michigan, Mr. LEVIN, Mr. DINGELL, Mr. KILDEE, Mr. BARCIA, Ms. KILPATRICK, Mr. STUPAK, Ms. STABENOW, Mr. BONIOR, Mr. CONYERS, and Ms. RIVERS):

H.R. 4884. A bill to redesignate the facility of the United States Postal Service located at 200 West 2nd Street in Royal Oak, Michigan, as the ''William S. Broomfield Post Office Building''; to the Committee on Government Reform.

By Mr. BOEHNER (for himself, Mr. BARRETT of Nebraska, Mr. COOKSEY, Mr. EWING, Mr. GUTKNECHT, Mr. LAHOOD, Mr. LATHAM, Mr. LUCAS of Oklahoma, Mr. NETHERCUTT, Mr. NUSSLE, Mr. PETERSON of Minnesota, Mr. SCHAFFER, Mr. SIMPSON, Mr. THUNE, and Mr. WALDEN of Oregon):

H.R. 4885. A bill to provide tax and regulatory relief for farmers and to improve the competitiveness of American agricultural commodities and products in global markets; to the Committee on Ways and Means, and in addition to the Committees on Agriculture, Rules, and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. HANSEN:

H.R. 4886. A bill to amend the Federal Cigarette Labeling and Advertising Act and the Comprehensive Smokeless Tobacco Health Education Act of 1986 to require warning labels for tobacco products; to the Committee on Commerce.

By Mr. OWENS:

H.R. 4887. A bill to amend the Immigration and Nationality Act to provide for legal permanent resident status for certain undocumented or nonimmigrant aliens; to the Committee on the Judiciary.

By Ms. ROS-LEHTINEN:

H.R. 4888. A bill to protect innocent children; to the Committee on the Judiciary, and in addition to the Committee on Armed Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. SPRATT:

H.R. 4889. A bill to direct the Secretary of Agriculture to release the reversionary interest of the United States in certain land located in Sumter County, South Carolina, to facilitate a land exchange involving that land and to provide for the conveyance to the mineral interests of the United States in that land; to the Committee on Agriculture, and in addition to the Committee on Resources, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. VELAZQUEZ (for herself, Mr. TALENT, Ms. MILLENDER-MCDONALD, Mr. DAVIS of Illinois, Mrs. MCCARTHY of New York, Mr. PASCRELL, Mr. HINOJOSA, Mrs. CHRISTENSEN, Mr. BRADY of Pennsylvania, Mr. GONZALEZ, Mr. MOORE, Mrs. NAPOLITANO, Mrs. JONES of Ohio, Mr. UDALL of New Mexico, Mr. BAIRD, Mr. UDALL of Colorado, and Ms. BERKLEY):

H.R. 4890. A bill to require Federal agencies to follow certain procedures with respect to the bundling of procurement contract requirements; to the Committee on Small Business, and in addition to the Committee on Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Ms. WOOLSEY (for herself and Mr. KIND):

H.R. 4891. A bill to amend the Elementary and Secondary Education Act of 1965 to ensure that services for students are coordinated; to the Committee on Education and the Workforce.

By Ms. WOOLSEY (for herself, Mr. STARK, Ms. LEE, Ms. MCKINNEY, Mr. NADLER, Ms. VELAZQUEZ, and Mr. LEWIS of Georgia):

H.R. 4892. A bill to repeal the Federal charter of the Boy Scouts of America; to the Committee on the Judiciary.

By Mr. BARRETT of Wisconsin (for himself, Mr. GUTIERREZ, Mr. COYNE, Ms. BALDWIN, Ms. CARSON, Mr. FRANK of Massachusetts, Mr. BROWN of Ohio, Mr. LIPINSKI, Mr. RUSH, Mr. HINCHEY, Mr. DOYLE, Mr. BONIOR, Mr. BLAGOJEVICH, Mr. OWENS, Mrs. MEEK of Florida, Mr. FILNER, Mr. DAVIS of Illinois, Ms. JACKSON-LEE of Texas, Ms. MCKINNEY, Mr. BRADY of Pennsylvania, Ms. SCHAKOWSKY, Ms. STABENOW, Mr. CAPUANO, Mr. SANDERS, Mrs. JONES of Ohio, Ms. NORTON, Mr. TOWNS, and Mr. CONYERS):

H.R. 4893. A bill to enhance the availability of capital and credit for all citizens and communities, to ensure that community reinvestment keeps pace as banks, securities firms, and other financial service providers become affiliates as a result of the enactment of the GRAMM–Leach-Bliley Act, and for other purposes; to the Committee on Banking and Financial Services, and in addition to the Committee on Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. EMERSON (for herself and Mr. BERRY):

H.R. 4894. A bill to amend the Food Security Act of 1985 to increase the maximum amount of marketing loan gains and loan deficiency payments that an agricultural producer may receive during the 2000 crop year; to the Committee on Agriculture.

By Mrs. EMERSON (for herself and Mr. BERRY):

H.R. 4895. A bill to amend the Food Security Act of 1985 to increase the maximum amount of marketing loan gains and loan deficiency payments that an agricultural producer may receive during each of crop years 2000, 2001, and 2002; to the Committee on Agriculture.

By Mr. MALONEY of Connecticut:

H.R. 4896. A bill to amend the Internal Revenue Code of 1986 to increase the child tax credit to $2,000 per child; to the Committee on Ways and Means.

By Ms. VELAZQUEZ (for herself, Mrs. KELLY, Ms. MILLENDER-MCDONALD, Mr. DAVIS of Illinois, Mrs. MCCARTHY of New York, Mr. PASCRELL, Mr. HINOJOSA, Mrs. CHRISTENSEN, Mr. BRADY of Pennsylvania, Mr. GONZALEZ, Mr. MOORE, Mrs. NAPOLITANO, Mrs. JONES of Ohio, Mr. UDALL of Colorado, Mr. BAIRD, and Ms. BERKLEY):

H.R. 4897. A bill to amend the Small Business Act to establish a program to provide Federal contracting assistance to small business concerns owned and controlled by women; to the Committee on Small Business.

By Ms. KAPTUR:

H. Con. Res. 377. Concurrent resolution expressing the sense of Congress that the Supreme Court misinterpreted the First Amendment to the Constitution in the case of Buckley v. Valeo; to the Committee on the Judiciary.

By Mr. LEWIS of Georgia:

H. Res. 558. A resolution expressing the condolences of the House of Representatives on the death of the Honorable Paul COVERDELL, a Senator from the State of Georgia; considered and agreed to.

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ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 303: Mr. HERGER and Mr. SHERWOOD.
H.R. 515: Mr. DEUTSCH.
H.R. 531: Mr. ROHRABACHER and Mr. BUYER.
H.R. 534: Mr. DUNCAN and Mrs. CAPPS.
H.R. 632: Mr. GOODLATTE.
H.R. 762: Mr. GORDON, Mr. REYNOLDS, and Mr. FRANKS of New Jersey.
H.R. 783: Mr. MORAN of Kansas.
H.R. 804: Mr. HOLDEN.
H.R. 827: Mr. REYES and Ms. KAPTUR.
H.R. 870: Mr. ORTIZ and Mr. BONILLA.
H.R. 969: Mr. PETRI.
H.R. 979: Mr. SISISKY.
H.R. 1001: Mr. REYNOLDS.
H.R. 1102: Mr. DREIER, Mr. DEUTSCH, and Mr. CHABOT.
H.R. 1168: Mr. TALENT.
H.R. 1440: Mr. PETRI.
H.R. 1590: Mr. MEEKS of New York.
H.R. 1621: Mrs. MYRICK, Mr. BURR of North Carolina, and Mr. SAWYER.
H.R. 2273: Mrs. BIGGERT.
H.R. 2340: Mr. RILEY, Ms. MILLENDER-MCDONALD, and Ms. PELOSI.
H.R. 2512: Mr. QUINN.
H.R. 2553: Mr. DOYLE.
H.R. 2620: Mr. GANSKE.
H.R. 2696: Mr. SISISKY.
H.R. 2710: Mr. EHRLICH.
H.R. 2870: Ms. BALDWIN, Mr. BRADY of Pennsylvania, Mr. BROWN of Ohio, Mr. FLETCHER, Mr. KANJORSKI, Mrs. MCCARTHY of New York, Mr. MOORE, Mr. MURTHA, Mr. SHERWOOD, Mrs. THURMAN, Mr. WU, Mr. WISE, Mr. DEFAZIO, Mr. ROTHMAN, Mr. SWEENEY, and Mr. MORAN of Virginia.
H.R. 2892: Mr. GILCHREST and Mr. JENKINS.
H.R. 2929: Mr. MEEHAN.
H.R. 3032: Mr. QUINN.
H.R. 3083: Mr. BONIOR and Mr. WEXLER.
H.R. 3100: Mr. WAMP and Mr. CRAMER.
H.R. 3188: Mr. EHLERS and Mr. UDALL of Colorado.
H.R. 3193: Mr. LOBIONDO.
H.R. 3218: Ms. SLAUGHTER.
H.R. 3235: Mr. GONZALEZ and Mr. SCOTT.
H.R. 3256: Mr. FRELINGHUYSEN, Mr. HOLDEN, Mr. SAXTON, Mr. CRAMER, Mr. HALL of Texas, and Mr. REYES.
H.R. 3263: Mr. BONIOR, Mr. HILLIARD, Mr. CALLAHAN, Mr. CRAMER, and Mr. DEAL of Georgia.
H.R. 3275: Ms. DELAURO.
H.R. 3518: Mr. CALVERT.
H.R. 3590: Mr. PACKARD.
H.R. 3710: Mrs. LOWEY and Mr. CROWLEY.
H.R. 3766: Mrs. TAUSCHER, Mr. CLAY, Mr. SHERMAN, and Mr. LEACH.
H.R. 3825: Mr. FATTAH.
H.R. 3901: Mr. DAVIS of Illinois.
H.R. 4082: Mr. TIAHRT and Mr. BATEMAN.
H.R. 4215: Mr. WICKER.
H.R. 4242: Mr. DEAL of Georgia.
H.R. 4260: Mr. GOODLING.
H.R. 4271: Mr. STENHOLM, Mr. HOLDEN, Mr. ALLEN, Mr. HOBSON, and Mr. COBURN.
H.R. 4272: Mr. STENHOLM, Mr. HOLDEN, Mr. ALLEN, Mr. HOBSON, and Mr. COBURN.
H.R. 4273: Mr. STENHOLM, Mr. HOLDEN, Mr. ALLEN, Mr. HOBSON, and Mr. COBURN.
H.R. 4277: Mr. SISISKY, Mr. BOUCHER, Mr. MOORE, and Mr. HOEFFEL.
H.R. 4282: Mr. PACKARD.
H.R. 4289: Mr. BAIRD, Ms. BALDWIN, and Mr. BERRY.
H.R. 4292: Mrs. EMERSON and Mr. BLUNT.
H.R. 4393: Mr. HUTCHINSON.
H.R. 4424: Mr. COMBEST, Mrs. FOWLER, and Mr. BRADY of Texas.
H.R. 4465: Mr. NORWOOD, Mr. BURR of North Carolina, Mr. COBLE, and Mr. JONES of North Carolina.
H.R. 4467: Mr. LAHOOD.
H.R. 4469: Mrs. ROUKEMA.
H.R. 4539: Mr. SHERMAN.
H.R. 4598: Mr. MCCOLLUM, Mr. BOYD, Mr. INSLEE, Mrs. FOWLER, Mr. PASTOR, and Mr. CALLAHAN.
H.R. 4624: Mr. QUINN.
H.R. 4633: Mr. RAMSTAD, Mr. HERGER, Mr. WAXMAN, Mr. GOODLATTE, and Mr. ANDREWS.
H.R. 4640: Mr. BACHUS.
H.R. 4649: Mr. HUNTER, Ms. PELOSI, Mr. FORBES, Mr. SHOWS, Mr. HILLEARY, Mr. BORSKI, Mr. PHELPS, Mr. MCGOVERN, Mr. WHITFIELD, Ms. KILPATRICK, Mr. FROST, Mr. STARK, MR. EVANS, Mr. SANDERS, Mrs. THURMAN, Ms. BROWN of Florida, Mr. LATOURETTE, Mr. HOLDEN, Mr. BARCIA, Mr. CONYERS, Mr. WYNN, Mr. PALLONE, Mr. LANTOS, Mr. RODRIGUEZ, Mr. DINGELL, Mr. MASCARA, Mr. HASTINGS of Florida, Mr. FILNER, Mr. PASTOR, Mr. LIPINSKI, Mr. HINCHEY, Mr. MOLLOHAN, Mr. MCINTYRE, Mr. NEY, Mr. MCHUGH, Mr. STUPAK, Mr. DEAL of Georgia, Mr. TIERNEY, and Ms. WOOLSEY.
H.R. 4652: Mr. WICKER.
H.R. 4678: Mrs. ROUKEMA.
H.R. 4710: Mr. DICKEY, Mr. BARTLETT of Maryland, Mrs. CUBIN, Mr. CAMP, Mr. RYUN of Kansas, Mr. SOUDER, Mr. GOODE, Mrs. CHENOWETH-HAGE, Mr. TIAHRT, Mr. WELDON of Florida, Mr. CHABOT, Mr. COBURN, Mr.

DOOLITTLE, Mr. GILLMOR, Mr. HALL of Texas, Mr. WAMP, and Mr. TANCREDO.

H.R. 4727: Mr. CAPUANO, Mr. GOODE, Ms. KAPTUR, Mr. THOMPSON of Mississippi, Mr. PAUL, Mr. GREEN of Texas, Mrs. MINK of Hawaii, Mr. HINOJOSA, Mr. NEAL of Massachusetts, Mr. DOYLE, and Mr. GONZALEZ.

H.R. 4740: Mr. BROWN of Ohio.

H.R. 4750: Mr. MCHUGH, Mr. WAMP, and Mr. GORDON.

H.R. 4807: Mr. LOBIONDO, Mr. GILLMOR, Mr. GILMAN, Mr. NEAL of Massachusetts, Mr. GILCHREST, Mrs. WILSON, Mrs. MYRICK, Mr. SMITH of New Jersey, Mr. TANCREDO, Mrs. CHRISTENSEN, Mr. FARR of California, Mr. TOWNS, Mr. SMITH of Washington, Mr. LAHOOD, Mrs. JOHNSON of Connecticut, Mr. CASTLE, Mr. CUNNINGHAM, Mr. PACKARD, Ms. WATERS, Mr. ENGEL, Mr. CARDIN, Mrs. THURMAN, Mr. GEJDENSON, Mr. REYNOLDS, Mr. LEWIS of California, Mr. CONYERS, Mr. FORD, Mr. FORBES, Mr. BLUMENAUER, and Mr. UDALL of New Mexico.

H.R. 4817: Mr. LAFALCE.

H.R. 4841: Mr. BOUCHER.

H.R. 4844: Ms. BERKLEY, Mr. EVANS, Mr. BILBRAY, Mr. HINCHEY, Mr. LEWIS of Kentucky, Mr. SISISKY, Mr. BARTON of Texas, Mr. DINGELL, Mr. BAKER, Mr. HOLT, Mr. BASS, Mr. HOEFFEL, Mr. GOODLATTE, Mr. SAWYER, Mr. TIAHRT, Mr. BLUMENAUER, Mr. LATHAM, Mr. BONIOR, Mr. WATKINS, Mr. BENTSEN, Mr. DAVIS of Illinois, Mr. LEWIS of Georgia, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. BONILLA, Mr. VISCLOSKY, Mr. DIAZ-BALART, Mr. GEPHARDT, Mr. ROMERO-BARCELO, Mrs. MEEK of Florida, Mr. BECERRA, Mr. PASTOR, Mr. SPRATT, and Ms. HOOLEY of Oregon.

H.R. 4848: Ms. KAPTUR, Ms. SANCHEZ, Ms. RIVERS, Ms. DELAURO, Mr. KIND, Mr. BROWN of Ohio, Ms. ESHOO, Ms. LOFGREN, Ms. VELAZQUEZ, Ms. DANNER, Mr. RANGEL, and Mr. CAPUANO.

H.R. 4850: Mr. RODRIGUEZ and Mr. LAHOOD.

H.R. 4857: Mr. PORTMAN, Mr. STARK, Mr. TANNER, and Mr. RANGEL.

H.R. 4858: Mr. OBERSTAR.

H.R. 4862: Mr. FRANK of Massachusetts and Mr. BLUNT.

H.R. 4864: Mr. MCHUGH, Mr. HOUGHTON, Mr. TIAHRT, Mr. WHITFIELD, Mr. OSE, Mrs. CLAYTON, Mr. RAHALL, Mr. BARCIA, Mr. MCCOLLUM, Mr. BATEMAN, Mr. LAHOOD, Mr. GREEN of Texas, Mr. MASCARA, Mr. HALL of Texas, Mr. KILDEE, Mr. SUNUNU, Mr. BALDACCI, Mr. ROMERO-BARCELO, Mr. MURTHA, Mr. STUPAK, Mr. TIERNEY, Mr. FRELINGHUYSEN, Mrs. MORELLA, Mr. GONZALEZ, Mr. WAXMAN, Mr. SAWYER, Mr. CLEMENT, Mr. KOLBE, and Mr. BUYER.

H.J. Res. 64: Mr. BLILEY.

H. Con. Res. 58: Mr. KUCINICH, Mr. BLAGOJEVICH, and Ms. CARSON.

H. Con. Res. 252: Mr. MINGE.

H. Con. Res. 256: Ms. KAPTUR.

H. Con. Res. 286: Mr. TALENT.

H. Con. Res. 297: Mr. DEUTSCH.

H. Con. Res. 308: Ms. KAPTUR.

H. Con. Res. 323: Mr. ENGEL, Ms. DELAURO, Mr. YOUNG of Alaska, Mr. BOEHLERT, Mr. BERMAN, Mr. KUCINICH, Ms. BROWN of Florida, Mr. BROWN of Ohio, and Mr. BLAGOJEVICH.

H. Con. Res. 341: Mr. GONZALEZ.

H. Con. Res. 370: Ms. LEE, and Mr. BILBRAY.

H. Con. Res. 372: Mr. BAIRD, Mr. OLVER, Mr. GEJDENSON, Mr. YOUNG of Alaska, Mr. MCHUGH, and Mr. ORTIZ.

H. Res. 544: Mr. MCDERMOTT, Mr. WICKER, Mr. UNDERWOOD, Mr. FILNER, Mr. BERMAN, Mr. FARR of California, Ms. PELOSI, and Mr. KOLBE.

H. Res. 549: Mr. SISISKY, Mr. STEARNS, Ms. DANNER, Mr. ROGAN, Mr. EWING, Mr. RYUN of Kansas, Mr. GEKAS, Mr. HUTCHINSON, and Mr. FROST.

H. Res. 551: Mr. SHIMKUS, Mr. RAHALL, and Mr. BARTLETT of Maryland.

AMENDMENTS

Under clause 8 of rule XVIII, proposed amendments were submitted as follows:

H.R. 4871

OFFERED BY: MR. FRELINGHUYSEN

AMENDMENT NO. 6: At the end of the bill, insert after the last section (preceding the short title) the following:

SEC. ____. None of the funds made available in this Act may be used for use of a Federal Internet site to collect information about an individual as a consequence of the individual's use of the site.

H.R. 4871

OFFERED BY: MR. FRELINGHUYSEN

AMENDMENT NO. 7: At the end of the bill, insert after the last section (preceding the short title) the following:

SEC. ____. None of the funds made available in this Act may be used for any computer software code, program, or function or other means to collect user identifiable information about any user of a Federal Internet site.

H.R. 4871

OFFERED BY: MR. HOSTETTLER

AMENDMENT NO. 8: At the end of the bill, insert after the last section (preceding the short title) the following:

SEC. ____. None of the funds made available in this Act may be used to enforce, implement, or administer the provisions of the settlement document dated March 17, 2000, between Smith & Wesson and the Department of the Treasury (among other parties).

H.R. 4871

OFFERED BY: MRS. MALONEY OF NEW YORK

AMENDMENT NO. 9: Page 112, after line 13, insert the following new section:

SEC. 644. The Office of Personnel Management shall conduct a study to develop one or more alternative means for providing Federal employees with at least 6 weeks of paid parental leave in connection with the birth or adoption of a child (apart from any other paid leave). Not later than September 30, 2001, the Office shall submit to Congress a report containing its findings and recommendations under this section, including projected utilization rates, and views as to whether this benefit can be expected to—

(1) curtail the rate at which Federal employees are being lost to the private sector;

(2) help the Government in its recruitment and retention efforts generally;

(3) reduce turnover and replacement costs; and

(4) contribute to parental involvement during a child's formative years.

H.R. 4871

OFFERED BY: MR. MORAN OF KANSAS

AMENDMENT NO. 10: At the end of the bill, insert after the last section (page 112, after line 13) the following new section:

SEC. 644. None of the funds made available in this Act may be used to implement any sanction imposed by the United States on private commercial sales of medicine, food, or agricultural product to a foreign country (other than a sanction imposed pursuant to agreement with one or more other countries).

H.R. 4871

OFFERED BY: MR. MORAN OF KANSAS

AMENDMENT NO. 11: At the end of the bill, insert after the last section (page 112, after line 13) the following new section:

SEC. 644. None of the funds made available in this Act may be used to implement subsection (h) of section 102 of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1996.

H.R. 4871

OFFERED BY: MRS. MORELLA

AMENDMENT NO. 12: Page 112, after line 13, insert the following new section:

SEC. 644. (a)(1) Title 5, United States Code, is amended by inserting after section 5372a the following:

"§ 5372b. Administrative appeals judges

''(a) For the purpose of this section—

''(1) the term 'administrative appeals judge position' means a position the duties of which primarily involve reviewing decisions of administrative law judges appointed under section 3105; and

''(2) the term 'agency' means an Executive agency, as defined by section 105, but does not include the General Accounting Office.

''(b) Subject to such regulations as the Office of Personnel Management may prescribe, the head of the agency concerned shall fix the rate of basic pay for each administrative appeals judge position within such agency which is not classified above GS–15 pursuant to section 5108.

''(c) A rate of basic pay fixed under this section shall be—

''(1) not less than the minimum rate of basic pay for level AL–3 under section 5372; and

''(2) not greater than the maximum rate of basic pay for level AL–3 under section 5372.''.

(2) Section 7323(b)(2)(B)(ii) of title 5, United States Code, is amended by striking ''or 5372a'' and inserting ''5372a, or 5372b''.

(3) The table of sections for chapter 53 of title 5, United States Code, is amended by inserting after the item relating to section 5372a the following:

''5372b. Administrative appeals judges.''.

(b) The amendment made by subsection (a)(1) shall apply with respect to pay for service performed on or after the first day of the first applicable pay period beginning on or after—

(1) the 120th day after the date of enactment of this Act; or

(2) if earlier, the effective date of regulations prescribed by the Office of Personnel Management to carry out such amendment.

H.R. 4871

OFFERED BY: MR. SANDERS

AMENDMENT NO. 13: Page 112, after line 13, insert the following:

SEC. 644. None of the funds appropriated by this Act may be used by the Internal Revenue Service for any activity that is in contravention of section 411(b)(1)(H)(i) or section 411(d)(6) of the Internal Revenue Code of 1986, section 204(b)(1)(G) or 204(b)(1)(H)(i) of the Employee Retirement Income Security Act of 1974, or section 4(i)(1)(A) of the Age Discrimination in Employment Act.

H.R. 4871

OFFERED BY: MR. SANFORD

AMENDMENT NO. 14: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. ____. (a) None of the funds made available in this Act may be used to administer or enforce part 515 of title 31, Code of Federal Regulations (the Cuban Assets Control Regulations) with respect to any travel or travel-related transaction.

(b) The limitation established in subsection (a) shall not apply to transactions in relation to any business travel covered by section 515.560(g) of such part 515.

H.R. 4871

OFFERED BY: MR. SANFORD

AMENDMENT NO. 15: At the end of the bill, insert after the last section (preceding the short title) the following:

SEC. ____. None of the funds made available in this Act may be used for travel on a trip

with the President by more than 120 individuals employed in the Executive Office of the President, excluding Secret Service personnel.

H.R. 4871

OFFERED BY: MR. VITTER

AMENDMENT NO. 16: At the end of the bill, insert after the last section (preceding the short title) the following new section:

SEC. ____. (a) REVISIONS TO AMOUNTS.—The amounts otherwise provided by this Act are revised by reducing the aggregate dollar amount made available for ''INTERNAL REVENUE SERVICE–PROCESSING, ASSISTANCE, AND MANAGEMENT'', and by increasing the aggregate dollar amount made available for ''FEDERAL DRUG CONTROL PROGRAMS–HIGH INTENSITY DRUG TRAFFICKING AREAS PROGRAM'', by $25,000,000.

(b) LIMITATION.—None of the funds provided in this section may be used for High Intensity Drug Trafficking Areas designated after September 30, 2000.

United States of America

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PROCEEDINGS AND DEBATES OF THE 106th CONGRESS, SECOND SESSION

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Senate

The Senate met at 9:30 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

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

Gracious Father, we need You. Our hearts are filled with grief over the death of Senator PAUL COVERDELL. The Senate has lost a great friend, fellow leader, distinguished American, and outstanding legislator. We praise You for his intelligence, his integrity, and his intentionality. No one worked harder, longer, with greater commitment than this truly good man. He spelled love l-o-y-a-l-t-y and gained the respect, admiration, and esteem of Senators and staff alike. Lord, we'll miss the Senator's smile, his warmth, his caring concern. You have enriched our lives through this kind and gracious Georgian. Bless his wife Nancy. Comfort her and give her courage this morning. Tenderly watch over his dear mother and family. Uplift the Senator's staff whose faithfulness and admiration he was given with such enthusiasm.

Now Father, we reaffirm our conviction that death is not an ending, but a transition in eternal life, and only a small part of the whole of eternity. So help us to live our lives more fully, more selflessly for the cause of democracy, and more completely in trust in You. In You we live and move and have our being—forever. Amen.

PLEDGE OF ALLEGIANCE

The Honorable WAYNE ALLARD, a Senator from the State of Colorado, led the Pledge of Allegiance, as follows:

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

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able Senator from Colorado is recognized.

SCHEDULE

Mr. ALLARD. Mr. President, today the Senate will resume debate on the Agriculture appropriations bill, with amendments in order. Senators who have amendments are encouraged to work with the bill managers on a time to come to the floor to offer and debate their amendments.

Also, during today's session, Senators are welcome to come to the floor to share their thoughts and memories of our former friend and colleague, Senator PAUL COVERDELL.

For the information of all Senators, funeral services are being arranged, and Senators will be notified with the specifics as soon as they become available.

I thank my colleagues for their attention.

MEASURE PLACED ON THE CALENDAR—S. 2886

Mr. ALLARD. Mr. President, I understand there is a bill at the desk due for its second reading.

The PRESIDENT pro tempore. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 2886) to provide for retail competition for the sale of electric power, to authorize States to recover transition costs, and for other purposes.

Mr. ALLARD. Mr. President, I object to further proceedings on this bill at this time.

The PRESIDENT pro tempore. The bill will be placed on the calendar.

The Senator from Nevada.

REMEMBERING SENATOR PAUL COVERDELL

Mr. REID. Mr. President, I learned shortly before Senator LOTT came to the floor last night that Senator COVERDELL had passed away. I felt it was in my best interest to leave at that time and not be present on the floor, as I usually am.

It was unique, in that I am in the minority—Senator COVERDELL was in the majority—that I got to know him as well as I did. I always knew that things were moving along and that we were going to get legislation completed when I would look over and Senator COVERDELL had been called into the Chamber by Senator LOTT to help move legislation.

As I look back, I remember the bankruptcy legislation. We started out with a little over 300 amendments on that legislation. Everyone thought it was futile to even try to pass it, but, of course, Senator COVERDELL came in and worked with me and the Senators on his side and my side, and we were able to get that legislation cleared and basically completed. That was the story for many, many different pieces of legislation.

I got to know him. He was very calm and deliberate and extremely courteous and polite—a real gentleman. I think it speaks volumes to recognize that Senator LOTT's No. 1 person he called on when there was trouble on the floor was PAUL COVERDELL. I think it speaks volumes to indicate that Governor Bush's No. 1 person in the Senate was PAUL COVERDELL.

He was someone that the people of Georgia will miss, this country will miss, the Senate will miss. I personally will miss him.

I have the honor of working on the minority side to help move legislation along. I personally will miss him. He was very, very good at being a legislator, in addition, obviously, to being such a good friend to everyone.

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

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I express my sympathy to Nancy and his staff. Speaking for the entire minority, we will miss a great legislator.

RESERVATION OF LEADER TIME

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

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2001

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of H.R. 4461, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 4461) making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies programs for the fiscal year ending September 30, 2001, and for other purposes.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

REMEMBERING SENATOR PAUL COVERDELL

Mr. BENNETT. Mr. President, when my constituents ask me, what is the nicest thing about being a Senator, what do you enjoy the most, I have a ready answer: It is the people, the people we get to meet, the opportunities we have to interact with some of the most extraordinary individuals throughout the world.

When I say that, my constituents immediately think of the great names: Presidents of the United States, Presidents of other countries, famous Prime Ministers. Schoolchildren look at me and say: Have you ever met President Clinton? They are always a little in awe when I say yes. Then others, when I tell them of having met President Gorbachev, President Mubarak, or Chairman Arafat or some of the other names they read about all the time, say: Well, we can understand why you think that the people you get to meet is the fun part of the job and the most extraordinary benefit that comes from being a Senator. And that is true—meeting these famous people is something of a trip and a great opportunity.

I always explain to them that the great privilege is not only meeting the famous names. It is meeting my fellow Senators. This is an extraordinary body, filled with extraordinary individuals, many of whose names never get into the headlines beyond their own States or outside of the circle of the beltway, but who bring to this body an incredible background of wisdom, experience, humor, perspective, balance, and understanding that makes it a great privilege and blessing for the rest of us to be with them.

PAUL COVERDELL and I came in the same class. We were sworn in on the same day. We went through the experience of being freshman Senators who didn't quite know our way around.

We would get together on a weekly basis, those in that class, and swap stories about how we had foolishly gone to the wrong room, or lost our way in a corridor, or found ourselves buried in the unexpected tide of work, mail, phone calls, and requests. We went through all that together as friends. We decided, in taking advantage of our situation as freshmen and serving in the minority, we would use the time that comes with that condition—time which more senior and majority Senators don't have—to educate ourselves and prepare ourselves for the service on which we were embarking.

PAUL arranged a trip to Kennebunkport to see his good friends, George and Barbara. The rest of us didn't call them George and Barbara. It was Mr. President and Mrs. Bush. PAUL knew them well enough, went back long enough with them, that he arranged for the freshmen class of Republicans to go up to Maine and spend a day with the Bushes. It was about 3 or 4 months after President Bush had lost the election. He was full of stories, reflections, and philosophic observations. It was a wonderful time. We also went together, under the sponsorship of Senator Dole, to New Jersey to have a similar day with President Nixon. PAUL was one of those who would use that, and any other occasion, to learn as much as he could soak up, to prepare himself as much as he could for whatever might come. That was one of the delightful things about it. He was enormously curious, always searching, and always anxious to find out how he could be of greater help.

We finally stopped meeting every week as we got busier ourselves and as we got a little more experienced in the way the Senate works, so that we didn't need to commiserate quite so much about our earlier blunders. But our class remained close. We gathered together when KAY BAILEY HUTCHISON was under fire in Texas and gave a little party for her before she left for her trial. We told her we would keep things straight until she could come back fully exonerated, which, of course, she has done. PAUL was a moving force in putting together that bit of solidarity among the members of our class.

PAUL is the one who moved on to a leadership position in our class. We were all proud of him, all happy to support him. It goes without saying that we will miss him terribly. But it is my conviction, Mr. President, that as we mourn, we do not mourn for PAUL. I don't know the details of what goes on, but I think it is not out of the question to think that John Chafee may be showing PAUL the ropes now, suggesting to him that ''it will work a little better if you go this way,'' or, ''Yes, I tried that when I first got here. PAUL, let me show you the ropes.'' That may not be happening, but I don't think it is beyond the realm of possibility.

We do not mourn for PAUL; we mourn for ourselves, for the loss we have sustained, not for the problems he faces. The problems he faced are behind him now, as far as this life is concerned. And, knowing PAUL, he will be learning, inquiring, asking questions, trying to find out and progressing still further, as he always did as a Member of the Senate. It is our loss that moves us to tears—the fact that we will no longer have his companionship and his wisdom and his friendship. But just as I suggest John Chafee may be greeting PAUL, we can be confident that whenever the time might be for the rest of us, PAUL will be there to greet us, and that helps lift some of the gloom and sorrow we feel on this occasion.

I extend to Nancy and other members of PAUL's family my deepest sympathy and condolences at this time. And I express gratitude, once again, for the experiences I have had as a Senator of knowing great people, meeting extraordinary individuals, and partaking of their wisdom and guidance. I count PAUL COVERDELL in the first ranks of that group.

The PRESIDING OFFICER (Mr. ROBERTS). The Senator from Arizona is recognized.

Mr. KYL. Mr. President, except for those who knew PAUL COVERDELL and his constituents in Georgia, I suspect it is very hard for others who may be watching here today or who hear other tributes to PAUL COVERDELL to appreciate the depth of sadness that all of us in this Senate family feel by the loss of Senator PAUL COVERDELL.

PAUL COVERDELL was a special man. He was so active in nearly everything going on in the Senate that it is impossible to believe he is gone. The images of PAUL smiling, gesturing, counseling, are still so fresh. If there was an indispensable Senator, PAUL COVERDELL was it.

PAUL was a doer, as we all know. He was successful not because of his energy alone—though that was considerable—but because he was trusted by all and he sought no recognition for himself. His judgment was sound, his intelligence keen. He was always kind and cheerful, never critical. The word ''helpful'' does not even begin to describe the aid and assistance he was always so ready to provide.

I have lost a real friend and a confidant. Georgia and America have lost a great leader. PAUL's family's loss is incalculable, especially for Nancy and his mother. Our sense of grief is tempered only by the faith that the Lord has His own purposes. We take comfort in the wisdom of Abraham Lincoln who said:

Surely God would not have created such a being as man, with an ability to grasp the infinite, to exist only for a day. No, no, man was made for immortality.

Godspeed, Senator PAUL COVERDELL.

The PRESIDING OFFICER. The distinguished Senator from Tennessee is recognized.

Mr. FRIST. Mr. President, as the American Revolution drew to a close in 1782, a Philadelphian turned to his friend, Dr. Benjamin Rush, and remarked, ''It looks as if the battle for independence has been won.''

Dr. Rush replied, ''Sir, you are mistaken. The Revolutionary War may be over, but the battle of independence has just begun.''

On the day before he died, as I had the opportunity to spend time with PAUL COVERDELL and his family, I thought about these words, and they have stayed in my mind over the last 48 hours because that idea—that only constant vigilance can keep the flame of freedom from being extinguished—is one that perhaps no one believed in more, at least since I have been in the Senate, or acted upon more decisively than PAUL COVERDELL. With his passing, America has lost one of its most principled leaders and freedom, one of its staunchest friends.

There will be a number of comments made today by people who have known Paul well, who have observed his commitment, his discipline, and his willingness to do jobs that most people leave to others, jobs he did in a way that was humble, gentle, and gave others the credit. We will hear again and again today because they were the hallmark of PAUL COVERDELL's work in this wonderful institution called the Senate.

As a Senator from the neighboring State of Tennessee, I had the opportunity to work side by side with PAUL COVERDELL as we addressed issues important to both our States. But if there is one idea, one word, that best summarizes PAUL COVERDELL, his commitment to public service, to family and community, the word is ''freedom.'' PAUL COVERDELL was a relentless, tireless champion of freedom.

I first met PAUL 6 years ago when I was still BILL FRIST, the physician who wanted to be a United States Senator. PAUL sat down, and talked to me about freedom. He came to help me with a campaign event in Chattanooga, TN, and his whole talk—while saying, ''Yes, people, come out and support this new guy on the block, BILL FRIST''—was about freedom.

And since I have been in the Senate, he continually fought for freedom. He fought for the rights of individuals to raise, educate and provide for their families free of government intervention and excessive taxation. He fought to protect the privacy of individual tax returns. He fought to free local education from too much federal control. Believing freedom to be under genuine attack from the corrupting influence of drugs, he fought to increase funding for law enforcement, especially along our borders, and created a program to coordinate resistance to drugs among parents, teachers and communities that became a model for the nation. Understanding, as Jefferson did, that a well-educated citizenry is the surest foundation for freedom and happiness, PAUL COVERDELL fought to ensure that all children, regardless of income, receive the very best education from kindergarten to college.

Perhaps it was his service with the U.S. Army in Okinawa that fanned the flames of freedom that never seemed to diminish in his heart. Perhaps it was his parents' ability—and I got to know his mom over the last 48 hours—to turn a small family business into a successful nationwide enterprise that strengthened his belief in the power of the individual to achieve the American Dream. Perhaps it was his experience with emerging democracies as President Bush's Director of the Peace Corp that deepened his resolve to ensure that freedom, once planted, has everything it needs to survive. President Bush and I spoke about that shortly after PAUL was admitted to the hospital. Or perhaps it was his beloved wife, Nancy, who is going through such a difficult time right now, who helped him realize that love and freedom are the great gifts God has planted in the human heart, and so we must do all we can to preserve them.

Whatever the reasons, PAUL COVERDELL believed in freedom, and he believed in America—the greatest expression of freedom next to man himself. He fought for both America and freedom because he understood, as Justice Brandeis once wrote, that ''liberty is the secret of happiness, and courage, the secret of liberty.''

Over the past few years, I had the honor and the privilege of seeing PAUL COVERDELL's courage up close—in the Senate Republican Working Group on Medicare, where his commitment to our seniors was very apparent; in the Foreign Relations Committee, where he specialized in areas of the world not addressed by others; a commitment that obviously grew out of his work with the Peace Corps; in Republican strategy sessions, where his expert guidance helped us ensure that the American people, as well as our colleagues, understood the importance of the issues before us. It was a quiet courage, characterized not by bluster, but by humility and respect for others.

PAUL COVERDELL knew what was right, and every day on this floor and in strategy sessions behind the scenes, he worked for what was right with all his might. Through men like him, the American Revolution is constantly reborn, the reservoir of freedom continually replenished, and all that is best America preserved for those who will follow.

He was a wonderful husband, a great citizen of Georgia and the United States, an outstanding Senator—as reflected by his position of leadership—and a great patriot. He will be sorely missed by all Members of this body.

May the Lord God who loves us all, shine His perpetual light upon our colleague, and comfort Nancy, his mother, and Nancy's parents in the days ahead.

Mr. President, I thank the chair and yield the floor.

The PRESIDING OFFICER. The distinguished Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, I rise to say a few words regarding the death of Senator PAUL COVERDELL.

Winding its way to the sea, the Savannah River forms a natural boundary between South Carolina and the State of Georgia. Yet the river is not a barrier dividing these two states. Rather, its lakes, tributaries, and bridges bring the people of these two states together as neighbors and friends. As neighbors, we share many fine attributes of southern living and culture, agriculture, and the values that Americans hold dear. As friends, we work and play together, raising our families and supporting our communities.

Today, I rise to pay tribute and respect to my neighbor and friend from Georgia, Senator PAUL COVERDELL. Senator COVERDELL was my neighbor. He was more than just a colleague from a neighboring state. For the past eight years we have walked together and worked in the same corridor of the Russell Senate Office Building.

Senator COVERDELL was also my friend. Everyday, each of us looked forward to his warm smile, kind words, and expressions of care and concern. As I worked with him on regional issues, in the Senate Republican Leadership circle, where he served as Republican Conference Secretary, or in more general circumstances, Senator COVERDELL always was thoughtful and considerate of others.

Senator COVERDELL leaves a great legacy. His life was dedicated to serving others and his Nation. After serving in the U.S. Army, he returned to Georgia and built the family business into a successful nationwide company. Elected to the Georgia State Senate, he was chosen by his peers to serve as Senate Minority Leader, a post he held for 15 years. In 1989, President Bush named him as Director of the United States Peace Corps, where he redefined the agency's mission to serve the emerging democracies of Eastern Europe.

Since his election in 1992, Senator COVERDELL has worked hard in the Senate as a defender of freedom. He led the fight against international narcotics and terrorism. Understanding that freedom is nurtured by a well-educated citizenry, he introduced education reforms, and served as Chairman of the Senate Republican Task Force on Education. Senator COVERDELL fought to protect the individual economic and political liberty of individuals and families.

We mourn the loss of PAUL COVERDELL. We shall miss his companionship,

but we will not forget the bond we had with him. Though his voice is silenced, we shall not forget the encouraging words he had for others. Though he now rests in peace, the impact of his good deeds will be felt for years to come.

Shortly before his death, our former colleague Senator Everett Dirksen, responded to the question which each person faces. It is found in the Bible, in the book of Job: ''If a man die, shall he live again?'' (Job 14:14.) I quote Senator Dirksen's words published in U.S. News & World Report, November 8, 1965, p. 124:

> What mortal being, standing on the threshold of infinity, has not pondered what lies beyond the veil which separates the seen from the unseen? What mortal being, responding to that mystical instinct that earthly dissolution is at hand, has not contemplated what lies beyond the grave? What mortal being, upon whom has descended that strange and serene resignation that life's journey is about at an end, has not thought about that eternal destination and what might be there?
>
> If there be a design in this universe and in this world in which we live, there must be a Designer. Who can behold the inexplicable mysteries of the universe without believing that there is a design for all mankind and also a Designer? . . . ''If a man die, shall he live again?'' Surely he shall, as surely as day follows night, as surely as the stars follow their courses, as surely as the crest of every wave brings its trough.

William Wordsworth, the revered poet, captured in verse a glimpse of this glorious plan and entitled his classic ''Ode to Immortality'':

> Our birth is but a sleep and a forgetting:
> The Soul that rises with us, our life's Star,
> Hath had elsewhere its setting,
> And cometh from afar:
> Not in entire forgetfulness,
> And not in utter nakedness,
> But trailing clouds of glory do we come
> From God, who is our home:
> Heaven lies about us in our infancy!

PAUL COVERDELL was a bright star in this world. Though it is now out of view, it is not dimmed. We take comfort that he has returned home, to his eternal destination. This day, my thoughts and prayers are with his wife Nancy, his family, his staff, and his constituents. I yield the floor.

The PRESIDING OFFICER. The distinguished Senator from Wisconsin is recognized.

Mr. KOHL. Last night, as we began consideration of the Agricultural appropriations bill, we were informed of the death of Senator COVERDELL. The bill officially is still on the floor this morning for Senators who wish to speak on the bill but more appropriately for Senators who wish to speak about Senator COVERDELL, who we all remember as an outstanding Senator, a good, a kind, and a decent man, a great patriot, and a great American.

We will be officially in session on the bill but more appropriately here to listen to remarks by fellow Senators in his behalf.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. CLELAND. Mr. President, it has been my honor, and a privilege, to know our distinguished friend and colleague, PAUL COVERDELL, for a long time. I have had, overnight, the opportunity to think about his life and about his death.

When a man dies, especially a friend, we are inevitably struck by the frailty of life, the speed of death, and the very painful void that is left behind. With the passing of our friend and colleague, PAUL COVERDELL, we are also struck by the promise of a truly brilliant future left unfulfilled.

Alphonse de Lamartine once said:

> Sometimes, when one person is absent, the whole world seems less.

Today, that is exactly how I feel. The world seems less today.

PAUL and I worked together for many years. We were sworn into the Georgia State Senate on the same day, in January of 1971. In Georgia, we sit not as partisans, across the aisle, but we sit by numbers of our State senate districts. Fate had it that Senator PAUL COVERDELL sat right in front of me. So even though he was of one party and I another, we shared space on the floor of the State senate. We worked together in harmony for 4 years. It was a joyous time. It was a marvelous time to get to know this young talent.

When I came to the U.S. Senate, PAUL had preceded me. PAUL stood on the floor of the Senate here with my parents watching from the balcony as I was sworn in. After that day, he helped me, he guided me, tutored me in the same way we had worked together so beautifully in the early 1970s in the Georgia senate. From time to time in this body, on different sides of the aisle, we were on different sides of the issues. But he helped me learn. He helped me because he was a good man and a great friend, because he knew it was good for Georgia and for the country.

I watched him work, incredulous—putting in 12- and 14- and 16-hour days. In Georgia, we have a saying: You are either a workhorse or a show horse. He was certainly a work horse. He fought hard for our State, for our farmers and businesses and the average taxpaying citizen. He used his deep breadth of knowledge in international affairs, which he had gained as Director of the Peace Corps, to fight what he called the most serious threat to America's freedom today—the war on drugs.

Our colleague, Senator MOYNIHAN, yesterday called PAUL COVERDELL a man of peace. I will reiterate that observation. From his time in the Georgia senate to his post as head of the Peace Corps under President Bush, to his quiet and wonderful leadership in the Senate, PAUL had a peaceful and resolute efficiency about his work that I think we could all try to emulate. He worked hard. He achieved results. And he didn't care who got the credit. To lose a leader of this quality in this body in this day of ''gotcha'' politics, and one-upmanship, is a loss for this body and for our country and for Georgia.

PAUL was a leader. He led in his own quiet, positive way. I never heard him speak an ill thought or an ill phrase or a mean-tempered comment about anyone. He was a great legislator and a dear personal friend.

I extend my deepest sympathies to his wife Nancy, whom I have known for almost 30 years. I knew them when they first got married.

Proverbs tell us:

> Good men must die, but death cannot kill their names.

I think we can all take great comfort in that. Nothing will lessen the impact that PAUL COVERDELL and his legacy have had on the State of Georgia and on this country. It is not the time for political thoughts or words but only words to remember one of the best U.S. Senators this body has ever known. PAUL COVERDELL, United States Senator from Georgia, a peach of a guy.

I yield the floor.

The PRESIDING OFFICER. The distinguished Senator from Texas is recognized.

Mrs. HUTCHISON. Mr. President, cheerful, fun, accessible, down to earth, loyal, friend—those are the words you think of immediately when describing PAUL COVERDELL. I am not going to make a long statement today because I know there will be a time set aside for our memorials to PAUL COVERDELL. I have seen some of our friends today—PAUL'S friends, my friends—and many of them do not feel capable of talking about him right now. It is not that he wasn't one of our greatest friends. They are not here because they can't talk about him yet.

This is a man who served our country in so many ways, all the things a good citizen should do: He served in the Army; he was the head of the Peace Corps; he was a wonderful Senator, one of our leaders in the majority—the fourth highest ranking among us.

I do want to say more about him later, but for now I think our majority leader said it very well last night. All of our hearts are broken for the loss of this wonderful man who will have every tribute that we can give him in the future weeks.

I yield the floor.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. DEWINE. Mr. President, this is a sad day for all of us. It is a sad time in

the Senate. PAUL COVERDELL was, first of all, our friend. He was someone who, if we took a secret poll in this Senate, I think many Members would say, was their best friend. That tells us something about this man.

He was a kind, he was a gentle, he was a sweet man. This Senate will not be the same without PAUL. It will not be the same because of that kindness, because of that spirit, because of that unbelievable energy he brought to any task he took on, and did he take on the task. Whatever it was, PAUL would do it and do it effectively. He was one of the key people in making this Senate run. Candidly, he was that person not because of his leadership position, which was significant, but the leadership position he obtained was a result of the fact that he was one of the key players in the Senate and he got things done.

That effectiveness came because of his energy, because of his drive, because of his determination, but it also came because he could get along with people on both sides of the aisle. He knew people, he understood them, he liked people and people liked him back, and that made him effective.

He was effective because he did not have a big ego. We all have big egos in the Senate, but PAUL did not seem to have one. He did not seem to care if he got credit; another rarity, I suppose, among politicians. He just got the job done. He was always seeking some way to get it done. He did not seek the limelight. He did not worry about who got the credit.

Each one of us brings different stories or remembers different things about PAUL COVERDELL. I worked with him on Central American issues, Caribbean issues, and Latin American issues. PAUL COVERDELL is from Georgia. It was not necessarily logical that he had to concentrate on this hemisphere or worry about this hemisphere, but he did. He did because he understood it affected the people of Georgia and it affected the people of this country. He brought his passion to deal with the drug problem to that concentration and work on this hemisphere.

I worked with PAUL when we worked on the Caribbean initiative, when we worked on the initial drug bill we passed several years ago on drug interdiction in this hemisphere, and I worked with him when we were able to pass the Colombia aid bill.

I remember on both bills going to PAUL at different times and saying: PAUL, this is not going very well. What do we do?

Not only did the leadership responsibility go to PAUL COVERDELL to get things done, but people who are not in leadership went to PAUL to get things done. I remember PAUL would look at you, as only PAUL could, and say: Well, let's do this. And he would tick off three or four things. Basically then I had the plan. We got it done. That is what we are going to miss in this Senate.

The last time I talked with PAUL was as we were leaving for the weekend. I said: I am worried about what is going on in Colombia. Why don't you and I go down there.

He said: Let's do it. So we were talking about a trip sometime in the next few months to Colombia to look firsthand at the problem.

I know all of us at a later date will have more formal comments to make, but I wanted to pause here for a moment with my colleagues to say thank you for the life of PAUL COVERDELL. He is someone who made a difference every single day he was in the Senate. We will miss him very deeply.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. WELLSTONE. Mr. President, I want to speak about my colleague, Senator COVERDELL. I know other Senators have. I absolutely have nothing rehearsed. There are many Senators who will speak about Senator COVERDELL probably in a more profound and moving way than I can.

There is one moment I want to remember about Senator COVERDELL because this small story tells a large story. We had had a major debate about the Colombia aid package. Senator COVERDELL and I were in a debate. We did not agree. It was a pretty good debate back and forth. I know from time to time during the debate I would reach over and touch his hand and say something to the effect: I just cannot believe you said this; this is wrong—something like that.

At the end of the debate, I said, because I believed it and believe it: Senator COVERDELL is a really good Senator.

He smiled and touched my hand and said: Senator WELLSTONE is a really good Senator.

I do not know if the latter part is true, but the point is that is the way he was. That is the kind of Senator he was. We talk about civility. He was just a beautiful person. I really enjoyed him. We need a lot of Senators like Senator COVERDELL: PAUL, you are wrong on the issues but you are a really good person.

The Senate has lost a wonderful person and a wonderful Senator, and the United States of America has lost a wonderful person and a wonderful Senator.

As a Senator from Minnesota, I send my love to PAUL's family.

I will not forget PAUL COVERDELL.

I yield the floor.

The PRESIDING OFFICER. The distinguished Democratic leader is recognized.

Mr. DASCHLE. Mr. President, we are all stunned and saddened by the sudden death of our friend and colleague. Our hearts and prayers are with Senator COVERDELL's wife Nancy, with his parents, with his family members, his many friends, and, I may say, particularly our colleagues on the other side of the aisle who have lost not only a close friend but a gifted leader.

The great English poet Alfred Tennyson wrote of a dear friend who died suddenly: ''God's finger touched him, and he slept.''

Yesterday, God's hand touched our friend. Now he sleeps. And now we mourn.

PAUL COVERDELL's life was too short in years, but it was long in accomplishment: A husband, a son, a friend, a loyal ally, an honorable opponent, an Army veteran, a business owner, a State senator, a Peace Corps director, and a U.S. Senator.

In his 61 years, PAUL COVERDELL filled all of those roles—and more—with dignity.

He spent half his life, and nearly all his adult life, in public service. He and I didn't see eye to eye on a lot of matters. To be honest, I can't think of too many times we found ourselves on the same side of the debate. But I can't think of a single time that he was not fair, that he was not decent, and that he was not honest.

PAUL COVERDELL, above and beyond anything else, was a gentleman. He was a reminder to us that we can all disagree without being disagreeable. He is also a reminder, sadly, that none of us knows how long we will be here; how many more opportunities we will have in this life to right a wrong or to advance a peace or to make a difference.

Last night, I was reading an interview Senator COVERDELL gave a year or so ago. He was asked why he worked so hard on so many tasks, usually with very little public recognition. He replied, characteristically: ''If you have been given a moment here, you shouldn't let the dust grow under you.''

PAUL COVERDELL felt that in the marrow of his bones. He worked hard every day—to advance the causes he believed in and to serve the Nation he loved—until God's finger touched him.

Now he sleeps the sleep of the just. We have lost a good and honorable friend. I will miss him.

I yield the floor.

The PRESIDING OFFICER. The distinguished Senator from Texas is recognized.

Mr. GRAMM. Mr. President, at this time of shock and loss we tend to focus on PAUL's death, but it seems to me that it is really a time that we should focus on his life. As we weigh how our lives and the life of our Nation has been diminished by the loss of PAUL COVERDELL, I think it is important that we also reflect on how our lives have been enriched.

I first—I first met PAUL COVERDELL when I went to Georgia. He was campaigning for the Senate. And he was doing an event in this dingy old steel mill about industrial renewal. I had

talked to him on the phone, I was—I was chairman of the Senatorial Committee, but I had not seen him in action. So I got up and spoke, and then PAUL got up and spoke in that squeaky voice, and he sort of had a way of jumping up and down when he was speaking and waving his hands, so I tried to delicately whisper to him, quit jumping up and down, be still, but little did I know at that moment that with all of his outward appearance and the squeaky voice, that this man had the heart of a lion.

He went on and won in that campaign. As chairman of the Senatorial Committee I was involved in 67 Senate campaigns. And he won the toughest race, defeated an incumbent, was in a runoff after the general election when everybody else would have sat down, given up, gotten tired.

PAUL COVERDELL did not sit down and give up or get tired. He came to the Senate and we were immediately involved in the Clinton health care debate, and he and JOHN MCCAIN and I traveled all over America. We did 147 events in this crusade to defeat the Clinton health care bill. And in all those events and all that travel—you all know PAUL COVERDELL—he never got tired or never let on he was tired or got irritable.

In the Senate where we all want glory, we all want to be out front, we all want to see our picture in the paper, PAUL was one of those remarkable people who simply wanted to get things done. There was no job too small for PAUL COVERDELL. And there is no job too big for PAUL COVERDELL. PAUL COVERDELL managed in eight short years to become absolutely indispensable to the United States Senate.

And I am very happy today about one thing—not much I am happy about today, but I am happy about one thing. We often feel something about people—we often love people, but, but we don't often tell them that. It's especially hard for men to tell other men that they love them. But what I am happy about—I can't quite get to it—is the following point. I realized over a year ago that PAUL COVERDELL had become an indispensable member of the Senate, that he was the greatest Senator from Georgia since Richard Russell. And so I always went to great lengths to say it. Here, in Georgia, and everywhere I got the opportunity to say it.

This is a hard time for the Senate, and I just would like to conclude on the two points I tried to open up with but didn't quite get said. In these terrible moments when we are shocked and hurt we tend to think about how someone died. But at these moments it is critical that we focus on how they lived. We tend to look at how our lives and the life of our nation have been diminished, but it is important that we focus on how our lives were enriched by PAUL COVERDELL. My grandmother used to say that as long as anyone remembers you, that you're not dead. As long as I live, PAUL COVERDELL will be remembered.

I yield the floor.

The PRESIDING OFFICER (Mr. HUTCHINSON). The distinguished Senator from California is recognized.

Mrs. FEINSTEIN. Mr. President, yesterday this body lost one of its finest Members. I greet this day with a very heavy heart.

PAUL COVERDELL was not only a good Senator, he was a good and decent man. I found him to be a very nice man. I worked with him closely as an original cosponsor of his Education Savings and School Excellence Act. I found him very dedicated and very easy to work with. I found him to be above political correctness; he strived to do what he believed would work and would help people.

We shared a common interest. We worked together on many antinarcotics efforts. We debated together on certification. I was his Democratic cosponsor of the Foreign Narcotics Kingpin Designation Act. We talked together about what was happening. We tried to plan together. I found him to have a deep and abiding knowledge about Mexico, Central America, and Latin America.

He had a kind of energy, enthusiasm, and dedication well known on both sides of the aisle here in the Senate. He was never one to seek the spotlight, but all of us here know how hard he worked. He wasn't the proverbial ''show horse''—he was a workhorse.

He was a man who served the people of Georgia and this Nation with great distinction. He worked all of his adult life in public service. Simply put, PAUL COVERDELL made this body a better place and a more collegial place. All one really had to do was spend time alone with him in an office and listen to him and his thoughts as he sought to frame and advance an issue.

Senator HARKIN was in the elevator as I came up this morning. He said: ''It's so hard because on Friday he was alive and well in the Senate and today he simply is not here.''

There is a passage from the Book of Ecclesiastes—Chapter 5, verse 12—I will leave with the Senate: ''The sleep of a laboring man is sweet.''

PAUL COVERDELL, you have labored hard. Your sleep will be sweet.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Ms. SNOWE. Mr. President, it is with profound sadness and the heaviest of hearts that I come to the floor today to pay tribute to the memory of a friend, a colleague, and a man who brought honor upon the State of Georgia, our country, and the institution of the Senate—PAUL COVERDELL. My deepest sympathies go out to his wife Nancy, PAUL's family, friends and his staff at this most difficult of times.

It is tragedies like this that remind us that, beyond the policy and the politics and the tremendous gravity of the issues we deliberate—beyond the grandeur of this Chamber and the history we write on a daily basis—we are at heart an institution of individuals—of people. And when one of our own is lost to us forever, all of us are diminished by that loss.

I first met PAUL when I was a member of the House Foreign Affairs Committee and he came before us as President Bush's Director of the Peace Corps. I recall being struck not only by his obvious qualifications for the job, but by his warmth and his obvious esteem for the mission he was chosen to fulfill. To help foster the ideals of freedom and democracy for people throughout the world was for PAUL a high and noble calling. And it was one he answered with typical energy and enthusiasm, optimism and hope.

Indeed, when I think about all that PAUL was—all that he symbolized, all that he meant to those who cared about him and the people he served—the single word that comes to my mind is, ''decency''. PAUL COVERDELL was many things: a devoted husband, a talented legislator, a strong and principled leader—but above all else, PAUL was simply one of the most decent human beings one could ever hope to know. And any of us should be so fortunate to be remembered as that.

I well remember when I first came to the Senate from the House in 1995, PAUL had of course been here for 2 years, and he knew how difficult it was to get started, to get your feet firmly planted on the ground in these foreign surroundings.

And so he helped us freshmen—and woman—to find our way around, to set up offices, to figure out the basics of how things work around here. While it is perhaps true that none of us have ever really figured out that secret, PAUL and is staff certainly did their best to give advice and lend a helping hand. But then, knowing PAUL as I do now, that really comes as no big surprise.

PAUL was always helping people, always contributing to the world around him. From his service in the U.S. Army to the state legislature to Director of the Peace Corps to United States Senator, PAUL believed that to serve others was a privilege, not a burden. He truly believed that he could made a difference in people's lives. And he was right.

What a a lesson his life can teach an often cynical world. We ask ourselves, what can one person do? What kind of a positive impact can government truly have on the lives of others? What happened to the idea of public service as a noble calling?

To those questions there is one simple answer—people like PAUL COVERDELL exist in the world: Good, honorable, trustworthy people who call us to

our better nature, who exemplify what the framers of this Nation had in mind when they created what they hoped would one day be the greatest deliberative body on earth.

He personified another virtue that often seems in short supply in a world where the volume of one's indignation is all too frequently the sole measure of one's passion—and that virtue is civility. PAUL let the weight of his arguments speak for themselves, and where there were disagreements he respected those who disagreed with him. Perhaps that is why he engendered such deep respect in return.

It is little wonder, then, that PAUL rose so rapidly through the ranks of leadership. He had a keen grasp of policy and detail, and nobody worked harder on behalf of his constituents and his party.

He was truly a ''legislator's legislator''—not only creative in developing solutions, but always focused on moving the ball forward, on producing results for the people of Georgia and America whether in the areas of education, keeping drugs out of the hands of our children, or allowing hard-working Americans to keep more of their hard-earned money.

In fact, I remember at one point my staff commented to me that it seemed like everything we were considering in the Senate seemed to have PAUL's stamp on it. But that was typical of PAUL. He never stood still—and he never forgot the sacred trust that must exist between elected officials and those they are obliged to serve.

Just as important, PAUL was a man for whom his pledge was his bond—and that only counts for everything in this institution. His words had credibility, his ideas merit, and is actions sincerity. He made me proud to be a member of the United States Senate. He made us all proud.

Once again, my heart goes out to PAUL's wife Nancy, his family, friends and all of his staff—whom I know are heartbroken as we all are—and to the people of the State of Georgia, who have lost a great leader and true friend. He will surely be missed by all of us who were fortunate to have known him, but his legacy will just as surely live on in all those whose lives he has touched.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. INHOFE. Mr. President, after watching my colleagues and the depth of concern and personal passion they have at the loss of PAUL COVERDELL, I want to tell them of an experience I had last night. Something came to me when I was at a dinner and we had just heard the news. It was the seventh Beatitude:

> Blessed are the peacemakers: for they shall be called the sons of God.

It occurred to me that this was really PAUL COVERDELL; he was the ultimate peacemaker. It was impossible for PAUL to walk into a roomful of people, whether Democrats, Republicans, liberals, conservatives—hostility, anxiety, it all subsided when PAUL came in.

I remember when I was first elected from the House into the Senate in 1994. PAUL had just arrived here. He didn't give the first impression as being a dynamic person, even an articulate person. You had to know him and know him well. But after you did, he was unlike anyone else we have been exposed to here in this body.

I thought last night about all the things we deal with here in the Senate. It was articulated in Matthew 9, starting with verse 35. It says:

> Jesus went through all the towns and villages, teaching in their synagogues, preaching the good news of the kingdom and healing every disease and sickness. When he saw the crowds, he had compassion on them, because they were harassed and helpless, like sheep without a shepherd.

This is kind of the way we are. We are dealing with the problems of poverty, the problems of crime—a multitude of problems. So somebody has to be the one to take on those responsibilities.

I read the following verse:

> Then he [Jesus] said to his disciples, ''The harvest is plentiful, but the laborers are few. Ask the Lord of the harvest, therefore, to send out laborers into his harvest field.''

When I, last night, thought of that verse, I thought, really, PAUL COVERDELL is the laborer who was sent, was raised up to deal with these problems, and all the problems we deal with on a daily basis, in his own unique way. So I would just say our prayer for PAUL COVERDELL right now is the last verse of the 23d Psalm:

> Surely goodness and mercy shall follow me all the rest of my days; and I shall dwell in the house of the Lord for ever.

Amen.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, I come to the floor to express my sadness at the passing of a very kind colleague. I want to say to his family and to his close friends, in Georgia and here in the Senate, who really loved him and who worked with him every day, I send you my strength and my prayers.

PAUL COVERDELL was never afraid to disagree because he came here with beliefs. But he never, ever was disagreeable. I went back through the RECORD this morning because I remember actually several occasions where he and I were on different sides on issues, tough issues. Gun control, for example, was one of them, where we disagreed on a particular piece of legislation; Education, where we disagreed on a particular piece of legislation. We were yielding time back and forth, and every single time it was ''my friend from Georgia,'' ''my friend from California.'' The disagreement was deep on the issue, but it was always collegial; it was a model for what should happen here in the Senate where we definitely have deep, heartfelt disagreements but we can disagree in a way that shows respect for one another and caring for one another. And he did that.

I wanted to come to the floor to say that because it is perhaps a quality we do not see enough of, and all of us ought to think about that.

I do not want to repeat what has been said about his contributions to this country. The record shows they were powerful and strong—from the Peace Corps, to serving in the Senate, to helping his party, to helping Governor Bush. He was his key person, as I understand it, in the Senate. People trusted him with these responsibilities.

I wanted to say as a Member from the other side of the aisle that I am stunned and saddened, and I see my colleagues are very impacted by this. I feel for everyone who feels this loss in a very personal way. I feel it in a way of someone on the other side of the aisle who really did respect this man and enjoyed the colloquies and debates we had because it never was with animus. It was always done with great respect. He will be missed. Again, I send my sympathy to his family and his friends. I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania.

Mr. SPECTER. Mr. President, there is a heavy cloud hanging over the Senate Chamber today. A bouquet of flowers with a black tapestry is on the desk of our departed colleague, Senator PAUL COVERDELL, whose presence will be greatly missed.

There is a saying that in Washington, in Congress, in the Government, a great deal could be accomplished if there was less concern—perhaps no concern—for who gets the credit. PAUL COVERDELL epitomized that concept.

He was always in the thick of the action. He was always prepared to help. He did it with conciliation, with good will and accommodation, and in the spirit of compromise; self-effacing and never interested in the credit, not interested in the news reports or the television acclaim or any of what is customarily associated with the politics, the public relations of the Congress in Washington, DC. That kind of effective, quiet Senator behind the scenes is a relative rarity here.

He had a very distinguished career in the Georgia Legislature, in the Georgia State Senate, going back to 1970. He was the Republican leader. Just this morning I talked with people who knew him in Georgia. It was the same PAUL COVERDELL 30 years ago whom we saw in Washington heading up the Peace Corps, a nonglamorous but a very important undertaking to project America around the world with young people, and then in his election to the Senate in 1992 and the immediate recognition of his colleagues who knew him well, even though he was not so well known with the television cameras but very well known by his colleagues, and elected to a leadership position, No. 4, in the Republican caucus.

He was the point man for the Republican caucus on education. He brought

to that very important subject, a subject of priority second to none in America today and in the world today, again his quiet effectiveness.

I had the opportunity to work with him on the appropriations bills on the subcommittee which I chair which covers, among other Departments, the Department of Education. For the last 2 years, we had a list of a couple hundred amendments, and in the flurry of floor action, PAUL COVERDELL was enormously effective in talking to Senators about their amendments, saying which ones could be accepted, which ones could be accommodated without coming to the floor even for a voice vote, and then narrowing the frame of reference as to which ones had to be debated with time agreements and which ones had to be voted upon.

The management of a Senate appropriations bill is a complicated matter, especially when you have a $100 billion-plus budget and you have to worry about Head Start, drug-free schools, the National Institutes of Health, worker safety, and the myriad problems. PAUL COVERDELL was an effective man to get that job done.

Senator BILL FRIST—Dr. BILL FRIST—gave us all a report on the medical aspects of what happened to Senator COVERDELL: that it was not painful, an extraordinary medical incident with problems which simply could not be contained or controlled.

I know every Senator sends sympathies to the Coverdell family, to his wife Nancy. He will be sorely missed for the great contribution which he has made.

There are tough days in the Senate. Last year, in October, we had the passing of our dear friend, John Chafee, and now the passing of PAUL COVERDELL. While we intend to focus on matters of Government and high finance, international affairs and war and peace, nothing is more sobering than to see what is really important with the loss of a very special friend and a really great Senator.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, we celebrate today the life of our friend and colleague, PAUL COVERDELL. On behalf of my wife Elaine, who succeeded Paul in the job as director of the Peace Corps, and myself, I extend to Nancy and all of PAUL's friends our sincerest condolences.

I first met PAUL in 1988. I was traveling around the South during the Republican Presidential primaries. I was a supporter of then-Vice-President George Bush. I happened to find myself in Georgia, and ran into a State senator in Georgia named PAUL COVERDELL, who was also active in that campaign. PAUL, as he often did, made an immediate good impression. I recall the people in the Georgia meeting were all quite deferential to him. It was clear he had achieved a level of respect at that point in his career. Having served in the State senate in Georgia for 18 years, having been the leader of a rather small group of Republicans in that body, he had nevertheless achieved a level of respect at that point.

As we all know, Vice President Bush became President Bush, and the next time I met PAUL COVERDELL, he had been nominated to be director of the Peace Corps. As many Senators have said, he did an extraordinary job running that well-known agency.

Sometime in 1991, PAUL came into my office and said: I am thinking of running for the Senate. I am going to be running against an incumbent Democrat in the South. I know that is rather difficult to do.

We talked about the experience I had running against an incumbent Democrat in the South. We struck up the beginnings of a real friendship during which we talked off and on during his extraordinary quest for the Senate.

It was indeed an extraordinary quest. Because of the peculiarities of Georgia law, PAUL COVERDELL is surely in the Guinness Book of Records because he won four elections in 1 year. I am not certain what the law of Georgia is today. I think it is still the same with regard to primaries. In order to be the nominee of a party in Georgia, you have to get 50.1 percent of the vote. PAUL had a very contested primary for the nomination. He did not get 50.1 percent of the votes, so he was in a runoff in order to achieve the nomination. So it took our good friend two elections to get the nomination.

Then Georgia had—I believe they have since changed this law—a requirement that in the general election, in order to become a U.S. Senator, you had to get 50.1 percent of the vote.

Election day came and went, and neither PAUL nor his opponent, the incumbent, had achieved 50.1 percent of the vote. So there was a runoff for the general election—a hotly contested, spirited contest—in which PAUL came out on top, I believe, in early December of 1992.

So he had won four elections in 1 year in order to find his way to this body. PAUL was indeed tested right from the beginning in his quest to become a Senator.

I remember in the early stages of that campaign, people did not take PAUL very seriously. As I watched his growth and development, almost from the beginning it seemed he was consistently underestimated. But in his extraordinarily effective and friendly manner, he managed to make himself a force in the Senate very quickly, to the point, as many have said already, that he was elected as one of our leaders in his first term.

One of his staffers lives in my neighborhood. I noticed on the back of the car the Coverdell bumper sticker, which says: ''Coverdell Works.'' There may have been another bumper sticker somewhere in America that said: ''Someone Works,'' but I can't think of a bumper sticker or, for that matter, a better way to sum up our friend and colleague PAUL COVERDELL than ''Coverdell Works.''

He was ubiquitous. He was everywhere. As all of us who work in the Senate know, in order to make anything happen, you have to develop little groups to work in an area to try to advance the ball in the middle of these 100 substantial egos, each of which has its own goals and aspirations. PAUL was literally ubiquitous, all over the place, in a group here, in a group there, always advancing the cause. He did it in a friendly, effective, and intelligent manner.

No one is irreplaceable. The Senate continues to function. We are functioning today, although probably not very effectively. But if I have ever met somebody about whom I could say he was almost irreplaceable in the Senate, it was PAUL COVERDELL.

So it is with extraordinary sadness, not only personally but in terms of the loss in this institution, that we say goodbye to our good friend, PAUL COVERDELL.

I yield the floor.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. BROWNBACK. Mr. President, I rise to recognize and celebrate the life of PAUL COVERDELL, as many of my colleagues have today, a beautiful, warm-hearted, deep-souled man who was constantly encouraging and engaging people. I know he is hearing these comments. I wish I would have said them to him physically as well, but we know he is here, as we celebrate a life well lived.

It is a very sad day for us in the Senate. I caught the comments of Senator GRAMM earlier wherein he said that instead of staring at the death, we should stare at the life; instead of staring at our loss, we should stare at our gain from having known PAUL COVERDELL. That is a very appropriate way for us to look at and think about it.

PAUL touched so many of us in the Senate in many wonderful ways. One of the things he did for my family that I most remember was sending us a book by a Georgian author. The title of the book was ''Lights Along the Way.'' It was a collection of vignettes of people of faith, acts they had performed—many of them very obscure, some of them well known—to help people along the way. For example, one person had adopted 10 children, and the light this person had been along the way; some of the things Abraham Lincoln had done, a clear light along the way. My daughter and I would frequently read one, maybe two of these stories at night before going to bed. They were uplifting,

happy, light, joyous stories of lives well lived, of somebody being a light along the way.

That is exactly what PAUL COVERDELL was, a light along the way. If you saw him during the day, it was never a confrontational meeting. It was always a happy meeting. Even though you may disagree about something, he was always trying to be helpful. He was a peacemaker. As you would pass through your day, he was one of those lights along the way. That is why our grief is so great. When you lose part of that light, it makes it very difficult. He clearly was that. He was one of those people who talked about the scripture of God working through an individual and that it was God working in him to be that light along the way.

I think PAUL was truly that, a beautiful, deeply-caring man. He cared for his country, cared for his friends. He cared for people who were not his friends. I never saw him give a harsh or a cross word to anybody. I never saw him hardly give a frown to anybody, let alone a harsh word. It is those sorts of vignettes of PAUL's life that I remember, that stick out in my mind, his being such a light along the way.

I hope he is a light we don't forget. I hope he is a light we learn from. Light cleanses. Light shows us the way. Light points to where we ought to be and where we ought to go. Many times, it is a point of light in the distance that we seek, towards which we aim, whether it is a lighthouse or a distant shining light.

That is what PAUL is to us now, one of those lights we seek and aim towards, hoping that in some way, at some time in our life, we will be able to draw closer, move towards it, be purer, be a greater light; that when we enter a room, people will react as they did when PAUL entered a room. You can enter a room and there are shadows that come out, frowns, or you can enter a room and people start to smile and be happy, even though they are not exactly sure why you are there. PAUL was one of those where the room started to light up rather than get darker when he entered.

I hope his is a light we will always remember. As we mourn today, we celebrate that light among us, a light for us to aim towards. He was a great man.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. JEFFORDS. Mr. President, I want to spend a few minutes today to join in paying tribute to our former colleague, PAUL COVERDELL. Memories of PAUL consistently paint a picture of a hard-working, even-tempered consensus-builder. He sought results, not headlines. He was not one who basked in a national spotlight, but his quiet influence within this body has made a profound impact on public policy affecting all Americans.

My last opportunity to work with PAUL was during consideration of the Educational Opportunities Act this spring. It is fitting that our final work together addressed the subject of education, as this is an area where we had many dealings over the years. We did not always agree on the specifics, but the one thing about which we wholeheartedly agreed is the importance of education.

During the S. 2 debate, PAUL made a compelling case for the need to assure a good education for all of our citizens. He said:

> From our very founding, we have understood that a core component of maintaining a free society is that the population is educated. To the extent that any among us who are citizens do not have the fundamental skills, the basic education, they are truly not free. They cannot enjoy the full benefits of American citizenship because they are denied the ability to think for themselves, for their families, for their communities, for the Nation.

In all my work with PAUL, I found him to be fair and accommodating. He was always one to search for the areas of consensus, and he was enormously successful in finding ways to reach accommodation to move things forward. His persistence and his commitment to making things happen—no matter how many obstacles were placed in the path—earned him the respect of all who had the privilege to work with him.

I join in extending my deepest sympathy to his wife Nancy. I also offer my condolences to members of his staff, who have lost not just an employer but an inspiring example of the work and rewards of a life devoted to public service.

We will miss PAUL, but his inspiration to me and to all the others of this body will continue until we are gone from here also. I join all my colleagues in the deep sympathy that we feel at this moment.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. ABRAHAM. Mr. President, I rise today to join my colleagues in expressing our condolences to PAUL COVERDELL's wife Nancy and all the members of his family.

I think that anybody who has watched the expressions and condolences that have already been offered would recognize immediately the extent to which Senator COVERDELL touched all of us in the Senate and the extent to which he was a beloved colleague and friend.

PAUL's life achievement, in so many different ways, obviously deserves the tributes we are paying today. I wish to comment on some of those achievements. First, PAUL COVERDELL was one of the really remarkable leaders of our time. He began his political career in the Georgia Legislature and rose up to the leadership position in the Republican Party in the Georgia State Senate. He then came to Washington and made his mark as the Director of the Peace Corps. He was very instrumental in expanding and successfully helping the Peace Corps to transition into a new era.

PAUL was a leader in his party. He served as chairman of the Georgia Republican Party at a time when there weren't a lot of Republicans in Georgia. But thanks to him, the party grew in strength. That is when I actually first became acquainted with him, because I chaired the Republican Party in Michigan at that time and we met in the context of national party meetings. Then, of course, PAUL was elected to this body in 1992. I think everybody here is aware of how effective and how competent and able he was. He moved into the leadership of this Chamber fairly quickly—in, I think, his first term in the Senate. That doesn't happen too often in a place where seniority counts so much. But his observable abilities, talents, and incredible work ethic brought him to the attention of all of our colleagues on both sides of the aisle. On our side of the aisle, it resulted in him being put in a leadership role early in his career.

More than being an effective leader, PAUL was a tremendous colleague when it came time to needing some assistance on a project. I can't think of one important piece of legislation that I have worked on in the time I have been in the Senate when PAUL COVERDELL wasn't helping me in some fashion to get it through. I remember coming here in my very first couple of legislative efforts, on amendments and bills, as a freshman Member who did not know how this place worked and looking to him, who was a slightly more senior Member, for guidance and help; he was always there. He has been there for all of us. That is why I think today is such a tough day. It would not really matter what the issue was, he was somebody who would try to help you. His staff was built by him to be of similar assistance.

Of course, for all of us, probably the principal thing we would acknowledge in terms of PAUL's attributes was the tremendous friendship he offered to all of us who were his friends. I had a unique relationship with him in the sense that he served as a mentor and friend to me in my first couple of years. When he sought a leadership position, I was proud of the fact that he asked me to place his name in nomination for that. I did so on the second occasion he sought to be in the leadership of our party. When you are asked to nominate somebody for one of these

jobs, it obviously means a lot to you and tells you that you are well regarded by that person. I have to say it means an unbelievable amount to me to think that Senator PAUL COVERDELL thought of me as someone who he would want to play that role in his political career.

As I said earlier, the reaction of his colleagues today demonstrates that others share my high opinion of PAUL. So many have given statements already, and I know more will follow that will move us all. We have seen people express themselves in ways we never thought we would see. People who are known to come to the Senate floor and wage verbal debates back and forth on serious topics have already come here today and demonstrated, in the most human way, that they were so close to and touched by PAUL COVERDELL, and that all of the partisanship and the political debate is really second to them in importance to describing the friendship he provided all of us.

So as I close we pray for the best for PAUL's wife and family. We give thanks for having been able to share his friendship. On a personal level, I say: Goodbye, PAUL, we will never forget you. You were a key part of all we have done here, and you will continue to play a role as our memories of you continue.

I yield the floor.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. HATCH. Mr. President, many years ago William Wordsworth wrote a wonderful poem entitled ''Ode On Intimations of Immortality,'' in which he said:

Our birth is but a sleep and a forgetting;
The Soul that rises with us, our life's Star,
Hath had elsewhere its setting,
And cometh from afar;
Not in entire forgetfulness,
And not in utter nakedness,
But trailing clouds of glory do we come
From God, who is our home. . . .

I feel particularly bereft today because of the loss of PAUL COVERDELL.

I have served here for 24 years and I have seen great people come and go. There are people in this body who are just as great as the Founding Fathers were. There may not be many, but there are people here who by any measure qualify as great leaders.

These great people, who are able to cross party lines and bring people together, make this body the greatest legislative body in the world. PAUL was one of those people.

He was kind, he was considerate, a good listener; he was wise and he was a person with whom you would want to counsel if you had any concerns.

But PAUL was more than that. He was politically astute. He knew when to get tough about matters and stand up for what he believed. But there was also a kindness, a softness, a decency about him that is going to live long after today.

I know that ''our birth is but a sleep and a forgetting,'' and that we came ''from God, who is our home.''

I know that PAUL was one of God's chosen people. He was given the privilege of coming here to be with us in the Senate. We had the privilege of knowing him.

William Cullen Bryant once said:

So live that when thy summons comes to join
The innumerable caravan that moves
To that mysterious realm, where each shall take
His chamber in the silent halls of death,
Thou go not, like a quarry-slave at night,
Scourged to his dungeon, but, sustained and soothed
By an unfaltering trust, approach thy grave
Like on who wraps the drapery of his couch
About him, and lies down to pleasant dreams.

PAUL was like that. We are all going to miss him. The fact that he died such a quick and unfathomable death has made a mournful impression on all of us.

PAUL was one of those people who could move mountains because of his personality, because of his intelligence, because of his background, because of his experience, because of his kindness, because of his love, because of his fairness, and because of his leadership.

I could go through all of his leadership qualities, all of the things he was working on and the accomplishments he made. Right now, I am thinking more of the mourning and the sense of loss we feel in losing PAUL COVERDELL.

Tennyson wrote this wonderful poem called ''Crossing the Bar.''

Sunset and evening star,
And one clear call for me,
And may there be no moaning of the bar,
When I put out to sea.

But such a tide as moving seems asleep,
Too full for sound and foam,
When that which drew from out the boundless deep
Turns again home.

Twilight and evening bell,
And after that the dark!
And may there be no sadness of farewell,
When I embark,

For tho' from out our bourne of time and place
The flood may bear me far,
I hope to see my Pilot face to face
When I have crossed the bar.

I have no doubt that PAUL is going to see his pilot face to face. I have no doubt that he doesn't want any moaning of the bar as he put out to sea. I know he doesn't want any sadness or farewell now that he has embarked on this next phase of eternity.

Let us today concentrate on all the good that PAUL stood for on all his amazing accomplishments, not only as a Senator, but also as a man.

We all know about PAUL's love for education—he led our caucus on that issue—and all the work he did as chairman of the Senate Republican Task Force on Education to encourage learning opportunities for America's schoolchildren.

PAUL worked hard to make sure that every parent, every child, and every teacher could devote enough time throughout each year to educational matters. He made encouraging a love of reading his special priority for students, pupils, and teachers alike. He was a leader in formulating ''A+'' tax free accounts for education. His landmark Safe and Affordable Schools Act has been widely regarded as a model program to improve our country's education policies. PAUL authored bills to make sure we appreciate the hard work of our Nation's teachers, something we tend to forget so easily when formulating education policy.

PAUL must also be memorialized for his steadfast work to lower taxes and make our tax policies more fair. Many times PAUL reminded us of his belief that the freedom and means to raise, educate and care for our families are threatened by a government that takes more than 50 percent of an average family's income in taxes and cost of government. PAUL was very proud of his work on tax issues and in particular, of the law he authored to stop unscrupulous IRS workers from rummaging through the tax files of private citizens. It is many ways so ironic that the last vote he cast was on repealing the death tax, an important policy change he had worked so hard to advocate.

I worked closely with PAUL on his antidrug efforts, on his work to stop narcotics trafficking, and on his efforts to make the workplace drug free. All of these things PAUL did, and he did them well.

PAUL never forgot the needs of his home state, whether it were through his work as chairman of the Agriculture Subcommittee on Marketing, Inspection and Product Promotion, or through his work as a member of the Finance Committee and the Small Business Committee. His record is replete with accomplishments that benefited his constituents back home.

Of course, there were so many other legislative things I would like to mention, but let me leave it at that.

Another side of PAUL was his love for baseball. He was as excited as anybody I have ever seen when Hank Aaron broke Babe Ruth's Major League home run record as a beloved Atlanta Brave.

I am deeply saddened by his passing. I am going to miss him very much.

One of my favorite poets is a poet named Sara Teasdale who wrote an interesting poem. Although this was surely a love poem, I think it applies to our memories of PAUL as this poem is called ''The Beloved.''

It is enough of honor for one lifetime
To have known you better than the rest have known,
The shadows and the colors of your voice,
Your will, immutable and still as stone.

The shy heart,

Which PAUL had—

so lonely and so gay,
The sad laughter and the pride of pride,
The tenderness, the depth of tenderness
Rich as the earth, and wide as heaven is wide.

I like that. Even though it was meant for someone else, I think it applies to a large degree to PAUL COVERDELL.

PAUL was a good man. He did the right things. He set a good example. He was a good colleague here. He was one of the most respected Senators in this body for all of these qualities, qualities that very few people can come close to matching.

I wish PAUL the best in his afterlife.

My sympathy and heartfelt feelings to Nancy, his wife, and to the rest of his family who are mourning him.

I thank God for the privilege of knowing PAUL, working with PAUL, accomplishing things with PAUL, laughing with PAUL.

I am grateful for our colleagues in this body on both sides of the floor. We do learn that these people are here for a very important reason. They have been selected by their respective constituents to do good things. I can say as one who has been here long enough to know that PAUL COVERDELL did good things while he was here and that his legacy will be that all of us need to do better in the things we have been and are doing. All of us need to follow and emulate his example so that we can hopefully be as good as he was.

My sympathy and my best to Nancy and other members of his family, and to my fellow colleagues who are mourning PAUL COVERDELL this day.

Thank you, Mr. President. I yield the floor.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, I join with all of my fellow Senators today to express our feeling and mourn the death of our colleague, Senator PAUL COVERDELL.

I always find these kinds of circumstances difficult to speak to, to find the appropriate words to reflect my emotions or to in some way express my love for a man such as PAUL COVERDELL and the way he worked for all of us and for his country.

I grew up in a ranching environment in the State of Idaho. Oftentimes I think back to those experiences when I am caught in emotion or when I cause myself to sit down and contemplate how to deal with an issue or a situation. My experience with PAUL was largely a part of our time in the Senate, a leadership time.

I was one of four Senators elected by the Republican majority to lead them in the 106th Congress; PAUL COVERDELL was a part of that leadership team. He was secretary of what we call our Republican conference, or all Members on the Republican side. It was through that relationship that I grew to know PAUL and to appreciate the tremendous talents that he had. We all know he was an activist on the floor on many occasions, in pursuit of what the leadership team and ultimately the Republican conference decided was a direction we ought to head in or an issue we ought to debate. He did it with phenomenal energy and talent.

When I think of that relationship, I can only come to this analysis; I think it so well fits PAUL: A team approach, as in a western ranching environment. We all remember the great cattle drives that used to come out of the Southwest into the plains of the West to graze, thousands of head of renegade cattle moving all in one direction. The reason they were moving in one direction was because there was a trail boss who headed up this drive. There were a group of wranglers on horseback who were out there working day to day to keep that drive shaped and headed in the direction in which the trail boss wanted them to head.

There is no question that in the Senate TRENT LOTT is our trail boss. He decides the direction with the consent of the herd, if you will, and head Members. There is a group who are the wranglers, who work with that herd, to help shape it and keep it moving. PAUL COVERDELL was one of those wranglers and probably the best among us. He was constantly out there from daylight until dark and, if it were on the range, we would say in all kinds of weather because he was doing what he was asked to do but more importantly because he believed in what he was doing and he was very passionate about it.

All of us are here for a reason; some of us for larger reasons than others. Clearly, to be here with the kind of passion and energy that PAUL COVERDELL from the State of Georgia came here with is unique. As a result, he was selected to be one of those wranglers, to follow the leadership, to follow the directions of the trail boss, to make sure that we all stayed headed in the right direction.

I will miss him. I will miss his talents as a wrangler. He was a great American and history will record that. He has made his mark. But never once in the business of making that mark, or leading, shaping the herd, or wrangling the herd, did he ever do it for PAUL. He did it for his country and for what he believed was the right cause and the right belief.

PAUL, I think God has called you to a different trail herd. He obviously needed a hell of a good wrangler, and He's got one. We will miss you. We love you.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. HUTCHINSON. Mr. President, I join my colleagues in rising to offer my sympathies and condolences to Nancy and the Coverdell family.

Today, we all grieve PAUL's passing, but we also celebrate his life. What a life it was; a life of achievement, a life of incredible service and accomplishment.

I did not know PAUL COVERDELL until I came to the Senate in 1996. I followed his career, as many Americans did. I followed with interest and admiration his campaign for the Senate and his election to the Senate from Georgia. It was only when I arrived at this institution that I got to know PAUL COVERDELL, the man.

Much has already been said this morning and yesterday and has been said well. He was ubiquitous. It seemed PAUL was everywhere. The breadth and number of issues he was involved in takes your breath away. It was amazing how much he knew and how much he was willing to invest his time and energy. He was incredibly hard working and willing to do what others didn't want to do, didn't have time to do. He made time and he was willing to take on the nonglamorous jobs. He didn't seek glory and he didn't seek adulation. He gave credit away freely because he didn't seek it for himself. He was a consensus builder; he was a doer. If you wanted it accomplished, you gave the task to PAUL COVERDELL.

One quality which I as a junior Member of the Senate especially appreciated and admired was his deep respect for his fellow man and his deep respect for his colleagues, regardless of their rank or status. I served on the education task force with PAUL. We had a lot of strategy meetings. We had meetings in Senator LOTT's office in which we would talk over the education issue and discuss not only how we would communicate our message but how we would pass legislation. There were a lot of senior Members on the task force. They were always quick and bold to speak out and give their opinion. What I noticed about PAUL COVERDELL was that he was always observing who had spoken and who hadn't, who had expressed their opinion and who hadn't. At every meeting he said: TIM, you haven't said anything yet. What are your thoughts? Do you have an opinion?

Or he would see SUSAN COLLINS and say: SUSAN, how do you feel about this issue?

He always included junior Members. He included everyone because he respected not only their opinion, but he respected them as human beings.

He epitomized what service is all about. I think that PAUL COVERDELL provides the lasting role model of what a U.S. Senator should be, what a public servant should be.

Many of my colleagues have struggled to find words and to find scripture and verses to express what they felt about PAUL COVERDELL. I have found a verse that I think applies most appropriately to PAUL. It is Mark 10:31. Jesus said:

> But many that are first shall be last; and the last first.

PAUL was a leader. But he was a leader among us because he was servant of all of us.

I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. GRAMS. Mr. President, I rise today to join my colleagues in paying tribute to the life and legacy of a man I considered a friend first, a Senator second, and a great American above all.

Senator COVERDELL was everything that those of us who were blessed to serve with him strive to be:

> effective, committed, compassionate, and tenacious when it meant doing right by the

people of Georgia and the American taxpayers he revered.

PAUL was a voice for families, for children, for the nation's workers, and every individual seeking to build a better life for themselves, their family, and generations to come.

Of all my colleagues, I think I spent more of my working hours with PAUL COVERDELL, in meetings, strategy sessions, and casual conversations.

I considered him to be the ''sparkplug of the Senate'' because of the life and energy he brought to this body.

As others have said, very little went on here that PAUL wasn't somehow involved in, and he was the man I went to when I needed a friendly ear. I didn't always hear what I wanted to hear, or get the sympathy I thought I needed, of course, but I always received the counsel of a man who spoke from the heart.

He leaves behind a remarkable legacy of service, and not just here in the Senate. Other colleagues have spoken of his leadership of the Peace Corps, his 16 years in the Georgia State Senate, his military service, his real-world experience in business.

In this Chamber, he will be especially remembered for his unyielding dedication to working Americans, whether through his work on education, and in particular his education savings accounts, leading the fight against illegal drugs, promoting volunteerism, and lifting up America's farmers.

I think, though, that PAUL will be remembered foremost as an ardent defender of freedom.

The highest tribute one can pay to a colleague is to say that, day in and day out, they got the job done. Senator PAUL COVERDELL got the job done, with humility, with enthusiasm, and always with good humor.

With PAUL's passing, the State of Georgia has lost a leader, the Senate has lost its sparkplug, many of us have lost our best friend, and the Coverdell family has lost a truly exceptional man. My prayers, and the prayers of our colleagues and our staffs, are with Nancy and her entire family during this difficult, difficult time.

Mr. President, I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. DORGAN. Mr. President, I join my many colleagues here in the Senate today expressing my sympathies to the Coverdell family and telling them our thoughts and prayers are with them during this difficult time. A poet once said:

> There is no joy life gives like that it takes away.

I expect the Coverdell family and all who loved PAUL and understand the hurt and anguish at his passing, today know well what that verse means.

This is an unusual place, this Senate. There are 100 of us, men and women from all parts of the country. We have days where we have pretty aggressive debates and fights about public policy. PAUL COVERDELL was in the middle of many of those. I never heard PAUL COVERDELL say a mean word to anyone in the Senate. I told him one day at the end of a rather lengthy debate in which I was on the other side and the vote was called and we were standing in the well:

> You and I don't agree on this issue, but you are a very good Senator.

We served in different political parties. We, in many cases, believed differently about issues. But PAUL COVERDELL was a very good Senator and served this country well.

The important part about PAUL was, though he felt great passion about public policy and the issues he brought to the floor of the Senate, again, he never uttered a mean word about anyone in debate. You can always disagree in this country without being disagreeable. PAUL COVERDELL demonstrated that every day in his pursuit of the public policy he believed was important for this country.

We are so busy and our schedules have us on our way here and there and everywhere all week, and then often to our respective homes in the 50 States on weekends, so it is hard to get to know each other very well. But each day, as we move around in this Capitol, all of us in the Senate exchange greetings and words, occasionally a story or two. Last week, I was in the elevator with Senator COVERDELL. We laughed a bit about his being compared, from time to time, in his presentation, to George Bush. I always used to kid him about that, that sometimes he had a cadence that reminded me of the ex-President.

He sort of kidded me and said someone told him he was doing Dana Carvey who was doing George Bush, so he was two steps away from the impression. We laughed about that.

Last Friday, as we were having a long series of votes, towards the end of the votes I visited with Senator COVERDELL because Georgia has been a State hardest hit by drought. I told him we had been hit so severely with respect to floods. On behalf of our farmers, I was trying to see if we could put together a piece of legislation that would deal with crops that had been flooded out, destroyed by flood, and crops in Georgia and elsewhere that were being destroyed by drought. On Friday morning, PAUL indicated he wanted to join me in an amendment to this bill, the Agriculture appropriations bill that is being considered in the Senate, to provide some assistance for family farmers who were victims of the drought that was occurring in his State and throughout the South.

He was always available to talk about public policy and what was happening; always especially available and concerned to talk about the people of his State of Georgia. I wanted to come today to say the Senate will miss PAUL COVERDELL. He was not only a good Senator, but he served this country very well. He was a friend to all of us. My thoughts and prayers go to his wife and his family. We say thank you to his memory.

I yield the floor.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. WARNER. Mr. President, in the 211-year history of the Senate, the State of Georgia has one of the richest and most storied legacies. Since the formation of the Senate, and that was in 1789, Georgia has sent to the Senate 62 individuals as Senators. I have had the distinct privilege of serving with 6 of them, including our beloved PAUL COVERDELL. When the people of Georgia elected PAUL COVERDELL to represent them here in the Senate 8 years ago, they sent to Washington a unique, especially talented, and gracious gentleman; a gentleman of the South, I say to those of us who are privileged to come from that region.

PAUL began his service to the Nation nearly 30 years ago when he served his Nation in the U.S. Army, stationed in Okinawa, Taiwan, and Korea, and he never stopped in his quest to serve the people. He was truly a public servant.

He gave almost half his life to serving the Nation and the State of Georgia. It is no overstatement to say that his presence in public life has made this Nation more prosperous and more secure. He was a leader in the fight against drugs and the fight for better education and the struggle to keep this Nation strong, both economically and militarily.

We have a saying around the Senate: There are show horses and workhorses. We know for sure PAUL was no show horse; He was a workhorse. He worked hard and often he worked behind the scenes. He did not seek the headlines. PAUL COVERDELL did not seek the headlines. He would seek results—he wanted to get the job done, let others take the credit—and always results that were in the best interests of our Nation. That was his guide; that was his compass.

All of us here, before we cast the first vote, before we discharge the first responsibility, take the oath of office. We solemnly commit ''to support and defend the Constitution against all enemies.'' We commit ''to bear true faith and allegiance.'' We undertake ''to faithfully discharge'' our duties.

PAUL COVERDELL fulfilled each of those constitutional obligations under the oath of office. He was a man of his word and he has lived his life in the Senate true to his principles and true to that oath.

He was a quiet man. His office was right across the hall from mine in the old Russell Building. How often we would meet walking to and from the votes. Those are the moments when

Senators do not have staffs around them, constituents are waiting somewhere, and you share those private thoughts, comments, and ideas. How often I shared them with this giant of a Senator.

The Nation lost a true patriot, a true gentleman, a true statesman. But his memory and his legacy will remain with us forever.

May God bless his family. God blessed America with this man's service.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. MCCAIN. Mr. President, I join my colleagues on both sides of the aisle who have come today to express sorrow and deep regret over the loss of a treasured friend and colleague. I have watched many of the tributes that have been made to PAUL COVERDELL this morning. There is very little I can say to add to some of the wonderful comments that have been made about this truly remarkable American.

I want to talk for a minute about my personal relationship with PAUL COVERDELL.

When he was running for the Senate for the first time, he was running against an incumbent Senator who was popular in his State. I came to the State of Georgia and campaigned for him. Before I arrived, I thought I was doing what a lot of us in politics do, and that is doing what is necessary for a losing cause. But after spending a few days with PAUL COVERDELL, I could see this man was going to win his election because he was a man of integrity; he was a man who knew the issues, a man who was dedicated to the concept and belief of public service, a man who had served his country in other capacities and had prepared himself over many years of public life to serve the Nation as a Senator from the State of Georgia.

As we all know, he won a very close race, perhaps one of the closest races in the history of certainly the State of Georgia, if not the entire Senate, which required a runoff election. Then he was reelected rather handily.

Again I went down to Georgia to help him in his reelection, and I saw that during his first term, PAUL COVERDELL had established a unique relationship with his constituents. Everyplace I went with him, they recognized him, they showed their appreciation for him, and whether they were Republican or Democrat, they respected him for his strongly held values and views.

As I talked to his citizenry around the State of Georgia, it was clear, whether they were going to support his candidacy for reelection or not, they held him in the highest regard because they knew, as we who have had the privilege and honor of working with him and serving with him in the Senate know, that he was a man who worked incredibly hard, a man of firmly established values and ideals, and one who believed and acted in the public interest.

As all of us experience deep emotion and sorrow over the loss of a dear friend, I am sometimes reminded that we should also celebrate the fact that we were blessed to have the opportunity to know and appreciate a man of such enormous and wonderful qualities, and the people of his State and the people of this Nation, including my own State of Arizona, were honored to be in the presence of and have the service of this dedicated, wonderful American.

As our best wishes and condolences go out to the Coverdell family and friends, we also offer our hardiest celebration for a life well lived and one which is written in the pages of America's history, in the history of the Senate, bright pages filled with the Coverdell name in the State of Georgia with glory.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. SMITH of New Hampshire). Without objection, it is so ordered.

Mr. MURKOWSKI. Mr. President, as I enter the Chamber and look to the rear to the seat occupied by our dear friend, the late Senator PAUL COVERDELL, it reminds me of the reality of the fragility of the lives we lead. The message is one of taking stock of what our real priorities are. Life is so short, so fragile, and our period on Earth is so temporary.

At this time we join together in grieving with the family of our beloved colleague who passed away Tuesday evening. Our thoughts and prayers are certainly with his wife Nancy and the family during their time of extraordinary grief.

We all share in the reality that this was a tragic and unexpected loss. We all feel it in this Chamber, in the halls of the Senate office buildings and, of course, in PAUL's beloved State of Georgia. But we cannot be blinded by grief to the point that we fail to recognize and celebrate the life of this outstanding public servant.

He was an extraordinary public servant. I listened to some of the comments made last night after we learned of his passing. The Senator from New York said he was a man of peace. Reflecting on PAUL's public service, he served his country in the Army, with deployments in Okinawa, Korea, and the Republic of China, came home to Georgia, joined the family business, helped it thrive and grow and then, beginning in 1970, served his State in the legislature, serving as minority leader for a period of 15 years. In 1989, he continued his commitment to peace as Director of the Peace Corps. In this capacity, PAUL saw the fall of the Berlin Wall, the end of the Cold War. He seized the opportunity to place Peace Corps volunteers in former Eastern Bloc nations in an effort to speed their transition to democracy and peace.

The wise people of Georgia, in 1992, elected PAUL to the U.S. Senate. I vividly recall that this genuine, quiet man made an immediate impression upon all of us. As we got to know PAUL, we found him to be deeply thoughtful, hard-working, and utterly unconcerned about the limelight. His Republican colleagues recognized his efforts and selected him to the leadership post of Republican Conference Secretary.

As a U.S. Senator, PAUL did superb work in the issues of education, food safety, protecting our children from drugs, promoting volunteerism, lowering the tax burden on working families and small business, and protecting the rights of citizens in their dealings with the Internal Revenue Service.

We were all privileged to know PAUL. He enriched our lives. My prayers and thoughts are with PAUL's family, especially his wife Nancy. The Senate will miss his work ethic and thoughtfulness. The Nation will miss his ideas and his example.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. BREAUX. Mr. President, I rise, as have some of our colleagues today, to express my deepest sympathy to Senator PAUL COVERDELL's friends, family, and to his wife Nancy, as others throughout the State of Georgia as well as throughout this country mourn the passing of one of our colleagues who, indeed, was a very special person.

I think when we reflect on the times we had and the opportunity we had to spend with PAUL COVERDELL, we will certainly remember him as a Senator's Senator; by that I mean a person who was really interested not so much in the message of the day but, rather, in actually working together to bring to this floor and to the American people legislative products that were appropriate to get the job done.

I think all of us, when we see our legislative branches becoming more and more partisan and more and more separated by imaginary aisles that separate us, can think back and remember PAUL COVERDELL as a person who was willing to work with anyone who was willing to work with him in order to accomplish legislation that was in the interest of this whole country.

I had the opportunity, as so many of our colleagues did, to work with him on education. I think his approach to that major legislative effort was one from which we can all learn a great deal—how he handled the product he was trying to get passed into law.

What I mean by that was he was willing to sit and talk with Democrats as well as his Republican colleagues to try to fashion a compromise that could accomplish the reform of our legislative system. Far too often, that is sort of unique and different in the way things are done—both in this body and in the other body across the Capitol.

I think as we remember the experiences and good times we had with him, we can take with us the admiration and respect all of us have expressed of him, but also, at the same time, the lesson he taught us by his actions. That lesson, in my mind, was how we work together to accomplish good things for the American people. He did that. We can remember and we can learn from his actions. That is how I want to remember the good times I had and the privilege of experiencing it with him during the legislative process.

He will be missed, of course, by his family and close friends back home. He will be missed by the people of Georgia. He will, indeed, be missed by the people of America—those Americans who think that the function of this body and our Congress in general is to do whatever we can, working together, to make lives better for all American citizens. That is what PAUL COVERDELL attempted to do as he was able to accomplish so many things in that fashion.

He will be particularly missed by this institution and by everyone who wants to make government work better for the American people. PAUL COVERDELL represented that type of Senator. He, indeed, was a Senator's Senator. He will be sorely missed but very fondly remembered.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SMITH of New Hampshire. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. SMITH of New Hampshire. Mr. President, as have so many of my colleagues, I rise today to pay tribute to a friend, PAUL COVERDELL.

It is very difficult to look at those flowers, which are silent. As my colleagues do, I find it difficult to deal with. It is something that is very hard for all of us to understand.

We are here to pay tribute to PAUL COVERDELL and to express our sincerest condolences to Nancy and his entire family.

They say true friends are there when you need them most. We know PAUL COVERDELL was there when we needed counsel. I remember about a year ago I went through some rather difficult times on the floor of the Senate. PAUL was there to counsel me and to give me a lot of advice through all that—for which I will always be grateful—in a political world often poisoned by partisanship. PAUL was always there for counsel and friendship. He was there for all. He was not a partisan person. He could be partisan when he had to be. There is a difference between being partisan and being mean.

The Atlanta Journal Constitution said it best when they said: There is a lot of meanness in politics. But he wasn't one of the mean people. I don't think it can be said much better than that. He was a fierce partisan on the battlefield of ideas but not among friends. We are 100 people here who are friends. Even though we have our partisan differences from time to time, we don't take it off the floor. PAUL was certainly a stalwart in leading the way in that. He knew what friendship was and what it meant. Friendship to PAUL couldn't be obscured by any party label or disagreement or an argument.

That is why so many of our colleagues have been here today to make tributes. It is also one of the reasons why history will record PAUL COVERDELL as a great Senator. I remember vividly the first time I came to the well and signed the book, being joined with a very distinguished few individuals, a little over 2,000 people throughout the course of our country who have become U.S. Senators. Senator ROBERT BYRD came over to me and said: Don't ever forget that. That is something that they can never take away from you.

When you think through the years of all those people, PAUL will be remembered in that way as one of the best in terms of friendship, in terms of his own issues he felt so passionately about—drugs, what drugs were doing to our society, especially to our young people, and education for which he fought so hard.

He was a passionate man, a caring man. I don't believe anyone who has ever served here who wasn't compassionate and didn't care could ever be considered an outstanding Senator. PAUL was the best when it came to that.

He had the disarming personality, the humor, the quick mind. He had rock solid philosophical groundings. These are traits that made for a great and potent legislator. Most importantly, if he gave you his word, that was it. You could trust his judgment. You could trust his instincts. Most of all, you could trust his motivations were right. They were heart felt; they were sincere; they were honorable. I think that is the most important.

There is a campaign slogan that Senator COVERDELL had: COVERDELL works. Those who worked with him every day knew he was tireless. He was working on the day that he was stricken. He was a hard worker. He worked hard for his State and he worked hard for his country and the people in whom he believed.

In 1732, when the colonists came to PAUL's great State of Georgia, they came on shore, touched the shore, they kneeled down and said: Our end in leaving our native country is not to gain riches and honor but singlely this—to live in the glory of God.

I think PAUL COVERDELL has lived up to that about as well as any human being could, certainly as well as any Georgian could. You can certainly be proud of this Georgian.

Abraham Lincoln, on the passing of Henry Clay, said about the ardent patriot and profound statesman: He had a quality possessed by few of the gifted on Earth. His eloquence has not been surpassed in the effective power to move the heart of man. PAUL COVERDELL was without an equal. I think I agree with Abraham Lincoln on that.

We all have vivid memories of the last time we spoke to PAUL COVERDELL. I remember on the Senate floor, with all the confusion of the votes on Friday, all the things going on, and although I can't recall a specific conversation, you can always remember PAUL engaging somebody in a conversation.

The worst part for me, when I reflect on a sudden death, is if I had the chance to say goodbye, what would I have said? I also find myself wishing I had known so I could take the time to say goodbye. I didn't get that opportunity to say goodbye to a friend that I loved and respected, but if I had the chance, I would have thanked him for his friendship because it means more than anything else here. I would have said: Thanks, PAUL, for being there for me.

In his letter to Mrs. Fairbanks, Mark Twain wrote about friendship:

> . . . I remember you and recall you without effort, without exercise of will; that is, by natural impulse, undictated by a sense of duty or of obligation. And that, I take it, is the only sort of remembering worth having. When we think of friends, and call their faces out of the shadows, and their voices out of the echoes that faint along the corridors of memory, and do it without knowing why save that we love to do it, we can content ourselves that that friendship is a Reality, and not a Fancy, that it is built upon a rock and not upon the sands that dissolve away with the ebbing tides and carry their monuments with them.

That is how I feel about PAUL COVERDELL today.

The second thing I would have thanked PAUL for, if I had had the chance to say goodbye, was his sense of humor. He had a great sense of humor. Lord knows, one needs a sense of humor serving in this place. It gets intense from time to time. I remember two cases, one recent and one a long time ago, which I will recall. I will take the long time ago first.

Some of my colleagues will remember PAUL had a very interesting election. Georgia, at that time, had a law that candidates had to get 50 percent of

the vote to win. PAUL got a little less than that. His opponent got a little bit more than PAUL but less than 50 percent. So PAUL was here and he was talking to Members, saying: I want to join you guys, but I need a little help, a few contributions. We need to have another election and I have to face this guy again with the third guy out.

I said: I will help you, but I am not sure that law is right. Maybe the other guy should have won; he got more votes than you the first time.

PAUL said: Well, it is all right to change but not yet.

I remember that. PAUL said that in his gregarious way, not meaning anything malicious.

The second memory I have of his humor was more recent, about 2 or 3 weeks ago. PAUL, who is the conference secretary, came out with this little card. He held the card up proudly. He wanted people to have this for the Fourth of July recess. It proudly boasted ''The Republican Priorities for the Surplus,'' and he want down through the list. We all looked at them and after he finished, Senator after Senator stood up and said: I don't know where you got that, that is not my priority. Who gave you this. And on and on and on for 10 minutes. PAUL took it well.

After it was over, I walked up to him and I said: Do you regret you printed the card?

He said: Were those guys drinking something; what was going on here?

It was a fond memory, but so typical. There was no animosity, no anger, just rolling with the punches.

He said: Next time, I will check with a few people before I print the card.

If I had the chance to say goodbye, I would have thanked PAUL for that.

Let me close by referring to comments that were made several years ago on this floor by our distinguished colleague, ROBERT BYRD, who was talking about the death of William Fulbright. He quoted Longfellow. In quoting Longfellow, Senator BYRD said:

> There is no death! What seems so is transition;
> The life of mortal breath
> Is but a suburb of the life Elysian,
> Whose portal we call death.

Then he went on to say about William Fulbright the same thing I would say right now about PAUL COVERDELL:

> Life is only a narrow isthmus between the boundless oceans of two eternities. All of us who travel that narrow isthmus today, must one day board our little frail barque and hoist its white sails for the journey on that vast unknown sea where we shall sail alone into the boundless ocean of eternity, there to meet our Creator face to face in a land where the rose never withers and the rainbow never fades. To that bourne, from which no traveler ever returns, [PAUL COVERDELL] has now gone to be reunited with others who once trod these marble halls, and whose voices once rang in this Chamber—voices in this earthly life that have now been stilled forever. Peace be to his ashes!

PAUL COVERDELL loved his God; he loved his country; he loved his native Georgia; he loved Nancy and his family. He served them all, and he did it well. I am proud to be called a friend of Senator PAUL COVERDELL.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. ROTH. Mr. President, often the most difficult moments we have on this floor are not when we're trying to advocate a political philosophy, or debate a legislative initiative, but when we pause to remember friends and colleagues who have left us. Words, which come easily on most occasions, seem suddenly inadequate to express the feelings we have stirring in our hearts—the fond recollections, the abiding respect, and the sudden, overwhelming feelings of loss.

PAUL COVERDELL was a friend to each of us, a leader with a spirit that was as buoyant as it was inspiring. His vision and ability to get things done elevated him quickly into increasingly more important roles in this distinguished body. As a leader, he was unwavering in this dedication to freedom, his support for the bedrock of liberty—family, community, education, and personal responsibility.

I fondly remember the many occasions we worked together, the discussions we had, and the ever-increasing sentiment that in PAUL I had found something of a kindred political spirit. In fact, I was in Atlanta on Monday, at an event he sponsored on my behalf. As always, it was tremendously successful, indicative of how well PAUL is regarded by those he serves.

It is easy to understand why. From efforts to make education more affordable, to reforming the Internal Revenue Service, to working to roll back the tax burden, PAUL has been a leader, as articulate and convincing as he was constant and unwavering.

He intuitively understood the values that bless America. His background and upbringing groomed him to understand the importance of family, the concerns of small business owners, the value of learning, and the ability of government to promote an environment that supports these areas. Just as important, PAUL understood the necessity of service and the blessings that come through service.

Not only was he a distinguished soldier, but after the Army—as PAUL succeeded in business—he gave back through his service in the Georgia State Senate, where he served for many years as the minority leader. His service continued as he led the Peace Corps under President Bush and focused that important organization on building and sustaining the fundamentals of freedom in the emerging democracies of Central and Eastern Europe.

Because of his service, PAUL was well prepared when he came to the Senate in 1993. He knew what he would do here, and I can think of no one with whom I have served who accomplished more than he did in the time he spent among us. His work will remain his legacy. His memory will continue to inspire. And the successes he achieved here will bless the lives and brighten the futures of families and children for years to come.

At this time I express my appreciation for PAUL and his leadership, and I want to express my condolences to Nancy and the family, along with my gratitude for their willingness to share a great man with all of us.

I yield the floor.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. LIEBERMAN. Mr. President, I rise to join my colleagues in paying tribute to our departed friend and colleague, PAUL COVERDELL.

The Senate today is a very sad place, it is a shaken place, because of the suddenness of PAUL's death. It is also a day on which I think we, by this tragic event, are reminded that underneath the headlines and the great debates and the partisan divides and all the rest of the sound and the fury, ultimately this institution, as so many others across America, is 100 people coming to work every day, trying to get a job done. It is the hundreds and hundreds of others who work with us here, our staffs and support personnel, who constitute what to me has always seemed to be a small town.

Today we are saddened and we are shaken by the loss of one of the prominent people in this small town of ours on Capitol Hill, Washington, DC, United States of America, Senator PAUL COVERDELL.

My wife said to me once: Remember that being a Senator is just your job; it's not you. It's a great job. It's an honor to hold it. It is an extraordinary opportunity. But ultimately there is a ''you'' there.

That personal side of all of us comes home today as we confront, and try to absorb and deal with, the death of our friend, our colleague, our coworker, PAUL COVERDELL.

It reminds us, of course, of the limits of human understanding and human capacities. As great as we are as a species, as high as we have gone, as exciting as the reaches of technology are today, ultimately we reach a point of human limitation. It is the point where we meet up with faith in God that, hopefully, transcends those limits, capacities, and doubts and moves us forward.

Thinking about PAUL COVERDELL's death and his life, there are two quite disparate thoughts that came to my mind—but both of them, I think, fit him. I remember when I first came to Washington—this is an old expression—somebody said to me: Remember that there is no limit to what you can accomplish in Washington if you are not looking for credit. In so many ways that have been testified to here on the Senate floor today, that wisdom fits the career of PAUL COVERDELL. He was a quiet and gentlemanly person, not looking for headlines but committed and anxious to be part of making this place work.

The second sentiment is something I heard from my own beloved mother, and I will bet everybody heard it from their mother, which is, when I was growing up, she always said to my sisters and me: You know, it never hurts to be kind to people. You gain nothing by being harsh.

That, too, is a very apt description of PAUL COVERDELL: a very fine human being, a very kind human being. In the normal interactions of this extraordinary place where we work together trying to get things done, PAUL always had a smile, always a kind word. Even in the partisan moments we all are involved in on the floor, they never seemed to become personal with him. That, in both senses, is the way it should be.

It is, of course, sad but always true: We tend to appreciate people more when they are gone and speak more openly of them when they are gone. I think that is the case of this quiet, strong, decent, productive man. I have a sense, in listening to the comments made, of the critical role he played in this Chamber within the Republican caucus, to transcend the divisions that exist in any group of people, particularly any group of political people, and the critical role he played helping the Senate majority leader in trying to keep the place moving and getting some things done.

I can testify, of course, to the fact that PAUL was clearly a proud Republican loyal to his party. He was not hesitant to reach across party lines to look for support for something in which he believed or to offer support to someone on our side of the aisle for something in which he believed and felt was right and necessary.

I had the greatest opportunity to work side by side with PAUL COVERDELL as a cosponsor of the pioneering, progressive, very important education savings account proposal he made which would have taken the basic idea of higher education savings accounts and expanded them to cover K–12 education to help parents support the improvement of their children's education. There is nothing we can do in this Chamber that is much more important than facilitating a better education for all of our children.

It was easy to work with PAUL. He was obviously very bright, he was understanding, and he was energetic and steadfast. It is an idea I hope those of us on both sides who support it will carry on because it is a good idea, but it is also a tribute to him.

I was thinking, earlier this year on a proposal that became associated with the Clinton administration; namely, the aid package to Colombia to deter and diminish the problem of drugs coming in from that country, PAUL stepped forward and gave sturdy, steadfast, effective support which ultimately resulted in its adoption with bipartisan backing of a problem that is obviously complex and indeed cannot but help us as we go forward.

We all think of Nancy today and PAUL's family. We extend to them our condolences, and we hope, of course, that they are strengthened and, in some measure, comforted at this difficult time by good personal memories of their time too short with PAUL, and I am sure they are strengthened and comforted by the pride they should feel and the extraordinary record of public service that was PAUL COVERDELL's life, and hopefully given ultimate strength by their faith in God. The Lord giveth and the Lord taketh. Blessed be the name of the Lord. I thank the Chair. I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, the State of Georgia and the United States of America lost a great, decent leader yesterday. PAUL COVERDELL was one of the quiet heroes of this Senate Chamber. He was not showy; he was not proud; he was not here for the credit or the prestige or the power. He was a gentle man in every sense of the word and in every aspect of his being.

He was here because he loved his State and loved his Nation. He was here because he wanted to improve education. It was a profound concern of his. He was here because he wanted to end drug abuse and the scourge of drugs among young people. He was here because he wanted to protect our national security and secure our children's future and open America's promise to all of those he served. He fought for all these things with a humble dignity and a quiet passion that touched each one of us.

In a way, PAUL was the Senate peacemaker. We get a lot of contentious issues around here. We are all human beings. Tempers flare. Voices rise. It seems as if you are never going to get together with people again across the aisles. PAUL COVERDELL could step in and work his way back and forth and calm things down.

Recently, we had the Labor, Health and Human Services, Education bill up. I am the ranking member on that subcommittee. The chairman is Senator SPECTER from Pennsylvania. It seems that every year when that bill comes up the debate gets hotter. The decibel level goes up a little bit. We seemed to be locked in a week-long struggle on that bill, and I had a chance, once again, to watch PAUL COVERDELL at work in soothing the tensions on both sides, of reaching across to Democrats and his own Republicans to find that common ground and just calm things down. He was really good at that. I watched him work. I said once to Senator SPECTER: I am sure glad we have PAUL COVERDELL around here because he was able to keep things calm.

He helped us reach the compromises, as we must do around here, and to find a common ground between people.

I also served with PAUL on the Agriculture Committee. We shared a common love of farmers and rural people. Again, in his own quiet way, I saw the determination and the grit of PAUL COVERDELL in fighting for his farmers in Georgia during many deliberations on the Ag Committee and especially in the passage of the last farm bill.

A lot of people do not know this—but PAUL and I talked about it often—he was born in Des Moines, IA, not more than 10 miles from where I was born and raised.

It is an honor that I represent a State that produced someone as good and as decent as PAUL COVERDELL. He was one of the finest leaders this body has ever seen.

Standing here and looking over at his desk and looking at the black cloth and the flowers on the desk cannot help but remind each of us of the transitory nature of human life. Just last week—it seems like yesterday—I was on the floor talking with PAUL COVERDELL about an issue, asking for some help and seeing if he could work some things out. He was as alive and as vibrant and as engaged and committed to the smooth functioning of this institution as anyone else. Four days later, he passed on.

Looking at his desk, and thinking about seeing him just a few days ago, being alive and vibrant and full of health, and looking forward, not only makes us think about the transitory nature of human life but it also should serve to remind us we should make every day count—make every day count in emulating the kindness and the gentleness and the caring nature of a PAUL COVERDELL.

One of my political heroes, Hubert Humphrey, once said: ''To be a leader means a willingness to risk—and a willingness to love. One must ask: Has the leader given you something from the heart?''

PAUL COVERDELL had the guts and the courage to take risks. He had a great will to love. And to that question by Hubert Humphrey, I can say yes about PAUL COVERDELL. He gave us all something from that wonderful heart of his.

So I join with my friends and colleagues in extending to Nancy and to his family our profound sorrow. We share your sorrow. But we hope you take comfort, as we do, in knowing that the kind and gentle and caring life of PAUL COVERDELL is now rewarded by the kind and gentle and caring hand of Almighty God.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nebraska.

Mr. HAGEL. Mr. President, I, like most of my colleagues today, have listened carefully to the remarks made about our colleague, PAUL COVERDELL. What it has been is a weaving together of a magnificent tapestry representing the life of a unique and complete human being—PAUL COVERDELL.

PAUL COVERDELL was a complete human being. We are all judged by many facets of our lives. In the end, what is really most important is: Did you leave the world better than you

found it? That question has been answered rather assuredly today in the case of our friend PAUL COVERDELL.

I found part of a speech that President Ronald Reagan gave. As a matter of fact, it was his last speech that he gave before the United Nations in September of 1988, before he left office. I think it captures, rather well, PAUL COVERDELL—a man who served his country in uniform, a man who served his country as head of the Peace Corps, who truly touched the world and made the world better, who served his country as a Senator, who helped all of us as a friend, and who was a faithful and wonderful and loving husband.

These words—that I would like to recite in closing my remarks about PAUL COVERDELL—truly capture the essence of this remarkable colleague and friend of ours. As President Reagan ended his speech to the United Nations on September 26, 1988, he said—and we hear the echo of PAUL COVERDELL in these words—

. . . when we grow weary of the world and its troubles, when our faith in humanity falters, it is then that we must seek comfort and refreshment of spirit, in a deeper source of wisdom, one greater than ourselves.

And so if future generations do say of us that, in our time, peace came closer, that we did bring about new seasons of truth and justice, it will be cause for great pride. But it shall be a cause of greater pride still, if it is also said that we were wise enough to know the deliberations of great leaders and great bodies are but overture; that the truly majestic music—the music of freedom, of justice, of peace—is the music made in forgetting self and seeking in silence the will of Him who made us.

Thank you for your hospitality over the years. I bid you now farewell. And God bless you.

We bid farewell to PAUL COVERDELL. And God bless PAUL COVERDELL.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I ask unanimous consent that it be in order for me to deliver my remarks seated.

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

Mr. HELMS. Mr. President, none of us knows precisely when the hereafter begins, when the life of one of the Lord's servants ends. I myself have lost an unusually large number of good friends during the past few weeks. But I find it helpful to imagine that I can visualize each of them sitting on some sort of Cloud Nine up there, listening to those of us who are mourning the loss of good friends.

Yes, I do have a hunch that PAUL COVERDELL is up there, cheerfully and busily lending a hand to Saint Peter. For me, it serves the purpose of reassuring that PAUL is all right—in fact, better off than he has ever been before.

We all remember a hundred different personal vignettes at times like this. In PAUL's case, my first acquaintance with him was very early in the morning the day after he was first elected to the Senate in 1992.

I had gone quietly into the den of our Raleigh home and turned on the television set—the volume very low, so as not to awaken Mrs. Helms. I wanted to catch up on the late returns from the election the day before.

I heard a voice; and I was intrigued and impressed by that voice. Then I looked carefully. I did not recognize the young man who was speaking. It was PAUL COVERDELL. I saw the picture of him that appeared on the screen. It was a live interview. PAUL had not yet gone to bed. He had been up for about 36 or 40 hours.

There he was fielding questions politely, intelligently, and with that inevitable smile on his face.

That was the moment my respect and admiration—and affection—for Senator COVERDELL began.

Now fast forward: Like most, if not all, other Senators, I realize today that I will forever have special memories of PAUL COVERDELL. He was a good man, an honorable man, a dedicated man with whom I shared a great affection for today's young people—the responsible ones, the ones who understand their good fortune of living in this country—those who, as PAUL COVERDELL once put it, understand that the strength and the goodness and the very future of America will shortly be in their hands.

I have sat and listened to other who have spoken so eloquently today of the Senator's rapid rise in the leadership of the Republican Party in the Senate. That happened because PAUL believed in the Senate. He believed in the meaning of the U.S. Senate, and he believed that we have a duty to endeavor to achieve a spirit of cooperation and understanding—including the realization that we have the duty to make the tripartite system work.

So, PAUL, if that's you whom I think I'm looking at on Cloud Nine, you know that we are missing you and that we are so dearly grateful for the years that we enjoyed working with you. I have a notion that the Lord will be blessing you for being His good and faithful servant while you were amongst us.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I thank Senator HELMS. He asked if he could speak before me. I said, of course, and that permitted me to hear what he had to say. It was beautiful, and I was privileged to hear it.

Most of us are privileged to believe in a hereafter. Frankly, it is difficult for me to conceive of an adult human being with a mind and a heart, difficult for me to see how they do not all believe there is a hereafter. But there is no doubt in my mind that what I believe by faith is true, and there is no doubt in my mind that PAUL COVERDELL is in the hereafter.

I didn't come to the floor today to speak about matters of great depth or of religion or faith or hope. I came to talk about the PAUL COVERDELL I knew day by day.

Let me first say, it is very difficult to put the flowers and the cloth where they actually belong, because PAUL COVERDELL is not known as much for being at that desk as he is being in this aisle and taking somebody's place in this chair. For most of his time in the Senate, he was either putting together a group of Senators to address an issue or he was trying to get the Senate's work done, because he was asked either by a chairman or by the leader to do it. The more difficult the task, the more it was given to him.

When you had an education bill with 200 amendments or a Labor-Health and Human Services appropriations bill with, at one point, 270 amendments, somebody quietly asked that one of our Senators help. It was almost always PAUL COVERDELL who was asked. He was so good at it and so friendly and could bring people together so well that the chairman willingly accepted his help. I can see the last time he pulled up his coat and was given, after he accepted the assignment, a list with hundreds of amendments on it. The task was: Narrow them down. By the end of the day, they were talking optimistically about finishing. And by the next day, PAUL COVERDELL, not at that desk but walking these aisles and sitting with Senators everywhere, was getting the work done, always being considerate, kind, and understanding.

Sometimes we herald Senators because they have been here a long time. I suggest that PAUL COVERDELL and his wife Nancy and those who knew him, those who elected him, and those who supported him must know by now that he was a wonderful Senator. That was not measured by his having four or five terms as Senator, as I have been lucky to do, or my friend, THAD COCHRAN, who sits here, from the State of Mississippi. But he, in a few years, captured all of our hearts and all of our hopes for success. We would transplant them over to him.

I came with no speech but with a letter. Two days, 3 days before he died, I arrived at my desk and found a letter. My staff had taken it out of the mail and put it on my desk. Frankly, I left it there not knowing he would die. I was going to read it in due course. Surely, the day that he died, I sat down at my desk and read his letter.

The letter is not profound. The letter is PAUL COVERDELL. It is the PAUL COVERDELL who is so considerate that after coming to my office and spending an hour and a half of his time with a staffer of his and two of mine, where he had asked me if I would be of help, he willingly said: I will come to your office. We talked with a couple of my staff who were assigned to him. He did a job for the Republicans in preparing something we needed, and then he wrote a letter on top of all that where he was doing the labor, the work. He wrote this letter:

DEAR PETE: Thanks again for meeting to discuss our recess communication efforts. As always, your insight has been quite helpful in determining how to craft a credible short term message on the surplus. Bill Hoagland

and Jim Capretta of your staff were of invaluable assistance to us as well. Thanks again.

Sincerely,

PAUL D. COVERDELL.

I submit there are not too many of us who would be so considerate that when we wrote a Senator to say it was good to be with you, would mention the staff people who really got the work done because they knew more about it than we did. But here is PAUL COVERDELL, the last sentence of his letter, thanking Bill Hoagland and Jim Capretta by name. He puts it in here. How many Senators are that considerate as to what the names of staffers are who they meet in another Senator's office? Some of us are not considerate enough to say: Would you please repeat your name because I would actually like to know your name.

I believe this is typical of PAUL COVERDELL. I surmise that for his whole life, certainly while he was in the Peace Corps, and the public service part of his life, he was always considerate.

Let me suggest that being considerate does not mean being weak. Being considerate does not mean you don't get something done. Being considerate does not mean you cave in. Being considerate is being like PAUL COVERDELL.

As I indicated, I will never remember him in that seat that we honor him by today because that is his assigned seat. I will remember him as more the epitome of a Senator who worked on the floor of the Senate. That is a very special kind of Senator. First of all, most of us don't know how to do it. Secondly, most of us are not asked to do it. He was asked. He knew how to do it in terms of helping people bring difficult matters to a head, to solutions, and helping his party with great insights on strategy.

Mr. President, I say to his wife Nancy and his beloved: We don't know how to explain this to any of you. We are incapable of doing that. But, clearly, if you don't know it now, in very short order you will understand that he lived a very great life as a Senator, and the respect and admiration that has been shown, and will be shown, is probably an indication that he was as close to all of us as any Senator around.

With that, I say good-bye, PAUL; God bless you and your family.

I yield the floor.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. LUGAR. Mr. President, our colleagues have spoken so well about PAUL COVERDELL as a gentleman, as a person who was thoughtful and persuasive. As Senator DOMENICI said, he worked the aisles indefatigably with the ideals that he held.

First of all, it is fundamental that PAUL COVERDELL was elected to the Senate. It was a very difficult contest—one not decided on election day, the day of his first election. He was an extraordinarily experienced politician and statesman in the State of Georgia, with remarkable legislative experience as a leader throughout much of his tenure. But those from our party in Georgia have a very difficult time with that, and that was the case for PAUL. It was a very close contest. He won graciously, came to the Senate, and had a difficult reelection contest for which he began to prepare early and in which he asked many of us to participate. But he did it all so gracefully, so thoughtfully, so constructively, that we rarely think of PAUL COVERDELL as a very tough political competitor and someone who was in a difficult arena. It took great courage to make those races to begin with and remarkable tenacity to follow through to success.

My own first impressions of PAUL COVERDELL came during the often commented period in which he served as head of the Peace Corps. PAUL COVERDELL was in Latin America and various other places where some of us tried to work for democracy in those days. They were remarkable days—the 1980s—in which all of the countries of our hemisphere finally landed on their feet with democratic institutions. That was true of countries in Asia and countries elsewhere around the world. PAUL COVERDELL's tenure in the Peace Corps is distinguished by the fact that the Peace Corps had matured, literally.

Many members of the Corps were now very mature individuals, not young persons out of college, or in some type of transition before they went into another professional career. As a matter of fact, under PAUL's tenure, the Peace Corps evolved into a group of teachers, environmentalists, and farm experts, in addition to, still, a very strong component of young idealistic people. It was this combination of people that gave sustenance to democracy, helped the economy, helped the pushing forward of intellectual pursuits, and likewise forged an increasing friendship and reverence for the United States and for our traditions.

Therefore, it was with great excitement that I welcomed PAUL COVERDELL to the Foreign Relations Committee. That is a committee on which he belonged. He made huge contributions on that committee. We focused frequently on Latin America, Central America, South America, and the Caribbean—areas with which he was well acquainted from previous times when he had really been there in the beginning of the evolution of many democratic propositions. I sat next to him in the committee through the markups, through the hearings. He was always cheerful. He was always thoughtful in exchanging views in a very forthright way. I admired and I listened to PAUL. He made a very strong contribution day by day in the work of the committee.

But my close association with PAUL came in the Agriculture Committee. I will mention that PAUL was chairman of the Senate Agriculture Committee, Subcommittee on Marketing, Inspection, and Product Promotion. He did a great job. We have just four subcommittees in the Agriculture Committee. These are committees that have opportunities to hold hearings independently, or to contribute to the body as a whole as they may wish. PAUL COVERDELL had a broad philosophical view of agriculture that included freedom—freedom for the farmers whom he represented to make decisions with regard to management of their land and their crops and their livestock, and the prospects for their communities. He championed that idea without apology. But he also was very much in tune with the very specific problems of Georgia farmers.

They included an interest in peanuts. PAUL and I had disagreements about the peanut program. In fact, it has either been my fate or privilege for many years to suggest reform. PAUL always feared that those reforms would come during his time, and he tried to dissuade me and, having failed in that respect, to at least bring me up to date on what the actual problems of peanut farmers were, how they could be helped, and how the legislation I was suggesting could be brought before the committee and modified, and ways to be helpful to the overall policy and to the constituents whom he saw very much in need of his support.

Mr. President, he prevailed in that area. We made reforms. But I think they were reforms that were very heavily influenced by the hand of PAUL COVERDELL. Due to the fact that he did his homework, he was persuasive, and he knew the farmers. He spoke for them.

In addition to the peanut situation, which was always with him, in recent years, severe drought—and this is one of those years in Georgia—occupied much of PAUL COVERDELL's time, working with specific landowners and communities, with much of his State in the throes of a very difficult predicament. As I looked at the weather map just last week, I saw how the drought problem has shifted just in a very few weeks in our country from patches that covered much of the area of the United States to very isolated situations. Unfortunately, Georgia is one of those situations. It is especially cruel because the rains have come to the Midwest and to many of the plains States with isolated problems still—in some parts of Nebraska, Iowa, and the Dakotas.

But PAUL, in his own way, always made certain we knew about Georgia and the very specific problems there. So when we had the large debates that we were privileged to have on the floor, dealing with risk management, dealing with payments to farmers to supplement their income in a very difficult year, and with specific emergencies, PAUL was very active in that debate. He was successful in that debate.

As Senator DOMENICI pointed out in his beautiful statement, PAUL COVERDELL was always one who thanked everybody involved and made certain

that they knew of his care and attention and appreciation. It was my privilege to receive one of those notes after the debate which we had here. It is very difficult to try to think about the representation of that State without thinking of PAUL COVERDELL. He was so good, so faithful and, really, so effective and articulate. He was such a good friend. We will miss him. Our thoughts are with him and with Nancy.

I yield the floor.

Mr. STEVENS. Mr. President, I join my colleagues today in expressing my sadness over the loss of a valued colleague. I think we have lost a great friend.

I was looking over some of the correspondence I had with Senator COVERDELL. He sent me some Vidalia onions and told me they had a punch. He had a way of writing that was very interesting, in fact.

I think Senator COVERDELL grew in stature every year he was here.

I remember so well when he came to us. We had known him as part of the Peace Corps group. I believe his wife was a Delta stewardess at the time. He came around to visit each one of us. He came around to visit me and told me a little bit about some of his background. I knew then that we had a person who was going to be outgoing because not many Senators do that. He took time to visit with each one of us as he came to the Senate.

I think the skills he developed as a mediator will be missed in this Senate. I remember some of the bills he worked on even just this year—the Health and Human Services bill, for instance—bills with so many amendments, and it took committed work on the floor of the Senate.

PAUL COVERDELL was a volunteer. He volunteered himself for the task; he worked with Senator REID from Nevada. I think he assisted members of our committee on an enormous number of disputes. Without his help and without his skills, I think we would still be involved in some of those bills.

He also came to us with some educational background from his life in Georgia. He brought us some educational concepts that are going to last, I hope, for years to come. His education savings account program, for instance, is one.

He also helped us in the field of general education because of his approach. He prodded us, I think Senator SPECTER would agree, to not only meet but to exceed the President's request this year on educational funding.

He was a very interesting and complex man. He was an advocate for keeping drugs out of the hands of children. He saw the appropriations process—as Senator COCHRAN and others who work with me on appropriations know—as a means to try to solve problems through the proper use of public funds.

As chairman of the Defense Subcommittee of our Appropriations Committee, I met with him often on problems of military families in his State. I know of no person who was a more vigorous advocate for production from a State than PAUL COVERDELL. When it came to the C–130 aircraft, he was a workhorse and not a show horse. I don't remember seeing PAUL COVERDELL's name in the paper in terms of some who sought publicity, but I saw in him a great deal as a man who sought results.

I say to the Senate that we lost a great friend and a valued colleague. I join in expressing my sadness over his loss.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. REED. Thank you, Mr. President. I would like to join my colleagues in expressing my sadness and my condolences in behalf of the family of PAUL COVERDELL.

In the more than 3 years that I have had the privilege of serving in the Senate, he was someone who was respected for his work, for his effort, and for his sincere commitment to ensuring that all the viewpoints were heard, and that we moved forward and acted for the people of this country.

He was particularly protective, obviously, of his State of Georgia and his constituents because he felt deeply for their needs. He worked hard to achieve benefits for his constituents. He had talent, personality, and character. You could disagree with him, but he was not a disagreeable person. He was a consummate gentleman. He was polite. He was civil. He was approachable. He had those personal qualities that endeared him to all who serve in this body. He was someone respected by all of us. We all admired him.

Other colleagues have talked about his many efforts in educational policy, such as his efforts to ensure appropriate response for our military posture around the world.

I had the occasion just briefly in the last debate about Colombia to work with him and speak with him. He was committed to ensuring that our policy in that part of the world was not only consistent with our ideals as a democratic nation but also helped decisively stem the tide of drugs that has weakened this country. He did it in his typical fashion—quietly, diligently, without a lot of fanfare but with great success and great results.

We shall miss his temperament. We shall miss his commitment to this process. We shall miss his character and his contribution to the country.

To his family I offer my sincerest condolences.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Hampshire.

Mr. GREGG. Mr. President, I rise with my colleagues to express my deepest sympathy for Nancy and PAUL's family.

I had the great good fortune to come to the Senate with PAUL COVERDELL, as did the Senator from North Dakota, who I see sitting across the aisle.

PAUL was a special individual. He brought to this Senate an infectious enthusiasm and gracious energy which dominated the institution and those of us who worked with him. He always had a smile. He always had an idea. He always had a purpose. The purpose was tied to making this country a better place to live—for all of us and for our children.

He used to wander around this institution with a styrofoam cup that had ''Waffle House'' on it. That was one of the great mysteries to me in this institution—how PAUL COVERDELL managed to get Waffle House coffee sent all the way from Georgia.

It was a great promotor of Georgia. He never missed an opportunity to promote Georgia. That was only one of the minor ways he did it.

He was a great friend, also. I had lots of discussions with him. We worked on lots of issues—our concerns about the original health care proposal put forward by this administration, to when we set up the first aggressive, active task force that I got involved in and that he was also involved in. Even at the time we were both new to this institution, he had an incredible amount of ideas and initiatives on ways to address the issues. He was always tactically two or three steps ahead of the rest of us. He understood the way the institution worked long before some of us—I put myself in that category—who didn't fully understand the institution. He had an intuitive sense about the Senate—a feel for it and a love of it. He knew how to work an issue, to address an issue in order to produce better policy and better government for our country. I worked with him on that.

It seemed almost all of the time we were working on an answer with PAUL COVERDELL because he was involved in about every issue that came through the institution that had significance. The last major issue I worked with him on, of course, was education. We had a task force on our side to put forward what I thought was an extremely positive educational agenda, much of which came from his thought processes, which I was proud to support.

We worked a lot, of course, on Governor Bush's campaign. I had a discussion last Friday with him about that. He was working hard on an issue having to do with that campaign, and we was very hopeful that Governor Bush would become the next President.

He also had, as I mentioned, a deep regard for this body.

I think one of the discussions I will remember fondly occurred last week when we were sitting in my office. Some of the offices in the Russell Building have unique marble fireplaces. Many offices have unique desks. He was very concerned that we didn't really have a historical database of where these desks came from, who had these desks, and we didn't have a historical database of where the marble, for example, of the fireplaces came from; We had not, as a Senate, done our job of maintaining our own traditions and our own history as well we

might. We got to talking about that and the history of the Senate. His love of the institution was exuberant.

What a huge impact he had in such a short time. We only came 8 years ago—the two of us. At that time, I think there were 11 after the class finally got settled in. He took a while to get here because he confronted a number of races, but with his perseverance he was totally committed and won them all. In that time, he left a huge mark.

One of the true strengths of our democracy is that it totally exceeds any individual. This institution includes Daniel Webster, Calhoun, Clay; people in our century who had a huge impact, including Taft, Bob Dole. When they leave, the institution goes on; it functions. It functions extraordinarily well for a democratic body—as well as a democratic body can function. It produces governance for our people which is fair and honest and committed to a better life.

Recognizing that the institution goes on, there are still people who leave a mark. There are still people whose memory will be there, and will be there for a considerable amount of time. PAUL certainly falls in that category. It will be hard for me to turn and look at that door and not see PAUL standing by it, working on some issue. That is where he usually worked from, the pillar back there, addressing some concern, planning some initiative, all of which was directed at one single purpose: Preserving and keeping our democracy.

We will miss him.

I yield the floor.

Ms. MIKULSKI. Mr. President, I rise to pay tribute to the life and legacy of Senator PAUL COVERDELL. His passing has shocked and saddened us all. It has left a void in the Senate and in our nation.

For Senator COVERDELL, public service was his profession and his passion. After serving in the Army, he began his public life as a member of the Georgia State Senate where he served as Minority Leader. After working in the private sector, he was appointed Director of the Peace Corps. In this important position he worked to spread American values around the world. This experience helped him when he later served on the Senate Foreign Relations Committee, where he was a leader in our international effort to strengthen our anti-drug efforts.

In the Senate, Senator COVERDELL was known as a hard worker who often reached across the aisle to build coalitions. Senator COVERDELL fought hard for his principles. We didn't always agree on policy—but he always treated those on the other side with dignity and respect. He knew that despite our different views, we all shared a common goal. We all want to do what's best for our constituents and our nation. He understood that we can get more done with civility than with contention.

Senator COVERDELL will be greatly missed. My thoughts and prayers are with his family.

Mr. CAMPBELL. Mr. President, I would like to address the terrible loss the Senate suffered yesterday, when PAUL COVERDELL left this Earth. I was truly shocked by the news. Just last week, PAUL was on the floor of the Senate, working in his quiet and non-assuming way. Yesterday, I was writing him a get-well card. Today, he is gone.

PAUL was a dedicated public servant. He served the state of Georgia and this nation in the Army, the legislature, as a businessman, as the head of the Peace Corps and in the U.S. Senate. The respect he had earned from his colleagues here is evident in his appointment to numerous task forces and his election to a leadership position. His passing is a major loss to this body and this great country.

Since I am also from a state where agriculture is an important part of the economy, PAUL was a valuable ally in ensuring the family farms do not disappear. I also admired his work to keep our children safe from drugs and crime, a priority he and I shared. PAUL represented the best of America: a belief that people flourish when they have the freedom to work and make their own decisions.

PAUL will truly be missed. He stood out in the Senate for the simple reason that he never drew attention to himself. In a business where egos can run rampant, PAUL did not display one. He preferred to get things done.

My thoughts and prayers are with his wife, Nancy, and their family. They have some tough days ahead of them. I hope they can look back, as I do, at the impressive record of PAUL's work with a sense of pride. I am thankful for the chance to know such a man.

Mr. CONRAD. Mr. President, I rise today to join my colleagues in mourning the sudden and untimely death of our colleague from Georgia, PAUL COVERDELL.

Senator COVERDELL had a long and distinguished career of public service, capped by his dedicated service in the United States Senate. Senator COVERDELL served his country in the United States Army in Japan, Taiwan and Korea. In 1970, he embarked on a career in politics in his native Georgia, serving as a state Senator and chairman of the state Republican party. In 1989 he was selected by President Bush to lead the Peace Corps.

We here in the Senate, though, knew PAUL COVERDELL as a friend and as a real gentleman. We did not always agree on the issues, but PAUL COVERDELL never took policy disagreements personally and never let them affect his relationships with other Senators. Senator COVERDELL was always very positive, very upbeat. On every issue, even when we disagreed, I found PAUL to be fair, decent, and, above all, honest.

In this body, some Senators are known as ''work horses.'' Others are known as ''show horses.'' There is no question that PAUL COVERDELL was a work horse. He was not flashy. He did not seek the media spotlight. PAUL COVERDELL worked tirelessly with the leadership on his side of the aisle on some of the toughest issues facing the Senate. He was interested in getting results, not credit. His focus, his determination, and his willingness to bring other Senators together to get things done served the Senate well, served Georgia well, and served our country well. His spirit and energy will be sorely missed in this body.

Put simply, I liked and respected PAUL COVERDELL. We will miss him. My thoughts and prayers go out to his wife, Nancy, his family and friends, and his staff.

Mr. SESSIONS. Mr. President, I join all of my colleagues, the staff of the Senate, the people of Georgia, citizens across America and around the world in morning the death of PAUL COVERDELL.

A thoroughly decent human being, he worked long and hard for what he thought was right. His career reflected the combination of principle and effective leadership that were characteristic of the way he did business. In his quite way, he managed to navigate some very difficult waters, keeping his equanimity and dignity intact, while gaining not only his goal, but the respect of all who associated with him.

Many in the Senate can claim friendships with him that extend to several decades. I met him only after he was elected to the Senate in 1992, but from the first, I was impressed by the same things his friends loved and admired in him—his kindness, his sense of humor, and his work ethic. A skilled legislator, he was often asked by the leadership to help move matters along. He did this in concert with colleagues on both sides of the aisle, always managing to ''disagree without being disagreeable.'' He was a public servant of the highest order.

His family, friends, staff, constituents, and colleagues certainly know what has been lost for we know what he was and what he did with his life. He will be missed in so many circles, but his influence and his good works will continue.

Mrs. MURRAY. Mr. President, I want to join with my colleagues in expressing my deep sorrow at the loss of our friend and colleague, PAUL COVERDELL. During this difficult time, I want to extend my thoughts and prayers to Nancy and all of his family.

PAUL and I both came to Washington, D.C. in January of 1993. In the years that I've know PAUL, I've always been impressed by his thoughtfulness and his work ethic.

I always had the upmost respect for him because of his quiet demeanor. He did not seek headlines, and he did not seek credit. Whether it was fighting illegal drugs or working on education or tax policy, he simply did his work with a quiet determination, an open heart,

and a kind word for anyone who crossed his path.

My predecessor in the Senate, Warren Magnuson, had a phrase for someone like that— ''a workhorse not a showhorse.''

PAUL COVERDELL was a workhorse in the finest sense.

PAUL earned the respect of everyone here because he treated everyone else with respect and dignity.

PAUL's work here in the United States Senate was really just an extension of a lifetime of service. Whether it was serving his country in the U.S. Army, serving the people of Georgia as a state senator, or helping people around the world through his work as director of the United States Peace Corps, PAUL brought his generous spirit and his determination to everything he undertook.

Mr. President, the people of Georgia are fortunate to have been served by a person of PAUL's character and skills.

Those of us who worked with him here in the U.S. Senate were fortunate to have him as a friend and colleague. His passing is a loss to our Senate, to Georgia and to the Nation. I will miss him as a friend and colleague.

Mr. SARBANES. Mr. President, I rise today to join my colleagues in honoring a distinguished public servant and a valued Member of the United States Senate, Senator PAUL COVERDELL, who died Tuesday evening at the Piedmont Hospital in Atlanta, Georgia.

Senator COVERDELL was elected to the United States Senate in 1992 and served as the Republican Conference Secretary since December, 1996. He was a member of the Senate Finance, Foreign Relations, and Small Business Committees and chaired the Agriculture Committee's Subcommittee on Marketing, Inspection and Product Promotion.

Before entering public life, Senator COVERDELL served in the U.S. Army in Okinawa, Taiwan and Korea. He earned a Bachelor's degree in journalism from the University of Missouri before returning to Georgia to work in his family's business.

PAUL COVERDELL's political career began in 1970 when he was elected to the Georgia State Senate serving as Minority Leader for 14 years. In 1989, he accepted President Bush's appointment as Director of the Peace Corps, where he refined the agency's mission to serve the emerging democracies of Eastern Europe.

While Senator COVERDELL and I rarely agreed on the many issues that came before the Senate for consideration, I greatly respected his hard work and his unfailing courtesy and civility. He was a modest man who valued results more than he valued headlines. Indeed, PAUL COVERDELL was well-respected by every member of this body, engendering the affection of all those with whom he served.

Senator COVERDELL served the citizens of Georgia and the Nation well and we are all deeply saddened by his untimely death. I would like to take this opportunity to pay tribute to him and to extend my deepest and heartfelt sympathies to his family.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2001—Continued

AMENDMENT NO. 3925

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. I thank Senators for their eloquent words about the passing of PAUL COVERDELL. I see no one else seeking recognition for that purpose, so at this time I move back to the bill. If there is anything PAUL COVERDELL disliked, it was quorum calls and delaying the process. We worked together on the education bill, and I know he was proud when it moved expeditiously and the debate was lively.

In that spirit, I think we must return to the business before the Senate.

Therefore, I call up amendment 3925.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Vermont [Mr. JEFFORDS], for himself, Mr. WELLSTONE, Mr. DORGAN, Ms. SNOWE, Mr. GORTON, Mr. JOHNSON, Mr. LEVIN, and Mr. BRYAN, proposes an amendment numbered 3925.

Mr. JEFFORDS. Mr. President, I ask unanimous consent reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To amend the Federal Food, Drug, and Cosmetic Act to allow importation of covered products)

At the end of title VII, add the following:

SEC. . AMENDMENT TO FEDERAL FOOD, DRUG, AND COSMETIC ACT.

(a) SHORT TITLE.—This section may be cited as the ''Medicine Equity and Drug Safety Act of 2000''.

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

(1) The cost of prescription drugs for Americans continues to rise at an alarming rate.

(2) Millions of Americans, including medicare beneficiaries on fixed incomes, face a daily choice between purchasing life-sustaining prescription drugs, or paying for other necessities, such as food and housing.

(3) Many life-saving prescription drugs are available in countries other than the United States at substantially lower prices, even though such drugs were developed and are approved for use by patients in the United States.

(4) Many Americans travel to other countries to purchase prescription drugs because the medicines that they need are unaffordable in the United States.

(5) Americans should be able to purchase medicines at prices that are comparable to prices for such medicines in other countries, but efforts to enable such purchases should not endanger the gold standard for safety and effectiveness that has been established and maintained in the United States.

(c) AMENDMENT.—Chapter VIII of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 381 et seq.) is amended—

(1) in section 801(d)(1), by inserting ''and section 804'' after ''paragraph (2)''; and

(2) by adding at the end the following:

''SEC. 804. IMPORTATION OF COVERED PRODUCTS.

''(a) REGULATIONS.—

''(1) IN GENERAL.—Notwithstanding sections 301(d), 301(t), and 801(a), the Secretary, after consultation with the United States Trade Representative and the Commissioner of Customs, shall promulgate regulations permitting importation into the United States of covered products.

''(2) LIMITATION.—Regulations promulgated under paragraph (1) shall—

''(A) require that safeguards are in place that provide a reasonable assurance to the Secretary that each covered product that is imported is safe and effective for its intended use;

''(B) require that the pharmacist or wholesaler importing a covered product complies with the provisions of subsection (b); and

''(C) contain such additional safeguards as the Secretary may specify in order to ensure the protection of the public health of patients in the United States.

''(3) RECORDS.—Regulations promulgated under paragraph (1) shall require that records regarding such importation described in subsection (b) be provided to and maintained by the Secretary for a period of time determined to be necessary by the Secretary.

''(b) IMPORTATION.—

''(1) IN GENERAL.—The Secretary shall promulgate regulations permitting a pharmacist or wholesaler to import into the United States a covered product.

''(2) REGULATIONS.—Regulations promulgated under paragraph (1) shall require such pharmacist or wholesaler to provide information and records to the Secretary, including—

''(A) the name and amount of the active ingredient of the product and description of the dosage form;

''(B) the date that such product is shipped and the quantity of such product that is shipped, points of origin and destination for such product, the price paid for such product, and the resale price for such product;

''(C) documentation from the foreign seller specifying the original source of the product and the amount of each lot of the product originally received;

''(D) the manufacturer's lot or control number of the product imported;

''(E) the name, address, and telephone number of the importer, including the professional license number of the importer, if the importer is a pharmacist or pharmaceutical wholesaler;

''(F) for a product that is—

''(i) coming from the first foreign recipient of the product who received such product from the manufacturer—

''(I) documentation demonstrating that such product came from such recipient and was received by such recipient from such manufacturer;

''(II) documentation of the amount of each lot of the product received by such recipient to demonstrate that the amount being imported into the United States is not more than the amount that was received by such recipient;

''(III) documentation that each lot of the initial imported shipment was statistically sampled and tested for authenticity and degradation by the importer or manufacturer of such product;

''(IV) documentation demonstrating that a statistically valid sample of all subsequent shipments from such recipient was tested at an appropriate United States laboratory for authenticity and degradation by the importer or manufacturer of such product; and

''(V) certification from the importer or manufacturer of such product that the product is approved for marketing in the United States and meets all labeling requirements under this Act; and

''(ii) not coming from the first foreign recipient of the product, documentation that each lot in all shipments offered for importation into the United States was statistically sampled and tested for authenticity and degradation by the importer or manufacturer of such product, and meets all labeling requirements under this Act;

''(G) laboratory records, including complete data derived from all tests necessary to assure that the product is in compliance with established specifications and standards; and

''(H) any other information that the Secretary determines is necessary to ensure the protection of the public health of patients in the United States.

''(c) TESTING.—Testing referred to in subparagraphs (F) and (G) of subsection (b)(2) shall be done by the pharmacist or wholesaler importing such product, or the manufacturer of the product. If such tests are conducted by the pharmacist or wholesaler, information needed to authenticate the product being tested and confirm that the labeling of such product complies with labeling requirements under this Act shall be supplied by the manufacturer of such product to the pharmacist or wholesaler, and as a condition of maintaining approval by the Food and Drug Administration of the product, such information shall be kept in strict confidence and used only for purposes of testing under this Act.

''(d) STUDY AND REPORT.—

''(1) STUDY.—The Secretary shall conduct, or contract with an entity to conduct, a study on the imports permitted under this section, taking into consideration the information received under subsections (a) and (b). In conducting such study, the Secretary or entity shall—

''(A) evaluate importers' compliance with regulations, and the number of shipments, if any, permitted under this section that have been determined to be counterfeit, misbranded, or adulterated; and

''(B) consult with the United States Trade Representative and United States Patent and Trademark Office to evaluate the effect of importations permitted under this Act on trade and patent rights under Federal law.

''(2) REPORT.—Not later than 5 years after the effective date of final regulations issued pursuant to this section, the Secretary shall prepare and submit to Congress a report containing the study described in paragraph (1).

''(e) CONSTRUCTION.—Nothing in this section shall be construed to limit the statutory, regulatory, or enforcement authority of the Secretary relating to importation of covered products, other than the importation described in subsections (a) and (b).

''(f) DEFINITIONS.—In this section:

''(1) COVERED PRODUCT.—The term 'covered product' means a prescription drug under section 503(b)(1) that meets the applicable requirements of section 505, and is approved by the Food and Drug Administration and manufactured in a facility identified in the approved application and is not adulterated under section 501 or misbranded under section 502.

''(2) PHARMACIST.—The term 'pharmacist' means a person licensed by a State to practice pharmacy in the United States, including the dispensing and selling of prescription drugs.

''(3) WHOLESALER.—The term 'wholesaler' means a person licensed as a wholesaler or distributor of prescription drugs in the United States.''.

Mr. JEFFORDS. Mr. President, I also ask unanimous consent that Senator BRYAN be added as a cosponsor to the amendment.

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

Mr. JEFFORDS. Mr. President, I will now discuss a problem we have relative to the cost of prescription drugs.

I am joining several of my colleagues from both sides of the aisle in offering an amendment that will take a giant step toward providing access to affordable prescription drugs for Vermonters, and all Americans.

Our amendment will allow pharmacists and wholesalers to import safe, U.S.-made, FDA-approved lower-cost prescription drugs from other countries. We maintain the gold standard of safety in this country, but hope to rein in the platinum standard we have for prices.

Prescription drugs have revolutionized the treatment of certain diseases, but they are only effective if patients have access to the medicines that their doctors prescribe. The best medicines in the world will not help a person who can not afford them.

Americans pay by far the highest prices in the world for prescription drugs, and for many the price is just too high.

What's worse is that those Americans who can least afford it are the ones paying the highest prices. Americans who don't have health insurance that covers drugs are forced to pay the ''sticker price'' off the pharmacist's shelf.

In short, the practice of price discrimination hits the uninsured and low-income Medicare beneficiaries the hardest.

It is sad that during a time when the United States is experiencing unprecedented economic growth, it is not uncommon to hear of patients, like we heard in my committee's hearing yesterday, who cut pills in half, or skip dosages in order to make prescriptions last longer, because they can't afford the refill.

The question that we must ask is, can we put politics aside and work in a bipartisan manner to deal with this national crisis? I say we must. And I am hopeful that today we can.

This bipartisan amendment I am offering is based on legislation I introduced, S. 2520, the Medicine Equity and Drug Safety Act, or the MEDS Act. Joining me in introducing that legislation were Senators WELLSTONE, SNOWE, and COLLINS and joining as cosponsors are Senators DORGAN and GORTON. The hearing I held yesterday allowed all of the parties to fully examine and articulate their views on this legislation.

Our bill, which we have revised and are offering as an amendment, gives pharmacists and wholesalers the ability to negotiate more favorable prices with manufacturers. They can do so because they will have the ability to purchase in other countries—this is important—where exactly the same drugs are sold for far less. These are areas that have been approved by the FDA. There is no question about that aspect.

The drug industry has argued that this amendment compromises safety. As chairman of the Committee on Health, Education, Labor, and Pensions, safety is my first concern. That is why these imports will be limited to FDA-approved drugs that are made in the United States or FDA inspected facilities. And that is why this amendment reflects weeks of discussions with the people who enforce our drug safety laws.

The amendment before us is a revision of the MEDS Act based on input from government experts who raised issues of public health and safety. Specifically, I asked FDA for technical assistance on this bill, and addressed each safety concern that the agency raised.

I also point out to my colleagues that this amendment specifically authorizes FDA to incorporate any other safeguard that it believes is necessary to ensure the protection of the public health of patients in the United States.

This amendment is about free trade. Why should Americans pay the highest prices in the world for prescription drugs? All this amendment does is allow international competition to bring rational pricing practices to the prescription drug industry. It introduces competition which is the hallmark of our success in this Nation.

I point out this bipartisan amendment also drops a provision in our original bill that would have allowed personal imports, which I would have liked to retain because I think it is important.

We dropped the personal use provision in order to answer concerns that some raised about safety. I was willing to compromise on that point at this time in order to get a bill that raises no safety concerns at all.

I want the record to clearly reflect that I still feel strongly that Vermonters should not be in violation of federal law if they go a few miles across the border into Canada to get deep discounts on prescriptions. We do nothing in here to indicate they should not be allowed to do so.

This amendment will provide equitable treatment of Americans, particularly those who do not have insurance, or access to big discounts for large purchases like HMOs. As I said before, this is not the only solution. I strongly believe we need a prescription drug benefit in the Medicare system for those people who are eligible for Medicare. But it is a commonsense measure that we can enact now to ease the burden of expensive prescription drugs on our people, for those on the borders, and all Americans. I ask for the support of my colleagues.

I yield the floor.

The PRESIDING OFFICER. The Senator from Mississippi.

AMENDMENT NO. 3927 TO AMENDMENT NO. 3925

Mr. COCHRAN. Mr. President, I send a second-degree amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Mississippi [Mr. COCHRAN], for himself and Mr. KOHL, proposes an amendment numbered 3927.

At the end of the amendment insert the following:

''(g) This section shall become effective only if the Secretary of the Department of Health and Human Services certifies to the Congress that the implementation of this section will: (1) pose no risk to the public's health and safety; and (2) result in a significant reduction in the cost of covered products to the American consumer.''

Mr. COCHRAN. Mr. President, the purpose of this second-degree amendment is to try to help ensure the result of the change in this law, in the authority for importing drugs into the country or selling drugs to American consumers from Canada, which I think this amendment the Senator has offered is targeted to address, will not result in any new dangers to the consuming public, and would require the Secretary to certify that that would be the case for any new regulatory regime implementing the amendment if it is adopted.

One problem we need to bring to the attention of the Senate in connection with this amendment is the added cost that is going to result from this, in terms of added appropriations for the Food and Drug Administration. It is estimated by that agency that $92 million would have to be appropriated to provide the funding necessary to implement and carry out the obligations of that agency in connection with supervising this amendment.

The distinguished Senator is chairman, as Senators know, of the legislative committee that has jurisdiction over this overall subject area in the law. I regret this is an issue being brought to the Senate as an amendment to the Agriculture Department's appropriations bill. It would be more appropriate, in my view, for the legislative committee which the Senator chairs to deal with this, to report out legislation, and in the usual way of managing changes in the law, have the Senate address it on a freestanding bill. The body is put at a disadvantage to try to understand all the nuances, the implications of the legislation, what the practical results will be. It has become very controversial. I think the Senator from North Dakota, in opening remarks as we brought this legislation up yesterday or the day before, talked about the advertising that was being run in the newspapers by the pharmaceutical industry. I think that is on this subject. It is related to this subject.

So there is a great deal of attention being focused on this highly controversial issue. All the States along the northern tier that border on Canada have a great interest in this. It has become a hot button political subject for debate in senatorial campaigns and, I guess, all the congressional elections and the Presidential campaign. So this is a big political item here we are called upon to understand, to sort through, and then to make sure we legislate in a fashion that serves the public interest—not somebody's private political interest, not somebody's private financial interest, but the broad public interests of the United States. That is our responsibility.

So what I am seeking to do with this second-degree amendment is ensure that is the result; that we are not putting in jeopardy, by changing this law, if this survives the process here in the Senate and conference with the House—we are not putting in jeopardy the well-being of American consumers and we also prepare to add to the funding requirements of the Food and Drug Administration to enable them to carry out their obligations under the law.

With those words of explanation as to where I see this and how I see this playing out, I am not going to prolong the debate.

Let me point out one other thing. Some might say this is legislation on an appropriations bill; Why don't you just raise the issue in that way? Make a point of order under rule XVI.

The point is the House has included language in its Agriculture appropriations bill and this amendment, as it is drafted—as I am advised by the Parliamentarian—is not subject to a rule XVI point of order but, rather, it is germane and would not fall if a point of order is made. That may be tested by somebody if they want to argue with the Parliamentarian about it, but that is what my staff advises me.

With that information about this situation I am prepared to let others talk about it. Let me say, before I yield the floor, just as a matter of general information now that we are on the bill, Senator KOHL is the cosponsor of this second-degree amendment. I have offered the amendment with him.

Also, as we began consideration of the appropriations bill, he did not have an opportunity to make his opening remarks. At some point this afternoon, we will give him that opportunity or he can take that opportunity when he gains recognition from the Chair.

I hope this will not be a long, drawn-out debate. It is not necessary. We have heard a lot of speeches about this. We have had a lot of information sent to our offices on this issue of reimportation and selling drugs and pharmaceutical products across the borders, importing from manufacturers, the rights of pharmacists—all the other related issues. It is a serious matter. But we do not need to have a long, drawn-out filibuster of it in my view. We need to vote on it. If the votes are here to adopt this amendment, so be it. We will take it to conference and try to resolve the issue in the way we always do, give and take, trying to understand what is best for the country.

Also in connection with the broader picture of the bill itself, we do not have a lot of troublesome issues in this bill, in my view. I have not heard from Senators. We have asked Senators to let us know if they have amendments, to bring them to the floor and offer them, and let's dispose of them and complete action on this bill. I was heartened today by conversation, as we were getting started, from the Senator from Nevada, the assistant Democratic leader, Mr. REID, who suggested we could finish this bill today. He saw no reason why we could not. I see no reason why we could not finish it today.

I hope as we proceed we will keep that goal in mind. Let's finish this bill today. I hope we can have third reading at about 6 o'clock. I do not see any reason why we cannot.

There are some Senators who want to offer amendments. We want to hear them. We want to consider them and consider them fully and fairly, but it should not take an unnecessarily long amount of time to do that. So I encourage the Senate to act with dispatch, deliberation, but all deliberate speed. That is a Supreme Court phrase that has been used from time to time.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. Mr. President, I respectfully disagree with my distinguished chairman and also the ranking member on the amendment they have proposed. This amendment is worded in such a way as to prevent the proposal from ever taking effect because they know it will be impossible, certainly so difficult as to be unworkable, to prove prospectively that all savings will be passed on to the patients. There is no way that can happen. This is just in there to clean this bill up. I strongly oppose this amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I rise to support the legislation offered by the Senator from Vermont. But before I speak on that let me just mention to the Senator from Mississippi and the Senator from Wisconsin who have brought this bill to the floor, I am a member of their subcommittee on appropriations. I certainly respect the work they have done. They do an outstanding job, they and their staffs, putting together the Agriculture appropriations bill. It is not an easy bill to construct and to bring to the floor.

One amendment that I will offer at a later time will deal with the disaster now facing farmers who have flooded lands and especially those farmers whose crops are burning up day after day in the deep South.

Last Friday morning, as we were taking a series of votes, I talked with Senator COVERDELL. He and I were prepared to offer an amendment to assist farmers dealing with flooded lands in my part of the country and drought-stricken lands in Georgia. Georgia is the hardest hit State with drought

problems, and family farmers there are suffering substantially. Senator COVERDELL intended to join me in offering an amendment offering them some emergency assistance. I will want to address this issue on this legislation. I will certainly talk with the chairman and the ranking member to do so in a way that relates to the needs of the Senate, but especially in a way that meets the needs of those family farmers who, through no fault of theirs but through natural disasters, have seen their crops disappear and are suffering some very significant problems.

I will save further discussion of this problem for a later time in this debate.

With regard to the amendment offered by the Senator from Vermont, I strongly support this amendment. Several bills have been introduced in Congress on this subject. I introduced a piece of similar legislation along with Senator WELLSTONE and Senator SNOWE. I am also pleased to join as a cosponsor of the legislation authored by the Senator from Vermont.

All of these bills relate to the same issue. That issue is very important and one we should address. The reason it is being addressed here and now is that the House of Representatives has already addressed it on its Agriculture appropriations bill, and it is important that the Senate also weigh in on this issue. The Senator from Vermont certainly has a right, and is protected with respect to germaneness, to offer this amendment to this bill.

Let me describe the issue before us in terms that people can better understand, using a couple of different medicines as examples.

I ask unanimous consent that I be allowed to use these medicine bottles in my presentation.

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

Mr. DORGAN. I have here bottles of 3 different prescription drugs that are ranked among the top 20 in the United States in the number of prescriptions filled and sales volume. All of these drugs, incidentally, are approved by the U.S. Food and Drug Administration.

I have here the actual bottles for these medicines. This one happens to be Zoloft, which is used to treat depression. The company that produces these pills and puts them in different size bottles then sells them all around the world. It is exactly the same medicine produced by the same company, sold in different places. Buy it, for example, in Emerson, Canada, and you will pay $1.28 for a pill. Buy it 5 miles south of there in Pembina, ND, and you will not pay $1.28 for the same pill. Instead you will pay $2.34. It is the same pill in the same bottle, made by the same company in the same manufacturing plant. The only thing different is the price. The pill costs $1.28 in Canada, and $2.34 for an American consumer.

Or what about Zocor? Zocor is a very popular prescription drug. Pick up any Newsweek or Time magazine and see the multipage ads for this drug. I have here two bottles of Zocor made by the same company, with the identical manufacturing process. One bottle is sent to Canada where it costs $1.82 per tablet; the other is sent to a U.S. consumer who is charged $3.82: $1.82 for someone living in Winnipeg, $3.82 for someone living in Montpelier.

Norvasc is a prescription drug that is used to lower blood pressure. The bottles are almost identical—again, both bottles are by the same manufacturer, and contain the same pill. Norvasc costs the Canadian consumer 90 cents. It costs the U.S. consumer $1.25 per pill.

Or to look at this price disparity another way, the cost of a 1-month supply of Zocor—the same pill, by the same company, in the same bottle—is $54 when it is sent to a Canadian. When it is sent to an American, it costs $114.

Or Zoloft—again the same pill, by the same company, made in the same manufacturing plant—costs the Canadian $38 for a 1-month supply; the American pays $70.

Norvasc costs Canadians $27 for a one month supply and the same quantity costs Americans $37. I can show you medicine where the price inequity is 10 to 1.

The question our constituents in the States of Vermont, North Dakota, Minnesota, and Washington ask is: How can this be justified? This is the same product. If this is a global economy, why must I go to Canada to try to buy a prescription drug that was manufactured in the United States in the first place in order to buy it for half the price? That is what Americans all across this country are asking.

The companies that produce these medicines are able to access all of the ingredients they need to produce prescription drugs from all around the world in order to get the lowest prices. If the pharmaceutical manufacturers are able to benefit from the global economy, why then can the consumer not also access that same drug made in a plant approved by the FDA when it is being sold in Winnipeg for half the price?

What is the answer to that? Many of us believe American consumers should be able to also benefit from the global economy. My colleague from the State of Washington, Mr. GORTON, has sponsored his own legislation to address this issue and he is also a cosponsor of this amendment. All of us have to respond to our constituents.

This is not just a Canada-United States issue. Americans pay higher prices than anywhere else in the world. How much more do we pay? If Americans pay an average of $1 for a pharmaceutical product, that same product has a much lower average cost in every other industrialized nation. We pay $1; the Canadians pay 64 cents. We pay $1; the English pay 65 cents. We pay $1; the Swedes pay 68 cents. We pay $1; the Italians pay 51 cents. We are charged the highest prices for prescription drugs of any country in the world. The American people ask the question: Why?

Senior citizens are 12 percent of our population, but they consume one-third of the prescription drugs in America. I come from a State with a lot of senior citizens. They have reached the years of their lives where, in most cases, they are no longer working and are living on a fixed income. Last year, they saw, as all Americans did, prescription drug spending in this country go up 16 percent in 1 year. Part of that is price inflation, part is driven by increased utilization. Nonetheless, older Americans saw a 16-percent increase in prescription drug spending in this country in 1 year.

Those of us who have held hearings on this issue and who have heard from senior citizens know what they say. They tell us they are forced to go to the back of the grocery store first, where the pharmacy is, to buy their prescription medicines because only then will they know how much money they have left to pay for food. Only then will they know whether they are going to get to eat after they have purchased their prescription drugs.

This is an issue for all Americans, not just senior citizens, but it is an especially acute problem for senior citizens.

In January on one cold, snowy day, I traveled with a group of North Dakota senior citizens to Emerson, Canada.

First we visited the doctor's office—because it is required in Canada—where the North Dakotans who wanted to buy prescription drugs in the Canadian pharmacy showed the doctor their prescription from a U.S. doctor, and the Canadian doctor wrote a prescription for them. Then we went to a very small, one-room pharmacy just off the main street of Emerson, Canada, a tiny little town of not more than 300 or 400 people. Emerson is 5 miles north of the North Dakota border.

I stood in that pharmacy and I watched the North Dakota senior citizens purchase their prescription drugs, and I saw how much money they were saving on the prescription drugs they were buying.

As is often the case, senior citizens will take 2, 3, 4, or 8 different prescription drugs. It is not at all unusual to see that.

I watched these North Dakotans compare what they were paying in the United States to what they were paying at this little one-room pharmacy in Emerson, Canada. It was staggering.

They asked me the question: Why do we have to come to Canada to do this? Why can't our pharmacists come up here and access this same supply of drugs and pass the savings along to us?

The answer is that there is a Federal law in this country that says that only the manufacturer can import prescription drugs into the United States.

The amendment we are considering, offered by the Senator from Vermont,

proposes to change that. He does not propose to do so in any way that would jeopardize the safety of medicines that are available in this country. He does not propose to in any way suggest that we should not maintain the chain of custody needed to assure a safe supply of prescription drugs.

But he does propose that we amend that law and replace it with a system that assures the safety of the medicine supply, while allowing pharmacists and drug wholesalers to go to Canada and go to other countries and access that same prescription drug, provided that it was produced in a plant that was approved by the FDA. This amendment assures not only the safety of the manufacturing process but also the chain of custody of the supply. In this way we will allow U.S. consumers the full flow and benefit of the global economy.

Why can't American pharmacists and drug wholesalers shop globally for prescription drugs, provided it is the same pill, put in the same bottle, manufactured by the same company in a plant that is approved by the FDA?

The answer is that they ought to be able to do that. There is no excuse any longer for preventing them from doing that.

Zocor, Prilosec, Zoloft, Vasotec, Norvasc, Cardizem—you can go right on down the list of the medicines most frequently used by senior citizens and compare what they cost here with what they cost in Canada and Mexico. Then ask the question: Why? Why are we in America charged so much more for the identical prescription drug?

The answer is simple: It is because the big drug companies can do it here. The pharmaceutical industry charges what the market will bear in the United States. The U.S. consumers are prevented from being a global consumer.

Let me say this about the pharmaceutical industry. I want them to do well. I support them on a range of things. I want them to be profitable, and I want them to be able to do substantial research. I do not wish them ill. I applaud them and thank them for the research they do to create life-saving, miracle drugs. They only do part of the research, of course. A substantial part is also done through the National Institutes of Health, through publicly funded research. And we are dramatically increasing our investment in NIH.

But some will say to the Senator from Vermont: What you are doing will dramatically reduce research and development by the drug companies. These prices are what support research and development.

Hogwash. Nonsense. The fact is, a larger percentage of the research and development is done by the drug companies in Europe than is done in the United States. Let me say that again. More research and development is done in Europe than in the United States. And that comes from the pharmaceutical industry's own figures.

Take a look at the billions and billions of dollars the drug industry spends on promotion and compare that to what they spend on research and development.

In fact, if you pick up a weekly magazine, such as Newsweek, you will see the multipage ads for prescription medicine. They are spending billions of dollars on direct-to-consumer advertising. They are going directly to the consumer and saying: We want you to go to your doctor to demand that he or she write a prescription for this medication for you.

That just started a few years ago. It is now rampant. Doctors will tell you that patients come to their offices, saying: I read about this medicine in an ad in Newsweek. I want you to prescribe that. That is what is happening.

Billions of dollars are spent to try to induce consumers to demand medicine that can only be given to them by a doctor who believes it is necessary.

While all of this is going on, the Senator from Vermont offers a piece of legislation that I fully support. If I were writing the legislation offered by the Senator from Vermont, I would prefer that it not leave out the provision that allows personal use importation. I hope at some point we can allow for that.

But I just say this. I know that literally $60 or $70 million has been spent by the pharmaceutical industry because it is scared stiff that we are going to pass this legislation.

In fact, in the Washington Post the pharmaceutical industry has been running a full-page ad for the last several days. I do not know what a full-page ad costs in the Washington Post, but I know it is not cheap. How many citizens, who support our bill, have the ability to go to the Washington Post and buy a full-page ad?

This full-page ad is just totally bogus. It says: One of these pills is a counterfeit. Can you guess which one? Congress is about to permit wholesale importation of drugs from Mexico and Canada. The personal health of American consumers is unquestionably at risk. Counterfeit prescription drugs will inevitably make their way across our borders and into our medicine cabinets. Counterfeit prescription drugs can kill. Counterfeit prescription drugs have killed.

This is from the pharmaceutical industry, which wants to scare people into believing the legislation that we are now debating is somehow bad for our country's consumers. That is totally bogus. We are proposing an amendment that assures the safety of the drug supply but finally assures the American consumer that they can access drugs that are priced reasonably.

If someone in another country is paying half the price or a third or a tenth of the price being charged the American consumer for the same drug that is produced in a manufacturing plant approved by the FDA, why can't the American consumer have access to those drugs in a global economy?

The answer is: They ought to be able to do it.

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

Mr. DORGAN. I am happy to yield for a question.

Mr. JOHNSON. I commend the Senator for his work and commend Senator JEFFORDS for his work on this issue. In relation to the advertisement in the Washington Post, I wonder if the Senator from North Dakota would share with us the sponsor of that advertisement as it appears on the ad?

Mr. DORGAN. Yes. The sponsor is Pharmaceutical Research and Manufacturers of America. The drug industry obviously wants to keep things as they are.

Let me just make one additional point. It is not my intention to have the American people go to another country for their prescription drugs. It is my intention to force the pharmaceutical industry to reprice their drugs here in the United States. If our pharmacists and our drug wholesalers are able to access the same drugs at a much lesser price in Canada or England or elsewhere, and bring them back and sell them at a savings to our consumers, it will force the industry to reprice their drugs in this country.

That is my goal. It is not my goal to put people in minivans and send them outside this country to access prescription drugs. I want pressures brought through the global economy to equalize prescription drug prices in this country vis-a-vis what they are being sold at in other countries.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, let's paint a picture, or set the stage, for this debate.

Most of the research and development and manufacture of prescription drugs goes on here in the United States, in a highly constructive fashion. Drug companies, and their research and development staffs, here in this country experiment and work, literally for years, to develop new and effective prescription drugs.

They are magnificently successful in that quest. And at least one of the reasons we are debating this issue today is that they are so successful that every year the share of our health care dollar that goes to prescription drugs increases because we now have conditions that can be treated by prescriptions that previously required hospitalization, if indeed they could be treated at all.

The process of taking an idea through its basic and applied research, its testing and its development to licensing by the Food and Drug Administration is long and arduous and is aimed both at safety and effectiveness. During that period of time, these companies spend a great deal of money with no return. It is clear, both to the proponents and opponents of both the first- and second-degree amendments,

that these companies are entitled to recoup those long and large costs of research and development. They are not only allowed, properly, to recoup the costs of those drugs that are actually brought to market, but the cost of all of the dead-end streets they run into with some of this research and development. To that point, there is agreement.

We are also dealing with a business, as any other in the United States, that spends a good deal of its time and effort in developing new products. Even at the early stage, there are some factors that favor the pharmaceutical industry because of its importance to the United States. It, as other companies, is entitled to a research and development tax credit, but it, unlike most other industries, also benefits hugely from research conducted by the National Institutes of Health, as the primary sponsor of this amendment well knows. So approximately half of all of these research and development costs are already underwritten by the taxpayers of the United States, either through tax credits or through our direct appropriations to the National Institutes of Health.

It is at this point that the wonderful line from ''Alice in Wonderland'' comes to mind, and the situation becomes ''curiouser and curiouser.'' At the point at which these pharmaceutical products have been licensed, the actual manufacturing cost for that pill is, generally speaking, not very high. And so much of the price structure is to cover the research and development, the very large advertising costs to which the Senator from North Dakota referred, other marketing costs, the lobbying those companies do in the Congress, and a reasonable and, I may say, in most cases generous profit. But these U.S.-based, often U.S.-owned, pharmaceutical manufacturing companies consistently charge their American customers—not the individual patient in this case but the huge regional drugstore chains as well as individual pharmacies—far higher prices than they charge for the identical product overseas or across our northern and southern borders.

One would think in a normal market that prices would be nondiscriminatory or, if anything, the manufacturers would be grateful enough for the tremendous aid and assistance they receive from the taxpayers of the United States perhaps to give at least a small price break to American purchasers. But, no, as has been pointed out, they charge Americans pretty close to twice as much as they charge anyone else. These wholesale prices, obviously, are reflected in retail prices for the drugs.

My experience in the State of Washington is very much similar to that outlined both by the Senator from Vermont and the Senator from North Dakota. We ran a little test; we went up to Canada, priced identical drugs in the State of Washington and in British Columbia, and found a 62-percent difference. In other words, it was way less expensive to buy them in Canada. So busloads of Americans go from Seattle and other parts of the State of Washington across the border to buy drugs and bring them back.

Why, one asks oneself, would American companies do this? Why would they discriminate against Americans?

They say: There is a simple answer to that. The Canadian Government, the Mexican Government, the Government of the United Kingdom, fix the prices of drugs. They want their citizens to get these pharmaceutical products less expensively than Americans do. So they, by government fiat, set the prices. And so we sell them, the drugs, for a lower price for a simple reason: We have already manufactured and sold lots of them in the United States. And when you go from the ten-millionth pill to the twenty-millionth pill, it doesn't cost you very much to manufacture those new pills, so we can still make a profit, even though we are selling them at half price in other countries.

Gee, isn't that unfair? Yes, I guess so, but that is the way the world is.

Now, that particular argument that price-fixing countries do much better for their consumers than a free market does in the United States is really a two-edged sword. It is one heck of an argument for price fixing in the United States. The junior Senator from Minnesota, a couple weeks ago, put up a proposal that would do exactly that, fix the price of drugs in the United States. This is a point at which I agree with the drug companies. They say: You fix prices and you will dry up research and development. I am not sure how far down we look for the validity of that argument, given the great excess of advertising costs over research and development costs, but let us assume that it is totally and completely valid as an argument. Then under those circumstances, we shouldn't be fixing prices here in the United States. But that doesn't mean we should continue to allow Americans to suffer the immense discrimination that goes on consistently year after year, product after product in this country.

When I discovered the extent of this problem, basically out of a cover story in Time magazine—I believe it was last November—it seemed to me, as a former State attorney general who for an extended period of time was in charge of consumer protection, fine, you just tell them by law to stop discriminating. Don't charge Americans any more than you are willing to charge Canadians or Italians or citizens of the United Kingdom.

That is price fixing, the companies say. That is a terrible thing.

Well, it is not price fixing to say you don't discriminate. If you can't make a profit at a given price, you don't have to sell the drug in Canada or in any other place.

But they have a lot of money to spend trying to sell that bill of goods to people. So we discovered—again, I think this was as a result of my history as a State attorney general—that we have a statute in the United States that prevents price discrimination. It is called the Robinson-Patman Act. It was passed in 1936. It was a sweeping antidiscrimination bill. It prevents price discrimination in the sale of any commodity in interstate commerce, with certain exceptions for actual cost savings from quantity sales and the like. So we said, fine, and the bill we introduced just said interstate and foreign commerce, with respect to prescription drugs.

It is interesting; the drug companies paid no attention to that distinction at all, and they still use these millions of dollars to say it is price fixing. Well, if so, then we have fixed the price of every commodity in the United States for 64 years, which I think surprises most people who believe in and have benefited from the truly free economy in the United States.

The argument that this is price fixing is fraudulent—purely and totally fraudulent. But I am not wedded or married to one solution to this problem of excessive prices imposed on American consumers for their prescription drugs because while we ban importation by law—by custom at least—we have permitted for an extended period of time American citizens to cross our borders—northern or southern or, for that matter, across the ocean to Europe—and to return to the United States with a 3-month supply of any prescription drug they are using, without being bothered by any of the governmental agencies of the United States. Both of my other Senate colleagues in this regard have pointed out that that happens in their State, and I have already pointed out that it happens in mine.

So the Senator from Vermont and the Senator from North Dakota came up with the idea that if an individual can do it for himself or herself, why not let our pharmacists do it and bring these prescription drugs back to the United States, which are often manufactured in the United States and then shipped north or south of the border—bring them back and offer them for sale, presumably at a lower price.

I am sure the Senator from Vermont doesn't mind my saying, in a sense, this solution is truly bizarre—that somehow or another it should be less expensive for a pharmacist to buy from a middleman than it should be from a manufacturer in the first place, and then have to ship the product across a national border twice in order to get the lower price. But the bizarre nature of the proposal is a simple and direct result of the outrageous discrimination that is practiced in the first place, and nothing else.

So the Senator from Vermont has written a bill and proposed an amendment to allow the retail seller, or the wholesaler, to engage in this reimportation. But concerned as he and the FDA are about making sure you

get the real thing, most of the words in his amendment have to do with the safety of the product, of making certain you are getting what it is that you thought you purchased. In fact, it doesn't allow this reimportation unless the Secretary of Health and Human Services promulgates regulations permitting that reimportation that meet necessary safeguards.

OK, that is where we are at this point. And then, instead of simply opposing the proposal, my good friend from Mississippi puts up a second-degree amendment that says the Secretary has to certify to Congress that it would pose no risk to public health and safety and will result in a significant reduction in the cost. It is either absolutely unnecessary, because we are talking about something the Secretary has already done, and the price part of it is unnecessary because if there isn't a significant savings in the price, nobody is going to go up and buy them in the first place or it is an attempt—and I regret to say this—to kill the amendment of the Senator from Vermont in its entirety and see to it that it doesn't happen. The drug companies and their sponsors are not really wanting to justify the situation that exists in the United States today because it can't be justified, so they use an argument for safety that is already far more adequately covered by the amendment proposed by the Senator from Vermont in any event.

Now we are able to deal with this issue as part of this appropriations bill, of course, because the House of Representatives did. So it is properly before us. But the other matter that I find extraordinarily odd with respect to the second-degree amendment is just this: The distinguished chairman of the subcommittee, the manager of the bill, knows perfectly well that individuals can go across our borders and come back with a 3-month supply of prescription drugs. If he and the Senator from Wisconsin are so concerned about safety that they have to pile on with a second-degree amendment, why aren't they banning totally and completely personal reimportation? The Senator from Vermont isn't even touching that subject in his amendment. I wish he did. The House of Representatives did. He is setting up a way for reimportation to take place at the wholesale level, where safety is far more protected than it is with respect to these individual purchases.

But the individual purchases have not created a great problem. If they had, people would stop engaging in those policies. Whatever else we may say about Canadians, they are not in the business of poisoning their own citizens.

This reimportation can take place with perfect safety under the amendment as proposed by the Senator from Vermont, and anything added to it is simply an attempt to kill it and to maintain the status quo.

Let me go back to the stage I have set and simply say this: The status quo is American manufacturers using American taxpayers' money to produce products in the United States of America, which they then sell at prices that discriminate outrageously against American purchasers. That is really all there is on the stage today—discrimination by American companies against American purchasers, in spite of the support of American taxpayers.

The first-degree amendment takes at least a modest step toward curing that situation. The second-degree amendment is designed to keep it in place forever.

I have one final point, Mr. President. I agree with each of the Senators who have previously spoken on the desirability and the importance of a Medicare drug benefit. There is some debate over to whom it should apply, how much it should cost. But Medicare covers about 40 million Americans. We have 250 million Americans altogether. None of the rest of them will be helped at all by even the most generous Medicare drug benefit. All of them will be helped by this amendment, to the extent that it is actually effective, because it will in fact end up lowering the price of prescription drugs in the United States of America. That is why the first-degree amendment should be adopted and the second-degree amendment that attempts to gut it should be rejected.

Mr. COCHRAN. Mr. President, I am pleased to announce to the Senate that we have been able to secure an agreement on a unanimous consent request to limit debate on the pending Cochran amendment and the underlying Jeffords amendment. I understand it has been cleared.

I ask unanimous consent that the Senate proceed to vote in relation to the pending Cochran amendment, No. 3927, at 5 o'clock p.m., and the time between now and then be equally divided in the usual form. I further ask unanimous consent that following that vote, the Senate proceed to vote immediately in relation to amendment No. 3925, as amended, if amended, the Jeffords amendment.

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

Mr. COCHRAN. I thank the Chair. I remind Senators that this doesn't mean we have to use all the time between now and 5. I encourage Members to make brief statements. We can vote before 5 and then move on to another subject.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. Mr. President, I ask unanimous consent that Senator GREGG be added as cosponsor to amendment No. 3925.

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

Who yields time?

Mr. KENNEDY. Mr. President, will the Senator from Vermont be good enough to yield 12 minutes?

Mr. JEFFORDS. Mr. President, I yield 12 minutes to the Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for 12 minutes.

Mr. KENNEDY. Mr. President, I support this amendment and I commend the sponsors for their efforts to address the high cost of prescription drugs.

I support this amendment, and I commend its sponsors for their efforts to address the high cost of prescription drugs. The American public wants affordable medicines, and I believe we should do all we can to reduce the financial burden imposed on our citizens by high drug costs.

It is worth emphasizing that imports of prescription drugs from other countries must be accompanied by strict precautions to protect the public. Federal standards require that all prescriptions sold in the United States must be safe and effective. The public health protections guaranteed by the Food, Drug, and Cosmetic Act do not end at the gates of the manufacturer's plant but extend all the way to the doorstep of the consumer. Congress has promised the American people that the medications they use will be effective and be free of contaminants.

In 1988, President Reagan signed into law the Prescription Drug Marketing Act to protect Americans from counterfeit, contaminated, and other unsafe medications. Today counterfeit drugs continue to plague the citizens of many countries, including our own. In 2000, at least 30 people in Cambodia died from fake malaria medications. 60,000 people in Niger were vaccinated against a deadly epidemic of meningitis with counterfeit vaccines, and received water injections instead of real medicines. This past year the United Kingdom broke up a smuggling ring to import counterfeit drugs into the U.K. from India. According to a DEA official, 25% of the prescription drugs brought by consumers into the U.S. from Mexico are fake. From 1989 to 1994 a counterfeit antibiotic from China was sold in the U.S. through legal distribution channels resulting in almost 2,000 adverse events, including 49 deaths. In spite of an Import Alert issued by the FDA in September 1999, the fake medication may still be entering the U.S.

I raise these problems to emphasize that without adequate protections, legalizing importation by pharmacists and wholesalers will increase the risks already posed by fake and contaminated drugs. This amendment deals with these safety concerns primarily by placing the responsibility for assuring the quality of imported products on the importer, subject to FDA oversight—and it gives FDA broad authority to impose additional requirements necessary to protect public health.

The FDA needs adequate tools to combat counterfeit or adulterated drugs. Adequate funding for the FDA is essential to ensure the safety of imported prescription drugs. FDA currently inspects less than 1% of all drug shipments from other countries. Clearly, additional resources will be necessary to implement this amendment.

As we all know, the real issue is providing an effective and affordable prescription drug benefit to senior citizens and the disabled under Medicare.

That is the basic and fundamental issue. We wouldn't be having this debate if we were providing an effective prescription drug program to the seniors under the Medicare program. It wouldn't be necessary. We wouldn't have to be taking these additional risks. This is not a substitute for the Senate taking action on that important measure.

The President has reiterated the fact that he would be glad in working with our Republican friends to sign their marriage penalty legislation if it included a prescription drug program. It is absolutely essential. This legislation is no substitute for it.

The cost of the drugs these patients needed far exceeded their ability to pay, even if the cost was deeply discounted. A patient with high blood pressure, irregular heartbeat, and an enlarged prostate would pay $3,100 annually for drugs.

This particular chart indicates the general patient profile for some of the most common kinds of concerns, particularly for the elderly. They are the ones who have the highest utilization of the prescription drugs. They are the ones who need the protections under Medicare. They are the ones who, hopefully, we are going to take action on in this Congress to protect.

We are talking about osteoporosis, or heart trouble with a typical cost of $2,412—that is 20 percent of the pretax income; high blood pressure, irregular heartbeat, enlarged prostate, $3,100, 26 percent of pretax income; severe arthritis, ulcers, gastric reflux, depression, $3,696, 31 percent; ulcers, high blood pressure, heart disease, asthma, $4,800, 40 percent.

This basically shows not only the access but the enormous costs of the prescription drugs to address these particular items.

A patient with heart disease and severe anemia, $26,500, and 22 percent.

If we look at this chart, most senior citizens have very moderate incomes. Look at this. Fifty-seven percent are under $15,000; 21 percent are under $24,000. We have virtually 80 percent below $24,000.

We are talking about a handful of senior citizens in the upper areas. Eighty percent of our seniors are people of extremely modest means. The cost of these drugs are going absolutely out of sight.

That is why we have to have a program that is going to provide coverage, and that is going to be universally affordable for our seniors and for the Federal Government as well.

This is a drug crisis for our seniors. The coverage is going down, and the costs are going up.

I will take just a moment of the Senate's time to point out what is happening to our senior citizens.

Twelve million—effectively a third—of our seniors have no coverage whatsoever. Eleven million of them have employer-sponsored coverage. We are going to show a chart in just a moment that shows employer-sponsored drug coverage is collapsing.

Some three million have Medicare-HMO, and we will find what is happening in the HMOs where they are putting limitations of what they are going to be prepared to reimburse under prescription drugs.

The next is Medigap costs which are going right up through the ceiling and becoming less and less affordable.

The only group of Americans who have dependable, reliable, affordable prescription drugs are the 4 million Americans under Medicaid.

It is a national disgrace when we know the commitment that was made here in the Congress in 1964 and in 1956 that said to our senior citizens, work hard, we will pass Medicare, and you will not have to worry about your health care needs in your golden years. We didn't include a prescription drug program because the private sector didn't have it then. Only 3 cents out of every dollar was expended on prescription drugs. Now it is up 20 cents, and in some places even 30 cents, in terms of the costs of the health care dollars. Health benefits have dropped by 25 percent. That is between 1994 and 1997. This arrow is continuing to go right down.

The other chart showed where you have 11 million seniors getting covered by employer-based programs. This chart indicates that they are rapidly losing coverage at the present time.

We have 11 million who do not have any coverage, and 12 million who have employer-sponsored coverage. But that is going down.

This shows what is happening if they get Medicare HMO drug coverage. We see 75 percent will limit coverage to less than $1,000. They are putting limitations on what they will pay for. The chart shows the five major illnesses affecting and impacting our senior citizens cost vastly higher than $1,000. Therefore, our seniors, even if they have coverage under an HMO, are still paying an unaffordable amount of money if $1,000 is the limitation. Mr. President, 32 percent have imposed caps of less than $500. We are seeing the collapse of coverage that is out there for our senior citizens.

This chart shows what is happening in the medigap coverage—which is effectively becoming unaffordable—in the sample premium for a 75-year-old person in various States. This is virtually unaffordable.

This chart shows the costs of drugs compared to the Consumer Price Index over recent years, 1995, 1996, 1997, 1998, and 1999. In 1995, 2.5 percent; in 1996, 3.3 percent; in 1997, 1.7 percent; in 1999, 2.7.

The top of the chart shows the actual drug costs in terms of the expenditures being made by seniors to get the drugs they need. We see a very modest increase in the Consumer Price Index. Yet for senior citizens who use three times the amount of drugs as the rest of the population, we find out this is continuing to increase, placing extraordinary pressure on seniors. In many instances, they are completely unaffordable.

As mentioned earlier in the debate, the Pharmaceutical Research Manufacturers say:

> Private drug insurance lowers the prices 30 percent to 39 percent.

That says it all. It is saying you could go ahead and have a reduction in the costs of these prescription drugs anywhere from 30 percent to 39 percent, and they can still make an adequate and generous profit. This is from the industry itself. The seniors are hearing this and living it, as pointed out by the Senator from North Dakota and my friend, the Senator from Vermont. They are seeing this. They know this has happened. They have to go abroad in order to try to get these vital prescription drugs.

The unanswered question is, If we can go across and buy them, why can't we do this in a way that is going to be more accessible and available not only to those able to go over but also to our friends and neighbors and fellow senior citizens?

It is out of that enormous frustration and these facts that this amendment comes to the floor. That is why I believe it should be supported. I think it is essential, but it is not going to address the fundamental issue, which is the Medicare program that will cover all of our senior citizens and effectively do it in a way that will see a significant reduction of costs.

I thank the Senator from Vermont.

Mr. COCHRAN. Mr. President, I yield 10 minutes to the distinguished Senator from Louisiana.

The PRESIDING OFFICER (Mr. SESSIONS). The Senator from Louisiana is recognized for 10 minutes.

Mr. BREAUX. Mr. President, I thank the Senator from Mississippi for yielding.

I was thinking about the argument that we had on the Senate floor about importing medical supplies in terms of prescription drugs from foreign countries into the United States because they might be cheaper. I could get open-heart surgery in Mexico for a lot cheaper than at Oschners in New Orleans or at the Mayo Clinic or at Johns Hopkins or any other fine institution in the United States. It would be half as expensive. I doubt many Americans want to put their lives in the hands of people they know are not regulated.

I could buy many items in countries around the world, and many Third World countries, which would be a lot cheaper. I remember one time going to Hong Kong. I saw some of the Lacoste shirts with the little alligator. My wife and I were shopping in Hong Kong and they had all these Lacoste shirts. They were $5. I said: That is incredible, a heck of a deal. I will buy a Lacoste alligator shirt for everyone I know for gifts for Christmas. We bought one

after another. I bought one or two myself. We came home and the first time I washed the shirt, the alligator fell off. The alligator fell off because it was a counterfeit shirt. The shirt nearly dissolved after the first washing and the alligator drowned in the washer. The product was totally worthless. It was a counterfeit product.

It is one thing when you are buying a knit shirt. When someone is sending me drugs that have been either manufactured in a foreign country or even manufactured here and sent to a Third World country and stored in a warehouse, God knows where, under conditions that may be totally contrary to the safety of that drug, who knows who deals with those products in that country in the privacy of that warehouse. Who knows how many times somebody might go into that warehouse and take the product, and instead of saying we will have 100 pills, if I cut it in half, I could have 200 pills. If I could cut it into fourths and end up not with 100 pills but 400 pills, look how much money I can make if I do it that way.

If I can take that type of quality control, which is nonexistent in a foreign country, and say that is how I will make my money, what kind of products will we be giving to the American consumer? This is not a Lacoste shirt that an alligator might fall off of. This is medicine that is important to the safety and the life of our constituents.

Why do we have a ban on the importation of foreign drugs passed by Congress in 1987? In order to protect U.S. consumers, to make sure that the drugs were not improperly stored, or improperly handled, or improperly shipped, or perhaps made to be like my Lacoste shirt, totally, absolutely counterfeit.

How many Federal bureaucrats are we going to put in 150 countries around the world to ensure those products in those countries are safely stored, safely handled, and not diluted? And how many more bureaucracies are we going to create to make sure those problems don't develop?

We can get a lot of things cheaper in a lot of other countries. How about buying cheaper wheat from China? They have a controlled economy where the Government runs everything and sets the prices. Could we not buy a lot of wheat from China and give it to our constituents a lot cheaper? We don't do that because it is not a level playing field. In that sense, we are competing with a micromanaged economy overseas that the Government participates in and helps their farmers. Our people can't compete against that. It is not a good idea.

This is the bottom line—actually two things. No. 1, there is no guarantee we are not going to create a boondoggle with this for all the wholesalers. There is no guarantee, without the Cochran amendment, that anybody who is a consumer is going to have any of the benefit of any of what we are trying to do by importing cheap Third World drugs into this country. Nobody has a guarantee the savings would be passed on to the consumer. I can see a wholesaler who wants to get the drug for $20 selling it for $40 over here and making one heck of a profit. There is no guarantee without the Cochran amendment.

The final point is that this is not the answer to the problem. The answer to the problem is to find a way to guarantee to Medicare beneficiaries that they get the best deal, that we have some ability to provide them with the coverage they need at the price they can afford. That is the real answer.

People say we do not want price controls in this country; that is anti-American. But we are going to buy the price controls from other countries around the world. We will let them impose price controls, and then we will buy from them. Why don't we just put on price controls in this country and call it what it is? We are saying essentially we don't like price controls but we like other countries' price controls and so we will buy it from them with absolutely no ability to guarantee the product coming over here is the product that left this country.

Here is the problem. If a Medicare beneficiary walks into the drugstore and has no insurance because Medicare doesn't cover him, the pharmacist tells him: It is $100 for your prescription. That Medicare beneficiary has to take it out of his pocket or gets his children to pay for it, or, if they are very destitute and poor, Medicare pays for it and they pay $100. If you don't have any coverage, you pay $100 for the prescription.

If, however, you work for the Federal Government, if you are a Senator or one of the staff people here who happens to have the Federal Employees Health Benefits Plan, and you go into the drugstore and buy the same prescription, you don't pay $100, No. 1, because there is volume purchasing because they are purchasing for all the FEHBP people who are covered by FEHBP. The discount by volume purchasers for the insurers gets it down to about $70, a 25-plus-percent discount. That is the average by volume purchasing. But none of us or our staff even pays the $70. We will probably pay a coinsurance of about $35, for some plans even a copayment which could be $15 or $20.

So that is the answer to the problem. The answer is not to import Third World countries' price controls. Talking about Canada is one thing. I guarantee if this passes, we are not going to be importing a lot from Canada. We are going to be buying from countries whose handling of these drugs we have no ability to control. If it were coming from Canada, it would not be a bad deal. We know how they operate. But this amendment is not limited to Canada. Any Third World country will be able to handle the drugs, dilute them, do anything they want, store them where they want, and we will not be able to guarantee the validity of that drug.

This is the answer to the problem: Not importing from other countries, but to try to ensure that all Medicare beneficiaries have some type of coverage that allows them to get the benefits of volume purchasing and also to have some type of insurance where the Federal Government assumes part of the responsibility, part of the risk, and the providers compete and also assume some of the risk to get the price to the Medicare beneficiary down to half or less. That is what we should be working on.

This is a Band-Aid type approach. Really, it is worse than a Band-Aid approach because Band-Aids help; this doesn't help. It puts the American consumer at risk. We passed this law to prevent all the things that are likely to happen if this amendment passes. We should not go back to our constituents and say: We are letting you get cheap drugs from foreign countries because they have price controls. It is the wrong approach, and we should recognize it as such.

I yield the floor.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I yield 15 minutes to the distinguished Senator from Tennessee, Mr. FRIST.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. FRIST. Mr. President, I rise in opposition to the underlying amendment to allow reimportation of prescription drugs. I have been following the debate for the last couple of hours. I want to bring up a new issue, an issue which I believe is a fundamental issue but which has not been discussed, to the best of my knowledge, at all over the last 2 hours—and that is safety.

The problem has been very clearly identified; and that is, cost. The situation of prescription drugs costing too much in this country, causing people to drive to Mexico and Canada, is a real problem. It has been vividly described. It has been described accurately by almost everybody who has talked today, holding up the bottles and the descriptions on the charts. Today a senior who goes into a drugstore must pay full retail price for a drug because Medicare does not include prescription drug coverage, versus traveling on a bus to Canada, and buying it there for much less.

The answer—and this is absolutely critical—is not reimportation. The answer is not, to my mind, price controls. Price controls get cloaked in all sorts of ways in policy and in various proposals. But the answer is, I believe, not in the amendment we are talking about today but through improved access by offering coverage and utilizing the large purchasing power to provide affordable prescription drugs.

The issue that most bothers me is that fundamentally I believe the underlying amendment puts at risk the safety of these drugs. I say ''puts at risk'' because clearly the authors of this bill

have tried to construct a bill that has safety first and foremost. But let me just say, having read the bill and having a pretty good understanding of the capability of the Food and Drug Administration today, they simply cannot police the world in making absolutely sure these are not counterfeit drugs coming back in and because of this, I find it very hard to support the underlying bill.

If you take a look at the history of reimportation, from 1985 to 1987 in the U.S. Congress, there were a series of nine hearings and three investigative reports regarding this whole concept of reimportation of pharmaceuticals. It is interesting, if you go back and look at what happened and also at what the findings were. As a result of these hearings and investigations, in 1987 the Prescription Drug Marketing Act passed. It was designed to specifically protect Americans' health and safety against the risk of adulterated or counterfeit drugs from being imported into the U.S. Let me quote one of the conclusions from the committee report:

> Reimported pharmaceuticals threaten the American public health in two ways. First, foreign counterfeits, falsely described as reimported U.S.-produced drugs, have entered the distribution system.
>
> Second, proper storage and handling of legitimate pharmaceuticals cannot be guaranteed by U.S. law once the drugs have left the boundaries of the United States.

I believe, we are obligated to go back and address these two critical concerns, because we are talking about the potential for counterfeit or adulterated drugs. We are talking about life-or-death issues. We are talking about the ability to thin one's blood to prevent a heart attack or a stroke, and if that drug has been altered, if it is counterfeit, it means life or death to the people who are listening to me today.

What they have tried to fashion in this bill is to have the Food and Drug Administration oversee and be responsible for these laboratories which are not in the United States of America. Remember, this is a Food and Drug Administration that, right now, admits they are unable to even inspect the food coming into this country. I argue, whether it is tomatoes or lettuce coming in, the inspection of drugs coming in is much more important to the health of Americans. It is partly because I am a physician, so I deal with patients and I know for the most part patients believe it is much more important as well.

Is the Food and Drug Administration equipped? If you ask the people who have run the FDA you will find the following. Dr. David Kessler, former head of the Food and Drug Administration, in a letter to Representative DINGELL this past year, stated the following when we talk about reimportation. I quote Dr. David Kessler:

> In my view, the dangers of allowing re-importation of prescription drugs may be even greater today than they were in 1986. For example, with the rise of Internet pharmacies, the opportunities of illicit distribution of adulterated and counterfeit products have grown well beyond those available in prior years. Repealing the prohibition on re-importation of drugs would remove one of the principal statutory tools for dealing with this growing issue.

We know the cost of prescription drugs is a problem. But ultimately you don't want to do anything that jeopardizes the safety of these drugs and ultimately the health and welfare of patients.

Let's turn to Dr. Jane Henney, who is the current Commissioner of the Food and Drug Administration. In front of the Senate appropriations committee March 7 of this year, she said, in expressing severe reservations regarding the importation of drugs:

> The trackability of a drug is more than in question. Where did the bulk product come from? How is it manufactured? You're just putting yourself at increased risk when you don't know all of these things.

Her words—''increased risk.''

It is the risk of this legislation that bothers me in terms of safety for our seniors. The question is whether the FDA is equipped to implement the safety precautions necessary? Right now we are hearing from the leaders they cannot be responsible for the safety and efficacy of reimported pharmaceuticals. Let me point out what is going on today in terms of how effective their inspections are.

Of the 6,030 foreign manufacturers shipping bulk drugs to the United States since 1988, approximately 4,600 were never inspected. When we see people holding up these two bottles and one bottle was reimported from overseas and you are depending on the FDA—which clearly does not have the capability to guarantee the safety of these pills—and then you put that pill in your mouth, I believe, based on at least the leaders at the Food and Drug Administration today and in the past, that pill could very well be unsafe and not only cause severe illness, but even death.

I mentioned the food issue, but as you recall, the Food and Drug Administration is responsible for overseeing the safety of food in this country. In our hearing at the Health, Education, Labor and Pensions Committee last month, some said: We can safely import lettuce from other countries, so why can't we do the same for medicines?

The analogy of lettuce versus medicine is, as a physician, very hard for me. Last year, I joined Senator COLLINS in introducing the Imported Food Safety Improvement Act because of all of the outbreaks of illness associated with imported food products.

We introduced the food safety bill predominantly because of the FDA's own admission—just like I believe the FDA is admitting today in terms of reimportation of drugs—that they cannot insure the complete safety of food coming into this country. If we cannot insure the safety of food coming into this country, as a physician, as someone who has that doctor-patient relationship, who has taken an oath of doing no harm—I cannot promise my patients that the prescription medicines they may be taking are guaranteed to be safe and effective, especially when I have the leadership of the FDA telling me they are ill-equipped and cannot guarantee the drugs have not been altered.

Again, the authors of this legislation basically said it is going to be safe because the FDA can do it. I will take it one step forward and say based on current evidence, I do not believe the FDA can do it.

Former Carter FDA Commissioner Dr. Jere Goyan said it best:

> I respect the motivation of the members of Congress who support this legislation. They are reading, as am I, stories about the high prescription drug prices and people which are unable to pay for the drugs they need. But the solution to this problem lies in better insurance coverage for people who need prescription drugs, not in threatening the quality of medicines for us all.

The underlying amendment, although well-intended, is inadequate in assuring the safety of potential recipients, beneficiaries, and patients who receive pharmaceuticals that have been reimported. Therefore, I will not vote to repeal the important consumer safety legislation that we put in place over 10 years ago without much further investigation to answer that critical question of safety.

Medicines today are affordable when there is coverage for them. I believe we have to do something to help those unfortunate seniors across the country who do not have good prescription drug coverage today.

Senator BREAUX and I have worked aggressively to develop a bipartisan prescription drug coverage plan and have introduced such a plan.

This plan is above politics and it is above partisanship. It is time to take the very best minds, the very best doctors, the very best health care experts, and elected representatives and bring them together to deal with these challenges facing Medicare in offering affordable prescription drug coverage.

The Breaux-Frist 2000 plan, known as the Medicare Prescription Drug and Modernization Act of 2000, takes the necessary first steps to provide universal outpatient prescription drug coverage and strengthen and improve the Medicare program overall. First, it restructures the 1965 model of Medicare by establishing a competitive Medicare agency to oversee competition under Medicare+Choice and the addition of a new drug benefit.

It establishes voluntary universal outpatient prescription drug coverage which I believe is the answer to the cost issue.

It provides comprehensive prescription drug benefits.

It guarantees catastrophic protections so a senior is protected from paying high drug costs out of their own pocket beyond $6,000.

It guarantees price discounts off prescription drugs so seniors never pay retail prices for prescription medicines again.

It guarantees affordable drug coverage by offering all beneficiaries a 25-percent subsidy off their premiums.

It protects low-income beneficiaries by providing beneficiaries with incomes below 150 percent of poverty subsidies for premiums and copayments for prescription drug benefits.

Finally, it improves benefits and health care delivery under Medicare by stabilizing the Medicare+Choice program and introducing much needed reforms.

The Breaux-Frist 2000 bill addresses the cost issue. Reimportation of drugs does not. I urge my colleagues, for the safety of health care and health care delivery today, to defeat the underlying amendment on reimportation of drugs.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. How much time is remaining on this side of the issue?

The PRESIDING OFFICER. The Senator has 11 minutes remaining.

Mr. COCHRAN. I yield 10 minutes to the distinguished Senator from Utah, Mr. HATCH.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, this is a very important amendment. There is a lot of sincerity behind it.

I rise today to offer some concerns about the Jeffords-Dorgan Amendment to the Agriculture Appropriations bill and to support the Cochran amendment.

I have many questions about the Jeffords-Dorgan amendment.

Let me make something perfectly clear from the start—I do not question the good intentions of this amendment. I know that my colleague, Senator JEFFORDS, is sincerely seeking to address this difficult matter of high prices for pharmaceuticals in the United States.

As I traveled across my state and around our country this election year, I found that many Utahns and many Americans, particularly our senior citizens, are having difficulty in affording prescription medicines. Some are going across the borders to Canada and Mexico. We have all seen the news broadcasts of those cross-border bus trips to buy the cheaper foreign drugs. And, it may seem obvious, particularly to two Senators who represent States on the Canadian border, that the solution is simply to allow the importation of prescription drugs into our country.

There is something of a cruel dilemma at play here: right at the moment when scientists seem poised to invent an unbelievable new array of diagnostics, therapeutics, and vaccines, many Americans are encountering difficulties in affording these new and sometimes costly medications.

There are many issues at play in this debate.

One issue that policymakers face is to see whether a balance can be constructed whereby we retain the necessary investment to produce the promised wonder cures while at the same time maintain our ability to deliver these new products to the patients at affordable prices.

This is part of what is shaping the debate over the fashioning of a prescription drug benefit for the Medicare program.

This balance between new drugs and affordable drugs is what shaped the debate 16 years ago when the Congress passed the Drug Price Competition and Patent Term Restoration Act of 1984. I am proud to have played a leadership role in this law that helps, according to CBO, consumers save $8 billion to $10 billion annually through the purchase of generic drugs.

But, in our understandable and highly populist zeal to make drugs more accessible, we must not kill the goose that lays the golden eggs. That is to say, we must be able to continue to attract the private sector investment into the biomedical research establishment that has made the American drug development pipeline so promising.

While it is true enough that, at this time, the drug industry is the most profitable sector of the economy, I do not think that success should be a license for us to over-regulate this industry. Sometimes well-intentioned, but ill-advised, governmental policies have hastened the decline of American business to the detriment of American workers and consumers alike.

But, another consideration with respect to the advisability of this amendment is the premium that we place on our citizens receiving safe and effective products, free from adulteration and misbranding.

Dating from the 1906 Pure Food and Drugs Act, through the 1938 Federal Food, Drug and Cosmetic Act, the 1962 efficacy amendments, and the 1988 Prescription Drug Marketing Act, our Nation has devised a more or less closed regulatory system that ensures that drug products will be carefully controlled from the manufacturer to the patient's bedside.

If we are to open up our borders to a new plethora of drug reimports—I am talking about reimports—we need to be absolutely certain that we have not undermined the integrity of this regulatory system by admitting products improperly manufactured, transported, or stored. A pill may look like the real item but not contain the active ingredient in the right concentration, or it may simply not contain the medication at all.

Similarly, we must not allow the American public to fall prey to counterfeit so-called ''gray market'' products. These are products which could be made to look exactly like the real thing and may comply with, or attempt to comply with, the requirements of the actual approved product, but do not comply with the legal requirement of a license from the patent holder—in short, a pirated product.

While there is a clear and obvious health danger in an adulterated, nonconforming pirated product, there is also great detriment to the American public if the unscrupulous are allowed to reimport America's inventions back into America without compensating the inventor. Few will be willing to invest the upfront capital—hundreds of millions of dollars—to develop a drug if another party can make and sell the drug while it is under patent protection.

It takes an average of 15 years and a half a billion dollars to create one of the blockbuster drugs. So we have to be careful. Keep in mind, too, as chairman of the Senate Judiciary Committee, I have a special obligation with respect to our intellectual property laws that we not go down any path that can be seen as inviting the development of a gray market for prescription drugs.

After all, a fake Rolex may be right twice a day, but a bad copy of a good drug can kill you. This is something we have to be more concerned about around here. We can't just do what appears to be good but, in essence, could kill people.

As we move further into the information age, protection of American intellectual property becomes more and more vital to our national interest. For example, if the latest computer software can be taken without proper licensing arrangements, our national leadership in high technology will be threatened.

Where is the pharmaceutical industry in Canada? They have price controls, and nobody is going to invest the money into developing these lifesaving and cost-saving drugs over the long run in those countries with price controls.

We have had many debates over price controls. I remember those days when Senator Pryor and I were on this floor arguing back and forth about price controls. Fortunately, the Senate, in its wisdom, decided not to go for price controls. This is another step toward price controls that will stultify one of the most important industries in America at a time when we just mapped the human genome, and we are at the point where we can actually create more lifesaving drugs—perhaps at even a greater cost but nevertheless at a greater health care cost savings than ever before.

So that is why intellectual property protections are so necessary.

In fact, one of the great accomplishments of the 1995 GATT Treaty was to put intellectual property protection front and center in our trade relationships with the developing world. Many countries are notorious for the lax policing of patent and copyright violations by their citizens.

When the value of American inventions is expropriated, it is American inventors and American consumers who suffer. The United States cannot and

should not allow free riders around the world essentially to force the American public to underwrite a disproportionate amount of the research and development that results in a next generation breakthrough product.

One has only to read a collection of the section 301 reports the Office of the United States Trade Representative to get a feel of just how prevalent such intellectual property theft is worldwide.

I took the time to present this background because I think the Jeffords-Dorgan amendment requires such analysis.

And I will be the first one to admit that the amendment, at first blush, seems quite simple and appealing. What could be the matter with a rule that essentially says drugs obtained from outside the United States at prices lower than U.S. prices can be resold in the U.S., presumably in a manner that places pressure to lower prevailing U.S. prices? Yet, I recall H.L. Mencken's sage observation, ''There is always an easy solution to every human problem neat—plausible, and wrong.''

I, too, join many of my constituents in Utah and others across the country, in questioning why our citizens are paying higher drug prices than those who live in other countries.

And while I recognize that there are complex economic, political, and social factors at play that partially explain why a drug company would charge less for a drug in a destitute region in sub-Saharan Africa, it is more difficult to understand why drug costs less in Tijuana, Mexico, or Alberta, Canada than in San Diego, California. This is a policy I cannot totally defend. And I do think the pharmaceutical companies need to address this more.

But I can say that where nations impose price controls, a flawed economic theory which we have proven does not work in the U.S., there are negative consequences which among other hazards could imperil the flourishing research and development we count on to bring us miracle cures.

I am very apprehensive about government price controls, particularly on our most cutting-edge technologies like pharmaceuticals. Price controls function in an economic environment the way a lid works on a boiling pot. Price controls may temporarily keep prices down, but they are certainly no long term solution to the problem. As soon as the lid comes off, the pot boils over.

And, why not just keep the lid on indefinitely? Because price controls also have a stifling effect on the incentives to conduct research. Without the prospect of recouping a substantial, multimillion dollar investment, there is little reason for pharmaceutical companies to undertake such research on the next breakthrough drugs. It would not take long for our nation's pharmaceutical industry to atrophy.

How can we guarantee that foreign government price controllers will not set an artificially low price on some new Alzheimer's drug? And can we be sure that this won't have the unintended, but real, ripple effect of convincing company officials to forgo research on this new class of drugs for fear that, in conjunction with the new liberal re-import policy, they will not be able to recoup their investment?

I support those who wish to instruct the United States Trade Representative to be even more aggressive in promoting and protecting intellectual property rights in all of our bilateral and multilateral trade negotiations.

It seems to me that rather than importing the effects of foreign price controls back into the U.S., a strong case can be made that we should be using our Trade Representative to attack the foreign price controls that many countries have enacted so that a better balance between U.S. research costs and foreign borne research costs might be achieved. Let's stop the free riders and cheap riders overseas while American citizens are paying the full freight of R&D.

I have to confess that one part of me likes the feature of this amendment that creates the challenge to the entrepreneur of bringing goods sold cheaper abroad back to the United States at presumable savings to U.S. citizens. Yet, the amendment provides no guarantee that those wholesalers and pharmacists importing the products would pass their savings on to the consumer. And so, we could be trading public safety for middleman profits, an outcome not contemplated by proponents of the amendment.

Mr. HATCH. I have debated the issue, as I say, of price controls many times, so I will not spend any more time on the issue of price controls. But it does not make sense. That is what we are headed towards.

The greatest industry in our country, that has the greatest potential to do the greatest amount of good to bring health care costs down in the end—even though it is tremendously expensive to develop these drugs—is going to be flattened by this type of legislation which is well meaning, well intentioned, and absolutely destructive to our innovative industries in this particular country.

We have to find a way around this drug price problem in this country without creating a gray market in these particular goods and services. There has not been 1 day of hearings on this particular language. How can we guarantee that foreign government price controllers will not set an artificially low price on some new Alzheimer's drug? And can we be sure this will not have the unintended but real, ripple effect of convincing company officials to forgo research——

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

Mr. HATCH. Mr. President, I ask unanimous consent to take 1 additional minute, with an additional minute given to the other side.

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

Mr. HATCH. Can we be sure this will not have the unintended, but real, ripple effect of convincing company officials to forego research on this new class of drugs for fear that, in conjunction with the new liberal reimport policy, they will not be able to recoup their investment?

Let us hope that the future does not come down to a choice between two lousy alternatives, what economists call a Hobson's Choice: great drugs that are not widely affordable or potentially great drugs abandoned due to minimal projected revenues.

And I can tell you given my work in the area of the AIDS epidemic, as between expensive drugs and no drugs, expensive drugs is a better problem to have.

My conservative instincts are always against government price controls, and I don't think that this principle should be limited to U.S. government price controls if a by-product of this well-intentioned re-import bill is to import some other government's price controls into U.S. market dynamics.

Frankly, this does not seem the type of far reaching legislation that we should rush into without pausing to try to think through all of its ramifications.

It just seems to me that if there are areas where governments world-wide must tread carefully in enacting legislation, if indeed they must tread at all, it is in areas like biotechnology.

It is clear from absolutely stunning developments like the early completion of the mapping of the human genome that there is an incredible synergy taking place between information technology and biotechnology. The high-speed sequencing machines that mapped the genetic code and almost instantaneously made this information available on the Internet represent this confluence of technology.

In our valid and justified quest to help make drugs more affordable to the American public, we should be mindful not to unwittingly retard the development of the next generation of innovation.

Having described the general angst I feel in relation to the possible effect that this legislation may have on the pace of and investment in pharmaceutical research and development as well as challenges it will create in terms of respect for intellectual property rights, I want to focus next on the important concerns that I have about the public safety aspects of the amendment.

I want to commend Senators JEFFORDS and DORGAN for perfecting some of the gaps and shortcomings related to drug safety contained in the House-passed legislation.

But let me say that, as Chairman of the Committee with jurisdiction over the Controlled Substances Act, I am not convinced that the American public is adequately protected by this amendment.

Now, I know that drafting and redrafting is an unglamourous part of the legislative process and that you and your staffs, and if the reports are correct many in the Administration, have been working hard to refine this amendment.

But let's be fair, legislating on an appropriations bill is not the optimum way to change some central provisions of the Food, Drug and Cosmetic Act.

I was involved in redrafting the Import and Export Chapter of the Food, Drug and Cosmetic Act both in 1986 and in 1996.

While I recognize the HELP Committee had a hearing yesterday, I think that everyone would agree with me that it is helpful to have a legislative hearing on legislation when the ink is at least dry.

I would like to see what the FDA, the DEA, General McCaffrey and the Patent and Trademark Office have to say about the bill when they have had time to give thoughtful consideration to a sufficiently finalized draft.

While it is true that the bill is drafted generally to the FDC Act, it will be particularly important to see how this liberalized re-import may affect controlled substances. Can't we take the time to hear from the Drug Enforcement Administration?

Also, I don't know if this is the case, but I have heard second hand reports that the White House has more or less limited FDA to a ''let's make the best of this'' role and is not encouraging the agency to look at this bill more globally.

Also, I cannot help but note that in the latest draft that I have seen, the language covers only drug products and not biologics, which are in the vast majority of cases perceived and used by consumers as drugs in the non-legalistic definition.

And since it is also the case that many times it is precisely these new generation biologics that are the most costly on the market, the question must be asked why Americans should not get the advantage of lower priced biologics as well as drugs?

Frankly, it is evident that each successive draft attempts to address the many shortcomings with respect to assuring the American public that the imported drugs are the safe and effective and unadulterated.

Clearly, this drafting would be better served if it were down in the public forum of a mark-up.

I just don't think that we know enough about this language to be reasonably certain that we could be sowing the seeds of a future tragedy but I certainly don't want to take that chance. I worry that a day will come when either a under-potent or over-potent batch of imported drugs will leave a trail of avoidable carnage.

Yes, we can have certifications and regulations and foreign inspections and every other thing you can think of, but the fact remains we are opening a door that Congress carefully closed in 1988 when it enacted the Prescription Drug Marketing Act. The history of this bill is that it was enacted after a series of serious adverse events due to improperly stored, handled, and transported imported drugs. It also addressed the issue of the import of counterfeit and unapproved drugs such as the presence of counterfeit antibiotics and contraceptives.

These were serious threats to public health and safety. These incidents were the subject of extensive hearings of the House Energy and Commerce Committee. These incidents were the impetus of the 1988 legislation that this amendment would unravel.

Look, I know that there is a certain attractiveness to accept this amendment and that some members may be inclined to vote for this measure with the expectation that the language, which is still in flux, will be cleaned up in Conference.

But I am concerned that opening up this import loophole is either fixable or will do more good than harm.

As interested parties study this measure, objections are beginning to be registered. And they are not only from the big drug companies who are the true, and, to some extent, justified target of this provision.

I am mindful that a similar provision passed the House by a wide margin. But one vote that this legislation did not get was of that the Dean of the House, Representative JOHN DINGELL of Michigan.

Now you would think that if ever there was a group that stood to benefit from legislation it would be the wholesale druggists because they are the natural middlemen in the new, liberalized import system. Instead they call the amendment ''unworkable'' because ''(w)wholesalers do not have the expertise, equipment or personnel to undertake such complicated tasks''.

I will say in public right now that I fully expect that the DEA, FBI, and other components of DOJ will weigh in when this correspondence is answered.

I am particularly interested in learning from the DEA and FBI to what extent importation of counterfeit and adulterated controlled substances is a current problem and to what extent, if any, this legislation, would likely affect the current state of affairs?

But before my colleagues vote on this measure I would ask each of you to review the Dingell correspondence together with any response from the administration. Here are some of the questions that were included in Congressman DINGELL's letter to FDA:

1. Please provide a detailed analysis on how (H.R. 4461 and H.R. 3240) would affect FDA's present operations regarding efforts to prevent misbranded or potentially dangerous drugs from entering the U.S. Specifically, please provide: (a) a description of how the present system now used by FDA works; (b) what the present system is intended to accomplish; and (c) what changes would be required (and the potential effects of those changes) if this legislation passes in its present form.

Please include a discussion of how these amendments would affect the activities of other agencies, such as the U.S. Customs Service, with responsibilities for assuring the safety of imported prescription drugs.

2. Please determine if either of these amendments would have any effect on FDA's ability to enforce good manufacturing practices (GMPs) in any foreign firms that ship drugs to the U.S. If so, please explain any potential effect on consumer health and safety.

3. Please provide a full description regarding what a ''warning letter'' is and how it is typically used by the FDA. Please compare this with correspondence that is sent by Customs.

4. It appears that these amendments would directly affect the ability of FDA to send warning letters to consumers that purchase drugs over the Internet. As you know, some web sites appear to be covertly linked to foreign drug suppliers. When a consumer orders from such a site, it is not always obvious that they are dealing with an offshore supplier, and thus a potentially non-FDA approved facility. Often, warning letters may be the only indication that the Internet-ordered drugs originated from a foreign (and potentially dubious) source. Please indicate how this legislation could affect FDA's ability to protect consumers who purchased drugs in this way.

5. Please detail any other potential effects this legislation could have on FDA's ability to protect consumers from potentially dangerous drugs that originate aboard.

6. Finally, please provide technical assistance in the form of specific suggestions for legislative or regulatory changes that would be needed in order to facilitate the safe importation of prescription drugs by individuals, wholesalers, or retailers.

Only if you are convinced that FDA has the resources and international presence to enforce the myriad of new regulations and procedures required by the amendment should you vote for this measure.

Ask yourself how confident you are that more word-smithing during a closed conference committee meeting is likely to prevent one or more of your constituents from being seriously injured down the road by unsafe drug products brought into the U.S. as a result of this amendment?

Do we really want to turn back the clock and essentially re-open a dangerous door that was closed by the Prescription Drug Marketing Act of 1988?

Why the rush to open a potential Pandora's box of public health problems?

I hope that this well-intentioned amendment, offered by two highly-respected co-sponsors, does not place Congress and the public in the position of the old adage, those who do not understand the past are doomed to repeat it.

I respect the men and good intentions behind this amendment.

We all want to increase access to pharmaceuticals for all Americans. I do not think that the benefits of the Jeffords-Dorgan amendment outweigh its downsides, and that is why I am supportive of the alternative offered by the Senator from Mississippi.

I have to say, when this debate happened in the House, my dear friend, Congressman JOHN DINGELL, who has

played a tremendous role in health care all these years I have been in the Congress, stood up and argued against this. He lost in the House, but he should have won.

During the House debate, Congressman DINGELL said the following, ''We now find ourselves in the regrettable position of confronting the possibility that the easing of the law with regard to food and drug and cosmetics, which is going to be done here under this legislation, will in fact reduce the safety of the American consuming public.''

Mr. DINGELL was Chairman of the House Energy and Commerce Committee when the PDMA passed in 1988. He was a key mover and shaker behind the bill. As the bill was being developed the Energy and Commerce Committee issued a report that concluded that ''the very existence of a market for reimported goods provides the perfect cover for foreign counterfeits.''

Mr. President, I ask unanimous consent that his letter be printed in the RECORD, as well as the National Wholesale Druggists' Association letter, where they beg us not to pass this type of legislation because of the harm it could cause to the American public and to the American consumer.

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

JULY 14, 2000.

Hon. JANE E. HENNEY, M.D.,
Commissioner, Food and Drug Administration, Rockville, MD.

DEAR DR. HENNEY: Recently, the House of Representatives adopted two amendments, one by Rep. Crowley (D-NY) and one by Rep. Coburn (R-OK), to the Agricultural Appropriations bill which could have a profound effect on how the Food and Drug Administration (FDA) protects consumers from imported prescription drugs of uncertain safety and effectiveness. I am concerned that these amendments could seriously undermine the Prescription Drug Marketing Act (PDMA), and thus adversely affect public health.

During the 1980's, the House Energy and Commerce Committee conducted a lengthy investigation into the foreign drug market that ultimately led to enactment of the PDMA. That investigation discovered a potentially dangerous diversion market that prevented effective control over the true sources of merchandise in a significant number of cases. The integrity of the distribution system was found to be insufficient to prevent the introduction and eventual retail sale of substandard, ineffective, or even counterfeit pharmaceuticals. As the resulting Committee report stated, ''pharmaceuticals which have been mislabeled, misbranded, improperly stored or shipped, have exceeded their expiration dates, or are bald counterfeits, are injected into the national distribution system for ultimate sale to consumers.''

The PDMA was designed to restore the integrity and control over the pharmaceutical market necessary to eliminate both the actual and potential health and safety problems before injury to the consumer could occur. Again, the Committee report was clear on why the PDMA was needed: ''[R]eimported pharmaceuticals threaten the public health in two ways. First, foreign counterfeits, falsely described as reimported U.S. produced drugs, have entered the distribution system. Second, proper storage and handling of legitimate pharmaceuticals cannot be guaranteed by U.S. law once the drugs have left the boundaries of the United States.''

Alarmingly, I find little now that suggests that the problem with misbranded, adulterated, or even counterfeit foreign drugs has been solved. I reiterated these concerns with respect to the Crowley and Coburn amendments (see enclosed remarks). In fact, the evidence suggests the problem is getting worse. I am concerned that in our haste to find a way to bring cheaper drugs to seniors and other needy Americans—a clearly important and laudable goal—we risk making changes to key health and safety laws we may later regret. I am thus requesting that you quickly provide me with the following information:

(1) Please provide a detailed analysis on how (H.R. 4461 and H.R. 3240) would affect FDA's present operations regarding efforts to prevent misbranded or potentially dangerous drugs from entering the U.S. Specially, please provide: (a) a description of how the present system now used by FDA works; (b) what the present system is intended to accomplish; and (c) what changes would be required (and the potential effects of those changes) if this legislation passes in its present form.

Please include a discussion of how these amendments would affects take activities of other agencies, such as the U.S. Customs Service, with responsibilities for assuring the safety of imported prescription drugs.

(2) Please determine if either of these amendments would have any effect on FDA's ability to enforce good manufacturing practices (GMPs) in any foreign firms that ship drugs to the U.S. If so, please explain any potential effect on consumer health and safety.

(3) Please provide a full description regarding what a ''warning letter'' is and how it is typically used by the FDA. Please compare this with correspondence that is sent by Customs.

(4) It appears that these amendments would directly affect the ability of FDA to send warning letters to consumers that purchase drugs over the Internet. As you know, some web sites appear to be covertly linked to foreign drug suppliers. When a consumer orders from such a site, it is not always obvious that they are dealing with an offshore supplier, and thus a potentially non-FDA approved facility. Often, warning letters may be the only indication that the Internet-ordered drugs originated from a foreign (and potentially dubious) source. Please indicate how this legislation could affect FDA's ability to protect consumers who purchased drugs in this way.

(5) Please detail any other potential effects this legislation could have on FDA's ability to protect consumers from potentially dangerous drugs that originate abroad.

(6) Finally, please provide technical assistance in the form of specific suggestions for legislative or regulatory changes that would be needed in order to facilitate the safe importation of prescription drugs by individuals, wholesalers, or retailers.

I would appreciate a full response to this letter by Friday, July 28, 2000. Please do not delay.

Sincerely,

JOHN D. DINGELL,
Ranking Member.

NATIONAL WHOLESALE DRUGGISTS' ASSOCIATION,
Reston, VA, July 18, 2000.

DEAR SENATOR: I am writing on behalf of the National Wholesale Druggists' Association (NWDA) to request that you oppose the pharmaceutical importation amendment Senator Jeffords is expected to offer to the Fiscal Year 2001 Agriculture, Rural Development, Food and Drug Administration, and Related Agencies appropriations bill.

NWDA is the national trade association representing distributors of pharmaceuticals and health care products. NWDA active members operate over 200 distribution centers throughout the country, distributing over $77 billion in these products to every state, the District of Columbia and U.S. territories.

From NWDA's perspective, the Jeffords' amendment is unworkable. It would require wholesalers to statistically sample the products, test them for authenticity, develop extensive record keeping and documentation and relabel products from the country of origin to U.S./FDA approved labels. In their new role, wholesalers would also now likely have to also prepare professional package inserts to accompany each bottle or vial. These new requirements may reclassify ''wholesalers'' as ''relabelers'' and/or ''repackagers,'' which, under FDA regulations, would trigger different and significant additional regulatory requirements. I am not aware of any wholesalers who have these capabilities and I strongly doubt that they would undertake them due to the considerable expense.

Wholesalers do not have the experience, equipment or personnel to undertake such complicated tasks. Our expertise is in distributing pharmaceuticals in an efficient, timely and cost-effective manner on a daily basis. An ''average'' NWDA-wholesaler purchases product from over 900 different manufacturers, stores over 25,000 different health care items at any one time and distributes them to its hundreds of customers, including independent pharmacies, chain drug stores, hospitals, HMO's, integrated health systems, clinics, home health providers, physicians and government sites.

The measure also imposes numerous new reporting requirements on wholesalers. While it is questionable if these reports actually will help to ensure the health and safety of Americans, they will be very burdensome and costly for the wholesalers who must compile and maintain them. Furthermore, as a result of the testing and reporting requirements, lability exposure for the wholesaler is increased dramatically. All of these new requirements and liabilities will, in our opinion, add significant costs to imported products.

NWDA-wholesaler members have a razor thin net profit margin of just 0.62%. Operating in a highly competitive marketplace, wholesale drug distributors have passed these savings from lower operating costs through to our customers. All of these additional responsibilities, regulatory burdens and liability exposure will, in our opinion, ultimately be passed along to consumers. Wholesalers simply do not have the margins to absorb these types of added costs. Indeed, the financial viability of some wholesalers could be jeopardized if the Jeffords measure were to be enacted.

In closing, NWDA, as indicated in previous communications, is concerned about the potential threat to the public health posed by the importation of products that have been produced, stored and/or handled in a manner that is inconsistent with U.S. quality standards. Notwithstanding the language in the amendment relating to documentation, the Jeffords amendment does not ensure the safety and integrity of imported prescription drugs. However, NWDA stands ready to work with Senator Jeffords and others to devise an approach that will ensure the safety and integrity of pharmaceutical products as well as provide access to them for all Americans.

If you have any questions, please do not hesitate to contact me or have your staff

contract Robert Falb, NWDA Director of Congressional Affairs, at 703–787–0020 or rfalb@nwda.org.

Sincerely,

RONALD J. STRECK,
President & CEO.

Mr. HATCH. Given the reported White House activity on this bill, I would not be surprised that FDA will quickly respond to and brush aside the questions this letter raises.

Mr. President, in sum, we are in danger of losing a tremendously innovative and effective and productive industry that has made the American Nation the leader in health care throughout the world.

I think this type of an amendment will undermine everything we have decided to do all these years, that has really benefited the whole world.

I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. Mr. President, I point out, we held a hearing on this yesterday. I wanted to correct my good chairman on that.

I yield 5 minutes to the Senator from New York.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I very much appreciate the courtesy of my friend from Vermont because I rise to support the views of my friend from Utah, who spoke so carefully about the matter of price controls.

Sir, I do not expect to have any considerable influence on what we do today. But I would like, in a very short order, to try to put what we are doing in a perspective.

This began, for me, during the period of the Finance Committee hearings on the health care legislation submitted to us by the administration in 1993.

At one hearing, a professor, Charles Fahey, of Fordham University, speaking for the Catholic Health Association, said: What we are witnessing in the country is the commodification of medicine.

And down the table, the head of the UCLA hospital said: Can I give you an example? In Southern California, we now have a spot market for bone marrow transplants.

This thought stayed with me, that market forces were beginning to shape decisions in health matters as they had not done before.

It was particularly poignant that the first institutions that would have trouble in this new situation would be the medical schools and the teaching hospitals, which, as economists say, are public goods. Everybody benefits from public goods so no one has an incentive to pay for it—and we are seeing this all over the country in a short 6 years.

Now, today, we are seeing another phenomenon of a market that comes into being as railroads did, as oil refineries did, oil producers, as has been going on through the history of free markets and free enterprise, which is price controls. There is something about our political systems in the West that responds to the creation of new markets and the seeming rise in prices in those markets—when, in fact, quality rises—that says perhaps we could control this by controlling the price.

It always fails, Mr. President. It is the one thing you can say with a large degree of confidence that in the 20th century this effort always fails. Sometimes it fails by producing black markets where the laws are not obeyed; others by simply depressing the quality of the products in the market. That is what we have to watch for here in the main.

We are dealing with thoroughly responsible organizations. The Pfizer Corporation, from my city of New York, began work in Brooklyn in 1849, developed the first treatment for parasitic worms in the mid-19th century when that was a rampant endemic disease. It has since gone on to do other extraordinary things. It was the first major producer of penicillin in the United States, which was a drug of such enormous consequence in the Second World War, the first time we were able to destroy one cell in a body without destroying others.

Today Pfizer has 12,000 researchers with a budget of $4.7 billion, larger than the budget of the National Science Foundation. I say, sir, impose price controls, which always seems like a good idea at the time, and in a short order there will be no such budget. A period of enormous innovation, very recent in the history of medicine, will come to a close.

I see my time has come to a close. I ask unanimous consent to print in the RECORD the paper I gave at the 42nd annual Cartwright Lecture as reprinted in ''Academic Medicine,'' the journal of the Association of American Medical Colleges.

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

[Reprinted from Academic Medicine, 1998 by the Association of American Medical Colleges]

ON THE COMMODIFICATION OF MEDICINE

(By Daniel Patrick Moynihan)

ABSTRACT

The author reviews key themes of medicine and medical education in the 20th century, such as the revolution in therapies and the consequent and continuing changes in the economies of health care; workforce issues, including the controversy over the optimum number of residency slots; and the impact of managed care on teaching hospitals and medical schools. This impact is part of ''the commodification of health care,'' in which health care is beginning to be bought and sold in a market, where prices determine outcomes, and where the not-for-profit, service orientation of health care providers is threatened.

He discusses in detail the pressures this new health care environment places on medical schools and teaching hospitals, and recounts the first Senate Finance Committee hearing in April 1994 on the subject of academic health centers under health care reform. Soon after, the Committee approved legislation to create the Graduate Medical Education and Academic Health Center Trust Fund, to be financed by a 1.5% tax on private health care premiums in addition to Medicare Graduate Medical Education payments. The provision was later dropped from a similar bill that came before the full Senate, but has since been introduced as the Medical Education Trust Fund Act of 1997.

The author concludes by cautioning that matters will grow more difficult in the near future, since the threats to academic medicine's institutions have not yet become part of the national political agenda.

Acad. Med. 1998; 73:453—459.

I must begin by expressing great gratitude to the Dean's Advisory Committee on Honors and Awards for inviting me to be the recipient of the 1997 Cartwright Prize. I will not, however, dissemble my anxiety at being, evidently, the first lay person to receive this prize in its 116-year history. I take comfort in one respect only, which is that I propose to address the same subject, the condition of our medical schools, that Abraham Flexner addressed in 1910, and whilst a historic figure of the first order, Flexner, too, was a layman!

He was, of course, concerned with quality. Yet the text of his celebrated Report to the Carnegie Foundation for the Advancement of Teaching is filled with financial details and economic terms:

''In the entire United States there is already on the average one doctor for every 568 persons . . . in our large cities there is frequently one doctor for every 400 or less.

''Over-production is stamped on the face of these facts.

''A century of reckless over-production of cheap doctors has resulted in general overcrowding.''

Flexner's view was that there were then too many inadequate medical schools producing too many inadequate doctors. He would raise quality by reducing the number of institutions and increasing the quality of the graduates. He had his way.

In 1910, the year of his report, there were 155 medical schools in the United States. By 1932, there were 76, with but a single addition by 1950. In 1910, there were 4,400 medical graduates in a population of 92.2 million, or 4.8 graduates for every 100,000 people. In 1996, there were 15,907 medical graduates in a population of 268.6 million, or 5.9 graduates for every 100,000 people.

I risk speaking beyond my knowledge, but it appears to me that we can see in all this a combination of disinterested behavior not without a trace of self-protection. At the time, all manner of folk were becoming ''professional.'' Lawyers and accountants and engineers, and, heaven forbid, professors of government. Gatekeepers were put in place and access was restricted. The public got the benefits of quality; the professions of, well oligopoly.

It is striking how echoes of this early debate could be heard in the course of the debate over President Clinton's 1993 health care proposal, an exchange which, of course, continues.

The new administration had announced its intention to send Congress a bill that would establish universal health care. The work of drafting the legislation was assigned to a group of some 500 persons. By the time the first session of the 103rd Congress was coming to a close, we still had not received a bill. On November 23, the day before we ''went out,'' as our phrase has it, I finally was able as chairman of the Senate Finance Committee to introduce, ''on request,'' a 1,362 page bill. I suspected it was not quite complete—it was not—but it saved the honor of the task force to have got its work done in one year.

Not incidentally, introducing the bill finally focused my mind. It was time surely

that I got some rudimentary education on this subject. Accordingly, I asked Paul A. Marks of Memorial Sloan—Kettering if he would put on a seminar for me. Just basics. We met in their lovely Laurance S. Rockefeller Board Room at 10 a.m. on the morning of Wednesday, January 19, 1994. At about 10:20 a.m. my education commenced. One of my tutors—a dean of great distinction—remarked that the University of Minnesota might have to close its medical school.

Hold it! Minnesota is where all the Scandinavians went. They don't close medical schools in Minnesota; they open medical schools in Minnesota. This is true, surely, of our whole northern tier of states. It happens I take some pride in having demonstrated in 1992 that while the correlation between per-pupil expenditure on education and average score on the national eighth-grade math exam was a derisory .203, the strongest correlation, a negative .522, was the distance of a state capital from the Canadian border. In the place of all the nostrums being bandied about concerning national education policy, I proposed a simple one-step program: move states closer to Canada. I would tend to assume that some similar relationship obtains as regards health care, and so was the more shocked at the idea of a medical school being closed in Minnesota.

On further enquiry, one learned that, being progressive folk, Minnesotans had been joining health maintenance organizations. HMOs, as we would learn to call them. Paul Ellwood had been trying to tell us this. Being cost-conscious, HMOs do not readily send patients to teaching hospitals; lacking patients, teaching hospitals falter; lacking teaching hospitals, medical schools close.

Clearly, we were in a new age of medicine that had come upon us suddenly. In a wonderful brief essay written in 1984, Lewis Thomas described ''medicine's second revolution.'' The first revolution began with 2nd century A.D. Galen, a Greek physician practicing in Rome who introduced bleeding and blistering, mercury and the like. Also anatomy.

This first revolution persisted—witness the passing of our first president—into the early 19th century, when ''serious questions were raised about this kind of therapy.'' Slowly, but successfully, doctors learned Hippocrates' injunction, primum non nocere. Thomas described a celebrated Victorian painting, The Doctor:

''The picture . . . illustrates what used to be the popular conception of medicine and is, to this day, a romantic version of the way the profession likes to view itself. The scene is a Victorian living room where a young child, stricken by an unspecified mortal illness, lies in a makeshift bed; at her side sits the elderly doctor in an attitude combining, all at once, concern, compassion, intelligence, understanding, and command. He is the painting's centerpiece. The child's parents are in the background, the father looking at the doctor with an expression of total trust.

''The doctor in the painting is engaged in what was, for that period in medicine, the only course available at this stage of serious illness: He is monitoring the patient. He has already, presumably, arrived at the diagnosis. He knows the name of the child's illness, he has a solid working knowledge of the pathology, and from his lifetime of professional experience he is able to predict how the disease will run its course and what will happen at the end. He has explained all this to the parents in language that they can understand, and now, at the moment of the picture, he is engaged in the ancient art of medicine. This means, at its essence, that he is there contributing his presence, providing whatever he can in the way of hope and understanding.

''The illusion of the scene is that he is in control of the situation. He is not, of course. Beyond taking the pulse, examining the tongue, listening to the chest, palpating the abdomen, and making sure that what was then regarded as good nursing care is available, there is nothing whatever that he can do to alter the course of the illness or affect its outcome.''

Thomas records that ''this was the kind of medicine I was taught in Boston 50 years ago, which would have been 1934. (When, come to think, we were treating our president for poliomyelitis by seating him in what Gibbon called ''medicinal waters,'' writing of the therapies of Rome in the Age of Caracalla.) He recalls that the terms medical science and medical research were not much used and the term bio-medical, implying that ''medicine and biology were all of a piece,'' was not yet invented. Then this: ''As I recall, 50 years ago we believed that medicine had just about come its full distance.

Before that decade of the 1930s wound out, antibiotics made their appearance in medical practice and everything changed. Changed utterly. To cite Thomas a last time, ''The news that infectious bacteria could be killed off without harm to the cells of the host came as an astonishment to physicians everywhere. American medicine took off.

The transformation of medical science brought profound changes in the economics of medicine. We would associate this with Say's law, the work of the early-19th-century French economist who reached ''a conclusion that may at first sight seem paradoxical, namely, that it is production which opens a demand for products.'' Supply creates its own demand. Say's law began to take hold in medicine. As the supply of efficacious treatments grew, demand grew. In 1929, real per-capita national health expenditures (1996 dollars) were below $300. By 1989, they exceeded $3,000—a ten-fold increase. In 1940, 4.0% of the Gross Domestic Product went to the health care sector. In 1960, 5.1%. But now the trend took hold. The proportion had more than doubled by 1991, when Richard Darman, Director of the Office of Management and Budget, presented this testimony before the Senate Committee on Finance:

''Total public and private health spending is on a growth path that would take over the Gross National Product—if that were not a practical impossibility. Total health spending has grown from less than 6% of GNP three decades ago to about 12% today. It is currently projected to reach 17% by the year 2000 and 37% of GNP by 2030. [Emphasis in original.]''

In Washington, where health care costs were now assuming an ever-larger portion of the federal budget owing to programs such as Medicare and Medicaid, begun in 1965, the issue was increasingly seen in budgetary terms. This was a profound shift. I was a witness to and something of a participant in the development of the Medicare and Medicaid legislation. Money was the least of our concerns. We had the money. Health care was what we cared about. The venerable Robert J. Myers, who was actuary to the House Committee on Ways and Means at that time, has recently reviewed our subsequent experience. In 1965, it was estimated that the outgo for the hospital insurance (HI) portion of Medicare by 1990 would be $9 billion. As it turned out, the actual figure was $66.9 billion. Thus, he writes, ''the actual HI experience was 639% above the estimate.'' Myers notes that in the interval the program was continually expanded in one way or another such that the comparison is not entirely valid. No matter, the issue succumbed to a fair amount of alarm given what, in Myers's words, ''at first glance . . . seems to be a horrendous variation.'' Political attention turned to the issue of demand.

This was a central theme of President Clinton's 1993 health care proposal. One issue identified was what economist Alain Enthoven had earlier called the question of ''physician oversupply.'' Writing in the Journal of the American Medical Association in 1994, Richard A. Cooper of the Medical College of Wisconsin would state that a ''consensus'' had developed that there needed to be a ''better balance'' in the proportion of primary care physicians to specialists. He was careful, however, to note that where the one was determined by demography, ''the driving force behind much of specialty medicine was science.''

This was not a matter of concern to the Clinton task force. Working in secret, an abomination where science is concerned and no less an offense to democratic governance, the task force came up with this formulation:

''Problem: An increasingly overabundant number of medical graduates are entering specialty fields instead of primary care fields (family practice, general pediatrics, general internal medicine).

''Provide [by Federal law] that at least 50 percent of residency graduates enter primary care practice.

''*Limit Federal funding for first-year residency positions to no more than 110 percent of the size of the graduating class of U.S. medical schools. This would further support the action to limit specialty residency positions.* [Emphasis in original.]''

As I have described elsewhere, a dissenting paper dated April 26, 1993, by ''Workgroup 12'' of ''Tollgate 5,'' [sic] written by a physician in the Veterans' Administration, began:

''FOR OFFICIAL USE ONLY

''Subject: Proposal to cap the total number of graduate physician (resident) entry (PGY–1) training positions in the U.S.A. To 110 percent of the annual number of graduates of U.S. medical schools.

''Issue: Although this proposal has been presented in toll-gate documents as the position of Group 12, it is not supported by the majority of the members of Group 12 (listed below).

''REASONS NOT TO CAP THE TOTAL NUMBER OF U.S. RESIDENCY TRAINING POSITIONS FOR PHYSICIAN GRADUATES.

''1. This proposal has been advanced by several Commissions within the last two years as a measure to control the costs of health care. While ostensibly advanced as a man-power policy, its rationale lies in economic policy. Its advocates believe that each physician in America represents a cost center. he not only receives a high personal salary, but is able to generate health care costs by ordering tests, admitting patients to hospitals and performing technical procedures. This thesis may be summarized as: TO CONTROL COSTS. CONTROL THE NUMBER OF PHYSICIANS.''

It went on the state that the proposal would require ''a vast regulatory apparatus.'' Then this:

''13. To end on a philosophic note, when the proposal to cap training slots was presented to the presidents of the major U.S. universities last weekend, they were incredulous that the U.S. government would advance as sound social policy a proposal to limit access to one of the three learned professions with its millennial history of achieving social good. They further recognized that in America open access to careers in these professions has been a traditional path for immigrant social mobility.''

Leaving aside the politically correct last sentence—No White Protestants Need Apply—this was surely an honorable response. The university presidents were right to have been incredulous at this proposal. It

was, in the words of Walter Reich, a proposal for the ''deliberate dumbing down of medicine.'' And yet, it was all kept too much in the family. The administration hardly drew attention to it. A 136-page White House publication on the health care plan had 11 lines on the subject of ''Doctors in the United States: An Unhealthy Mix.'' The press scarcely mentioned the matter, even here in New York where the 110% limit on residencies would have nearly eliminated foreign medical graduates in our hospitals, with the real possibility of many having to close. (The number of residency slots has for some years now been at about 135% of the number of graduates of American medical schools. Imposing a 110% cap would have resulted in a reduction of almost a fifth in the number of residencies nationwide. In that almost half the medical residents in New York City are graduates of foreign medical schools, it would have been very difficult to staff the city's hospitals if such a supply constraint had become law.)

Nor did the workforce issue emerge in the House and Senate hearings on the health care legislation. However, early on the Finance Committee began to sense that the notion of uncontrollable costs was open to question. Indeed, the interval between 1993, when the administration health care plan was proposed, and 1994, when it failed in the Congress, was something of a break point. Average health insurance costs for large employers, including government, declined from $4,117 in 1993 to $4,040 in 1994. (They have since more or less stabilized.) Something was going on, and in the Finance Committee, at least, we began to sense what could only be described as market forces. This sense, at least for this Senator, was of a sudden brought into focus on April 26, 1994, when Monsignor Charles J. Fahey of Fordham University, testifying on behalf of the Catholic Health Association of the United States, said that what we were seeing was the ''commodification of health care.'' Which is to say that health care was beginning to be bought and sold in a market, where prices would determine outcomes. This was not a development Fahey found altogether congenial.

''We want to alert the committee that the not-for-profit mission in health care is being seriously threatened by the increasing commercial environment in which we find ourselves operating; a real commodification of health care, if you will.''

Still, as we pursued the matter, it became ever more clear that something such was happening.

Again, Paul Ellwood did his best to tell us this. At a March 1, 1994, hearing in the Finance Committee, he was asked about projections that health care spending would reach 20% of GDP by the year 2000.

''Dr. ELLWOOD. The problem with building these models that project costs is, if you are going to go with a model, the more compulsory, the more intrusive the system of determining what the numbers are in there, supposedly the more accurate they are.

''What we are having to do here is speculate about how consumers will behave if they are faced with lower-cost health plans versus how providers will behave if there is a ceiling on it.

''My feeling is—I may come to regret saying things like this—we are never going to hit 20%.

''Senator PACKWOOD. That we are going to get what?

''Dr. ELLWOOD. We are never going to hit 20% of the GDP.

''The CHAIRMAN. Write that down. Everybody take notes.''

What Mr. Darman had described—37% of GNP by the year 2030—was an unsustainable trend. It is years now since Herbert Stein, Chairman of the Council of Economic Advisers under President Nixon, offered the epiphanic observation that ''an unsustainable trend cannot be sustained.'' We should have known, and began to sense.

Here are the numbers. In 1993, health care absorbed 13.6% of GDP. The administration projected that without reform, the proportion would rise to 18.9% by the year 2000. (Pretty much along the Darman trend line.) With reform—1,362 pages of it—we could hope for 17.3% of GDP by said year 2000. For what it is worth, the Congressional Budget Office now projects that by the year 2000 health care costs will be 14.3%. As they would say in the age of Thomist medicine, the crisis has passed.

But another crisis awaited. That of medical schools and teaching hospitals. Slowly, beginning with Fahey's testimony, the connection emerged. And it has been all over the press ever since, if one reads the headlines with this in mind. Here is a sample from the superb reporting of Milt Freudenheim in The New York Times:

''HOSPITALS ARE TEMPTED BUT WARY AS FOR-PROFIT CHAINS WOO THEM

''Richard Scott has made deals to take over 137 hospitals in the last year, and he wants more. Now, his Columbia—HCA Healthcare Corporation has its eye on some Catholic hospitals in Chicago.

''Stay away, says Joseph Cardinal Bernardin of Chicago, one of the most powerful clerics in the nation. The Roman Catholic Church has an obligation to poor people and to the Catholic way of health care, the Cardinal recently warned the 20 hospitals in his archdiocese, and selling to a for-profit chain would be a betrayal. He reminded them that the archdiocese could withdraw its recognition of any hospital defying him.''

For Catholics, of course, read Jewish, Presbyterian, Methodist, what you will. Hospitals once were charities.

''BIG HOSPITAL CHAIN MAKES A BID TO BUY BLUE CROSS OF OHIO

''The nation's largest for-profit hospital chain agreed yesterday to buy the main business of Blue Cross and Blue Shield of Ohio, raising concerns among consumers, employers and providers of health care about the enormous influence that such a combination could exert.

''The $229.5 million purchase by the Columbia—HCA Healthcare Corporation would be the first acquisition of a Blue Cross company by a for-profit hospital chain. If approved by state regulators and the national Blue Cross and Blue Shield association, the takeover could open the door for similar deals by a number of nonprofit Blue Cross plans that are struggling to stay in business.''

Recall that Blue Cross began as a not-for-profit cooperative, an idea much associated with resisting market forces.

A recent lead story of the Business Day section of The Times, by David J. Morrow, began:

''WARNER—LAMBERT SHARES PLUNGE ON GLAXO MOVE

''Shares of the Warner-Lambert Company plunged 18.5% yesterday after Glaxo Wellcome P.L.C. halted British sales of Warner-Lambert's diabetes drug, troglitazone [trade name Rezulin]. . . .

''By day's end, Warner-Lambert's shares had dropped $25.875 each, to $114, with 9.9 million shares traded, the second most active of the day on the New York Stock Exchange. The setback shaved $7 billion off the Morris Plains, N.J., company's market value, prompting analysts at Bear, Stearns & Company to adjust their earnings estimates and Morgan Stanley to lower its rating of Warner-Lambert before noon. At one point, Warner-Lambert's stock tumbled to $112, its lowest point since June 20. . . .

Developed by the Sankyo Company Ltd. in Japan, Rezulin was initially heralded as a wonder drug for type-2 diabetes, a chronic disease that affects about 135 million people world-wide. According to Warner-Lambert data, Rezulin reduces or eliminates the daily use of insulin, which has been the predominant treatment for diabetes. Unlike insulin, administered by injection, Rezulin is taken in tablets.''

There was a time, surely, when the advent of a new ''wonder drug'' would have been approached in terms of health care. Now it becomes an affair of share prices.

But now to our main story. This, once again, by Mr. Freudenheim of The Times, on May 20, 1997:

''TEACHING HOSPITALS UNDER THE KNIFE; LONGTIME MISSIONS PRESSED BY H.M.O.'S

''It began as a charity supported by Paul Revere that sent out doctors to the poor. It evolved into the New England Medical Center at Tufts University, a research powerhouse that ranks among the leaders in New England in liver transplants, breast-cancer research and complex heart procedures.

''But now, the biggest health maintenance organization in Boston threatens to starve New England Medical by refusing to pay for its patients to go there, even though the costs are as low or lower than at other Boston teaching hospitals. . . .

''The squeeze on academic medical centers like New England Medical is particularly brutal in Boston, which has seven prestigious teaching and research hospitals and far too many hospital beds, and where costs per patient are among the nation's highest. But dozens of teaching hospitals across the country face similar challenges, and they are responding by reaching out for business partners.

''Some, like the George Washington University Hospital in Washington, D.C., and state university hospitals in California, Oklahoma and South Carolina, are being sold to for-profit chains; others, like New England Medical, Columbia University's Presbyterian Hospital and the University of Minnesota Academic Medical Center, have merged with stronger, nonprofit local institutions; still others, like Beth Israel and St. Luke's/Roosevelt in New York, are merging into holding companies that will run their finances.''

In April 1994, the Senate Committee on Finance held hearings on the subject of ''Academic Health Centers Under Health Care Reform.'' It would appear that these were the first ever on that subject. The testimony was powerful and dispositive. In response to a question from Senators Bob Packwood, our ranking member, Paul Marks described the situation at Sloan-Kettering:

''I think that a price-driven environment is one in which we will have unintended consequences in terms of rationing and quality. You cannot get something for nothing out of the system. And while we can reduce costs substantially, and I think all of us have tremendous pressures to reduce costs, even in high-cost centers, such as the cancer centers, we know right now from our experience because we are being approached by insurance companies, health plans, managed care, and they say how much does a bone marrow transplant cost. And we will say it is $100,000. Well, we will give you all our marrow transplants for $60,000.

''There are two things. Number one, we cannot survive as a quality provider of care doing bone marrow transplantations alone. Even if we got $100,000, we would not want to do it. And at $60,000 we cannot really provide

a quality care program in bone marrow transplantation.

''So I would say that at least in our environment there has to be some kind of legislation which takes into account that a price-driven system today will compromise the quality of health care and will be associated with rationing. I do not think there is any question in my mind about that because they cannot compete in any other way if you are going to drive down just price.''

It would be fair, I believe, to state that the theme of our hearings was, and here I quote from my opening statement, that ''health insurance is important, but health is more important. It comes out of discovery, and we are in a great age of discovery.'' We were up against the problem of how to provide for what economists call public goods. These are readily described. For most goods and services, if the consumer chooses not to pay, he does not receive the benefit. If he does not buy a ticket, he is excluded from the ballpark. By contrast, consumers are not easily excluded from the benefits of a public good, say national defense or cancer research, because everyone benefits whether or not they pay. As Richard A. Musgrave noted in his classic 1959 text, The Theory of Public Finance, the existence of public goods provides a rationale for the government to intervene on markets and either directly provide the public good—as it does with national defense—or support the provision of the public good through indirect payments.

The Finance Committee resolved to do just this for medical schools and teaching hospitals. The chairman's mark, as is our term, of June 29, 1994, provided for a Graduate Medical Education and Academic Health Center Trust Fund to be financed by a 1.5% tax on all private health care premiums. An additional .25% levy, proposed to us by Senator Mark Hatfield, provided for medical research. In all, this made for an average annual revenue to the Trust Fund of $17 billion over five years. To may knowledge, this was the first such proposal of its kind. It did not go unnoticed in our Committee; a motion to strike the 1.75% premium tax failed by 13 votes to seven.

It would be pleasing to report that there was at least some response to the bipartisan approval by the Senate's tax-writing committee of a trust fund for this purpose. But there was none. The Committee finished its work on Saturday, and there was a long front-page report in The Times. The tone was cool. Our assignment had been to provide universal health care; we had only provided for 95% coverage by 2002. That a bipartisan majority had approved a very considerable measure meant nothing to those who had vowed never to compromise. These included a fair number of journalists, whose disappointment, even distaste, was made plain. In the end, of course, no bill was brought to a vote in either chamber. The Congressional elections that followed were widely understood to mark a repudiation of the whole enterprise, and indeed, the subject has receded, in Congress at least, while health maintenance organizations continue their seeming predestined course.

The one exception is this matter of medical schools and teaching hospitals. In the 104th Congress, four bills were introduced. This time the Senate Finance Committee rejected the trust fund on a tie vote, ten to ten. (Tie votes fail.) By contrast, on the House side, in the Committee on Ways and Means, the new chairman, Representative Bill Archer of Texas, proposed and carried a Teaching Hospital and Graduate Medical Education fund that would receive, among other revenues, $13.5 billion in appropriated general funds over a six-year period. This measure became part of the Balanced Budget Act of 1995. It passed both House and Senate, but was vetoed by President Clinton over other matters. In the current, 105th Congress, I have reintroduced S. 21, the ''Medical Education Trust Fund Act of 1997.'' This was a ''first day'' bill, and accorded some prestige, as the first 20 numbers are reserved for the Majority and Minority leaders. For all that, at the end of the year there are no cosponsors and few prospects. The subject has not made its way onto the national political agenda as a singular public good that has been placed in jeopardy by what Columbia's great seer, Robert K. Merton, described back in 1936 as the ''unintended consequences'' of actions arising in other contexts.

Expect matters to grow more difficult in the near future. There will be all manner of proposals to regulate managed care, much as a century ago we commenced to regulate the railroads and such like commercial activities. This can be helpful; it can be hurtful. James F. Blumstein of the Health Policy Center at Vanderbilt University suggests that the current federal investigation into various health care providers ''is taking its cues from past task forces on the Mafia.'' Or desert warfare, for that matter, given the formal title, ''Operation Restore Trust.'' Again, expect more. But be of good cheer. Some things take a long time, as Lewis Thomas attested. Most importantly, may a layman urge that you physicians be importunate. You are too precious to let your collective well-being be taken for granted. I close with the words with which Dominic P. Purpura, dean of the Albert Einstein College of Medicine here in New York, on October 5th opened the new Jerome and Dawn Greene Medical Arts Pavilion at Montefiore Hospital in the Bronx:

''We are gathered here for several reasons. Most importantly to bear witness to the felicitous marriage of high-spirited philanthropy and good works, now consummated in this . . . Medical Arts Pavilion. We are here for another purpose as well. To dispel the septic rumor oozing from some health policy think tanks to the effect that academic medical centers such as ours are dinosaurs doomed to extinction by the impact of the asteroid of managed care. Look skyward! On this day of noble purpose the sun shines brightly. No ashen clouds obscure the values that have made American medicine a crowning achievement of Western Civilization. And what are these core values? Simply stated: Faith in evidence-based medicine and trust that our superbly trained physicians will translate the basic science of medicine into the art and science of patient care.''

The author thanks Dr. David Podoff, minority chief economist for the Senate Committee on Finance, for assistance with this article.

Mr. JEFFORDS. Mr. President, I yield 4 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I am very pleased to be involved in working on this legislation with the Senator from Vermont and other legislation with Senator DORGAN.

To my colleague from Utah, if we read the amendment carefully—all colleagues who are going to vote—we are very clear on protections. If safeguards are not in place, the drugs cannot be reimported. That is clear language.

These are some of the protections: strict FDA oversight; proof of FDA approval of imported medicines; only licensed pharmacists and wholesalers can import medicines for retail sale; importers will have to meet requirements for handling as strict as those already in place for manufacturers; lab testing to screen out counterfeits; lab testing to ensure purity, potency, and safety of medications. It is all clear.

I have a letter from the National Community Pharmacists which is in favor of this exact concept of our pharmacists and wholesalers being able to reimport these drugs so our consumers can afford it.

The only protection we don't have in this amendment is protection for the pharmaceutical industry to continue to make excessive profits. I quote from Fortune magazine:

> Whether you gauge profitability by median return on revenues, assets, or equity, pharmaceuticals had a Viagra kind of year.

We are talking about an industry making enormous profits, profits as a percentage of revenue up around 18.6 percent. We have all the protection for consumers. We just don't want to protect the pharmaceutical company from being able to gouge consumers. People in Minnesota and in Alabama and in Vermont and in North Dakota are saying: Why can't we have the trade? Why can't we have the competition? Why can't our pharmacists and wholesalers reimport these drugs back to us so we can get the drugs we need for ourselves and our families at a price we can afford?

This is a real simple amendment. You are on the side of consumers, you are on the side of real competition, or you are on the side of the pharmaceutical industry. On this one, Senators have to be on the side of consumers.

I am glad we finally have the chance to bring up legislation that corrects the injustice that finds American consumers the least likely of any in the industrialized world to be able to afford drugs manufactured by the American pharmaceutical industry because of the unconscionable prices the industry charges only here in the United States.

When I return to Minnesota which I do frequently, I meet with many constituents, but none with more compelling stories than senior citizens struggling to make ends meet because of the high cost of prescription drugs—life-saving drugs that are not covered under the Medicare program. Ten or twenty years ago these same senior citizens were going to work everyday—in the stores, and factories, and mines in Minnesota—earning an honest paycheck, and paying their taxes without protest. Now they wonder, how can this government—their government—stand by, when the medicines they need are out of reach.

But it is not just that medicare does not cover these drugs. The unfairness which Minnesotans feel is exacerbated of course by the high cost of prescription drugs here in the United States—the same drugs that can be purchased for frequently half the price in Canada or Mexico or Europe. These are the

exact same drugs, manufactured in the exact same facilities with the exact same safety precautions. A year ago, most Americans did not know that the exact same drugs are for sale at half the price in Canada. Today, you can bet the pharmaceutical industry wishes no one knew it. But the cat is out of the bag—and it is time for Congress to right these inequities.

All the legislators speaking today have heard the first-hand stories from our constituents—in Minnesota, Vermont, North Dakota, South Dakota, Washington state—constituents who are justifiably frustrated and discouraged when they can't afford to buy prescription drugs that are made in the United States—unless they go across the border to Canada where those same drugs, manufactured in the same facilities are available for about half the price.

Senior citizens have lost their patience in waiting for answers—and so have I.

Driving to Canada every few months to buy prescription drugs at affordable prices isn't the solution; it is a symptom of how broken parts of our health care system are. Americans regardless of party have a fundamental belief in fairness—and know a rip-off when they see one. It is time to end that rip-off. While we can be proud of both American scientific research that produces new miracle cures and the high standards of safety and efficacy that we expect to be followed at the FDA, it is shameful that America's most vulnerable citizens—the chronically ill and the elderly—are being asked to pay the highest prices in the world here in the U.S. for the exact same medications manufactured here but sold more cheaply overseas.

That is why I introduced with Senator DORGAN the International Prescription Drug Parity Act, and with Senator JEFFORDS the Medicine Equity and Drug Safety Act, two bills which will amend the Food, Drug, and Cosmetic Act to allow American pharmacists and distributors to import prescription drugs into the United States as long as the drugs meet FDA's strict safety standards. Pharmacists and distributors will be able to purchase these drugs—often manufactured right here in the U.S.—at lower prices overseas and then pass the huge savings along to American consumers.

What these bills do is to address the absurd situation by which American consumers are paying substantially higher prices for their prescription drugs than are the citizens of Canada, and the rest of the industrialized world. These bills do not create any new federal programs. Instead they use principles frequently cited in both Houses of the Congress—principles of free trade and competition—to help make it possible for American consumers to purchase the prescription drugs they need. Now we have the chance to adopt an amendment that includes the best of both those bills.

And the need is clear. A recent informal survey by the Minnesota Senior Federation on the price of six commonly used prescription medications showed that Minnesota consumers pay, on average, nearly double (196%) that paid by their Canadian counterparts. These excessive prices apply to drugs manufactured by U.S. pharmaceutical firms, the same drugs that are sold for just a fraction of the U.S. price in Canada and Europe.

Pharmacists could sell prescription drugs for less here in the United States, if they could buy and import these same drugs from Canada or Europe at lower prices than the pharmaceutical companies charge here at home.

Now, however, Federal law allows only the manufacturer of a drug to import it into the U.S. Thus American pharmacists and wholesalers must pay the exorbitant prices charged by the pharmaceutical industry in the U.S. market and pass along those high prices to consumers. It is time to stop protecting the pharmaceutical industry's outrageous profits—and they are outrageous.

Where the average Fortune 500 industry returned 3.8 percent profits as a percentage of their assets, the pharmaceutical industry returned 16.5 percent.

Where the average Fortune 500 industry returned 15 percent profits as a percentage of shareholders equity, the pharmaceutical industry returned 36 percent.

Those record profits are no surprise to America's senior citizens because they know where those profits come from—they come from their own pocketbooks. It is time to end the price gouging.

We need legislation that can assure our Senior Citizens and all Americans that safe and affordable prescription medications at last will be as available in the United States of America as they are in all the other countries of the industrialized world. This amendment which I am introducing along with Senators JEFFORDS and DORGAN accomplishes that end.

And contrary to the campaign of false information being promoted by the pharmaceutical industry, the Amendment includes all the safety precautions needed to protect the American public. This amendment includes the specific protections—which were not included in the House-passed amendments—to make sure we are not sacrificing safety for price.

The only things that are not protected in this amendment are the excessive profits of the pharmaceutical industry. My job as a United States Senator is not to protect those profits but to protect the people. Colleagues, please join in and support this thoughtful and necessary amendment that will help make prescription drugs affordable to the American people.

Mr. JEFFORDS. Mr. President, I yield 4 minutes to the Senator from Michigan.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, I commend Senator JEFFORDS and Senator DORGAN for this amendment. There is no reason why American consumers should not have access to lower-priced medicines, while assuring the safety of those medicines that are imported.

I quote from an editorial from the Detroit News. This is an editorial department which is very outspokenly conservative, avowedly conservative in its editorial policy. It says:

> . . . Congress should remove the prohibition because the federal government ought not to restrict the purchasing options of Americans.

It goes on to say:

> . . . using government coercion to prevent Americans from purchasing drugs from abroad is not the way to go.

That is what this issue is all about. This is whether or not we are going to use the free market. This has nothing to do with setting prices. This has to do with using a free market to allow the reimportation of something manufactured in the United States after it has been certified by the FDA that it is safe to do so.

It is incredibly galling as well as incredibly expensive for my constituents in Michigan to go across the border to Canada in order to buy drugs at about half the price of what they are charged for those same drugs in Michigan. Again, these are drugs manufactured in the United States and exported to Canada. All this amendment says is that it ought to be possible for our wholesalers and our pharmacists to import something back into the United States manufactured in the United States and having been approved by a process of the FDA to make sure that it is safe.

We have done a survey in my home State. We have compared the prices of these drugs. They are quite extraordinary. We have many people who cannot afford these drugs. These are often lifesaving drugs, life-extending drugs. These are drugs which reduce pain, which make it possible for people to be more mobile than they otherwise would be.

We looked at seven of these most popular drugs because there were three on which we could not make a comparison because they were over-the-counter drugs in Canada or otherwise unavailable to get prices, but seven of the most popular drugs. Premarin is an estrogen tablet taken by menopausal women. It costs $23 in Michigan, $10 in Ontario. Synthroid—this replaces a hormone which is normally produced by the thyroid gland—costs over $13 in Michigan, under $8 in Ontario. We could go through the next five drugs on this list, and I have done this already in the RECORD in previous remarks I made on the Senate floor.

We cannot afford to be subsidizing the consumers in other countries. We ought to use the free market that we are all so proud of to allow the import of something which is, by the way,

manufactured in the United States and, by the way, in some cases had previously received financial support from the taxpayers of the United States through either the Tax Code on research and development or, in some cases, direct grants from the National Institutes of Health to the scientists who developed these drugs.

It is really an intolerable situation when we have people in our States who can't afford these critically important drugs and are simply prohibited from having a wholesaler or a pharmacist import that drug from another country. Since the amendment provides for safety through a process which has to be approved by the FDA, it seems to me this is a sensible thing to do.

I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. JEFFORDS. Mr. President, I yield 5 minutes to the Senator from North Dakota.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. DORGAN. Mr. President, there is nothing worse than losing an argument you are not having. We had four or five opponents talk about this legislation, and they were making arguments about a bill that doesn't exist. So they win. What is the argument? Listen carefully and you will hear the scare tactics, suggesting that somehow in an old garage with a dirt floor on a dusty street somewhere in Haiti, someone is going to produce a counterfeit drug and ship it to the U.S. We should not do that, they say. Well, I agree. But that has nothing to do with this legislation. They are winning an argument we are not having.

This legislation establishes very strict controls and pertains only to prescription drugs that are produced in manufacturing plants approved by the FDA, with strict FDA oversight and proof of FDA approval on all imported medicines. Only licensed pharmacists and wholesalers can import the medicine for resale, and there is lab testing to screen out counterfeits. That is what this is about. Risk? This isn't about risk.

One of our colleagues said what we need is more insurance coverage for prescription drugs. Well, I agree that we need to add a prescription drug benefit to Medicare to help our senior citizens pay for their medications.

But we also need lower prices for prescription drugs. There is a famous football coach who is on television just about every night in an advertisement for a drug called Zocor. He is one of America's better professional football coaches and, I gather, a wonderful man. He says that Zocor reduces his cholesterol. I am sure it does; it is a wonderful drug. Zocor is advertised widely on television. If you buy it in the United States it is $3.82 per tablet. If you buy it in Canada—the same pill by the same company—it is $1.82 per tablet.

I ask anybody who spoke today in opposition to this amendment, how does one justify that? Do you support it? Do you think it is right? Do you want to tell the American consumer we have a global economy for everyone except for them? The compounds and chemicals used in this pill can be accessed globally by the companies that produce it, and that is fine. But the global economy isn't for you, American consumers. The drug companies can price their products any way they want here in the United States, and the American consumer has no business accessing them at a lower price anywhere outside the United States.

I ask all those who oppose this, do you support this pricing strategy—$1.82 for the person in Winnipeg, Canada, and $3.82 for the U.S. consumer?

The Senator from Vermont offers a very simple piece of legislation. The amendment allows for the importation only of products approved for sale in the United States by the FDA and manufactured in FDA-approved plants.

At a hearing before the HELP committee earlier this year, Dr. Christopher Rhodes, a professor of applied pharmaceutical sciences at the University of Rhode Island, who has 30 years of experience on the development and evaluation of drug products, said this:

> It is my considered professional opinion that the process of using re-imported prescription drugs in the United States need not place the American public at any increased risk of ineffective or dangerous products.

I understand what is at work here. The pharmaceutical industry wants to protect what they have. They have a pretty good deal. They can price their products at whatever price they want. But this is about fair prices for American consumers. I heard a colleague say: If we don't price products like this in the U.S., there won't be research and development for new drugs.

Oh, really? Every European country receives lower prices for the same drugs. Yet a larger percentage of research and development on prescription drugs takes place in Europe than in the United States. Explain that.

This is a good piece of legislation. I hope my colleagues will see it for what it is. It doesn't pose any risk. It says to the American consumers that they have rights as well.

Mr. COCHRAN. Mr. President, I yield the remainder of the time on our side to the distinguished Senator from North Carolina, Mr. HELMS.

Mr. HELMS. Mr. President, I ask unanimous consent that I may deliver my remarks while seated at my desk.

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

Mr. HELMS. Mr. President, I don't question the sincerity of those who advocate this amendment which is intended to repeal the law that prohibits the wholesale reimportation of potentially unsafe drugs from Canada or Mexico. While they may scoff at the opposition, I predict that one day, somewhere down the line, they will regret sincerely their support of this proposal which is fatally flawed.

Most Americans never doubt the safety of the drugs in our pharmacies and hospitals. That is because they understand that no drug can be sold in America without manufacturers first making enormous investments in research and development, the compound passing rigorous testing and review by the FDA, and then being distributed through a supply system that ensures that drugs must pass through a reliable and verifiable chain of custody.

No country in the world does as much to ensure the safety and efficacy of drugs used by its citizens.

FDA Commissioner, Dr. Jane Henney, recently warned that the United States demand for Canadian drugs could cause Canada to ''be used as a front for counterfeit or contaminated products becoming available.''

Some Senators have said: Forget that; it is not going to happen. Well, I predict that it is going to happen. Commissioner Henney went on to emphasize: ''One has to be concerned about a safety issue here.''

Echoing Commissioner Henney's concerns, the former FDA Commissioner and current Dean of the Yale Medical School, Dr. David Kessler, warned last year: ''with the rise of Internet pharmacies, the opportunities for illicit distribution of adulterated and counterfeit products have grown . . . Repealing the prohibition on reimportation of drugs would remove one of the principal statutory tools for dealing with this growing issue.''

Mr. President, current law has protected American consumers from the importation of substandard, impotent, adulterated, contaminated, and counterfeit pharmaceuticals—problems that have plagued many other countries. There is simply no good reason to undermine the integrity of our pharmaceutical supply system and to expose American consumers to corrupt middlemen and counterfeiters.

Foregoing the benefits of free markets and innovation for the false promise of cheaper, price-controlled drugs will lead not to improved health care but rather to a proliferation of unsafe and counterfeit drugs, a reduction in incentives and investment to develop new life-saving and life-improving medications; and ultimately, if this proposal passes, disastrous and fatal consequences for countless Americans.

Mr. President, I yield the floor.

Mr. JOHNSON. Mr. President, I rise to join Senators DORGAN and JEFFORDS in support of the prescription drug amendment being offered to the Agriculture Appropriations bill currently pending before this body. I commend my colleagues for their steadfast commitment to addressing this critically important issue. Like all of my colleagues, I deplore conditions that lead to Americans choosing between buying food for their family or medicine for their illnesses which is a choice that millions of consumers in this country are forced to make every day. This is a travesty and one that I am committed to put an end to.

The discussion of prescription drug pricing, accessibility, affordability, and safety has been elevated to new heights in the last year as we in Congress work to develop a practical and cost-effective approach to providing relief to combat escalating prescription drug prices for consumers throughout the United States.

Numerous studies have been conducted that highlight the price differentials existing between the United States, our neighbors to the North and South, and countries in the European Union. Several reports confirm that pharmaceutical prices are substantially higher in the United States than other countries.

Consider how drug prices charged to Americans differ from the drug prices paid by people living in other areas of the world as reported from a study done by the PRIME Institute at the University of Minnesota.

The study found that if Americans pay an average of $1.00 for a pharmaceutical product, that exact same product with the exact same dosage would have a much lower average cost in other industrialized nations. On average, that $1.00 product in the United States would cost .64 cents in Canada, .68 cents in Sweden, .65 cents in England, .71 cents in Germany, .57 cents in France, and .51 cents in Italy.

This amounts to price-gouging of Americans. It's wrong, and it has to stop.

So you ask, why don't Americans just buy it over the border and bring it back to the U.S.? Well, some individuals are being forced to take such drastic measures. South Dakota, though it does not share a border with another country, has an increasing number of individuals willing to make the drive to either Mexico or Canada, knowing full well that the savings are great enough to more than offset any expenses occurred in the process.

Presently, anecdotal evidence suggests that thousands of Americans cross the border to see a doctor and get their prescriptions filled for 25–50% less in cost for many popular prescription drugs. Here are a couple stories that have been shared with me over the last year:

A 72 year-old woman in Arlington, SD who spends $243 a month on prescription drugs wrote to me and said, ''The meds are so high in South Dakota. I try to get as much of them in Mexico as I can. I don't understand why there has to be such a difference in price.''

A 41-year-old man suffering from a disease that requires daily medication at a cost of more than $400 per month wrote to me and said, ''I want you to know that while I recognize that seniors are particularly hurt by unfair prescription pricing due to their fixed incomes, other Americans also feel the pinch. The same medication that I take is available in Mexico at less than half the price that it costs me in the U.S. Unfortunately, I can not afford to travel to Mexico periodically to obtain my prescription.''

Under current federal law, however, pharmaceutical companies are the only ones allowed to import drugs approved by the U.S. Food and Drug Administration into this country. Yet, if an American pharmacist or distributor wants to purchase these FDA-approved drugs at the lower prices available in other countries and pass the savings along to their customers, they are prohibited by law from doing so.

On July 10, the House of Representatives overwhelmingly passed two amendments to the Agriculture Appropriations bill that would allow widespread importation of prescription drugs without any FDA oversight. The overwhelming bipartisan support for these amendments clearly shows that Congress no longer wants to deny American consumers access to FDA approved medications that are available in other countries at much lower prices. I support that position and, in fact, have sponsored legislation introduced by my colleagues Senators DORGAN and JEFFORDS regarding international pricing disparities.

While I agree with the intent of the House action, I have concerns that the House provisions do not include the safety mechanisms necessary to ensure that only safe and effective FDA approved medications cross our borders. Perhaps the number one concern mentioned in regard to the reimportation of prescription drugs is the safety of the consumer. As with any product that passes through multiple distribution channels, it is important that a baseline be established to ensure proper handling and storage. This is particularly crucial in maintaining the therapeutic equivalence of prescription drugs.

The amendment we are offering today, which would amend federal law to allow pharmacists, distributors and licensed wholesalers to legally import U.S. FDA approved prescription drugs, addresses this concern by implementing assurances that any prescription drug reimported under this proposal be manufactured, packaged, and labelled according to FDA standards. It includes the essential safety provisions that will allow American consumers to benefit from international price competition for prescription drugs in the safest manner possible.

Many pro-consumer groups such as Families USA, Public Citizen and the National Community Pharmacists Association endorse this amendment saying it is a positive step towards leveling the playing field for prescription drug prices and would save U.S. consumers billions of dollars by allowing the safe reimportation of American-made, FDA-approved prescription drugs.

Of course, the pharmaceutical industry presents many economic and proprietary rationales for price disparities. From price controls to R&D to currency exchange rates, arguments are made that the prices garnered by some pharmaceutical companies are justified in a world where price is a measure of willingness to pay and price elasticity, not compassion or empathy.

Industry representatives have stated it would be profoundly fatal to allow for the reimportation of pharmaceutical drugs from other countries who purchase them at a much lower cost than our nation's senior population as this will create instability in the world's pharmaceutical markets. Personally, I can think of nothing more tragic than charging Americans prices for prescription medications that cost far more than the majority of Americans are able to pay without sacrificing one or more basic needs in their lives.

In my home state of South Dakota, I am conducting prescription drug meetings where constituents are able to communicate their concerns regarding prescription drug prices and express their ability, or perhaps inability, to pay for therapeutic regiments prescribed by their physician. Many of them ask, ''Why are citizens of other countries able to purchase their prescriptions at such lower prices?'' After all the arguments I have heard from the industry on why this is the case, I have yet to hear an acceptable response that I could give.

Perhaps the most disturbing argument that I have heard in the past year came from an industry representative during an Alliance for Health Reform briefing last year. Our colleague, Senator ROCKEFELLER, read a question from the crowd that asked why this individual's brother-in-law got the same medication from the same U.S. manufacturer for a considerable amount less. What I heard in response was shocking. The following quote is taken verbatim from the transcript of that briefing:

> Price discrimination is an economic concept that merely means different people in different markets are charged different things. In this particular case, price discrimination exists between the Canadian market and American market, for lots of reasons: differences in medical practice, how much of the product is sold, difference in exchange rates, different kinds of patent protections, the length and cost in time of distributing drugs and the marketing of drugs, and differences in living standards.
>
> [You] could have used Mexico as your example and would have found that it is less than a third of the price potentially and that's in large part because the standard of living is substantially lower and they can afford so much less. Beyond that, and the other income differences, there is the difference in willingness to pay.

The idea that Americans are charged what they are because they are willing to pay for it, is perhaps the most insensitive of all arguments. Can you imagine measuring the value of someone's life by whether or not they are willing to fill their prescription to control their cholesterol level or pay their rent? As well, the standard of living that exists for most elderly in the United States is precisely the reason

why we are having this hearing today. The simple fact is many seniors are not able to meet all of their basic needs and adhere to their prescription regiment. The number of South Dakotans who, due to their standard of living, can not afford their prescription drugs suggests that the pricing of pharmaceutical goes far beyond reasons based on standard of living and willingness to pay otherwise South Dakotans would have no problem affording their prescription drugs.

Mr. President, I am reminded of a popular fast food chain motto some years back that proclaimed, ''Make a run for the border.'' Who would have ever thought that we would be applying this same motto to the citizens of our country with regard to their prescription drug needs.

The amendment before us is an appropriate response to the discriminatory pricing practices engaged in by much of the pharmaceutical industry. The pharmaceutical industry, year after year, sits at the top of the Fortune Magazine list of most profitable industries in the country. The latest report covering 1999 showed the industry maintained top rankings from previous years: No. 1 in return on revenues, No. 1 in return on assets, No. 1 in return on equity. And the prices they charge to the uninsured in America remain the highest in the world.

For years, Americans have paid the price in more ways than just at the pharmacy counter for the cost of their prescription drugs. Improper prescription drug usage results in thousands of deaths a year though the exact number of seniors included in this number may never be known. How many seniors skip a day's pill or cut them in half in order to stretch their prescription just one more day? I would argue that even one is too many.

We are all working to address the concerns of not only our constituents in our respective home states but for citizens across this nation that rely on prescription drugs for their health care needs. I believe that every Senator here today is deeply concerned about the rising out-of-pocket costs for prescription drugs and hopefully we can address many of these concerns here today with passage of this amendment.

I am pleased to join Senators DORGAN and JEFFORDS in cosponsoring this crucial amendment and urge all of my colleagues to support its immediate passage.

Mrs. MURRAY. Mr. President, I applaud the efforts of the sponsors of this amendment.

As a Senator from a border State, I recognize the frustrations that have brought us to this point.

American consumers must have access to safe, affordable prescription drugs.

Mr. President, I intend to vote for this amendment because I believe we must move this debate forward.

I know that many Americans are facing serious problems because of the cost of prescription drugs.

I hope this amendment will have some impact on the market forces and that we will see some savings as a result.

But, Mr. President, while I will support this amendment, I do have two serious concerns.

First, we must be careful that we don't weaken the high safety standards for drugs in this country.

And second, we should not think for a moment that passing this amendment will mean we have helped senior citizens get access to the drugs they need.

We still must pass a Medicare prescription drug benefit.

I'm concerned that this amendment could draw attention away from the much larger issue of providing a prescription drug benefit through Medicare.

Mr. President, I've spent a lot of time working on this issue.

In fact, back in 1997—as a member of the Senate Health, Education, Labor and Pensions Committee—I examined the drug approval process so that we could enact a responsible and balanced FDA reform bill.

The one lesson I took away from that process is that, while some of the rules for drug approval in this country can be lengthy, they have been successful in ensuring that America's prescription drugs are safe and effective.

We've worked hard to ensure we have safe pharmaceuticals in this country, and I don't know any American who would accept anything less than the safety we have today.

Unfortunately, this amendment does not guarantee that those standards will remain as strong as they must be. That's because other countries have lower standards.

In fact, a recent hearing in the House Commerce Committee clearly illustrated a number of lapses in safety inspection at facilities outside the United States.

I'm concerned that even with ''importation restrictions'' we can't be as confident as we should be of the manufacturing standards used abroad.

This amendment gives us no assurance about the conditions under which the products were packaged, stored, handled, or shipped.

Consumers have no way to determine the potency of the individual units.

We know there are these types of problems with imported drugs today, and I'm concerned that unless this amendment is implemented very carefully, we could magnify those problems.

While I am pleased that the sponsors have made significant improvements from the House-passed amendment on drug reimportation, I'm still concerned that implementation could undermine our faith in the safety of all prescription drugs.

Mr. President, I'm also concerned that there is no guarantee that consumers would reap the benefits that are being suggested.

There is no requirement that the wholesaler or distributor pass the savings on to consumers.

Today, each consumer today often pays a different price for a prescription drug depending upon whether or not they have insurance coverage.

This amendment could simply enrich drug wholesalers at the expense of consumers.

In fact, back in 1999 David Kessler, the former FDA Commissioner, made this point regarding the effect on the consumer when he said:

> . . . prices to ultimate consumers are generally not lowered. . . . Rather, the profits go to the various middlemen, here and abroad, while consumers bear the risk.

Mr. President, the bottom line is that drug re-importation does not guarantee any savings for the consumer.

Mr. President, I have heard many of my colleagues talk about the need for a prescription drug benefit for seniors to ensure affordable access to prescription drugs.

If any of my colleagues think this amendment will meet this objective, they will be disappointed.

This amendment will simply not provide affordable, continuous, comprehensive access to prescription drugs for Medicare beneficiaries.

A prescription drug benefit is not just something to be ''tacked-on'' to Medicare. It has to be a fundamental change in how we provide health care to seniors and the disabled.

Today, prescription drugs are the doctor's office visits of 20 years ago and that must be considered as we work on adding a prescription drug benefit.

Mr. President, I do plan on supporting this amendment with the reservations I've mentioned.

I am hopeful that the regulatory process can address some of these risks, and I believe this amendment will—at the least—address some of the issues of fairness that have been raised.

I just hope that America's seniors are not fooled by this amendment.

No one should claim that—with this amendment—we have addressed the issue of prescription drug costs for seniors.

It is still a job we must undertake, and I hope that this amendment strengthens—rather than weakens—the resolve of the Senate to provide a prescription drug benefit through Medicare.

Mr. JEFFORDS. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 5 minutes.

Mr. JEFFORDS. Mr. President, we have heard long arguments today about the bill. I think there is general agreement, however, that if it is safe and possible, we should allow our people in this country to be able to take advantage of international competition to bring the cost of pharmaceuticals down to a reasonable rate and to that which other people in this world are able to receive.

Keep in mind, that is what the goal is. Right now, the bill requires the FDA to ''contain such additional safeguards as the Secretary may specify in order to ensure the protection of the public health of patients in the United States.''

I would like to pose a question to the chairman on his amendment. The amendment requires that the section may not operate unless it poses ''no risk.'' Am I correct in assuming that the author's intent is that there be ''no risk'' above that which prevails today?

Mr. COCHRAN. Mr. President, to respond to the question of the distinguished Senator, I answer in the affirmative. Yes.

Mr. JEFFORDS. Mr. President, I accept the amendment.

Mr. COCHRAN. Mr. President, time has been used on this side.

Does the Senator yield back his time?

Mr. JEFFORDS. I yield the remainder of my time.

Mr. COCHRAN. Mr. President, I ask for the yeas and nays on the Cochran amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to amendment No. 3927. The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from Delaware (Mr. BIDEN) and the Senator from New Jersey (Mr. TORRICELLI) are necessarily absent.

I also announce that the Senator from South Carolina (Mr. HOLLINGS) is absent due to a death in the family.

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

The result was announced—yeas 96, nays 0, as follows:

[Rollcall Vote No. 216 Leg.]

YEAS—96

Abraham	Feingold	Lugar
Akaka	Feinstein	Mack
Allard	Fitzgerald	McCain
Ashcroft	Frist	McConnell
Baucus	Gorton	Mikulski
Bayh	Graham	Moynihan
Bennett	Gramm	Murkowski
Bingaman	Grams	Murray
Bond	Grassley	Nickles
Boxer	Gregg	Reed
Breaux	Hagel	Reid
Brownback	Harkin	Robb
Bryan	Hatch	Roberts
Bunning	Helms	Rockefeller
Burns	Hutchinson	Roth
Byrd	Hutchison	Santorum
Campbell	Inhofe	Sarbanes
Chafee, L.	Inouye	Schumer
Cleland	Jeffords	Sessions
Cochran	Johnson	Shelby
Collins	Kennedy	Smith (NH)
Conrad	Kerrey	Smith (OR)
Craig	Kerry	Snowe
Crapo	Kohl	Specter
Daschle	Kyl	Stevens
DeWine	Landrieu	Thomas
Dodd	Lautenberg	Thompson
Domenici	Leahy	Thurmond
Dorgan	Levin	Voinovich
Durbin	Lieberman	Warner
Edwards	Lincoln	Wellstone
Enzi	Lott	Wyden

NOT VOTING—3

Biden	Hollings	Torricelli

The amendment (No. 3927) was agreed to.

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

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on the first-degree amendment.

Mr. JEFFORDS. Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER. They have not.

Mr. JEFFORDS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. JEFFORDS. Mr. President, I ask unanimous consent I have 20 seconds to explain the amendment.

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

Mr. JEFFORDS. The Jeffords amendment, as modified by the COCHRAN amendment——

Mr. WELLSTONE. Mr. President, may we have order in the Chamber.

Mr. BYRD. Mr. President, may we have order in the Chamber.

The PRESIDING OFFICER. There will be order in the Chamber.

The Senator from Vermont.

Mr. BYRD. Mr. President, may we have order in the Chamber.

The PRESIDING OFFICER. The Senate will suspend until there is order in the Chamber.

The Senator from Vermont.

Mr. JEFFORDS. The Jeffords amendment, as modified by the Cochran amendment, now states the bill requires the Food and Drug Administration——

Mr. BYRD. Mr. President, we still do not have order. May the Senate be in order. May we have order.

The PRESIDING OFFICER. The Senate will be order.

The Senator from Vermont.

Mr. BYRD. Mr. President, I insist that there be order in the Senate before the Senator from Vermont proceeds.

I hope Senators will listen to the Chair. The Chair is entitled to that respect, and so is the Senator from Vermont.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. Mr. President, on the critical provision, the bill now requires that the Food and Drug Administration's regulation contain such additional safeguards as the Secretary may specify in order to ensure the protection of the public health of patients in the United States so that it creates no risk above that which prevails today.

I ask for a yes vote and I urge the question.

Mr. BREAUX. Mr. President, is there any time in opposition to the amendment?

The PRESIDING OFFICER. There is none.

Mr. NICKLES. Mr. President, I ask unanimous consent the Senator from Louisiana be recognized.

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

Mr. BREAUX. Thank you very much.

I just make the point, we have a Food and Drug Administration and Health and Human Services Department that already is overburdened. The amendment as is currently pending is going to require them to set up a program in 150 countries around the world to ensure that every warehouse, every manufacturer, every person who handles every drug in their country that is coming to this country be certified as healthy. They cannot do that. That is an impossible burden.

This should not be passed. I think we should vote no.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 3925, as amended. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. NICKLES. I announce that the Senator from Mississippi (Mr. LOTT) is necessarily absent.

Mr. REID. I announce that the Senator from Delaware (Mr. BIDEN) and the Senator from New Jersey (Mr. TORRICELLI) are necessarily absent.

I also announce that the Senator from South Carolina (Mr. HOLLINGS) is absent due to death in family.

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

The result was announced—yeas 74, nays 21, as follows:

[Rollcall Vote No. 217 Leg.]

YEAS—74

Abraham	Feingold	Mikulski
Akaka	Feinstein	Moynihan
Allard	Fitzgerald	Murkowski
Ashcroft	Gorton	Murray
Baucus	Graham	Reed
Bingaman	Grams	Reid
Boxer	Grassley	Robb
Brownback	Gregg	Roberts
Bryan	Harkin	Rockefeller
Burns	Inouye	Roth
Byrd	Jeffords	Sarbanes
Campbell	Johnson	Schumer
Chafee, L.	Kennedy	Sessions
Cleland	Kerrey	Shelby
Collins	Kerry	Smith (NH)
Conrad	Kohl	Smith (OR)
Craig	Kyl	Snowe
Crapo	Landrieu	Specter
Daschle	Lautenberg	Stevens
DeWine	Leahy	Thomas
Dodd	Levin	Thurmond
Domenici	Lieberman	Warner
Dorgan	Lincoln	Wellstone
Durbin	Lugar	Wyden
Edwards	McCain	

NAYS—21

Bayh	Frist	Inhofe
Bennett	Gramm	Mack
Bond	Hagel	McConnell
Breaux	Hatch	Nickles
Bunning	Helms	Santorum
Cochran	Hutchinson	Thompson
Enzi	Hutchison	Voinovich

NOT VOTING—4

Biden	Lott
Hollings	Torricelli

The amendment (No. 3925), as amended, was agreed to.

Mr. JEFFORDS. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

NOTICE OF INTENT TO MOVE TO SUSPEND PARAGRAPH 4 OF RULE XVI

Mr. ASHCROFT. Mr. President, in accordance with Rule V of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of considering title IV of H.R. 4461, making appropriations for Agriculture, Rural Development, Food and Drug Administration and Related Agencies programs for the fiscal year ending September 30, 2001, and for other purposes, as amended on July 18, 2000, by unanimous consent. (The UC is as follows: That all after the enacting clause of H.R. 4461 be stricken and the text of S. 2536 with a modified division B be inserted in lieu thereof, and that the new text be treated as original text for the purpose of further amendment, and that no point of order be waived.)

At the request of the Senator from Nevada (Mr. REID) the following statement was ordered to be printed in the RECORD.

● Mr. BIDEN. Mr. President, because of the sudden death of the former mayor of Wilmington, Delaware, who was a close friend of mine, I had to return to Delaware today directly after the funeral for Senator Pastore. Consequently, I was necessarily absent for the roll-call votes on Senate amendments No. 3925 and No. 3927 to the Agriculture Appropriations bill. Had I been present, I would have voted yes on both amendments.

The high cost of pharmaceuticals in this country relative to the cost of the same drugs in nearby countries, such as Canada and Mexico, is a major irritant to many seniors struggling to make ends meet in the face of fixed incomes and high expenses for medications. Reimportation of drugs from foreign countries, although it may lower prescription drug costs for Americans, should not be permitted if it will jeopardize the health of this country's citizens. The potential effect of these provisions to reduce pharmaceutical research and development in the U.S. is an unknown but important factor. The controversy over these provisions serves to emphasize once again the need to expand Medicare to provide prescription drug insurance coverage for seniors and the disabled.●

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SHELBY. Mr. President, I ask unanimous consent to speak as in morning business for 5 minutes.

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

REMEMBERING SENATOR PAUL COVERDELL

Mr. SHELBY. Mr. President, I rise today to join some of my fellow Senators in remembering the extraordinary life and service of our friend and colleague, PAUL COVERDELL.

It is a somber day in the Senate Chamber, as we deal with this loss. PAUL COVERDELL served the people of Georgia with distinction for over 30 years. His passing leaves a significant mark on the many lives he has touched over his lifetime. On behalf of myself and my wife Annette, I offer my condolences to PAUL'S wife Nancy and his family.

Anyone who dealt with PAUL COVERDELL over the years came to respect him. He was honest, loyal, and dedicated to public service. It was these characteristics that PAUL brought to the table every day in his life. PAUL'S vision as a legislator and commitment to the principles and values for which he truly believed were demonstrated time after time in this Chamber. His commitment to improving education in the U.S. sets a high standard for all public officials. His hard work in the Republican leadership and his vision of a prosperous future for all Americans deserves tremendous praise.

Personally, it was truly my privilege to know and work with PAUL over the years. We sat next to each other recently in the Senate, as can be seen.

He will be remembered as a dedicated American who gave much of his life in service to his Nation. I offer my thoughts and prayers to those close to PAUL in this difficult time, especially to his family.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. FITZGERALD. Mr. President, I ask unanimous consent to speak for 5 minutes as in morning business.

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

Mr. FITZGERALD. Mr. President, I rise today to deliver some remarks upon the death of our beloved colleague, PAUL COVERDELL.

It is no exaggeration to say that the whole Senate is in a state of shock that we no longer have PAUL with us. Just last week, Senator COVERDELL was among us on the Senate floor debating legislation, visiting with us in the Cloakroom, speaking up in our weekly Republican conference. And now, only a short period later, he is no longer with us. To my knowledge, PAUL never seemed to have had any health problems. He certainly seemed fine last week.

My last remembrance of him is just how happy he was when we adjourned on Friday afternoon after we passed that landmark legislation repealing the death tax. I guess the fact that PAUL is no longer with us reminds us all that we need to keep life in perspective.

I first met Senator COVERDELL when I was first campaigning for the Senate 2 or 3 years ago. From that first time I met him, I came away with a very powerful impression that he was a most sincere and decent and friendly person. In all my dealings with him in my year and a half in the Senate, that impression never changed. PAUL was always in a good, cheerful mood. He was always positive and upbeat. I never once saw him raise his voice or get angry at anybody. He was unfailingly polite and courteous at all times and to everyone. He was the quintessential southern gentleman and a delight to know.

In the Senate, we debate issues of great moment to our country: war and peace, the economy, education policy. I guess it is sometimes the little, personal, seemingly inconsequential gestures of friendship that one remembers. I used to sit next to Senator COVERDELL every week in our Wednesday Republican luncheons. I got to know PAUL that way, not only as a colleague but as a person. Every week PAUL would gently rib me for eating my main course before I ate my salad. Week after week he would comment on that. I think finally he just concluded that that was a peculiar habit of midwesterners.

I will always remember the smile and the twinkle in PAUL COVERDELL's eyes, and I won't easily forget him or my friendship with him.

PAUL, I am proud to have served with you. I am going to miss you. We are all going to miss you. You enriched this Senate, the State of Georgia, and the whole country by your service. Our thoughts and prayers are with you and your wonderful wife Nancy and your family. May God bless you and keep you.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, I ask unanimous consent to speak for up to 5 minutes as in morning business.

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

Mr. DURBIN. Mr. President, I join my colleague from Illinois in paying tribute to our fallen colleague, Senator PAUL COVERDELL.

I have been in the Senate for 4 years and have worked with many colleagues on both sides of the aisle. I agree completely with Senator FITZGERALD: Senator COVERDELL brought to this floor a certain dignity and demeanor to which we all aspire. He was a person of good humor. I think it may be difficult for many people who follow the debates in the Senate to believe that a Democrat who believes very strongly in his party and a Republican who believes very strongly can be engaged in a hot debate on the floor of the Senate and then, as soon as the debate is over, meet each other in the corridor or the well or at another time and be friends. That was the case with PAUL COVERDELL.

We disagreed on many issues, but I never found him to be lacking a smile and always looking for some common ground where we might come together. The last conversation I had with him several weeks ago, he walked all the way across the floor to the Democratic side of the aisle and came right up to me. I was wondering what this could be.

He said: I need your help.

I said: What is it, PAUL?

He said: I want to try to secure a gold medal for Ronald and Nancy Reagan; will you help me?

I know he was from Illinois. I said: Of course, I will.

I signed onto it. That is the kind of person he was. As different as we might be politically, he was always trying to reach out and find some common ground. I think when we get caught up so much in the political debate and the furor here, we forget many times how important it is to have a person such as PAUL COVERDELL here to remind us time and again that after the debates are finished, we are all basically human beings trying to do our very best in the Senate.

I agree with my colleague from Illinois: It is hard to imagine that only a few days ago he was standing in the well and smiling and walking around as he always did as a member of the Republican leadership team and then stricken on Sunday, operated on on Monday and passed away. It is a sad day for the Senate.

I have noted, interestingly enough, today, as many of my colleagues on both sides of the aisle have come to the microphone, some have known PAUL COVERDELL for a long time. Some have known him in many different roles in life, some for a very short time. Everyone from both sides has a very positive take on what PAUL COVERDELL meant to each of us and meant to this institution.

It is a great loss, not only for the Senate but for the State of Georgia and for the Nation which he served in so many different ways so well.

I extend my sympathies to his wife Nancy and all his family and friends in this moment of grief. The Senate has lost a fine Senator. I am honored to have called him a friend.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President I ask unanimous consent to speak as in morning business.

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

Mr. BAUCUS. Mr. President, I join with my colleagues to pay tribute to PAUL COVERDELL. I have listened to a lot of tributes today. There have been so many themes, including cheerfulness, optimism, a welcome hand, no rancor, no bitterness. We all know that to be PAUL COVERDELL. I want that to mention one incident which, for me, encapsulates it all. It is going to be the incident that is defining for me. Whenever I think of PAUL, I will always think of this incident, and I always will.

This outfit—the Senate—tends to be a little partisan. Over the years, it has become too partisan, almost as two armed camps, one over there and one over here. It is regrettable, but that is something that has occurred and evolved up here in the Senate.

Not too many years ago, I was in Atlanta, GA, speaking at an event. I neglected, as is a common courtesy, to tell Senator COVERDELL I was there. Sam Nunn was a Senator at the time. I didn't tell PAUL I was having an event in Georgia, his home State. I felt kind of bad about it. But like a lot of us, I kind of pushed it to the side and rationalized that it was not that important.

Lo and behold, at that same hotel, PAUL was speaking about three or four rooms away, and I heard about it. I said to myself: Oh, my gosh, MAX, how stupid you are; why didn't you tell him? How guilty I felt. Oh, my gosh, here I am in PAUL'S home State and he doesn't even know I am here. I am in his State and he is just down the hall. I thought: You blew it, MAX.

When I finished, I was walking out in the hall and PAUL happened to be coming up. He bounced up to me and said, ''Hey, MAX, how are you? Welcome to Georgia. I hope you're having a good time.''

That was PAUL—positive, upbeat, cheerful, with a smile and a good attitude and a gleam in his eye. That made me feel even smaller and more guilty, but it made me feel even better about PAUL. That is the PAUL COVERDELL I will always remember.

Mr. President, Wanda and I send our deepest sympathies to Nancy and the family. Life is fickle, unpredictable. There but for the grace of God go any of us. People with the personal qualities of PAUL COVERDELL are the ones we will treasure here. I know the people of Georgia will treasure the same qualities in PAUL COVERDELL. He was a great man.

I yield the floor.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. LEVIN. Mr. President, I ask unanimous consent that I be allowed to proceed as in morning business for 4 minutes.

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

Mr. LEVIN. Mr. President, I join with all of my colleagues today in praising the life and celebrating the life and grieving the loss of PAUL COVERDELL. He was a friend and someone whom I trusted. I think we all trust each other here because we are family. But I had a special fondness and a special trust for PAUL COVERDELL. He was a man of tremendous integrity, directness, and modesty.

There are many instances over our time period together that come to mind. But one in particular is perhaps the most recent one. I had a matter that was of great personal concern to me. It was an issue where he and I differed philosophically but where I needed his help in order to get my position heard. He agreed it should be heard, even though he disagreed with it. I went to him and asked him whether or not he might assist me in that process, and he said, ''CARL, I don't agree with you on this issue, but this is a matter of great import for this country and your views clearly should be considered by the decisionmaker here. I am going to do everything I can to make sure that in fact those views are considered.''

That said a lot about this man and about this place. Although we disagreed on an issue, he believed that the principle of having both sides heard was more important than the specifics of the issue. His integrity was indisputable and undoubted. We came to rely on him in so many ways. His background made him particularly able to make a special contribution to this Senate. He had great skills as a legislative craftsman and tactician. He, of course, had a wonderful background in the Peace Corps, and there were so many other ways he was able to contribute as a very special force in the deliberations on this floor.

PAUL COVERDELL rose to leadership in a very short period of time, which reflected the deep respect and regard that he had among his Republican colleagues. That special affection and regard was matched on this side of the aisle. The death of this very fine and gentle man is a terrible loss to the people of Georgia. I consider it to be a great loss to the people of Michigan and all of America, and a great personal loss to me as well.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. NICKLES. Mr. President, I appreciate the comments by my friend and colleague from Michigan regarding the death of our friend and colleague, PAUL COVERDELL.

Yesterday was a very, very sad day for the Senate. I was at this desk when the majority leader announced that PAUL COVERDELL passed away at 6:10 yesterday. Majority Leader TRENT LOTT was a very close friend of PAUL, as was I and many other Senators. This is a tough, trying time because we lost a very good friend and an outstanding Senator. It is sad to see the vacant chair right behind me that PAUL COVERDELL sat in. It demonstrates an enormous void his death leaves behind here in our body.

I had the pleasure of getting to know PAUL COVERDELL for the last 8 years. He did an outstanding job. PAUL COVERDELL was the type of Senator who would do any work assigned, and often times, work not assigned. He was the type of Senator who could enlighten the room, the type who could work with all Members and make things happen. He was the type of person who would be willing to take on tough tasks and always say yes, and

take them across the finish line. He was the kind of person you would want to have on your team at all times.

PAUL was the kind of person who really added a lot to this institution. It makes me proud to say he was my colleague. He contributed so much in so many ways. His death is an almost unspeakable loss for us, for the State of Georgia, and for the country.

He showed great leadership on a lot of issues, with a hallmark brand of analysis and execution that identified a challenge for our conference, pulled out all the views among our colleagues, and built consensus and success to the betterment of not just our party, but our country. For example, take primary and secondary education—something overlooked for many years. He focused on that in the last few years, and headed up a task force that cut across committee lines, seniority lines, and philosophical lines, to bring us together. He wanted us to do positive things to improve education across the nation. He successfully blended our different viewpoints together, and together we painted a vision on education that not only do many Americans support, but holds out real hope for change and improvement when it comes to educating our kids for the challenges of the 21st century. Further, many elements of his efforts brought along our colleagues across the aisle.

Or, take our war on drugs. Senator COVERDELL has worked hard with colleagues to address this challenge, here in the United States, and with the House and the administration to carry the fight overseas. In waging those battles, we came to realize that he was intense, he was serious, dedicated, and sincere. He was also successful, and many families today and in the future should be gratified in his success.

And these are just a few examples of the many areas where PAUL placed his tremendous energies. He was so involved in so many different issues, I even teased him last year. I said, ''We are enacting all Coverdell legislation, all the time'' because he had his name and fingerprints all over so many things were doing, because he was so proactive in trying to come up with positive solutions to challenging problems in education, or fighting the war on drugs here and overseas, or spending the country's money wisely, or returning the tax surplus to the people.

PAUL also didn't hesitate to join us in standing up on behalf of the Constitution, our system of checks and balances, of keeping the order we stand to defend. From the beginning to the end of his time in the Senate, rarely a day went by when he did not cast a thoughtful eye on the activism and activities of the executive, cognizant of the vision of our Founders who believed in a limited central government.

When you got to know him, you would discover that he had a real intensity, a keen curiosity to learn, understand, grapple with issues great and small. And he had such a great, congenial working spirit that made all of us better, that built us all up. His personality was infectious, his energy was admirable, his thoughtfulness was considerable, and his friendship was valuable.

We want to let PAUL's wife Nancy know that she is very much in our thoughts and prayers. We are comforted by the fact and have great confidence in the fact that PAUL COVERDELL now resides in a wonderful mansion, eternally. Our sympathies and prayers go with Nancy, and to the Coverdell family.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SESSIONS. Mr. President, I thank the Senator from Oklahoma for his comments. We celebrate the wonderful life of PAUL COVERDELL. I have a heavy heart, and I miss him. He was a great Senator. He contributed to this Nation in extraordinary ways.

He was a good friend to me, and a good friend to many others.

Yes, he was modest, self-effacing, encouraging, positive, and unifying—all of those things. But he was a courageous and positive leader for values that this Nation holds dear. He advocated them with such a winsome and effective way. We will miss him. I will miss him.

I say to the family and to Nancy particularly how sorry we are, and I express my sympathy. Maybe next week I will be better able to express my admiration and feelings for PAUL COVERDELL. I feel his loss deeply. So many of us do. I wanted to share those thoughts at this time.

I thank the Chair. I yield the floor.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2001—Continued

Mr. REID. Mr. President, what is the legislative business now before the Senate?

The PRESIDING OFFICER. H.R. 4461, the Agriculture appropriations bill.

Mr. REID. Is there an amendment pending?

The PRESIDING OFFICER. There is none.

AMENDMENT NO. 3938

Mr. REID. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for Mr. HARKIN, proposes an amendment numbered 3938.

Mr. REID. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To prohibit the use of appropriated funds to label, mark, stamp, or tag as ''inspected and passed'' meat, meat products, poultry, or poultry products that do not meet microbiological performance standards established by the Secretary of Agriculture)

On page 25, line 11, before the period, insert the following: '': *Provided further,* That none of the funds made available under this heading may be used by the Secretary of Agriculture to label, mark, stamp, or tag as ''inspected and passed'' meat, meat products, poultry, or poultry products, under the Poultry Products Inspection Act (21 U.S.C. 451 et seq.) or the Federal Meat Inspection Act (21 U.S.C. 601 et seq.), that do not meet microbiological performance standards established by the Secretary''.

Mr. REID. Mr. President, this amendment clarifies USDA's authority to enforce standards for pathogens in meat and poultry products. These standards are essential to ensuring continued progress in producing safer products by reducing these pathogen levels in meat and poultry products. They are an important part of the new meat and poultry inspection system adopted in 1996.

This amendment only clarifies USDA's authority to enforce pathogen standards. It will not codify existing salmonella performance standards.

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

The PRESIDING OFFICER (Mr. SMITH of Oregon). The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

TAX RELIEF FOR MARRIED COUPLES

Mr. NICKLES. Mr. President, yesterday the Senate passed legislation providing tax relief for married couples. We passed a bill that basically eliminates the marriage penalty tax for most married couples. The cost of the bill was $55.6 billion over 5 years and over ten years. The cost of the bill was incorrectly reported in several newspapers despite the fact that on the floor of the Senate and in a press conference later, we stated clearly that the bill that we passed was a 5-year bill, and the cost of the bill was estimated by the Joint Committee on Taxation to be $56 billion. You wouldn't know that if you read the New York Times.

In today's paper: ''Senate Approves Tax Cut To Help Married Couples. Clinton Threatens Veto.'' That much is correct, but the next line says, ''$248 billion measure would aid even those who do not pay marriage penalty.'' I

dispute that claim, because it is absolutely false. The $248 billion cost they attribute to our bill is false. It is not correct.

In the article, the second paragraph says the vote was 61–38; eight Democrats joined Republicans to approve the measure which would reduce income taxes for nearly all married couples by a total of $248 billion over 10 years.

The facts are, the bill that we passed was $56 billion over the next 5 years and the next 10 years. Maybe some people didn't know that. Maybe if some Senators knew that they would have voted differently. I don't know. I want accuracy. I want people to know the facts.

The Washington Post had an article as well, and it had a chart that bothers me. The Washington Post headline said the ''Senate Votes ''Marriage Penalty' Relief.'' That statement is true. Then it says, GOP continues tax cutting drive and the President threatens to veto it. It talks of the bill being $248 billion and included a chart from the Citizens for Tax Justice. The chart asks the question: Who would benefit? It says the benefit for couples who make between $50,000 and $75,000 is $344. That is not correct.

The Citizens for Tax Justice has a reputation of being quite a liberal group. Regardless, they are entitled to their own opinion, but they are not entitled to their own facts. I want my colleagues and the American people to know what the facts are. Under the Senate-passed bill, people who have taxable incomes from zero to $43,000 could get a maximum tax benefit from earned income credit changes of $527, and a maximum tax benefit from the standard deduction adjustment of $218, for a total maximum tax cut of $745. For couples with taxable income between $43,000 and $52,500, they also have a standard deduction tax cut worth $218, and because of changes to the 15 percent income tax bracket they could also get a maximum tax cut of $1,125, for total maximum tax relief for married couples earning up to $52,500 of $1,342. These are facts about the bill we passed.

The Washington Post chart says people who make $40,000 to $50,000 have tax relief of $148. I believe the facts are that it could be as much as $1,342. There is a big difference.

Citizens for Tax Justice happens to be wrong. I don't know if they are using some unreasonable type of income classification that greatly inflates income so that everyone seems rich. That's what the Clinton administration does when it wants to attack our tax cuts. I don't know what they are doing. It bothers me. Maybe it shouldn't. Maybe I am a stickler for facts. We should stick to the facts.

We passed a tax bill yesterday that I believe will become law. If the President will sign it, married couples with taxable income of $52,500 will get $1,342 worth of tax relief. That is a fairly significant tax cut. For the local paper the next day to say that couples making between $40,000 and $50,000 get $148 is wrong, way wrong. It is $1,000 off.

The Washington Post tries to imply that the real benefits of this tax cut go to people making $200,000 or more. That is not the case, either. I will have printed in the RECORD a table for the information of our colleagues and the information of the press, if they happen to be interested in what we passed. This table shows the maximum tax benefit that anyone would receive under our bill by provision and by taxable income. A couple with taxable income of approximately $127,000 gets the maximum benefit, which is $2,165. People who made over $127,000 get less, and that amount would be $1,759.

One might say, why? The difference is because they lose the standard deduction. Under the law that passed in 1990, they lost a standard deduction after their income is above a certain level. We didn't change that. Maybe we should have, but we didn't.

Citizens for Tax Justice says, and the Washington Post says, people making over $200,000 get a much bigger benefit. They missed it by a mile. They imply that those over $200,000 get more of a benefit than those with income between $75,000 and $100,000. They missed it again. They are wrong. Factually incorrect. They ought to know better. If they are going to put this information in one of the largest newspapers in the country, they ought to do a better job and let the American people know what we voted on. Then maybe they can make the appropriate judgment: Was this a good bill or a bad bill?

I happen to think it is a good bill. I am delighted we had 61 votes. I wish we would have had 99 votes. Unfortunately, we didn't. I hope the President will sign this bill. He should sign this bill. I will predict he will sign the bill.

We are working in conference and we will come out with a bill that will be between the House bill and the Senate bill. The House passed permanent marriage tax relief that cost $180 billion over 10 years. The Senate bill was sunset at 5 years, and cost $56 billion over 5 years and 10 years. We are very close to working out a compromise somewhere between the House and the Senate. We will make that announcement probably at some point tomorrow.

I urge the President: Do not just issue veto threats; provide tax relief for American families. The President can help eliminate the marriage penalty by signing this bill. He should sign this bill. This bill will provide tax relief in the neighborhood of $1,300 for married couples making up to $52,000. He should sign that bill and give them tax relief.

I also urge the media to look at their reports. They are distorted. In the case of the chart in the Washington Post, it is totally, factually incorrect.

When we announce our conference agreement tomorrow, I hope people take another look at it and see that it is fair tax relief that should become law. My prediction is it will become law. My prediction is the President will sign it. If not, I hope there will be an overwhelming vote in the House and the Senate to override his veto.

I believe in accuracy. We should have accuracy in reporting. We, in the Senate, should be accurate when we present our case. I don't think it is necessary to embellish one's case by using inaccurate statements or inaccurate figures.

I ask unanimous consent to have printed in the RECORD a copy of the chart included in the Washington Post, a table of the revenue impact of the Senate bill, and also a table that I have assembled showing the maximum tax benefit under the Senate bill by taxable income.

If the Washington Post wants some help, maybe they should take a look at this information. It might be more informative for their readers.

I ask unanimous consent to have all three printed in the RECORD.

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

MAXIMUM MARRIAGE PENALTY BENEFIT POSSIBLE BY PROVISION AND BY TAXABLE INCOME GROUP

Taxable Income	Maximum benefit possible by provision				Total [1]
	EIC	Standard deduction adjustment [1]	15% bracket adjustment	28% bracket adjustment	
$0 to $43,850	527	218	0	0	745
$43,850 to $52,500	0	218	1,125	0	1,342
$52,500 to $127,200	0	406	1,125	635	2,165
$127,200 to $161,450	0	0	1,125	635	1,759
$161,450 to $288,350	0	0	1,125	635	1,759
$288,350 and over	0	0	1,125	635	1,759

[1] Taxpayers who itemize deductions, and those taxpayers above the deduction phase-out threshold would receive no benefit from the standard deduction adjustment.

Note: Staff estimates based on year 2000 tax parameters—Provided by Senator Don Nickles, 07/19/2000.

ESTIMATED REVENUE EFFECTS OF A MODIFICATION TO THE CHAIRMAN'S MARK OF THE ''MARRIAGE TAX RELIEF ACT OF 2000''—SCHEDULED FOR MARKUP BY THE COMMITTEE ON FINANCE ON MARCH 30, 2000

[Fiscal years 2001–2010, by billions of dollars]

Provision	Effective	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2001–05	2001–10
1. $2,500 increase to the beginning and ending income levels for the EIC phase-out for married filing jointly [1].	tyba 12/31/00	[2]	−1.6	−1.5	−1.6	−1.6	−1.6	−1.6	−1.6	−1.6	−1.6	−6.3	−14.4
2. Standard deduction set at 2 times single for married filing jointly	tyba 12/31/00	−4.1	−6.0	−6.4	−6.5	−6.8	−7.0	−7.1	−7.3	−7.5	−7.6	−29.8	−66.2
3. 15% and 28% rate bracket set at 2 times single for married filing jointly, phased in over 6 years.	tyba 12/31/01		−1.7	−4.4	−8.5	−11.4	−12.9	−19.5	−22.0	−21.6	−20.7	−26.0	−122.7
4. Permanent extension of AMT treatment of refundable and nonrefundable personal credits.	tyba 12/31/01		−0.3	−1.6	−2.3	−3.5	−4.7	−5.6	−7.5	−8.8	−10.0	−7.7	−44.5
Net Total		−4.1	−9.6	−13.9	−18.9	−23.3	−26.2	−34.0	−38.4	−39.5	−39.9	−69.8	−247.8
Legend for ''Effective'' column: tyba = taxable years beginning after—		2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2001–05	2001–10
[1] Estimate includes the following effects on fiscal year outlays		[3]	−1.3	−1.3	−1.3	−1.3	−1.4	−1.4	−1.4	−1.4	−1.3	−5.3	−12.1

[2] Loss of less than $50 million.
[3] Less than $50 millin.

Note: From the Joint Committee on Taxation, 3–30–2000—Details may not add to totals due to rounding.

WHO WOULD BENEFIT

How much married couples would benefit on average if the Senate ''marriage penalty tax'' bill were phased in fully:

Average tax cut for married couples, by income group:	
Less than $10,000	$14
$10,000–20,000	128
$20,000–30,000	220
$30,000–40,000	172
$40,000–50,000	148
$50,000–75,000	344
$75,000–100,000	1,006
$100,000–200,000	1,118
$200,000 and more	1,342

Those who make $50,000 a year or more would receive most of the tax cut. However, they also pay the most in income taxes.

Income group	Percent of tax cut	Share of total individual income taxes
$0 to 20,000	3%	−2%
$20,000 to 30,000	5%	1%
$30,000 to 50,000	7%	7%
$50,000 to 75,000	17%	16%
$75,000 to 200,000	68%	79%

Note: Tax cut percentiles refer to joint returns, income tax percentages refer to family income. They are not exact comparisons.

Sources: Citizens for Tax Justice, Congressional Budget Office.

Mr. NICKLES. I yield the floor.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. DURBIN. Mr. President, I ask unanimous consent to speak up to 20 minutes in morning business.

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

Mr. DURBIN. Mr. President, I just listened carefully to my colleague from Oklahoma correcting the press, and of course I would join him on many days in that effort. As a public figure, I am often quoted enough and read things that I think are a little bit different than what I believe are the facts. I would say in this instance perhaps his characterization of the information presented by the Washington Post at least deserves to be discussed for a moment. He made reference to the Citizens for Tax Justice, a group with which I have worked. He referred to them as, I believe, a left wing or left leaning group. His characterization is his own and he is entitled to it. But I suggest to the Senator from Oklahoma and to anyone who is following this matter, when we assess how much it will cost for the so-called marriage penalty tax relief, we usually make assessments on a 10-year basis. Though the bill may say 5 years, it really strains credulity to suggest at the end of 5 years we are going to reimpose the tax once we have taken it off.

Mr. NICKLES. Will the Senator yield?

Mr. DURBIN. I will be happy to yield.

Mr. NICKLES. I just inform my colleague from Illinois, I had printed in the RECORD the joint tax statement that had the 5-year cost at $56 billion and had the 10-year cost at $56 billion, my point being we ought to be accurate. For some people to imply the bill we passed was $248 is factually incorrect.

Mr. DURBIN. I thank the Senator from Oklahoma. I want to show a chart to the Senator from Oklahoma, and anyone else following this, that was not prepared by Citizens for Tax Justice. It was prepared by the Joint Committee on Taxation which is an official body that works for the U.S. Congress. It is bipartisan, as I understand it. They were asked to try to determine how much tax relief of the marriage penalty tax relief bill proposed by the Republicans would be going to certain income groups in America. It is starkly different than what the Senator from Oklahoma has said.

If he will take a look at the comparison between the Democratic plan in yellow and the Republican plan in red, he will see different income categories. There is a substantial difference in the tax relief available. In the lower income categories, we find substantial relief available for those making $20,000 a year—under the Democratic plan about $2,000; under the Republican plan about $500. At $30,000, it is substantial help—about $4,000 under the Democratic plan; about $800 under the Republican; At $50,000 a year in income, $1,900 in tax relief on the Democrat plan, $240 on the Republican.

Mr. NICKLES. Will the Senator yield?

Mr. DURBIN. When I finish, I will be happy to.

Mr. NICKLES. I don't have all day. I need to run, but I would like to make a comment. I don't know where the Senator got his chart, but I am telling him that factually any couple that made $52,000 under the bill we passed yesterday, the Republican bill, with 8 or 9 Democrats who voted with you, would get tax relief exactly—exactly as I announced on the floor or I will eat the paper. It is $1,125, plus $212, and that is 1,300 and some odd dollars, not $300. So the Senator's chart is factually incorrect.

Mr. DURBIN. I thank the Senator for his comments. I thanked him before leaving. I don't want him to take this paper with him for this dinner hour, but I will stand by the comments of the Joint Committee on Taxation. This is not a political group, not a partisan group. It is a group authorized by Congress to make these evaluations. The Senator from Oklahoma is entitled to his opinion. I am going to stick with the facts given to me by an organization we rely on all the time.

If I can finish the presentation, though, you note when we get to the highest income categories, the Democratic bill does not provide relief under the so-called marriage penalty tax relief, and the Republican plan does, about $1,000 of tax relief for people making $250,000 a year.

The important thing to keep in mind, too, in putting this in perspective, is not too many years ago we were laboring with a national deficit and worries about how we were going to pay it off and balance our books. Some suggested we needed a constitutional amendment, a dramatic revision in the budgetary policy here in Congress.

There are many of us who believe there is another way to do it, with sound fiscal policy and leadership, not only in the White House but also in Congress. With the leadership of President Clinton and Vice President GORE, we now find ourselves talking about spending surpluses.

I would like to speak for a moment about the tax bills we have considered over the last 2 weeks, but before I do that, I would like to yield to my colleague from the State of Nevada.

Mr. REID. I appreciate that very much. I am sorry my friend from Oklahoma is not here. I have here from the Joint Committee on Taxation, ''Estimated Revenue Effects of Modification to the Chairman's Mark of the Marriage Tax Relief Act of 2000.'' This we received from the Joint Committee. It says the net total impact of this tax over a 10-year period is $247.8 billion.

Is that what the Senator from Illinois was saying as I walked into the Chamber?

Mr. DURBIN. That is exactly my point. Before he rushed off for dinner, the Senator from Oklahoma suggested if that was the case, he would eat the paper. I suggest my friend from Nevada save that. Perhaps we can send it along for lunch tomorrow for my colleague because I stand by that estimate. I have no reason to believe it is not true. For him to suggest the cost of this program is $56 billion whether it is 5 years in length or 10 years in length really does not square with my understanding.

It certainly is going to cost us taxpayers more over a 10-year period of time than it did over a 5-year period of time. I believe that is what the Joint Committee on Taxation is telling us.

Mr. REID. If I could ask my friend one more question, this is not a question of the Democrats being opposed to the marriage penalty tax relief; is that true?

Mr. DURBIN. That is true. In fact, what we have done is present a proposal that says if you are in a situation where two wage earners get married and their joint income raises them to a higher tax rate, we protect them. Basically, we voted, if I am not mistaken, to say to those taxpayers: Take your pick. You can file a joint return. You can file a single return. We have a proposal that will protect you from being penalized for your marriage. The Republicans, unfortunately, go one step beyond solving the problem and create a problem. They create a problem because they not only remove what they consider to be the marriage penalty, although their approach is only half hearted—they provide a marriage bonus. In other words, those couples who get married and don't pay higher taxes because of combined joint income receive a tax break under the Republican plan. So it goes far beyond solving the additional problem that was identified. It creates a new problem because it creates a new expense, a new drain on the Treasury, a new expenditure of our surplus.

Mr. REID. I say to my friend, also in the form of a question, I hope that he has the opportunity to finish his description here of what the difference is between the two approaches. I also say to my friend, this issue is not over. People can yell and scream and declare victory, but in our Government, I think the Senator would agree, we have something called the Constitution. This tiny little document here establishes three separate but equal branches of Government. One of those branches of Government is called the executive branch. He is going to veto this and then it is going to come back. Then the legislative branch is going to sustain that veto.

Then they will have an opportunity, if they in good faith want to do something to help remove this marriage penalty tax, to work with the administration and the Democrats and come up with a compromise that would give true marriage penalty tax relief. In fact, what it would do is, instead of taking away three of the references where there is a penalty in our Tax Code, it would take care of all 67. Am I right, I say to my friend from Illinois?

Mr. DURBIN. The Senator from Nevada is correct. What the Republicans suggest is they end the marriage penalty. We know there are somewhere between 62 and 67 provisions in the Tax Code that penalize a couple when they are married and have a higher joint income. We on the Democratic side address every single one of those penalties and remove them for those who are truly penalized. The Republicans, unfortunately, only addressed three of them. They leave all the other taxes on this married couple. So they not only don't solve the problem, they create a new problem by taking the surplus away for people who are not being prejudiced by being married, and they don't address it in a comprehensive way.

President Clinton should veto this bill, and in vetoing it send it back to Congress and say if it is your goal to eliminate the marriage penalty, do it in an honest way; do it in a complete way. What we had before us yesterday was very incomplete and, I am afraid, not a very direct way of dealing with this problem.

Take a look, if you will, at the impact of the Republican marriage penalty tax cut by income because I am going to return to this theme in just a moment. If you take a look at who will benefit from the Republican tax relief plan, you will find that, as usual, those who are in the richest fifth, top 20 percent of wage earners in America, receive 78.3 percent of all benefits under this Republican tax relief. In fact, the top 5 percent of wage earners receive 25.7 percent of all of this tax relief. This, unfortunately, has become a recurring theme when the issue of tax relief comes before the Republican-controlled Senate. Time and again they believe the people who are best off in this country, the people who are doing well, are the ones who need a helping hand.

Many of us come from States and communities where the folks who are making a lot of money are doing very well. They are very comfortable. They have had a very profitable time for the last 7 or 8 years of the Clinton administration. We have seen dramatic increases in the Dow Jones, the NASDAQ. When President Clinton was sworn into office as President, the Dow Jones was about 3,000 or 3,300. Today it is over 10,000. The value of those stocks has more than tripled. In the same period of time, the NASDAQ indicators went up from about 800 when the President was sworn in to around 5,000 today.

There is a suggestion there for everyone that if you happen to be invested with savings accounts and retirement accounts in the stock market, you have had a pretty good time of it over the last 7 or 8 years. I am glad that has happened, and I am happy for all the families who profited and businesses and retirement funds that have seen better times because of this improvement.

It strikes me as strange, if not odd, that when we talk about tax relief then, the Republicans seem to want to focus on the people who have really done the very best in income and net worth over the last 10 years.

Take a look at this chart of Republican tax breaks under both the estate tax reform and the marriage tax penalty reform, and you will find again a dramatic difference in the money that is available. For those in the lowest 20 percent—these are people making the minimum wage or slightly more—the Republican idea of tax relief turns out to be $24 a year in reduced taxes, about $2 a month.

Now go up to the top 1 percent, people making over $300,000 a year, and the Republican idea of tax relief is $23,000, almost $2,000 a month. I suggest that anyone making $300,000—which, if my quick calculations are correct, comes out to about $25,000 a month in income—may not notice $2,000 a month. I guarantee the people at the lowest end who are struggling at minimum wage jobs are not going to notice $2 a month.

It is far more important for us, when we talk about real tax relief, to keep our eyes on those in the lower- and middle-income groups who are struggling mightily to do well in this economy. They have had some help. The economy is doing well, but they could use some tax relief, and if we are going to take the surplus of the United States and give it to families across America, should we start at the top? Should we start with the wealthiest or should we start basically with the lower- and middle-income families who really need it?

Take a look at this chart, too. This chart summarizes it. It shows the Republican tax plans we have debated over the last 2 weeks, and the impact it has, as I described on previous charts. The top 1 percent of people making over $319,000 a year, people with an average income of $915,000, receive a $23,000 tax break, which represents 43 percent of all of the tax relief that was included in those bills. We are taking the surplus generated in our economy for tax relief and 43 percent of it goes to people who have an average income of $915,000 a year.

There is a better way to do it. I hope the President vetoes the estate tax bill and the marriage tax penalty bill suggested by the Republicans because these bills are fundamentally unfair. That we would give tax breaks to the wealthiest among us and ignore families who work hard every single day is not fair.

If we are going to start a line of people most deserving of assistance in

America, I hardly believe we should start that line with Donald Trump and Bill Gates and folks who are making millions and millions of dollars. Better yet, let us try to bring to the front of that line those who are struggling every single day with the basic challenges that American families face.

Tax cuts should be directed. First and foremost, we need a prescription drug benefit. We just had an interesting debate. Pharmaceutical companies cannot be too happy with this debate because we said on a bipartisan basis that we are so upset with drug pricing in America that we are now going to allow companies, pharmacists, and distributors to import drugs from overseas at lower prices so they can sell them to Americans. These are drugs that are basically made and inspected in America, sent to foreign countries, and sold at a fraction of the price.

It happens in Canada. It happens in Europe. It happens in Mexico. We all know the story. People are getting in buses in some States and driving across the border to Canada to buy American drugs at a fraction of the cost.

The Senate said there has to be a better way. Absent addressing this problem of pricing drugs head on, we are going to allow the reimportation of these American drugs that have been made in inspected laboratories into the United States so that they can be sold to Americans at a reduced cost. I guess it is obvious from this vote that we know families are suffering because of drug prices, and yet before we have enacted any kind of a prescription drug benefit under Medicare, the Republicans have insisted we spend half of our anticipated surplus in tax breaks for the wealthiest in America.

It makes more sense to me to create a prescription drug benefit under Medicare, a universal guaranteed drug benefit accessible to every American who chooses to be part of it, one that allows a doctor to prescribe a drug that a person needs to stay strong and healthy in their home for as long as they want to be and be able to pay for the drug.

I have seen cases in Illinois and certainly in hearings across the country and in this city have heard from people who are struggling to pay for prescription drugs. That is the highest priority we should deal with, and we should do it before we break for the August conventions so that both parties can go to their conventions and say: We did something for the families across America. For those who are concerned about the elderly and disabled who are stuck with high drug prices, we did something for fathers and grandfathers, mothers and grandmothers, who really cannot afford the drugs their doctors prescribe.

We did not do that. Instead, we decided people with an average income of $915,000 a year need an additional $23,000 in tax breaks from the Republicans. I will bet a nickel there is not a person making $915,000 a year who cannot afford prescription drugs. These people know how to pay for virtually everything if they are making that much money, and we gave them more money.

Before we directed our attention to those who were struggling to get by on fixed incomes—people on Social Security taking home a check of $800 or $1,200 a month looking at drug bills of $200, $500, $600—we learned from a public hearing in Chicago of a woman who had gone through a double lung transplant. It was a miracle she stood there before us and looked very healthy. Years after that transplant, she still worried because she needed to take immunosuppressant drugs that cost over $2,000 a month. There was no way on her fixed income she could afford it.

Frankly, if she stopped taking them, she could have irreversible lung damage. She faced that prospect, she made that decision, she stopped taking the drugs for a period of months because she could not afford them, and did face irreversible lung damage. She got back on the welfare rolls long enough to resume prescriptions and living month to month trying to afford the drug she needed to stay alive. That is a real story of a person whose income is little more than $12,000 a year who literally worries from month to month as to whether or not they will be able to buy the drugs to keep them alive.

Did we remember that lady when we talked about tax relief here? No. We focused 43 percent of our attention and 43 percent of our surplus on people making over $300,000 a year, people making $915,000 average income. For those in the category above them, $130,000 to $319,000, we gave them another 14 percent of the surplus as well.

There is another group we forget, and when we had an opportunity to vote for an amendment, unfortunately, we could not muster a majority to support them: families who are paying for college education expenses for their kids.

We believe—the Clinton administration and Democrats believe—that families who want to put their kids through school should be able to deduct their college education expenses up to $12,000. It means a helping hand from the Government in the range of $3,000 a year. Most families would welcome that so they could pay the tuition expenses and the room and board for the kids who finally are accepted at good colleges and universities. It is a strain for a lot of families, and a lot of kids go deeply into debt to pay for college.

We believe tax relief should be directed to those families so they can send their kids to college. We brought it up for a vote, and it was rejected by the Republican side. That is not their idea of tax relief. Their idea of tax relief is $23,000 a year in tax breaks for people making over $900,000 a year.

We wanted to address another problem. What about day care? So many working families worry about where their kids are going to be during the course of a day—whether they will be in a place that is safe, clean, and healthy, someplace where a child might have a chance to learn—and they struggle to find that place they can afford. Day care is a real human, family problem. We came up with a proposal to increase the credit that a family can claim for the cost of day care.

The PRESIDING OFFICER. The Senator has spoken for 20 minutes.

Mr. DURBIN. I ask unanimous consent for 5 additional minutes.

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

Mr. DURBIN. Mr. President, that was rejected as well. The idea of helping families through the Tax Code to pay for day care was rejected.

I can tell you with no doubt in my mind, with an absolute degree of certainty, that if you are making $915,000 a year, you probably do not worry too much about the weekly day care costs, but that is the group the Republican majority decided needed help, not the working family, struggling to find a safe, clean, affordable day-care center for their kids. No.

The group making over $900,000 a year will get $23,000 in tax breaks from the proposals on the Republican side of the aisle.

This list includes an effort by the Democratic side to provide tax credits to businesses offering health insurance to their employees. You know as well as I do that 40 million Americans do not have health insurance. We believe the best way to help them afford health insurance is to help the small business employers provide that benefit. Of course, that insurance is more expensive. Those who buy it in smaller groups, such as the small businesses, have to pay more for the health insurance premiums and their employees are in lower income categories.

So I proposed an amendment that said we would give a tax credit to businesses, a tax credit for those who would offer health insurance not only to the owners of the businesses but also to those who work there. That was rejected by the Republican side of the aisle. That is the kind of tax relief they just do not think is necessary.

I can tell you, you will not find a single person working for a small business in America making over $900,000 a year—the people we were trying to help with that amendment.

I can guarantee you, as well, that people making over $900,000 a year probably don't lose a single moment's sleep each night worrying about whether there will be health insurance.

So it comes down to this. The President has proposed he is going to veto these proposals by the Republicans because, once again, as they have done historically, the tax cuts proposed on the Republican side of the aisle have gone overwhelmingly to the wealthy. It happened in August of 1999; again, in May of 2000 under George W. Bush's plan; it happened with the House action recently in March of this year; and

it happened again on this estate tax repeal that the Republicans support.

Time and time again, the vast majority of relief goes to the wealthiest people in America. When will this Congress and this Senate listen to the 98 percent of the families in America who are hoping that we share their concerns about their future and their kids' future? Whether it is college education expenses, prescription drugs for their parents, prescription drugs for the disabled and their families, an effort to pay for child care, an effort to make certain they have health insurance on the job, when will this Congress put that as a high priority?

The Republican leadership said: Those people can go to the back of the line. We will wait for some other day, if ever, to discuss their needs. First we have to take care of the wealthiest. First we have to make sure that those making over $900,000 a year get about $2,000 more a month so they can be a little more comfortable in their lifestyle.

I think that is wrong. The President's veto is right. Let us provide tax relief and target it for the people who really need it. If there is a surplus in America, let working families, 98 percent of whom were ignored by the Republican tax cut plan, be first in line.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BURNS. Mr. President, I enjoyed the speech of my good friend from Illinois. But I also want to footnote it by saying it is pretty tough to give tax cuts to folks who don't pay taxes. So it is a little on the rough side to do that.

REMEMBERING SENATOR PAUL COVERDELL

Mr. BURNS. Mr. President, I rise this evening, along with my colleagues, as we talk about and remember and celebrate the life of PAUL COVERDELL. He was born in Des Moines, IA. He was a graduate of the University of Missouri. That is where I went to school. PAUL COVERDELL was a person who came to the Senate with a history of being a doer. He was a workhorse in this Senate.

Early on, he demonstrated that he could be relied upon to take on the essential but unspectacular tasks for the good of the Senate and this Nation. He was rewarded for that when he was elected by his fellow Senators to be the Secretary of the Senate Republican Conference. I know something about that because he beat me. I could not have lost to a better man.

He had his little mannerisms. He could put you in a box, put a cap on you, do a lot of things. But his quiet demeanor and lack of fuss in tackling whatever tasks were assigned to him belied his effectiveness.

He served President Bush as Director of the Peace Corps. He was a man of peace. He served as leader of the Republican Party in the Georgia Senate for 15 years, from 1974 to 1989, skillfully guiding that body through some difficult but rewarding years.

His leadership really surfaced when he came to the Senate. We have talked about him being a stalwart on national defense and on taxes, but I think he had his best vision and his best grasp of this business in reforming public education because he always referred back to his vision for the next generation. The next generation was always on his mind. As a proponent of equal educational opportunities, he introduced sweeping education and tax reform bills. The list of his achievements in the Senate is substantial, indeed.

PAUL COVERDELL holds a special place in our hearts as we say goodbye to a brother, a Member of this body, who has shown us the way in the tradition of the Senate. We are all better just for having known him.

MORNING BUSINESS

Mr. BURNS. Mr. President, I ask unanimous consent that the Senate now proceed to a period of morning business.

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

FY 2001 DEFENSE APPROPRIATIONS ACT

Mr. ALLARD. Mr. President, today I rise in strong support of the FY 2001 Defense Appropriations Act Conference Report. This bill provides the much needed funding for our deserving men and women in the military. After years of declining military budgets, this Defense Appropriations bill does the right thing by putting more of our resources toward our Armed Forces.

While I strongly support the overall bill, I would like to make note of one serious omission—the cut in funding for the Discoverer II or DII program. I know that Senator STEVENS and the Defense Appropriations staff fought hard for the DII program, but that they ran up against an entrenched opposition from the other side.

Discoverer II is a key element in assessing the utility, feasibility, and affordability of Space Based Radar (SBR). SBR will provide all weather, 24 hour, 7-day a week global surveillance coverage. The Department of Defense has stated that SBR will satisfy many unfilled requirements, such as Long Range Endurance Reconnaissance, Surveillance and Target Acquisition, Improved Ground Moving Target Indicator Tasking, Processing, Exploitation and Dissemination Interoperability, and provide simultaneous access to multiple theaters worldwide.

The program not only had the wide support of many Members of Congress, but also from the Secretary of the Air Force, the Director of the National Reconnaissance Office, the Under Secretary of Defense for Acquisition, Technology, and Logistics, the CINC of US Space Command, the CINC of US Central Command, and the Chief of Staff of the Air Force.

While I cannot understand the reasoning for such opposition, I do want to thank Senator STEVENS and his staff for fighting for this program and only hope that we can revive this important program in the future. The capabilities it will provide are too important to let it go quietly in the night. As the Chairman of the Strategic Subcommittee on the Armed Service Committee, as a member of the Senate Intelligence Committee, and as a member of the Commission on the National Reconnaissance Office, I have heard from our military and intelligence leaders that this capability is needed and that we must demonstrate the space based radar. That is why I will continue to fight for this defense capability.

Again, Mr. President, I want to thank Senator STEVENS for all his hard work and for producing such a strong bill for our military men and women.

VICTIMS OF GUN VIOLENCE

Mr. DORGAN. Mr. President, it has been more than a year since the Columbine tragedy, but still this Republican Congress refuses to act on sensible gun legislation.

Since Columbine, thousands of Americans have been killed by gunfire. Until we act, Democrats in the Senate will read some of the names of those who lost their lives to gun violence in the past year, and we will continue to do so every day that the Senate is session.

In the name of those who died, we will continue this fight. Following are the names of some of the people who were killed by gunfire one year ago today.

JULY 19

Steven Anderson, 38, Tulsa, OK; Eric Cummings, 24, Minneapolis, MN; Linda Dunn, 42, Detroit, MI; Betty Dreyfuss, 79, Daly City, CA; Tomas Hernandez, 27, Houston, TX; William Minis, 28, Dallas, TX; Ivan Powell, 32, Tulsa, OK; Percy Wright, 25, Baltimore, MD.

SENATOR JOHN O. PASTORE

Mr. L. CHAFEE. Mr. President. I rise today to speak of a man who, during 42 years of public service, left an indelible mark on generations of Rhode Islanders. Like thousands across the Ocean State, I am saddened by the passing of that great American statesman, John Orlando Pastore. Senator Pastore's life and career was one of diligence, accomplishment, integrity and distinction. Senator Pastore set a high standard for all who have followed him in the United States Senate, and while he will be missed, his contributions to our state and country will not be forgotten. My heartfelt condolences are extended to his family and friends in this difficult time.

The Nation's first Italian-American governor, and then U.S. Senator, John O. Pastore was rightfully proud of his

heritage and humble roots—and all of Rhode Island was proud of him. Not only did he embody the contributions made by Italian-Americans to our state and nation, his life and career were a source of pride and hope for immigrants from all nations.

A child when his father died, leaving his mother and siblings impoverished, the future Senator and Governor struggled to overcome the many daunting obstacles that life had laid in his path. Indeed, the true meaning of Senator Pastore's later personal and political achievements can only be understood when highlighted against the background of his own poignant memories of his childhood, which I would like to quote.

We lived in the ghetto of Federal Hill. We had no running water, no hot water. I used to get up in the mornings and have to crank the stove, to go out in the back yard and sift out the ashes and come back with the coal that I could recoup. I had to chisel with the ice pick the ice in the sink so that I could wash up in the mornings. And that was everybody in the family. That wasn't me alone. That was my wife's family, that was everybody's family.

A man who never forgot these humble beginnings, Senator Pastore captured the hearts and minds of Rhode Islanders in his conviction that if one worked hard enough and long enough, one's dreams would come true. As one who lived the American Dream, had risen from poverty to political prominence, Senator Pastore strived to extend those same opportunities to all in this country.

While Senator Pastore was a gentleman in everything he did, his convictions were equally strong. Whether he was standing up for the rights of the underprivileged, or warning of the dangers of nuclear proliferation, Senator Pastore was not afraid of a political fight. This was a man who, if asked an honest question, always provided an honest answer.

Perhaps for his family there is some comfort in knowing that Senator Pastore's career in public service has made the world a better place. He helped guide our state and nation through some of our most tumultuous times—from his pivotal role in the struggle for civil rights legislation to his efforts to protect mankind from the threat of nuclear weapons. Indeed, many in our nation may have marvelled at how a state so small could produce a man so great.

As the floor manager for the 1964 Civil Rights Act, Senator Pastore demonstrated his deep devotion for maintaining and promoting the rights of all people, regardless of their race, color or background. As a key player in the negotiation and ratification of the Nuclear Proliferation Treaty and the Nuclear Test Ban Treaty, Senator Pastore helped significantly reduce the dangers of thermonuclear war. On issues as diverse as civil rights and nuclear proliferation, Senator Pastore worked successfully to tighten the sinews of peace against a background of conflict.

On a personal note, my father, John Chafee, who followed John Pastore to the Senate in 1976, held his predecessor in the highest esteem. Their relationship consisted of mutual respect, admiration, and a never-ending series of personal kindnesses, great and small.

Upon his retirement in 1976, Senator Pastore addressed the Senate one final time. He expressed his love for this great institution and laid out the philosophy that had guided his career.

Whatever you do, keep that torch of opportunity lighted. Protect that flag. Maintain our institutions. Debate your differences if you have them. But always realize what that insignia says, ''E pluribus unum''—from the many there are one.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Tuesday, July 18, 2000, the Federal debt stood at $5,680,376,489,658.94 (Five trillion, six hundred eighty billion, three hundred seventy-six million, four hundred eighty-nine thousand, six hundred fifty-eight dollars and ninety-four cents).

Five years ago, July 18, 1995, the Federal debt stood at $4,929,786,000,000 (Four trillion, nine hundred twenty-nine billion, seven hundred eighty-six million).

Ten years ago, July 18, 1990, the Federal debt stood at $3,160,432,000,000 (Three trillion, one hundred sixty billion, four hundred thirty-two million).

Fifteen years ago, July 18, 1985, the Federal debt stood at $1,796,027,000,000 (One trillion, seven hundred ninety-six billion, twenty-seven million).

Twenty-five years ago, July 18, 1975, the Federal debt stood at $533,511,000,000 (Five hundred thirty-three billion, five hundred eleven million) which reflects a debt increase of more than $5 trillion—$5,146,865,489,658.94 (Five trillion, one hundred forty-six billion, eight hundred sixty-five million, four hundred eighty-nine thousand, six hundred fifty-eight dollars and ninety-four cents) during the past 25 years.

ADDITIONAL STATEMENTS

THE JAPAN-AMERICA STUDENT CONFERENCE

● Mr. INOUYE. Mr. President, today I would like to offer a special tribute to the oldest university student exchange forum between Japan and the United States, the Japan-America Student Conference (JASC). Founded sixty-six years ago at the initiative of a group of Japanese students who were concerned about deteriorating U.S.-Japan relations, the month-long Conference has since convened on fifty-two annual occasions, alternating between the two countries.

This year, the Conference will open on July 21st at Tokai University's Honolulu campus, then move on to the University of North Carolina, Washington, DC, and New York City, and will conclude at the Reischauser Institute for Japanese Studies at Harvard University on August 21st. The sixty-two delegates, half from each country and, representing some thirty-four university campuses, will address such topics as: business practices, environmental issues, philosophy and religion, historical perspectives, and third world policies, against the thematic backdrop of ''Developing New Approaches to Promote Social Change.''

JASC is completely designed and implemented by students. Delegates elect Japanese and American Executive Committees at the conclusion of each Conference who manage, plan, and select delegates for the next year's event. Many alumni of the conference have gone on to distinguish themselves in the business, academic, and governmental arenas of their respective societies. Most notable among them is Kiichi Miyazawa, former Prime Minister and current Finance Minister of Japan, who participated in the 1939 and 1940 Conferences, and Henry Kissinger, former U.S. Secretary of State, who participated in the 1951 Conference. A common denominator among the highly diverse delegate community is a deep interest in knowing more about the U.S. and Japan, which can lead to careers relevant to the bilateral relationship.

Thirty intense days of travel and dialogue with each other foster better understanding and trust between the cultures, and, more importantly, friendships that endure for decades. As one delegate observed, ''JASC is not a destination; it is a journey that does not conclude.''●

ON THE 100TH ANNIVERSARY OF THE CROMWELL CHILDREN'S HOME

● Mr. DODD. Mr. President, for 100 years the Cromwell Children's Home in Cromwell, Connecticut has provided a nurturing and supportive environment for children. Although the Home has evolved from its initial origins as an orphanage, its dedication and devotion to helping children in need has not wavered. I am proud to rise today to recognize this praiseworthy institution and, on behalf of the people of Connecticut, extend a heartfelt thank you on its centennial anniversary.

On any one day in Connecticut, there can be over 5,000 children in need of the services so selflessly provided by institutions like the Children's Home. Those children staying at the Children's Home benefit from a positive environment created by the dedicated and skilled staff. From my experience of working on children's issues in the United States Senate, I know how important it is to provide a constructive and therapeutic atmosphere for children.

The Children's Home is special because it is a comprehensive residential

treatment center that can help many children who are emotionally disturbed, behaviorally challenged or socially maladjusted. Through the residential component of the treatment regiment, children develop social skills and learn to positively interact with others. Children also benefit from the educational opportunities provided by the Learning Center because every student's educational experience is designed to personally suit his or her needs and to complement his or her learning style. The extensive outdoor learning opportunities, coupled with access to computers, help to provide balanced, quality learning. In addition, family therapy is a prominent feature at the Home because it is crucial to facilitate effective interaction between children and their families.

All of these wonderful features contribute to the successful completion of the Children's Home goal of ''returning each child to his or her community with a more positive attitude.'' For 100 years, the Children's Home has succeeded in its endeavor and has positively contributed to the lives of its residents.

One such former resident who symbolized the success of the Children's Home was John Russell Bergendahl. Known to his friends as Russ or ''Red,'' John Bergendahl honored the Cromwell Children's Home, the state of Connecticut and our nation by his service in World War II. An only child whose parents died when he was a boy, Russ became a resident of the Cromwell Children's Home in 1932. The supportive environment at the Home enabled him to overcome his tragedy and live with a positive attitude. Russ quickly developed an outgoing personality that was complimented by his physical and mental discipline. As Russ matured, he became a model resident of the home, owing much to the caring environment and dedicated staff.

During high school, Russ excelled in athletics at Middletown High School and even played on the Cromwell town baseball team. Upon graduating from Middletown High School, he enlisted in the military to fight for his country in World War II. John entered military training and was assigned to the 504th Parachute Infantry Unit (PIR) of the 82nd Airborne Division. His unit fought courageously throughout Northern Africa and Italy during the early years of the War. The 504th's ranks were so depleted from these battles that they were retained as a reserve unit and did not participate in the D-Day invasion.

However, John was one of only 50 volunteers of the 504th to serve as pathfinders on D-Day . His 50-man unit courageously preceded the main airborne divisions behind enemy lines to protect the vulnerable beach landings and to prevent an enemy counterattack. John did not survive this hazardous mission and died serving his country on June 6, 1944. His death was undoubtedly heroic although the exact circumstances can not be verified. He is buried alongside his fellow pathfinders at the United States Military Cemetery at Omaha Beach.

On this, the 100th anniversary of the Cromwell Children's Home, it is only right that we recognize this special institution. As the story of John Russell Bergendahl demonstrates, the Cromwell Children's Home has nurtured a number of remarkable Americans, many of whom have served with distinction in the U.S. Armed Forces. But whether its residents go on to become heros or just good neighbors and positive members of the Community, the Cromwell Children's Home is making an important difference. I hope the case of John Russell Bergendahl serves as an inspiration to the past and future residents of the Cromwell Children's Home and that they understand that their lives and their potential are limitless. Once again, I congratulate the Cromwell Children's Home on this 100th anniversary and I encourage them to carry forward the good work for another 100 years.●

IN RECOGNITION OF REVEREND NICK HALL, JR.

● Mr. LEVIN. Mr. President, I rise today to pay tribute to a remarkable person from my home state of Michigan, Reverend Nick Hall Jr. On July 23, Rev. Hall will retire after 48 years of service to the Bethesda Baptist Church in Saginaw.

Reverend Hall's history of pubic service is truly deserving of recognition. After serving his country in the Navy during World War II, he received his Bachelor of Theology from the Chicago Baptist Institute in 1950. He then moved to Saginaw, Michigan and organized the Bethesda Baptist Church in 1952, where he has ministered there for nearly five decades. In 1990, he furthered his studies in Theology by earning his Doctor of Divinity from Urban Bible College in Detroit. In addition to his career in the ministry, Rev. Hall has dedicated himself to civic leadership through his work with many community organizations. From civil rights activist to County Commissioner, he has won many hats in his long public career, but all of them have shown a true dedication to his community. For the last 48 years, Rev. Hall has served with integrity and compassion.

Rev. Hall's departure from Bethesda Baptist Church will certainly mark a new chapter in his life. I can only hope it is as successful as this previous one. Though I am sure he will remain active in his many church and community activities, I hope that he will be able to spend more time with his wife, Marie, and their children and grandchildren. I am pleased to join his family, congregation, and friends in offering my thanks for all he has done.

Mr. President, Reverend Nick Hall, Jr. can take pride in his long and honorable career to Bethesda Baptist Church. I hope my colleagues will join me in saluting Rev. Hall's commitment to his community and religion, and in wishing him well in his retirement.●

OUTSTANDING COMMUNITY LEADERSHIP IN FRANKLIN COUNTY, VERMONT

● Mr. LEAHY. Mr. President, I rise today to extend my congratulations to Franklin County, Vermont, one of five counties recently honored with the 2000 Community of Excellence Award from the organization Communities Can!

Franklin County is a small, sparsely populated area in northwestern Vermont. This county's close proximity to Lake Champlain and its rolling hills make it ideal for agriculture. In fact, the county has long been known as a state leader in dairy and maple syrup production. As with many rural areas, Franklin County has limited resources, but with the innovation and sense of community responsibility that has characterized Vermonters for centuries, leaders in the community have established a comprehensive network of educators, health care providers, and mental health workers to coordinate vital services for area children.

Communities Can! is a network of communities committed to ensuring that all children and families, including those with disabilities and special needs, have the services and support they need. Franklin County has been a part of this exemplary collaboration since its inception. Each year the organization recognizes five counties from across the country with the Community of Excellence Award. In order to be eligible for this prestigious award, a county must show that it identifies young children and families in need of services; provides affordable, convenient assistance; and includes family members in all levels of decision making. Receiving this award is a significant achievement.

It takes strong teamwork to bring all of these essential human services together to improve the lives of children and their families in a community. Thanks to the work of Mark Sustic, Coordinator of Early Childhood Programs; Peggy Durgin, Early Intervention/Team Coordinator; Paula Irish, Mental Health and Disabilities Coordinator for Head Start; Pam McCarthy, Director of the Family Center; and, Tracey Wagner, Chair of the Regional Interagency Coordinating Council, children and families in Franklin County receive the support and services they need to develop and flourish. I had the pleasure of meeting these remarkable community leaders this spring when they came to Washington to receive their award. These dedicated Vermonters make the most of the limited resources in their rural county by coordinating a comprehensive set of services including pre-kindergarten education, health care, parent education, special needs services, day care, and prenatal care.

I am proud of the people of Franklin County for their creativity and ingenuity in meeting the needs of families and children. They serve as an inspiring example to other communities in Vermont, and indeed, the entire country.●

MESSAGES FROM THE HOUSE

At 3:11 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1264. An act to amend the Internal Revenue Code of 1986 to require that each employer show on the W–2 form of each employee the employer's share of taxes for old-age, survivors, and disability insurance and for hospital insurance for the employee as well as the total amount of such taxes for such employee.

H.R. 2909. An act to provide for implementation by the United States of the Hague Convention on Protection of Children and Cooperation in Respect of Intercountry Adoption, and for other purposes.

H.R. 2961. An act to amend the Immigration and Nationality Act to authorize a 3-year pilot program under which the Attorney General may extend the period for voluntary departure in the care of certain nonimmigrant aliens who require medical treatment in the United States and were admitted under the visa waiver pilot program, and for other purposes.

H.R. 3113. An act to protect individuals, families, and Internet service providers from unsolicited and unwanted electronic mail.

H.R. 4157. An act to designate the facility of the United States Postal Service located at 600 Lincoln Avenue in Pasadena, California, as the ''Matthew 'Mack' Robinson Post Office Building.''

H.R. 4430. An act to redesignate the facility of the United States Postal Service located at 8926 Baltimore Street in Savage, Maryland, as the ''Alfred Rascon Post Office Building.''

H.R. 4517. An act to designate the facility of the United States Postal Service located at 24 Tsienneto Road in Derry, New Hampshire, as the ''Alan B. Shepard, Jr. Post Office Building.''

H.R. 4554. An act to redesignate the facility of the United States Postal Service located at 1602 Frankford Avenue in Philadelphia, Pennsylvania, as the ''Joseph F. Smith Post Office Building.''

H.R. 4866. An act to provide for reconciliation pursuant to section 103(b)(1) of the concurrent resolution on the budget for fiscal year 2001 to reduce the public debt and to decrease the statutory limit on the public debt.

The message also announced that the House agrees to the report of the Committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 4576) making appropriations for the Department of Defense for the fiscal year ending September 30, 2001, and for other purposes.

The message further announced that the House disagrees to the amendment of the Senate to the bill (H.R. 4810) to provide for reconciliation pursuant to section 103(a)(1) of the concurrent resolution on the budget for fiscal year 2001; and appoints Mr. ARCHER, Mr. ARMEY, and Mr. RANGEL, as the managers of the conference on the part of the House.

At 5:23 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has agreed to the following resolution:

H. Res. 558. Resolution relative to the death of the Honorable PAUL COVERDELL, a Senator from the State of Georgia.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 2961. An act to amend the Immigration and Nationality Act to authorize a 3-year pilot program under which the Attorney General may extend the period for voluntary departure in the case of certain nonimmigrant aliens who require medical treatment in the United States and were admitted under the visa waiver pilot program, and for other purposes; to the Committee on the Judiciary.

H.R. 3113. An act to protect individuals, families, and Internet service providers from unsolicited and unwanted electronic mail; to the Committee on Commerce, Science, and Transportation.

H.R. 4157. An act to designate the facility of the United States Postal Service located at 600 Lincoln Avenue in Pasadena, California, as the ''Matthew 'Mack' Robinson Post Office Building''; to the Committee on Governmental Affairs.

H.R. 4430. An act to redesignate the facility of the United States Postal Service located at 8926 Baltimore Street in Savage, Maryland, as the ''Alfred Rascon Post Office Building''; to the Committee on Governmental Affairs.

H.R. 4517. An act to designate the facility of the United States Postal Service located at 24 Tsienneto Road in Derry, Hew Hampshire, as the ''Alan B. Shepard, Jr. Post Office Building''; to the Committee on Governmental Affairs.

H.R. 4554. An act to redesignate the facility of the United States Postal Service located at 1602 Frankford Avenue in Philadelphia, Pennsylvania, as the ''Joseph F. Smith Post Office Building''; to the Committee on Governmental Affairs.

H.R. 4866. An act to provide for reconciliation pursuant to section 103(b)(1) of the concurrent resolution on the budget for fiscal year 2001 to reduce the public debt and to decrease the statutory limit on the public debt; to the Committee on Finance.

MEASURE REFERRED

The following bill, received previously from the House of Representatives for concurrence, was read the first and second times by unanimous consent, and referred as indicated, on July 18, 2000:

H.R. 3084. An act to authorize the Secretary of the Interior to contribute funds for the establishment of an interpretative center on the life and contributions of President Abraham Lincoln; to the Committee on Energy and Natural Resources.

MEASURES PLACED ON THE CALENDAR

The following concurrent resolution was read, and placed on the calendar on July 18, 2000.

H. Con. Res. 319. Concurrent resolution congratulating the Republic of Latvia on the 10th anniversary of the reestablishment of its independence from the rule of the former Soviet Union.

MEASURE PLACED ON THE CALENDAR ON JULY 19, 2000

The following bill was read the first and second time by unanimous consent, and placed on the calendar:

H.R. 2909. An act to provide for implementation by the United States of the Hague Convention on Protection of Children and Cooperation in Respect of Intercountry Adoption, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–9793. A communication from the Secretary of the Federal Trade Commission, transmitting, pursuant to law, a report regarding the fair Debt Collection Practices Act; to the Committee on Banking, Housing, and Urban Affairs.

EC–9794. A communication from the General Counsel of the Federal Emergency Management Agency, transmitting, pursuant to law, the report of a rule entitled ''Final Flood Elevation Determinations 65 FR 35587'' received on June 21, 2000; to the Committee on Banking, Housing, and Urban Affairs.

EC–9795. A communication from the General Counsel of the Federal Emergency Management Agency, transmitting, pursuant to law, the report of a rule entitled ''Changed in Flood Elevation Determinations 65 FR 36069'' received on June 21, 2000; to the Committee on Banking, Housing, and Urban Affairs.

EC–9796. A communication from the General Counsel of the Federal Emergency Management Agency, transmitting, pursuant to law, the report of a rule entitled ''Final Flood Elevation Determination 65 FR 36072'' received on June 21, 2000; to the Committee on Banking, Housing, and Urban Affairs.

EC–9797. A communication from the General Counsel of the Federal Emergency Management Agency, transmitting, pursuant to law, the report of a rule entitled ''Changes in Flood Elevation Determinations 65 FR 36068'' received on June 21, 2000; to the Committee on Banking, Housing, and Urban Affairs.

EC–9798. A communication from the Assistant General Counsel for Regulations, Office of the Secretary, Department of Housing and Urban Development, transmitting, pursuant to law, the report of a rule entitled ''Debarment, Suspension, and Limited Denial of Participation; Clarification of Procedures'' (RIN2501–AC61 (FR–4505–F01)) received on June 21, 2000; to the Committee on Banking, Housing, and Urban Affairs.

EC–9799. A communication from the Assistant General Counsel for Regulations, Office of the Assistant Secretary for Public and Indian Housing, Department of Housing and Urban Development, transmitting, pursuant to law, the report of a rule entitled ''Section Management Assessment Program (SEMAP); Lifting of Stay of Certain Regulatory Sections'' (RIN2577–AB60 (FR–3986–N–03)) received on June 21, 2000; to the Committee on Banking, Housing, and Urban Affairs.

EC–9800. A communication from the General Counsel of the Federal Emergency Management Agency, transmitting, pursuant to law, the report of a rule entitled ''Changes in

Flood Elevation Determinations 65 FR 36070'' (Docket No. FEMA–7324) received on June 21, 2000; to the Committee on Banking, Housing, and Urban Affairs.

EC–9801. A communication from the Managing Director of the Federal Housing Finance Board, transmitting, pursuant to law, the report of a rule entitled ''Office of Finance; Authority of the Federal Home Loan Banks to Issue Consolidated Obligations'' (RIN 3069–AA88) received on June 21, 2000; to the Committee on Banking, Housing, and Urban Affairs.

EC–9802. A communication from the Fiscal Assistant Secretary of the Department of the Treasury, transmitting, pursuant to law, the report concerning the government securities brokers and dealers for calendar year 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC–9803. A communication from the Chairman and President of the Export-Import Bank, transmitting, pursuant to law, a report relative to exports to the Philippines; to the Committee on Banking, Housing, and Urban Affairs.

EC–9804. A communication from the Deputy Secretary, Division of Investment Management, Securities and Exchange Commission, transmitting, pursuant to law, the report of a rule entitled ''Privacy of Consumer Financial Information (Regulation S–P)'' (RIN3235–AH90) received on June 23, 2000; to the Committee on Banking, Housing, and Urban Affairs.

EC–9805. A communication from the Federal Register Liaison Officer of the Office of Thrift Supervision, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Repurchases of Stock by Recently Converted Saving Associations, Mutual Holding Company Dividend Waivers, Gramm-Leach-Bliley Act Changes'' (RIN1550–AB24) received on June 26 , 2000; to the Committee on Banking, Housing, and Urban Affairs.

EC–9806. A communication from the President and Chairman of the Export-Import Bank, transmitting, pursuant to law, a report regarding exports to Colombia; to the Committee on Banking, Housing, and Urban Affairs.

EC–9807. A communication from the General Counsel of the National Credit Union Administration, transmitting, pursuant to law, the report of a rule entitled ''12 CFR Part 716, Privacy of Consumer Financial Information'' received on June 29, 2000; to the Committee on Banking, Housing, and Urban Affairs.

EC–9808. A communication from the Assistant Secretary for Export Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Revisions to the Export Administration Regulations: Implementation of the Wassenaar Arrangement List of Dual Use Items: Revisions to Categories 1, 2, 3, 4, 5, 6 and 9 of the Commerce Control List'' (RIN0694–AC19) received on June 30, 2000; to the Committee on Banking, Housing, and Urban Affairs.

EC–9809. A communication from the Chairman of the Securities and Exchange Commission, transmitting, pursuant to law, the report relative of the Securities Investor Protection Corporation for calendar year 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC–9810. A communication from the Secretary of Commerce, transmitting, pursuant to law, the report addressing the challenges of international bribery and fair competition; to the Committee on Banking, Housing, and Urban Affairs.

EC–9811. A communication from the Chairman of the Federal Housing Finance Board, transmitting, pursuant to law, the 1999 management reports of the twelve Federal Home Loan Banks and the Financing Corporation; to the Committee on Banking, Housing, and Urban Affairs.

EC–9812. A communication from the Assistant General Counsel for Regulations, Office of the Assistant Secretary for Public and Indian Housing, Department of Housing and Urban Development, transmitting, pursuant to law, the report of a rule entitled ''Pet Ownership in Public Housing'' (RIN2577–AB94 (FR–4437–F–02)) received on July 10, 2000; to the Committee on Banking, Housing, and Urban Affairs.

EC–9813. A communication from the Assistant General Counsel for Regulations, Office of the Assistant Secretary for Public and Indian Housing, Department of Housing and Urban Development, transmitting, pursuant to law, the report of a rule entitled ''Direct Funding of Public Housing Resident Management Corporations'' (RIN2577–AC12 (FR–4501–F–02)) received on July 10, 2000; to the Committee on Banking, Housing, and Urban Affairs.

EC–9814. A communication from the Assistant General Counsel for Regulations, Office of the Assistant Secretary for Public and Indian Housing, Department of Housing and Urban Development, transmitting, pursuant to law, the report of a rule entitled ''Section 8 Housing Choice Voucher Program: Expansion of Payment Standard Protection'' (RIN2577–AC18 (FR–4586–I–01)) received on July 10, 2000; to the Committee on Banking, Housing, and Urban Affairs.

EC–9815. A communication from the General Counsel of the Federal Emergency Management Agency, transmitting, pursuant to law, the report of a rule entitled ''Final Flood Elevation Determinations 65 FR 38429'' received July 10, 2000; to the Committee on Banking, Housing, and Urban Affairs.

EC–9816. A communication from the General Counsel of the Federal Emergency Management Agency, transmitting, pursuant to law, the report of a rule entitled ''National Flood Insurance Program (NFIP) Inspection of Insured Structures by Communities 65 FR 39726'' (RIN3067–AC70) received July 10, 2000; to the Committee on Banking, Housing, and Urban Affairs.

EC–9817. A communication from the Comptroller of the Currency, Administrator of National Banks, transmitting, pursuant to law, the report of four issues of the Quarterly Journal (the annual report for 1999); to the Committee on Banking, Housing, and Urban Affairs.

EC–9818. A communication from the Chairman of the Securities and Exchange Commission, transmitting, pursuant to law, the annual report for fiscal year 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC–9819. A communication from the Assistant Secretary for Export Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Parties to a Transaction and their Responsibilities, Routed Export Transactions, Shipper's Export Declarations, the Automated Export System (AES), and Export Clearance'' (RIN0694–AB88) received on June 30, 2000; to the Committee on Banking, Housing, and Urban Affairs.

EC–9820. A communication from the General Counsel of the Federal Emergency Management Agency, transmitting, pursuant to law, the report of a rule entitled ''National Flood Insurance Program (NFIP); Assistance to Private Sector Property Insurers 65 FR 36633'' (RIN3067–AD11) received on June 30, 2000; to the Committee on Banking, Housing, and Urban Affairs.

EC–9821. A communication from the General Counsel of the Federal Emergency Management Agency, transmitting, pursuant to law, the report of a rule entitled ''Changes in Flood Elevation Determinations 65 FR 36634'' (Docket No. FEMA–7313) received on June 30, 2000; to the Committee on Banking, Housing, and Urban Affairs.

EC–9822. A communication from the Legislative and Regulatory Activities Division, Comptroller of the Currency, Administrator of National Bank, transmitting, pursuant to law, a report of the final rule entitled ''Other Equity Investments'' received on July 5, 2000; to the Committee on Banking, Housing, and Urban Affairs.

EC–9823. A communication from the President of the United States, transmitting, pursuant to law, the report of the notice of the continuation of emergency with respect to the Taliban; to the Committee on Banking, Housing, and Urban Affairs.

EC–9824. A communication from the Secretary of the Department of Agriculture, transmitting, a draft of proposed legislation to amend the Housing Act of 1949 to increase the guarantee fee on guaranteed loans; to the Committee on Banking, Housing, and Urban Affairs.

EC–9825. A communication from the General Counsel of the Federal Emergency Management Agency, transmitting, pursuant to law, the report of a rule entitled ''Suspension of Community Eligibility 65 FR 30545'' (Docket No. FEMA–7735) received on July 12, 2000; to the Committee on Banking, Housing, and Urban Affairs.

EC–9826. A communication from the Deputy Assistant Administrator, National Oceanic and Atmospheric Administration, transmitting, pursuant to law, the report of a rule entitled ''Coastal Ocean Program Supplemental Notice of Funds Availability for the Southeast Bering Sea Carrying Capacity (SEBSCC) Project'' (RIN0648–ZA86) received on May 16, 2000; to the Committee on Commerce, Science, and Transportation.

EC–9827. A communication from the Chairman of the Interagency Coordination Committee on Oil Pollution Research, U.S. Coast Guard, Department of Transportation, transmitting, pursuant to law, the report relative to oil spill pollution research; to the Committee on Commerce, Science, and Transportation.

EC–9828. A communication from the Acting Assistant Administrator for Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries off West Coast States and in the Western Pacific; Pacific Coast Groundfish Fishery; Temporary Closure For the Shore-based Sector'' received on June 21, 2000; to the Committee on Commerce, Science, and Transportation.

EC–9829. A communication from the Acting Director of the Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries off West Coast States and in the Western Pacific; Pacific Coast Groundfish Fishery; Whiting Closure for the Mothership Sector'' received on June 21, 2000; to the Committee on Commerce, Science, and Transportation.

EC–9830. A communication from the Acting Assistant Director of the Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska; Rebuilding Overfished Fisheries'' (RIN0648–AM29) received on June 21, 2000; to the Committee on Commerce, Science, and Transportation.

EC–9831. A communication from the Chief of the Marine Mammal Conservation Division, Office of Protected Resources, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Regulations Governing the Taking and Importing of

Marine Mammal; Endangered and Threatened Fish and Wildlife; Cook Inlet Beluga Whales'' (RIN0648–XA53) received on June 21, 2000; to the Committee on Commerce, Science, and Transportation.

EC–9832. A communication from the Associate Administrator for Procurement, National Aeronautics and Space Administration, transmitting, pursuant to law, the report of a rule entitled ''Miscellaneous Administrative Revisions to the NASA FAR Supplement'' received on June 21, 2000; to the Committee on Commerce, Science, and Transportation.

EC–9833. A communication from the Program Analyst of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Airbus Model A319, A320, and A321 Series Airplanes; docket No. 99–NM–351 [6–19/6–22]'' (RIN2120–AA64 (2000–0340)) received on June 22, 2000; to the Committee on Commerce, Science, and Transportation.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM–599. A resolution adopted by the Legislature of the State of Alaska relative to the Exxon Mobil Corporation; to the Committee on the Judiciary.

POM–600. A resolution adopted by the Legislature of the State of Alaska relative to fair trade between the United States and Canada; to the Committee on the Judiciary.

POM–601. A petition from the Native Hawaiian Convention concerning the reestablishment of a Native Hawaiian Nation; to the Committee on the Judiciary.

POM–602. A resolution adopted by the House of the Legislature of the State of Illinois relative to industrial hemp; to the Committee on the Judiciary.

HOUSE RESOLUTION NO. 553

Whereas, Industrial hemp refers to varieties of the cannabis plant that have a low content of tetrahydrocannabinol (THC) and that are cultivated for fiber and oil; and

Whereas, Industrial hemp should not be confused with varieties of cannabis that have high content of tetrahydrocannabinol (THC) and that are commonly referred to as marijuana; and

Whereas, The commercial production and cultivation of industrial hemp is now permitted in Canada, under licenses and authorizations issued by Health Canada; and

Whereas, Health Canada controls, through rules, all activities relating to the importation, exportation, possession, production, sale, provision, transportation, sending, delivering, and offering for sale of industrial hemp; and

Whereas, Industrial hemp is grown legally throughout Europe and Asia; and

Whereas, Many farmers facing uncertain times in the agricultural marketplace view the reintroduction of industrial hemp as another potentially alternative crop that will have long-term economic benefits to the farmers who produce hemp and the persons who use hemp in the production of textiles, paper products, concrete reinforcement, automobile parts, plastic, cosmetics, organic foods, and natural body products; and

Whereas, Congress never originally intended to prohibit the production of industrial hemp when restricting the production, possession, and use of marijuana; therefore be it

Resolved, by the House of Representatives of the Ninety-First General Assembly of the State of Illinois, That we urge the United States Congress to acknowledge the difference between the hallucinogenic drug know as marijuana and the agricultural crop known as industrial hemp; to acknowledge that allowing and encouraging farmers to produce industrial hemp will improve the balance of trade by promoting domestic sources of industrial hemp; and to assist United States' producers by clearly authorizing the commercial production of industrial hemp and by being the leading advocate for the industrial hemp industry; and be it further

Resolved, That suitable copies of this resolution be delivered to the President pro tempore of the United States Senate, the Speaker of the United States House of Representatives, the chairmen of the Agriculture Committees of the United States Senate and House of Representatives, the United States Secretary of Agriculture, and each member of the Illinois congressional delegation.

POM–603. A resolution adopted by the House of the Legislature of the State of Louisiana relative to the preservation of liberty; to the Committee on the Judiciary.

HOUSE RESOLUTION NO. 33

Whereas, the Preamble to the Constitution of the United States of America, which became effective on March 4, 1789, declares that the people of the United States have established that constitution with the stated purposes of forming a more perfect union, establishing justice, insuring domestic tranquility, providing for the common defense, promoting the general welfare, and securing the blessings of liberty; and

Whereas, the Fourth Amendment to the Constitution of the United States of America, which became effective on December 15, 1791, provides, in part, that ''the right of the people to be secure in their persons, houses, papers, and effects, against unreasonable searches and seizures, shall not be violated . . .''; and

Whereas, on November 19, 1863, in his Address of Gettysburg, President Abaham Lincoln noted that our nation was conceived in liberty and spoke of the need for those who heard his words to resolve ''. . . that this nation, under God, shall have a new birth of freedom; and that government of the people, by the people, for the people, shall not perish from the earth''; and

Whereas, these noble and lofty ideals, upon which our nation was founded and preserved, of liberty and government for the people, appear to be in danger as the echoes of the increasing raids against the citizens of our country, the latest of which was in Miami, reverberate across our land; and

Whereas, our nation must always be prepared to do the things which are necessary to preserve our liberty, but in preserving the liberty of the nation, the rights of the individuals must also be preserved; and

Whereas, certain actions by certain agents of our federal government have risen to an unhealthy fear of our government among the citizens of our nation; and

Whereas, the United States Congress should take the lead in preserving the liberties of our nation as a whole and the liberties of the individual citizens of our nation: Therefore, be it

Resolved, That the Louisiana House of Representatives does hereby memorialize the United States Congress to take such steps as are necessary to preserve the liberties of our nation as a whole and the liberties of the individual citizens of our nation; be it further

Resolved, That copies of this Resolution shall be transmitted to the presiding officer of each house of the United States Congress and to each member of the Louisiana delegation of the United States Congress.

POM–604. A resolution adopted by the General Assembly of the State of New Jersey relative to the Voting Rights Act of 1965; to the Committee on the Judiciary.

ASSEMBLY RESOLUTION NO. 90

Whereas, On August 6, 1965, United States President Lyndon B. Johnson signed the federal Voting Rights Act (VRA) into law; and

Whereas, The purpose of this landmark legislation was to ensure that the voting rights of African-American citizens, as guaranteed by the Fourteenth and Fifteenth amendments, to the United States Constitution, are preserved and strongly enforced; and

Whereas, Prior to the passage of the VRA, many areas of the United States were in the grip of oppressive state laws that purposely hindered and abridged the right of African-Americans to register and vote by imposing demeaning tests and devices that kept them away from the polls on election day and permitted white voters to have control over the electoral process and the candidates for elective office; and

Whereas, For example, before the passage of the VRA, only 29 percent of African-Americans were registered to vote in Alabama, Georgia, Louisiana, Mississippi, North Carolina, South Carolina and Virginia compared over 73.4 percent of whites, and within two years after the passage of the law, more than 52 percent of African Americans were registered to vote in those states; and

Whereas, When the VRA was adopted, Section 4 of the law abolished literacy tests and all other similar devices used to discriminate against minority voters; and

Whereas, Section 5 of the law was designed to ensure that minority voters would have the opportunity to register to vote and fully participate in this county's electoral process free of discrimination; and

Whereas, Section 5 mandated that any change in election law in states that had a history of electoral discrimination—including something as small as moving a polling place—must be precleared, either through the federal Department of Justice or through the federal district court in the District of Columbia, to ensure that the change did not abridge minority voting rights; and

Whereas, In the wake of the passage of the VRA, the federal Department of Justice has used it to stop or remove a large number of the discriminatory practices that diluted the voting strength of African-Americans or prevented them from achieving electoral victories; and

Whereas, These practice include racial gerrymandering—drawing Congressional or legislative district boundaries with race as the primary consideration—and the use of at-large elections in counties and municipalities, whereby representatives are elected from the political subdivision as a whole, instead of from districts within it, so that a majority of white voters always defeat African-Americans candidates; and

Whereas, New Jersey has long had an interest in ensuring that African-Americans are permitted to exercise their constitutionally-guaranteed right to vote, as evidenced by the honor given to Thomas Mundy Peterson of Perth Amboy, the first African-American to vote in the United States after the passage of the Fifteenth Amendment to the United States Constitution in March 1870; and

Whereas, Given that the civil rights community believes that the VRA has allowed African-Americans in this country to fully exercise their right to vote and have an important role in this country's democratic process, it is fitting and proper for this State to acknowledge the year 2000 as the 35th anniversary of the VRA; now, therefore be it

Resolved by the General Assembly of the State of New Jersey:

1. This House acknowledges the year 2000 as the 35th anniversary of the passage of the Voting Rights Act of 1965.

2. Duly authenticated copies of this resolution, signed by the Speaker of the General Assembly and attested by the Clerk thereof, shall be transmitted to every presiding officer of the Congress of the United States, every member thereof elected from this State and to the executive officers of the largest civil rights organizations in the United States and this State.

POM–605. A resolution adopted by the General Assembly of the State of New Jersey relative to the proposed ''Justice for Holocaust Survivors Act''; to the Committee on the Judiciary.

ASSEMBLY RESOLUTION NO. 58

Whereas, During the tragic events we now call the Holocaust, in which the Nazi dictatorship in Germany illegally expropriated private property and murdered six million Jews as part of a systematic program of genocide; and

Whereas, Five million others were also murdered by the Nazis; and

Whereas, There are thousands of Holocaust survivors living in the United States who are being denied restitution for their pain and suffering during the Holocaust; and

Whereas, This situation affects many survivors who have come to the United States during the last 50 years, as well as thousands of survivors from the former Union of Soviet Socialist Republics who have arrived here during the last decade and who have experienced a disproportionate refusal rate by the Conference on Jewish Material Claims Against Germany; and

Whereas, Many Holocaust survivors are indigent and in need of financial assistance; and

Whereas, Current United States law precludes lawsuits against sovereign governments such as the Federal Republic of Germany; and

Whereas, H.R. 271 of 1999, the Justice for Holocaust Survivors Act, would amend the federal Foreign Sovereigns Immunity Act to permit U.S. citizens who are victims of the Holocaust, whether or not they were citizens of the United States during World War II, to sue the Federal Republic of Germany for compensation in U.S. courts; now, therefore, be it

Resolved by the General Assembly of the State of New Jersey:

1. The President and the Congress of the United States are respectfully memorialized to enact H.R. 271 of 1999, the Justice for Holocaust Survivors Act, which would permit U.S. citizens who are victims of the Holocaust, whether or not they were U.S. citizens during World War II, to sue the Federal Republic of Germany for compensation in U.S. courts of law.

2. A copy of this resolution, signed by the Speaker of the General Assembly and attested by the Clerk thereof, shall be transmitted to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives and every member of Congress elected from this State.

POM–606. A joint resolution adopted by the General Assembly of the Commonwealth of Virginia relative to voluntary school prayer; to the Committee on the Judiciary.

HOUSE JOINT RESOLUTION NO. 71

Whereas, the framers of the Constitution, recognizing free exercise of religion as an unalienable right, secured its protection with the First Amendment of the Constitution of the United States; and

Whereas, statements of belief in a Supreme Power and the virtue of seeking strength and protection from that Power are prevalent throughout our national history; and

Whereas, today there are numerous signs of harmonious church/state coexistence, including organized prayer at every Congressional session, the use of the Bible while administering the oath of office, and the imprinting of ''In God we trust'' on the national currency; and

Whereas, prayer in public schools existed for nearly 200 years before the United States Supreme Court ruled in *Engel* v. *Vitale* that a government-composed nondenominational ''Regents'' prayer recited by students was unconstitutional as a violation of the establishment of the religion clause of the First Amendment; and

Whereas, this decision has severely constrained the exercise of religious freedom guaranteed by the First Amendment; and

Whereas, in the aftermath of the recent tragic events at Columbine High School in Littleton, Colorado and Westside Middle School in Jonesboro, Arkansas, many believe that providing for school prayer would help to prevent these incomprehensible acts of violence from recurring at other schools; and

Whereas, several resolutions have been introduced during the 106th Congress, proposing an amendment to the Constitution of the United States to allow for individual or group prayer in public schools and other public institutions; and

Whereas, the proposed amendments would not prescribe the content of the prayer, endorse one religion over another, or require any person to participate in prayer; and

Whereas, voluntary prayer is a beneficial practice that provides the opportunity for free expression of religion and rebuilding a moral emphasis needed in a country troubled by outbreaks of unprecedented school violence; now, therefore, be it

Resolved by the House of delegates, the Senate concurring, That the Congress of the United States be urged to propose an amendment to the Constitution of the United States to allow for voluntary school prayer; and, be it

Resolved further, That the Clerk of the House of Delegates transmit copies of this resolution to the Speaker of the House of Representatives, the President of the United States Senate, and the members of the Virginia Congressional Delegation in order that they may be apprised of the sense of the General Assembly of Virginia in this matter.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MCCAIN, from the Committee on Commerce, Science, and Transportation, without amendment:

S. 1912: A bill to facilitate the growth of electronic commerce and enable the electronic commerce market to continue its current growth rate and realize its full potential, to signal strong support of the electronic commerce market by promoting its use within Federal government agencies and small and medium-sized businesses, and for other purposes (Rept. No. 106–349).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

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

By Mr. WELLSTONE:

S. 2888. A bill to guarantee for all Americans quality, affordable, and comprehensive health insurance coverage; to the Committee on Finance.

By Mr. DURBIN:

S. 2889. A bill to amend the Federal Cigarette Labeling and Advertising Act and the Comprehensive Smokeless Tobacco Health Education Act of 1986 to require warning labels for tobacco products; to the Committee on Commerce, Science, and Transportation.

By Ms. SNOWE (for herself and Mr. L. CHAFEE):

S. 2890. A bill to provide States with funds to support State, regional, and local school construction; to the Committee on Health, Education, Labor, and Pensions.

By Mr. REID:

S. 2891. A bill to establish a national policy of basic consumer fair treatment for airline passengers; to the Committee on Commerce, Science , and Transportation.

By Mr. SCHUMER (for himself and Mr. MOYNIHAN):

S. 2892. A bill to designate the Federal building located at 158–15 Liberty Avenue in Jamaica, Queens, New York, as the ''Floyd H. Flake Federal Building''; to the Committee on Environment and Public Works.

By Mr. SCHUMER (for himself and Mr. MOYNIHAN):

S. 2893. A bill to designate the facility of the United States Postal Service located at 757 Warren Road in Ithaca, New York, as the ''Matthew F. McHugh Post Office''; to the Committee on Governmental Affairs.

By Mr. LUGAR (for himself, Mr. ROBERTS, Mr. BURNS, and Mr. SANTORUM):

S. 2894. A bill to provide tax and regulatory relief for farmers and to improve the competitiveness of American agricultural commodities and products in global markets; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. WELLSTONE:

S. 2888. A bill to guarantee for all Americans quality, affordable, and comprehensive health insurance coverage; to the Committee on Finance.

HEALTH SECURITY FOR ALL AMERICANS ACT

Mr. WELLSTONE. Mr. President, today I want to talk about an issue that is of the utmost importance: Health Security.

First I want to talk about the problem: Health insecurity. Then I want to talk about the solution: The Health Security for All Americans Act. And finally I want people around the country to hear what they can do to wake up Congress and make Health Security for All Americans a reality.

This year has been a hard one for me. Two months ago, we buried one of my dear friends, Mike Epstein. Mike's sons came to be with him for the last few weeks of his struggle with cancer. Devoted sons, they spoke glowingly about their father at a memorial service for him in the Capitol. As any of you who has sat with a dying parent knows, emotions overflow, coping is difficult, and the grief is profound. The last thing a son or daughter, a parent or spouse, needs is to have the additional burden of wondering where will the next dollar for ever mounting health care bills come from; to worry about going into debt; to worry about going bankrupt because of a loved ones health care needs. Mike's sons did not have to worry about that because Mike had health care coverage as good as Congress gets.

The wife of my health policy advisor, John Gilman, battled cancer for two and a half years before succumbing one month ago. She had required innumerable sessions of radiation therapy, plus chemotherapy and surgery. John had his hands full with work plus taking care of his wife, both physically and emotionally. It is draining, but can you imagine how much worse it would be if John and his wife, June, had no health insurance. John didn't have to worry about how to pay for the next medical bill because John and his wife had health care coverage as good as Congress gets.

People do get ill. As hard as we try and as much as we pray, we can't always cure them. But we certainly can make sure they all have access to high quality, affordable care with dignity. There is no reason why all Americans can't have health insurance as good as everyone of us who serves in the United States Senate.

The idea of procuring health security for all Americans is not a new one. Franklin Delano Roosevelt recognized the need for universal health care in the 1930s when we were in the depths of the depression; Harry Truman fought for it in the 1940s when the troops came home from World War II; John Kennedy envisioned it in the midst of the cold war; Richard Nixon had it high on his agenda before events overtook his Presidency.

What these 20th century Presidents all understood is that there is a basic human drive for good health, and the good health of the American people is what drives this country and its economy. By 1992 it was far past due for us to recognize that all Americans should have a basic right to quality affordable health care. We had the opportunity in 1993 and 1994 to confer that right on to all of our people—and we lost it, because of differences and failures to compromise, and obstructionists and nay sayers, and failing to keep our eye on the ball: Universal, quality, affordable health care for every American.

I began introducing bills to provide universal health care in this country shortly after I arrived in the Senate in 1991. Back then people were aware of the problems of the uninsured—it wasn't being swept under the rug. Do you remember back in 1992, we were coming out of a recession, unemployment was at 7.5 percent, the national debt was increasing each year and 36 million Americans were uninsured, and everyone was talking about some form of health insurance for all.

Eight years later, we're told the economy's humming along, unemployment is the lowest its been in 30 years, and there is a budgetary surplus. But despite the fact that there are 45 million Americans without health insurance—10 million more than there were 10 years ago—nobody in Washington is talking seriously about doing anything about it. Incremental change may keep some people from losing their insurance, and may insure some people who would otherwise be uninsured, but incrementalism has not stopped the steady rise in the number of uninsured in America which will soar to 55 million people by 2008.

We need to change that. I don't think the fact that 140 million Americans own stocks today should make us forget that 45 million Americans don't have health insurance. And that millions more can't make ends meet because their health insurance is simply too expensive.

Make no mistake about it: Not having health insurance has its consequences. And I know some of you know it personally too well. There are some myths out there about not having health insurance that need to be debunked:

The first myth is that the uninsured can easily get the care they need. But the fact is: Uninsured Americans needlessly suffer because they don't have access to the care they need. For example, the uninsured are four times more likely to go without needed medical care and to delay seeking care; and are up to four times more likely to experience an avoidable hospitalization and emergency hospital care. The uninsured are more likely to be in fair or poor health and have a higher probability of in-hospital death than the privately insured.

The second myth is that the lack of health insurance is usually a temporary condition and that most people get their coverage back quickly. But the fact is otherwise: Nearly 60 percent of people who are uninsured have been uninsured for at least two years. Or put another way: 6 out of 10 people who lose their health insurance this month will still be uninsured in July 2002!

Employers used to do more to help assure their workers of coverage. In 1985, nearly two-thirds of businesses with 100 or more workers paid the full cost of health coverage. Last year only one-fourth of businesses did. In 1988, employers asked workers to pay on average 20 percent of the cost through payroll deductions. By 1998, they had raised the average worker's share to 27 percent. Three-fourths of the working uninsured are not offered or eligible for any coverage through their workplace.

The third myth is that most people don't have health insurance because they are not working. But the fact is: 75 percent of uninsured Americans hold down full-time jobs or are the dependents of someone who does, and nine out of ten come from working families. What's also a fact is that low wage workers frequently aren't offered insurance at all through their employment or if they are, it is at an unaffordable price.

The fourth myth is that most people who don't have insurance could afford it but just choose not to buy it. But the fact is: The high cost of health insurance premiums is the main reason that half the uninsured don't have health insurance. Only 3 percent of people without insurance say the most important reason is because they don't think they need it.

Going without health insurance means living in poorer health. Most uninsured adults have no regular source of health care. Most postpone getting care. Three in ten go without needed medical care. A quarter forego getting the medicine they need because they cannot afford to fill their medical prescriptions. Uninsured children are 30 percent more likely to fall behind on well-child care and 80 percent more likely to never have routine care at all.

The uninsured are three to four times more likely to have problems getting the health care they feel the need. Uninsured children are at least 70 percent more likely not to get medical care for common conditions—like asthma—that if left untreated can lead to more serious health problems.

Uninsured Americans are more likely to end up hospitalized for conditions—like uncontrolled diabetes—that they could have avoided with better health care. In the end, uninsured patients are more likely to die while hospitalized than privately insured patients with the same health problems.

Partly because they are less likely to get regular mammograms, uninsured women are nearly 50 percent more likely to die of breast cancer. Our system takes its toll in senseless, random pain and suffering.

Without insurance, the medical bills mount quickly. More than one in three uninsured adults have problems paying their medical bills. The uninsured are three times more likely to have problems with their medical bills than the insured. Eight out of ten uninsured people receive absolutely no reduced charge or free health services. The crushing weight of bankruptcy looms on the horizon. One out of four people filing for bankruptcy identified an illness or injury as a major reason for filing; 1 out of 3 had substantial medical bills; and almost 50 percent had both.

Even with insurance, low- and middle-income families frequently find themselves in a financial straight jacket. Families with annual incomes of $30,000 or less are spending an inordinate, unaffordable share of their income on health care expenses. And the average family with an income under $10,000 is paying well over 20 percent of its annual income on health care costs. These families can least afford to make that kind of payment.

For families with annual incomes of $30,000 or more, the average amount of that income spent on premiums, deductibles and co-pays drops to below 5 percent on average. But these are just averages: many families at every income level spend more than 10 percent of their family income on health care, especially if someone in the family has a serious illness. That is not affordable. That is not fair.

Since coming to the Senate, my number one priority has been achieving universal, affordable, comprehensive, quality care for all Americans. That is

why I am proud to be introducing today the Health Security for All Americans Act.

Let me digress and tell you how I arrived at this legislation.

When I was first elected to the Senate and Bill Clinton was elected president two years later, I believed the political winds and tides were aligned for a decade of progressive change for America. I thought I had been elected at just the right time to be a part of this change. When President Clinton, in his State of the Union speech, announced he would veto any health care legislation that did not provide universal coverage, that every citizen must be covered, I jumped to my feet and cheered. This was why I came to Washington, to make this kind of change, and this was a fight I thought we could win.

But I had some quick learning to do. When I spoke about my interest in a ''single-payer'' health care plan, similar to the Canadian system where doctors and hospitals remain in the private sector, but where there is just one insurer or payer, I was told by a senior colleague that my plan might be the best proposal. ''But it does not have a chance. The insurance industry hates it and it will go nowhere. It is just not realistic.''

I was completely disillusioned. I could not accept then, and I do not accept now, the proposition that even before the American people have the opportunity to be informed or included, a good proposal is ''dead on arrival'' because the insurance industry opposes it. That isn't supposed to happen in a representative democracy!

In spite of the advice, I did introduce the single payer plan with Jim McDermott, a congressman and physician from the state of Washington. I thought first you start with the most desirable, and later on in the process you'll find out what is politically feasible. I refused to admit defeat before we had even begun to fight. And I was hoping that our legislation would pull the debate in a more progressive direction.

What happened was just the opposite. The trillion dollar health care industry, led by the insurance companies, went on the attack, not against our plan which ''wasn't realistic'' but against the President's plan which ''was''. ''Harry and Louise'' ads cried out against the horrors of ''government medicine.'' Intensive and expensive lobbying efforts expounded on the same theme.

Media coverage, which should have been about the nuts and bolts of different proposals shifted now to focus on strategy rather than substance and head counts rather than hard information. So ordinary citizens no longer had a source of knowledge to form opinions and inform their elected leaders.

But the problems were not limited to the insurance lobby and the media. The only way we could have beaten the health care industry would have been with dramatic and effective citizen politics. It never happened. Progressives didn't organize a constituency to fight for health care reform, and the Administration didn't have the political will to stand up to powerful interests and therefore never asked the American people to take on this fight. They tried to win with ''inside politics,'' cutting deals and making compromises with different economic interests.

With each accommodation to private power, the President's plan became hopelessly complicated. As a constituent told me at the time, ''How can you be for something you don't understand?'' What started as a noble effort by the President to fill a crucial national need became instead an object of derision.

Over the years, as I traveled around the country talking about the need for Universal Health Care and the Single Payer model, I found people turning off—not to the need for health insurance for all, but to the specific mechanism I favored. They wanted universal health care, but they didn't want a national single payer system or they didn't think one was possible here, so they stopped listening.

The mood of the country has changed since the early 1990s. In 1990, there were 34 million uninsured. Ten years later, today, there are 45 million, and the number is growing by 100,000 people per month. Numerous polls show that the large majority of Americans want universal affordable comprehensive health care coverage and that they are willing to pay higher taxes for everyone to be covered.

The people and the States are ahead of the Federal politicians on this issue. The people want a big change; not an incremental change. In Massachusetts and Washington state, people are pushing for ballot referendums in the fall on universal coverage. Massachusetts and Maryland have already received commissioned cost studies of alternative universal coverage plans. California this past fall legislated a task force to investigate options for universal coverage.

Governor Howard Dean (D) of VT (also a physician), whose state presently covers 93.5 percent of its citizens, says it well: ''It is my view that health insurance ought to be universal, the right of every citizen in Vermont.'' And there is bipartisan support in Vermont. ''Health care is not a partisan issue in Vermont,'' state Sen. John Bloomer (R) said, adding that ''it's a bipartisan goal to expand health care access and affordability.''

The Health Security for All Americans Act is a plan for a big change. It builds on the momentum going on in the states of this great Nation.

So I decided that rather than trying to tell people how I thought the system should work, what I needed to do was first, to set out what I have found are the common goals of the American people: universal affordable comprehensive health coverage; and second to provide federal matching funds for each state to reach those goals in the way that best fits the needs of that state.

So, let me tell you about the Health Security for All Americans Act.

First, it is based on the premise that every American—not just everyone in this chamber, but every American—is entitled to have health care coverage as good as the Congress gets. Every Federal employee has that right. Why shouldn't every other American?

Second, it is based on the premise that good health care must be affordable. Americans should not go broke trying to keep their bodies fixed. From my experience traveling around the country, Americans all across the income spectrum are willing to be responsible for an affordable fair share of the cost of coverage and care, and a growing number of polls show that a majority of Americans are willing to pay higher taxes so that all Americans will have health coverage. Under the Health Security for All Americans Act, a family's financial responsibilities for health care is based on a percentage of family income. At the lowest end of the income scale, families would be responsible for no more than one-half of 1 percent of family income, so they can have quality health care, and a roof over their head, and 3 square meals a day. While at the higher end of the income scale, families would be responsible for no more than 5 percent or 7 percent of family income. For example, under the Health Security for All Americans Act, a family of four with an annual income of $25,000 would be responsible for no more than $11 a month in total health care costs, while a family of four with $50,000 in annual income would have the security of knowing that its total out-of-pocket health care spending (premiums and cost sharing) could not exceed 5 percent of family income or $2500 per year.

Third, it's based on the premise that you have to have access to care when you or your family needs it. That is why the Health Security for All Americans Act includes the Norwood-Dingell Patient Bill of Rights that has been endorsed by over 300 health care organizations.

Fourth, it's based on the premise that good health care delivery doesn't just happen. It depends on a well trained, well compensated health care workforce that doesn't have to constantly worry about where the next dollar is coming from. And I am referring to doctors and nurses and orderlies and home health workers, and nursing home workers—all health care workers. If we are going to deliver humane dignified health care to everyone in this country, we need to start by treating the health care workforce with dignity and respect and that starts with affordable health care for all workers. That is why the Health Security for All Americans Act includes health care quality, patient safety, and workforce standards.

My experience has taught me that Americans agree with these premises. They want high quality, affordable health care as good as Congress gets, but they are not sure the best way to get there. That is why the Health Security for All Americans Act is a federal state partnership that says here is what Americans want; you—the states—design the plan you want to get your state there; and we the federal government will provide the majority of the funds you need to reach that goal in the manner you chose.

States that submit plans early and achieve universal coverage are rewarded with increased federal dollars for their efforts. But all states must have plans in force within four years and coverage for all their residents within five years. States could reach these goals in a variety of ways: with an employer mandate, with a combination of public and private initiatives, with single payer, or some other method. I think this is a good approach because it allows the states flexibility, but it clearly sets out a fair and just goal: Universal coverage; comprehensive benefits as good as Congress gets; quality care guaranteed with patient protections; real income protections; and honoring of health care workers. I am proud today to be introducing the Health Security for All Americans Act and I am proud that this legislation has the backing and support of the Service Employees International Union, America's largest health care union.

To my colleagues I say, together we can put universal health care back on the front burner where it belongs.

We all know that in 1994, the effort to bring health care coverage to all Americans failed. All of us have heard the reasons why. But what we haven't answered is why did we give up when we knew this was the right thing to do? Why have we become so timid? Why have we only been willing to take half steps?

We must not shrink from the task at hand! America's doctors and nurses know how to cure disease better than anywhere else in the world. Well, now it is time to treat America's worst malady—45 million uninsured Americans, and millions more underinsured Americans who are spending far too much of their monthly pay check on health care costs.

Martin Luther King, Jr. rightly said, ''Of all the forms of inequality, injustice in health care is the most shocking and inhumane.'' All the doctors and all the nurses and all the other health care providers in America cannot solve this problem nor right this injustice, but we in the Congress can.

This is a problem that isn't going away on its own, but there is a solution. So to my colleagues, I say, ''Join me in sponsoring the Health Security for All Americans Act.'' And to members of the American public who are listening, I ask you to join thousands of your fellow citizens who have already written to Members of Congress, and call and write your Senators and Representatives and ask them to join in bringing quality, affordable health care coverage to all Americans.

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

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

S. 2888

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Health Security for All Americans Act''.

(b) TABLE OF CONTENTS.—The table of contents of the Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings.

TITLE I—HEALTH SECURITY FOR ALL AMERICANS—EXPANSION PHASE (PHASE I)

Sec. 101. Expansion phase (phase I) voluntary State universal health insurance coverage plans.

''TITLE XXII—HEALTH SECURITY FOR ALL AMERICANS

''PART A—EXPANSION PHASE (PHASE I) PLANS

''Sec. 2201. Purpose; voluntary State plans.
''Sec. 2202. Plan requirements.
''Sec. 2203. Coverage requirements for expansion phase (phase I) plans.
''Sec. 2204. Allotments.
''Sec. 2205. Administration.
''Sec. 2206. Definitions.''.

TITLE II—HEALTH SECURITY FOR ALL AMERICANS—UNIVERSAL PHASE (PHASE II)

Sec. 201. Universal phase (phase II) State universal health insurance coverage plans.

''PART B—UNIVERSAL PHASE (PHASE II) PLANS

''Sec. 2211. Purpose; mandatory State plans.
''Sec. 2212. Plan requirements.
''Sec. 2213. Coverage requirements for universal phase (phase II) plans.
''Sec. 2214. Requirements for employers regarding the provision of benefits.
''Sec. 2215. Allotments.
''Sec. 2216. Administration; definitions.''.

Sec. 202. Consumer protections.

''PART C—CONSUMER PROTECTIONS

''Sec. 2221. Home care standards.
''Sec. 2222. Consumer protection in the event of termination or suspension of services.
''Sec. 2223. Consumer protection through disclosure of information.''.
''Sec. 2224. Consumer protection through notice of changes in health care delivery.''.

TITLE III—PATIENT PROTECTIONS

Sec. 301. Incorporation of certain protections.

TITLE IV—HEALTH CARE QUALITY, PATIENT SAFETY, AND WORKFORCE STANDARDS

Sec. 401. Health Care Quality, Patient Safety, and Workforce Standards Institute.
Sec. 402. Health Care Quality, Patient Safety, and Workforce Standards Advisory Committee.

TITLE V—IMPROVING MEDICARE BENEFITS

Sec. 501. Full mental health and substance abuse treatment benefits parity.
Sec. 502. Study and report regarding addition of prescription drug benefit.

TITLE VI—LONG-TERM AND HOME HEALTH CARE

Sec. 601. Studies and demonstration projects to identify model programs.

TITLE VII—MISCELLANEOUS

Sec. 701. Nonapplication of ERISA.
Sec. 702. Sense of Congress regarding offsets.

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) The health of the American people is the foundation of American strength, productivity, and wealth.

(2) The guarantee of health care coverage and access to quality medical care to all Americans is a fundamental right and is essential to the general welfare.

(3) 45,000,000 Americans, more than 11,000,000 of whom are children, have no health insurance, and that number will grow to more than 54,000,000 by 2007 even if the economy remains strong.

(4) Health insurance coverage is unstable; less than ½ of all adults have been in their current health plan for 3 years.

(5) The average American will hold at least 7 jobs during their life, risking lack of health coverage every time they change or are between jobs.

(6) In 1998, annual health care expenditures in the United States totaled $1,150,000,000,000, or $4,094 per person. National health expenditures are projected to total $2,200,000,000,000 by 2008.

(7) In 1998, health care expenditures represented 13.5 percent of the gross domestic product in the United States and grew at the rate of 5.6 percent while the gross domestic product grew only at the rate of 4.9 percent. By 2008, health care expenditures are projected to reach 16.2 percent of gross domestic product. Growth in health spending is projected to average 1.8 percentage points above the growth rate of the gross domestic product for the period beginning with 1998 and ending with 2008.

(8) Although the United States spends considerably more in health care per person than any other nation, it ranks only fifteenth among countries worldwide on an overall index designed to measure a range of health goals according to the World Health Organization.

(9) One of 4 adults, about 40,000,000 people, say they have gone without needed medical care because they couldn't afford it.

(10) Nearly 31,000,000 Americans face collection agencies annually because they owe money for medical bills.

(11) The average American worker is paying 3 times more for family coverage than 10 years ago, and more than 4 times more for employee-only coverage.

(12) Because many individuals do not have health insurance coverage, they may incur health care costs which they do not fully reimburse, resulting in cost-shifting to others.

(13) As a consequence of the piecemeal health care system in the United States, administrative overhead costs approximately $1,000 per person annually, while other Western industrialized nations with universal health care systems spend approximately $200 per person annually for administrative overhead.

(14) The United States should adopt national goals of universal, affordable, comprehensive health insurance coverage and should provide generous matching grants to

the States to achieve those goals within 5 years of the date of enactment of this Act.

TITLE I—HEALTH SECURITY FOR ALL AMERICANS—EXPANSION PHASE (PHASE I)

SEC. 101. EXPANSION PHASE (PHASE I) VOLUNTARY STATE UNIVERSAL HEALTH INSURANCE COVERAGE PLANS.

The Social Security Act (42 U.S.C. 301 et seq.) is amended by adding at the end the following:

"TITLE XXII—HEALTH SECURITY FOR ALL AMERICANS

"PART A—EXPANSION PHASE (PHASE I) PLANS

"SEC. 2201. PURPOSE; VOLUNTARY STATE PLANS.

''(a) PURPOSE.—The purpose of this part is to provide funds to participating States to enable those States to ensure universal health insurance coverage by establishing State administered systems.

''(b) EXPANSION PHASE (PHASE I) PLAN REQUIRED.—A State is not eligible for a payment under section 2205(a) unless the State has submitted to the Secretary a plan that—

''(1) sets forth how the State intends to use the funds provided under this part to ensure universal, affordable, and comprehensive health insurance coverage to eligible residents of the State consistent with the provisions of this part; and

''(2) has been approved under section 2202(d).

"SEC. 2202. PLAN REQUIREMENTS.

''(a) IN GENERAL.—Every expansion phase (phase I) plan shall include provisions for the following:

''(1) INFORMATION ON THE LEVEL OF HEALTH INSURANCE COVERAGE.—

''(A) The level of health insurance coverage within the State as determined under subsection (b).

''(B) The base coverage gap for the year involved as determined under subsection (b)(4).

''(C) State efforts to provide or obtain health insurance coverage for uncovered residents of the State, including the steps the State is taking to identify and enroll all uncovered residents of the State who are eligible to participate in public or private health insurance programs.

''(2) DETAILS OF, AND TIMELINES FOR, EXPANSION PHASE (PHASE I) PLAN.—

''(A) USE OF FUNDS; COORDINATION.—The activities that the State intends to carry out using funds received under this part, including how the State will coordinate efforts under this part with existing State efforts to increase the health insurance coverage of individuals.

''(B) TIMELINES.—Consistent with subsection (c), the manner in which the State will reduce the base coverage gap for the year involved, including a timetable with specified targets for reducing the base coverage gap by—

''(i) 50 percent within 2 years after the date of approval of the expansion phase (phase I) plan; and

''(ii) 100 percent within 4 years after such date.

''(3) MAINTENANCE OF EFFORT.—The manner in which the State will ensure that—

''(A) employers within the State will continue to provide not less than the level of financial support toward the health insurance premiums required for coverage of their employees as such employers provided as of the date of enactment of this title; and

''(B) the State will continue to provide not less than the level of State expenditures incurred for State-funded health programs as of such date.

''(4) STATE OUTREACH PROGRAMS; ACCESS.—The manner in which, and a timetable for when, the State will—

''(A) institute outreach programs; and

''(B) ensure that all eligible residents of the State have access to the health insurance coverage provided under this part.

''(5) ASSURANCE OF COVERAGE OF ESSENTIAL SERVICES.—An assurance that the State program established under this part will comply with the requirements of section 1867 (commonly referred to as the 'Emergency Medical Treatment and Active Labor Act').

''(6) REPRESENTATION ON BOARDS AND COMMISSIONS.—The manner in which the State will ensure that all Boards and Commissions that the State establishes to administer the plan will include, among others, representatives of providers, consumers, employers, and health worker unions.

''(7) DISCLOSURE OF INFORMATION TO THE PUBLIC.—The manner in which the State will ensure that, with respect to entities and individuals that provide services for which reimbursement is provided under this part—

''(A) financial arrangements between insurers and providers and between providers and medical equipment suppliers are disclosed to the public; and

''(B) ownership interests and health care worker qualifications and credentials are disclosed to the public.

''(8) CONSUMER PROTECTIONS.—The manner in which the State will ensure compliance with sections 2221, 2222, 2223, and 2224.

''(9) PUBLIC REVIEW.—The manner in which the State will provide for the public review of institutional changes in services provided, markets and regions covered, withdrawal or movement of services, closures or downsizing, and other actions that affect the provision of health insurance under the plan.

''(10) SERVICES IN RURAL AND UNDERSERVED AREAS; CULTURAL COMPETENCY.—The manner in which the State will ensure—

''(A) coverage in rural and underserved areas; and

''(B) that the needs of culturally diverse populations are met.

''(11) PURCHASING POOLS.—The manner in which the State will encourage the formation of State purchasing pools that provide choice of health plans, control costs, and reduce adverse risk selection.

''(12) LIMITATION ON ADMINISTRATIVE EXPENDITURES.—The manner in which the State will ensure that all qualified plans in the State expend at least 90 percent (or, during the first 2 years of the plan, 85 percent) of total income received from premiums on the provision of covered health care benefits (excluding all costs for marketing, advertising, health plan administration, profits, or capital accumulation) to individuals.

''(13) SELF-EMPLOYED AND MULTI-EMPLOYED.—The manner in which the State will address self-employed individuals and multiwage earner families.

''(14) MEDICAID WRAPAROUND COVERAGE.—The manner in which the State will ensure that individuals who are eligible for medical assistance under title XIX and who receive benefits under the expansion phase (phase I) plan shall receive any items or services that are not available under the expansion phase (phase I) plan but that are available under the State medicaid program under title XIX through 'wraparound coverage' under such program.

''(15) OTHER MATTERS.—Any other matter determined appropriate by the Secretary.

''(b) CURRENT LEVEL OF COVERAGE.—

''(1) IN GENERAL.—The Secretary shall develop a survey approach that provides timely and up-to-date data to determine the percentage of the population of each State that is currently covered by a health insurance plan or program that provides coverage that meets the requirements of section 2203(a).

''(2) BIANNUAL SURVEY.—The Secretary shall provide for the conduct of the survey developed under paragraph (1) not less than biannually to make coverage determinations for purposes of paragraph (1).

''(3) USE OF ALTERNATIVE SYSTEM.—The Secretary shall permit a State to utilize an alternative population-based monitoring system to make determinations with respect to coverage in the State for purposes of paragraph (1) if the Secretary determines that such system meets or exceeds the methodological standards utilized in the survey developed under paragraph (1).

''(4) BASE COVERAGE GAP.—For purposes of subsection (a)(1)(A), the base coverage gap for a State shall be equal to 100 percent of the eligible individuals and families in the State for the year involved, less the current level of coverage for those individuals and families for such year as determined under paragraph (1) or (3).

''(c) REDUCING THE LEVEL OF UNINSURED INDIVIDUALS.—

''(1) IN GENERAL.—To be eligible to receive funds under this part, a State shall agree to administer an expansion phase (phase I) plan with a goal of providing health insurance coverage for 100 percent of the eligible residents of the State by not later than 4 years after the date of approval of the State's expansion phase (phase I) plan.

''(2) PERMISSIBLE ACTIVITIES.—A State may use amounts provided under this part for any activities consistent with this part that are appropriate to enroll individuals in health plans and health programs to meet the targets contained in the State plan under subsection (a)(2)(B), including through the use of direct payments to health plans or, in the case of a single State plan, directly to providers of services.

''(d) PROCESS FOR SUBMISSION, APPROVAL, AND AMENDMENT OF EXPANSION PHASE (PHASE I) PLAN.—The provisions of section 2106 apply to an expansion phase (phase I) plan under this part in the same manner as they apply to a State plan under title XXI, except that no expansion phase (phase I) plan may be effective earlier than January 1, 2001, and all expansion phase (phase I) plans must be submitted for approval by not later than December 31, 2002.

"SEC. 2203. COVERAGE REQUIREMENTS FOR EXPANSION PHASE (PHASE I) PLANS.

''(a) REQUIRED SCOPE OF HEALTH INSURANCE COVERAGE.—Health insurance coverage provided under this part shall consist of at least the benefits provided under the Federal Employees Health Benefits Program standard Blue Cross/Blue Shield preferred provider option service benefit plan, described in and offered under section 8903(1) of part 5, United States Code, including mental health and substance abuse treatment benefits parity.

''(b) LIMITATIONS ON PREMIUMS AND COST-SHARING.—

''(1) DESCRIPTION; GENERAL CONDITIONS.—An expansion phase (phase I) plan shall include a description, consistent with this subsection, of the amount (if any) of premiums, cost-sharing, or other similar charges imposed. Any such charges shall be imposed pursuant to a public schedule.

''(2) LIMITATIONS ON PREMIUMS AND COST-SHARING.—

''(A) INDIVIDUALS AND FAMILIES WITH INCOME BELOW 150 PERCENT OF POVERTY LINE.—In the case of an individual or family whose income is at or below 150 percent of the poverty line—

''(i) the State plan may not impose a premium; and

''(ii) the total annual aggregate amount of cost-sharing imposed by a State with respect to all individuals in a family may not exceed 0.5 percent of the family's income for the year involved.

''(B) INDIVIDUALS AND FAMILIES WITH INCOME BETWEEN 150 AND 300 PERCENT OF POVERTY LINE.—In the case of an individual or family whose income exceeds 150 percent but does not exceed 300 percent of the poverty line—

''(i) the State plan may not impose a premium that exceeds an amount that is equal to—

''(I) 20 percent of the average cost of providing benefits to an individual (or a family) under this part in the year involved; or

''(II) 3 percent of the family's income for the year involved; and

''(ii) the total annual aggregate amount of premiums and cost-sharing (combined) imposed by a State with respect to all individuals in a family may not exceed 5 percent of the family's income for the year involved.

''(C) INDIVIDUALS AND FAMILIES WITH INCOME ABOVE 300 PERCENT OF POVERTY LINE.—In the case of an individual or family whose income exceeds 300 percent of the poverty line—

''(i) the State plan may not impose a premium that exceeds 20 percent of the average cost of providing benefits to an individual (or a family of the size involved) under this part in the year involved; and

''(ii) the total annual aggregate amount of premiums and cost-sharing (combined) imposed by a State with respect to all individuals in a family may not exceed 7 percent of the family's income for the year involved.

''(D) SELF-EMPLOYED INDIVIDUALS.—The State shall establish rules for self-employed individuals based on individual and family income.

''(3) COLLECTION.—The State shall establish procedures for collecting any premiums, cost-sharing, or other similar charges imposed under this part. Such procedures shall provide for annual reconciliations and adjustments.

''(c) APPLICATION OF CERTAIN REQUIREMENTS.—

''(1) RESTRICTION ON APPLICATION OF PREEXISTING CONDITION EXCLUSIONS.—The expansion phase (phase I) plan shall not permit the imposition of any preexisting condition exclusion for covered benefits under the plan.

''(2) CHOICE OF PLANS.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the expansion phase (phase I) plan shall offer eligible individuals and families a choice of qualified plans from which to receive benefits under this part. At least 1 plan shall be a preferred provider option plan.

''(B) WAIVER.—The Secretary—

''(i) may waive the requirement under subparagraph (A) if determined appropriate; and

''(ii) shall waive such requirement in the case of a State that establishes a single State plan.

''SEC. 2204. ALLOTMENTS.

''(a) STATE ALLOTMENTS.—

''(1) IN GENERAL.—With respect to a fiscal year, the Secretary shall allot to each State with an expansion phase (phase I) plan approved under this part the amount determined under paragraph (2) for such State for such fiscal year.

''(2) DETERMINATION OF COST OF COVERAGE.—The amount determined under this paragraph is the amount equal to—

''(A) the product of—

''(i) the Federal participation rate for the State as determined under subsection (b) or, if applicable, the enhanced Federal participation rate for the State, as determined under subsection (c);

''(ii) the estimated cost for the minimum benefits package required to comply under section 2203, not to exceed the sum of—

''(I) the total annual Government and employee contributions required for individual or self and family health benefits coverage under the Federal Employees Health Benefits Program standard Blue Cross/Blue Shield preferred provider option service benefit plan, described in and offered under section 8903(1) of title 5, United States Code (adjusted for age, as the Secretary determines appropriate); and

''(II) the estimated average cost-sharing expense for an individual or family; and

''(iii) the estimated number of residents to be enrolled in the expansion phase (phase I) plan; less

''(B) the sum of—

''(i) the individual or family health insurance contribution and cost-sharing payments to be made in accordance with section 2203(b); and

''(ii) any applicable employer contribution to such payments.

''(b) FEDERAL PARTICIPATION RATE.—For purposes of subsection (a)(2)(A)(i), the Federal participation rate for a State shall be equal to the enhanced FMAP determined for the State under section 2105(b).

''(c) ENHANCED FEDERAL PARTICIPATION RATE.—

''(1) IN GENERAL.—For purposes of subsection (a)(2)(A)(i), the enhanced Federal participation rate for a State shall be equal to the Federal participation rate for such State under subsection (b), as adjusted by the Secretary based on the decrease in the base coverage gap in the State.

''(2) AMOUNT OF ADJUSTMENT AND APPLICATION.—

''(A) AMOUNT OF ADJUSTMENT.—The Federal participation rate under subsection (b) with respect to a State shall be increased by—

''(i) 1 percentage point if the base coverage gap of the State has decreased by at least 50 percent within 2 years after the date of approval of the expansion phase (phase I) plan, as determined by the Secretary; and

''(ii) 3 percentage points if the base coverage gap of the State has decreased by 100 percent within 4 years after the date of approval of the expansion phase (phase I) plan, as determined by the Secretary.

''(B) APPLICATION.—The increase described in—

''(i) subparagraph (A)(i) shall only apply to a State for the period beginning with the month of the determination under such subparagraph and ending with the month preceding the month of the determination under subparagraph (A)(ii) (if any), but in no event for more than 24 months; and

''(ii) subparagraph (A)(ii) shall apply to a State for any year (or portion thereof) beginning with the month of the determination under such subparagraph.

''(3) FULL COVERAGE.—For purposes of this part, a State shall be deemed to have decreased its base coverage gap by 100 percent if the Secretary determines that—

''(A) 98 percent of all eligible residents of the State are provided health insurance coverage under the expansion phase (phase I) plan; and

''(B) the remaining 2 percent of such residents are served by alternative health care delivery systems as demonstrated by the State.

''(d) GRANTS TO INDIAN TRIBES, NATIVE HAWAIIAN ORGANIZATIONS, AND ALASKA NATIVE ORGANIZATIONS.—

''(1) IN GENERAL.—Out of funds appropriated under subsection (e), the Secretary shall reserve an amount, not to exceed 1 percent of the total allotments determined under subsection (a) for a fiscal year, to make grants to Indian tribes, Native Hawaiian organizations, and Alaska Native organizations for development and implementation of universal health insurance coverage plans for members of such tribes and organizations.

''(2) PLAN.—To be eligible to receive a grant under paragraph (1), an Indian tribe, Native Hawaiian organization, or Alaska Native organization shall submit a universal health insurance coverage plan to the Secretary at such time, in such manner, and containing such information, as the Secretary may require.

''(3) REGULATIONS.—The Secretary shall issue regulations specifying the requirements of this part that apply to Indian tribes, Native Hawaiian organizations, and Alaska Native organizations receiving grants under paragraph (1).

''(e) APPROPRIATION.—

''(1) IN GENERAL.—Out of any funds in the Treasury not otherwise appropriated, there is appropriated to carry out this title such sums as may be necessary for fiscal year 2001 and each fiscal year thereafter.

''(2) BUDGET AUTHORITY.—Paragraph (1) constitutes budget authority in advance of appropriations Acts and represents the obligation of the Federal Government to provide States, Indian tribes, Native Hawaiian organizations, and Alaska Native organizations with the allotments determined under this section and the grants for administrative and outreach activities under section 2205.

''SEC. 2205. ADMINISTRATION.

''(a) PAYMENTS.—

''(1) IN GENERAL.—

''(A) QUARTERLY.—Subject to subparagraph (B) and subsection (b), the Secretary shall make quarterly payments to each State with an expansion phase (phase I) plan approved under this part, from its allotment under section 2204.

''(B) FUNDING FOR ADMINISTRATION AND OUTREACH.—

''(i) AUTHORITY TO MAKE GRANTS.—In addition to the allotments determined under section 2204, the Secretary may make grants to States, Indian tribes, Native Hawaiian organizations, and Alaska Native organizations for expenditures for administrative and outreach activities.

''(ii) AMOUNTS.—

''(I) IN GENERAL.—A grant awarded under this subparagraph shall not exceed the applicable percentage (as determined under subclause (II)) of the total amount allotted to the State, Indian tribe, Native Hawaiian organization, or Alaska Native organization under section 2204.

''(II) APPLICABLE PERCENTAGE.—For purposes of subclause (I), the applicable percentage is—

''(aa) 14 percent during the first 2 years an expansion phase (phase I) plan is in effect and complies with the requirements of this title;

''(bb) 12 percent during the third, fourth, and fifth years that such plan, or a universal phase (phase II) plan added by an addendum to an expansion phase (phase I) plan, is in effect and complies with the requirements of this title; and

''(cc) 10 percent during any year thereafter such plan (or universal phase (phase II) plan added by an addendum to such plan) is in effect and complies with the requirements of this title.

''(2) ADVANCE PAYMENT; RETROSPECTIVE ADJUSTMENT.—The Secretary may make payments under this part for each quarter on the basis of advance estimates by the State and such other investigation as the Secretary may find necessary, and may reduce or increase the payments as necessary to adjust for any overpayment or underpayment for prior quarters.

''(3) FLEXIBILITY IN SUBMITTAL OF CLAIMS.—Nothing in this subsection shall be construed as preventing a State from claiming as expenditures in the quarter expenditures that were incurred in a previous quarter.

''(b) AUTHORITY FOR BLENDED RATE FOR HEALTH SECURITY, MEDICAID, AND SCHIP FUNDS.—The Secretary shall establish procedures for blending the payments that a State is entitled to receive under this title, title XIX, and title XXI into 1 payment rate if—

''(1) the State requests such a blended payment; and

''(2) the Secretary finds that the State meets maintenance of effort requirements established by the Secretary.

''(c) LIMITATIONS ON FEDERAL PAYMENTS BASED ON COST CONTAINMENT.—

''(1) DETERMINATION OF BASELINE.—Each year (beginning with 2001), the Secretary shall establish a baseline projection for the national rate of growth in private health insurance premiums for such year.

''(2) REQUIREMENT.—Beginning with fiscal year 2002 and each fiscal year thereafter, any payment made to a State under section 2204 shall not exceed the amount paid to the State under such section for the preceding fiscal year, adjusted for changes in enrollment and a premium inflation adjustment that is 0.5 percent below the baseline projection determined under paragraph (1) for the year.

''(d) OTHER LIMITATIONS ON USE OF FUNDS.—

''(1) IN GENERAL.—A State participating under part A, and, effective January 1, 2005, all States under part B, shall ensure that any payments received by the State under section 2205 or 2116(a) are not used by any individual or entity, including providers or health plans that contract to provide services herein, to finance directly or indirectly, or to otherwise facilitate expenditures to influence health care workers of such individual or entity with respect to issues related to unionization.

''(2) CONSTRUCTION.—Nothing in this subsection shall be construed to limit expenditures made for the purpose of good faith collective bargaining or pursuant to the terms of a bona fide collective bargaining agreement.

''(e) WAIVER OF FEDERAL REQUIREMENTS.—A State may request (and the Secretary may grant) a waiver of any provision of Federal law that the State determines is necessary in order to carry out an approved expansion phase (phase I) plan under this part.

''(f) REPORT.—Not later than January 1, 2002, and each January 1 thereafter, the Secretary, in consultation with the General Accounting Office and the Congressional Budget Office, shall prepare and submit to the appropriate committees of Congress a report on the number of States receiving payments under this part for the year for which the report is being prepared as well as the level of insurance coverage attained by each such State.

''SEC. 2206. DEFINITIONS.

''In this title:

''(1) COST-SHARING.—The term 'cost-sharing' has the meaning given such term under the Federal Employees Health Benefits Program standard Blue Cross/Blue Shield preferred provider option service benefit plan described in and offered under section 8903(1) of part 5, United States Code, and includes deductibles, copayments, coinsurance, as such terms are defined for purposes of such plan.

''(2) ELIGIBLE RESIDENTS OF A STATE.—

''(A) IN GENERAL.—The term 'eligible residents of a State' means an individual or family who—

''(i) is (or consists of) a resident of the State involved;

''(ii) except as provided in subparagraph (B), has a family income that does not exceed 300 percent of the poverty line;

''(iii) is (or consists of) a citizen of the United States, a legal resident alien, or an individual otherwise residing in the United States under the authority of Federal law; and

''(iv) in the case of an individual, is not eligible for benefits under the medicare program under title XVIII or for medical assistance under the medicaid program under title XIX (other than under the application of section 1902(a)(10)(A)(ii)(XIV)).

''(B) OPTION TO PROVIDE COVERAGE FOR INDIVIDUALS AND FAMILIES WITH HIGHER INCOME.—If approved by the Secretary, a State may increase the percentage described in subparagraph (A)(ii), or eliminate all income eligibility criteria in order to provide coverage under this part to more individuals and families.

''(3) EXPANSION PHASE (PHASE I) PLAN.—The term 'expansion phase (phase I) plan' means the State universal health insurance coverage plan submitted under section 2201(b).

''(4) HEALTH CARE SERVICES.—The term 'health care services' includes medical, surgical, mental health, and substance abuse services, whether provided on an in-patient or outpatient basis.

''(5) HEALTH CARE WORKER.—The term 'health care worker' means an individual employed by an employer that provides—

''(A) health care services; or

''(B) necessary related services, including administrative, food service, janitorial, or maintenance service to an entity that provides such health care services.

''(6) HEALTH PLAN.—The term 'health plan' includes health insurance coverage, as defined in section 2791(b)(1) of the Public Health Service Act (42 U.S.C. 300gg–91(b)(1)) and group health plans, as defined in section 2791(a) of such Act (42 U.S.C. 300gg91(b)(1)).

''(7) MENTAL HEALTH AND SUBSTANCE ABUSE TREATMENT BENEFITS PARITY.—

''(A) IN GENERAL.—The term 'mental health and substance abuse treatment benefits parity' means the same level of parity for such benefits as is required under the Federal Employees Health Benefits Program standard Blue Cross/Blue Shield preferred provider option service benefit plan, described in and offered under section 8903(1) of part 5, United States Code, as of January 1, 2001.

''(B) EXCEPTION.—Notwithstanding subparagraph (A), there shall be no limit on parity benefits for patients who do not substantially follow their treatment plans unless such limits also are imposed on all medical and surgical benefits.

''(8) POVERTY LINE.—The term 'poverty line' has the meaning given such term in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)), including any revision required by such section.

''(9) PREMIUM.—The term 'premium' includes any enrollment fees and other similar charges.

''(10) QUALIFIED PLAN.—The term 'qualified plan' means a health plan that satisfies the coverage requirements described under section 2203 and participates in an expansion phase (phase I) plan.''.

TITLE II—HEALTH SECURITY FOR ALL AMERICANS—UNIVERSAL PHASE (PHASE II)

SEC. 201. UNIVERSAL PHASE (PHASE II) STATE UNIVERSAL HEALTH INSURANCE COVERAGE PLANS.

Title XXII of the Social Security Act, as added by section 101, is amended by adding at the end the following:

''PART B—UNIVERSAL PHASE (PHASE II) PLANS

''SEC. 2211. PURPOSE; MANDATORY STATE PLANS.

''(a) PURPOSE.—The purposes of this part are to—

''(1) require States to establish and implement State-administered systems to ensure universal health insurance coverage; and

''(2) provide funds to States for the establishment and implementation of such systems.

''(b) UNIVERSAL PHASE (PHASE II) PLAN REQUIRED.—

''(1) IN GENERAL.—Except as provided in paragraph (2), not later than January 1, 2004, a State shall submit to the Secretary a plan that sets forth how the State intends to use the funds provided under this part to ensure universal, affordable, and comprehensive health insurance coverage to eligible residents of the State consistent with the provisions of this part.

''(2) STATES WITH PHASE I PLANS.—

''(A) IN GENERAL.—Not later than January 1, 2004, a State with a phase I State plan shall submit an addendum to such plan that provides assurances to the Secretary that such plan conforms to the requirements of this part.

''(B) CONVERSION TO UNIVERSAL PHASE (PHASE II) PLAN.—If an addendum to an expansion phase (phase I) plan is approved by the Secretary—

''(i) the plan shall be automatically converted to a universal phase (phase II) plan; and

''(ii) section 2214 and any provision of part A that is inconsistent with this part shall not apply to the plan.

''(3) FAILURE TO SUBMIT PLAN OR ADDENDUM.—If a State fails to submit a plan as required in paragraph (1) (or an addendum as required in paragraph (2)), or fails to have such plan or addendum approved by the Secretary, such State shall be in violation of this part; and any residents of such a State may bring a cause of action against the State in Federal district court to require the State to comply with the provisions of this part.

''SEC. 2212. PLAN REQUIREMENTS.

''(a) IN GENERAL.—A universal phase (phase II) plan shall include a description, consistent with the requirements of this part, of the following:

''(1) DETAILS OF THE UNIVERSAL PHASE (PHASE II) PLAN.—The activities that the State intends to carry out using funds received under this part to ensure that all eligible residents of the State have access to the coverage provided under this part, including how the State will coordinate efforts under the program under this part with existing State efforts to increase to 100 percent the health insurance coverage of eligible residents of the State by January 1, 2006.

''(2) REQUIREMENTS FOR EMPLOYERS.—The manner in which the State will ensure that employers within the State will comply with the requirements of section 2214.

''(3) PART A PROVISIONS.—The following provisions apply to a universal phase (phase II) plan under this part in the same manner as such provisions apply to an expansion phase (phase I) plan under part A:

''(A) STATE OUTREACH PROGRAMS; ACCESS.—Section 2202(a)(4).

''(B) ASSURANCE OF COVERAGE OF ESSENTIAL SERVICES.—Section 2202(a)(5).

''(C) REPRESENTATION ON BOARDS AND COMMISSIONS.—Section 2202(a)(6).

''(D) DISCLOSURE OF INFORMATION TO THE PUBLIC.—Section 2202(a)(7).

''(E) CONSUMER PROTECTIONS AND WORKFORCE STANDARDS.—Section 2202(a)(8).

''(F) PUBLIC REVIEW.—Section 2202(a)(9).

''(G) SERVICES IN RURAL AND UNDERSERVED AREAS; CULTURAL COMPETENCY.—Section 2202(a)(10).

''(H) PURCHASING POOLS.—Section 2202(a)(11).

''(I) LIMITATION ON ADMINISTRATIVE EXPENDITURES.—Section 2202(a)(12).

''(J) SELF-EMPLOYED AND MULTI-EMPLOYED.—Section 2202(a)(13).

''(K) MEDICAID WRAPAROUND COVERAGE.—Section 2202(a)(14).

''(4) OTHER MATTERS.—Any other matter determined appropriate by the Secretary.

''(b) PERMISSIBLE ACTIVITIES.—A State may use amounts provided under this part for any activities consistent with this part that are appropriate to enroll individuals in health plans to ensure that all eligible residents of the State are provided coverage under this part, including through the use of direct payments to health plans or providers of services.

''(c) COST CONTAINMENT; COMPETITIVE BIDDING.—Notwithstanding subsection (b), State purchasing pools shall solicit bids from health plans at least annually.

''(d) PROCESS FOR SUBMISSION, APPROVAL, AND AMENDMENT OF UNIVERSAL PHASE (PHASE II) PLAN.—Section 2106 applies to a universal phase (phase II) plan under this part in the same manner as such section applies to a State plan under title XXI, except that no universal phase (phase II) plan may be effective earlier than January 1, 2005, and all such plans must be submitted for approval by not later than January 1, 2004.

''SEC. 2213. COVERAGE REQUIREMENTS FOR UNIVERSAL PHASE (PHASE II) PLANS.

''(a) REQUIRED SCOPE OF HEALTH INSURANCE COVERAGE.—Section 2203(a) applies to a universal phase (phase II) plan under this part.

''(b) UNIVERSAL COVERAGE.—All States shall ensure that by January 1, 2006, 100 percent of eligible residents of the State have health insurance coverage that meets the requirements of section 2203(a).

''(c) LIMITATIONS ON PREMIUMS AND COST-SHARING.—Section 2203(b) applies to a universal phase (phase II) plan under this part.

''(d) APPLICATION OF CERTAIN REQUIREMENTS.—Section 2203(c) applies to a universal phase (phase II) plan under this part.

''SEC. 2214. REQUIREMENTS FOR EMPLOYERS REGARDING THE PROVISION OF BENEFITS.

''(a) REQUIREMENTS.—Subject to subsection (c)(2)(B), an employer in a State shall comply with the following requirements:

''(1) EMPLOYERS WITH LESS THAN 500 EMPLOYEES.—

''(A) IN GENERAL.—An employer with less than 500 employees shall enroll each employee in a State-designated purchasing pool.

''(B) CONTRIBUTIONS.—

''(i) IN GENERAL.—Notwithstanding subparagraph (A) and subject to clause (ii), the employer shall make a contribution on behalf of each employee for health insurance coverage that is equal to at least 80 percent of the total premiums for such coverage for employees and their families if the employee elects dependent coverage.

''(ii) LIMITATION.—An employer shall not be liable under subparagraph (B) for more than 10 percent of each employee's annual wages.

''(2) EMPLOYERS WITH AT LEAST 500 EMPLOYEES.—

''(A) IN GENERAL.—An employer with at least 500 employees, a majority of whose wages fall below an amount equal to 300 percent of the poverty line applicable to a family of the size involved, shall comply with the requirements applicable to an employer under paragraph (1).

''(B) OTHER EMPLOYERS.—

''(i) IN GENERAL.—An employer with at least 500 employees that is not described in subparagraph (A) shall, at the option of the employer, either—

''(I) comply with the requirements applicable to an employer under paragraph (1); or

''(II) provide health insurance coverage to all employees and their families (if the employee elects dependent coverage) that meets the requirements of section 2213 and the employer contribution required under paragraph (1)(B).

''(ii) ADDITIONAL EMPLOYER CONTRIBUTION.—An employer that elects to comply with clause (i)(I) shall contribute an additional 1 percent of payroll into the State-designated purchasing pool in which it participates.

''(3) RULE OF CONSTRUCTION.—Nothing in this title shall be construed as prohibiting a labor organization from collectively bargaining for an employer contribution that is greater than the contribution that is required under paragraph (1)(B) or, as applicable, for health insurance benefits that are greater than the coverage required under paragraph section 2203(a).

''(4) PART-TIME EMPLOYEES.—An employer shall be responsible for meeting the requirements under this subsection for all employees of the employer.

''(5) MULTIEMPLOYER FAMILIES.—In the case of a family with more than 1 employer, the employers of individuals within the family shall apportion their contributions in accordance with rules established by the State.

''(b) NONAPPLICABILITY.—This section shall not apply—

''(1) to any State that establishes a single payor system; or

''(2) to any State that established a universal phase (phase II) plan through an approved addendum to an expansion phase (phase I) plan.

''(c) PRIVATE CAUSE OF ACTION.—

''(1) LIABILITY.—An employer that fails to comply with the requirements of subsection (a) or otherwise takes adverse action against an employee for the purpose of interfering with the attainment of any right to which the employee may be entitled to under this title, shall be liable to the employee affected.

''(2) AMOUNT.—The amount of the liability described in paragraph (1) shall be an amount equal to—

''(A) the contributions that otherwise would have been made by the employer on behalf of the employee under this section;

''(B) an additional amount as liquidated damages; and

''(C) consequential damages for reasonably foreseeable injuries resulting from such action.

''(3) JURISDICTION; EQUITABLE RELIEF.—

''(A) JURISDICTION.—An action under this subsection may be maintained against any employer in any Federal or State court of competent jurisdiction by any 1 or more employees.

''(B) EQUITABLE RELIEF.—In addition to the damages described in paragraph (2), a court may enjoin any act or practice that violates this title.

''(4) ATTORNEY'S FEES.—If a plaintiff or plaintiffs prevail in an action brought under this subsection, the court shall, in addition to any judgment awarded to the plaintiff or plaintiffs, award the reasonable attorney's fees and costs associated with the bringing of the action.

''SEC. 2215. ALLOTMENTS.

''(a) STATE ALLOTMENTS.—Subsections (a) and (b) of section 2204 apply to a universal phase (phase II) plan under this part in the same manner as such subsections apply to an expansion phase (phase I) plan under part A.

''(b) SPECIAL RULE FOR EXPANSION PHASE (PHASE I) PLANS.—A State that operated an expansion phase (phase I) plan and converted such plan to a universal phase (phase II) plan pursuant to section 2211(b)(2)(B) shall continue to be eligible for the enhanced Federal participation rate determined under section 2204(c).

''(c) GRANTS TO INDIAN TRIBES, NATIVE HAWAIIAN ORGANIZATIONS, AND ALASKA NATIVE ORGANIZATIONS.—Section 2204(d) applies to a universal phase (phase II) plan under this part.

''(d) APPROPRIATION.—

''(1) IN GENERAL.—Out of any funds in the Treasury not otherwise appropriated, there is appropriated to carry out this title such sums as may be necessary for fiscal year 2005 and each fiscal year thereafter.

''(2) BUDGET AUTHORITY.—Paragraph (1) constitutes budget authority in advance of appropriations Acts and represents the obligation of the Federal Government to provide States, Indian tribes, Native Hawaiian organizations, and Alaska Native organizations with the allotments determined under this section and the grants for administrative and outreach activities under section 2205(a)(1)(B) (as applied to this part under section 2216(a)).

''SEC. 2216. ADMINISTRATION; DEFINITIONS.

''(a) ADMINISTRATION.—The provisions of section 2205 (other than subsection (c) of such section) apply to a universal phase (phase II) plan under this part in the same manner as such provisions apply to an expansion phase (phase I) plan under part A.

''(b) DEFINITIONS.—

''(1) APPLICATION OF SECTION 2206.—The definitions set forth in section 2206 apply to a universal phase (phase II) plan under this part in the same manner as such provisions apply to an expansion phase (phase I) plan under part A except that for purposes of this part, the definition of 'eligible residents of a State' set forth in section 2206(2) shall be applied without regard to subparagraphs (A)(ii) and (B).

''(2) UNIVERSAL PHASE (PHASE II) PLAN.—In this title, the term 'universal phase (phase II) plan' means the State universal health insurance coverage plan submitted under section 2211(b).''.

SEC. 202. CONSUMER PROTECTIONS.

Title XXII of the Social Security Act, as amended by section 201, is amended by adding at the end the following:

''PART C—CONSUMER PROTECTIONS

''SEC. 2221. HOME CARE STANDARDS.

''In order to ensure that home care services are provided in a consumer-directed manner, a State participating under part A, and, effective January 1, 2005, all States under part B, shall satisfy the Secretary that any health plan that provides home care services under this title creates, or contracts with, a viable entity other than the consumer or individual provider to provide effective billing, payments for services, tax withholding, unemployment insurance, and workers compensation coverage, and to serve as the statutory employer of the home care provider. Recipients of such services shall retain the right to independently select, hire, terminate, and direct the work of the home care provider.

''SEC. 2222. CONSUMER PROTECTION IN THE EVENT OF TERMINATION OR SUSPENSION OF SERVICES.

''A State participating under part A, and, effective January 1, 2005, all States under part B, shall satisfy the Secretary that any health plan providing services under this title shall ensure that enrollees will receive continued health services in the event that the plan's health care services are terminated or suspended, including as the result of the plan filing for bankruptcy relief under title 11, United States Code, or the failure of the plan to provide payments to providers, lockouts, work stoppages, or other labor management problems.

''SEC. 2223. CONSUMER PROTECTION THROUGH DISCLOSURE OF INFORMATION.

''(a) IN GENERAL.—A State participating under part A, and, effective January 1, 2005,

all States under part B, shall satisfy the Secretary that any health care provider that provides services to individuals under this title shall provide to the State information regarding the identity, employment location, and qualifications of health care workers providing services under—

''(1) the licensure of the provider; or

''(2) a contract between the provider and a health plan or the State.

''(b) AVAILABILITY TO PUBLIC.—A health care provider shall make the information described in subsection (a) available to the public.''.

''SEC. 2224. CONSUMER PROTECTION THROUGH NOTICE OF CHANGES IN HEALTH CARE DELIVERY.

''A State participating under part A, and, effective January 1, 2005, all States under part B, shall describe how the State will provide, at a minimum, the following protections:

''(1) Adequate advance notice to the public, the affected health care workers, and labor organizations representing such workers, of a pending—

''(A) facility or operating unit closure;

''(B) sale, merger, or consolidation of a facility or operating unit;

''(C) transfer of work from 1 facility or entity to another facility or entity; or

''(D) reduction of services.

''(2) A right of first refusal for similar vacant positions with—

''(A) the resulting entity, in the case of a health care worker whose position was eliminated following a merger of the worker's original employer with a new entity; or

''(B) the contractor, in the case of a health care worker whose position was eliminated following the contracting out of the work the worker formerly performed.''.

TITLE III—PATIENT PROTECTIONS

SEC. 301. INCORPORATION OF CERTAIN PROTECTIONS.

(a) INCORPORATION.—The provisions of the following bills are hereby enacted into law:

(1) H.R. 2723 of the 106th Congress (other than section 135(b)), as introduced on August 5, 1999.

(2) H.R. 137 of the 106th Congress, as introduced on January 6, 1999.

(b) PUBLICATION.—In publishing this Act in slip form and in the United States Statutes at Large pursuant to section 112, of title 1, United States Code, the Archivist of the United States shall include after the date of approval at the end appendixes setting forth the texts of the bills referred to in subsection (a) of this section.

TITLE IV—HEALTH CARE QUALITY, PATIENT SAFETY, AND WORKFORCE STANDARDS

SEC. 401. HEALTH CARE QUALITY, PATIENT SAFETY, AND WORKFORCE STANDARDS INSTITUTE.

(a) ESTABLISHMENT.—

(1) INSTITUTE.—There is established within the Agency for Healthcare Research and Quality, an institute to be known as the Health Care Quality, Patient Safety, and Workforce Standards Institute (in this section referred to as the ''Institute'').

(2) DIRECTOR.—The Secretary of Health and Human Services shall appoint a director of the Institute. The director shall administer the Institute and carry out the duties of the director under this section subject to the authority, direction, and control of the Secretary.

(b) MISSION.—The mission of the Institute is to—

(1) demonstrate how patient safety issues and workplace conditions are linked to quality patient care and the reduction of the incidence of medical errors; and

(2) reduce the incidence of medical errors and improve patient safety and quality of care.

(c) DUTIES.—In carrying out the mission of the Institute, the director of the Institute shall—

(1) work closely with the director of the Agency for Healthcare Research and Quality to ensure that issues related to workplace conditions are reflected in the activities conducted by such agency in order to reduce the incidence of medical errors and improve patient safety and quality of care, including—

(A) the establishment of national goals;

(B) the development and implementation of a research agenda;

(C) the development and promotion of best practices;

(D) the development of performance and staffing standards in consultation with the Health Care Financing Administration and other Federal agencies, as appropriate; and

(E) the development and dissemination of information, educational and training materials, and other criteria as it relates to the delivery of quality care;

(2) provide recommendations to the Secretary of Health and Human Services and other Federal agencies with responsibility for health care quality and the development of standards that impact on the delivery of quality patient care on standards related to workplace conditions and patient safety;

(3) support the activities of the Health Care Financing Administration related to the development of new or revised conditions of participation under the medicare and medicaid programs and subsequent rulemaking on issues related to workplace conditions, medical errors, and patient safety and quality of care; and

(4) conduct other activities determined appropriate by the director of the Institute.

(d) WORKPLACE CONDITIONS.—For purposes of this section, the term ''workplace conditions'' shall include issues related to—

(1) health care worker staffing;

(2) hours of work;

(3) confidentiality and whistleblower protections;

(4) employee participation in decision-making roles that contribute to improved quality of care and the reduction of the incidence of medical errors;

(5) workforce training; and

(6) the impact of health care delivery restructuring on communities and health care workers.

(e) DEFINITION OF HEALTH CARE WORKER.—

(1) IN GENERAL.—In this section, the term ''health care worker'' means an individual employed by an employer that provides—

(A) health care services; or

(B) necessary related services, including administrative, food service, janitorial, or maintenance service to an entity that provides such health care services.

(2) HEALTH CARE SERVICES.—In paragraph (1), the term ''health care services'' includes medical, surgical, mental health, and substance abuse services, whether provided on an in-patient or outpatient basis.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Institute such sums as may be necessary to carry out the purposes of this section.

SEC. 402. HEALTH CARE QUALITY, PATIENT SAFETY, AND WORKFORCE STANDARDS ADVISORY COMMITTEE.

(a) ESTABLISHMENT OF COMMITTEE.—There is established a Health Care Quality, Patient Safety, and Workforce Standards Committee (in this section referred to as the ''Committee'').

(b) FUNCTIONS OF COMMITTEE.—

(1) ADVICE TO INSTITUTE.—The Committee shall provide advice to the Director of the Health Care Quality, Patient Safety, and Workforce Standards Institute established under section 401 on issues related to the duties of the Director.

(2) INITIAL REPORT.—Not later than December 31, 2001, the Committee shall submit an initial report to the Secretary that contains—

(A) recommendations regarding minimal workforce standards that are critical for improved health care quality and patient safety; and

(B) recommendations regarding additional ways to reduce the incidence of medical errors and to improve patient safety and quality of care.

(3) FINAL REPORT.—Not later than December 31, 2002, the Committee shall submit a final report to the Secretary of Health and Human Services regarding the recommendations contained in the initial report required under paragraph (2), including any modifications of such recommendations.

(c) STRUCTURE AND MEMBERSHIP OF THE COMMITTEE.—

(1) STRUCTURE.—The Committee shall be composed of the Director of the Health Care Quality, Patient Safety, and Workforce Standards Institute established under section 401 and 15 additional members who shall be appointed by the Secretary of Health and Human Services.

(2) MEMBERSHIP.—

(A) IN GENERAL.—The members of the Committee shall be chosen on the basis of their integrity, impartiality, and good judgment, and shall be individuals who are, by reason of their education, experience, and attainments, exceptionally qualified to perform the duties of members of the Committee.

(B) SPECIFIC MEMBERS.—In making appointments under paragraph (1), the Secretary of Health and Human Services shall ensure that the following groups are represented:

(i) Health care providers and health care workers, including labor unions representing health care workers.

(ii) Consumer organizations.

(iii) Health care institutions.

(iv) Health education organizations.

(d) CHAIRMAN.—The Director of the Health Care Quality, Patient Safety, and Workforce Standards Institute established under section 401 shall chair the Committee.

TITLE V—IMPROVING MEDICARE BENEFITS

SEC. 501. FULL MENTAL HEALTH AND SUBSTANCE ABUSE TREATMENT BENEFITS PARITY.

Notwithstanding any provision of title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.), beginning January 1, 2001, each individual who is entitled to benefits under part A or enrolled under part B of the medicare program, including an individual enrolled in a Medicare+Choice plan offered by a Medicare+Choice organization under part C of such program, shall be provided full mental health and substance abuse treatment parity under the medicare program established under such title of such Act consistent with title XXII of the Social Security Act (as added by this Act).

SEC. 502. STUDY AND REPORT REGARDING ADDITION OF PRESCRIPTION DRUG BENEFIT.

Not later than January 1, 2003, the Director of the Institute of Medicine shall study and report to Congress and the President legislative recommendations for adding a comprehensive, accessible, and affordable prescription drug benefit to the medicare program established under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.).

TITLE VI—LONG-TERM AND HOME HEALTH CARE

SEC. 601. STUDIES AND DEMONSTRATION PROJECTS TO IDENTIFY MODEL PROGRAMS.

The Secretary of Health of Human Services shall—

(1) conduct studies and demonstration projects, through grant, contract, or interagency agreement, that are designed to identify model programs for the provision of long-term and home health care services;

(2) report regularly to Congress on the results of such studies and demonstration projects; and

(3) include in such report any recommendations for legislation to expand or continue such studies and projects.

TITLE VII—MISCELLANEOUS

SEC. 701. NONAPPLICATION OF ERISA.

The provisions of section 514 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1144) shall not apply with respect to health benefits provided under a group health plan (as defined in section 733(a) of that Act (29 U.S.C. 1191b(a))) qualified to offer such benefits under an expansion phase (phase I) plan under title XXII of the Social Security Act (as added by this Act) or under a universal phase (phase II) plan under such title.

SEC. 702. SENSE OF CONGRESS REGARDING OFFSETS.

It is the sense of Congress that any sums necessary for the implementation of this Act, and the amendments made by this Act, should be offset by—

(1) general revenues available as a result of an on-budget surplus for a fiscal year;

(2) direct savings in health care expenditures resulting from the implementation of this Act; and

(3) reductions in unnecessary Federal tax benefits available only to individuals and large corporations that are in the maximum tax brackets.

GROWTH IN THE NUMBER OF UNINSURED AMERICANS: 1988–98

[Millions of nonelderly uninsured]

Year	
1988	33.6
1989	34.3
1990	35.6
1991	36.3
1992	38.3
1993	39.3
1994	39.4
1995	40.3
1996	41.4
1997	43.1
1998	43.9
1999	[1] 45.0
2000	[2] 55.0

[1] Approximate.
[2] Projected.

Source: Employee Benefits Institute, 2000.
Data: Current Population Surveys (March) 1989–1999 Health Insurance Association of America (HIAA).

MOST IMPORTANT REASONS FOR NOT HAVING HEALTH INSURANCE, 2000

	Percent
It is too expensive	47
Your job doesn't offer coverage	15
You are between jobs or unemployed	15
You can't get coverage or were refused	5
You don't think you need it	3
Other	15

Source: The NewsHour with Jim Lehrer/Kaiser Family Foundation National Survey on the Uninsured, 2000.

By Mr. DURBIN:

S. 2889. A bill to amend the Federal Cigarette Labeling and Advertising Act and the Comprehensive Smokeless Tobacco Health Education Act of 1986 to require warning labels for tobacco products; to the Committee on Commerce, Science, and Transportation.

THE STRONGER TOBACCO WARNING LABELS TO SAVE LIVES ACT

• Mr. DURBIN. Mr. President, today I am introducing the Stronger Tobacco Warning Label to Save Lives Act. This legislation would replace the current cigarette warning label on tobacco products with larger, more direct messages that will have an impact on current smokers and potential smokers who are usually children. The Stronger Tobacco Warning Label to Save Lives Act will require a new series of warning labels modeled after new, more effective warning labels in Canada.

On January 19, 2000, Canadian Health Minister Allan Rock unveiled new and larger health warning labels for tobacco products which include color graphics and images that illustrate the damage that cigarettes do to the health of smokers and those around them. These warning labels will cover 50% of the front and back panels of tobacco products—one side in English and the other in French—and provide more information on the harmful ingredients in tobacco products. These new warning labels apply to all tobacco products. They will take effect on January 1, 2001.

After the U.S. Surgeon General publicly announced the dangers of tobacco use in 1965, the U.S. became the first country to impose mandatory health warning labels on all cigarette packs. In 1984, the U.S. replaced that label with a system of four rotating warning labels. Since then, the U.S. cigarette warning labels have become stale and ineffective. Many smokers have memorized all of the current warning labels. Others never notice the warnings because they are placed inconspicuously the side of the pack.

Other countries have since taken the lead and required stronger health warning labels. These labels have been effective in reducing smoking rates. For example, in South Africa, tobacco consumption decreased by 15% between 1994 and 1997 due to a combination of radio advertising campaigns, increased excise taxes on cigarettes, and new health warning labels. Fifty-eight percent of smokers said that the cigarette warning labels made them want to quit, cut down on smoking, or at least change to a lighter cigarette. Among non-smokers, 38% said that the warnings made them glad they had never started smoking.

The tobacco industry's massive expenditures on tobacco product promotion and public relations have ensured that, over time, Americans have seen more positive than negative imagery surrounding tobacco. The Stronger Tobacco Warning Label to Save Lives Act will ensure that every time someone lights up, the first thing that comes to mind is the health consequences—not the alluring lifestyle images associated with tobacco industry marketing. Too many young people smoke because they are led to believe it's cool and glamorous, when the truth is that tobacco kills.

Because tobacco products are highly addictive for many users, and because most users start using tobacco at a very young age, the standard of warning for tobacco must be much higher than for other products. The warning labels should at least be as prominent in selling the health message as the industry's design is effective in promoting the product. This is not about banning or regulating a legal product, this is about providing the consumer with the appropriate information so they can make an informed decision.

Mr. President, I urge my colleagues to join me in cosponsoring this important legislation to ensure that every time someone lights up, the first thing that comes to mind are the health consequences—not the alluring lifestyle images associated with tobacco industry marketing. I ask unanimous consent that a copy of the legislation be printed in the CONGRESSIONAL RECORD.

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

S. 2889

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Stronger Tobacco Warning Labels to Save Lives Act''.

SEC. 2. AMENDMENT TO FEDERAL CIGARETTE AND LABELING ADVERTISING ACT.

(a) AMENDMENT.—The Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1331 et seq.) is amended by striking section 4 and inserting the following:

''SEC. 4. LABELING.

''(a) LABEL.—

''(1) IN GENERAL.—It shall be unlawful for any person to manufacture, package, or import for sale or distribution within the United States any cigarettes the package of which fails to bear, in accordance with the requirements of this section, a warning label.

''(2) REGULATIONS.—Not later than 1 year after the date of enactment of this section, the Secretary shall promulgate regulations describing the warning label required by paragraph (1).

''(3) CONTENT OF LABEL.—The regulations promulgated under paragraph (2) shall ensure that the text of each warning label addresses one of the following:

''(A) Diseases or fatal health conditions caused by cigarette smoking.

''(B) Any physical addiction that results from cigarette smoking.

''(C) The influence that cigarette smoking by adults has on young children and teenagers and the consequences of such use.

''(D) The health hazards of secondhand smoke from cigarettes.

''(4) GRAPHICS.—

''(A) IN GENERAL.—The regulations promulgated under paragraph (2) shall ensure that each warning label contains a color graphic or picture that illustrates or emphasizes to the greatest practicable extent the message of the text of the corresponding warning label.

''(B) CONTENTS.—The graphics described in subparagraph (A) shall enhance the message of the text of the warning label and may include a color picture of one of the following:

''(i) A diseased lung, heart, or mouth.

''(ii) An individual suffering from addiction.

''(iii) Children watching an adult smoke a cigarette.

''(iv) An individual adversely affected by secondhand smoke from a cigarette, including pregnant women or infants.

''(b) ADVERTISING.—It shall be unlawful for any manufacturer or importer of cigarettes to advertise or cause to be advertised within the United States any cigarette unless the advertising bears, in accordance with the requirements of this section, one of the warning label statements required by subsection (a).

''(c) REQUIREMENTS FOR LABELING.—

''(1) LOCATION.—Each label statement required by subsection (a) shall be located on the upper portion of the front panel of the cigarette package (or carton) and occupy not less than 50 percent of such front panel.

''(2) TYPE AND COLOR.—Each label statement required by subsection (a) shall be printed in at least 17 point type with adjustments as determined appropriate by the Secretary. All the letters in the label shall appear in conspicuous and legible type, in contrast by typography, layout, or color with all other printed material on the package, and be printed in a black-on-white or white-on-black format as determined appropriate by the Secretary.

''(d) REQUIREMENTS FOR ADVERTISING.—

''(1) LOCATION.—Each label statement required by subsection (b) shall occupy not less than 50 percent of the area of the advertisement involved.

''(2) TYPE AND COLOR.—

''(A) TYPE.—Each label statement required by subsection (b) shall be printed in a point type that is not less than the following types:

''(i) With respect to whole page advertisements on broadsheet newspaper—45 point type.

''(ii) With respect to half page advertisements on broadsheet newspaper—39 point type.

''(iii) With respect to whole page advertisements on tabloid newspaper—39 point type.

''(iv) With respect to half page advertisements on tabloid newspaper—27 point type.

''(v) With respect to DPS magazine advertisements—31.5 point type.

''(vi) With respect to whole page magazine advertisements—31.5 point type.

''(vii) With respect to 28cm x 3 column advertisements—22.5 point type.

''(viii) With respect to 20cm x 2 column advertisements—15 point type.

The Secretary may revise the required type sizes as the Secretary determines appropriate within the 50 percent requirement.

''(B) COLOR.—All the letters in the label under this paragraph shall appear in conspicuous and legible type, in contrast by typography, layout, or color with all other printed material and be printed in an alternating black-on-white and white-on-black format as determined appropriate by the Secretary.

''(e) ROTATION OF LABEL STATEMENTS.—

''(1) IN GENERAL.—Except as provided in paragraph (2), the label statements specified in subsections (a) and (b) shall be rotated by each manufacturer or importer of cigarettes quarterly in alternating sequence on packages of each brand of cigarettes manufactured by the manufacturer or importer and in the advertisements for each such brand of cigarettes in accordance with a plan submitted by the manufacturer or importer and approved by the Federal Trade Commission. The Federal Trade Commission shall approve a plan submitted by a manufacturer or importer of cigarettes which will provide the rotation required by this subsection and which assures that all of the labels required by subsections (a) and (b) will be displayed by the manufacturer or importer at the same time.

''(2) APPLICATION OF OTHER ROTATION REQUIREMENTS.—

''(A) IN GENERAL.—A manufacturer or importer of cigarettes may apply to the Federal Trade Commission to have the label rotation described in subparagraph (C) apply with respect to a brand style of cigarettes manufactured or imported by such manufacturer or importer if—

''(i) the number of cigarettes of such brand style sold in the fiscal year by the manufacturer or importer preceding the submission of the application is less than ¼ of 1 percent of all the cigarettes sold in the United States in such year; and

''(ii) more than ½ of the cigarettes manufactured or imported by such manufacturer or importer for sale in the United States are packaged into brand styles which meet the requirements of clause (i).

If an application is approved by the Commission, the label rotation described in subparagraph (C) shall apply with respect to the applicant during the 1-year period beginning on the date of the application approval.

''(B) PLAN.—An applicant under subparagraph (A) shall include in its application a plan under which the label statements specified in subsection (a) will be rotated by the applicant manufacturer or importer in accordance with the label rotation described in subparagraph (C).

''(C) OTHER ROTATION REQUIREMENTS.—Under the label rotation which the manufacturer or importer with an approved application may put into effect, each of the labels specified in subsection (a) shall appear on the packages of each brand style of cigarettes with respect to which the application was approved an equal number of times within the 12-month period beginning on the date of the approval by the Commission of the application.

''(f) APPLICATION OF REQUIREMENT.—Subsection (a) does not apply to a distributor or a retailer of cigarettes who does not manufacture, package, or import cigarettes for sale or distribution within the United States.

''(g) CIGARS; PIPE TOBACCO.—

''(1) IN GENERAL.—The Secretary shall promulgate such regulations as may be necessary to establish warning labels for cigars and pipe tobacco. Such regulations shall require content-specific messages regarding health hazards posed by cigars and pipe tobacco, include graphic illustrations of such content messages, as is required under subsection (a), and be formatted in a clear and unambiguous manner, as is required under subsection (a).

''(2) DEFINITIONS.—In this subsection:

''(A) CIGAR.—The term 'cigar' means any roll of tobacco wrapped in leaf tobacco or in any substance containing tobacco (other than any roll of tobacco that is a cigarette or cigarillo).

''(B) PIPE TOBACCO.—The term 'pipe tobacco' means any loose tobacco that, because of the appearance, type, packaging or labeling of such tobacco, is likely to be offered to, or purchased by, consumers as a tobacco to be smoked in a pipe.''

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect 1 year after the date of enactment of this section.

SEC. 3. AMENDMENT TO THE COMPREHENSIVE SMOKELESS TOBACCO HEALTH EDUCATION ACT OF 1986.

(a) AMENDMENT.—The Comprehensive Smokeless Tobacco Health Education Act of 1986 (15 U.S.C. 4401 et seq.) is amended by striking section 3 and inserting the following:

''SEC. 3. SMOKELESS TOBACCO WARNING.

''(a) GENERAL RULE.—

''(1) LABEL ON PACKAGE.—It shall be unlawful for any person to manufacture, package, or import for sale or distribution within the United States any smokeless tobacco product unless the product package bears, in accordance with the requirements of this section, a warning label.

''(2) LABEL IN ADVERTISEMENTS.—It shall be unlawful for any manufacturer, packager, or importer of smokeless tobacco products to advertise or cause to be advertised within the United States any smokeless tobacco product unless the advertising bears, in accordance with the requirements of this Act, one of the labels required by paragraph (1).

''(b) REGULATIONS.—Not later than 1 year after the date of enactment of this section, the Secretary shall promulgate regulations describing the warning labels required under subsection (a).

''(c) CONTENT OF LABEL.—The regulations promulgated under subsection (b) shall ensure that the text of each warning label addresses one of the following:

''(1) Diseases resulting from use of smokeless tobacco products.

''(2) Any physical addiction that results from using smokeless tobacco products.

''(3) The influence that use of smokeless tobacco products by adults has on young children and teenagers and the consequences of such use.

''(d) NUMBER OF LABELS.—The regulations promulgated under subsection (b) shall ensure that not less than 2 warning labels are created for each subject matter described in paragraphs (1), (2), and (3) of subsection (c). Such regulations shall also require that each package of smokeless tobacco bear 1 warning label that shall be rotated in accordance with subsection (g).

''(e) GRAPHICS.—

''(1) IN GENERAL.—The regulations promulgated under subsection (b) shall ensure that each warning label required by subsection (a) contains a color graphic or picture that illustrates or emphasizes to the greatest practicable extent the message of the text of the corresponding warning label.

''(2) CONTENTS.—The graphics described in paragraph (1) shall enhance the message of the text of the warning label and may include a color picture of one of the following:

''(A) A diseased mouth or other physical effect of using smokeless tobacco products.

''(B) An individual using a smokeless tobacco product.

''(C) Children watching an adult use a smokeless tobacco product.

''(f) FORMAT.—

''(1) LOCATION.—Each label statement required by subsection (a)(1) shall be located on the principal display panel of the product and occupy not less than 50 percent of such panel.

''(2) TYPE AND COLOR.—Each label statement required by subsection (a)(1) shall be printed in 17 point type with adjustments as determined appropriate by the Secretary to reflect the length of the required statement. All the letters in the label shall appear in conspicuous and legible type in contrast by typography, layout, or color with all other printed material on the package and be printed in an alternating black on white and white on black format as determined appropriate by the Secretary.

''(g) ADVERTISING AND ROTATION.—The provisions of sections (d) and (e)(1) of the Federal Cigarette Labeling and Advertising Act (as amended by the Stronger Tobacco Warning Labels to Save Lives Act) shall apply to advertisements for smokeless tobacco products required under subsection (a)(2) and the rotation of the label statements required under subsection (a)(1) on such products.

''(h) APPLICATION OF REQUIREMENT.—Subsection (a) does not apply to a distributor or a retailer of smokeless tobacco products who does not manufacture, package, or import such products for sale or distribution within the United States.

''(i) TELEVISION AND RADIO ADVERTISING.—It shall be unlawful to advertise smokeless tobacco or cigars on any medium of electronic communications subject to the jurisdiction of the Federal Communications Commission.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect 1 year after the date of enactment of this section.●

By Ms. SNOWE (for herself and Mr. L. CHAFEE):

S. 2890. A bill to provide States with funds to support State, regional, and local school construction; to the Committee on Health, Education, Labor, and Pensions.

BUILDING, RENOVATING, IMPROVING, AND CONSTRUCTING KIDS' SCHOOLS ACT

Ms. SNOWE. Mr. President, I rise today with my friend and colleague, Senator CHAFEE, to introduce a revised version of the ''Building, Renovating, Improving, and Constructing Kids' Schools (BRICKS) Act''—legislation that would address our nation's burgeoning need for K–12 school construction, renovation, and repair.

The legislation—which is endorsed by the National Education Association (NEA) and National PTA, and the National Association of State Boards of Education (NASBE)—would accomplish this in a fiscally-responsible manner while seeking to find the middle ground between those who support a very direct, active federal role in school construction, and those who are concerned about an expanded federal role in what has been—and remains—a state and local responsibility.

Mr. President, the condition of many of our nation's existing public schools is abysmal even as the need for additional schools and classroom space grows. Specifically, according to reports issued by the General Accounting Office (GAO) in 1995 and 1996, fully one-third of all public schools needing extensive repair or replacement.

As further evidence of this problem, an issue brief prepared by the National Center for Education Statistics (NCES) in 1999 stated that the average public school in America is 42 years old, with school buildings beginning rapid deterioration after 40 years. In addition, the NCES brief found that 29 percent of all public schools are in the ''oldest condition,'' which means that they were built prior to 1970 and have either never been renovated or were renovated prior to 1980.

Not only are our nation's schools in need of repair and renovation, but there is a growing demand for additional schools and classrooms due to an ongoing surge in student enrollment. Specifically, according to the NCES, at least 2,400 new public schools will need to be built by the year 2003 to accommodate our nation's burgeoning school rolls, which will grow from a record 52.7 million children today to 54.3 million by 2008.

Needless to say, the cost of addressing our nation's need for school renovations and construction is enormous. In fact, according to the General Accounting Office (GAO), it will cost $112 billion just to bring our nation's schools into good overall condition, and a recent report by the NEA identified $332 billion in unmet school modernization needs. Nowhere is this cost better understood than in my home state of Maine, where a 1996 study by the Maine Department of Education and the State Board of Education determined that the cost of addressing the state's school building and construction needs stood at $637 million.

Mr. President, we simply cannot allow our nation's schools to fall into utter disrepair and obsolescence with children sitting in classrooms that have leaky ceiling or rotting walls. We cannot ignore the need for new schools as the record number of children enrolled in K–12 schools continues to grow.

Accordingly, because the cost of repairing and building these facilities may prove to be more than many state and local governments can bear in a short period of time, I believe the federal government can and should assist Maine and other state and local governments in addressing this growing national crisis.

Admittedly, not all members support strong federal intervention in what has been historically a state and local responsibility. In fact, many argue with merit that the best form of federal assistance for school construction or other local educational needs would be for the federal government to fulfill its commitment to fund 40 percent of the cost of special education. This long-standing commitment was made when the Individuals with Disabilities Education (IDEA) Act was signed into law more than 20 years ago, but the federal government has fallen woefully short in upholding its end of the bargain, only recently increasing its share above 10 percent.

Needless to say, I strongly agree with those who argue that the federal government's failure to fulfill this mandate represents nothing less than a raid on the pocketbook of every state and local government. Accordingly, I am pleased that recent efforts in the Congress have increased federal funding for IDEA by nearly $2.5 billion over the past four years, and I support ongoing efforts to achieve the 40 percent federal commitment in the near future.

Yet, even as we work to fulfill this long-standing commitment and thereby free-up local resources to address local needs, I believe the federal government can do more to assist state and local governments in addressing their school construction needs without infringing on local control.

Mr. President, the legislation we are offering today—the ''BRICKS Act''—will do just. Specifically, it addresses our nation's school construction needs in a responsible fiscal manner while bridging the gap between those who advocate a more activist federal role in school construction and those who do not.

First, our legislation will provide $20 billion in federal loans to support school construction, renovation, and repair at the local level. By designating that at least one-half of these loan monies must be used to pay the interest owed to bondholders on new school construction bonds that are issued through the year 2003, the federal government will leverage the issuing of new bonds by states and localities that would not otherwise be made. In addition, by providing that up to one-half of the monies may be used for state-wide school construction initiatives, the bill provides needed flexibility to ensure that unique state and local approaches to school construction will also be supported, such as revolving loan funds.

Of importance, these loan monies—which will be distributed on an annual basis using the Title I distribution formula—will become available to each state at the request of a Governor. While the federal loans can only be used to support bond issues that will supplement, and not supplant, the amount of school construction that would have occurred in the absence of the loans, there will be no requirement that states engage in a lengthy application process that does not even assure them of their rightful share of the $20 billion pot.

Second, our bill ensures that these loans are made by the federal government in a fiscally responsible manner that does not cut into the Social Security surplus or claim a portion of non-Social Security surpluses that may prove ephemeral in the future.

Specifically, our bill would make these loans to states from the Exchange Stabilization Fund (ESF)—a fund that was created through the Gold Reserve Act of 1934 and has grown to hold more than $40 billion in assets. The principal activity of the fund—which is controlled solely by the Secretary of the Treasury—is foreign exchange intervention that is intended to limit fluctuations in exchange rates. However, the fund has also been used to provide stabilization loans to foreign countries, including a $20 billion line of credit to Mexico in 1995 to support the peso.

In light of the controversial manner in which the ESF has been used, some have argued that additional constraints should be placed on the fund. Still others—including former Federal Reserve Board Governor Lawrence B. Lindsey—have stated that, for various reasons, the fund should be liquidated.

Regardless of how one feels about exercising greater constraint over he ESF or liquidating it, I believe that if this $40 billion fund can be used to bail-out foreign currencies, it certainly can be used to help America's schools.

Accordingly, I believe it is appropriate that the $20 billion in loans provided by my legislation will be made

from the ESF—an amount identical to the line of credit that was extended to Mexico by the Secretary of the Treasury in 1995. Of importance, these loans will be made from the ESF on a progressive, annual basis—not in a sudden or immediate manner. Furthermore, these monies will be repaid to the fund to ensure that the ESF is compensated for the loans it makes.

Although the ESF will recoup all of the monies it lends, it should also be noted that my proposal ensures that states and local governments will not be forced to pay excessive interest, or that they will be forced to repay over an unreasonable period of time. In fact, if the federal government fails to substantially increase its share of IDEA funding, states will incur no interest at all!

Specifically, to encourage the federal government to meet its funding commitment for IDEA—and to compensate states for the fact that every dollar in foregone IDEA funding is a dollar less that they have for school construction or other local needs—our bill would impose no interest on BRICKS loans during the first five years provided the 40 percent funding commitment is not met.

Thereafter, the interest rate is pegged to the federal share of IDEA: zero in any year that the federal government fails to fund at least 20 percent of the cost of IDEA; 2.5 percent—the long-term projected inflation rate—in years that the federal share falls between 20 and 30 percent; 3.5 percent in years the federal share is 30 to 40 percent; and 4.5 percent in years the full 40 percent share is achieved.

Combined, these provisions will minimize the cost of these loans to the states, and maximize the utilization of these loans for school construction, renovation, and repair.

Mr. President, by providing low-interest loans to states and local governments to support school construction, I believe that our bill represents a fiscally-responsible, centrist solution to a national problem.

For those who support a direct, active federal role in school construction, our bill provides substantial federal assistance by dedicating $20 billion to leverage a significant amount of new school construction bonds. For those who are concerned about the federal government becoming overly-engaged in an historically state and local responsibility—and thereby stepping on local control—my bill directs that the monies provided to states will be repaid, and that no onerous applications or demands are placed on states to receive their share of these monies.

Mr. President, I urge that my colleagues support the ''BRICKS Act''—legislation that is intended to bridge the gap between competing philosophies on the federal role in school construction. Ultimately, if we work together, we can make a tangible difference in the condition of America's schools without turning it into a partisan or ideological battle that is better suited to sound bites than actual solutions.

Thank you, Mr. President. I ask unanimous consent that the letters of support from the NEA, PTA, NASBE, and Jim Rier, the Chairman of the Maine State Board of Education, be inserted in the RECORD following my statement.

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

NATIONAL EDUCATION ASSOCIATION,
Washington, DC, July 13, 2000.

Senator OLYMPIA SNOWE,
U.S. Senate,
Washington, DC.

DEAR SENATOR SNOWE: On behalf of the National Education Association's (NEA) 2.5 million members, we would like to thank you for your leadership in introducing a revised version of the Building, Renovating, Improving, and Constructing Kids' Schools (BRICKS) Act.

As you know, our nation's schools are in desperate need of repair and renovation. Too many students attend classes in overcrowded buildings with leaky roofs, faulty wiring, and outdated plumbing. A recently-released NEA study documents more than $300 billion in unmet infrastructure and technology needs, nearly three times the level estimated in previous research by the General Accounting Office.

NEA believes the revised BRICKS Act offers a meaningful avenue for assisting schools. The bill would make available $20 billion in guaranteed funding over 15 years to provide low-interest—and in many cases zero interest—school modernization loans to states and schools. According to a preliminary Department of Education analysis, the BRICKS Act would provide schools with a benefit of $465 for each $1,000 in bonds.

We are pleased that the BRICKS Act would allow up to 50 percent of federal funds to be used for payment of actual construction costs or the principal portion of loans, as well as the interest costs. We also appreciate the provision allowing those states with laws that prohibit borrowing to pay the interest costs on school bonds to use 100 percent of their BRICKS loans for state revolving loan funds or other state administered school modernization programs.

NEA believes it is essential to enact meaningful school modernization assistance this year. We thank you for your leadership in this area and look forward to continuing to work with you toward passage of bipartisan school modernization legislation.

Sincerely,

MARY ELIZABETH TEASLEY,
Director of Government Relations.

NATIONAL PTA,
Chicago, IL, July 7, 2000.

Hon. LINCOLN D. CHAFEE,
Hon. OLYMPIA J. SNOWE,
United States Senate, Washington, DC.

DEAR SENATORS CHAFEE AND SNOWE: On behalf of the 6.5 million parents, teachers, students, and other child advocates who are members of the National PTA, I am writing to support the Building, Renovating, Improving, and Constructing Kids' Schools (BRICKS) Act, which you plan to introduce next week.

We thank you for your leadership in proposing this initiative, which acknowledges the federal government's responsibility to help schools repair and renovate their facilities. As you are aware, the U.S. General Accounting Office has estimated that the cost of fixing the structural problems in schools across the nation will cost more than $112 billion. If new schools are built to accommodate overcrowding, and if schools' technology, wiring, and infrastructure needs are added in, this estimate would exceed $200 billion dollars.

This is a problem schools cannot address without a partnership with the federal government, and National PTA supports a variety of approaches to address this growing crisis. In addition to endorsing the BRICKS bill, National PTA is supporting the Public School Repair and Renovation Act, which would provide tax credits to pay the interest on school modernization bonds and create a grant and loan program for emergency repairs in high-need districts; and also the America's Better Classrooms Act, which would provide $22 billion over two years in zero interest school construction and modernization bonds.

Under BRICKS, nearly $20 billion would be available over 15 years to provide low interest, and in many cases zero interest, loans to States for interest payments on their school modernization bonds. We are pleased that the proposal will allow increased flexibility in using the federal funds for interest payments, as well as for other state-administered programs that assist state entities or local governments pay for the construction or repair of schools.

National PTA is committed to helping enact a federal school modernization proposal this Congress. We believe the BRICKS Act should be promoted as one of the ways the federal government can assist schools, and we thank you for your leadership in this area. We look forward to continuing to work with you toward formulation and passage of bipartisan school modernization legislation.

Sincerely,

VICKI RAFEL,
Vice President for Legislation.

NATIONAL ASSOCIATION OF
STATE BOARDS OF EDUCATION,
Alexandria, VA, July 18, 2000.

Hon. OLYMPIA SNOWE,
U.S. Senate,
Washington, DC.

DEAR SENATOR SNOWE: The National Association of State Boards of Education (NASBE) is a private nonprofit association representing state and territorial boards of education. Our principal objectives are to strengthen state leadership in education policy-making, promote excellence in the education of all students, advocate equality of access to educational opportunity, and assure responsible governance of public education.

We are writing to applaud your efforts to provide federal assistance to states for school construction. The deterioration of America's school infrastructure has reached crisis proportions. At least one-third of all U.S. schools are in need of extensive repairs or replacement and 60% have at least one major building deficiency such as cracked foundations, leaky roofs, or crumbling walls. We cannot expect our children to learn much less excel in such decrepit and unsafe environments.

The more than $112 billion needed to renovate and/or repair existing school facilities has simply overwhelmed state and local resources. This national problem demands federal attention and we are encouraged that your office is attempting to address this need by proposing a $20 billion federal loan program.

Your legislation, the Building, Renovating, Improving, and Construction Kids' Schools Act (BRICKS), will leverage new school construction expenditures at the state and local levels and provides flexibility to integrate this assistance with the variety of solutions

states have already undertaken, such as revolving funds, to enhance the financing of school construction.

We appreciate your efforts and attention to address this critical situation. NASBE is encouraged by your actions and we look forward to working with your office to foster a partnership between federal, state and local entities to improve the learning conditions of American children.

Sincerely,

BRENDA LILIENTHAL WELBURN,
Executive Director.

STATE BOARD OF EDUCATION,
Augusta, ME, April 29, 2000.

Senator OLYMPIA J. SNOWE,
United States Senate,
Washington, DC.

DEAR SENATOR SNOWE: The age and condition of our nation's public schools are an expanding crisis and should be of great concern to all. Decades of neglect, unfunded maintenance programs, constrained state and municipal budgets, shifting populations, technology requirements, and programmatic changes have combined to weaken the infrastructure of public education. As you are well aware, a 1995 GAO report estimated that just repairing existing school facilities would cost $112 billion. In addition, building new facilities to met the demands of program and increased enrollments could cost another $73 billion. We have allowed the condition of our schools to deteriorate to a point that there are now critical implications for the health and safety of our students and staff who occupy those buildings. A number of states have launched major efforts to address their school facilities needs. The task is huge and beyond the ability of most local and even state resources.

Unfortunately, Maine mirrors the nation. A Facilities Inventory Study, conducted in 1996 by the Department of Education and the University of Maine's Center for Research and Evaluation, identified approximately $650 million in needed facility improvements. Of particular concern was the need for over $60 million in serious health and safety related improvements as well as an additional $150 million in other renovation and upgrades required.

In response to Maine's survey of over 700 buildings, Governor King appointed a Commission to develop a plan to address the needs identified. Their report was delivered to the Maine Legislature in February 1998, and the recommendations were enacted in April 1998. Maine has responded to address the identified needs with significant state and local resources. However, even as we develop policy and resources to aggressively address those needs, our concern grows.

Progressing from the condition survey to a detailed engineering and environmental analysis of the conditions causes even greater alarm. Roofs that were reported as leaking in the survey are found to have serious structural integrity problems with greater safety risks for occupants as well as more complex and costly solutions. Indoor air quality problems in the survey grow from increased air exchange solutions to more complex ones due to mold and microbial growth in the interior walls. Again, this poses increased health risk for students and staff. As we learn more about the problems, our concerns grow and the necessary resources increase. The critical health and safety needs from the 1996 survey ($60 million) have grown to over $86 million in our latest project estimates. Many more projects are yet to be identified.

Applications for Major Capital Construction projects were received in August of 1999 from over 100 buildings throughout Maine. Even with a major new commitment of over $200 million from this Session of the Maine Legislature we will only be able to address approximately 20 of those projects over the next two years. More will be applying in the next two-year cycle that begins in July 2001.

Although school construction and modernization is and should remain primarily a state and local responsibility, states and school districts cannot meet the current urgent needs alone. Federal assistance in the form of reduced or low interest loans as you have included in S1992, the BRICKS ACT, responds to the urgent need and could provide a critical component to a comprehensive but flexible approach to address Maine's, as well as the nation's, school facilities needs. As currently proposed, your legislation would allow the flexibility to address the renovation and upgrade of existing facilities as well as provide relief for overcrowding and insufficient program space where major capital construction is required. It creates an effective local/state/federal partnership, while leaving decisions about which schools to build or repair up to states and local school units. In Maine, that would allow us to strengthen our Revolving Renovation Fund (created to aid local units in the upgrade and renovation of existing buildings), and it would enhance our bonding capacity for long term debt commitment to major capital construction projects.

Structurally unfit, environmentally deficient, or overcrowded classrooms impair student achievement, diminish student discipline, and compromise student safety. Although not cited often, the learning environment does affect the quality of education and our ability to help students achieve high standards.

The National Association of State Boards of Education has identified school construction as one of its priority issues. I serve as Vice-Chair of their Governmental Affairs Committee and would be happy to enlist their help in focusing the nation's attention on the poor condition of our schools and the need for comprehensive federal assistance. If you have questions or need information from NASBE please contact David Griffith, Director of Governmental Affairs at 703–684–4000. As Chairman of the Maine State Board of Education and the governor's School Facilities Commission I am available and would be pleased to participate in any way you think appropriate to outline Maine's innovative and comprehensive school facilities program, and to elaborate on how federal assistance could best complement state and local efforts to address our school construction needs.

It was an honor to meet you in March during NASBE's Legislative Conference. I look forward to working with you in support of a federal partnership with state and local school units to provide a safe, healthy, and effective learning environment for all.

Sincerely,

JAMES E. RIER, Jr.,
Chair.

Mr. L. CHAFEE. Mr. President, I am pleased to join my colleague from Maine, Senator SNOWE, in introducing a revised version of BRICKS—the Building, Renovating, Improving, and Constructing Kids' Schools Act. This legislation represents a fresh approach to addressing the infrastructure problems in our nation's elementary and secondary schools.

Many thanks to Senator SNOWE for her commitment to this issue and for her leadership; to the National PTA and the NEA, both of whom have endorsed the proposal; and special thanks to the Rhode Island Department of Education and Commissioner Peter McWalters for offering suggestions which I believe helped to improve this proposal.

As some of you may know, Senator SNOWE first introduced the BRICKS proposal at the end of the last session. In January, I joined as a cosponsor. We had hoped to offer this revised version as an amendment to S. 2 but were unable to do so. As a result, we are introducing the revised version of BRICKS today in a form we hope many of our colleagues will be enthusiastic about cosponsoring.

The BRICKS Act would permit the federal government to provide low, or no, interest loans to states to address their serious school infrastructure problems. The National Center for Education Statistics reports that three quarters of our nation's public schools need to build, renovate, improve or modernize their facilities. In some cases the need arises from increased school-age population. In other cases, school facilities are simply old and in need of repair. Today's estimated cost of modernizing and improving school facilities throughout the United States is $127 billion. There is no argument about whether a serious problem exists. There are differences on how best to solve this terribly serious problem.

BRICKS recognizes that our nation faces a grave problem. We worry about whether our children are learning enough to compete in the international marketplace, yet we send our children to school in overcrowded classrooms. We tell them to do their best without adequate air conditioning, heating and plumbing. We expect them to learn in buildings with leaky roofs and crumbling walls, or we house them in ''temporary'' classrooms in trailers on school parking lots.

In Rhode Island, our schools are old: twenty five percent were built before 1930; another thirty-six percent were built in the 1940s and 1950s; twenty-three percent were built in the 1960s; and thirteen percent were built in the recent 1980s. Between 1986 and 1990, our small State spent about $400 million on school construction projects, averaging about 11 projects per year, and there is much more to be done. My State isn't asking the federal government to step in and take over its school facilities responsibilities or the responsibilities of local communities. Rather, help is being sought at the federal level to meet a critical and immediate need.

The legislation which Senator SNOWE and I are introducing today, addresses that need by providing twenty billion dollars in federal loans to the states. Each state receives funds, based on the Elementary and Secondary Education Act's Title I distribution formula, at the request of the Governor. States have until 2003 to request the loans. Fifty percent of the loans must be used to repay the interest on school construction bonds. The other fifty percent may be used to support existing state-administered school construction

programs. Decisions about the use of these federal dollars are made by the Governor in consultation with the director of the state education agency. I am very pleased that the revised legislation encourages the loans to go to those school districts with the greatest need, but the final decisions are made by those closest to the problems.

As a former mayor, the person at the local level signing the checks to pay for my community's education needs, I am very familiar with educational priorities at the local level. I am deeply committed to ensuring that the federal government meets its overdue goal of paying up to forty percent of the cost of educating children with special needs. Since coming to the Senate, I have made fully-funding IDEA—the Individuals with Disabilities Education Act—a top priority. This bill links the interest states and localities will be required to pay to the federal level of IDEA funding.

Until 2006, there will be zero interest on BRICKS loans. After that, interest will be determined by the federal funding level for IDEA. If federal IDEA funding remains, as it is today, below twenty percent, the loans will remain at zero interest. If the federal spending on IDEA is between twenty and thirty percent, interest will be 2.5 percent. If federal spending on IDEA rises to between thirty and forty percent, interest rises to 3.5 percent. Finally, if the federal government meets its forty percent goal, interest peaks at 4.5 percent. Taking into account federal funding of IDEA seems completely appropriate to me. I hope this linkage of IDEA and spending on school facilities is another step which encourages Congress to meet the goal of fully funding IDEA.

Our proposal does not ask the federal government to assume responsibility for building, improving and maintaining school facilities. States and local school districts already have accepted that responsibility by spending more than ever before on facilities. According to the most recent study by the General Accounting Office on school facilities, issued in March 2000, spending on school infrastructure increased by 39 percent from 1990 to 1997. But they cannot do it alone. The federal government can and should help by providing BRICKS loans.

I hope that Senators who care about this issue will put aside partisan differences and look carefully at the plan Senator SNOWE and I are proposing. We believe that BRICKS addresses an immediate problem in a responsible manner that does not usurp the authority or responsibility of states and school districts. I urge my colleagues to join as cosponsors of BRICKS.

By Mr. REID:

S. 2891. A bill to establish a national policy of basic consumer fair treatment for airline passengers; to the Committee on Commerce, Science, and Transportation.

AIR TRAVELERS FAIR TREATMENT ACT OF 2000

Mr. REID. Mr. President, I rise to introduce the Air Travelers' Fair Treatment Act of 2000.

Air travel is an increasingly unpleasant and stressful experience. Anyone who flies much at all knows that airports are crowded, flights too often delayed or canceled without explanation, ticket prices are unpredictable and hard to figure out, passengers are more unruly and occasionally violent.

Monday's edition of the Washington Post included a front-page story reporting that delays and cancellations are at an all-time high. According to Time Magazine, the number of air-rage incidents reported by flight crews from 66 in 1997, to 534 last year. It doesn't take a great leap of faith to see a relationship between the two.

Last year, Congress passed my ''air rage'' bill that increased penalties on passengers who commit acts that threaten the health or safety of other passengers or jeopardize the safety of the flight. That was a good bill, that I think will help passengers and airlines alike to reduce the amount of stress associated with flying.

But punishing unruly passengers is only half of the solution, because unruly passengers are not the only source of stress in air travel. Air rage is not only a cause, but a symptom, of stress.

The airlines have cut corners in recent years in ways that make traveling by air more and more difficult and unpleasant for customers.

A few weeks ago, the Inspector General of the Department of Transportation released a study on the performance of the airline industry. According to the study:

Through the first four months of this year, the number of passenger complaints to the Department has increased a whopping 74 percent compared to last year.

Complaints about delays, cancellations, and missed connections were up 115 percent since last year—in other words, they have more than doubled in only one year.

And even these numbers may be low, because the Inspector General estimates that the airlines receive anywhere from 100 to 400 complaints for every one that is filed with the government.

Last fall, the airlines announced that they would voluntarily implement their own reforms. They made a great show of implementing their ''12 Commandments for Customer Service'' last fall.

But this study reveals that things have become worse, not better. The study cites numerous instances where the airlines have violated their own so-called ''Commandments.''

For example, one of these so-called Commandments is to notify customers about delays and cancellations. The Transportation Department's report indicated that airlines were, in fact, making an effort to communicate delays and cancellations—but that the information communicated was, to quote the Inspector General, ''frequently inaccurate, incomplete or unreliable.''

Airlines are often poorly equipped to handle in-flight emergencies—some carriers have virtually no first-air or medical equipment on their flights, and the amount of first-aid training that flight crews received varies widely from carrier to carrier.

And airlines ticket prices are still confusing and arbitrary. Some carriers have enacted rules that prohibit customers from combining legs of different tickets to get the best prices.

Now, there are some explanations for the decline in service and the increase in the number of complaints. Last year, the airlines carried a total of 635 million passengers, a record number, double the number of passengers 20 years ago. The average load factor—which refers to the percentage of passengers compared to available seats—is 71 percent, also a record.

But crowded airports are no excuse for airlines to violate their own so-called Commandments for Customer Service.

It's no excuse for providing misleading or inaccurate explanations of delays or cancellations to air travelers. People make plans around posted flight schedules, important personal or business plans. If a flight is canceled or delayed, they should be able to find out what's going on, so that they can make alternative plans if they need to.

The bill I am introducing today will address some of these concerns.

The bill has seven provisions.

(1) Pricing Policies: Due to the complex way that airlines price their tickets, in some cases, a trip will be cheaper if a passenger purchases a ticket to a different destination and gets off during the layover, leaving the second leg of the ticket unused, rather than buying a ticket directly to his/her intended destination. Similarly, a passenger may save money by combining portions of different tickets. To prevent this and to force passengers to pay the higher prices, airlines have begun canceling the return ticket if the passenger does not use the entire ticket, and penalizing travel agents who allow customers to combine ticket portions this way. The bill would allow passengers to use all, part or none of a purchased ticket without penalty by the airline, enabling passengers and travel agents to freely mix-and-match tickets to get the best price.

(2) Flight Delays: The bill requires air carriers to provide travelers with accurate and timely explanations of the reasons for a flight cancellation, delay or diversion from a ticketed itinerary, by classifying the failure to do so as an unfair business practice.

(3) Right to Exit Aircraft: Where a plane has remained at the gate for more than 1 hour past its scheduled departure time and the captain has not been informed that the aircraft can be cleared for departure within 15 minutes, passengers would have the right

to exit the plane into the terminal to make alternative travel plans, or simply to stretch their legs, get something to eat, etc. I believe this provision will help prevent ''air rage'' incidents when passengers are forced to sit in parked planes for long periods of time.

(4) Right to In-flight Medical Care: Currently, each airline has its own policy regarding what kind of medical and first-aid equipment and training is provided on their flights, so that the available equipment varies widely, particularly with more expensive equipment like defibrillators. This bill would direct the Secretary of Transportation to issue uniform minimum regulations for all carriers regarding the type of medical equipment each flight must carry, and the kind of medical training each flight crew should receive.

(5) Access to State Laws: The Federal Courts have split on whether the Airline Deregulation Act of 1978 pre-empts state consumer protection and personal injury laws as applied to airlines. The Ninth Circuit Court of Appeals has held that passengers may sue airlines in state court for violations of state tort and consumer laws; in contrast, the Fourth Circuit has held that airlines are immune from state laws. The Supreme Court has not acted on the issue. The bill would add a provision making clear that the 1978 Act does not preempt state tort and consumer protection laws.

(6) Termination of Ticket Agents: Travel agencies provide a valuable service to customers looking for the best prices. Yet airlines have enormous leverage over what kind of information they can and cannot provide to customers, because they can withdraw their accounts without notice from any travel agency for any reason—even if the only reason is that the travel agency is giving the customer the best rates. The bill requires carriers to provide written 90-day advance statement of reasons before canceling a travel agency's account with the airline, and to give them 60 days to correct the identified deficiencies.

(7) Independent Commission: Finally, the bill would establish an independent Commission to study the airlines' pricing practices and their effects on customer choice, on the number of routes available, and on the quality of service provided by the airlines.

The stress associated with air travel has increased considerably, and much of that stress is caused by things that airlines do to save money and maximize profit that hurt customers. I believe that we must look at unfair and deceptive practices of the airlines that contribute to the stress of air travel, in a specific, targeted and reasonable manner. This bill will do that.

By Mr. SCHUMER (for himself and Mr. MOYNIHAN):

S. 2892. A bill to designate the Federal building located at 158–15 Liberty Avenue in Jamaica, Queens, New York, as the ''Floyd H. Flake Federal Building''; to the Committee on Environment and Public Works.

DESIGNATING A FEDERAL BUILDING AS THE ''FLOYD H. FLAKE FEDERAL BUILDING''

By Mr. SCHUMER (for himself and Mr. MOYNIHAN):

S. 2893. A bill to designate the facility of the United States Postal Service located at 757 Warren Road in Ithaca, New York, as the ''Matthew F. McHugh Post Office''; to the Committee on Government Affairs.

DESIGNATING A UNITED STATES POSTAL FACILITY AS THE ''MATTHEW F. MCHUGH POST OFFICE''

Mr. SCHUMER. Mr. President, I had the honor and privilege of working with former Representative Floyd H. Flake during my tenure in the House and it gives me great pleasure to join Senator MOYNIHAN and my House colleague Congressman GREG MEEKS in introducing a bill to name a Federal building in Jamaica, Queens, New York, after the man who served that district with the utmost honor and dedication.

Floyd was elected to the House of Representatives in 1986 to serve the 6th Congressional District of New York. He served his constituents admirably for 11 years until his retirement in 1997. He is most remembered for his service on the Banking and Financial Services Committee, a committee we served on together.

In the House, Floyd distinguished himself as a leader in the fight for the revitalization of urban communities. He worked tirelessly to pass the Community Development Financial Institutions Act of 1993 and to ensure passage of the Community Reinvestment Act. These two acts, along with Floyd's countless other efforts to help urban communities, illustrates his commitment as a true public servant.

Since his retirement, Floyd has continued his service to the public. He is currently the Pastor of the Allen A.M.E. Church in Queens and has led a movement to increase church-based non-profit activity in communities. He has dedicated his life to helping New York City residents work their way towards a better life through innovative employment programs, community improvement projects and renewal of spiritual faith.

Floyd has distinguished himself as a true leader who was able to combine high morals with government. I can think of no one more deserving of this honor than Reverend Flake.

By Mr. LUGAR (for himself, Mr. ROBERTS, Mr. BURNS, and Mr. SANTORUM):

S. 2894. A bill to provide tax and regulatory relief for farmers and to improve the competitiveness of American agricultural commodities and products in global markets; to the Committee on Finance.

THE RURAL AMERICA PROSPERITY ACT OF 2000

Mr. LUGAR. Mr. President, I rise today to introduce the Rural America Prosperity Act of 2000. I am pleased that Senator ROBERTS, Senator SANTORUM, and Senator BURNS have joined as cosponsors of this bill.

A Republican controlled Congress in 1996 produced a sweeping reform of farm programs. Farmers were no longer told by the government what crops they had to plant. Farmers were no longer forced by the government to idle part of their land. That farm bill disentangled farmers from government controls and enabled them to make production decisions based on market signals.

Freeing farmers from excessive, and often counterproductive, government controls is an important step, but we should do more to give farmers the tools they need to succeed. Specifically, we need to work to open foreign markets for our agricultural commodities and products, ease the tax and regulatory burden, and provide new risk management tools for farmers.

There are three tax provisions in this legislation that I have long advocated as crucial to the financial health of farmers. First is the repeal of the estate tax. A repeal of this tax, which has prevented some farms from being passed from one generation to the next, is essential. We are proposing the same 10-year phase-out of the estate tax which Congress just passed, and the President has promised to veto. Excluding capital gains from the sale of farmland would put production agriculture on the same footing as homeowners who benefit from a capital gains exclusion for their home. The deduction of health care insurance costs is needed for farmers and others who are self-employed.

Recently Congress provided over $8 billion to improve the federal crop insurance program. While crop insurance is an important risk management tool, today we offer two other risk management tools for farmers—income averaging and FARRM accounts. Two years ago Congress made income averaging a permanent risk management tool for farmers when calculating taxes. Unfortunately, the interaction between income averaging and the alternative minimum tax has prevented many farmers from receiving the benefit of income averaging. This bill fixes that problem. Under this bill, farmers will be able to contribute up to 20 percent of annual farm income into a FAARM account and deduct this amount from their taxes. This is an excellent tool for managing financial volatility associated with farming.

We also address regulatory reform in our bill. We are seeking a review of existing and proposed regulations to determine the cost of compliance for farmers, ranchers and foresters. We want to determine if there are more cost-effective ways for farmers, ranchers and foresters to achieve the objectives of these regulations.

Finally, we must do more to help develop new markets abroad for our farm commodities and agricultural products. Opportunity lies in developing

countries where growing wealth allows for increased demand for meat and processed commodities. Authorizing fast-track authority for the President to negotiate international trade agreements may be the single most important thing we can do to facilitate exports.

We also need to address sanctions. Sanctions that prohibit the export of U.S. agricultural products into the sanctioned country are often morally indefensible because they deny necessities to people, not the offending government. Such sanctions also deny markets for U.S. agricultural products which are then captured by our competitors.

This legislation represents what I believe is necessary to further the historic reforms initiated in the farm bill 4 years ago. I urge my colleagues to cosponsor this bill. I will continue to encourage my colleagues and the Administration to work to enact these proposals.

ADDITIONAL COSPONSORS

S. 345

At the request of Mr. ALLARD, the name of the Senator from North Dakota (Mr. CONRAD) was added as a cosponsor of S. 345, a bill to amend the Animal Welfare Act to remove the limitation that permits interstate movement of live birds, for the purpose of fighting, to States in which animal fighting is lawful.

S. 499

At the request of Mr. FRIST, the name of the Senator from Missouri (Mr. ASHCROFT) was added as a cosponsor of S. 499, a bill to establish a congressional commemorative medal for organ donors and their families.

S. 510

At the request of Mr. CAMPBELL, the name of the Senator from Colorado (Mr. ALLARD) was added as a cosponsor of S. 510, a bill to preserve the sovereignty of the United States over public lands and acquired lands owned by the United States, and to preserve State sovereignty and private property rights in non-Federal lands surrounding those public lands and acquired lands.

S. 1140

At the request of Mrs. BOXER, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 1140, a bill to require the Secretary of Labor to issue regulations to eliminate or minimize the significant risk of needlestick injury to health care workers.

S. 1191

At the request of Mr. DORGAN, the name of the Senator from Nevada (Mr. BRYAN) was added as a cosponsor of S. 1191, a bill to amend the Federal Food, Drug, and Cosmetic Act to provide for facilitating the importation into the United States of certain drugs that have been approved by the Food and Drug Administration, and for other purposes.

S. 1239

At the request of Mr. GRAHAM, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 1239, a bill to amend the Internal Revenue Code of 1986 to treat spaceports like airports under the exempt facility bond rules.

S. 1472

At the request of Mr. ASHCROFT, his name was added as a cosponsor of S. 1472, a bill to amend chapters 83 and 84 of title 5, United States Code, to modify employee contributions to the Civil Service Retirement System and the Federal Employees Retirement System to the percentages in effect before the statutory temporary increase in calendar year 1999, and for other purposes.

S. 1555

At the request of Mr. DOMENICI, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 1555, a bill to provide sufficient funds for the research necessary to enable an effective public health approach to the problems of youth suicide and violence, and to develop ways to intervene early and effectively with children and adolescents who suffer depression or other mental illness, so as to avoid the tragedy of suicide, violence, and longterm illness and disability.

S. 1810

At the request of Mrs. MURRAY, the name of the Senator from Arkansas (Mr. HUTCHINSON) was added as a cosponsor of S. 1810, a bill to amend title 38, United States Code, to clarify and improve veterans' claims and appellate procedures.

S. 1919

At the request of Mr. DODD, the names of the Senator from Massachusetts (Mr. KERRY), the Senator from Montana (Mr. BAUCUS) and the Senator from Vermont (Mr. JEFFORDS) were added as cosponsors of S. 1919, a bill to permit travel to or from Cuba by United States citizens and lawful resident aliens of the United States.

S. 1941

At the request of Mr. DODD, the names of the Senator from Montana (Mr. BAUCUS) and the Senator from Nevada (Mr. BRYAN) were added as cosponsors of S. 1941, a bill to amend the Federal Fire Prevention and Control Act of 1974 to authorize the Director of the Federal Emergency Management Agency to provide assistance to fire departments and fire prevention organizations for the purpose of protecting the public and firefighting personnel against fire and fire-related hazards.

S. 2018

At the request of Mrs. HUTCHISON, the name of the Senator from North Dakota (Mr. CONRAD) was added as a cosponsor of S. 2018, a bill to amend title XVIII of the Social Security Act to revise the update factor used in making payments to PPS hospitals under the medicare program.

S. 2033

At the request of Mr. KERRY, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 2033, a bill to provide for negotiations for the creation of a trust fund to be administered by the International Bank for Reconstruction and Development or the International Development Association to combat the AIDS epidemic.

S. 2387

At the request of Mr. LEAHY, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 2387, a bill to improve global health by increasing assistance to developing nations with high levels of infectious disease and premature death, by improving children's and women's health and nutrition, by reducing unintended pregnancies, and by combating the spread of infectious diseases, particularly HIV/AIDS, and for other purposes.

S. 2408

At the request of Mr. BINGAMAN, the names of the Senator from Louisiana (Ms. LANDRIEU), the Senator from Michigan (Mr. LEVIN), the Senator from New Jersey (Mr. LAUTENBERG), the Senator from Hawaii (Mr. AKAKA), the Senator from Arkansas (Mrs. LINCOLN), and the Senator from Nevada (Mr. BRYAN) were added as cosponsors of S. 2408, a bill to authorize the President to award a gold medal on behalf of the Congress to the Navajo Code Talkers in recognition of their contributions to the Nation.

S. 2434

At the request of Mr. L. CHAFEE, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 2434, a bill to provide that amounts allotted to a State under section 2401 of the Social Security Act for each of fiscal years 1998 and 1999 shall remain available through fiscal year 2002.

S. 2585

At the request of Mr. GRAHAM, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 2585, a bill to amend titles IV and XX of the Social Security Act to restore funding for the Social Services Block Grant, to restore the ability of the States to transfer up to 10 percent of TANF funds to carry out activities under such block grant, and to require an annual report on such activities by the Secretary of Health and Human Services.

S. 2615

At the request of Mr. KENNEDY, the names of the Senator from Minnesota (Mr. WELLSTONE), the Senator from California (Mrs. BOXER) and the Senator from Hawaii (Mr. INOUYE) were added as cosponsors of S. 2615, a bill to establish a program to promote child literacy by making books available through early learning and other child care programs, and for other purposes.

S. 2639

At the request of Mr. KENNEDY, the name of the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 2639, a bill to amend the

Public Health Service Act to provide programs for the treatment of mental illness.

S. 2696

At the request of Mr. CONRAD, the names of the Senator from Maine (Ms. SNOWE), the Senator from Florida (Mr. GRAHAM), and the Senator from Florida (Mr. MACK) were added as cosponsors of S. 2696, a bill to prevent evasion of United States excise taxes on cigarettes, and for other purposes.

S. 2718

At the request of Mr. SMITH of New Hampshire, the name of the Senator from West Virginia (Mr. ROCKEFELLER) was added as a cosponsor of S. 2718, a bill to amend the Internal Revenue Code of 1986 to provide incentives to introduce new technologies to reduce energy consumption in buildings.

S. 2731

At the request of Mr. FRIST, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 2731, a bill to amend title III of the Public Health Service Act to enhance the Nation's capacity to address public health threats and emergencies.

S. 2733

At the request of Mr. SANTORUM, the names of the Senator from Minnesota (Mr. GRAMS), the Senator from New York (Mr. SCHUMER), and the Senator from Minnesota (Mr. WELLSTONE) were added as cosponsors of S. 2733, a bill to provide for the preservation of assisted housing for low income elderly persons, disabled persons, and other families.

S. 2739

At the request of Mr. LAUTENBERG, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 2739, a bill to amend title 39, United States Code, to provide for the issuance of a semipostal stamp in order to afford the public a convenient way to contribute to funding for the establishment of the World War II Memorial.

S. 2779

At the request of Mr. SANTORUM, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of S. 2779, a bill to provide for the designation of renewal communities and to provide tax incentives relating to such communities, to provide a tax credit to taxpayers investing in entities seeking to provide capital to create new markets in low-income communities, and to provide for the establishment of Individual Development Accounts (IDAs), and for other purposes.

S. 2793

At the request of Mr. HOLLINGS, the names of the Senator from Maine (Ms. SNOWE), the Senator from Alabama (Mr. SHELBY), and the Senator from Mississippi (Mr. LOTT) were added as cosponsors of S. 2793, a bill to amend the Communications Act of 1934 to strengthen the limitation on holding and transfer of broadcast licenses to foreign persons, and to apply a similar limitation to holding and transfer of other telecommunications media by or to foreign governments.

S. 2857

At the request of Mr. LEAHY, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 2857, a bill to amend title 11, United States Code, to exclude personally identifiable information from the assets of a debtor in bankruptcy.

S. 2858

At the request of Mr. GRAMS, the name of the Senator from Vermont (Mr. JEFFORDS) was added as a cosponsor of S. 2858, a bill to amend title XVIII of the Social Security Act to ensure adequate payment rates for ambulance services, to apply a prudent layperson standard to the determination of medical necessity for emergency ambulance services, and to recognize the additional costs of providing ambulance services in rural areas.

S. 2868

At the request of Mr. FRIST, the name of the Senator from Pennsylvania (Mr. SANTORUM) was added as a cosponsor of S. 2868, a bill to amend the Public Health Service Act with respect to children's health.

S. CON. RES. 60

At the request of Mr. FEINGOLD, the names of the Senator from Washington (Mrs. MURRAY), the Senator from Rhode Island (Mr. REED), the Senator from Oregon (Mr. WYDEN), the Senator from Arkansas (Mrs. LINCOLN), and the Senator from North Carolina (Mr. EDWARDS) were added as cosponsors of S. Con. Res. 60, a concurrent resolution expressing the sense of Congress that a commemorative postage stamp should be issued in honor of the U.S.S. Wisconsin and all those who served aboard her.

S. J. RES. 48

At the request of Mr. CAMPBELL, the names of the Senator from Louisiana (Mr. BREAUX), the Senator from Virginia (Mr. WARNER), the Senator from Ohio (Mr. DEWINE), the Senator from Maryland (Ms. MIKULSKI), the Senator from Nebraska (Mr. HAGEL), the Senator from West Virginia (Mr. ROCKEFELLER), the Senator from Pennsylvania (Mr. SPECTER), the Senator from New York (Mr. SCHUMER), the Senator from Maine (Ms. COLLINS), the Senator from Colorado (Mr. ALLARD), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Virginia (Mr. ROBB), the Senator from Minnesota (Mr. GRAMS), the Senator from New Jersey (Mr. TORRICELLI), and the Senator from South Dakota (Mr. DASCHLE) were added as cosponsors of S. J. Res. 48, a joint resolution calling upon the President to issue a proclamation recognizing the 25th anniversary of the Helsinki Final Act.

S. RES. 133

At the request of Mr. JOHNSON, his name was added as a cosponsor of S. Res. 133, a resolution supporting religious tolerance toward Muslims.

S. RES. 212

At the request of Mr. ABRAHAM, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. Res. 212, a resolution to designate August 1, 2000, as ''National Relatives as Parents Day.''

S. RES. 301

At the request of Mr. THURMOND, the names of the Senator from Texas (Mr. GRAMM) and the Senator from Tennessee (Mr. FRIST) were added as cosponsors of S. Res. 301, a resolution designating August 16, 2000, as ''National Airborne Day.''

S. RES. 329

At the request of Mr. L. CHAFEE, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S. Res. 329, a resolution urging the Government of Argentina to pursue and punish those responsible for the 1994 attack on the AMIA Jewish Community Center in Buenos Aires, Argentina.

AMENDMENT NO. 3702

At the request of Ms. COLLINS, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of amendment No. 3702 proposed to H.R. 4577, a bill making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2001, and for other purposes.

AMENDMENT NO. 3811

At the request of Mr. LIEBERMAN, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of amendment No. 3811 proposed to H.R. 4578, a bill making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2001, and for other purposes.

AMENDMENTS SUBMITTED

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCIES APPROPRIATIONS ACT, 2001

MCCAIN (AND OTHERS) AMENDMENT NO. 3917

(Ordered to lie on the table.)

Mr. MCCAIN (for himself, Mr. GREGG, and Mr. SCHUMER) submitted an amendment intended to be proposed by them to the bill (H.R. 4461) making appropriations for Agriculture, Rural Development, Food and Drug Administration and Related Agencies programs for the fiscal year ending September 30, 2001, and for other purposes; as follows:

On page 75, between lines 16 and 17, insert the following:

SEC. 7 . SUGAR PROGRAM.—None of the funds appropriated or otherwise made available by this Act may be used to pay the salaries and expenses of personnel of the Department of Agriculture to carry out section 156 of the Agricultural Market Transition Act (7 U.S.C. 7272).

CAMPBELL (AND OTHERS) AMENDMENT NO. 3918

(Ordered to lie on the table.)

Mr. CAMPBELL (for himself, Mr. DORGAN, and Mr. CONRAD) submitted an amendment intended to be proposed by them to the bill, H.R. 4461, supra, as follows:

On page 50, line 22, before the period, insert the following: ''*Provided further,* That, of the funds made available under this heading, (1) $7,300,000 shall be used to purchase bison for the Food Distribution Program on Indian Reservations established under section 4(b) of the Food Stamp Act of 1977 (7 U.S.C. 2013(b)) and to provide a mechanism for the purchases from Native American producers and cooperative organizations, and (2) $1,700,000 shall be used for the construction and installation of refrigeration facilities''.

WELLSTONE AMENDMENTS NOS. 3919–3924

(Ordered to lie on the table.)

Mr. WELLSTONE submitted six amendments intended to be proposed by him to the bill, H.R. 4461, supra; as follows:

AMENDMENT NO. 3919

On page 48, strike lines 12 through 16 and insert the following:

''(7 U.S.C. 612c): *Provided,* That, of the funds made available under this heading, $1,500,000 shall be transferred to and merged with the appropriation for ''Food and Nutrition Service, Food Program Administration'' for studies and evaluations: *Provided further,* That not more than $500,000 of the amount transferred under the preceding proviso shall be available to conduct, not later than 180 days after the date of enactment of this Act, a study, based on all available administrative data and onsite inspections conducted by the Secretary of Agriculture of local food stamp offices in each State, of (1) any problems that households with eligible children have experienced in obtaining food stamps, and (2) reasons for the decline in participation in the food stamp program, and to report the results of the study to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate: *Provided further,* That of the funds made available under this heading, up to $6,000,000 shall be for''.

AMENDMENT NO. 3920

On page 75, between lines 16 and 17, insert the following:

SEC. 7 . SUMMER FOOD SERVICE PROGRAM FOR CHILDREN.

(a) PAYMENT RATES.—

(1) IN GENERAL.—Section 13(b)(1)(B) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1761(b)(1)(B)) is amended—

(A) in clause (i), by striking ''$1.97'' and inserting ''$2.41'';

(B) in clause (ii), by striking ''$1.13'' and inserting ''$1.34''; and

(C) in clause (iii), by striking ''46 cents'' and inserting ''63 cents''.

(2) ADJUSTMENTS.—Section 13(b)(1)(C) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1761(b)(1)(C)) is amended by striking ''1997'' and inserting ''2001''.

(b) STARTUP AND EXPANSION COSTS.—Section 13 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1761) is amended by inserting after subsection (h) the following:

''(i) STARTUP AND EXPANSION COSTS.—

''(1) DEFINITIONS.—In this subsection:

''(A) SERVICE INSTITUTION.—The term 'service institution' means an institution or organization described in paragraph (1)(B) or (7) of subsection (a).

''(B) SUMMER FOOD SERVICE PROGRAM FOR CHILDREN.—The term 'summer food service program for children' means a program authorized by this section.

''(2) FUNDING.—

''(A) IN GENERAL.—Out of any moneys in the Treasury not otherwise appropriated, the Secretary of the Treasury shall provide to the Secretary for fiscal year 2001 and each fiscal year thereafter $1,500,000 to make payments under this subsection.

''(B) ENTITLEMENT.—The Secretary shall be entitled to receive the funds and shall accept the funds.

''(3) USE.—The Secretary shall use the funds to make payments on a competitive basis and in the following order of priority (subject to other provisions of this subsection), to State educational agencies in a substantial number of States for distribution to service institutions to assist the service institutions with nonrecurring expenses incurred in—

''(A) initiating a summer food service program for children; or

''(B) expanding a summer food service program for children.

''(4) ADDITIONAL FUNDING.—Payments received under this subsection shall be in addition to payments to which State agencies are entitled under other provisions of this section and section 4(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1773(b)).

''(5) ELIGIBILITY.—To be eligible to receive a payment under this subsection, a State educational agency shall submit to the Secretary a plan to initiate or expand summer food service programs for children conducted in the State, including a description of the manner in which the agency will provide technical assistance and funding to service institutions in the State to initiate or expand the programs.

''(6) PAYMENTS.—In making payments under this subsection for any fiscal year to initiate or expand summer food service programs for children, the Secretary shall provide a preference to States—

''(A)(i) in which the numbers of children participating in the summer food service program for children represent the lowest percentages of the number of children receiving free or reduced price meals under the school lunch program established under this Act; or

''(ii) that do not have a summer food service program for children available to a large number of low-income children in the State; and

''(B) that submit to the Secretary a plan to expand the summer food service programs for children conducted in the State, including a description of—

''(i) the manner in which the State will provide technical assistance and funding to service institutions in the State to expand the programs; and

''(ii) significant public or private resources that have been assembled to carry out the expansion of the programs during the year.

''(7) UNUSED AMOUNTS.—The Secretary shall act in a timely manner to recover and reallocate to other States any amounts provided to a State educational agency or State under this subsection that are not used by the agency or State within a reasonable period (as determined by the Secretary) to carry out this subsection.

''(8) APPLICATION.—The Secretary shall allow a State to apply on an annual basis for assistance under this subsection.

''(9) PRIORITY.—In allocating funds within a State under this subsection, each State agency and State shall give preference for assistance under this subsection to service institutions that demonstrate the greatest need for a summer food service program for children.

''(10) NO REDUCTION OF EXPENDITURES.—Expenditures of funds from State and local sources for the maintenance of the summer food service program for children shall not be diminished as a result of payments received under this subsection.''.

AMENDMENT NO. 3921

On page 75, between lines 16 and 17, insert the following:

SEC. 7 . ANALYSES INVOLVING NET FARM INCOMES.—None of the funds appropriated by this Act shall be used to conduct analyses involving net farm incomes that do not—

(1) segregate the classifications of nonfamily farm entities (as defined by the Secretary of Agriculture); and

(2) separately categorize family farms with gross sales of $1,000,000 or more.

AMENDMENT NO. 3922

On page 9, line 6, strike ''$67,038,000'' and insert ''$63,088,000, of which not less than $12,195,000 shall be used for food assistance program studies and evaluations''.

On page 23, line 21, strike ''$27,269,000: *Provided,*'' and insert ''$31,219,000: *Provided,* That not less than $3,950,000 shall be used for investigations of anticompetitive behavior, rapid response teams, the Hog Contract Library, examination of the competitive structure of the poultry industry, civil rights activities, and information staff: *Provided further,*''.

AMENDMENT NO. 3923

On page 47, strike ''$27,000,000'' on line 5 and all that follows through ''areas,'' on line 8 and insert ''$32,000,000, to remain available until expended, to be available for loans and grants for telemedicine and distance learning services in rural areas, of which $5,000,000 shall be derived by transfer of a proportionate amount from each other account for which this Act makes funds available for travel, supplies, and printing expenses, for which transfers the Director of the Office of Management and Budget, not later than 30 days after the date of enactment of this Act, shall submit to the Committee on Appropriations of the House of Representatives and the Committee on Appropriations of the Senate a listing, by account, of the amount of the transfer made from each such account, of which not more than $5,000,000 may be used to make grants to rural entities to promote employment of rural residents through teleworking, including to provide employment-related services, such as outreach to employers, training, and job placement, and to pay expenses relating to providing high-speed communications services, and''.

AMENDMENT NO. 3924

On page 36, line 9, strike ''$749,284,000'' and insert ''$754,284,000''.

On page 36, strike lines 15 through 17 and insert the following:

''$66,699,000 shall be for the rural business and cooperative development programs described in section 381E(d)(3) of that Act (7 U.S.C. 2009d(d)(3)) (of which $13,000,000 shall be for rural business opportunity grants under section 306(a)(11)(A) of that Act (7 U.S.C. 1926(a)(11)(A))): *Provided,* That of the amounts made available under this heading, $5,000,000 shall be derived by transfer of a proportionate amount from each other account for which this Act makes funds available for travel, supplies, and printing expenses, for which transfers the Director of the Office of Management and Budget, not later than 30 days after the date of enactment of this Act, shall submit to the Committee on Appropriations of the House of

Representatives and the Committee on Appropriations of the Senate a listing, by account, of the amount of the transfer made from each such account: *Provided further,* That of the total''.

JEFFORDS (AND OTHERS) AMENDMENT NO. 3925

Mr. JEFFORDS (for himself, Mr. WELLSTONE, Mr. DORGAN, Ms. SNOWE, Mr. GORTON, Mr. JOHNSON, Mr. LEVIN, Mr. BRYAN, Mr. GREGG, and Mr. FEINGOLD) proposed an amendment to the bill, H.R. 4461, supra; as follows:

At the end of title VII, add the following:

SEC. . AMENDMENT TO FEDERAL FOOD, DRUG, AND COSMETIC ACT.

(a) SHORT TITLE.—This section may be cited as the ''Medicine Equity and Drug Safety Act of 2000''.

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

(1) The cost of prescription drugs for Americans continues to rise at an alarming rate.

(2) Millions of Americans, including medicare beneficiaries on fixed incomes, face a daily choice between purchasing life-sustaining prescription drugs, or paying for other necessities, such as food and housing.

(3) Many life-saving prescription drugs are available in countries other than the United States at substantially lower prices, even though such drugs were developed and are approved for use by patients in the United States.

(4) Many Americans travel to other countries to purchase prescription drugs because the medicines that they need are unaffordable in the United States.

(5) Americans should be able to purchase medicines at prices that are comparable to prices for such medicines in other countries, but efforts to enable such purchases should not endanger the gold standard for safety and effectiveness that has been established and maintained in the United States.

(c) AMENDMENT.—Chapter VIII of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 381 et seq.) is amended—

(1) in section 801(d)(1), by inserting ''and section 804'' after ''paragraph (2)''; and

(2) by adding at the end the following:

''SEC. 804. IMPORTATION OF COVERED PRODUCTS.

''(a) REGULATIONS.—

''(1) IN GENERAL.—Notwithstanding sections 301(d), 301(t), and 801(a), the Secretary, after consultation with the United States Trade Representative and the Commissioner of Customs, shall promulgate regulations permitting importation into the United States of covered products.

''(2) LIMITATION.—Regulations promulgated under paragraph (1) shall—

''(A) require that safeguards are in place that provide a reasonable assurance to the Secretary that each covered product that is imported is safe and effective for its intended use;

''(B) require that the pharmacist or wholesaler importing a covered product complies with the provisions of subsection (b); and

''(C) contain such additional safeguards as the Secretary may specify in order to ensure the protection of the public health of patients in the United States.

''(3) RECORDS.—Regulations promulgated under paragraph (1) shall require that records regarding such importation described in subsection (b) be provided to and maintained by the Secretary for a period of time determined to be necessary by the Secretary.

''(b) IMPORTATION.—

''(1) IN GENERAL.—The Secretary shall promulgate regulations permitting a pharmacist or wholesaler to import into the United States a covered product.

''(2) REGULATIONS.—Regulations promulgated under paragraph (1) shall require such pharmacist or wholesaler to provide information and records to the Secretary, including—

''(A) the name and amount of the active ingredient of the product and description of the dosage form;

''(B) the date that such product is shipped and the quantity of such product that is shipped, points of origin and destination for such product, the price paid for such product, and the resale price for such product;

''(C) documentation from the foreign seller specifying the original source of the product and the amount of each lot of the product originally received;

''(D) the manufacturer's lot or control number of the product imported;

''(E) the name, address, and telephone number of the importer, including the professional license number of the importer, if the importer is a pharmacist or pharmaceutical wholesaler;

''(F) for a product that is—

''(i) coming from the first foreign recipient of the product who received such product from the manufacturer—

''(I) documentation demonstrating that such product came from such recipient and was received by such recipient from such manufacturer;

''(II) documentation of the amount of each lot of the product received by such recipient to demonstrate that the amount being imported into the United States is not more than the amount that was received by such recipient;

''(III) documentation that each lot of the initial imported shipment was statistically sampled and tested for authenticity and degradation by the importer or manufacturer of such product;

''(IV) documentation demonstrating that a statistically valid sample of all subsequent shipments from such recipient was tested at an appropriate United States laboratory for authenticity and degradation by the importer or manufacturer of such product; and

''(V) certification from the importer or manufacturer of such product that the product is approved for marketing in the United States and meets all labeling requirements under this Act; and

''(ii) not coming from the first foreign recipient of the product, documentation that each lot in all shipments offered for importation into the United States was statistically sampled and tested for authenticity and degradation by the importer or manufacturer of such product, and meets all labeling requirements under this Act;

''(G) laboratory records, including complete data derived from all tests necessary to assure that the product is in compliance with established specifications and standards; and

''(H) any other information that the Secretary determines is necessary to ensure the protection of the public health of patients in the United States.

''(c) TESTING.—Testing referred to in subparagraphs (F) and (G) of subsection (b)(2) shall be done by the pharmacist or wholesaler importing such product, or the manufacturer of the product. If such tests are conducted by the pharmacist or wholesaler, information needed to authenticate the product being tested and confirm that the labeling of such product complies with labeling requirements under this Act shall be supplied by the manufacturer of such product to the pharmacist or wholesaler, and as a condition of maintaining approval by the Food and Drug Administration of the product, such information shall be kept in strict confidence and used only for purposes of testing under this Act.

''(d) STUDY AND REPORT.—

''(1) STUDY.—The Secretary shall conduct, or contract with an entity to conduct, a study on the imports permitted under this section, taking into consideration the information received under subsections (a) and (b). In conducting such study, the Secretary or entity shall—

''(A) evaluate importers' compliance with regulations, and the number of shipments, if any, permitted under this section that have been determined to be counterfeit, misbranded, or adulterated; and

''(B) consult with the United States Trade Representative and United States Patent and Trademark Office to evaluate the effect of importations permitted under this Act on trade and patent rights under Federal law.

''(2) REPORT.—Not later than 5 years after the effective date of final regulations issued pursuant to this section, the Secretary shall prepare and submit to Congress a report containing the study described in paragraph (1).

''(e) CONSTRUCTION.—Nothing in this section shall be construed to limit the statutory, regulatory, or enforcement authority of the Secretary relating to importation of covered products, other than the importation described in subsections (a) and (b).

''(f) DEFINITIONS.—In this section:

''(1) COVERED PRODUCT.—The term 'covered product' means a prescription drug under section 503(b)(1) that meets the applicable requirements of section 505, and is approved by the Food and Drug Administration and manufactured in a facility identified in the approved application and is not adulterated under section 501 or misbranded under section 502.

''(2) PHARMACIST.—The term 'pharmacist' means a person licensed by a State to practice pharmacy in the United States, including the dispensing and selling of prescription drugs.

''(3) WHOLESALER.—The term 'wholesaler' means a person licensed as a wholesaler or distributor of prescription drugs in the United States.''.

BAUCUS AMENDMENT NO. 3926

(Ordered to lie on the table.)

Mr. BAUCUS submitted an amendment intended to be proposed by him to the bill, H.R. 4461, supra, as follows:

On page 161, between lines 14 and 15, insert the following new title:

TITLE —BEEF INDUSTRY COMPENSATION TRUST FUND

SEC. 01. SHORT TITLE.

This title may be cited as the ''Trade Injury Compensation Act of 2000''.

SEC. 02. FINDINGS.

Congress makes the following findings:

(1) United States goods and services compete in global markets and it is necessary for trade agreements to promote such competition.

(2) The current dispute resolution mechanism of the World Trade Organization is designed to resolve disputes in a manner that brings stability and predictability to world trade.

(3) When foreign countries refuse to comply with a panel or Appellate Body report of the World Trade Organization and violate any of the Uruguay Round Agreements, it has a deleterious effect on the United States economy.

(4) A WTO member can retaliate against a country that refuses to implement a panel or Appellate Body report by imposing additional duties of up to 100 percent on goods imported from the noncomplying country.

(5) The World Trade Organization Dispute Settlement Body found in favor of the United States regarding the European Union's ban on United States beef produced with hormones and authorized retaliation subsequent to the European Union's failure to implement that decision.

(6) The United States beef industry has suffered by the European Union's continued noncompliance with the World Trade Organization ruling and should be remedied through the establishment of a Beef Industry Compensation Trust Fund until compliance is achieved.

(7) In cases where additional duties are imposed such as the United States beef and the European Union dispute, the additional duties should be used to provide relief to the United States beef industry that has been insured by noncompliance.

SEC. 03. DEFINITIONS.

In this title:

(1) 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).

(2) WORLD TRADE ORGANIZATION.—The term ''World Trade Organization'' means the organization established pursuant to the WTO Agreement.

(3) WTO AGREEMENT.—The term ''WTO Agreement'' means the Agreement Establishing The World Trade Organization entered into on April 15, 1994.

(4) 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).

(5) INJURED PRODUCER.—The term ''injured producer'' means a domestic producer of a product (including an agricultural product) with respect to which a dispute resolution proceeding has been brought before the World Trade Organization, if the dispute resolution is resolved in favor of the producer, and the foreign country against which the proceeding has been brought has failed to comply with the report of the panel or Appellate Body of the WTO.

(6) BEEF RETALIATION LIST.—The term ''beef retaliation list'' means the list of products of European Union countries with respect to which the United States Trade Representative is imposing duties above the level that would otherwise be imposed under the Harmonized Tariff Schedule of the United States as a result of the European Union's ban on the importation of United States beef produced with hormones .

SEC. 04. BEEF INDUSTRY COMPENSATION TRUST FUND.

(a) ESTABLISHMENT.—There is established in the Treasury of the United States a fund to be known as the ''Beef Industry Compensation Trust Fund'' (referred to in this title as the ''Fund'') consisting of such amounts as may be appropriated or credited to the Fund under subsection (b) and any interest earned on investment of amounts in the Fund under subsection (c)(2).

(b) TRANSFER OF AMOUNTS EQUIVALENT TO CERTAIN DUTIES.—

(1) IN GENERAL.—There are hereby appropriated and transferred to the Fund an amount equal to the amount received in the Treasury as a result of the imposition of additional duties imposed on the products on a United States beef retaliation list.

(2) TRANSFERS BASED ON ESTIMATES.—The amounts required to be transferred under paragraph (1) shall be transferred at least quarterly from the general fund of the Treasury to the Fund on the basis of estimates made by the Secretary of the Treasury. Proper adjustment shall be made in amounts subsequently transferred to the extent prior estimates were in excess of or less than the amounts required to be transferred.

(c) INVESTMENT OF FUND.—

(1) IN GENERAL.—The Secretary of the Treasury shall invest such portion of the Fund as is not, in the Secretary's judgment, required to meet current withdrawals. Such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States.

(2) CREDITS TO FUND.—The interest on, and the proceeds from the sale or redemption of, any obligations held in the Fund shall be credited to and form a part of the Fund.

(d) DISTRIBUTIONS FROM FUND.—Amounts in the Fund shall be available as provided in appropriations Acts, for making distributions in accordance with subsections (e) and (f).

(e) AVAILABILITY OF AMOUNTS FROM FUND.—From amounts available in the Fund (including any amounts not obligated in previous fiscal years), the Secretary of Agriculture is authorized to provide grants to a nationally recognized beef promotion and research board established for the education and market promotion of the United States beef industry for the following purposes:

(1) To provide assistance to United States beef producers to improve the quality of beef produced in the United States.

(2) To provide assistance to United States beef producers in market development, consumer education, and promotion of the beef industry in overseas markets.

(f) TERMINATION OF FUND.—

(1) IN GENERAL.—The Secretary of the Treasury shall cease the transfer of amounts equivalent to the duties on the beef retaliation list when the European Union complies with the World Trade Organization ruling allowing United States beef producers access to the European market and additional duties are no longer imposed on products listed on the beef retaliation list.

(2) DISTRIBUTION OF UNUSED FUNDS.—The Secretary of Agriculture shall distribute any unused funds in a manner that benefits the domestic beef industry.

(g) REPORT TO CONGRESS.—The Secretary of the Treasury shall, after consultation with the Secretaries of Agriculture, Commerce, and Labor, report to the Congress each year on the financial condition and the results of the operations of the Fund during the preceding fiscal year and on its expected condition and operations during the next fiscal year.

SEC. 05. PROHIBITION ON REDUCING SERVICES OR FUNDS.

No payment made to an injured producer under this title shall result in the reduction or denial of any service or assistance with respect to which the injured producer would otherwise be entitled.

COCHRAN (AND KOHL) AMENDMENT NO. 3927

Mr. COCHRAN (for himself and Mr. KOHL) proposed an amendment to amendment No. 3925 proposed by Mr. JEFFORDS to the bill, H.R. 4461, supra; as follows:

At the end of the amendment insert the following:

''(g) This section shall become effective only if the Secretary of the Department of Health and Human Services certifies to the Congress that the implementation of this section will: (1) pose no risk to the public's health and safety; and (2) result in a significant reduction in the cost of covered products to the American consumer.''

REED (AND LIEBERMAN) AMENDMENT NO. 3928

(Ordered to lie on the table.)

Mr. REED (for himself and Mr. LIEBERMAN) submitted an amendment intended to be proposed by them to the bill, H.R. 4461, supra; as follows:

On page 117, line 12, before the period, insert the following: '', of which not less than $100,000 shall be available for the Connecticut and Rhode Island Sea Grant Programs for conducting a cooperative study of lobster shell disease in Long Island Sound, Rhode Island Sound, and Narragansett Bay''.

REED AMENDMENTS NOS. 3929–3931

(Ordered to lie on the table.)

Mr. REED submitted three amendments intended to be proposed by him to the bill, H.R. 4461, supra; as follows:

AMENDMENT NO. 3929

On page 34, line 23, before the period at the end, insert the following: '': *Provided further*, That of the funds available for emergency watershed protection activities, $1,200,000 shall be available for the Natural Resources Conservation Service, in cooperation with the town of North Kingstown, Rhode Island, to develop alternative ground water sources to alleviate severe streamflow depletion in the Hunt River watershed, Rhode Island''.

AMENDMENT NO. 3930

On page 33, line 13, before the period at the end, insert the following: '': *Provided further*, That of the funds made available for watershed surveys and planning activities, $500,000 shall be available for a study to be conducted by the Natural Resources Conservation Service in cooperation with the town of Johnston, Rhode Island, on floodplain management for the Pocasset River, Rhode Island''.

AMENDMENT NO. 3931

On page 33, line 13, before the period at the end, insert the following: '': *Provided further*, That of the funds made available for watershed surveys and planning activities, $500,000 shall be available for a study to be conducted by the Natural Resources Conservation Service in cooperation with the town of Johnston, Rhode Island, on floodplain management for the Pocasset River, Rhode Island''.

ABRAHAM AMENDMENT NO. 3932

(Ordered to lie on the table.)

Mr. ABRAHAM submitted an amendment intended to be proposed by him to the bill, H.R. 4461, supra; as follows:

On page 15, line 3, after the semicolon insert the following: ''and for Michigan State University to study the economic impact of an extension of the Andean Trade Preference Act on Peruvian asparagus imports, $50,000;''.

ABRAHAM (AND SCHUMER) AMENDMENT NO. 3933

(Ordered to lie on the table.)

Mr. ABRAHAM (for himself and Mr. SCHUMER) submitted an amendment intended to be proposed by them to amendment No. 3457 previously submitted by Mr. LEVIN to the companion measure, S. 2536, to the bill, H.R. 4461, supra; as follows:

On page 2, lines 16 through 23, strike all after ''(b)'' and insert,

''QUALITY LOSS PAYMENTS FOR APPLES AND POTATOES.—In addition to the assistance

provided under subsection (a), the Secretary shall use $60,000,000 of funds of the Commodity Credit Corporation to make payments to apple producers, and potato producers, that suffered quality losses to the 1999 and 2000 crop of potatoes and apples, respectively, due to, or related to, a 1999 or 2000 hurricane, fireblight or other weather related disaster.''

JOHNSON AMENDMENTS NOS. 3934–3936

(Ordered to lie on the table.)

Mr. JOHNSON submitted three amendments intended to be proposed by him to the bill, H.R. 4461, supra; as follows:

AMENDMENT NO. 3934

On page 75, between lines 16 and 17, insert the following:

SEC. 740. STATE AGRICULTURAL MEDIATION PROGRAMS.—(a) ELIGIBLE PERSON; MEDIATION SERVICES.—Section 501 of the Agricultural Credit Act of 1987 (7 U.S.C. 5101) is amended—

(1) in subsection (c), by striking paragraphs (1) and (2) and inserting the following:

''(1) ISSUES COVERED.—

''(A) IN GENERAL.—To be certified as a qualifying State, the mediation program of the State must provide mediation services to persons described in paragraph (2) that are involved in agricultural loans (regardless of whether the loans are made or guaranteed by the Secretary or made by a third party).

''(B) OTHER ISSUES.—The mediation program of a qualifying State may provide mediation services to persons described in paragraph (2) that are involved in 1 or more of the following issues under the jurisdiction of the Department of Agriculture:

''(i) Wetlands determinations.

''(ii) Compliance with farm programs, including conservation programs.

''(iii) Agricultural credit.

''(iv) Rural water loan programs.

''(v) Grazing on National Forest System land.

''(vi) Pesticides.

''(vii) Such other issues as the Secretary considers appropriate.

''(2) PERSONS ELIGIBLE FOR MEDIATION.—The persons referred to in paragraph (1) include—

''(A) agricultural producers;

''(B) creditors of producers (as applicable); and

''(C) persons directly affected by actions of the Department of Agriculture.''; and

(2) by adding at the end the following:

''(d) DEFINITION OF MEDIATION SERVICES.—In this section, the term 'mediation services', with respect to mediation or a request for mediation, may include all activities related to—

''(1) the intake and scheduling of cases;

''(2) the provision of background and selected information regarding the mediation process;

''(3) financial advisory and counseling services (as appropriate) performed by a person other than a State mediation program mediator; and

''(4) the mediation session.''.

(b) USE OF MEDIATION GRANTS.—Section 502(c) of the Agricultural Credit Act of 1987 (7 U.S.C. 5102(c)) is amended—

(1) by striking ''Each'' and inserting the following:

''(1) IN GENERAL.—Each''; and

(2) by adding at the end the following:

''(2) OPERATION AND ADMINISTRATION EXPENSES.—For purposes of paragraph (1), operation and administration expenses for which a grant may be used include—

''(A) salaries;

''(B) reasonable fees and costs of mediators;

''(C) office rent and expenses, such as utilities and equipment rental;

''(D) office supplies;

''(E) administrative costs, such as workers' compensation, liability insurance, the employer's share of Social Security, and necessary travel;

''(F) education and training;

''(G) security systems necessary to ensure the confidentiality of mediation sessions and records of mediation sessions;

''(H) costs associated with publicity and promotion of the mediation program;

''(I) preparation of the parties for mediation; and

''(J) financial advisory and counseling services for parties requesting mediation.''.

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 506 of the Agricultural Credit Act of 1987 (7 U.S.C. 5106) is amended by striking ''2000'' and inserting ''2005''.

AMENDMENT NO. 3935

On page 89, after line 29, add the following:

SEC. 1111. PROHIBITION ON PACKERS OWNING, FEEDING, OR CONTROLLING LIVESTOCK.—(a) IN GENERAL.—Section 202 of the Packers and Stockyards Act, 1921 (7 U.S.C. 192), is amended—

(1) by redesignating subsections (f) and (g) as subsections (g) and (h), respectively;

(2) by inserting after subsection (e) the following:

''(f) Own, feed, or control livestock intended for slaughter (for more than 14 days prior to slaughter and acting through the packer or a person that directly or indirectly controls, or is controlled by or under common control with, the packer), except that this subsection shall not apply to—

''(1) a cooperative, if a majority of the ownership interest in the cooperative is held by active cooperative members that—

''(A) own, feed, or control livestock; and

''(B) provide the livestock to the cooperative for slaughter; or

''(2) a packer that is owned or controlled by producers of a type of livestock, if during a calendar year the packer slaughters less than 2 percent of the head of that type of livestock slaughtered in the United States; or''; and

(3) in subsection (h) (as so redesignated), by striking ''or (e)'' and inserting ''(e), or (f)''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—Subject to paragraph (2), the amendments made by subsection (a) take effect on the date of enactment of this Act.

(2) TRANSITION RULES.—In the case of a packer that on the date of enactment of this Act owns, feeds, or controls livestock intended for slaughter in violation of section 202(f) of the Packers and Stockyards Act, 1921 (as amended by subsection (a)), the amendments made by subsection (a) apply to the packer—

(A) in the case of a packer of swine, beginning on the date that is 18 months after the date of enactment of this Act; and

(B) in the case of a packer of any other type of livestock, beginning as soon as practicable, but not later than 180 days, after the date of enactment of this Act, as determined by the Secretary of Agriculture.

AMENDMENT NO. 3936

On page 75, before line 17, insert the following:

SEC. 740. USE OF FUNDS TO GRADE CERTAIN IMPORTED AGRICULTURAL PRODUCTS.—The Secretary of Agriculture shall not use any funds made available to the Secretary under this Act, including funds generated from user fees, for the grading of beef, lamb, or mutton (including beef, lamb, and mutton products) imported into the United States.

AKAKA AMENDMENT NO. 3937

(Ordered to lie on the table.)

Mr. AKAKA submitted an amendment intended to be proposed by him to the bill, H.R. 4461, supra; as follows:

At the appropriate place add the following:

SEC. . Notwithstanding any other provision of law, the Secretary of Agriculture shall make a payment in the amount of $7,200,000 to the State of Hawaii from the Commodity Credit Corporation for assistance to an agricultural transportation cooperative in Hawaii, the members of which are eligible to participate in the Farm Service Agency administered Commodity Loan Program and have suffered extraordinary market losses due to unprecedented low prices. *Provided,* That the entire amount necessary to carry out this section shall be available only to the extent that an official budget request for the entire amount, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress: *Provided further,* That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of such Act.

HARKIN AMENDMENT NO. 3938

Mr. REID (for Mr. HARKIN) proposed an amendment to the bill, H.R. 4461, supra; as follows:

On page 25, line 11, before the period, insert the following: ''*: Provided further,* That none of the funds made available under this heading may be used by the Secretary of Agriculture to label, mark, stamp, or tag as ''inspected and passed'' meat, meat products, poultry, or poultry products, under the Poultry Products Inspection Act (21 U.S.C. 451 et seq.) or the Federal Meat Inspection Act (21 U.S.C. 601 et seq.), that do not meet microbiological performance standards established by the Secretary''.

AMIA JEWISH COMMUNITY CENTER ATTACK

CHAFEE AMENDMENTS NOS. 3939–3940

Mr. BURNS (for Mr. L. CHAFEE) proposed two amendments to the resolution (S. Res. 329) urging the Government of Argentina to pursue and punish those responsible for the 1994 attack on the AMIA Jewish Community Center in Buenos Aires, Argentina; as follows:

AMENDMENT NO. 3939

On page 3, line 7 and 8, strike ''its promise to the Argentine people'' and insert ''other commitments''.

AMENDMENT NO. 3940

In the fourth whereas clause, insert ''at that time'' after ''forces''.

In the seventh whereas clause, insert ''has issued an arrest warrant against a leader of the Islamic Jihad but'' after ''Argentina''.

After the eighth whereas clause, insert the following:

Whereas the Government of Argentina was successful in enacting a law on cooperation from defendants in terrorist matters, a law that will be helpful in pursuing full prosecution in this and other terrorist cases;

RELATIVE TO THE IRAQ'S VIOLATION OF INTERNATIONAL AGREEMENTS

SMITH OF NEW HAMPSHIRE AMENDMENTS NOS. 3941–3943

Mr. BURNS (for Mr. SMITH of New Hampshire) proposed three amendments to the concurrent resolution (S. Con. Res. 124) expressing the sense of Congress with regard to Iraq's failure to provide the fullest possible accounting of the United States Navy Commander Michael Scott Speicher and prisoners of war from Kuwait and nine other nations in violation of international agreements.

AMENDMENT NO. 3941

On page 3, between lines 3 and 4, insert the following:

(A) demands that the Government of Iraq immediately provide the fullest possible accounting for United States Navy Commander Michael Scott Speicher in compliance with United Nations Security Council Resolution 686 and other international law;

On page 3, line 4, strike ''(A)'' and insert ''(B)''.

On page 3, line 8, strike ''(B)'' and insert ''(C)''.

On page 4, line 3, strike ''(C)'' and insert ''(D)''.

On page 4, line 8, strike ''(D)'' and insert ''(E)''.

On page 4, between lines 14 and 15, insert the following:

(A) actively seek the fullest possible accounting for United States Navy Commander Michael Scott Speicher;

On page 4, line 15, strike ''(A)'' and insert ''(B)''.

On page 4, line 22, strike ''(B)'' and insert ''(C)''.

AMENDMENT NO. 3942

Insert immediately after the title the following:

Whereas the Government of Iraq has not provided the fullest possible accounting for United States Navy Commander Michael Scott Speicher, who was shot down over Iraq on January 16, 1991, during Operation Desert Storm;''.

AMENDMENT NO. 3943

Amend the title to read as follows: ''Expressing the sense of Congress with regard to Iraq's failure to provide the fullest possible accounting of United States Navy Commander Michael Scott Speicher and prisoners of war from Kuwait and nine other nations in violation of international agreements.''.

SMALL BUSINESS INNOVATION RESEARCH PROGRAM REAUTHORIZATION ACT OF 1999

BOND (AND KERRY) AMENDMENT NO. 3944

Mr. BURNS (for Mr. BOND (for himself and Mr. KERRY)) proposed an amendment to the bill (H.R. 2392) to amend the Small Business Act to extend the authorization for the Small Business Innovation Research Program, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Small Business Innovation Research Program Reauthorization Act of 2000''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings.
Sec. 3. Extension of SBIR program.
Sec. 4. Annual report.
Sec. 5. Third phase assistance.
Sec. 6. Policy directive modifications.
Sec. 7. Report on programs for annual performance plan.
Sec. 8. Output and outcome data.
Sec. 9. National Research Council report.
Sec. 10. Federal agency expenditures for the SBIR program.
Sec. 11. Federal and State Technology Partnership Program.
Sec. 12. Mentoring Networks.
Sec. 13. Simplified reporting requirements.
Sec. 14. Rural outreach program extension.

SEC. 2. FINDINGS.

Congress finds that—

(1) the small business innovation research program established under the Small Business Innovation Development Act of 1982, and reauthorized by the Small Business Research and Development Enhancement Act of 1992 (in this Act referred to as the ''SBIR program'') is highly successful in involving small businesses in federally funded research and development;

(2) the SBIR program made the cost-effective and unique research and development capabilities possessed by the small businesses of this Nation available to Federal agencies and departments;

(3) the innovative goods and services developed by small businesses that participated in the SBIR program have produced innovations of critical importance in a wide variety of high-technology fields, including biology, medicine, education, and defense;

(4) the SBIR program is a catalyst in the promotion of research and development, the commercialization of innovative technology, the development of new products and services, and the continued excellence of this Nation's high-technology industries; and

(5) the continuation of the SBIR program will provide expanded opportunities for one of the Nation's vital resources, its small businesses, will foster invention, research, and technology, will create jobs, and will increase this Nation's competitiveness in international markets.

SEC. 3. EXTENSION OF SBIR PROGRAM.

Section 9(m) of the Small Business Act (15 U.S.C. 638(m)) is amended to read as follows:

''(m) TERMINATION.—The authorization to carry out the Small Business Innovation Research Program established under this section shall terminate on September 30, 2008.''.

SEC. 4. ANNUAL REPORT.

Section 9(b)(7) of the Small Business Act (15 U.S.C. 638(b)(7)) is amended by striking ''and the Committee on Small Business of the House of Representatives'' and inserting '', and to the Committee on Science and the Committee on Small Business of the House of Representatives,''.

SEC. 5. THIRD PHASE ASSISTANCE.

Section 9(e)(4)(C)(i) of the Small Business Act (15 U.S.C. 638(e)(4)(C)(i)) is amended by striking ''; and'' and inserting ''; or''.

SEC. 6. POLICY DIRECTIVE MODIFICATIONS.

Section 9(j) of the Small Business Act (15 U.S.C. 638(j)) is amended by adding at the end the following:

''(3) ADDITIONAL MODIFICATIONS.—Not later than 120 days after the date of enactment of the Small Business Innovation Research Program Reauthorization Act of 2000, the Administrator shall modify the policy directives issued pursuant to this subsection—

''(A) to clarify that the rights provided for under paragraph (2)(A) apply to all Federal funding awards under this section, including the first phase (as described in subsection (e)(4)(A)), the second phase (as described in subsection (e)(4)(B)), and the third phase (as described in subsection (e)(4)(C));

''(B) to provide for the requirement of a succinct commercialization plan with each application for a second phase award that is moving toward commercialization;

''(C) to require agencies to report to the Administration, not less frequently than annually, all instances in which an agency pursued research, development, or production of a technology developed by a small business concern using an award made under the SBIR program of that agency, and determined that it was not practicable to enter into a follow-on non-SBIR program funding agreement with the small business concern, which report shall include, at a minimum—

''(i) the reasons why the follow-on funding agreement with the small business concern was not practicable;

''(ii) the identity of the entity with which the agency contracted to perform the research, development, or production; and

''(iii) a description of the type of funding agreement under which the research, development, or production was obtained; and

''(D) to implement subsection (v), including establishing standardized procedures for the provision of information pursuant to subsection (k)(3).''.

SEC. 7. REPORT ON PROGRAMS FOR ANNUAL PERFORMANCE PLAN.

Section 9(g) of the Small Business Act (15 U.S.C. 638(g)) is amended—

(1) in paragraph (7), by striking ''and'' at the end;

(2) in paragraph (8), by striking the period at the end and inserting a semicolon; and

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

''(9) include, as part of its annual performance plan as required by subsections (a) and (b) of section 1115 of title 31, United States Code, a section on its SBIR program, and shall submit such section to the Committee on Small Business of the Senate, and the Committee on Science and the Committee on Small Business of the House of Representatives; and''.

SEC. 8. OUTPUT AND OUTCOME DATA.

(a) COLLECTION.—Section 9(g) of the Small Business Act (15 U.S.C. 638(g)), as amended by section 7 of this Act, is amended by adding at the end the following new paragraph:

''(10) collect, and maintain in a common format in accordance with subsection (v), such information from awardees as is necessary to assess the SBIR program, including information necessary to maintain the database described in subsection (k).''.

(b) REPORT TO CONGRESS.—Section 9(b)(7) of the Small Business Act (15 U.S.C. 638(b)(7)), as amended by section 4 of this Act, is amended by inserting before the period at the end '', including the data on output and outcomes collected pursuant to subsections (g)(10) and (o)(9), and a description of the extent to which Federal agencies are providing in a timely manner information needed to maintain the database described in subsection (k)''.

(c) DATABASE.—Section 9(k) of the Small Business Act (15 U.S.C. 638(k)) is amended to read as follows:

''(k) DATABASE.—

''(1) PUBLIC DATABASE.—Not later than 180 days after the date of enactment of the Small Business Innovation Research Program Reauthorization Act of 2000, the Administrator shall develop, maintain, and make available to the public a searchable, up-to-date, electronic database that includes—

''(A) the name, size, location, and an identifying number assigned by the Administrator, of each small business concern that has received a first phase or second phase SBIR award from a Federal agency;

''(B) a description of each first phase or second phase SBIR award received by that small business concern, including—

''(i) an abstract of the project funded by the award, excluding any proprietary information so identified by the small business concern;

''(ii) the Federal agency making the award; and

''(iii) the date and amount of the award;

''(C) an identification of any business concern or subsidiary established for the commercial application of a product or service for which an SBIR award is made; and

''(D) information regarding mentors and Mentoring Networks, as required by section 35(d).

''(2) GOVERNMENT DATABASE.—Not later than 180 days after the date of enactment of the Small Business Innovation Research Program Reauthorization Act of 2000, the Administrator, in consultation with Federal agencies required to have an SBIR program pursuant to subsection (f)(1), shall develop and maintain a database to be used solely for SBIR program evaluation that—

''(A) contains for each second phase award made by a Federal agency—

''(i) information collected in accordance with paragraph (3) on revenue from the sale of new products or services resulting from the research conducted under the award;

''(ii) information collected in accordance with paragraph (3) on additional investment from any source, other than first phase or second phase SBIR or STTR awards, to further the research and development conducted under the award; and

''(iii) any other information received in connection with the award that the Administrator, in conjunction with the SBIR program managers of Federal agencies, considers relevant and appropriate;

''(B) includes any narrative information that a small business concern receiving a second phase award voluntarily submits to further describe the outputs and outcomes of its awards;

''(C) includes for each applicant for a first phase or second phase award that does not receive such an award—

''(i) the name, size, and location, and an identifying number assigned by the Administration;

''(ii) an abstract of the project; and

''(iii) the Federal agency to which the application was made;

''(D) includes any other data collected by or available to any Federal agency that such agency considers may be useful for SBIR program evaluation; and

''(E) is available for use solely for program evaluation purposes by the Federal Government or, in accordance with policy directives issued by the Administration, by other authorized persons who are subject to a use and nondisclosure agreement with the Federal Government covering the use of the database.

''(3) UPDATING INFORMATION FOR DATABASE.—

''(A) IN GENERAL.—A small business concern applying for a second phase award under this section shall be required to update information in the database established under this subsection for any prior second phase award received by that small business concern. In complying with this paragraph, a small business concern may apportion sales or additional investment information relating to more than one second phase award among those awards, if it notes the apportionment for each award.

''(B) ANNUAL UPDATES UPON TERMINATION.—A small business concern receiving a second phase award under this section shall—

''(i) update information in the database concerning that award at the termination of the award period; and

''(ii) be requested to voluntarily update such information annually thereafter for a period of 5 years.

''(4) PROTECTION OF INFORMATION.—Information provided under paragraph (2) shall be considered privileged and confidential and not subject to disclosure pursuant to section 552 of title 5, United States Code.

''(5) RULE OF CONSTRUCTION.—Inclusion of information in the database under this subsection shall not be considered to be publication for purposes of subsection (a) or (b) of section 102 of title 35, United States Code.''.

SEC. 9. NATIONAL RESEARCH COUNCIL REPORTS.

(a) STUDY AND RECOMMENDATIONS.—The head of each agency with a budget of more than $50,000,000 for its SBIR program for fiscal year 1999, in consultation with the Small Business Administration, shall, not later than 6 months after the date of enactment of this Act, cooperatively enter into an agreement with the National Academy of Sciences for the National Research Council to—

(1) conduct a comprehensive study of how the SBIR program has stimulated technological innovation and used small businesses to meet Federal research and development needs, including—

(A) a review of the value to the Federal research agencies of the research projects being conducted under the SBIR program, and of the quality of research being conducted by small businesses participating under the program, including a comparison of the value of projects conducted under the SBIR program to those funded by other Federal research and development expenditures;

(B) to the extent practicable, an evaluation of the economic benefits achieved by the SBIR program, including the economic rate of return, and a comparison of the economic benefits, including the economic rate of return, achieved by the SBIR program with the economic benefits, including the economic rate of return, of other Federal research and development expenditures;

(C) an evaluation of the noneconomic benefits achieved by the SBIR program over the life of the program;

(D) a comparison of the allocation for fiscal year 2000 of Federal research and development funds to small businesses with such allocation for fiscal year 1983, and an analysis of the factors that have contributed to such allocation; and

(E) an analysis of whether Federal agencies, in fulfilling their procurement needs, are making sufficient effort to use small businesses that have completed a second phase award under the SBIR program; and

(2) make recommendations with respect to—

(A) measures of outcomes for strategic plans submitted under section 306 of title 5, United States Code, and performance plans submitted under section 1115 of title 31, United States Code, of each Federal agency participating in the SBIR program;

(B) whether companies who can demonstrate project feasibility, but who have not received a first phase award, should be eligible for second phase awards, and the potential impact of such awards on the competitive selection process of the program;

(C) whether the Federal Government should be permitted to recoup some or all of its expenses if a controlling interest in a company receiving an SBIR award is sold to a foreign company or to a company that is not a small business concern;

(D) how to increase the use by the Federal Government in its programs and procurements of technology-oriented small businesses; and

(E) improvements to the SBIR program, if any are considered appropriate.

(b) PARTICIPATION BY SMALL BUSINESS.—

(1) IN GENERAL.—In a manner consistent with law and with National Research Council study guidelines and procedures, knowledgeable individuals from the small business community with experience in the SBIR program shall be included—

(A) in any panel established by the National Research Council for the purpose of performing the study conducted under this section; and

(B) among those who are asked by the National Research Council to peer review the study.

(2) CONSULTATION.—To ensure that the concerns of small business are appropriately considered under this subsection, the National Research Council shall consult with and consider the views of the Office of Technology and the Office of Advocacy of the Small Business Administration and other interested parties, including entities, organizations, and individuals actively engaged in enhancing or developing the technological capabilities of small business concerns.

(c) PROGRESS REPORTS.—The National Research Council shall provide semiannual progress reports on the study conducted under this section to the Committee on Science and the Committee on Small Business of the House of Representatives, and to the Committee on Small Business of the Senate.

(d) REPORT.—The National Research Council shall transmit to the heads of agencies entering into an agreement under this section and to the Committee on Science and the Committee on Small Business of the House of Representatives, and to the Committee on Small Business of the Senate—

(1) not later than 3 years after the date of enactment of this Act, a report including the results of the study conducted under subsection (a)(1) and recommendations made under subsection (a)(2); and

(2) not later than 6 years after that date of enactment, an update of such report.

SEC. 10. FEDERAL AGENCY EXPENDITURES FOR THE SBIR PROGRAM.

Section 9(i) of the Small Business Act (15 U.S.C. 638(i)) is amended—

(1) by striking ''(i) Each Federal'' and inserting the following:

''(i) ANNUAL REPORTING.—

''(1) IN GENERAL.—Each Federal''; and

(2) by adding at the end the following:

''(2) CALCULATION OF EXTRAMURAL BUDGET.—

''(A) METHODOLOGY.—Not later than 4 months after the date of enactment of each appropriations Act for a Federal agency required by this section to have an SBIR program, the Federal agency shall submit to the Administrator a report, which shall include a description of the methodology used for calculating the amount of the extramural budget of that Federal agency.

''(B) ADMINISTRATOR'S ANALYSIS.—The Administrator shall include an analysis of the methodology received from each Federal agency referred to in subparagraph (A) in the report required by subsection (b)(7).''.

SEC. 11. FEDERAL AND STATE TECHNOLOGY PARTNERSHIP PROGRAM.

(a) FINDINGS.—Congress finds that—

(1) programs to foster economic development among small high-technology firms vary widely among the States;

(2) States that do not aggressively support the development of small high-technology firms, including participation by small business concerns in the SBIR program, are at a competitive disadvantage in establishing a

business climate that is conducive to technology development; and

(3) building stronger national, State, and local support for science and technology research in these disadvantaged States will expand economic opportunities in the United States, create jobs, and increase the competitiveness of the United States in the world market.

(b) FEDERAL AND STATE TECHNOLOGY PARTNERSHIP PROGRAM.—The Small Business Act (15 U.S.C. 631 et seq.) is amended—

(1) by redesignating section 34 as section 36; and

(2) by inserting after section 33 the following new section:

"SEC. 34. FEDERAL AND STATE TECHNOLOGY PARTNERSHIP PROGRAM.

''(a) DEFINITIONS.—In this section and section 35—

''(1) the term 'applicant' means an entity, organization, or individual that submits a proposal for an award or a cooperative agreement under this section;

''(2) the term 'business advice and counseling' means providing advice and assistance on matters described in section 35(c)(2)(B) to small business concerns to guide them through the SBIR and STTR program process, from application to award and successful completion of each phase of the program;

''(3) the term 'FAST program' means the Federal and State Technology Partnership Program established under this section;

''(4) the term 'mentor' means an individual described in section 35(c)(2);

''(5) the term 'Mentoring Network' means an association, organization, coalition, or other entity (including an individual) that meets the requirements of section 35(c);

''(6) the term 'recipient' means a person that receives an award or becomes party to a cooperative agreement under this section;

''(7) the term 'SBIR program' has the same meaning as in section 9(e)(4);

''(8) the term 'State' means any of the 50 States of the United States, the District of Columbia, Puerto Rico, the Virgin Islands, Guam, and American Samoa; and

''(9) the term 'STTR program' has the same meaning as in section 9(e)(6).

''(b) ESTABLISHMENT OF PROGRAM.—The Administrator shall establish a program to be known as the Federal and State Technology Partnership Program, the purpose of which shall be to strengthen the technological competitiveness of small business concerns in the States.

''(c) GRANTS AND COOPERATIVE AGREEMENTS.—

''(1) JOINT REVIEW.—In carrying out the FAST program under this section, the Administrator and the SBIR program managers at the National Science Foundation and the Department of Defense shall jointly review proposals submitted by applicants and may make awards or enter into cooperative agreements under this section based on the factors for consideration set forth in paragraph (2), in order to enhance or develop in a State—

''(A) technology research and development by small business concerns;

''(B) technology transfer from university research to technology-based small business concerns;

''(C) technology deployment and diffusion benefiting small business concerns;

''(D) the technological capabilities of small business concerns through the establishment or operation of consortia comprised of entities, organizations, or individuals, including—

''(i) State and local development agencies and entities;

''(ii) representatives of technology-based small business concerns;

''(iii) industries and emerging companies;

''(iv) universities; and

''(v) small business development centers; and

''(E) outreach, financial support, and technical assistance to technology-based small business concerns participating in or interested in participating in an SBIR program, including initiatives—

''(i) to make grants or loans to companies to pay a portion or all of the cost of developing SBIR proposals;

''(ii) to establish or operate a Mentoring Network within the FAST program to provide business advice and counseling that will assist small business concerns that have been identified by FAST program participants, program managers of participating SBIR agencies, the Administration, or other entities that are knowledgeable about the SBIR and STTR programs as good candidates for the SBIR and STTR programs, and that would benefit from mentoring, in accordance with section 35;

''(iii) to create or participate in a training program for individuals providing SBIR outreach and assistance at the State and local levels; and

''(iv) to encourage the commercialization of technology developed through SBIR program funding.

''(2) SELECTION CONSIDERATIONS.—In making awards or entering into cooperative agreements under this section, the Administrator and the SBIR program managers referred to in paragraph (1)—

''(A) may only consider proposals by applicants that intend to use a portion of the Federal assistance provided under this section to provide outreach, financial support, or technical assistance to technology-based small business concerns participating in or interested in participating in the SBIR program; and

''(B) shall consider, at a minimum—

''(i) whether the applicant has demonstrated that the assistance to be provided would address unmet needs of small business concerns in the community, and whether it is important to use Federal funding for the proposed activities;

''(ii) whether the applicant has demonstrated that a need exists to increase the number or success of small high-technology businesses in the State, as measured by the number of first phase and second phase SBIR awards that have historically been received by small business concerns in the State;

''(iii) whether the projected costs of the proposed activities are reasonable;

''(iv) whether the proposal integrates and coordinates the proposed activities with other State and local programs assisting small high-technology firms in the State; and

''(v) the manner in which the applicant will measure the results of the activities to be conducted.

''(3) PROPOSAL LIMIT.—Not more than 1 proposal may be submitted for inclusion in the FAST program under this section to provide services in any one State in any 1 fiscal year.

''(4) PROCESS.—Proposals and applications for assistance under this section shall be in such form and subject to such procedures as the Administrator shall establish.

''(d) COOPERATION AND COORDINATION.—In carrying out the FAST program under this section, the Administrator shall cooperate and coordinate with—

''(1) Federal agencies required by section 9 to have an SBIR program; and

''(2) entities, organizations, and individuals actively engaged in enhancing or developing the technological capabilities of small business concerns, including—

''(A) State and local development agencies and entities;

''(B) State committees established under the Experimental Program to Stimulate Competitive Research of the National Science Foundation (as established under section 113 of the National Science Foundation Authorization Act of 1988 (42 U.S.C. 1862g));

''(C) State science and technology councils; and

''(D) representatives of technology-based small business concerns.

''(e) ADMINISTRATIVE REQUIREMENTS.—

''(1) COMPETITIVE BASIS.—Awards and cooperative agreements under this section shall be made or entered into, as applicable, on a competitive basis.

''(2) MATCHING REQUIREMENTS.—

''(A) IN GENERAL.—The non-Federal share of the cost of an activity (other than a planning activity) carried out using an award or under a cooperative agreement under this section shall be—

''(i) 50 cents for each Federal dollar, in the case of a recipient that will serve small business concerns located in one of the 18 States receiving the fewest SBIR first phase awards (as described in section 9(e)(4)(A));

''(ii) except as provided in subparagraph (B), 1 dollar for each Federal dollar, in the case of a recipient that will serve small business concerns located in one of the 16 States receiving the greatest number of such SBIR first phase awards; and

''(iii) except as provided in subparagraph (B), 75 cents for each Federal dollar, in the case of a recipient that will serve small business concerns located in a State that is not described in clause (i) or (ii) that is receiving such SBIR first phase awards.

''(B) LOW-INCOME AREAS.—The non-Federal share of the cost of the activity carried out using an award or under a cooperative agreement under this section shall be 50 cents for each Federal dollar that will be directly allocated by a recipient described in subparagraph (A) to serve small business concerns located in a qualified census tract, as that term is defined in section 42(d)(5)(C)(ii) of the Internal Revenue Code of 1986. Federal dollars not so allocated by that recipient shall be subject to the matching requirements of subparagraph (A).

''(C) TYPES OF FUNDING.—The non-Federal share of the cost of an activity carried out by a recipient shall be comprised of not less than 50 percent cash and not more than 50 percent of indirect costs and in-kind contributions, except that no such costs or contributions may be derived from funds from any other Federal program.

''(D) RANKINGS.—For purposes of subparagraph (A), the Administrator shall reevaluate the ranking of a State once every 2 fiscal years, beginning with fiscal year 2001, based on the most recent statistics compiled by the Administrator.

''(3) DURATION.—Awards may be made or cooperative agreements entered into under this section for multiple years, not to exceed 5 years in total.

''(f) REPORTS.—

''(1) INITIAL REPORT.—Not later than 120 days after the date of enactment of the Small Business Innovation Research Program Reauthorization Act of 2000, the Administrator shall prepare and submit to the Committee on Small Business of the Senate and the Committee on Science and the Committee on Small Business of the House of Representatives a report, which shall include, with respect to the FAST program, including Mentoring Networks—

''(A) a description of the structure and procedures of the program;

''(B) a management plan for the program; and

''(C) a description of the merit-based review process to be used in the program.

''(2) ANNUAL REPORTS.—The Administrator shall submit an annual report to the Committee on Small Business of the Senate and the Committee on Science and the Committee on Small Business of the House of Representatives regarding—

''(A) the number and amount of awards provided and cooperative agreements entered into under the FAST program during the preceding year;

''(B) a list of recipients under this section, including their location and the activities being performed with the awards made or under the cooperative agreements entered into; and

''(C) the Mentoring Networks and the mentoring database, as provided for under section 35, including—

''(i) the status of the inclusion of mentoring information in the database required by section 9(k); and

''(ii) the status of the implementation and description of the usage of the Mentoring Networks.

''(g) REVIEWS BY INSPECTOR GENERAL.—

''(1) IN GENERAL.—The Inspector General of the Administration shall conduct a review of—

''(A) the extent to which recipients under the FAST program are measuring the performance of the activities being conducted and the results of such measurements; and

''(B) the overall management and effectiveness of the FAST program.

''(2) REPORT.—During the first quarter of fiscal year 2004, the Inspector General of the Administration shall submit a report to the Committee on Small Business of the Senate and the Committee on Science and the Committee on Small Business of the House of Representatives on the review conducted under paragraph (1).

''(h) PROGRAM LEVELS.—

''(1) IN GENERAL.—There is authorized to be appropriated to carry out the FAST program, including Mentoring Networks, under this section and section 35, $10,000,000 for each of fiscal years 2001 through 2005.

''(2) MENTORING DATABASE.—Of the total amount made available under paragraph (1) for fiscal years 2001 through 2005, a reasonable amount, not to exceed a total of $500,000, may be used by the Administration to carry out section 35(d).

''(i) TERMINATION.—The authorization to carry out the FAST program under this section shall terminate on September 30, 2005.''.

(c) COORDINATION OF TECHNOLOGY DEVELOPMENT PROGRAMS.—Section 9 of the Small Business Act (15 U.S.C. 638) is amended by adding at the end the following:

''(u) COORDINATION OF TECHNOLOGY DEVELOPMENT PROGRAMS.—

''(1) DEFINITION OF TECHNOLOGY DEVELOPMENT PROGRAM.—In this subsection, the term 'technology development program' means—

''(A) the Experimental Program to Stimulate Competitive Research of the National Science Foundation, as established under section 113 of the National Science Foundation Authorization Act of 1988 (42 U.S.C. 1862g);

''(B) the Defense Experimental Program to Stimulate Competitive Research of the Department of Defense;

''(C) the Experimental Program to Stimulate Competitive Research of the Department of Energy;

''(D) the Experimental Program to Stimulate Competitive Research of the Environmental Protection Agency;

''(E) the Experimental Program to Stimulate Competitive Research of the National Aeronautics and Space Administration;

''(F) the Institutional Development Award Program of the National Institutes of Health; and

''(G) the National Research Initiative Competitive Grants Program of the Department of Agriculture.

''(2) COORDINATION REQUIREMENTS.—Each Federal agency that is subject to subsection (f) and that has established a technology development program may, in each fiscal year, review for funding under that technology development program—

''(A) any proposal to provide outreach and assistance to 1 or more small business concerns interested in participating in the SBIR program, including any proposal to make a grant or loan to a company to pay a portion or all of the cost of developing an SBIR proposal, from an entity, organization, or individual located in—

''(i) a State that is eligible to participate in that program; or

''(ii) a State described in paragraph (3); or

''(B) any proposal for the first phase of the SBIR program, if the proposal, though meritorious, is not funded through the SBIR program for that fiscal year due to funding restraints, from a small business concern located in—

''(i) a State that is eligible to participate in a technology development program; or

''(ii) a State described in paragraph (3).

''(3) ADDITIONALLY ELIGIBLE STATE.—A State referred to in subparagraph (A)(ii) or (B)(ii) of paragraph (2) is a State in which the total value of contracts awarded to small business concerns under all SBIR programs is less than the total value of contracts awarded to small business concerns in a majority of other States, as determined by the Administrator in biennial fiscal years, beginning with fiscal year 2000, based on the most recent statistics compiled by the Administrator.''.

SEC. 12. MENTORING NETWORKS.

The Small Business Act (15 U.S.C. 631 et seq.) is amended by inserting after section 34, as added by section 11(b)(2) of this Act, the following new section:

''SEC. 35. MENTORING NETWORKS.

''(a) FINDINGS.—Congress finds that—

''(1) the SBIR and STTR programs create jobs, increase capacity for technological innovation, and boost international competitiveness;

''(2) increasing the quantity of applications from all States to the SBIR and STTR programs would enhance competition for such awards and the quality of the completed projects; and

''(3) mentoring is a natural complement to the FAST program of reaching out to new companies regarding the SBIR and STTR programs as an effective and low-cost way to improve the likelihood that such companies will succeed in such programs in developing and commercializing their research.

''(b) AUTHORIZATION FOR MENTORING NETWORKS.—The recipient of an award or participant in a cooperative agreement under section 34 may use a reasonable amount of such assistance for the establishment of a Mentoring Network under this section.

''(c) CRITERIA FOR MENTORING NETWORKS.—A Mentoring Network established using assistance under section 34 shall—

''(1) provide business advice and counseling to high technology small business concerns located in the State or region served by the Mentoring Network and identified under section 34(c)(1)(E)(ii) as potential candidates for the SBIR or STTR programs;

''(2) identify volunteer mentors who—

''(A) are persons associated with a small business concern that has successfully completed one or more SBIR or STTR funding agreements; and

''(B) have agreed to guide small business concerns through all stages of the SBIR or STTR program process, including providing assistance relating to—

''(i) proposal writing;

''(ii) marketing;

''(iii) Government accounting;

''(iv) Government audits;

''(v) project facilities and equipment;

''(vi) human resources;

''(vii) third phase partners;

''(viii) commercialization;

''(ix) venture capital networking; and

''(x) other matters relevant to the SBIR and STTR programs;

''(3) have experience working with small business concerns participating in the SBIR and STTR programs;

''(4) contribute information to the national database referred to in subsection (d); and

''(5) agree to reimburse volunteer mentors for out-of-pocket expenses related to service as a mentor under this section.

''(d) MENTORING DATABASE.—The Administrator shall—

''(1) include in the database required by section 9(k)(1), in cooperation with the SBIR, STTR, and FAST programs, information on Mentoring Networks and mentors participating under this section, including a description of their areas of expertise;

''(2) work cooperatively with Mentoring Networks to maintain and update the database;

''(3) take such action as may be necessary to aggressively promote Mentoring Networks under this section; and

''(4) fulfill the requirements of this subsection either directly or by contract.''.

SEC. 13. SIMPLIFIED REPORTING REQUIREMENTS.

Section 9 of the Small Business Act (15 U.S.C. 638), as amended by this Act, is amended by adding at the end the following new subsection:

''(v) SIMPLIFIED REPORTING REQUIREMENTS.—The Administrator shall work with the Federal agencies required by this section to have an SBIR program to standardize reporting requirements for the collection of data from SBIR applicants and awardees, including data for inclusion in the database under subsection (k), taking into consideration the unique needs of each agency, and to the extent possible, permitting the updating of previously reported information by electronic means. Such requirements shall be designed to minimize the burden on small businesses.''.

SEC. 14. RURAL OUTREACH PROGRAM EXTENSION.

(a) EXTENSION OF TERMINATION DATE.—Section 501(b)(2) of the Small Business Reauthorization Act of 1997 (15 U.S.C. 638 note; 111 Stat. 2622) is amended by striking ''2001'' and inserting ''2005''.

(b) EXTENSION OF AUTHORIZATION OF APPROPRIATIONS.—Section 9(s)(2) of the Small Business Act (15 U.S.C. 638(s)(2)) is amended by striking ''for fiscal year 1998, 1999, 2000, or 2001'' and inserting ''for each of the fiscal years 2000 through 2005,''.

TIMBISHA SHOSHONE HOMELAND ACT

INOUYE AMENDMENT NO. 3945

(Ordered to lie on the table.)

Mr. INOUYE submitted an amendment intended to be proposed by him to the bill (S. 2102) to provide to the Timbisha Shoshone Tribe a permanent land base within its aboriginal homeland, and for other purposes: as follows:

On page 22, line 20, strike ''(C)'' and insert ''(C)(i)''.

On page 23, between lines 2 and 3, insert the following:

(ii) If the Secretary determines that there is insufficient ground water available on the lands described in clause (i) to satisfy the Tribe's right to ground water to fulfill the purposes associated with the transfer of such lands, then the Tribe and the Secretary shall, within 2 years of such determination, identify approximately 640 acres of land that are administered by the Bureau of Land Management in that portion of Inyo County, California, to the north and east of the China Lake Naval Weapons Center, to be a mutually agreed upon substitute for the lands described in clause (i). If the Secretary determines that sufficient water is available to fulfill the purposes associated with the transfer of the lands described in the preceding sentence, then the Tribe shall request that the Secretary accept such lands into trust for the benefit of the Timbisha Shoshone Tribe, and the Secretary shall accept such lands, together with an amount of water not to exceed 10 acre feet per annum, into trust for the Tribe as a substitute for the lands described in clause (i).

On page 32, between lines 20 and 21, insert the following:

(c) WATER MONITORING.—The Secretary and the Tribe shall develop mutually agreed upon standards for a water monitoring system to assess the effects of water use at Scotty's Junction and at Death Valley Junction on the tribal trust lands described in subparagraphs (A), (B), and (D) of section 5(b)(1), and on the Park. Water monitoring shall be conducted in a manner that is consistent with such standards, which shall be reviewed periodically and revised as necessary.

DISASTER MITIGATION AND COST REDUCTION ACT OF 2000

SMITH OF NEW HAMPSHIRE AMENDMENT NO. 3946

Mr. BURNS (for Mr. SMITH of New Hampshire) proposed an amendment to the bill (H.R. 707) to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to authorize a program for predisaster mitigation, to streamline the administration of disaster relief, to control the Federal costs of disaster assistance, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Disaster Mitigation Act of 2000''.

(b) TABLE OF CONTENTS.—The table of contents of this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—PREDISASTER HAZARD MITIGATION

Sec. 101. Findings and purpose.
Sec. 102. Predisaster hazard mitigation.
Sec. 103. Interagency task force.

TITLE II—DISASTER PREPAREDNESS AND MITIGATION ASSISTANCE

Sec. 201. Insurance.
Sec. 202. Management costs.
Sec. 203. Assistance to repair, restore, reconstruct, or replace damaged facilities.
Sec. 204. Mitigation planning; hazard resistant construction standards.
Sec. 205. State administration of hazard mitigation grant program.
Sec. 206. Study regarding cost reduction.
Sec. 207. Fire management assistance.
Sec. 208. Public notice, comment, and consultation requirements.
Sec. 209. Community disaster loans.
Sec. 210. Temporary housing assistance.
Sec. 211. Individual and family grant program.

TITLE III—MISCELLANEOUS

Sec. 301. Technical correction of short title.
Sec. 302. Definitions.
Sec. 303. Public safety officer benefits for certain Federal and State employees.
Sec. 304. Disaster grant closeout procedures.
Sec. 305. Conforming amendment.

TITLE I—PREDISASTER HAZARD MITIGATION

SEC. 101. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) natural disasters, including earthquakes, tsunamis, tornadoes, hurricanes, flooding, and wildfires, pose great danger to human life and to property throughout the United States;

(2) greater emphasis needs to be placed on—

(A) identifying and assessing the risks to States and local communities from natural disasters;

(B) implementing adequate measures to reduce losses from natural disasters; and

(C) ensuring that the critical infrastructure and facilities of communities will continue to function after a natural disaster;

(3) expenditures for postdisaster assistance are increasing without commensurate reductions in the likelihood of future losses from natural disasters;

(4) in the expenditure of Federal funds under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), high priority should be given to mitigation of hazards to existing and new construction at the local level; and

(5) with a unified effort of economic incentives, awareness and education, technical assistance, and demonstrated Federal support, States and local communities will be able to—

(A) form effective community-based partnerships for hazard mitigation purposes;

(B) implement effective hazard mitigation measures that reduce the potential damage from natural disasters;

(C) ensure continued functionality of the critical infrastructure of communities;

(D) leverage additional non-Federal resources in meeting natural disaster resistance goals; and

(E) make commitments to long-term hazard mitigation efforts to be applied to new and existing construction.

(b) PURPOSE.—The purpose of this Act is to establish a national disaster hazard mitigation program—

(1) to reduce the loss of life and property, human suffering, economic disruption, and disaster assistance costs resulting from natural disasters; and

(2) to provide a source of predisaster hazard mitigation funding that will assist States and local governments in implementing effective hazard mitigation measures that are designed to ensure the continued functionality of critical infrastructure and facilities after a natural disaster.

SEC. 102. PREDISASTER HAZARD MITIGATION.

Title II of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5131 et seq.) is amended by adding at the end the following:

''SEC. 203. PREDISASTER HAZARD MITIGATION.

''(a) IN GENERAL.—The Director of the Federal Emergency Management Agency (referred to in this section as the 'Director') may establish a program to provide technical and financial assistance to States and local governments to assist in the implementation of predisaster hazard mitigation measures designed to reduce injuries, loss of life, and damage and destruction of property, including damage to critical infrastructure and facilities under the jurisdiction of the States or local governments.

''(b) APPROVAL BY DIRECTOR.—If the Director determines that a State or local government has identified all natural disaster hazards in areas under its jurisdiction and has demonstrated the ability to form effective public-private natural disaster hazard mitigation partnerships, the Director, using amounts in the National Predisaster Mitigation Fund established under subsection (e) (referred to in this section as the 'Fund'), may provide technical and financial assistance to the State or local government to be used in accordance with subsection (c).

''(c) USES OF TECHNICAL AND FINANCIAL ASSISTANCE.—Technical and financial assistance provided under subsection (b)—

''(1) shall be used by States and local governments principally to implement predisaster hazard mitigation measures described in proposals approved by the Director under this section; and

''(2) may be used—

''(A) to support effective public-private natural disaster hazard mitigation partnerships;

''(B) to ensure that new development and construction is resistant to natural disasters;

''(C) to improve the assessment of a community's vulnerability to natural hazards; or

''(D) to establish hazard mitigation priorities, and an appropriate hazard mitigation plan, for a community.

''(d) CRITERIA FOR ASSISTANCE AWARDS.—In determining whether to provide technical and financial assistance to a State or local government under subsection (a), the Director shall take into account—

''(1) the extent and nature of the hazards to be mitigated;

''(2) the degree of commitment of the State or local government to reduce damages from future natural disasters;

''(3) the degree of commitment by the State or local government to support ongoing non-Federal support for the hazard mitigation measures to be carried out using the technical and financial assistance; and

''(4) the extent to which the hazard mitigation measures to be carried out using the technical and financial assistance contribute to the mitigation goals and priorities established by the State as a condition of receipt of the annual emergency management performance grant awarded to the State by the Federal Emergency Management Agency.

''(e) NATIONAL PREDISASTER MITIGATION FUND.—

''(1) ESTABLISHMENT.—The Director may establish in the Treasury of the United States a fund to be known as the 'National Predisaster Mitigation Fund', to be used in carrying out this section.

''(2) TRANSFERS TO FUND.—There shall be deposited in the Fund—

''(A) amounts appropriated to carry out this section, which shall remain available until expended; and

''(B) sums available from gifts, bequests, or donations of services or property received by the Director for the purpose of predisaster hazard mitigation.

''(3) EXPENDITURES FROM FUND.—Upon request by the Director, the Secretary of the Treasury shall transfer from the Fund to the Director such amounts as the Director determines are necessary to provide technical and financial assistance under this section.

''(4) INVESTMENT OF AMOUNTS.—

''(A) IN GENERAL.—The Secretary of the Treasury shall invest such portion of the

Fund as is not, in the judgment of the Secretary of the Treasury, required to meet current withdrawals. Investments may be made only in interest-bearing obligations of the United States.

''(B) ACQUISITION OF OBLIGATIONS.—For the purpose of investments under subparagraph (A), obligations may be acquired—

''(i) on original issue at the issue price; or

''(ii) by purchase of outstanding obligations at the market price.

''(C) SALE OF OBLIGATIONS.—Any obligation acquired by the Fund may be sold by the Secretary of the Treasury at the market price.

''(D) CREDITS TO FUND.—The interest on, and the proceeds from the sale or redemption of, any obligations held in the Fund shall be credited to and form a part of the Fund.

''(E) TRANSFERS OF AMOUNTS.—

''(i) IN GENERAL.—The amounts required to be transferred to the Fund under this subsection shall be transferred at least monthly from the general fund of the Treasury to the Fund on the basis of estimates made by the Secretary of the Treasury.

''(ii) ADJUSTMENTS.—Proper adjustment shall be made in amounts subsequently transferred to the extent prior estimates were in excess of or less than the amounts required to be transferred.

''(f) MAXIMUM TOTAL FEDERAL SHARE.—Subject to subsection (g), the amount of financial assistance provided from the Fund shall not exceed an amount equal to 75 percent of the total costs of all hazard mitigation proposals approved by the Director under this section.

''(g) LIMITATION ON TOTAL AMOUNT OF FINANCIAL ASSISTANCE.—The Director shall not provide financial assistance under this section in an amount greater than the amount available in the Fund.

''(h) TERMINATION OF AUTHORITY.—The authority provided by this section terminates December 31, 2003.''.

SEC. 103. INTERAGENCY TASK FORCE.

Title II of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5131 et seq.) (as amended by section 102) is amended by adding at the end the following:

''SEC. 204. INTERAGENCY TASK FORCE.

''(a) IN GENERAL.—The President shall establish a Federal interagency task force for the purpose of coordinating the implementation of predisaster hazard mitigation programs administered by the Federal Government.

''(b) CHAIRPERSON.—The Director of the Federal Emergency Management Agency shall serve as the chairperson of the task force.

''(c) MEMBERSHIP.—The membership of the task force shall include representatives of State and local government organizations and the American Red Cross.''.

TITLE II—DISASTER PREPAREDNESS AND MITIGATION ASSISTANCE

SEC. 201. INSURANCE.

(a) IN GENERAL.—Section 311(a)(2) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5154(a)(2)) is amended—

(1) by striking ''In'' and inserting the following:

''(A) IN GENERAL.—In''; and

(2) by adding at the end the following:

''(B) REQUIRED INSURANCE OR SELF-INSURANCE.—Not later than 1 year after the date of enactment of this subparagraph, the President shall promulgate regulations under which States, communities, and other applicants subject to paragraph (1) shall be required to protect property through adequate levels of insurance or self-insurance if—

''(i) the appropriate State insurance commissioner makes the certification described in subparagraph (A); and

''(ii) the President determines that the property is not adequately protected against natural or other disasters.

''(C) REGULATIONS.—In promulgating any new regulation requiring public structures to be insured to be eligible for assistance, the President shall—

''(i) include in the regulation—

''(I) definitions relating to insurance that are expressed in known and generally accepted terms;

''(II) a definition of 'adequate insurance';

''(III) the specific criteria for a waiver of any insurance eligibility requirement under the regulation;

''(IV) a definition of 'self-insurance' that is sufficiently flexible to take into consideration alternative risk financing methods;

''(V) available market research used in determining the availability of insurance; and

''(VI) a cost-benefit analysis; and

''(ii) consider—

''(I) alternative risk-financing mechanisms, including risk sharing pools and self-insurance; and

''(II) the use of independent experts in insurance, disaster preparedness, risk management, and finance to assist in developing the proposed regulation.''.

(b) TECHNICAL AMENDMENTS.—Section 311 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5154) is amended in subsections (a)(1), (b), and (c) by striking ''section 803 of the Public Works and Economic Development Act of 1965'' each place it appears and inserting ''sections 201 and 209 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3141, 3149)''.

SEC. 202. MANAGEMENT COSTS.

(a) IN GENERAL.—Title III of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5141 et seq.) is amended by adding at the end the following:

''SEC. 322. MANAGEMENT COSTS.

''(a) DEFINITION OF MANAGEMENT COST.—In this section, the term 'management cost' includes any indirect cost, administrative expense, and any other expense not directly chargeable to a specific project under a major disaster, emergency, or disaster preparedness or mitigation activity or measure.

''(b) MANAGEMENT COST RATES.—Notwithstanding any other provision of law (including any administrative rule or guidance), the President shall establish management cost rates for grantees and subgrantees that shall be used to determine contributions under this Act for management costs.

''(c) REVIEW.—The President shall review the management cost rates established under subsection (b) not later than 3 years after the date of establishment of the rates and periodically thereafter.

''(d) REGULATIONS.—The President shall promulgate regulations to define appropriate costs to be included in management costs under this section.''.

(b) APPLICABILITY.—Section 322 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (as added by subsection (a)) shall apply as follows:

(1) IN GENERAL.—Subsections (a), (b), and (d) of section 322 of that Act shall apply to each major disaster declared under that Act on or after the date of enactment of this Act. Until the date on which the President establishes the management cost rates under subsection (b) of that section, section 406(f) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5172(f)) shall be used for establishing the rates.

(2) REVIEW.—Section 322(c) of that Act shall apply to each major disaster declared under that Act on or after the date on which the President establishes the management cost rates under section 322(b) of that Act.

(c) CONFORMING AMENDMENTS.—

(1) IN GENERAL.—Section 406 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5172) is amended by striking subsection (f).

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) takes effect on the date of publication in the Federal Register of the management cost rates established under section 322(b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (as added by subsection (a)).

SEC. 203. ASSISTANCE TO REPAIR, RESTORE, RECONSTRUCT, OR REPLACE DAMAGED FACILITIES.

(a) CONTRIBUTIONS.—Section 406 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5172) is amended by striking subsection (a) and inserting the following:

''(a) CONTRIBUTIONS.—

''(1) IN GENERAL.—

''(A) AUTHORITY.—The President may make contributions—

''(i) to a State or local government for the repair, restoration, reconstruction, or replacement of a public facility that is damaged or destroyed by a major disaster and for associated expenses incurred by the government; and

''(ii) subject to paragraph (2), to a person that owns or operates a private nonprofit facility damaged or destroyed by a major disaster for the repair, restoration, reconstruction, or replacement of the facility and for associated expenses incurred by the person.

''(B) ASSOCIATED EXPENSES.—For the purposes of this section, associated expenses shall include—

''(i) the costs of mobilizing and employing the National Guard for performance of eligible work;

''(ii) the costs of using prison labor to perform eligible work, including wages actually paid, transportation to a worksite, and extraordinary costs of guards, food, and lodging;

''(iii) base and overtime wages for employees and extra hires performing eligible work plus fringe benefits on such wages to the extent that such benefits were being paid before the major disaster; and

''(iv) other expenses determined appropriated by the President.

''(2) CONDITIONS FOR ASSISTANCE FOR PRIVATE NONPROFIT FACILITIES.—The President may make contributions for a private nonprofit facility under paragraph (1)(B) only if—

''(A) the facility provides critical infrastructure in the event of a major disaster;

''(B) the person that owns or operates the facility—

''(i) has applied for a disaster loan under section 7(b) of the Small Business Act (15 U.S.C. 636(b)); and

''(ii) has been determined to be ineligible for such a loan; or

''(C) the person that owns or operates the facility has obtained such a loan in the maximum amount for which the Small Business Administration determines the facility is eligible.

''(3) NOTIFICATION TO CONGRESS.—Before making any contribution under this section in an amount greater than $20,000,000, the President shall notify—

''(A) the Committee on Environment and Public Works of the Senate;

''(B) the Committee on Appropriations of the Senate;

''(C) the Committee on Transportation and Infrastructure of the House of Representatives; and

''(D) the Committee on Appropriations of the House of Representatives.''.

(b) FEDERAL SHARE.—Section 406 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5172) is amended by striking subsection (b) and inserting the following:

''(b) FEDERAL SHARE.—

''(1) MINIMUM FEDERAL SHARE.—Except as provided in paragraph (2), the Federal share of assistance under this section shall be not less than 75 percent of the eligible cost of repair, restoration, reconstruction, or replacement carried out under this section.

''(2) REDUCED FEDERAL SHARE.—The President shall promulgate regulations to reduce the Federal share of assistance under this section in the case of the repair, restoration, reconstruction, or replacement of any eligible public or private nonprofit facility—

''(A) that has previously been damaged, on more than 1 occasion, by the same type of event; and

''(B) the owner of which has failed to implement appropriate mitigation measures to address the hazard that caused the damage to the facility.''.

(c) LARGE IN-LIEU CONTRIBUTIONS.—Section 406 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5172) is amended by striking subsection (c) and inserting the following:

''(c) LARGE IN-LIEU CONTRIBUTIONS.—

''(1) FOR PUBLIC FACILITIES.—

''(A) IN GENERAL.—In any case in which a State or local government determines that the public welfare would not be best served by repairing, restoring, reconstructing, or replacing any public facility owned or controlled by the State or local government, the State or local government may elect to receive, in lieu of a contribution under subsection (a)(1)(A), a contribution in an amount equal to 75 percent of the Federal share of the cost of repairing, restoring, reconstructing, or replacing the facility and of management costs, as estimated by the President.

''(B) USE OF FUNDS.—

''(i) IN GENERAL.—Subject to clause (ii), funds made available to a State or local government under this paragraph may be used to repair, restore, or expand other eligible public facilities, to construct new facilities, or to fund hazard mitigation measures, that the State or local government determines to be necessary to meet a need for governmental services and functions in the area affected by the major disaster.

''(ii) LIMITATIONS.—Funds made available to a State or local government under this paragraph may not be used for—

''(I) any public facility located in a regulatory floodway (as defined in section 59.1 of title 44, Code of Federal Regulations (or a successor regulation)); or

''(II) any uninsured public facility located in a special flood hazard area identified by the Director of the Federal Emergency Management Agency under the National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.).

''(2) FOR PRIVATE NONPROFIT FACILITIES.—

''(A) IN GENERAL.—In any case in which a person that owns or operates a private nonprofit facility determines that the public welfare would not be best served by repairing, restoring, reconstructing, or replacing the facility, the person may elect to receive, in lieu of a contribution under subsection (a)(1)(B), a contribution in an amount equal to 75 percent of the Federal share of the cost of repairing, restoring, reconstructing, or replacing the facility and of management costs, as estimated by the President.

''(B) USE OF FUNDS.—

''(i) IN GENERAL.—Subject to clause (ii), funds made available to a person under this paragraph may be used to repair, restore, or expand other eligible private nonprofit facilities owned or operated by the person, to construct new private nonprofit facilities owned or operated by the person, or to fund hazard mitigation measures, that the person determines to be necessary to meet a need for services and functions in the area affected by the major disaster.

''(ii) LIMITATIONS.—Funds made available to a person under this paragraph may not be used for—

''(I) any private nonprofit facility located in a regulatory floodway (as defined in section 59.1 of title 44, Code of Federal Regulations (or a successor regulation)); or

''(II) any uninsured private nonprofit facility located in a special flood hazard area identified by the Director of the Federal Emergency Management Agency under the National Flood Insurance Act of 1968 (42 U.S.C. 4001 et seq.).''.

(d) ELIGIBLE COST.—

(1) IN GENERAL.—Section 406 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5172) is amended by striking subsection (e) and inserting the following:

''(e) ELIGIBLE COST.—

''(1) DETERMINATION.—

''(A) IN GENERAL.—For the purposes of this section, the President shall estimate the eligible cost of repairing, restoring, reconstructing, or replacing a public facility or private nonprofit facility—

''(i) on the basis of the design of the facility as the facility existed immediately before the major disaster; and

''(ii) in conformity with codes, specifications, and standards (including floodplain management and hazard mitigation criteria required by the President or under the Coastal Barrier Resources Act (16 U.S.C. 3501 et seq.)) applicable at the time at which the disaster occurred.

''(B) COST ESTIMATION PROCEDURES.—

''(i) IN GENERAL.—Subject to paragraph (2), the President shall use the cost estimation procedures developed under paragraph (3) to determine the eligible cost under this subsection.

''(ii) APPLICABILITY.—The procedures specified in this paragraph and paragraph (2) shall apply only to projects the eligible cost of which is equal to or greater than the amount specified in section 422.

''(2) MODIFICATION OF ELIGIBLE COST.—

''(A) ACTUAL COST GREATER THAN CEILING PERCENTAGE OF ESTIMATED COST.—In any case in which the actual cost of repairing, restoring, reconstructing, or replacing a facility under this section is greater than the ceiling percentage established under paragraph (3) of the cost estimated under paragraph (1), the President may determine that the eligible cost includes a portion of the actual cost of the repair, restoration, reconstruction, or replacement that exceeds the cost estimated under paragraph (1).

''(B) ACTUAL COST LESS THAN ESTIMATED COST.—

''(i) GREATER THAN OR EQUAL TO FLOOR PERCENTAGE OF ESTIMATED COST.—In any case in which the actual cost of repairing, restoring, reconstructing, or replacing a facility under this section is less than 100 percent of the cost estimated under paragraph (1), but is greater than or equal to the floor percentage established under paragraph (3) of the cost estimated under paragraph (1), the State or local government or person receiving funds under this section shall use the excess funds to carry out cost-effective activities that reduce the risk of future damage, hardship, or suffering from a major disaster.

''(ii) LESS THAN FLOOR PERCENTAGE OF ESTIMATED COST.—In any case in which the actual cost of repairing, restoring, reconstructing, or replacing a facility under this section is less than the floor percentage established under paragraph (3) of the cost estimated under paragraph (1), the State or local government or person receiving assistance under this section shall reimburse the President in the amount of the difference.

''(C) NO EFFECT ON APPEALS PROCESS.—Nothing in this paragraph affects any right of appeal under section 423.

''(3) EXPERT PANEL.—

''(A) ESTABLISHMENT.—Not later than 18 months after the date of enactment of this paragraph, the President, acting through the Director of the Federal Emergency Management Agency, shall establish an expert panel, which shall include representatives from the construction industry and State and local government.

''(B) DUTIES.—The expert panel shall develop recommendations concerning—

''(i) procedures for estimating the cost of repairing, restoring, reconstructing, or replacing a facility consistent with industry practices; and

''(ii) the ceiling and floor percentages referred to in paragraph (2).

''(C) REGULATIONS.—Taking into account the recommendations of the expert panel under subparagraph (B), the President shall promulgate regulations to establish procedures and the ceiling and floor percentages referred to in paragraph (2).

''(D) REVIEW BY PRESIDENT.—Not later than 2 years after the date of promulgation of regulations under subparagraph (C) and periodically thereafter, the President shall review the cost estimation procedures and the ceiling and floor percentages established under this paragraph.

''(E) REPORT TO CONGRESS.—Not later than 1 year after the date of promulgation of regulations under subparagraph (C), 2 years after that date, and at the end of each 2-year period thereafter, the expert panel shall submit to Congress a report on the appropriateness of the cost estimation procedures.

''(4) SPECIAL RULE.—In any case in which the facility being repaired, restored, reconstructed, or replaced under this section was under construction on the date of the major disaster, the cost of repairing, restoring, reconstructing, or replacing the facility shall include, for the purposes of this section, only those costs that, under the contract for the construction, are the owner's responsibility and not the contractor's responsibility.''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect on the date of enactment of this Act, except that paragraph (1) of section 406(e) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (as amended by paragraph (1)) shall take effect on the date on which the procedures developed under paragraph (3) of that section take effect.

(e) DEFINITION OF CRITICAL INFRASTRUCTURE.—Section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122) is amended by adding at the end the following:

''(10) CRITICAL INFRASTRUCTURE.—The term 'critical infrastructure' has the meaning given the term by the President, but includes, at a minimum, the provision of power, water (including water provided by a nongovernment entity), sewer, wastewater treatment, communications, and essential medical care.''.

SEC. 204. MITIGATION PLANNING; HAZARD RESISTANT CONSTRUCTION STANDARDS.

(a) IN GENERAL.—Title III of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5141 et seq.) (as amended by section 202(a)) is amended by adding at the end the following:

"SEC. 323. MITIGATION PLANNING.

''(a) REQUIREMENT OF MITIGATION PLAN.—As a condition of receipt of a disaster loan or grant under this Act, a State, local, or tribal government shall develop and submit for approval to the Director of the Federal Emergency Management Agency a mitigation plan that outlines processes for identifying the natural hazards, risks, and vulnerabilities of the area under the jurisdiction of the government.

''(b) LOCAL AND TRIBAL PLANS.—Each mitigation plan developed by a local or tribal government shall—

''(1) describe actions to mitigate hazards, risks, and vulnerabilities identified under the plan; and

''(2) establish a strategy to implement those actions.

''(c) STATE PLANS.—The State process of development of a mitigation plan under this section shall—

''(1) identify the natural hazards, risks, and vulnerabilities of areas in the State;

''(2) support development of local mitigation plans;

''(3) provide for technical assistance to local and tribal governments for mitigation planning; and

''(4) identify and prioritize mitigation actions that the State will support, as resources become available.

''(d) FUNDING.—

''(1) IN GENERAL.—Federal contributions under section 404 may be used to fund the development and updating of mitigation plans under this section.

''(2) MAXIMUM FEDERAL CONTRIBUTION.—With respect to any mitigation plan, a State, local, or tribal government may use an amount of Federal contributions under section 404 not to exceed 5 percent of the amount of such contributions available to the government as of a date determined by the government.

''(e) INCREASED FEDERAL SHARE FOR HAZARD MITIGATION MEASURES.—

''(1) IN GENERAL.—If, at the time of the declaration of a major disaster, a State has in effect an approved mitigation plan under this section, the President may increase to 20 percent, with respect to the major disaster, the maximum percentage specified in the last sentence of section 404(a).

''(2) FACTORS FOR CONSIDERATION.—In determining whether to increase the maximum percentage under paragraph (1), the President shall consider whether the State has established—

''(A) eligibility criteria for property acquisition and other types of mitigation measures;

''(B) requirements for cost effectiveness that are related to the eligibility criteria;

''(C) a system of priorities that is related to the eligibility criteria;

''(D) a process by which an assessment of the effectiveness of a mitigation action may be carried out after the mitigation action is complete; and

''(E) hazard resistant construction standards, as may be required under section 324.

"SEC. 324. HAZARD RESISTANT CONSTRUCTION STANDARDS.

''(a) IN GENERAL.—As a condition of receipt of a disaster loan or grant under this Act—

''(1) the recipient shall carry out any repair or construction to be financed with the loan or grant in accordance with applicable standards of safety, decency, and sanitation and in conformity with applicable codes, specifications, and standards; and

''(2) the President may require safe land use and construction practices, after adequate consultation with appropriate State and local government officials.

''(b) EVIDENCE OF COMPLIANCE.—A recipient of a disaster loan or grant under this Act shall provide such evidence of compliance with this section as the President may require by regulation.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 404(a) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170c(a)) is amended in the second sentence by striking ''section 409'' and inserting ''section 323''.

(2) Section 409 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5176) is repealed.

SEC. 205. STATE ADMINISTRATION OF HAZARD MITIGATION GRANT PROGRAM.

Section 404 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170c) is amended by adding at the end the following:

''(c) PROGRAM ADMINISTRATION BY STATES.—

''(1) IN GENERAL.—A State desiring to administer the hazard mitigation grant program established by this section with respect to hazard mitigation assistance in the State may submit to the President an application for the delegation of the authority.

''(2) CRITERIA.—The President, in consultation and coordination with States and local governments, shall establish criteria for the approval of applications submitted under paragraph (1). The criteria shall include, at a minimum—

''(A) the demonstrated ability of the State to manage the grant program under this section;

''(B) having in effect an approved mitigation plan under section 323; and

''(C) a demonstrated commitment to mitigation activities.

''(3) APPROVAL.—The President shall approve an application submitted under paragraph (1) that meets the criteria established under paragraph (2).

''(4) WITHDRAWAL OF APPROVAL.—If, after approving an application of a State submitted under paragraph (1), the President determines that the State is not administering the hazard mitigation grant program established by this section in a manner satisfactory to the President, the President shall withdraw the approval.

''(5) AUDITS.—The President shall provide for periodic audits of the hazard mitigation grant programs administered by States under this subsection.''.

SEC. 206. STUDY REGARDING COST REDUCTION.

(a) STUDY.—The National Academy of Sciences shall conduct a study to estimate the reduction in Federal disaster assistance that has resulted and is likely to result from the enactment of this Act.

(b) REPORT.—Not later than 3 years after the date of enactment of this Act, the National Academy of Sciences shall submit to Congress a report on the results of the study.

SEC. 207. FIRE MANAGEMENT ASSISTANCE.

(a) IN GENERAL.—Section 420 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5187) is amended to read as follows:

"SEC. 420. FIRE MANAGEMENT ASSISTANCE.

''(a) IN GENERAL.—The President is authorized to provide assistance, including grants, equipment, supplies, and personnel, to any State or local government for the mitigation, management, and control of any fire on public or private forest land or grassland with urban interface that threatens such destruction as would constitute a major disaster.

''(b) COORDINATION WITH STATE DEPARTMENTS OF FORESTRY.—In providing assistance under this section, the President shall coordinate with State departments of forestry.

''(c) ESSENTIAL ASSISTANCE.—In providing assistance under this section, the President may use the authority provided under section 403.

''(d) RULES AND REGULATIONS.—The President shall prescribe such rules and regulations as are necessary to carry out this section.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) takes effect 1 year after the date of enactment of this Act.

SEC. 208. PUBLIC NOTICE, COMMENT, AND CONSULTATION REQUIREMENTS.

Title III of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5141 et seq.) (as amended by section 204) is amended by adding at the end the following:

"SEC. 325. PUBLIC NOTICE, COMMENT, AND CONSULTATION REQUIREMENTS.

''(a) PUBLIC NOTICE AND COMMENT CONCERNING NEW OR MODIFIED POLICIES.—

''(1) IN GENERAL.—The President shall provide for public notice and opportunity for comment before adopting any new or modified policy that—

''(A) governs implementation of the public assistance program administered by the Federal Emergency Management Agency under this Act; and

''(B) could result in a significant reduction of assistance under the program.

''(2) APPLICATION.—Any policy adopted under paragraph (1) shall apply only to a major disaster or emergency declared on or after the date on which the policy is adopted.

''(b) CONSULTATION CONCERNING INTERIM POLICIES.—Before adopting any interim policy under the public assistance program to address specific conditions that relate to a major disaster or emergency that has been declared under this Act, the President, to the maximum extent practicable, shall solicit the views and recommendations of grantees and subgrantees with respect to the major disaster or emergency concerning the potential interim policy, if the interim policy is likely—

''(1) to result in a significant reduction of assistance to applicants for the assistance with respect to the major disaster or emergency; or

''(2) to change the terms of a written agreement to which the Federal Government is a party concerning the declaration of the major disaster or emergency.

''(c) PUBLIC ACCESS.—The President shall promote public access to policies governing the implementation of the public assistance program.

''(d) NO LEGAL RIGHT OF ACTION.—Nothing in this section confers a legal right of action on any party.''.

SEC. 209. COMMUNITY DISASTER LOANS.

Section 417 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5184) is amended—

(1) by striking ''(a) The President'' and inserting the following:

''(a) IN GENERAL.—The President'';

(2) by striking ''The amount'' and inserting the following:

''(b) AMOUNT.—The amount'';

(3) by striking ''Repayment'' and inserting the following:

''(c) REPAYMENT.—

''(1) CANCELLATION.—Repayment'';

(4) by striking ''(b) Any loans'' and inserting the following:

''(d) EFFECT ON OTHER ASSISTANCE.—Any loans'';

(5) in subsection (b) (as designated by paragraph (2))—

(A) by striking ''and shall'' and inserting ''shall''; and

(B) by inserting before the period at the end the following: '', and shall not exceed $5,000,000''; and

(6) in subsection (c) (as designated by paragraph (3)), by adding at the end the following:

''(2) CONDITION ON CONTINUING ELIGIBILITY.—A local government shall not be eligible for further assistance under this section during any period in which the local government is in arrears with respect to a required repayment of a loan under this section.''.

SEC. 210. TEMPORARY HOUSING ASSISTANCE.

Section 408(c) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5174(c)) is amended—

(1) by striking ''In lieu of'' and inserting the following:

''(1) IN GENERAL.—In lieu of''; and

(2) by adding at the end the following:

''(2) LIMITATION ON ASSISTANCE.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the amount of assistance provided to a household under this subsection shall not exceed $5,000, as adjusted annually to reflect changes in the Consumer Price Index for All Urban Consumers published by the Department of Labor.

''(B) ADDITIONAL ASSISTANCE.—The President may provide additional assistance to a household that is unable to secure temporary housing through insurance proceeds or loans or other financial assistance from the Small Business Administration or another Federal agency.''.

SEC. 211. INDIVIDUAL AND FAMILY GRANT PROGRAM.

Section 411 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5178) is amended—

(1) by striking subsection (a) and inserting the following:

''(a) IN GENERAL.—The President, in consultation and coordination with a State, may make a grant directly, or through the State, to an individual or a family that is adversely affected by a major disaster to assist the individual or family in meeting disaster-related necessary expenses or serious needs of the individual or family, if the individual or family is unable to meet the expenses or needs through—

''(1) assistance under other provisions of this Act; or

''(2) other means.'';

(2) by striking subsection (d) and inserting the following:

''(d) ADMINISTRATIVE EXPENSES.—If a State determines that a grant to an individual or a family under this section shall be made through the State, the State shall pay, without reimbursement from any funds made available under this Act, the cost of all administrative expenses associated with the management of the grant by the State.'';

(3) by striking subsection (e); and

(4) by redesignating subsection (f) as subsection (e).

TITLE III—MISCELLANEOUS

SEC. 301. TECHNICAL CORRECTION OF SHORT TITLE.

The first section of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 note) is amended to read as follows:

''SECTION 1. SHORT TITLE.

''This Act may be cited as the 'Robert T. Stafford Disaster Relief and Emergency Assistance Act'.''.

SEC. 302. DEFINITIONS.

Section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122) is amended—

(1) in each of paragraphs (3) and (4), by striking ''the Northern'' and all that follows through ''Pacific Islands'' and inserting ''and the Commonwealth of the Northern Mariana Islands'';

(2) by striking paragraph (6) and inserting the following:

''(6) LOCAL GOVERNMENT.—The term 'local government' means—

''(A) a county, municipality, city, town, township, local public authority, school district, special district, intrastate district, council of governments (regardless of whether the council of governments is incorporated as a nonprofit corporation under State law), regional or interstate government entity, or agency or instrumentality of a local government;

''(B) an Indian tribe or authorized tribal organization, or Alaska Native village or organization; and

''(C) a rural community, unincorporated town or village, or other public entity, for which an application for assistance is made by a State or political subdivision of a State.''; and

(3) in paragraph (9), by inserting ''irrigation,'' after ''utility,''.

SEC. 303. PUBLIC SAFETY OFFICER BENEFITS FOR CERTAIN FEDERAL AND STATE EMPLOYEES.

(a) IN GENERAL.—Section 1204 of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796b) is amended by striking paragraph (7) and inserting the following:

''(7) 'public safety officer' means—

''(A) an individual serving a public agency in an official capacity, with or without compensation, as a law enforcement officer, as a firefighter, or as a member of a rescue squad or ambulance crew;

''(B) an employee of the Federal Emergency Management Agency who is performing official duties of the Agency in an area, if those official duties—

''(i) are related to a major disaster or emergency that has been, or is later, declared to exist with respect to the area under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.); and

''(ii) are determined by the Director of the Federal Emergency Management Agency to be hazardous duties; or

''(C) an employee of a State or local emergency management or civil defense agency who is performing official duties in cooperation with the Federal Emergency Management Agency in an area, if those official duties—

''(i) are related to a major disaster or emergency that has been, or is later, declared to exist with respect to the area under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.); and

''(ii) are determined by the head of the agency to be hazardous duties.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) applies only to employees described in subparagraphs (B) and (C) of section 1204(7) of the Omnibus Crime Control and Safe Streets Act of 1968 (as amended by subsection (a)) who are injured or who die in the line of duty on or after the date of enactment of this Act.

SEC. 304. DISASTER GRANT CLOSEOUT PROCEDURES.

Title VII of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5101 et seq.) is amended by adding at the end the following:

''SEC. 705. DISASTER GRANT CLOSEOUT PROCEDURES.

''(a) STATUTE OF LIMITATIONS.—

''(1) IN GENERAL.—Except as provided in paragraph (2), no administrative action to recover any payment made to a State or local government for disaster or emergency assistance under this Act shall be initiated in any forum after the date that is 3 years after the date of transmission of the final expenditure report for the disaster or emergency.

''(2) FRAUD EXCEPTION.—The limitation under paragraph (1) shall apply unless there is evidence of civil or criminal fraud.

''(b) REBUTTAL OF PRESUMPTION OF RECORD MAINTENANCE.—

''(1) IN GENERAL.—In any dispute arising under this section after the date that is 3 years after the date of transmission of the final expenditure report for the disaster or emergency, there shall be a presumption that accounting records were maintained that adequately identify the source and application of funds provided for financially assisted activities.

''(2) AFFIRMATIVE EVIDENCE.—The presumption described in paragraph (1) may be rebutted only on production of affirmative evidence that the State or local government did not maintain documentation described in that paragraph.

''(3) INABILITY TO PRODUCE DOCUMENTATION.—The inability of the Federal, State, or local government to produce source documentation supporting expenditure reports later than 3 years after the date of the transmission of the final expenditure report shall not constitute evidence to rebut the presumption described in paragraph (1).

''(4) RIGHT OF ACCESS.—The period during which the Federal, State, or local government has the right to access source documentation shall not be limited to the required 3-year retention period referred to in paragraph (3), but shall last as long as the records are maintained.

''(c) BINDING NATURE OF GRANT REQUIREMENTS.—A State or local government shall not be liable for reimbursement or any other penalty for any payment made under this Act if—

''(1) the payment was authorized by an approved agreement specifying the costs;

''(2) the costs were reasonable; and

''(3) the purpose of the grant was accomplished.''.

SEC. 305. CONFORMING AMENDMENT.

Title II of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5131 et seq.) is amended by striking the title heading and inserting the following:

''TITLE II—DISASTER PREPAREDNESS AND MITIGATION ASSISTANCE''.

TORRICELLI AMENDMENT NO. 3947

(Ordered to lie on the table.)

Mr. TORRICELLI submitted an amendment intended to be proposed by him to the bill, H.R. 4461; supra; as follows:

At the appropriate place, insert the following:

SEC. . SENSE OF THE SENATE REGARDING PREFERENCE FOR ASSISTANCE FOR VICTIMS OF DOMESTIC VIOLENCE.

It is the sense of the Senate that the Secretary of Agriculture, in selecting public agencies and nonprofit organizations to provide transitional housing under section 592(c) of subtitle G of title IV of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11408a(c)), should consider preferences for agencies and organizations that provide transitional housing for individuals and families who are homeless as a result of domestic violence.

DASCHLE AMENDMENTS NOS. 3948–3951

(Ordered to lie on the table.)

Mr. DASCHLE submitted four amendments intended to be proposed by him to the bill, H.R. 4461, supra; as follows:

AMENDMENT NO. 3948

On page 89, after line 19, add the following:

SEC. 1111. RENEWABLE ENERGY RESERVE.—(a) DEFINITIONS.—In this section:

(1) ELIGIBLE COMMODITY.—The term ''eligible commodity'' means an agricultural commodity that can be used in the production of renewable energy, including corn, soybeans, and sugar.

(2) RESERVE.—The term ''reserve'' means the renewable energy reserve of eligible commodities established under section 3(a).

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

(b) ESTABLISHMENT.—As soon as practicable after the date of enactment of this Act, the Secretary shall establish a renewable energy reserve of eligible commodities, or any combination of eligible commodities, totaling, for each eligible commodity reserved, not more than the quantity of the eligible commodity in metric tons that is used in the United States in 1 year, as determined by the Secretary.

(c) REPLENISHMENT OF RESERVE.—

(1) IN GENERAL.—The Secretary may acquire an eligible commodity of equivalent value to an eligible commodity in the reserve—

(A) subject to paragraph (2), through purchases—

(i) from producers; or

(ii) in the market, if the Secretary determines that the purchases will not unduly disrupt the market; or

(B) by designation by the Secretary of stocks of the eligible commodity of the Commodity Credit Corporation.

(2) CONDITION ON PURCHASE.—The Secretary may purchase an eligible commodity for the reserve under paragraph (1)(A) only when the market price of the eligible commodity is less than 100 percent of the economic cost of production of that commodity.

(d) RELEASE OF ELIGIBLE COMMODITIES.—The Secretary may sell an eligible commodity from the reserve to a renewable energy producer if the Secretary determines that such a sale is necessary to maintain competitive renewable energy production.

(e) STORAGE.—

(1) IN GENERAL.—An eligible commodity in the reserve shall be stored on-farm.

(2) FIRST RIGHT OF ORIGINAL PRODUCER.—The Secretary first shall offer to the original producer of an eligible commodity the opportunity to store the quantity of the eligible commodity.

(3) EQUITABLE STORAGE SYSTEM.—If the original producer declines to store an eligible commodity under paragraph (2), the Secretary shall distribute the storage opportunity among other eligible producers, in accordance with an equitable storage system to be developed by the Secretary.

(4) RATES.—The rate for the storage of an eligible commodity under this subsection shall be at least equal to the local commercial rate for the storage of comparable commodities in effect on the date on which the storage begins.

(5) MAINTENANCE OF QUALITY.—A producer that stores an eligible commodity under this subsection shall maintain the quality of the eligible commodity in accordance with regulations promulgated under subsection (f)(1).

(f) REGULATIONS.—As soon as practicable after the date of enactment of this Act, the Secretary shall promulgate regulations to carry out this section, including regulations that—

(1) specify requirements for maintenance of the quality of eligible commodities stored under subsection (e); and

(2) ensure, to the maximum extent practicable, that any eligible commodity released from the reserve is—

(A) used for its intended purpose; and

(B) not resold into 1 or more other markets.

AMENDMENT NO. 3949

On page 75, between lines 16 and 17, insert the following:

SEC. 740. GOOD FAITH RELIANCE.—The Food Security Act of 1985 is amended by inserting after section 1235A (16 U.S.C. 3835a) the following:

''SEC. 1235B. GOOD FAITH RELIANCE.

''Notwithstanding any other provision of this subchapter, the Secretary may allow land that is enrolled in the conservation reserve under a contract entered into under this subchapter after January 1, 2000, and that is subsequently determined to be ineligible to be enrolled in the conservation reserve, to remain enrolled in, or be reenrolled into, the conservation reserve if, at the time at which the land was originally enrolled in the conservation reserve, the owner or operator of the land relied in good faith on a determination of the Secretary that the land was eligible to be enrolled in the conservation reserve.''.

AMENDMENT NO. 3950

On page 75, between lines 16 and 17, insert the following:

SEC. 740. GOOD FAITH RELIANCE.—The Food Security Act of 1985 is amended by inserting after section 1235A (16 U.S.C. 3835a) the following:

''SEC. 1235B. GOOD FAITH RELIANCE.

''(a) IN GENERAL.—Except as provided in subsection (d) and notwithstanding any other provision of this subchapter, to the extent the Secretary considers it desirable in order to provide fair and equitable treatment, the Secretary may provide equitable relief to an owner or operator that has entered into a contract under this subchapter, and that is subsequently determined to have violated the contract, if the owner or operator in attempting to comply with the terms of the contact took actions in good faith in reliance on the action or advice of an authorized representative of the Secretary.

''(b) TYPES OF RELIEF.—The Secretary may—

''(1) to the extent the Secretary determines that an owner or operator has been injured by good faith reliance described in subsection (a), allow the owner or operator—

''(A) to retain payments received under the contract;

''(B) to continue to receive payments under the contract;

''(C) to keep all or part of the land covered by the contract enrolled in the conservation reserve; or

''(D) to reenroll all or part of the land covered by the contract in the conservation reserve; and

''(2) require the owner or operator to take such actions as are necessary to remedy any failure to comply with the contract.

''(c) RELATION TO OTHER LAW.—The authority to provide relief under this section shall be in addition to any other authority provided in this or any other Act.

''(d) EXCEPTION.—This section shall not apply to a pattern of conduct in which an authorized representative of the Secretary takes actions or provides advice with respect to an owner or operator that the representative and the owner or operator know are inconsistent with applicable law (including regulations).''.

AMENDMENT NO. 3951

At the end of the bill, add the following:

TITLE V—FARMERS AND RANCHERS FAIR COMPETITION

SEC. 5001. SHORT TITLE; TABLE OF CONTENTS.

This title may be cited as the ''Farmers and Ranchers Fair Competition Act of 2000''.

SEC. 5002. FINDINGS AND PURPOSES.

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

(1) Congressional Joint Economic Committee data suggests that over the last 15 years, agribusiness profits have come almost exclusively out of producer income, rather than from increased retail prices. Given the lack of market power of producers, this data raises the question of whether the trend has been a natural market development or is instead a sign of market failure.

(2) Most economists agree that in the last 15 years the real market price for a market basket of food has increased by approximately 3 percent, while the farm value of that food has fallen by approximately 38 percent. Over that period, marketing costs have decreased by 15 percent, which should have narrowed rather than widened the gap.

(3) There is significant concern that increasingly vertically integrated multinational corporations, especially those that own broad biotechnology patents, may be able to exert unreasonable and excessive market power in the future by acquiring companies that own other broad biotechnology patents.

(4) The National Association of Attorneys General is very concerned with the high degree of economic concentration in the agricultural sector and the great potential for anticompetitive practices and behavior. They estimate the top 4 meat packing firms control over 80 percent of steer and heifer slaughter, over 55 percent of hog slaughter, and over 65 percent of sheep slaughter. Increased concentration in the dairy procurement and processing sector is also raising significant concerns.

(5) In the grain industry, United States Department of Agriculture reports that the top 4 firms controlled 56 percent of flour milling, 73 percent of wet corn milling, 71 percent of soybean milling, and 62 percent of cotton seed oil milling.

(6) Moreover, the figures in paragraphs (4) and (5) underestimate true levels of concentration and potential market power because they fail to reflect the web of unreported and difficult to trace joint ventures, strategic alliances, interlocking directorates, and other partial ownership arrangements that link many large corporations.

(7) Concentration of market power also has the effect of increasing the transfer of investment, capital, jobs, and necessary social services out of rural areas to business centers throughout the world. Many individuals representing a wide range of expertise have expressed concern with the potential implications of this trend for the greater public good.

(8) The recent increase in contracting for the production or sale of agricultural commodities, such as livestock and poultry, is a cause for concern because of the significant bargaining power the buyers of these products or services wield over individual farmers and ranchers.

(9) Transparent, freely accessible, and competitive markets are being supplanted by transfer prices set within vertically integrated firms and by the increasing use of private contracts.

(10) Agribusiness firms are showing record profits at the same time that farmers and ranchers are struggling to survive an ongoing price collapse and erratic price trends.

(11) The efforts of farmers and ranchers to improve their market position is hampered by—

(A) extreme disparities in bargaining power between agribusiness firms and the hundreds of thousands of individual farmers and ranchers that sell products to them;

(B) the rapid increase in the use of private contracts that disrupt price discovery and can unfairly disadvantage producers;

(C) the extreme market power of agribusiness firms and alleged anticompetitive practices in the industry;

(D) shrinking opportunities for market access by producers; and

(E) the direct and indirect impact these factors have on the continuing viability of thousands of rural communities across the country.

(b) PURPOSES.—The purposes of this title are to—

(1) enhance fair and open competition in rural America, thereby fostering innovation and economic growth;

(2) permit the Secretary to take actions to enhance the bargaining position of family farmers and ranchers, and to promote the viability of rural communities nationwide;

(3) protect family farms and ranches from—

(A) unfair, unjustly discriminatory, or deceptive practices or devices;

(B) false or misleading statements;

(C) retaliation related to statements lawfully provided; and

(D) other unfair trade practices employed by processors and other agribusinesses; and

(4) permit the Secretary to take actions to enhance the viability of rural communities nationwide.

SEC. 5003. DEFINITIONS.

In this title:

(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 COOPERATIVE.—The term ''agricultural cooperative'' means an association of persons engaged in the production, marketing, or processing of an agricultural commodity that meets the requirements of the Act of February 18, 1922, ''An Act to authorize association of producers of agricultural products'' (7 U.S.C. 291 et seq.; 42 Stat. 388) (commonly known as the ''Capper-Volstead Act'').

(3) BROKER.—The term ''broker'' means any person 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 person's sales of such commodities are not in excess of $1,000,000 per year.

(4) COMMISSION MERCHANT.—The term ''commission merchant'' means any person 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 person's sales of such commodities are not in excess of $1,000,000 per year.

(5) DEALER.—The term ''dealer'' means—

(A) any person (except an agricultural cooperative) engaged in the business of buying, selling, or marketing agricultural commodities in wholesale or jobbing quantities, as determined by the Secretary, in interstate or foreign commerce, except—

(i) no person shall be considered a dealer with respect to sales or marketing of any agricultural commodity of that person's own raising provided such sales or marketing of such agricultural commodities do not exceed $10,000,000 per year; and

(ii) no person shall be considered a dealer who buys, sells, or markets less than $1,000,000 per year of such commodities; and

(B) an agricultural cooperative which sells or markets agricultural commodities of its members' own production if such agricultural cooperative sells or markets more than $1,000,000 of its members' production per year of such commodities.

(6) PROCESSOR.—The term ''processor'' means—

(A) any person (except an agricultural cooperative) 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 in interstate or foreign commerce for human consumption except—

(i) no person shall be considered a processor with respect to the handling, preparing, or manufacturing (including slaughtering) of an agricultural commodity of that person's own raising provided such sales or marketing of such agricultural commodities do not exceed $10,000,000 per year; and

(ii) no person who handles, prepares, or manufactures (including slaughtering) an agricultural commodity in an amount less than $1,000,000 per year shall be considered a processor; and

(B) an agricultural cooperative which processes agricultural commodities of its members' own production if such agricultural cooperative processes more than $1,000,000 of its members' production of such commodities per year.

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

SEC. 5004. PROHIBITIONS AGAINST UNFAIR PRACTICES IN TRANSACTIONS INVOLVING AGRICULTURAL COMMODITIES.

(a) PROHIBITIONS.—It shall be unlawful in, or in connection with, any transaction in interstate or foreign commerce for any dealer, processor, commission merchant, or broker—

(1) to engage in or use any unfair, unreasonable, unjustly discriminatory, or deceptive practice or device in the marketing, receiving, purchasing, sale, or contracting for the production of any agricultural commodity;

(2) to make or give any undue or unreasonable preference or advantage to any particular person or locality or subject any particular person or locality to any undue or unreasonable disadvantage in connection with any transaction involving any agricultural commodity;

(3) to make any false or misleading statement in connection with any transaction involving any agricultural commodity that is purchased or received in interstate or foreign commerce, or involving any production contract, or to fail, without reasonable cause, to perform any specification or duty, express or implied, arising out of any undertaking in connection with any such transaction or production contract;

(4) to retaliate against or disadvantage, or to conspire to retaliate against or disadvantage, any person because of statements or information lawfully provided by such person to any person (including to the Secretary or to a law enforcement agency) regarding alleged improper actions or violations of law by such dealer, processor, commission merchant, or broker (unless such statements or information are determined to be libelous or slanderous under applicable State law);

(5) to include as part of any new or renewed agreement or contract a right of first refusal, or to make any sale or transaction contingent upon the granting of a right of first refusal, until 180 days after the General Accounting Office study under section 5008 is complete; or

(6) to offer different prices contemporaneously for agricultural commodities of like grade and quality (except commodities regulated by the Perishable Agricultural Commodities Act (7 U.S.C. 181 et seq.)) unless—

(A) the commodity is purchased in a public market through a competitive bidding process or under similar conditions which provide opportunities for multiple competitors to seek to acquire the commodity;

(B) the premium or discount reflects the actual cost of acquiring a commodity prior to processing; or

(C) the Secretary has determined that such types of offers do not have a discriminatory impact against small volume producers.

(b) VIOLATIONS.—

(1) COMPLAINTS.—Whenever the Secretary has reason to believe that any dealer, processor, commission merchant, or broker has violated any provision of subsection (a), the Secretary shall cause a complaint in writing to be served on that person or persons, stating the charges in that respect, and requiring the dealer, processor, commission merchant, or broker to attend and testify at a hearing to be held not sooner than 30 days after the service of such complaint.

(2) HEARING.—

(A) IN GENERAL.—The Secretary may hold hearings, sign and issue subpoenas, administer oaths, examine witnesses, receive evidence, and require the attendance and testimony of witnesses and the production of such accounts, records, and memoranda, as the Secretary deems necessary, for the determination of the existence of any violation of this subsection.

(B) RIGHT TO HEARING.—A dealer, processor, commission merchant, or broker may request a hearing if the dealer, processor, commission merchant, or broker is subject to penalty for unfair conduct, under this subsection.

(C) RESPONDENTS RIGHTS.—During a hearing the dealer, processor, commission merchant, or broker shall be given, pursuant to regulations issued by the Secretary, the opportunity—

(i) to be informed of the evidence against such person;

(ii) to cross-examine witnesses; and

(iii) to present evidence.

(D) HEARING LIMITATION.—The issues of any hearing held or requested under this section shall be limited in scope to matters directly related to the purpose for which such hearing was held or requested.

(3) REPORT OF FINDING AND PENALTIES.—

(A) IN GENERAL.—If, after a hearing, the Secretary finds that the dealer, processor, commission merchant, or broker has violated any provisions of subsection (a), the Secretary shall make a report in writing which states the findings of fact and includes an order requiring the dealer, processor, commission merchant, or broker to cease and desist from continuing such violation.

(B) CIVIL PENALTY.—The Secretary may assess a civil penalty not to exceed $100,000 for each such violation of subsection (a).

(4) TEMPORARY INJUNCTION AND FINALITY AND APPEALABILITY OF AN ORDER.—

(A) TEMPORARY INJUNCTION.—At any time after a complaint is filed under paragraph (1), the court, on application of the Secretary, may issue a temporary injunction, restraining to the extent it deems proper, the dealer, processor, commission merchant, or broker and such person's officers, directors, agents, and employees from violating any of the provisions of subsection (a).

(B) APPEALABILITY OF AN ORDER.—An order issued pursuant to this subsection shall be final and conclusive unless within 30 days after service of the order, the dealer, processor, commission merchant, or broker petitions to appeal the order to the court of appeals for the circuit in which such person resides or has its principal place of business or the District of Columbia Circuit Court of Appeals.

(C) DELIVERY OF PETITION.—The clerk of the court shall immediately cause a copy of the petition filed under subparagraph (B) to be delivered to the Secretary and the Secretary shall thereupon file in the court the

record of the proceedings under this subsection.

(D) PENALTY FOR FAILURE TO OBEY AN ORDER.—Any dealer, processor, commission merchant, or broker which fails to obey any order of the Secretary issued under the provisions of this section after such order or such order as modified has been sustained by the court or has otherwise become final, shall be fined not less than $5,000 and not more than $100,000 for each offense. Each day during which such failure continues shall be deemed a separate offense.

(5) RECORDS.—

(A) IN GENERAL.—Every dealer, processor, commission merchant, and broker shall keep for a period of not less than 5 years such accounts, records, and memoranda (including marketing agreements, forward contracts, and formula pricing arrangements) and fully and correctly disclose all transactions involved in the business of such person, including the true ownership of the business.

(B) FAILURE TO KEEP RECORDS OR ALLOW THE SECRETARY TO INSPECT RECORDS.—Failure to keep, or allow the Secretary to inspect records as required by this paragraph shall constitute an unfair practice in violation of subsection (a)(1).

(C) INSPECTION OF RECORDS.—The Secretary shall have the right to inspect such accounts, records, and memoranda (including marketing agreements, forward contracts, and formula pricing arrangements) of any dealer, processor, commission merchant, and broker as may be material to the investigation of any alleged violation of this section or for the purpose of investigating the business conduct or practices of an organization with respect to such dealer, processor, commission merchant or broker.

(c) COMPENSATION FOR INJURY.—

(1) ESTABLISHMENT OF THE FAMILY FARMER AND RANCHER CLAIMS COMMISSION.—

(A) IN GENERAL.—The Secretary shall appoint 3 individuals to a commission to be known as the ''Family Farmer and Rancher Claims Commission'' (in this subsection referred to as the ''Commission'') to review claims of family farmers and ranchers who have suffered financial damages as a result of any violation of this section as determined by the Secretary pursuant to subsection (b)(3).

(B) TERM OF SERVICE.—The member of the Commission shall serve 3-year terms which may be renewed. The initial members of the Commission may be appointed for a period of less than 3 years, as determined by the Secretary.

(2) REVIEW OF CLAIMS.—

(A) SUBMISSION OF CLAIMS.—Family farmers and ranchers damaged as a result of a violation of this section as determined by the Secretary, pursuant to subsection (c)(3) may preserve the right to claim financial damages under this section by filing a claim pursuant to regulations promulgated by the Secretary.

(B) DETERMINATION.—Based on a review of such claims, the Commission shall determine the amount of damages to be paid, if any, as a result of the violation.

(C) REVIEW.—The decisions of the Commission under this paragraph shall not be subject to judicial review except to determine that the amount of damages to be paid is consistent with the published regulations of the Secretary that establish the criteria for implementing this subsection.

(3) FUNDING.—

(A) IN GENERAL.—Funds collected from civil penalties pursuant to this section shall be transferred to a special fund in the Treasury, shall be made available to the Secretary without further appropriation, and shall remain available until expended to pay the expenses of the Commission and the claims described in this subsection.

(B) AUTHORIZATION OF APPROPRIATION.—In addition to the funds described in subparagraph (A), there are authorized to be appropriated such sums as may be necessary to carry out this section.

(4) NO PRECLUSION OF PRIVATE CLAIMS.—By filing an action under this subsection, a family farmer or rancher is not precluded from bringing a cause of action against a dealer, processor, commission, merchant, or broker in any court of appropriate jurisdiction.

(d) AUTHORITY OF THE SECRETARY.—Not later than 180 days after the date of enactment of this section, the Secretary and the Attorney General shall develop and implement a plan to enable, where appropriate, the Secretary to file civil actions, including temporary injunctions, to enforce orders issued by the Secretary under this title.

SEC. 5005. REPORTS OF THE SECRETARY ON POTENTIAL UNFAIR PRACTICES.

(a) FILING PREMERGER NOTICES WITH THE SECRETARY.—No dealer, processor, commission merchant, broker, operator of a warehouse of agricultural commodities, or other agricultural related business shall merge or acquire, directly or indirectly, any voting securities or assets of any other dealer, processor, commission merchant, broker, operator of a warehouse of agricultural commodities, or other agricultural related business unless both persons (or in the case of a tender offer, the acquiring person) file notification pursuant to rules promulgated by the Secretary if—

(1) any voting securities or assets of the dealer, processor, commission merchant, broker, operator of a warehouse of agricultural commodities or other agricultural related business with annual net sales or total assets of $10,000,000 or more are being acquired by a dealer, processor, commission merchant, broker, or operator of a warehouse of agricultural commodities, or other agricultural related business which has total assets or annual net sales of $100,000,000 or more; and

(2) any voting securities or assets of a dealer, processor, commission merchant, broker, operator of a warehouse of agricultural commodities, or other agricultural related business with annual net sales or total assets of $100,000,000 or more are being acquired by any dealer, processor, commission merchant, broker, operator of a warehouse of agricultural commodities, or agriculture related business with annual net sales or total assets of $10,000,000 or more and as a result of such acquisition, if the acquiring person would hold—

(A) 15 percent or more of the voting securities or assets of the acquired person; or

(B) an aggregate total amount of the voting securities and assets of the acquired person in excess of $15,000,000.

(b) REVIEW OF THE SECRETARY.—

(1) IN GENERAL.—Except as provided in paragraph (2), the Secretary may conduct a review of any merger or acquisition described in subsection (a).

(2) EXCEPTION.—The Secretary shall conduct a review of any merger or acquisition described in subsection (a) upon a request from a member of Congress.

(c) ACCESS TO RECORDS.—The Secretary may request any information including any testimony, documentary material, or related information from a dealer, processor, commission merchant, broker, or operator of a warehouse of agricultural commodities, or other agricultural related business, pertaining to any merger or acquisition of any agriculture related business.

(d) PURPOSE OF REVIEW.—

(1) FINDINGS.—The review described in subsection (a) shall make findings whether the merger or acquisition could—

(A) be significantly detrimental to the present or future viability of family farms or ranches or rural communities in the areas affected by the merger or acquisition, pursuant to standards established by the Secretary; or

(B) lead to a violation of section 5004(a) of this Act.

(2) REMEDIES.—The review may include a determination of possible remedies regarding how the parties of the merger or acquisition may take steps to modify their operations to address the findings described in paragraph (1).

(e) REPORT OF REVIEW.—

(1) PRELIMINARY REPORT.—After conducting the review described in this section, the Secretary shall issue a preliminary report to the parties of the merger or acquisition and the Attorney General or the Federal Trade Commission, as appropriate, which shall include findings and any remedies described in subsection (d)(2).

(2) FINAL REPORT.—After affording the parties described in paragraph (1) an opportunity for a hearing regarding the findings and any proposed remedies in the preliminary report, the Secretary shall issue a final report to the President and Attorney General or the Federal Trade Commission, as appropriate, with respect to the merger or acquisition.

(f) IMPLEMENTATION OF THE REPORT.—Not later than 120 days after the issuance of a final report described in subsection (e), the parties of the merger or acquisition affected by such report shall make changes to their operations or structure to comply with the findings and implement any suggested remedy or any agreed upon alternative remedy and shall file a response demonstrating such compliance or implementation.

(g) CONFIDENTIALITY OF INFORMATION.—Information used by the Secretary to conduct the review pursuant to this section provided by a party of the merger or acquisition under review or by a government agency shall be treated by the Secretary as confidential information pursuant to section 1770 of the Food Security Act of 1985 (7 U.S.C. 2276), except that the Secretary may share any information with the Attorney General, the Federal Trade Commission, and a party seeking a hearing pursuant to subsection (e)(2) with respect to information relating to such party. The report issued under subsection (e) shall be available to the public consistent with the confidentiality provisions of this subsection.

(h) PENALTIES.—

(1) IN GENERAL.—After affording the parties an opportunity for a hearing, the Secretary may assess a civil penalty not to exceed $300,000 for the failure of a person to comply with the requirements of subsections (a) and (f). Such hearing shall be limited to the issue of the amount of the civil penalty.

(2) FAILURE TO FOLLOW AN ORDER.—If after being assessed a civil penalty in accordance with paragraph (1) a person continues to fail to meet the applicable requirements of subsections (a) and (f), the Secretary may, after affording the parties an opportunity for a hearing, assess a further civil penalty not to exceed $100,000 for each day such person continues such violation. Such hearing shall be limited to the issue of the additional civil penalty assessed under this paragraph.

SEC. 5006. PLAIN LANGUAGE AND DISCLOSURE REQUIREMENTS FOR CONTRACTS.

(a) IN GENERAL.—Any contract between a family farmer or rancher and a dealer, processor, commission merchant, broker, operator of a warehouse of agricultural commodities, or other agricultural related business shall—

(1) be written in a clear and coherent manner using words with common and everyday

meanings and shall be appropriately divided and captioned by various sections;

(2) disclose in a manner consistent with paragraph (1)—

(A) contract duration;

(B) contract termination;

(C) renegotiation standards;

(D) responsibility for environmental damage;

(E) factors to be used in determining performance payments;

(F) which parties shall be responsible for obtaining and complying with necessary local, State, and Federal government permits; and

(G) any other contract terms the Secretary determines is appropriate for disclosure; and

(3) not contain a confidentiality requirement barring a party of a contract from sharing terms of such contract (excluding trade secrets as applied in the Freedom of Information Act (5 U.S.C. 552 et seq.)) for the purposes of obtaining legal or financial advice or for the purpose of responding to a request from Federal or State agencies.

(b) PENALTIES.—

(1) IN GENERAL.—After affording the parties an opportunity for a hearing, the Secretary may assess a civil penalty not to exceed $100,000 for the failure of a person to comply with the requirements of this section. Such hearing shall be limited to the issue of the amount of the civil penalty.

(2) FAILURE TO FOLLOW AN ORDER.—If after being assessed a civil penalty in accordance with paragraph (1), a person continues to fail to meet the applicable requirements of this section, the Secretary may, after affording the parties an opportunity for a hearing, assess a further civil penalty not to exceed $100,000 for each day such person continues such violation. Such hearing shall be limited to the issue of the amount of the additional civil penalty assessed under this paragraph.

(c) IMPLEMENTATION.—The requirements imposed by this section shall be applicable to contracts entered into or renewed 60 days or subsequently after the date of enactment of this Act.

SEC. 5007. REPORT ON CORPORATE STRUCTURE.

(a) IN GENERAL.—A dealer, processor, commission merchant, or broker with annual sales in excess of $100,000,000 shall annually file with the Secretary, a report which describes, with respect to both domestic and foreign activities; the strategic alliances; ownership in other agribusiness firms or agribusiness-related firms; joint ventures; subsidiaries; brand names; and interlocking boards of directors with other corporations, representatives, and agents that lobby Congress on behalf of such dealer, processor, commission merchant, or broker, as determined by the Secretary. This subsection shall not be construed to apply to contracts.

(b) PENALTIES.—

(1) IN GENERAL.—After affording the parties an opportunity for a hearing, the Secretary may assess a civil penalty not to exceed $100,000 for the failure of a person to comply with the requirements of this section. Such a hearing shall be limited to the issue of the amount of the civil penalty

(2) FAILURE TO FOLLOW AN ORDER.—If after being assessed a civil penalty in accordance with paragraph (1) a person continues to fail to meet the applicable requirements of this section, the Secretary may, after affording the parties an opportunity for a hearing, assess a further civil penalty not to exceed $100,000 for each day such person continues such violation. Such hearing shall be limited to the amount of the additional civil penalty assessed under this paragraph.

SEC. 5008. MANDATORY FUNDING FOR STAFF.

Out of the funds in the Treasury not otherwise appropriated, the Secretary of Treasury shall provide to the Secretary of Agriculture $7,000,000 in each of fiscal years 2002 through 2006, to hire, train, and provide for additional staff to carry out additional responsibilities under this title, including a Special Counsel on Fair Markets and Rural Opportunity, additional attorneys for the Office of General Counsel, investigators, economists, and support staff. Such sums shall be made available to the Secretary without further appropriation and shall be in addition to funds already made available to the Secretary for the purposes of this section.

SEC. 5009. GENERAL ACCOUNTING OFFICE STUDY.

The Comptroller General of the United States, in consultation with the Attorney General, the Secretary, the Federal Trade Commission, the National Association of Attorney's General, and others, shall—

(1) study competition in the domestic farm economy with a special focus on protecting family farms and ranches and rural communities and the potential for monopsonistic and oligopsonistic effects nationally and regionally; and

(2) provide a report to the appropriate committees of Congress not later than 1 year after the date of enactment of this Act on—

(A) the correlation between increases in the gap between retail consumer food prices and the prices paid to farmers and ranchers and any increases in concentration among processors, manufacturers, or other firms that buy from farmers and ranchers;

(B) the extent to which the use of formula pricing, marketing agreements, forward contracting, and production contracts tend to give processors, agribusinesses, and other buyers of agricultural commodities unreasonable market power over their producer/suppliers in the local markets;

(C) whether the granting of process patents relating to biotechnology research affecting agriculture during the past 20 years has tended to overly restrict related biotechnology research or has tended to overly limit competition in the biotechnology industries that affect agriculture in a manner that is contrary to the public interest, or could do either in the future;

(D) whether acquisitions of companies that own biotechnology patents and seed patents by multinational companies have the potential for reducing competition in the United States and unduly increasing the market power of such multinational companies;

(E) whether existing processors or agribusiness have disproportionate market power and if competition could be increased if such processors or agribusiness were required to divest assets to assure that they do not exert this disproportionate market power over local markets;

(F) the extent of increase in concentration in milk processing, procurement and handling, and the potential risks to the economic well-being of dairy farmers, and to the National School Lunch program, and other Federal nutrition programs of that increase in concentration;

(G) the impact of mergers, acquisitions, and joint ventures among dairy cooperatives on dairy farmers, including impacts on both members and nonmembers of the merging cooperatives;

(H) the impact of the significant increase in the use of stock as the primary means of effectuating mergers and acquisitions by large companies;

(I) the increase in the number and size of mergers or acquisitions in the United States and whether some of such mergers or acquisitions would have taken place if the merger or acquisition had to be consummated primarily with cash, other assets, or borrowing; and

(J) whether agricultural producers typically appear to derive any benefits (such as higher prices for their products or any other advantages) from right-of-first-refusal provisions contained in purchase contracts or other deals with agribusiness purchasers of such products.

SEC. 50010. AUTHORITY TO PROMULGATE REGULATIONS.

The Secretary of Agriculture shall have the authority to promulgate regulations to carry out the responsibilities of the Secretary under this title.

SANTORUM AMENDMENT NO. 3952

(Ordered to lie on the table.)

Mr. SANTORUM submitted an amendment intended to be proposed by him to the bill, H.R. 4461, supra; as follows:

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

SEC. . Of the funds to be appropriated for the National Research Initiative, $2,000,000 is available for the National Robotics Engineering Consortium, in collaboration with other institutions renowned for nursery and landscape research, to address the development and economic evaluation of robotic and automated systems for the nursery industry.

ABRAHAM AMENDMENT NO. 3953

(Ordered to lie on the table.)

Mr. ABRAHAM submitted an amendment intended to be proposed by him to the bill, H.R. 4461, supra; as follows:

On page 87, between lines 11 and 12, insert the following:

SEC. 7 . QUALITY LOSS PAYMENTS FOR APPLES AND POTATOES.—The Secretary shall use $60,000,000 of funds of the Commodity Credit Corporation to make payments to apple producers, and potato producers, that suffered quality losses to the 1999 and 2000 crop of potatoes and apples, respectively, due to, or related to, a 1999 or 2000 hurricane, fireblight, hail or other weather related disaster.

NOTICES OF HEARINGS

COMMITTEE ON INDIAN AFFAIRS

Mr. CAMPBELL. Mr. President, I would like to announce that the Committee on Indian Affairs will meet on Tuesday, July 25, 2000, at 10 a.m. in room 485 of the Russell Senate Building to conduct an oversight hearing on the Native American Graves Protection and Repatriation Act.

Those wishing additional information may contact Committee staff at 202/224–2251.

COMMITTEE ON INDIAN AFFAIRS

Mr. CAMPBELL. Mr. President, I would like to announce that the Committee on Indian Affairs will meet on Wednesday, July 26, 2000, at 2:30 a.m. in room 485 of the Russell Senate Building to conduct a hearing on the S. 2526, to reauthorize the Indian Health Care Improvement Act.

Those wishing additional information may contact Committee staff at 202/224–2251.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

SUBCOMMITTEE ON WATER AND POWER

Mr. SMITH. Mr. President, I would like to announce for the information of

the Senate and the public that following the legislative hearing scheduled for Tuesday, July 25, 2000 at 2:30 p.m., the Subcommittee will convene the hearing to conduct oversight on the status of the Biological Opinions of the National Marine Fisheries Service and the U.S. Fish and Wildlife Service on the operations of the Federal hydropower system of the Columbia River, which was previously scheduled for Wednesday, July 19, 2000 at 2:30 p.m.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Subcommittee on Water and Power, Committee on Energy and Natural Resources, United States Senate, 364 Dirksen Senate Office Building, Washington, D.C. 20510–6150.

For further information, please call Trici Heninger, Staff Assistant, or Colleen Deegan, Counsel, at (202) 224–8115.

SUBCOMMITTEE ON NATIONAL PARKS, HISTORIC PRESERVATION, AND RECREATION

Mr. THOMAS. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before the Subcommittee on National Parks, Historic Preservation, and Recreation of the Committee on Energy and Natural Resources. The purpose of this hearing is to receive testimony on S. 1734, a bill to authorize the Secretary of the Interior to contribute funds for the establishment of an interpretative center on the life and contributions of President Abraham Lincoln; H.R. 3084, a bill to authorize the Secretary of the Interior to contribute funds for the establishment of an interpretative center on the life and contributions of President Abraham Lincoln; S. 2345, a bill to direct the Secretary of the Interior to conduct a special resource study concerning the preservation and public use of sites associated with Harriet Tubman located in Auburn, New York, and for other purposes; S. 2638, a bill to adjust the boundaries of the Gulf Islands National Seashore to include Cat Island, Mississippi; H.R. 2541, a bill to adjust the boundaries of the Gulf Islands National Seashore to include Cat Island, Mississippi; and S. 2848, a bill to provide for a land exchange to benefit the Pecos National Historic Park in New Mexico.

The hearing will take place on Thursday, July 27, 2000 at 2:30 p.m. in room SD–366 of the Dirksen Senate Office Building in Washington, DC.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Committee on Energy and Natural Resources, United States Senate, SD–364 Dirksen Senate Office Building, Washington, DC 20510–6150.

For further information, please contact Jim O'Toole or Kevin Clark of the Committee staff at (202) 224–6969.

PRIVILEGES OF THE FLOOR

Mr. WELLSTONE. Mr. President, I ask unanimous consent that Katherine Ostrum and Ben Wurtmann be granted the privilege of the floor.

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

Mr. HATCH. Mr. President, I ask unanimous consent that fellows in my office, Dr. David Russell, Bruce Artim, and Meg Gerstenblith, be granted the privilege of the floor for the pendency of H.R. 4461, the Agriculture appropriations bill.

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

Mr. REID. Mr. President, I ask unanimous consent that Dan Alpert of Senator JEFF BINGAMAN's office be given floor privileges during the consideration of the Agriculture appropriations bill.

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

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS ACT, 2001

On July 18, 2000, the Senate amended and passed H.R. 4578, as follows:

Resolved, That the bill from the House of Representatives (H.R. 4578) entitled ''An Act making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2001, and for other purposes.'', do pass with the following amendment:

Strike out all after the enacting clause and insert:

That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the Department of the Interior and related agencies for the fiscal year ending September 30, 2001, and for other purposes, namely:

TITLE I—DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

MANAGEMENT OF LANDS AND RESOURCES

For expenses necessary for protection, use, improvement, development, disposal, cadastral surveying, classification, acquisition of easements and other interests in lands, and performance of other functions, including maintenance of facilities, as authorized by law, in the management of lands and their resources under the jurisdiction of the Bureau of Land Management, including the general administration of the Bureau, and assessment of mineral potential of public lands pursuant to Public Law 96–487 (16 U.S.C. 3150(a)), $689,133,000, of which not to exceed $125,900,000 shall be for workforce and organizational support and $16,586,000 shall be for Land and Resource Information Systems, to remain available until expended, of which $3,898,000 shall be available for assessment of the mineral potential of public lands in Alaska pursuant to section 1010 of Public Law 96–487 (16 U.S.C. 3150); and of which not to exceed $1,000,000 shall be derived from the special receipt account established by the Land and Water Conservation Act of 1965, as amended (16 U.S.C. 460l–6a(i)); and of which $2,500,000 shall be available in fiscal year 2001 subject to a match by at least an equal amount by the National Fish and Wildlife Foundation, to such Foundation for cost-shared projects supporting conservation of Bureau lands and such funds shall be advanced to the Foundation as a lump sum grant without regard to when expenses are incurred; in addition, $34,328,000 for Mining Law Administration program operations, including the cost of administering the mining claim fee program; to remain available until expended, to be reduced by amounts collected by the Bureau and credited to this appropriation from annual mining claim fees so as to result in a final appropriation estimated at not more than $689,133,000, and $2,000,000, to remain available until expended, from communication site rental fees established by the Bureau for the cost of administering communication site activities: Provided, That appropriations herein made shall not be available for the destruction of healthy, unadopted, wild horses and burros in the care of the Bureau or its contractors.

WILDLAND FIRE MANAGEMENT

For necessary expenses for fire preparedness, suppression operations, emergency rehabilitation and hazardous fuels reduction by the Department of the Interior, $292,679,000, to remain available until expended, of which not to exceed $9,300,000 shall be for the renovation or construction of fire facilities: Provided, That such funds are also available for repayment of advances to other appropriation accounts from which funds were previously transferred for such purposes: Provided further, That unobligated balances of amounts previously appropriated to the ''Fire Protection'' and ''Emergency Department of the Interior Firefighting Fund'' may be transferred and merged with this appropriation: Provided further, That persons hired pursuant to 43 U.S.C. 1469 may be furnished subsistence and lodging without cost from funds available from this appropriation: Provided further, That notwithstanding 42 U.S.C. 1856d, sums received by a bureau or office of the Department of the Interior for fire protection rendered pursuant to 42 U.S.C. 1856 et seq., protection of United States property, may be credited to the appropriation from which funds were expended to provide that protection, and are available without fiscal year limitation.

CENTRAL HAZARDOUS MATERIALS FUND

For necessary expenses of the Department of the Interior and any of its component offices and bureaus for the remedial action, including associated activities, of hazardous waste substances, pollutants, or contaminants pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act, as amended (42 U.S.C. 9601 et seq.), $10,000,000, to remain available until expended: Provided, That notwithstanding 31 U.S.C. 3302, sums recovered from or paid by a party in advance of or as reimbursement for remedial action or response activities conducted by the Department pursuant to section 107 or 113(f) of such Act, shall be credited to this account to be available until expended without further appropriation: Provided further, That such sums recovered from or paid by any party are not limited to monetary payments and may include stocks, bonds or other personal or real property, which may be retained, liquidated, or otherwise disposed of by the Secretary and which shall be credited to this account.

CONSTRUCTION

For construction of buildings, recreation facilities, roads, trails, and appurtenant facilities, $15,360,000, to remain available until expended.

PAYMENTS IN LIEU OF TAXES

For expenses necessary to implement the Act of October 20, 1976, as amended (31 U.S.C. 6901–6907), $148,000,000, of which not to exceed $400,000 shall be available for administrative expenses: Provided, That no payment shall be made to otherwise eligible units of local government if the computed amount of the payment is less than $100.

LAND ACQUISITION

For expenses necessary to carry out sections 205, 206, and 318(d) of Public Law 94–579, including administrative expenses and acquisition of lands or waters, or interests therein, $10,600,000, to be derived from the Land and Water Conservation Fund, to remain available until expended.

OREGON AND CALIFORNIA GRANT LANDS

For expenses necessary for management, protection, and development of resources and for construction, operation, and maintenance of access roads, reforestation, and other improvements on the revested Oregon and California Railroad grant lands, on other Federal lands in the Oregon and California land-grant counties of Oregon, and on adjacent rights-of-way; and acquisition of lands or interests therein including existing connecting roads on or adjacent to such grant lands; $104,267,000, to remain available until expended: Provided, That 25 percent of the aggregate of all receipts during the current fiscal year from the revested Oregon and California Railroad grant lands is hereby made a charge against the Oregon and California land-grant fund and shall be transferred to the General Fund in the Treasury in accordance with the second paragraph of subsection (b) of title II of the Act of August 28, 1937 (50 Stat. 876).

FOREST ECOSYSTEMS HEALTH AND RECOVERY FUND

(REVOLVING FUND, SPECIAL ACCOUNT)

In addition to the purposes authorized in Public Law 102–381, funds made available in the Forest Ecosystem Health and Recovery Fund can be used for the purpose of planning, preparing, and monitoring salvage timber sales and forest ecosystem health and recovery activities such as release from competing vegetation and density control treatments. The Federal share of receipts (defined as the portion of salvage timber receipts not paid to the counties under 43 U.S.C. 1181f and 43 U.S.C. 1181–1 et seq., and Public Law 103–66) derived from treatments funded by this account shall be deposited into the Forest Ecosystem Health and Recovery Fund.

RANGE IMPROVEMENTS

For rehabilitation, protection, and acquisition of lands and interests therein, and improvement of Federal rangelands pursuant to section 401 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701), notwithstanding any other Act, sums equal to 50 percent of all moneys received during the prior fiscal year under sections 3 and 15 of the Taylor Grazing Act (43 U.S.C. 315 et seq.) and the amount designated for range improvements from grazing fees and mineral leasing receipts from Bankhead-Jones lands transferred to the Department of the Interior pursuant to law, but not less than $10,000,000, to remain available until expended: Provided, That not to exceed $600,000 shall be available for administrative expenses.

SERVICE CHARGES, DEPOSITS, AND FORFEITURES

For administrative expenses and other costs related to processing application documents and other authorizations for use and disposal of public lands and resources, for costs of providing copies of official public land documents, for monitoring construction, operation, and termination of facilities in conjunction with use authorizations, and for rehabilitation of damaged property, such amounts as may be collected under Public Law 94–579, as amended, and Public Law 93–153, to remain available until expended: Provided, That notwithstanding any provision to the contrary of section 305(a) of Public Law 94–579 (43 U.S.C. 1735(a)), any moneys that have been or will be received pursuant to that section, whether as a result of forfeiture, compromise, or settlement, if not appropriate for refund pursuant to section 305(c) of that Act (43 U.S.C. 1735(c)), shall be available and may be expended under the authority of this Act by the Secretary to improve, protect, or rehabilitate any public lands administered through the Bureau of Land Management which have been damaged by the action of a resource developer, purchaser, permittee, or any unauthorized person, without regard to whether all moneys collected from each such action are used on the exact lands damaged which led to the action: Provided further, That any such moneys that are in excess of amounts needed to repair damage to the exact land for which funds were collected may be used to repair other damaged public lands.

MISCELLANEOUS TRUST FUNDS

In addition to amounts authorized to be expended under existing laws, there is hereby appropriated such amounts as may be contributed under section 307 of the Act of October 21, 1976 (43 U.S.C. 1701), and such amounts as may be advanced for administrative costs, surveys, appraisals, and costs of making conveyances of omitted lands under section 211(b) of that Act, to remain available until expended.

ADMINISTRATIVE PROVISIONS

Appropriations for the Bureau of Land Management shall be available for purchase, erection, and dismantlement of temporary structures, and alteration and maintenance of necessary buildings and appurtenant facilities to which the United States has title; up to $100,000 for payments, at the discretion of the Secretary, for information or evidence concerning violations of laws administered by the Bureau; miscellaneous and emergency expenses of enforcement activities authorized or approved by the Secretary and to be accounted for solely on his certificate, not to exceed $10,000: Provided, That notwithstanding 44 U.S.C. 501, the Bureau may, under cooperative cost-sharing and partnership arrangements authorized by law, procure printing services from cooperators in connection with jointly produced publications for which the cooperators share the cost of printing either in cash or in services, and the Bureau determines the cooperator is capable of meeting accepted quality standards.

UNITED STATES FISH AND WILDLIFE SERVICE

RESOURCE MANAGEMENT

For necessary expenses of the United States Fish and Wildlife Service, for scientific and economic studies, conservation, management, investigations, protection, and utilization of fishery and wildlife resources, except whales, seals, and sea lions, maintenance of the herd of longhorned cattle on the Wichita Mountains Wildlife Refuge, general administration, and for the performance of other authorized functions related to such resources by direct expenditure, contracts, grants, cooperative agreements and reimbursable agreements with public and private entities, $758,442,000, to remain available until September 30, 2002, except as otherwise provided herein, of which not less than $2,000,000 shall be provided to local governments in southern California for planning associated with the Natural Communities Conservation Planning (NCCP) program and shall remain available until expended: Provided, That not less than $1,000,000 for high priority projects which shall be carried out by the Youth Conservation Corps as authorized by the Act of August 13, 1970, as amended: Provided further, That not to exceed $6,355,000 shall be used for implementing subsections (a), (b), (c), and (e) of section 4 of the Endangered Species Act, as amended, for species that are indigenous to the United States (except for processing petitions, developing and issuing proposed and final regulations, and taking any other steps to implement actions described in subsection (c)(2)(A), (c)(2)(B)(i), or (c)(2)(B)(ii)): Provided further, That of the amount available for law enforcement, up to $400,000 to remain available until expended, may at the discretion of the Secretary, be used for payment for information, rewards, or evidence concerning violations of laws administered by the Service, and miscellaneous and emergency expenses of enforcement activity, authorized or approved by the Secretary and to be accounted for solely on his certificate: Provided further, That of the amount provided for environmental contaminants, up to $1,000,000 may remain available until expended for contaminant sample analyses.

For an additional amount for salmon restoration and conservation efforts in the State of Maine, $5,000,000, to remain available until expended, which amount shall be made available to the National Fish and Wildlife Foundation to carry out a competitively awarded grant program for State, local, or other organizations in Maine to fund on-the-ground projects to further Atlantic salmon conservation or restoration efforts in coordination with the State of Maine and the Maine Atlantic Salmon Conservation Plan, including projects to (1) assist in land acquisition and conservation easements to benefit Atlantic salmon; (2) develop irrigation and water use management measures to minimize any adverse effects on salmon habitat; and (3) develop and phase in enhanced aquaculture cages to minimize escape of Atlantic salmon: Provided, That, of the amounts appropriated under this paragraph, $2,000,000 shall be made available to the Atlantic Salmon Commission for salmon restoration and conservation activities, including installing and upgrading weirs and fish collection facilities, conducting risk assessments, fish marking, and salmon genetics studies and testing, and developing and phasing in enhanced aquaculture cages to minimize escape of Atlantic salmon, and $500,000 shall be made available to the National Academy of Sciences to conduct a study of Atlantic salmon: Provided further, That the amounts appropriated under this paragraph shall not be subject to section 10(b)(1) of the National Fish and Wildlife Foundation Establishment Act (16 U.S.C. 3709(b)(1)): Provided further, That the National Fish and Wildlife Foundation shall give special consideration to proposals that include matching contributions (whether in currency, services, or property) made by private persons or organizations or by State or local government agencies, if such matching contributions are available: Provided further, That amounts made available under this paragraph shall be provided to the National Fish and Wildlife Foundation not later than 15 days after the date of enactment of this Act: Provided further, That the entire amount made available under this paragraph is designated by Congress as an emergency requirement under section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)(A)).

CONSTRUCTION

For construction, improvement, acquisition, or removal of buildings and other facilities required in the conservation, management, investigation, protection, and utilization of fishery and wildlife resources, and the acquisition of lands and interests therein; $54,803,000, to remain available until expended.

LAND ACQUISITION

For expenses necessary to carry out the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 460l–4 through 11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the United States Fish and Wildlife Service, $46,100,000, to be derived from the Land and Water Conservation Fund, to remain available until expended, of which $1,000,000 shall be used for acquisition of land around the Bon Secour National Wildlife Refuge, Alabama, and of which not more than $6,500,000 shall be used for acquisition management.

COOPERATIVE ENDANGERED SPECIES CONSERVATION FUND

For expenses necessary to carry out the provisions of the Endangered Species Act of 1973 (16 U.S.C. 1531–1543), as amended, $26,925,000, to be derived from the Cooperative Endangered Species Conservation Fund, to remain available until expended.

NATIONAL WILDLIFE REFUGE FUND

For expenses necessary to implement the Act of October 17, 1978 (16 U.S.C. 715s), $10,000,000.

NORTH AMERICAN WETLANDS CONSERVATION FUND

For expenses necessary to carry out the provisions of the North American Wetlands Conservation Act, Public Law 101–233, as amended, $16,500,000, to remain available until expended.

WILDLIFE CONSERVATION AND APPRECIATION FUND

For necessary expenses of the Wildlife Conservation and Appreciation Fund, $797,000, to remain available until expended.

MULTINATIONAL SPECIES CONSERVATION FUND

For expenses necessary to carry out the African Elephant Conservation Act (16 U.S.C. 4201–4203, 4211–4213, 4221–4225, 4241–4245, and 1538), the Asian Elephant Conservation Act of 1997 (16 U.S.C. 4261–4266), and the Rhinoceros and Tiger Conservation Act of 1994 (16 U.S.C. 5301–5306), $2,500,000, to remain available until expended: Provided, That funds made available under this Act and Public Law 105–277 for rhinoceros, tiger, and Asian elephant conservation programs are exempt from any sanctions imposed against any country under section 102 of the Arms Export Control Act (22 U.S.C. 2799aa–1).

ADMINISTRATIVE PROVISIONS

Appropriations and funds available to the United States Fish and Wildlife Service shall be available for purchase of not to exceed 79 passenger motor vehicles, of which 72 are for replacement only (including 41 for police-type use); repair of damage to public roads within and adjacent to reservation areas caused by operations of the Service; options for the purchase of land at not to exceed $1 for each option; facilities incident to such public recreational uses on conservation areas as are consistent with their primary purpose; and the maintenance and improvement of aquaria, buildings, and other facilities under the jurisdiction of the Service and to which the United States has title, and which are used pursuant to law in connection with management and investigation of fish and wildlife resources: Provided, That notwithstanding 44 U.S.C. 501, the Service may, under cooperative cost sharing and partnership arrangements authorized by law, procure printing services from cooperators in connection with jointly produced publications for which the cooperators share at least one-half the cost of printing either in cash or services and the Service determines the cooperator is capable of meeting accepted quality standards: Provided further, That the Service may accept donated aircraft as replacements for existing aircraft: Provided further, That notwithstanding any other provision of law, the Secretary of the Interior may not spend any of the funds appropriated in this Act for the purchase of lands or interests in lands to be used in the establishment of any new unit of the National Wildlife Refuge System unless the purchase is approved in advance by the House and Senate Committees on Appropriations in compliance with the reprogramming procedures contained in Senate Report 105–56.

NATIONAL PARK SERVICE

OPERATION OF THE NATIONAL PARK SYSTEM

For expenses necessary for the management, operation, and maintenance of areas and facilities administered by the National Park Service (including special road maintenance service to trucking permittees on a reimbursable basis), and for the general administration of the National Park Service, including not less than $2,000,000 for high priority projects within the scope of the approved budget which shall be carried out by the Youth Conservation Corps as authorized by 16 U.S.C. 1706, $1,443,995,000, of which $200,000 shall be available for the conduct of a wilderness suitability study at Apostle Islands National Lakeshore, Wisconsin, and of which $9,227,000 for research, planning and interagency coordination in support of land acquisition for Everglades restoration shall remain available until expended, and of which not to exceed $7,000,000, to remain available until expended, is to be derived from the special fee account established pursuant to title V, section 5201 of Public Law 100–203.

NATIONAL RECREATION AND PRESERVATION

For expenses necessary to carry out recreation programs, natural programs, cultural programs, heritage partnership programs, environmental compliance and review, international park affairs, statutory or contractual aid for other activities, and grant administration, not otherwise provided for, $63,249,000, of which $1,000,000 shall be for the Lewes Maritime Historic Park, of which not less than $730,000 shall be available for use by the Roosevelt Campobello International Park Commission, of which not less than $500,000 shall be used to develop a preservation plan for the Cane River National Heritage Area, Louisiana, of which $1,000,000 shall be available to carry out exhibitions at and acquire interior furnishings for the Rosa Parks Library and Museum, Alabama, of which $2,000,000 shall be available to carry out the Urban Park and Recreation Recovery Act of 1978 (16 U.S.C. 2501 et seq.), of which $2,250,000 shall be used to construct and maintain the Four Corners Interpretive Center authorized by Public Law 106–143, and of which $250,000 shall be available to the National Center for Preservation Technology and Training for the development of a model for heritage education through distance learning.

HISTORIC PRESERVATION FUND

For expenses necessary in carrying out the Historic Preservation Act of 1966, as amended (16 U.S.C. 470), and the Omnibus Parks and Public Lands Management Act of 1996 (Public Law 104–333), $44,347,000, to be derived from the Historic Preservation Fund, to remain available until September 30, 2002, of which $7,177,000 pursuant to section 507 of Public Law 104–333 shall remain available until expended.

CONSTRUCTION

For construction, improvements, repair or replacement of physical facilities, including the modifications authorized by section 104 of the Everglades National Park Protection and Expansion Act of 1989, $204,450,000, of which not more than $511,000 shall be used for the preconstruction, engineering, and design of a heritage center for the Grand Portage National Monument in Minnesota, to remain available until expended: Provided, That $1,000,000 for the Great Falls Historic District, $650,000 for Lake Champlain National Historic Landmarks, and $365,000 for the U.S. Grant Boyhood Home National Historic Landmark shall be derived from the Historic Preservation Fund pursuant to 16 U.S.C. 470a: Provided further, That not less than $2,350,000 shall be used for construction at Ponca State Park, Nebraska, including $1,500,000 to be used for the design and construction of educational and informational displays for the Missouri Recreation Rivers Research and Education Center, Nebraska.

LAND AND WATER CONSERVATION FUND

(RESCISSION)

The contract authority provided for fiscal year 2001 by 16 U.S.C. 460l–10a is rescinded.

LAND ACQUISITION AND STATE ASSISTANCE

For expenses necessary to carry out the Land and Water Conservation Act of 1965, as amended (16 U.S.C. 460l–4 through 11), including administrative expenses, and for acquisition of lands or waters, or interest therein, in accordance with the statutory authority applicable to the National Park Service, $87,140,000, to be derived from the Land and Water Conservation Fund, to remain available until expended, of which $40,000,000 is for the State assistance program including $1,000,000 to administer the State assistance program, and of which $12,000,000 may be for State grants for land acquisition in the State of Florida: Provided, That the Secretary may provide Federal assistance to the State of Florida for the acquisition of lands or waters, or interests therein, within the Everglades watershed (consisting of lands and waters within the boundaries of the South Florida Water Management District, Florida Bay and the Florida Keys, including the areas known as the Frog Pond, the Rocky Glades and the Eight and One-Half Square Mile Area) under terms and conditions deemed necessary by the Secretary to improve and restore the hydrological function of the Everglades watershed: Provided further, That funds provided under this heading for assistance to the State of Florida to acquire lands within the Everglades watershed are contingent upon new matching non-Federal funds by the State and shall be subject to an agreement that the lands to be acquired will be managed in perpetuity for the restoration of the Everglades: Provided further, That none of the funds provided for the State Assistance program may be used to establish a contingency fund.

ADMINISTRATIVE PROVISIONS

Appropriations for the National Park Service shall be available for the purchase of not to exceed 340 passenger motor vehicles, of which 273 shall be for replacement only, including not to exceed 319 for police-type use, 12 buses, and 9 ambulances: Provided, That none of the funds appropriated to the National Park Service may be used to process any grant or contract documents which do not include the text of 18 U.S.C. 1913: Provided further, That none of the funds appropriated to the National Park Service may be used to implement an agreement for the redevelopment of the southern end of Ellis Island until such agreement has been submitted to the Congress and shall not be implemented prior to the expiration of 30 calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) from the receipt by the Speaker of the House of Representatives and the President of the Senate of a full and comprehensive report on the development of the southern end of Ellis Island, including the facts and circumstances relied upon in support of the proposed project.

None of the funds in this Act may be spent by the National Park Service for activities taken in direct response to the United Nations Biodiversity Convention.

The National Park Service may distribute to operating units based on the safety record of each unit the costs of programs designed to improve workplace and employee safety, and to encourage employees receiving workers' compensation benefits pursuant to chapter 81 of title 5, United States Code, to return to appropriate positions for which they are medically able.

UNITED STATES GEOLOGICAL SURVEY

SURVEYS, INVESTIGATIONS, AND RESEARCH

For expenses necessary for the United States Geological Survey to perform surveys, investigations, and research covering topography, geology, hydrology, biology, and the mineral and water resources of the United States, its territories and possessions, and other areas as authorized by 43 U.S.C. 31, 1332, and 1340; classify lands as to their mineral and water resources; give engineering supervision to power permittees and Federal Energy Regulatory Commission licensees; administer the minerals exploration program (30 U.S.C. 641); and publish and disseminate data relative to the foregoing activities; and to conduct inquiries into the economic conditions affecting mining and materials processing industries (30 U.S.C. 3, 21a, and 1603; 50 U.S.C. 98g(1)) and related purposes as authorized by law and to publish and disseminate data; $846,596,000, of which $62,879,000 shall be available only for cooperation with States or municipalities for water resources investigations; and of which $16,400,000 shall remain available until expended for conducting inquiries into the economic conditions affecting mining and materials processing industries; and of which $1,525,000 shall remain available until expended for ongoing development of a mineral and geologic data base; and of which $32,322,000 shall be available until September 30, 2002 for the operation and maintenance of facilities and deferred maintenance; and of which $147,773,000 shall be available until September 30, 2002 for

the biological research activity and the operation of the Cooperative Research Units: Provided, That none of these funds provided for the biological research activity shall be used to conduct new surveys on private property, unless specifically authorized in writing by the property owner: Provided further, That no part of this appropriation shall be used to pay more than one-half the cost of topographic mapping or water resources data collection and investigations carried on in cooperation with States and municipalities.

For an additional amount for ''SURVEYS, INVESTIGATIONS, AND RESEARCH'', $1,800,000, to remain available until expended, to repair or replace stream monitoring equipment and associated facilities damaged by natural disasters: Provided, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended.

ADMINISTRATIVE PROVISIONS

The amount appropriated for the United States Geological Survey shall be available for the purchase of not to exceed 53 passenger motor vehicles, of which 48 are for replacement only; reimbursement to the General Services Administration for security guard services; contracting for the furnishing of topographic maps and for the making of geophysical or other specialized surveys when it is administratively determined that such procedures are in the public interest; construction and maintenance of necessary buildings and appurtenant facilities; acquisition of lands for gauging stations and observation wells; expenses of the United States National Committee on Geology; and payment of compensation and expenses of persons on the rolls of the Survey duly appointed to represent the United States in the negotiation and administration of interstate compacts: Provided, That activities funded by appropriations herein made may be accomplished through the use of contracts, grants, or cooperative agreements as defined in 31 U.S.C. 6302 et seq.

MINERALS MANAGEMENT SERVICE

ROYALTY AND OFFSHORE MINERALS MANAGEMENT

For expenses necessary for minerals leasing and environmental studies, regulation of industry operations, and collection of royalties, as authorized by law; for enforcing laws and regulations applicable to oil, gas, and other minerals leases, permits, licenses and operating contracts; and for matching grants or cooperative agreements; including the purchase of not to exceed eight passenger motor vehicles for replacement only; $134,010,000, of which $86,257,000, shall be available for royalty management activities; and an amount not to exceed $107,410,000, to be credited to this appropriation and to remain available until expended, from additions to receipts resulting from increases to rates in effect on August 5, 1993, from rate increases to fee collections for Outer Continental Shelf administrative activities performed by the Minerals Management Service over and above the rates in effect on September 30, 1993, and from additional fees for Outer Continental Shelf administrative activities established after September 30, 1993: Provided, That to the extent $107,410,000 in additions to receipts are not realized from the sources of receipts stated above, the amount needed to reach $107,410,000 shall be credited to this appropriation from receipts resulting from rental rates for Outer Continental Shelf leases in effect before August 5, 1993: Provided further, That $3,000,000 for computer acquisitions shall remain available until September 30, 2002: Provided further, That funds appropriated under this Act shall be available for the payment of interest in accordance with 30 U.S.C. 1721(b) and (d): Provided further, That not to exceed $3,000 shall be available for reasonable expenses related to promoting volunteer beach and marine cleanup activities: Provided further, That notwithstanding any other provision of law, $15,000 under this heading shall be available for refunds of overpayments in connection with certain Indian leases in which the Director of the Minerals Management Service concurred with the claimed refund due, to pay amounts owed to Indian allottees or tribes, or to correct prior unrecoverable erroneous payments.

OIL SPILL RESEARCH

For necessary expenses to carry out title I, section 1016, title IV, sections 4202 and 4303, title VII, and title VIII, section 8201 of the Oil Pollution Act of 1990, $6,118,000, which shall be derived from the Oil Spill Liability Trust Fund, to remain available until expended.

OFFICE OF SURFACE MINING RECLAMATION AND ENFORCEMENT

REGULATION AND TECHNOLOGY

For necessary expenses to carry out the provisions of the Surface Mining Control and Reclamation Act of 1977, Public Law 95–87, as amended, including the purchase of not to exceed 10 passenger motor vehicles, for replacement only; $100,801,000: Provided, That the Secretary of the Interior, pursuant to regulations, may use directly or through grants to States, moneys collected in fiscal year 2001 for civil penalties assessed under section 518 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1268), to reclaim lands adversely affected by coal mining practices after August 3, 1977, to remain available until expended: Provided further, That appropriations for the Office of Surface Mining Reclamation and Enforcement may provide for the travel and per diem expenses of State and tribal personnel attending Office of Surface Mining Reclamation and Enforcement sponsored training.

ABANDONED MINE RECLAMATION FUND

For necessary expenses to carry out title IV of the Surface Mining Control and Reclamation Act of 1977, Public Law 95–87, as amended, including the purchase of not more than 10 passenger motor vehicles for replacement only, $201,438,000, to be derived from receipts of the Abandoned Mine Reclamation Fund and to remain available until expended; of which up to $10,000,000, to be derived from the Federal Expenses Share of the Fund, shall be for supplemental grants to States for the reclamation of abandoned sites with acid mine rock drainage from coal mines, and for associated activities, through the Appalachian Clean Streams Initiative: Provided, That grants to minimum program States will be $1,600,000 per State in fiscal year 2001: Provided further, That of the funds herein provided up to $18,000,000 may be used for the emergency program authorized by section 410 of Public Law 95–87, as amended, of which no more than 25 percent shall be used for emergency reclamation projects in any one State and funds for federally administered emergency reclamation projects under this proviso shall not exceed $11,000,000: Provided further, That prior year unobligated funds appropriated for the emergency reclamation program shall not be subject to the 25 percent limitation per State and may be used without fiscal year limitation for emergency projects: Provided further, That pursuant to Public Law 97–365, the Department of the Interior is authorized to use up to 20 percent from the recovery of the delinquent debt owed to the United States Government to pay for contracts to collect these debts: Provided further, That funds made available under title IV of Public Law 95–87 may be used for any required non-Federal share of the cost of projects funded by the Federal Government for the purpose of environmental restoration related to treatment or abatement of acid mine drainage from abandoned mines: Provided further, That such projects must be consistent with the purposes and priorities of the Surface Mining Control and Reclamation Act: Provided further, That the State of Maryland may set aside the greater of $1,000,000 or 10 percent of the total of the grants made available to the State under title IV of the Surface Mining Control and Reclamation Act of 1977, as amended (30 U.S.C. 1231 et seq.), if the amount set aside is deposited in an acid mine drainage abatement and treatment fund established under a State law, pursuant to which law the amount (together with all interest earned on the amount) is expended by the State to undertake acid mine drainage abatement and treatment projects, except that before any amounts greater than 10 percent of its title IV grants are deposited in an acid mine drainage abatement and treatment fund, the State of Maryland must first complete all Surface Mining Control and Reclamation Act priority one projects: Provided further, That from the funds provided herein, in addition to the amount granted to the State of Kentucky under Sections 402(g)(1) and 402(g)(5) of the Surface Mining Control and Reclamation Act, an additional $1,000,000 shall be made available to the State of Kentucky to demonstrate reforestation techniques on abandoned coal mine sites.

BUREAU OF INDIAN AFFAIRS

OPERATION OF INDIAN PROGRAMS

For expenses necessary for the operation of Indian programs, as authorized by law, including the Snyder Act of November 2, 1921 (25 U.S.C. 13), the Indian Self-Determination and Education Assistance Act of 1975 (25 U.S.C. 450 et seq.), as amended, the Education Amendments of 1978 (25 U.S.C. 2001–2019), and the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2501 et seq.), as amended, $1,704,620,000, to remain available until September 30, 2002 except as otherwise provided herein, of which not to exceed $93,225,000 shall be for welfare assistance payments and notwithstanding any other provision of law, including but not limited to the Indian Self-Determination Act of 1975, as amended, not to exceed $125,485,000 shall be available for payments to tribes and tribal organizations for contract support costs associated with ongoing contracts, grants, compacts, or annual funding agreements entered into with the Bureau prior to or during fiscal year 2001, as authorized by such Act, except that tribes and tribal organizations may use their tribal priority allocations for unmet indirect costs of ongoing contracts, grants, or compacts, or annual funding agreements and for unmet welfare assistance costs; and up to $5,000,000 shall be for the Indian Self-Determination Fund which shall be available for the transitional cost of initial or expanded tribal contracts, grants, compacts or cooperative agreements with the Bureau under such Act; and of which not to exceed $412,556,000 for school operations costs of Bureau-funded schools and other education programs shall become available on July 1, 2001, and shall remain available until September 30, 2002; and of which not to exceed $54,694,000 shall remain available until expended for housing improvement, road maintenance, attorney fees, litigation support, self-governance grants, the Indian Self-Determination Fund, land records improvement, and the Navajo-Hopi Settlement Program; and of which not to exceed $108,000 shall be for payment to the United Sioux Tribes of South Dakota Development Corporation for the purpose of providing employment assistance to Indian clients of the Corporation, including employment counseling, follow-up services, housing services, community services, day care services, and subsistence to help Indian clients become fully employed members of society: Provided, That notwithstanding any other provision of law, including but not limited to the Indian Self-Determination Act of 1975, as amended, and 25 U.S.C. 2008, not to exceed $43,160,000 within and only from such amounts made available for school operations shall be available to tribes and tribal organizations for administrative cost grants associated with the operation of Bureau-funded schools: Provided further, That any forestry funds allocated to a tribe which remain unobligated as of September 30, 2002, may be transferred during

fiscal year 2003 to an Indian forest land assistance account established for the benefit of such tribe within the tribe's trust fund account: Provided further, That any such unobligated balances not so transferred shall expire on September 30, 2003.

CONSTRUCTION

For construction, repair, improvement, and maintenance of irrigation and power systems, buildings, utilities, and other facilities, including architectural and engineering services by contract; acquisition of lands, and interests in lands; and preparation of lands for farming, and for construction of the Navajo Indian Irrigation Project pursuant to Public Law 87–483, $341,004,000, to remain available until expended: Provided, That such amounts as may be available for the construction of the Navajo Indian Irrigation Project may be transferred to the Bureau of Reclamation: Provided further, That not to exceed 6 percent of contract authority available to the Bureau of Indian Affairs from the Federal Highway Trust Fund may be used to cover the road program management costs of the Bureau: Provided further, That any funds provided for the Safety of Dams program pursuant to 25 U.S.C. 13 shall be made available on a nonreimbursable basis: Provided further, That for fiscal year 2001, in implementing new construction or facilities improvement and repair project grants in excess of $100,000 that are provided to tribally controlled grant schools under Public Law 100–297, as amended, the Secretary of the Interior shall use the Administrative and Audit Requirements and Cost Principles for Assistance Programs contained in 43 CFR part 12 as the regulatory requirements: Provided further, That such grants shall not be subject to section 12.61 of 43 CFR; the Secretary and the grantee shall negotiate and determine a schedule of payments for the work to be performed: Provided further, That in considering applications, the Secretary shall consider whether the Indian tribe or tribal organization would be deficient in assuring that the construction projects conform to applicable building standards and codes and Federal, tribal, or State health and safety standards as required by 25 U.S.C. 2005(a), with respect to organizational and financial management capabilities: Provided further, That if the Secretary declines an application, the Secretary shall follow the requirements contained in 25 U.S.C. 2505(f): Provided further, That any disputes between the Secretary and any grantee concerning a grant shall be subject to the disputes provision in 25 U.S.C. 2508(e).

INDIAN LAND AND WATER CLAIM SETTLEMENTS AND MISCELLANEOUS PAYMENTS TO INDIANS

For miscellaneous payments to Indian tribes and individuals and for necessary administrative expenses, $35,276,000, to remain available until expended; of which $25,225,000 shall be available for implementation of enacted Indian land and water claim settlements pursuant to Public Laws 101–618 and 102–575, and for implementation of other enacted water rights settlements; of which $8,000,000 shall be available for Tribal compact administration, economic development and future water supplies facilities under Public Law 106–163; and of which $1,877,000 shall be available pursuant to Public Laws 99–264, 100–383, 100–580 and 103–402.

INDIAN GUARANTEED LOAN PROGRAM ACCOUNT

For the cost of guaranteed loans, $4,500,000, as authorized by the Indian Financing Act of 1974, as amended: Provided, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: Provided further, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed $59,682,000.

In addition, for administrative expenses to carry out the guaranteed loan programs, $488,000.

ADMINISTRATIVE PROVISIONS

The Bureau of Indian Affairs may carry out the operation of Indian programs by direct expenditure, contracts, cooperative agreements, compacts and grants, either directly or in cooperation with States and other organizations.

Appropriations for the Bureau of Indian Affairs (except the revolving fund for loans, the Indian loan guarantee and insurance fund, and the Indian Guaranteed Loan Program account) shall be available for expenses of exhibits, and purchase of not to exceed 229 passenger motor vehicles, of which not to exceed 187 shall be for replacement only.

Notwithstanding any other provision of law, no funds available to the Bureau of Indian Affairs for central office operations, pooled overhead general administration (except facilities operations and maintenance), or provided to implement the recommendations of the National Academy of Public Administration's August 1999 report shall be available for tribal contracts, grants, compacts, or cooperative agreements with the Bureau of Indian Affairs under the provisions of the Indian Self-Determination Act or the Tribal Self-Governance Act of 1994 (Public Law 103–413).

In the event any tribe returns appropriations made available by this Act to the Bureau of Indian Affairs for distribution to other tribes, this action shall not diminish the Federal Government's trust responsibility to that tribe, or the government-to-government relationship between the United States and that tribe, or that tribe's ability to access future appropriations.

Notwithstanding any other provision of law, no funds available to the Bureau, other than the amounts provided herein for assistance to public schools under 25 U.S.C. 452 et seq., shall be available to support the operation of any elementary or secondary school in the State of Alaska.

Appropriations made available in this or any other Act for schools funded by the Bureau shall be available only to the schools in the Bureau school system as of September 1, 1996. No funds available to the Bureau shall be used to support expanded grades for any school or dormitory beyond the grade structure in place or approved by the Secretary of the Interior at each school in the Bureau school system as of October 1, 1995. Funds made available under this Act may not be used to establish a charter school at a Bureau-funded school (as that term is defined in section 1146 of the Education Amendments of 1978 (25 U.S.C. 2026)), except that a charter school that is in existence on the date of the enactment of this Act and that has operated at a Bureau-funded school before September 1, 1999, may continue to operate during that period, but only if the charter school pays to the Bureau a pro rata share of funds to reimburse the Bureau for the use of the real and personal property (including buses and vans), the funds of the charter school are kept separate and apart from Bureau funds, and the Bureau does not assume any obligation for charter school programs of the State in which the school is located if the charter school loses such funding. Employees of Bureau-funded schools sharing a campus with a charter school and performing functions related to the charter school's operation and employees of a charter school shall not be treated as Federal employees for purposes of chapter 171 of title 28, United States Code (commonly known as the ''Federal Tort Claims Act''). Not later than June 15, 2001, the Secretary of the Interior shall evaluate the effectiveness of Bureau-funded schools sharing facilities with charter schools in the manner described in the preceding sentence and prepare and submit a report on the finding of that evaluation to the Committees on Appropriations of the Senate and of the House.

DEPARTMENT OFFICES

INSULAR AFFAIRS

ASSISTANCE TO TERRITORIES

For expenses necessary for assistance to territories under the jurisdiction of the Department of the Interior, $68,471,000, of which: (1) $64,076,000 shall be available until expended for technical assistance, including maintenance assistance, disaster assistance, insular management controls, coral reef initiative activities, and brown tree snake control and research; grants to the judiciary in American Samoa for compensation and expenses, as authorized by law (48 U.S.C. 1661(c)); grants to the Government of American Samoa, in addition to current local revenues, for construction and support of governmental functions; grants to the Government of the Virgin Islands as authorized by law; grants to the Government of Guam, as authorized by law; and grants to the Government of the Northern Mariana Islands as authorized by law (Public Law 94–241; 90 Stat. 272); and (2) $4,395,000 shall be available for salaries and expenses of the Office of Insular Affairs: Provided, That all financial transactions of the territorial and local governments herein provided for, including such transactions of all agencies or instrumentalities established or used by such governments, may be audited by the General Accounting Office, at its discretion, in accordance with chapter 35 of title 31, United States Code: Provided further, That Northern Mariana Islands Covenant grant funding shall be provided according to those terms of the Agreement of the Special Representatives on Future United States Financial Assistance for the Northern Mariana Islands approved by Public Law 104–134: Provided further, That of the amounts provided for technical assistance, sufficient funding shall be made available for a grant to the Close Up Foundation: Provided further, That the funds for the program of operations and maintenance improvement are appropriated to institutionalize routine operations and maintenance improvement of capital infrastructure in American Samoa, Guam, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, the Republic of Palau, the Republic of the Marshall Islands, and the Federated States of Micronesia through assessments of long-range operations maintenance needs, improved capability of local operations and maintenance institutions and agencies (including management and vocational education training), and project-specific maintenance (with territorial participation and cost sharing to be determined by the Secretary based on the individual territory's commitment to timely maintenance of its capital assets): Provided further, That any appropriation for disaster assistance under this heading in this Act or previous appropriations Acts may be used as non-Federal matching funds for the purpose of hazard mitigation grants provided pursuant to section 404 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5170c).

COMPACT OF FREE ASSOCIATION

For economic assistance and necessary expenses for the Federated States of Micronesia and the Republic of the Marshall Islands as provided for in sections 122, 221, 223, 232, and 233 of the Compact of Free Association, and for economic assistance and necessary expenses for the Republic of Palau as provided for in sections 122, 221, 223, 232, and 233 of the Compact of Free Association, $20,545,000, to remain available until expended, as authorized by Public Law 99–239 and Public Law 99–658.

DEPARTMENTAL MANAGEMENT

SALARIES AND EXPENSES

For necessary expenses for management of the Department of the Interior, $64,019,000, of which not to exceed $8,500 may be for official reception and representation expenses and of which up to $1,000,000 shall be available for workers compensation payments and unemployment compensation payments associated with the orderly closure of the United States Bureau of Mines.

OFFICE OF THE SOLICITOR

SALARIES AND EXPENSES

For necessary expenses of the Office of the Solicitor, $40,196,000.

OFFICE OF INSPECTOR GENERAL

SALARIES AND EXPENSES

OFFICE OF INSPECTOR GENERAL

For necessary expenses of the Office of Inspector General, $27,846,000.

OFFICE OF SPECIAL TRUSTEE FOR AMERICAN INDIANS

FEDERAL TRUST PROGRAMS

For operation of trust programs for Indians by direct expenditure, contracts, cooperative agreements, compacts, and grants, $82,628,000, to remain available until expended: Provided, That funds for trust management improvements may be transferred, as needed, to the Bureau of Indian Affairs ''Operation of Indian Programs'' account and to the Departmental Management ''Salaries and Expenses'' account: Provided further, That funds made available to Tribes and Tribal organizations through contracts or grants obligated during fiscal year 2001, as authorized by the Indian Self-Determination Act of 1975 (25 U.S.C. 450 et seq.), shall remain available until expended by the contractor or grantee: Provided further, That notwithstanding any other provision of law, the statute of limitations shall not commence to run on any claim, including any claim in litigation pending on the date of the enactment of this Act, concerning losses to or mismanagement of trust funds, until the affected tribe or individual Indian has been furnished with an accounting of such funds from which the beneficiary can determine whether there has been a loss: Provided further, That notwithstanding any other provision of law, the Secretary shall not be required to provide a quarterly statement of performance for any Indian trust account that has not had activity for at least 18 months and has a balance of $1.00 or less: Provided further, That the Secretary shall issue an annual account statement and maintain a record of any such accounts and shall permit the balance in each such account to be withdrawn upon the express written request of the account holder.

INDIAN LAND CONSOLIDATION

For implementation of a program for consolidation of fractional interests in Indian lands and expenses associated with redetermining and redistributing escheated interests in allotted lands by direct expenditure or cooperative agreement, $10,000,000, to remain available until expended and which may be transferred to the Bureau of Indian Affairs and Departmental Management of which not to exceed $500,000 shall be available for administrative expenses: Provided, That the Secretary may enter into a cooperative agreement, which shall not be subject to Public Law 93–638, as amended, with a tribe having jurisdiction over the reservation to implement the program to acquire fractional interests on behalf of such tribe: Provided further, That the Secretary may develop a reservation-wide system for establishing the fair market value of various types of lands and improvements to govern the amounts offered for acquisition of fractional interests: Provided further, That acquisitions shall be limited to one or more reservations as determined by the Secretary: Provided further, That funds shall be available for acquisition of fractional interests in trust or restricted lands with the consent of its owners and at fair market value, and the Secretary shall hold in trust for such tribe all interests acquired pursuant to this program: Provided further, That all proceeds from any lease, resource sale contract, right-of-way or other transaction derived from the fractional interest shall be credited to this appropriation, and remain available until expended, until the purchase price paid by the Secretary under this appropriation has been recovered from such proceeds: Provided further, That once the purchase price has been recovered, all subsequent proceeds shall be managed by the Secretary for the benefit of the applicable tribe or paid directly to the tribe.

NATURAL RESOURCE DAMAGE ASSESSMENT AND RESTORATION

NATURAL RESOURCE DAMAGE ASSESSMENT FUND

To conduct natural resource damage assessment activities by the Department of the Interior necessary to carry out the provisions of the Comprehensive Environmental Response, Compensation, and Liability Act, as amended (42 U.S.C. 9601 et seq.), Federal Water Pollution Control Act, as amended (33 U.S.C. 1251 et seq.), the Oil Pollution Act of 1990 (33 U.S.C. 2701 et seq.), and the Act of July 27, 1990, as amended (16 U.S.C. 19jj et seq.), $5,403,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS

There is hereby authorized for acquisition from available resources within the Working Capital Fund, 15 aircraft, 10 of which shall be for replacement and which may be obtained by donation, purchase or through available excess surplus property: Provided, That notwithstanding any other provision of law, existing aircraft being replaced may be sold, with proceeds derived or trade-in value used to offset the purchase price for the replacement aircraft: Provided further, That no programs funded with appropriated funds in the ''Departmental Management'', ''Office of the Solicitor'', and ''Office of Inspector General'' may be augmented through the Working Capital Fund or the Consolidated Working Fund.

GENERAL PROVISIONS, DEPARTMENT OF THE INTERIOR

SEC. 101. Appropriations made in this title shall be available for expenditure or transfer (within each bureau or office), with the approval of the Secretary, for the emergency reconstruction, replacement, or repair of aircraft, buildings, utilities, or other facilities or equipment damaged or destroyed by fire, flood, storm, or other unavoidable causes: Provided, That no funds shall be made available under this authority until funds specifically made available to the Department of the Interior for emergencies shall have been exhausted: Provided further, That all funds used pursuant to this section are hereby designated by Congress to be ''emergency requirements'' pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, and must be replenished by a supplemental appropriation which must be requested as promptly as possible.

SEC. 102. The Secretary may authorize the expenditure or transfer of any no year appropriation in this title, in addition to the amounts included in the budget programs of the several agencies, for the suppression or emergency prevention of wildland fires on or threatening lands under the jurisdiction of the Department of the Interior; for the emergency rehabilitation of burned-over lands under its jurisdiction; for emergency actions related to potential or actual earthquakes, floods, volcanoes, storms, or other unavoidable causes; for contingency planning subsequent to actual oil spills; for response and natural resource damage assessment activities related to actual oil spills; for the prevention, suppression, and control of actual or potential grasshopper and Mormon cricket outbreaks on lands under the jurisdiction of the Secretary, pursuant to the authority in section 1773(b) of Public Law 99–198 (99 Stat. 1658); for emergency reclamation projects under section 410 of Public Law 95–87; and shall transfer, from any no year funds available to the Office of Surface Mining Reclamation and Enforcement, such funds as may be necessary to permit assumption of regulatory authority in the event a primacy State is not carrying out the regulatory provisions of the Surface Mining Act: Provided, That appropriations made in this title for wildland fire operations shall be available for the payment of obligations incurred during the preceding fiscal year, and for reimbursement to other Federal agencies for destruction of vehicles, aircraft, or other equipment in connection with their use for wildland fire operations, such reimbursement to be credited to appropriations currently available at the time of receipt thereof: Provided further, That for wildland fire operations, no funds shall be made available under this authority until the Secretary determines that funds appropriated for ''wildland fire operations'' shall be exhausted within thirty days: Provided further, That all funds used pursuant to this section are hereby designated by Congress to be ''emergency requirements'' pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, and must be replenished by a supplemental appropriation which must be requested as promptly as possible: Provided further, That such replenishment funds shall be used to reimburse, on a pro rata basis, accounts from which emergency funds were transferred.

SEC. 103. Appropriations made in this title shall be available for operation of warehouses, garages, shops, and similar facilities, wherever consolidation of activities will contribute to efficiency or economy, and said appropriations shall be reimbursed for services rendered to any other activity in the same manner as authorized by sections 1535 and 1536 of title 31, United States Code: Provided, That reimbursements for costs and supplies, materials, equipment, and for services rendered may be credited to the appropriation current at the time such reimbursements are received.

SEC. 104. Appropriations made to the Department of the Interior in this title shall be available for services as authorized by 5 U.S.C. 3109, when authorized by the Secretary, in total amount not to exceed $500,000; hire, maintenance, and operation of aircraft; hire of passenger motor vehicles; purchase of reprints; payment for telephone service in private residences in the field, when authorized under regulations approved by the Secretary; and the payment of dues, when authorized by the Secretary, for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members.

SEC. 105. Appropriations available to the Department of the Interior for salaries and expenses shall be available for uniforms or allowances therefor, as authorized by law (5 U.S.C. 5901–5902 and D.C. Code 4–204).

SEC. 106. Annual appropriations made in this title shall be available for obligation in connection with contracts issued for services or rentals for periods not in excess of 12 months beginning at any time during the fiscal year.

SEC. 107. No funds provided in this title may be expended by the Department of the Interior for the conduct of offshore leasing and related activities placed under restriction in the President's moratorium statement of June 26, 1990, in the areas of northern, central, and southern California; the North Atlantic; Washington and Oregon; and the eastern Gulf of Mexico south of 26 degrees north latitude and east of 86 degrees west longitude.

SEC. 108. No funds provided in this title may be expended by the Department of the Interior for the conduct of offshore oil and natural gas preleasing, leasing, and related activities, on lands within the North Aleutian Basin planning area.

SEC. 109. No funds provided in this title may be expended by the Department of the Interior to conduct offshore oil and natural gas preleasing, leasing and related activities in the eastern Gulf of Mexico planning area for any lands located outside Sale 181, as identified in the final Outer Continental Shelf 5-Year Oil and Gas Leasing Program, 1997–2002.

SEC. 110. No funds provided in this title may be expended by the Department of the Interior to conduct oil and natural gas preleasing, leasing and related activities in the Mid-Atlantic and South Atlantic planning areas.

SEC. 111. Advance payments made under this title to Indian tribes, tribal organizations, and tribal consortia pursuant to the Indian Self-Determination and Education Assistance Act (25

U.S.C. 450 et seq.) or the Tribally Controlled Schools Act of 1988 (25 U.S.C. 2501 et seq.) may be invested by the Indian tribe, tribal organization, or consortium before such funds are expended for the purposes of the grant, compact, or annual funding agreement so long as such funds are—

(1) invested by the Indian tribe, tribal organization, or consortium only in obligations of the United States, or in obligations or securities that are guaranteed or insured by the United States, or mutual (or other) funds registered with the Securities and Exchange Commission and which only invest in obligations of the United States or securities that are guaranteed or insured by the United States; or

(2) deposited only into accounts that are insured by an agency or instrumentality of the United States, or are fully collateralized to ensure protection of the funds, even in the event of a bank failure.

SEC. 112. Notwithstanding any other provisions of law, the National Park Service shall not develop or implement a reduced entrance fee program to accommodate non-local travel through a unit. The Secretary may provide for and regulate local non-recreational passage through units of the National Park System, allowing each unit to develop guidelines and permits for such activity appropriate to that unit.

SEC. 113. Refunds or rebates received on an on-going basis from a credit card services provider under the Department of the Interior's charge card programs may be deposited to and retained without fiscal year limitation in the Departmental Working Capital Fund established under 43 U.S.C. 1467 and used to fund management initiatives of general benefit to the Department of the Interior's bureaus and offices as determined by the Secretary or his designee.

SEC. 114. Appropriations made in this title under the headings Bureau of Indian Affairs and Office of Special Trustee for American Indians and any available unobligated balances from prior appropriations Acts made under the same headings, shall be available for expenditure or transfer for Indian trust management activities pursuant to the Trust Management Improvement Project High Level Implementation Plan.

SEC. 115. Notwithstanding any provision of law, the Secretary of the Interior is authorized to negotiate and enter into agreements and leases, without regard to section 321 of chapter 314 of the Act of June 30, 1932 (40 U.S.C. 303b), with any person, firm, association, organization, corporation, or governmental entity for all or part of the property within Fort Baker administered by the Secretary as part of Golden Gate National Recreation Area. The proceeds of the agreements or leases shall be retained by the Secretary and such proceeds shall be available, without future appropriation, for the preservation, restoration, operation, maintenance and interpretation and related expenses incurred with respect to Fort Baker properties.

SEC. 116. A grazing permit or lease that expires (or is transferred) during fiscal year 2001 shall be renewed under section 402 of the Federal Land Policy and Management Act of 1976, as amended (43 U.S.C. 1752) or if applicable, section 510 of the California Desert Protection Act (16 U.S.C. 410aaa–50). The terms and conditions contained in the expiring permit or lease shall continue in effect under the new permit or lease until such time as the Secretary of the Interior completes processing of such permit or lease in compliance with all applicable laws and regulations, at which time such permit or lease may be canceled, suspended or modified, in whole or in part, to meet the requirements of such applicable laws and regulations. Nothing in this section shall be deemed to alter the Secretary's statutory authority.

SEC. 117. Notwithstanding any other provision of law, for the purpose of reducing the backlog of Indian probate cases in the Department of the Interior, the hearing requirements of chapter 10 of title 25, United States Code, are deemed satisfied by a proceeding conducted by an Indian probate judge, appointed by the Secretary without regard to the provisions of title 5, United States Code, governing the appointments in the competitive service, for such period of time as the Secretary determines necessary: Provided, That the basic pay of an Indian probate judge so appointed may be fixed by the Secretary without regard to the provisions of chapter 51, and subchapter III of chapter 53 of title 5, United States Code, governing the classification and pay of General Schedule employees, except that no such Indian probate judge may be paid at a level which exceeds the maximum rate payable for the highest grade of the General Schedule, including locality pay.

SEC. 118. (a) Notwithstanding any other provision of law, with respect to amounts made available for tribal priority allocations in Alaska, such amounts shall only be provided to tribes the membership of which on June 1, 2000 is composed of at least 25 individuals who are Natives (as such term is defined in section 3(b) of the Alaska Native Claims Settlement Act).

(b) Amounts that would have been made available for tribal priority allocations in Alaska but for the limitation contained in subsection (a) shall be provided to the respective Alaska Native regional nonprofit corporation (as listed in section 103(a)(2) of Public Law 104–193, 110 Stat. 2159) for the respective region in which a tribe subject to subsection (a) is located, notwithstanding any resolution authorized under federal law to the contrary.

SEC. 119. None of the funds in this Act may be used to establish a new National Wildlife Refuge in the Kankakee River basin unless a plan for such a refuge is consistent with a partnership agreement between the Fish and Wildlife Service and the Army Corps of Engineers entered into on April 16, 1999 and is submitted to the House and Senate Committees on Appropriations thirty (30) days prior to the establishment of the refuge.

SEC. 120. (a) In this section—

(1) the term ''Huron Cemetery'' means the lands that form the cemetery that is popularly known as the Huron Cemetery, located in Kansas City, Kansas, as described in subsection (b)(3); and

(2) the term ''Secretary'' means the Secretary of the Interior.

(b)(1) The Secretary shall take such action as may be necessary to ensure that the lands comprising the Huron Cemetery (as described in paragraph (3)) are used only in accordance with this subsection.

(2) The lands of the Huron Cemetery shall be used only—

(A) for religious and cultural uses that are compatible with the use of the lands as a cemetery; and

(B) as a burial ground.

(3) The description of the lands of the Huron Cemetery is as follows:

The tract of land in the NW quarter of sec. 10, T. 11 S., R. 25 E., of the sixth principal meridian, in Wyandotte County, Kansas (as surveyed and marked on the ground on August 15, 1888, by William Millor, Civil Engineer and Surveyor), described as follows:

''Commencing on the Northwest corner of the Northwest Quarter of the Northwest Quarter of said Section 10;

''Thence South 28 poles to the 'true point of beginning';

''Thence South 71 degrees East 10 poles and 18 links;

''Thence South 18 degrees and 30 minutes West 28 poles;

''Thence West 11 and one-half poles;

''Thence North 19 degrees 15 minutes East 31 poles and 15 feet to the 'true point of beginning', containing 2 acres or more.''.

SEC. 121. None of the Funds provided in this Act shall be available to the Bureau of Indian Affairs or the Department of the Interior to transfer land into trust status for the Shoalwater Bay Indian Tribe in Clark County, Washington, unless and until the tribe and the county reach a legally enforceable agreement that addresses the financial impact of new development on the county, school district, fire district, and other local governments and the impact on zoning and development.

SEC. 122. None of the funds provided in this Act may be used by the Department of the Interior to implement the provisions of Principle 3(C)ii and Appendix section 3(B)(4) in Secretarial Order 3206, entitled ''American Indian Tribal Rights, Federal-Tribal Trust Responsibilities, and the Endangered Species Act''.

SEC. 123. No funds appropriated for the Department of the Interior by this Act or any other Act shall be used to study or implement any plan to drain Lake Powell or to reduce the water level of the lake below the range of water levels required for the operation of the Glen Canyon Dam.

SEC. 124. Funds appropriated for the Bureau of Indian Affairs for postsecondary schools for fiscal year 2001 shall be allocated among the schools proportionate to the unmet need of the schools as determined by the Postsecondary Funding Formula adopted by the Office of Indian Education Programs.

SEC. 125. On the date of enactment, the National Marine Fisheries Service and the U.S. Fish and Wildlife Service shall continue consultation with the U.S. Army Corps of Engineers to develop a comprehensive plan to eliminate Caspian Tern nesting at Rice Island in the Columbia River Estuary. The agencies shall develop a report on the significance of tern predation in limiting salmon recovery and their roles and recommendations for the Rice Island colony relocation by March 31, 2001. This report shall address all available options for successfully completing the Rice Island colony relocation.

SEC. 126. Notwithstanding any other provision of law, in conveying the Twin Cities Research Center under the authority provided by Public Law 104–134, as amended by Public Law 104–208, the Secretary may accept and retain land and other forms of reimbursement: Provided, That the Secretary may retain and use any such reimbursement until expended and without further appropriation: (1) for the benefit of the National Wildlife Refuge System within the State of Minnesota; and (2) for all activities authorized by Public Law 100–696; 16 U.S.C. 460zz.

SEC. 127. Section 112 of Public Law 103–138 (107 Stat. 1399) is amended by striking ''permit LP–GLBA005–93'' and inserting ''permit LP–GLBA005–93 and in connection with a corporate reorganization plan, the entity that, after the corporate reorganization, holds entry permit CP–GLBA004–00 each''.

SEC. 128. Notwithstanding any other provision of law, the Secretary of the Interior shall designate Anchorage, Alaska, as a port of entry for the purpose of section 9(f)(1) of the Endangered Species Act of 1973 (16 U.S.C. 1538(f)(1)).

SEC. 129. (a) The first section of Public Law 92–501 (86 Stat. 904) is amended by inserting after the first sentence ''The park shall also include the land as generally depicted on the map entitled 'subdivision of a portion of U.S. Survey 407, Tract B, dated May 12, 2000' ''.

(b) Section 3 of Public Law 92–501 is amended to read as follows: ''There are authorized to be appropriated such sums as are necessary to carry out the terms of this Act.''.

SEC. 130. (a) All proceeds of Oil and Gas Lease sale 991, held by the Bureau of Land Management on May 5, 1999, or subsequent lease sales in the National Petroleum Reserve—Alaska within the area subject to withdrawal for Kuukpik Corporation's selection under section 22(j)(2) of the Alaska Native Claims Settlement Act, Public Law 92–203 (85 Stat. 688), shall be held in an escrow account administered under the terms of section 1411 of the Alaska National Interest Lands Conservation Act, Public Law 96–487 (94 Stat. 2371), without regard to whether

a withdrawal for selection has been made, and paid to Arctic Slope Regional Corporation and the State of Alaska in the amount of their entitlement under law when determined, together with interest at the rate provided in the aforementioned section 1411, from the date of receipt of the proceeds by the United States to the date of payment. There is authorized to be appropriated such sums as are necessary to carry out the purposes of this section.

(b) This section shall be effective as of May 5, 1999.

SEC. 131. Notwithstanding any other provision of law, the Secretary of the Interior shall convey to Harvey R. Redmond of Girdwood, Alaska, at no cost, all right, title, and interest of the United States in and to United States Survey No. 12192, Alaska, consisting of 49.96 acres located in the vicinity of T. 9N., R., 3E., Seward Meridian, Alaska.

SEC. 132. CLARIFICATION OF TERMS OF CONVEYANCE TO NYE COUNTY, NEVADA. Section 132 of the Department of the Interior and Related Agencies Appropriations Act, 2000 (113 Stat. 1535, 1501A–165), is amended by striking paragraph (1) and inserting the following:

''(1) CONVEYANCE.—

''(A) IN GENERAL.—The Secretary shall convey to the county, subject to valid existing rights, all right, title, and interest in and to the parcels of public land described in paragraph (2).

''(B) PRICE.—The conveyance under paragraph (1) shall be made at a price determined to be appropriate for the conveyance of land for educational facilities under the Act of June 14, 1926 (commonly known as the 'Recreation and Public Purposes Act') (43 U.S.C. 869 et seq.).''.

SEC. 133. MISSISSIPPI RIVER ISLAND NO. 228, IOWA, LAND EXCHANGE. (a) IDENTIFICATION OF LAND TO BE RECEIVED IN EXCHANGE.—Not later than 120 days after the date of enactment of this Act, the Secretary of the Interior, acting through the Director of the United States Fish and Wildlife Service (referred to in this section as the ''Secretary''), shall provide Dubuque Barge & Fleeting Services, Inc. (referred to in this section as ''Dubuque''), a notice that identifies parcels of land or interests in land—

(1) that are of a value that is approximately equal to the value of the parcel of land comprising the northern half of Mississippi River Island No. 228, as determined through an appraisal conducted in conformity with the Uniform Appraisal Standards for Federal Land Acquisition; and

(2) that the Secretary would consider acceptable in exchange for all right, title, and interest of the United States in and to that parcel.

(b) LAND FOR WILD LIFE AND FISH REFUGE.—Land or interests in land that the Secretary may consider acceptable for the purposes of subsection (a) include land or interests in land that would be suitable for inclusion in the Upper Mississippi River Wild Life and Fish Refuge.

(c) EXCHANGE.—Not later than 120 days after Dubuque offers land or interests in land identified in the notice under subsection (a), the Secretary shall convey all right, title, and interest of the United States in and to the parcel described in subsection (a) in exchange for the land or interests in land offered by Dubuque, and shall permanently discontinue barge fleeting at the Mississippi River island, Tract JO–4, Parcel A, in the W/2 SE/4, Section 30, T.29N., R.2W., Jo Daviess County, Illinois, located between miles #578 and #579, commonly known as Pearl Island.

SEC. 134. (a) FINDINGS.—The Senate makes the following findings—

(1) in 1990, pursuant to the Indian Self-Determination and Education Assistance Act (ISDEAA), 25 U.S.C. 450 et seq., a class action lawsuit was filed by Indian tribal contractors and tribal consortia against the United States, the Secretary of the Interior and others seeking money damages, injunctive relief, and declaratory relief for alleged violations of the ISDEAA (Ramah Navajo Chapter v. Lujan, 112 F.3d 1455 (10th Cir. 1997));

(2) the parties negotiated a partial settlement of the claim totaling $76,200,000, plus applicable interest, which was approved by the court on May 14, 1999;

(3) the partial settlement was paid by the United States in September 1999, in the amount of $82,000,000;

(4) the Judgment Fund was established to pay for legal judgments awarded to plaintiffs who have filed suit against the United States;

(5) the Contract Disputes Act of 1978 requires that the Judgment Fund be reimbursed by the responsible agency following the payment of an award from the Fund; and

(6) the shortfall in contract support payments found by the Court of Appeals for the 10th Circuit in Ramah resulted primarily from the nonpayment or underpayment of indirect costs by agencies other than the Bureau of Indian Affairs and the Indian Health Service.

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

(1) repayment of the Judgment Fund for the partial settlement in Ramah from the accounts of the Bureau of Indian Affairs and Indian Health Service would significantly reduce funds appropriated to benefit tribes and individual Native Americans; and

(2) the Secretary of the Interior should work with the Director of the Office of Management and Budget to secure funding for repayment of the judgment in Ramah within the budgets of the agencies that did not pay indirect costs to plaintiffs during the period 1988 to 1993 or paid indirect costs at less than rates provided under the Indian Self-Determination Act during such period.

TITLE II—RELATED AGENCIES

DEPARTMENT OF AGRICULTURE

FOREST SERVICE

FOREST AND RANGELAND RESEARCH

For necessary expenses of forest and rangeland research as authorized by law, $221,966,000, to remain available until expended.

STATE AND PRIVATE FORESTRY

For necessary expenses of cooperating with and providing technical and financial assistance to States, territories, possessions, and others, and for forest health management, cooperative forestry, and education and land conservation activities, $226,266,000, to remain available until expended, as authorized by law, of which not less than $750,000 shall be available to complete an updated study of the New York-New Jersey highlands under section 1244(b) of the Food, Agriculture, Conservation, and Trade Act of 1990 (104 Stat. 3547).

NATIONAL FOREST SYSTEM

For necessary expenses of the Forest Service, not otherwise provided for, for management, protection, improvement, and utilization of the National Forest System, $1,231,824,000, to remain available until expended, which shall include 50 percent of all moneys received during prior fiscal years as fees collected under the Land and Water Conservation Fund Act of 1965, as amended, in accordance with section 4 of the Act (16 U.S.C. 460l–6a(i)), of which not less than an additional $500,000 shall be available for use for law enforcement purposes in the national forest that, during fiscal year 2000, had both the greatest number of methamphetamine dumps and the greatest number of methamphetamine laboratory law enforcement actions in the National Forest System, and of which not less than an additional $500,000 shall be available for law enforcement purposes on the Pisgah and Nantahala National Forests: Provided, That unobligated balances available at the start of fiscal year 2001 shall be displayed by extended budget line item in the fiscal year 2002 budget justification: Provided further, That of the amount available for vegetation and watershed management, the Secretary may authorize the expenditure or transfer of such sums as necessary to the Department of the Interior, Bureau of Land Management for removal, preparation, and adoption of excess wild horses and burros from National Forest System lands: Provided further, That $5,000,000 shall be allocated to the Alaska Region, in addition to its normal allocation for the purposes of preparing additional timber for sale, to establish a 3-year timber supply and such funds may be transferred to other appropriations accounts as necessary to maximize accomplishment: Provided further, That of funds available for Wildlife and Fish Habitat Management, $400,000 shall be provided to the State of Alaska for cooperative monitoring activities, and of the funds provided for Forest Products, $700,000 shall be provided to the State of Alaska for monitoring activities at Forest Service log transfer facilities, both in the form of an advance, direct lump sum payment.

For an additional amount for emergency expenses resulting from damage from windstorms, $7,249,000 to become available upon enactment of this Act, and to remain available until expended: Provided, That the entire amount shall be available only to the extent that the President submits to Congress an official budget request for a specific dollar amount that includes designation of the entire amount of the request as an emergency requirement for the purposes of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900 et seq.): Provided further, That the entire amount is designated by Congress as an emergency requirement under section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)(A)).

For an additional amount to cover necessary expenses for implementation of the Valles Caldera Preservation Act, $990,000, to remain available until expended, which shall be available to the Secretary for the management of the Valles Caldera National Preserve: Provided, That any remaining balances be provided to the Valles Caldera Trust upon its assumption of the management of the Preserve: Provided further, That the amount available in this Act to the Office of the Solicitor within the Department of the Interior shall not exceed $39,206,000.

WILDLAND FIRE MANAGEMENT

For necessary expenses for forest fire presuppression activities on National Forest System lands, for emergency fire suppression on or adjacent to such lands or other lands under fire protection agreement, and for emergency rehabilitation of burned-over National Forest System lands and water, $617,629,000, of which at least $6,947,000 shall be used for hazardous fuels reduction activities and expenses resulting from windstorm damage in the Superior National Forest in Minnesota, $3,000,000 of which shall not be available until September 30, 2001, to remain available until expended, and of which not less than $2,400,000 shall be made available for fuels reduction activities at Sequoia National Monument: Provided, That such funds are available for repayment of advances from other appropriations accounts previously transferred for such purposes: Provided further, That not less than 50 percent of any unobligated balances remaining (exclusive of amounts for hazardous fuels reduction) at the end of fiscal year 2000 shall be transferred, as repayment for post advances that have not been repaid, to the fund established pursuant to section 3 of Public Law 71–319 (16 U.S.C. 576 et seq.): Provided further, That notwithstanding any other provision of law, up to $5,000,000 of funds appropriated under this appropriation may be used for Fire Science Research in support of the Joint Fire Science Program: Provided further, That all authorities for the use of funds, including the use of contracts, grants, and cooperative agreements, available to execute the Forest Service and Rangeland Research appropriation, are also available in the utilization of these funds for Fire Science Research.

For an additional amount to cover necessary expenses for emergency rehabilitation, presuppression due to emergencies, and wildfire suppression activities of the Forest Service, $150,000,000, to remain available until expended: Provided, That the entire amount is designated by Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: Provided further, That these funds shall be available only to the extent an official budget request for a specific dollar amount, that includes designation of the entire amount of the request as an emergency requirement as defined in the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, is transmitted by the President to the Congress.

CAPITAL IMPROVEMENT AND MAINTENANCE

For necessary expenses of the Forest Service, not otherwise provided for, $448,312,000, to remain available until expended for construction, reconstruction, maintenance and acquisition of buildings and other facilities, and for construction, reconstruction, repair and maintenance of forest roads and trails by the Forest Service as authorized by 16 U.S.C. 532–538 and 23 U.S.C. 101 and 205: Provided, That $5,000,000 of the funds provided herein for roads shall be for the purposes of section 502(e) of Public Law 105–83: Provided further, That up to $15,000,000 of the funds provided herein for road maintenance shall be available for the decommissioning of roads, including unauthorized roads not part of the transportation system, which are no longer needed: Provided further, That no funds shall be expended to decommission any system road until notice and an opportunity for public comment has been provided on each decommissioning project: Provided further, That any unobligated balances of amounts previously appropriated to the Forest Service ''Reconstruction and Construction'' account as well as any unobligated balances remaining in the ''National Forest System'' account for the facility maintenance and trail maintenance extended budget line items may be transferred to and merged with the ''Capital Improvement and Maintenance'' account.

LAND ACQUISITION

For expenses necessary to carry out the provisions of the Land and Water Conservation Fund Act of 1965, as amended (16 U.S.C. 460l–4 through 11), including administrative expenses, and for acquisition of land or waters, or interest therein, in accordance with statutory authority applicable to the Forest Service, $76,320,000, to be derived from the Land and Water Conservation Fund, to remain available until expended, of which $1,000,000 shall be for the acquisition of lands on the Pisgah National Forest and not to exceed $1,000,000 shall be for Forest Inholdings: Provided, That notwithstanding any other provision of law, of the funds provided not less than $5,000,000 but not to exceed $10,000,000 shall be made available to Kake Tribal Corporation to implement the Kake Tribal Corporation Land Transfer Act upon its enactment into law: Provided further, That of the amounts appropriated and available, the Secretary of Agriculture shall transfer as a direct payment to the city of Craig at least $5,000,000 but not to exceed $10,000,000 in lieu of any claims or municipal entitlement to land within the outside boundaries of the Tongass National Forest pursuant to section 6(a) of Public Law 85–508, the Alaska Statehood Act, as amended: Provided further, That should the directive in the preceding proviso conflict with any provision of existing law the preceding proviso shall prevail and take precedence.

ACQUISITION OF LANDS FOR NATIONAL FORESTS SPECIAL ACTS

For acquisition of lands within the exterior boundaries of the Cache, Uinta, and Wasatch National Forests, Utah; the Toiyabe National Forest, Nevada; and the Angeles, San Bernardino, Sequoia, and Cleveland National Forests, California, as authorized by law, $1,068,000, to be derived from forest receipts.

ACQUISITION OF LANDS TO COMPLETE LAND EXCHANGES

For acquisition of lands, such sums, to be derived from funds deposited by State, county, or municipal governments, public school districts, or other public school authorities pursuant to the Act of December 4, 1967, as amended (16 U.S.C. 484a), to remain available until expended.

RANGE BETTERMENT FUND

For necessary expenses of range rehabilitation, protection, and improvement, 50 percent of all moneys received during the prior fiscal year, as fees for grazing domestic livestock on lands in National Forests in the 16 Western States, pursuant to section 401(b)(1) of Public Law 94–579, as amended, to remain available until expended, of which not to exceed 6 percent shall be available for administrative expenses associated with on-the-ground range rehabilitation, protection, and improvements.

GIFTS, DONATIONS AND BEQUESTS FOR FOREST AND RANGELAND RESEARCH

For expenses authorized by 16 U.S.C. 1643(b), $92,000, to remain available until expended, to be derived from the fund established pursuant to the above Act.

MANAGEMENT OF NATIONAL FOREST LANDS FOR SUBSISTENCE USES

SUBSISTENCE MANAGEMENT, FOREST SERVICE

For necessary expenses of the Forest Service to manage federal lands in Alaska for subsistence uses under title VIII of the Alaska National Interest Lands Conservation Act (Public Law 96–487), $5,500,000, to remain available until expended: Provided, That $750,000 shall be transferred to the State of Alaska Department of Fish and Game as a direct payment for administrative and policy coordination and an additional $250,000 shall be transferred to United Fishermen of Alaska as a direct payment.

ADMINISTRATIVE PROVISIONS, FOREST SERVICE

Appropriations to the Forest Service for the current fiscal year shall be available for: (1) purchase of not to exceed 132 passenger motor vehicles of which 13 will be used primarily for law enforcement purposes and of which 129 shall be for replacement; acquisition of 25 passenger motor vehicles from excess sources, and hire of such vehicles; operation and maintenance of aircraft, the purchase of not to exceed six for replacement only, and acquisition of sufficient aircraft from excess sources to maintain the operable fleet at 192 aircraft for use in Forest Service wildland fire programs and other Forest Service programs; notwithstanding other provisions of law, existing aircraft being replaced may be sold, with proceeds derived or trade-in value used to offset the purchase price for the replacement aircraft; (2) services pursuant to 7 U.S.C. 2225, and not to exceed $100,000 for employment under 5 U.S.C. 3109; (3) purchase, erection, and alteration of buildings and other public improvements (7 U.S.C. 2250); (4) acquisition of land, waters, and interests therein, pursuant to 7 U.S.C. 428a; (5) for expenses pursuant to the Volunteers in the National Forest Act of 1972 (16 U.S.C. 558a, 558d, and 558a note); (6) the cost of uniforms as authorized by 5 U.S.C. 5901–5902; and (7) for debt collection contracts in accordance with 31 U.S.C. 3718(c).

None of the funds made available under this Act shall be obligated or expended to abolish any region, to move or close any regional office for National Forest System administration of the Forest Service, Department of Agriculture without the consent of the House and Senate Committees on Appropriations.

Any appropriations or funds available to the Forest Service may be transferred to the Wildland Fire Management appropriation for forest firefighting, emergency rehabilitation of burned-over or damaged lands or waters under its jurisdiction, and fire preparedness due to severe burning conditions if and only if all previously appropriated emergency contingent funds under the heading ''Wildland Fire Management'' have been released by the President and apportioned.

Funds appropriated to the Forest Service shall be available for assistance to or through the Agency for International Development and the Foreign Agricultural Service in connection with forest and rangeland research, technical information, and assistance in foreign countries, and shall be available to support forestry and related natural resource activities outside the United States and its territories and possessions, including technical assistance, education and training, and cooperation with United States and international organizations.

None of the funds made available to the Forest Service under this Act shall be subject to transfer under the provisions of section 702(b) of the Department of Agriculture Organic Act of 1944 (7 U.S.C. 2257) or 7 U.S.C. 147b unless the proposed transfer is approved in advance by the House and Senate Committees on Appropriations in compliance with the reprogramming procedures contained in House Report No. 105–163.

None of the funds available to the Forest Service may be reprogrammed without the advance approval of the House and Senate Committees on Appropriations in accordance with the procedures contained in House Report No. 105–163.

No funds appropriated to the Forest Service shall be transferred to the Working Capital Fund of the Department of Agriculture without the approval of the Chief of the Forest Service.

Funds available to the Forest Service shall be available to conduct a program of not less than $2,000,000 for high priority projects within the scope of the approved budget which shall be carried out by the Youth Conservation Corps as authorized by the Act of August 13, 1970, as amended by Public Law 93–408.

Of the funds available to the Forest Service, $1,500 is available to the Chief of the Forest Service for official reception and representation expenses.

To the greatest extent possible, and in accordance with the Final Amendment to the Shawnee National Forest Plan, none of the funds available in this Act shall be used for preparation of timber sales using clearcutting or other forms of even-aged management in hardwood stands in the Shawnee National Forest, Illinois.

Pursuant to sections 405(b) and 410(b) of Public Law 101–593, of the funds available to the Forest Service, up to $2,250,000 may be advanced in a lump sum as Federal financial assistance to the National Forest Foundation, without regard to when the Foundation incurs expenses, for administrative expenses or projects on or benefitting National Forest System lands or related to Forest Service programs: Provided, That of the Federal funds made available to the Foundation, no more than $400,000 shall be available for administrative expenses: Provided further, That the Foundation shall obtain, by the end of the period of Federal financial assistance, private contributions to match on at least one-for-one basis funds made available by the Forest Service: Provided further, That the Foundation may transfer Federal funds to a non-Federal recipient for a project at the same rate that the recipient has obtained the non-Federal matching funds: Provided further, That hereafter, the National Forest Foundation may hold Federal funds made available but not immediately disbursed and may use any interest or other investment income earned (before, on, or after the date of the enactment of this Act) on Federal funds to carry out the purposes of Public Law 101–593: Provided further, That such investments may be made only in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States.

Pursuant to section 2(b)(2) of Public Law 98–244, $2,650,000 of the funds available to the Forest Service shall be available for matching funds to the National Fish and Wildlife Foundation, as authorized by 16 U.S.C. 3701–3709, and may be advanced in a lump sum as Federal financial assistance, without regard to when expenses are incurred, for projects on or benefitting National Forest System lands or related to Forest Service programs: Provided, That the Foundation shall obtain, by the end of the period of Federal financial assistance, private contributions to match on at least one-for-one basis funds advanced by the Forest Service: Provided further, That the Foundation may transfer Federal funds to a non-Federal recipient for a project at the same rate that the recipient has obtained the non-Federal matching funds.

Funds appropriated to the Forest Service shall be available for interactions with and providing technical assistance to rural communities for sustainable rural development purposes.

Notwithstanding any other provision of law, 80 percent of the funds appropriated to the Forest Service in the ''National Forest System'' and ''Capital Improvement and Maintenance'' accounts and planned to be allocated to activities under the ''Jobs in the Woods'' program for projects on National Forest land in the State of Washington may be granted directly to the Washington State Department of Fish and Wildlife for accomplishment of planned projects. Twenty percent of said funds shall be retained by the Forest Service for planning and administering projects. Project selection and prioritization shall be accomplished by the Forest Service with such consultation with the State of Washington as the Forest Service deems appropriate.

Funds appropriated to the Forest Service shall be available for payments to counties within the Columbia River Gorge National Scenic Area, pursuant to sections 14(c)(1) and (2), and section 16(a)(2) of Public Law 99–663.

The Secretary of Agriculture is authorized to enter into grants, contracts, and cooperative agreements as appropriate with the Pinchot Institute for Conservation, as well as with public and other private agencies, organizations, institutions, and individuals, to provide for the development, administration, maintenance, or restoration of land, facilities, or Forest Service programs, at the Grey Towers National Historic Landmark: Provided, That, subject to such terms and conditions as the Secretary of Agriculture may prescribe, any such public or private agency, organization, institution, or individual may solicit, accept, and administer private gifts of money and real or personal property for the benefit of, or in connection with, the activities and services at the Grey Towers National Historic Landmark: Provided further, That such gifts may be accepted notwithstanding the fact that a donor conducts business with the Department of Agriculture in any capacity.

Funds appropriated to the Forest Service shall be available, as determined by the Secretary, for payments to Del Norte County, California, pursuant to sections 13(e) and 14 of the Smith River National Recreation Area Act (Public Law 101–612).

Notwithstanding any other provision of law, any appropriations or funds available to the Forest Service not to exceed $500,000 may be used to reimburse the Office of the General Counsel (OGC), Department of Agriculture, for travel and related expenses incurred as a result of OGC assistance or participation requested by the Forest Service at meetings, training sessions, management reviews, land purchase negotiations and similar non-litigation related matters. Future budget justifications for both the Forest Service and the Department of Agriculture should clearly display the sums previously transferred and the requested funding transfers.

No employee of the Department of Agriculture may be detailed or assigned from an agency or office funded by this Act to any other agency or office of the department for more than 30 days unless the individual's employing agency or office is fully reimbursed by the receiving agency or office for the salary and expenses of the employee for the period of assignment.

The Forest Service shall fund overhead, national commitments, indirect expenses, and any other category for use of funds which are expended at any units, that are not directly related to the accomplishment of specific work on-the-ground (referred to as ''indirect expenditures''), from funds available to the Forest Service, unless otherwise prohibited by law: Provided, That the Forest Service shall implement and adhere to the definitions of indirect expenditures established pursuant to Public Law 105–277 on a nationwide basis without flexibility for modification by any organizational level except the Washington Office, and when changed by the Washington Office, such changes in definition shall be reported in budget requests submitted by the Forest Service: Provided further, That the Forest Service shall provide in all future budget justifications, planned indirect expenditures in accordance with the definitions, summarized and displayed to the Regional, Station, Area, and detached unit office level. The justification shall display the estimated source and amount of indirect expenditures, by expanded budget line item, of funds in the agency's annual budget justification. The display shall include appropriated funds and the Knutson-Vandenberg, Brush Disposal, Cooperative Work-Other, and Salvage Sale funds. Changes between estimated and actual indirect expenditures shall be reported in subsequent budget justifications: Provided, That during fiscal year 2001 the Secretary shall limit total annual indirect obligations from the Brush Disposal, Cooperative Work-Other, Knutson-Vandenberg, Reforestation, Salvage Sale, and Roads and Trails funds to 20 percent of the total obligations from each fund.

Any appropriations or funds available to the Forest Service may be used for necessary expenses in the event of law enforcement emergencies as necessary to protect natural resources and public or employee safety: Provided, That such amounts shall not exceed $750,000.

The Secretary of Agriculture shall pay $4,449 from available funds to Joyce Liverca as reimbursement for various expenses incurred as a Federal employee in connection with certain high priority duties performed for the Forest Service.

The Forest Service shall submit a report to the House and Senate Committees on Appropriations by March 1, 2001 indicating the anticipated timber offer level in fiscal year 2001 with the funds provided in this Act: Provided, That if the anticipated offer level is less than 3.6 billion board feet, the agency shall submit a reprogramming request to attain this offer level by the close of fiscal year 2001.

Of the funds available to the Forest Service, $150,000 shall be made available in the form of an advanced, direct lump sum payment to the Society of American Foresters to support conservation education purposes in collaboration with the Forest Service.

The Secretary of Agriculture may authorize the sale of excess buildings, facilities, and other properties owned by the Forest Service and located on the Green Mountain National Forest, the revenues of which shall be retained by the Forest Service and available to the Secretary without further appropriation and until expended for maintenance and rehabilitation activities on the Green Mountain National Forest.

DEPARTMENT OF ENERGY

CLEAN COAL TECHNOLOGY

(DEFERRAL)

Of the funds made available under this heading for obligation in prior years, $67,000,000 shall not be available until October 1, 2001: Provided, That funds made available in previous appropriations Acts shall be available for any ongoing project regardless of the separate request for proposal under which the project was selected.

FOSSIL ENERGY RESEARCH AND DEVELOPMENT

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses in carrying out fossil energy research and development activities, under the authority of the Department of Energy Organization Act (Public Law 95–91), including the acquisition of interest, including defeasible and equitable interests in any real property or any facility or for plant or facility acquisition or expansion, and for conducting inquiries, technological investigations and research concerning the extraction, processing, use, and disposal of mineral substances without objectionable social and environmental costs (30 U.S.C. 3, 1602, and 1603), performed under the minerals and materials science programs at the Albany Research Center in Oregon $413,338,000, to remain available until expended, of which $12,000,000 for oil technology research shall be derived by transfer from funds appropriated in prior years under the heading ''Strategic Petroleum Reserve, SPR Petroleum Account'': Provided, That no part of the sum herein made available shall be used for the field testing of nuclear explosives in the recovery of oil and gas: Provided further, That up to 4 percent of program direction funds available to the National Energy Technology Laboratory may be used to support Department of Energy activities not included in this account.

ALTERNATIVE FUELS PRODUCTION

(RESCISSION)

Of the unobligated balances under this heading, $1,000,000 are rescinded.

NAVAL PETROLEUM AND OIL SHALE RESERVES

(RESCISSION)

Of the amounts previously appropriated under this heading, $7,000,000 are rescinded: Provided, That the requirements of 10 U.S.C. 7430(b)(2)(B) shall not apply to fiscal year 2001 and any fiscal year thereafter: Provided further, That, notwithstanding any other provision of law, unobligated funds remaining from prior years shall be available for all naval petroleum and oil shale reserve activities.

ELK HILLS SCHOOL LANDS FUND

For necessary expenses in fulfilling installment payments under the Settlement Agreement entered into by the United States and the State of California on October 11, 1996, as authorized by section 3415 of Public Law 104–106, $36,000,000, to become available on October 1, 2001 for payment to the State of California for the State Teachers' Retirement Fund from the Elk Hills School Lands Fund.

ENERGY CONSERVATION

(INCLUDING TRANSFER OF FUNDS)

For necessary expenses in carrying out energy conservation activities, $763,937,000, to remain available until expended, of which $2,000,000 shall be derived by transfer from unobligated balances in the Biomass Energy Development account and $2,000,000 shall be derived by transfer of a proportionate amount from each other account for which this Act makes funds available for travel, supplies, and printing expenses: Provided, That $174,000,000 shall be for use in energy conservation programs as defined in section 3008(3) of Public Law 99–509 (15 U.S.C. 4507): Provided further, That notwithstanding section 3003(d)(2) of Public Law 99–509, such sums shall be allocated to the eligible programs as follows: $140,000,000 for weatherization assistance grants and $34,000,000 for State energy conservation grants: Provided further, That notwithstanding any other provision of law, the Secretary of Energy may waive the matching requirement for weatherization assistance provided for by Public Law 106–113 in whole or in part for a State which he finds to be experiencing fiscal hardship or major changes in energy markets or suppliers or other temporary

limitations on its ability to provide matching funds, provided that the State is demonstrably engaged in continuing activities to secure non-federal resources and that such waiver is limited to one fiscal year and that no state may be granted such waiver more than twice: Provided further, That Indian tribal grantees of weatherization assistance shall not be required to provide matching funds.

ECONOMIC REGULATION

For necessary expenses in carrying out the activities of the Office of Hearings and Appeals, $2,000,000, to remain available until expended.

STRATEGIC PETROLEUM RESERVE

For necessary expenses for Strategic Petroleum Reserve facility development and operations and program management activities pursuant to the Energy Policy and Conservation Act of 1975, as amended (42 U.S.C. 6201 et seq.), $165,000,000, to remain available until expended, of which $3,000,000 shall be derived by transfer of unobligated balances of funds previously appropriated under the heading ''Strategic Petroleum Reserves Petroleum Account'', and of which $1,000,000 shall be derived by transfer of unobligated balances of funds previously appropriated under the heading ''NAVAL PETROLEUM AND OIL SHALE RESERVES'', and of which $4,000,000 shall be available for maintenance of a Northeast Home Heating Oil Reserve.

ENERGY INFORMATION ADMINISTRATION

For necessary expenses in carrying out the activities of the Energy Information Administration, $74,000,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS, DEPARTMENT OF ENERGY

Appropriations under this Act for the current fiscal year shall be available for hire of passenger motor vehicles; hire, maintenance, and operation of aircraft; purchase, repair, and cleaning of uniforms; and reimbursement to the General Services Administration for security guard services.

From appropriations under this Act, transfers of sums may be made to other agencies of the Government for the performance of work for which the appropriation is made.

None of the funds made available to the Department of Energy under this Act shall be used to implement or finance authorized price support or loan guarantee programs unless specific provision is made for such programs in an appropriations Act.

The Secretary is authorized to accept lands, buildings, equipment, and other contributions from public and private sources and to prosecute projects in cooperation with other agencies, Federal, State, private or foreign: Provided, That revenues and other moneys received by or for the account of the Department of Energy or otherwise generated by sale of products in connection with projects of the Department appropriated under this Act may be retained by the Secretary of Energy, to be available until expended, and used only for plant construction, operation, costs, and payments to cost-sharing entities as provided in appropriate cost-sharing contracts or agreements: Provided further, That the remainder of revenues after the making of such payments shall be covered into the Treasury as miscellaneous receipts: Provided further, That any contract, agreement, or provision thereof entered into by the Secretary pursuant to this authority shall not be executed prior to the expiration of 30 calendar days (not including any day in which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) from the receipt by the Speaker of the House of Representatives and the President of the Senate of a full comprehensive report on such project, including the facts and circumstances relied upon in support of the proposed project.

No funds provided in this Act may be expended by the Department of Energy to prepare, issue, or process procurement documents for programs or projects for which appropriations have not been made.

In addition to other authorities set forth in this Act, the Secretary may accept fees and contributions from public and private sources, to be deposited in a contributed funds account, and prosecute projects using such fees and contributions in cooperation with other Federal, State or private agencies or concerns.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

INDIAN HEALTH SERVICE

INDIAN HEALTH SERVICES

For expenses necessary to carry out the Act of August 5, 1954 (68 Stat. 674), the Indian Self-Determination Act, the Indian Health Care Improvement Act, and titles II and III of the Public Health Service Act with respect to the Indian Health Service, $2,184,421,000, together with payments received during the fiscal year pursuant to 42 U.S.C. 238(b) for services furnished by the Indian Health Service: Provided, That funds made available to tribes and tribal organizations through contracts, grant agreements, or any other agreements or compacts authorized by the Indian Self-Determination and Education Assistance Act of 1975 (25 U.S.C. 450), shall be deemed to be obligated at the time of the grant or contract award and thereafter shall remain available to the tribe or tribal organization without fiscal year limitation: Provided further, That $12,000,000 shall remain available until expended, for the Indian Catastrophic Health Emergency Fund: Provided further, That $426,756,000 for contract medical care shall remain available for obligation until September 30, 2002: Provided further, That of the funds provided, up to $17,000,000 shall be used to carry out the loan repayment program under section 108 of the Indian Health Care Improvement Act: Provided further, That funds provided in this Act may be used for 1-year contracts and grants which are to be performed in two fiscal years, so long as the total obligation is recorded in the year for which the funds are appropriated: Provided further, That the amounts collected by the Secretary of Health and Human Services under the authority of title IV of the Indian Health Care Improvement Act shall remain available until expended for the purpose of achieving compliance with the applicable conditions and requirements of titles XVIII and XIX of the Social Security Act (exclusive of planning, design, or construction of new facilities): Provided further, That funding contained herein, and in any earlier appropriations Acts for scholarship programs under the Indian Health Care Improvement Act (25 U.S.C. 1613) shall remain available for obligation until September 30, 2002: Provided further, That amounts received by tribes and tribal organizations under title IV of the Indian Health Care Improvement Act shall be reported and accounted for and available to the receiving tribes and tribal organizations until expended: Provided further, That, notwithstanding any other provision of law, of the amounts provided herein, not to exceed $243,781,000 shall be for payments to tribes and tribal organizations for contract or grant support costs associated with contracts, grants, self-governance compacts or annual funding agreements between the Indian Health Service and a tribe or tribal organization pursuant to the Indian Self-Determination Act of 1975, as amended, prior to or during fiscal year 2001, of which not to exceed $10,000,000 may be used for such costs associated with new and expanded contracts, grants, self-governance compacts or annual funding agreements: Provided further, That amounts appropriated to the Indian Health Service shall not be used to pay for contract health services in excess of the established Medicare and Medicaid rate for similar services: Provided further, That Indian tribes and tribal organizations that operate health care programs under contracts or compacts pursuant to the Indian Self-Determination and Education Assistance Act of 1975, Public Law 93–638, as amended, may access prime vendor rates for the cost of pharmaceutical products on the same basis and for the same purposes as the Indian Health Service may access such products: Provided further, That funds available for the Indian Health Care Improvement Fund may be used, as needed, to carry out activities typically funded under the Indian Health Facilities account.

INDIAN HEALTH FACILITIES

For construction, repair, maintenance, improvement, and equipment of health and related auxiliary facilities, including quarters for personnel; preparation of plans, specifications, and drawings; acquisition of sites, purchase and erection of modular buildings, and purchases of trailers; and for provision of domestic and community sanitation facilities for Indians, as authorized by section 7 of the Act of August 5, 1954 (42 U.S.C. 2004a), the Indian Self-Determination Act, and the Indian Health Care Improvement Act, and for expenses necessary to carry out such Acts and titles II and III of the Public Health Service Act with respect to environmental health and facilities support activities of the Indian Health Service, $349,350,000, to remain available until expended: Provided, That notwithstanding any other provision of law, funds appropriated for the planning, design, construction or renovation of health facilities for the benefit of an Indian tribe or tribes may be used to purchase land for sites to construct, improve, or enlarge health or related facilities: Provided further, That from the funds appropriated herein, $5,000,000 shall be designated by the Indian Health Service as a contribution to the Yukon-Kuskokwim Health Corporation (YKHC) to start a priority project for the acquisition of land, planning, design and construction of 79 staff quarters at Bethel, Alaska, subject to a negotiated project agreement between the YKHC and the Indian Health Service: Provided further, That this project shall not be subject to the construction provisions of the Indian Self-Determination and Education Assistance Act and shall be removed from the Indian Health Service priority list upon completion: Provided further, That the Federal Government shall not be liable for any property damages or other construction claims that may arise from YKHC undertaking this project: Provided further, That the land shall be owned or leased by the YKHC and title to quarters shall remain vested with the YKHC: Provided further, That notwithstanding any provision of law governing Federal construction, $240,000 of the funds provided herein shall be provided to the Hopi Tribe to reduce the debt incurred by the Tribe in providing staff quarters to meet the housing needs associated with the new Hopi Health Center: Provided further, That $5,000,000 shall remain available until expended for the purpose of funding joint venture health care facility projects authorized under the Indian Health Care Improvement Act, as amended: Provided further, That priority, by rank order, shall be given to tribes with outpatient projects on the existing Indian Health Services priority list that have Service-approved planning documents, and can demonstrate by March 1, 2001, the financial capability necessary to provide an appropriate facility: Provided further, That joint venture funds unallocated after March 1, 2001, shall be made available for joint venture projects on a competitive basis giving priority to tribes that currently have no existing Federally-owned health care facility, have planning documents meeting Indian Health Service requirements prepared for approval by the Service and can demonstrate the financial capability needed to provide an appropriate facility: Provided further, That the Indian Health Service shall request additional staffing, operation and maintenance funds for these facilities in future budget requests: Provided further, That not to exceed $500,000 shall be used by the Indian Health

Service to purchase TRANSAM equipment from the Department of Defense for distribution to the Indian Health Service and tribal facilities: Provided further, That not to exceed $500,000 shall be used by the Indian Health Service to obtain ambulances for the Indian Health Service and tribal facilities in conjunction with an existing interagency agreement between the Indian Health Service and the General Services Administration: Provided further, That not to exceed $500,000 shall be placed in a Demolition Fund, available until expended, to be used by the Indian Health Service for demolition of Federal buildings.

ADMINISTRATIVE PROVISIONS, INDIAN HEALTH SERVICE

Appropriations in this Act to the Indian Health Service shall be available for services as authorized by 5 U.S.C. 3109 but at rates not to exceed the per diem rate equivalent to the maximum rate payable for senior-level positions under 5 U.S.C. 5376; hire of passenger motor vehicles and aircraft; purchase of medical equipment; purchase of reprints; purchase, renovation and erection of modular buildings and renovation of existing facilities; payments for telephone service in private residences in the field, when authorized under regulations approved by the Secretary; and for uniforms or allowances therefore as authorized by 5 U.S.C. 5901–5902; and for expenses of attendance at meetings which are concerned with the functions or activities for which the appropriation is made or which will contribute to improved conduct, supervision, or management of those functions or activities: Provided, That in accordance with the provisions of the Indian Health Care Improvement Act, non-Indian patients may be extended health care at all tribally administered or Indian Health Service facilities, subject to charges, and the proceeds along with funds recovered under the Federal Medical Care Recovery Act (42 U.S.C. 2651–2653) shall be credited to the account of the facility providing the service and shall be available without fiscal year limitation: Provided further, That notwithstanding any other law or regulation, funds transferred from the Department of Housing and Urban Development to the Indian Health Service shall be administered under Public Law 86–121 (the Indian Sanitation Facilities Act) and Public Law 93–638, as amended: Provided further, That funds appropriated to the Indian Health Service in this Act, except those used for administrative and program direction purposes, shall not be subject to limitations directed at curtailing Federal travel and transportation: Provided further, That notwithstanding any other provision of law, funds previously or herein made available to a tribe or tribal organization through a contract, grant, or agreement authorized by title I or title III of the Indian Self-Determination and Education Assistance Act of 1975 (25 U.S.C. 450), may be deobligated and reobligated to a self-determination contract under title I, or a self-governance agreement under title III of such Act and thereafter shall remain available to the tribe or tribal organization without fiscal year limitation: Provided further, That none of the funds made available to the Indian Health Service in this Act shall be used to implement the final rule published in the Federal Register on September 16, 1987, by the Department of Health and Human Services, relating to the eligibility for the health care services of the Indian Health Service until the Indian Health Service has submitted a budget request reflecting the increased costs associated with the proposed final rule, and such request has been included in an appropriations Act and enacted into law: Provided further, That funds made available in this Act are to be apportioned to the Indian Health Service as appropriated in this Act, and accounted for in the appropriation structure set forth in this Act: Provided further, That with respect to functions transferred by the Indian Health Service to tribes or tribal organizations, the Indian Health Service is authorized to provide goods and services to those entities, on a reimbursable basis, including payment in advance with subsequent adjustment, and the reimbursements received therefrom, along with the funds received from those entities pursuant to the Indian Self-Determination Act, may be credited to the same or subsequent appropriation account which provided the funding, said amounts to remain available until expended: Provided further, That reimbursements for training, technical assistance, or services provided by the Indian Health Service will contain total costs, including direct, administrative, and overhead associated with the provision of goods, services, or technical assistance: Provided further, That the appropriation structure for the Indian Health Service may not be altered without advance approval of the House and Senate Committees on Appropriations.

OTHER RELATED AGENCIES

OFFICE OF NAVAJO AND HOPI INDIAN RELOCATION

SALARIES AND EXPENSES

For necessary expenses of the Office of Navajo and Hopi Indian Relocation as authorized by Public Law 93–531, $15,000,000, to remain available until expended: Provided, That funds provided in this or any other appropriations Act are to be used to relocate eligible individuals and groups including evictees from District 6, Hopi-partitioned lands residents, those in significantly substandard housing, and all others certified as eligible and not included in the preceding categories: Provided further, That none of the funds contained in this or any other Act may be used by the Office of Navajo and Hopi Indian Relocation to evict any single Navajo or Navajo family who, as of November 30, 1985, was physically domiciled on the lands partitioned to the Hopi Tribe unless a new or replacement home is provided for such household: Provided further, That no relocatee will be provided with more than one new or replacement home: Provided further, That the Office shall relocate any certified eligible relocatees who have selected and received an approved homesite on the Navajo reservation or selected a replacement residence off the Navajo reservation or on the land acquired pursuant to 25 U.S.C. 640d–10.

INSTITUTE OF AMERICAN INDIAN AND ALASKA NATIVE CULTURE AND ARTS DEVELOPMENT

PAYMENT TO THE INSTITUTE

For payment to the Institute of American Indian and Alaska Native Culture and Arts Development, as authorized by title XV of Public Law 99–498, as amended (20 U.S.C. 56 part A), $4,125,000.

SMITHSONIAN INSTITUTION

SALARIES AND EXPENSES

For necessary expenses of the Smithsonian Institution, as authorized by law, including research in the fields of art, science, and history; development, preservation, and documentation of the National Collections; presentation of public exhibits and performances; collection, preparation, dissemination, and exchange of information and publications; conduct of education, training, and museum assistance programs; maintenance, alteration, operation, lease (for terms not to exceed 30 years), and protection of buildings, facilities, and approaches; not to exceed $100,000 for services as authorized by 5 U.S.C. 3109; up to five replacement passenger vehicles; purchase, rental, repair, and cleaning of uniforms for employees, $387,755,000, of which not to exceed $47,088,000 for the instrumentation program, collections acquisition, Museum Support Center equipment and move, exhibition reinstallation, the National Museum of the American Indian, the repatriation of skeletal remains program, research equipment, information management, and Latino programming shall remain available until expended, and including such funds as may be necessary to support American overseas research centers and a total of $125,000 for the Council of American Overseas Research Centers: Provided, That funds appropriated herein are available for advance payments to independent contractors performing research services or participating in official Smithsonian presentations: Provided further, That the Smithsonian Institution may expend Federal appropriations designated in this Act for lease or rent payments for long term and swing space, as rent payable to the Smithsonian Institution, and such rent payments may be deposited into the general trust funds of the Institution to the extent that federally supported activities are housed in the 900 H Street, N.W. building in the District of Columbia: Provided further, That this use of Federal appropriations shall not be construed as debt service, a Federal guarantee of, a transfer of risk to, or an obligation of, the Federal Government: Provided further, That no appropriated funds may be used to service debt which is incurred to finance the costs of acquiring the 900 H Street building or of planning, designing, and constructing improvements to such building.

REPAIR, RESTORATION AND ALTERATION OF FACILITIES

For necessary expenses of repair, restoration, and alteration of facilities owned or occupied by the Smithsonian Institution, by contract or otherwise, as authorized by section 2 of the Act of August 22, 1949 (63 Stat. 623), including not to exceed $10,000 for services as authorized by 5 U.S.C. 3109, $57,600,000, to remain available until expended, of which $7,600,000 is provided for repair, rehabilitation and alteration of facilities at the National Zoological Park: Provided, That contracts awarded for environmental systems, protection systems, and repair or restoration of facilities of the Smithsonian Institution may be negotiated with selected contractors and awarded on the basis of contractor qualifications as well as price.

CONSTRUCTION

For necessary expenses for construction, $4,500,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS, SMITHSONIAN INSTITUTION

None of the funds in this or any other Act may be used to initiate the design for any proposed expansion of current space or new facility without consultation with the House and Senate Appropriations Committees.

The Smithsonian Institution shall not use Federal funds in excess of the amount specified in Public Law 101–185 for the construction of the National Museum of the American Indian.

None of the funds in this or any other Act may be used for the Holt House located at the National Zoological Park in Washington, D.C., unless identified as repairs to minimize water damage, monitor structure movement, or provide interim structural support.

NATIONAL GALLERY OF ART

SALARIES AND EXPENSES

For the upkeep and operations of the National Gallery of Art, the protection and care of the works of art therein, and administrative expenses incident thereto, as authorized by the Act of March 24, 1937 (50 Stat. 51), as amended by the public resolution of April 13, 1939 (Public Resolution 9, Seventy-sixth Congress), including services as authorized by 5 U.S.C. 3109; payment in advance when authorized by the treasurer of the Gallery for membership in library, museum, and art associations or societies whose publications or services are available to members only, or to members at a price lower than to the general public; purchase, repair, and cleaning of uniforms for guards, and uniforms, or allowances therefor, for other employees as authorized by law (5 U.S.C. 5901–5902); purchase or rental of devices and services for protecting buildings and contents thereof, and maintenance, alteration, improvement, and repair of buildings, approaches, and grounds; and purchase of services for restoration and repair of

works of art for the National Gallery of Art by contracts made, without advertising, with individuals, firms, or organizations at such rates or prices and under such terms and conditions as the Gallery may deem proper, $64,781,000, of which not to exceed $3,026,000 for the special exhibition program shall remain available until expended.

REPAIR, RESTORATION AND RENOVATION OF BUILDINGS

For necessary expenses of repair, restoration and renovation of buildings, grounds and facilities owned or occupied by the National Gallery of Art, by contract or otherwise, as authorized, $10,871,000, to remain available until expended: Provided, That contracts awarded for environmental systems, protection systems, and exterior repair or renovation of buildings of the National Gallery of Art may be negotiated with selected contractors and awarded on the basis of contractor qualifications as well as price.

JOHN F. KENNEDY CENTER FOR THE PERFORMING ARTS

OPERATIONS AND MAINTENANCE

For necessary expenses for the operation, maintenance and security of the John F. Kennedy Center for the Performing Arts, $14,000,000.

CONSTRUCTION

For necessary expenses for capital repair and restoration of the existing features of the building and site of the John F. Kennedy Center for the Performing Arts, $20,000,000, to remain available until expended.

WOODROW WILSON INTERNATIONAL CENTER FOR SCHOLARS

SALARIES AND EXPENSES

For expenses necessary in carrying out the provisions of the Woodrow Wilson Memorial Act of 1968 (82 Stat. 1356) including hire of passenger vehicles and services as authorized by 5 U.S.C. 3109, $7,310,000.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

NATIONAL ENDOWMENT FOR THE ARTS

GRANTS AND ADMINISTRATION

For necessary expenses to carry out the National Foundation on the Arts and the Humanities Act of 1965, as amended, $105,000,000 shall be available to the National Endowment for the Arts for the support of projects and productions in the arts through assistance to organizations and individuals pursuant to sections 5(c) and 5(g) of the Act, for program support, and for administering the functions of the Act, to remain available until expended: Provided, That funds previously appropriated to the National Endowment for the Arts ''Matching Grants'' account may be transferred to and merged with this account.

NATIONAL ENDOWMENT FOR THE HUMANITIES

GRANTS AND ADMINISTRATION

For necessary expenses to carry out the National Foundation on the Arts and the Humanities Act of 1965, as amended, $104,604,000, shall be available to the National Endowment for the Humanities for support of activities in the humanities, pursuant to section 7(c) of the Act, and for administering the functions of the Act, to remain available until expended.

MATCHING GRANTS

To carry out the provisions of section 10(a)(2) of the National Foundation on the Arts and the Humanities Act of 1965, as amended, $15,656,000, to remain available until expended, of which $11,656,000 shall be available to the National Endowment for the Humanities for the purposes of section 7(h): Provided, That this appropriation shall be available for obligation only in such amounts as may be equal to the total amounts of gifts, bequests, and devises of money, and other property accepted by the chairman or by grantees of the Endowment under the provisions of subsections 11(a)(2)(B) and 11(a)(3)(B) during the current and preceding fiscal years for which equal amounts have not previously been appropriated.

INSTITUTE OF MUSEUM AND LIBRARY SERVICES

OFFICE OF MUSEUM SERVICES

GRANTS AND ADMINISTRATION

For carrying out subtitle C of the Museum and Library Services Act of 1996, as amended, $24,907,000, to remain available until expended.

ADMINISTRATIVE PROVISIONS

None of the funds appropriated to the National Foundation on the Arts and the Humanities may be used to process any grant or contract documents which do not include the text of 18 U.S.C. 1913: Provided, That none of the funds appropriated to the National Foundation on the Arts and the Humanities may be used for official reception and representation expenses: Provided further, That funds from nonappropriated sources may be used as necessary for official reception and representation expenses.

COMMISSION OF FINE ARTS

SALARIES AND EXPENSES

For expenses made necessary by the Act establishing a Commission of Fine Arts (40 U.S.C. 104), $1,078,000: Provided, That the Commission is authorized to charge fees to cover the full costs of its publications, and such fees shall be credited to this account as an offsetting collection, to remain available until expended without further appropriation.

NATIONAL CAPITAL ARTS AND CULTURAL AFFAIRS

For necessary expenses as authorized by Public Law 99–190 (20 U.S.C. 956(a)), as amended, $7,000,000.

ADVISORY COUNCIL ON HISTORIC PRESERVATION

SALARIES AND EXPENSES

For necessary expenses of the Advisory Council on Historic Preservation (Public Law 89–665, as amended), $3,189,000: Provided, That none of these funds shall be available for compensation of level V of the Executive Schedule or higher positions.

NATIONAL CAPITAL PLANNING COMMISSION

SALARIES AND EXPENSES

For necessary expenses, as authorized by the National Capital Planning Act of 1952 (40 U.S.C. 71–71i), including services as authorized by 5 U.S.C. 3109, $6,500,000: Provided, That all appointed members of the Commission will be compensated at a rate not to exceed the daily equivalent of the annual rate of pay for positions at level IV of the Executive Schedule for each day such member is engaged in the actual performance of duties.

UNITED STATES HOLOCAUST MEMORIAL COUNCIL

HOLOCAUST MEMORIAL COUNCIL

For expenses of the Holocaust Memorial Council, as authorized by Public Law 96–388 (36 U.S.C. 1401), as amended, $34,439,000, of which $1,900,000 for the museum's repair and rehabilitation program and $1,264,000 for the museum's exhibitions program shall remain available until expended.

PRESIDIO TRUST

PRESIDIO TRUST FUND

For necessary expenses to carry out title I of the Omnibus Parks and Public Lands Management Act of 1996, $23,400,000 shall be available to the Presidio Trust, to remain available until expended. The Trust is authorized to issue obligations to the Secretary of the Treasury pursuant to section 104(d)(3) of the Act, in an amount not to exceed $10,000,000.

TITLE III—GENERAL PROVISIONS

SEC. 301. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

SEC. 302. No part of any appropriation under this Act shall be available to the Secretary of the Interior or the Secretary of Agriculture for the leasing of oil and natural gas by noncompetitive bidding on publicly owned lands within the boundaries of the Shawnee National Forest, Illinois: Provided, That nothing herein is intended to inhibit or otherwise affect the sale, lease, or right to access to minerals owned by private individuals.

SEC. 303. No part of any appropriation contained in this Act shall be available for any activity or the publication or distribution of literature that in any way tends to promote public support or opposition to any legislative proposal on which congressional action is not complete.

SEC. 304. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 305. None of the funds provided in this Act to any department or agency shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of such department or agency except as otherwise provided by law.

SEC. 306. No assessments may be levied against any program, budget activity, subactivity, or project funded by this Act unless advance notice of such assessments and the basis therefor are presented to the Committees on Appropriations and are approved by such committees.

SEC. 307. None of the funds in this Act may be used to plan, prepare, or offer for sale timber from trees classified as giant sequoia (Sequoiadendron giganteum) which are located on National Forest System or Bureau of Land Management lands in a manner different than such sales were conducted in fiscal year 2000.

SEC. 308. None of the funds made available by this Act may be obligated or expended by the National Park Service to enter into or implement a concession contract which permits or requires the removal of the underground lunchroom at the Carlsbad Caverns National Park.

SEC. 309. None of the funds appropriated or otherwise made available by this Act may be used for the AmeriCorps program, unless the relevant agencies of the Department of the Interior and/or Agriculture follow appropriate reprogramming guidelines: Provided, That if no funds are provided for the AmeriCorps program by the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 2001, then none of the funds appropriated or otherwise made available by this Act may be used for the AmeriCorps programs.

SEC. 310. None of the funds made available in this Act may be used: (1) to demolish the bridge between Jersey City, New Jersey, and Ellis Island; or (2) to prevent pedestrian use of such bridge, when it is made known to the Federal official having authority to obligate or expend such funds that such pedestrian use is consistent with generally accepted safety standards.

SEC. 311. (a) LIMITATION OF FUNDS.—None of the funds appropriated or otherwise made available pursuant to this Act shall be obligated or expended to accept or process applications for a patent for any mining or mill site claim located under the general mining laws.

(b) EXCEPTIONS.—The provisions of subsection (a) shall not apply if the Secretary of the Interior determines that, for the claim concerned: (1) a patent application was filed with the Secretary on or before September 30, 1994; and (2) all requirements established under sections 2325 and 2326 of the Revised Statutes (30 U.S.C. 29 and 30) for vein or lode claims and sections 2329, 2330, 2331, and 2333 of the Revised Statutes (30 U.S.C. 35, 36, and 37) for placer claims, and section 2337 of the Revised Statutes (30 U.S.C. 42) for mill site claims, as the case may be, were fully complied with by the applicant by that date.

(c) REPORT.—On September 30, 2001, the Secretary of the Interior shall file with the House

and Senate Committees on Appropriations and the Committee on Resources of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report on actions taken by the department under the plan submitted pursuant to section 314(c) of the Department of the Interior and Related Agencies Appropriations Act, 1997 (Public Law 104–208).

(d) MINERAL EXAMINATIONS.—In order to process patent applications in a timely and responsible manner, upon the request of a patent applicant, the Secretary of the Interior shall allow the applicant to fund a qualified third-party contractor to be selected by the Bureau of Land Management to conduct a mineral examination of the mining claims or mill sites contained in a patent application as set forth in subsection (b). The Bureau of Land Management shall have the sole responsibility to choose and pay the third-party contractor in accordance with the standard procedures employed by the Bureau of Land Management in the retention of third-party contractors.

SEC. 312. Notwithstanding any other provision of law, amounts appropriated to or earmarked in committee reports for the Bureau of Indian Affairs and the Indian Health Service by Public Laws 103–138, 103–332, 104–134, 104–208, 105–83, 105–277, and 106–113 for payments to tribes and tribal organizations for contract support costs associated with self-determination or self-governance contracts, grants, compacts, or annual funding agreements with the Bureau of Indian Affairs or the Indian Health Service as funded by such Acts, are the total amounts available for fiscal years 1994 through 2001 for such purposes, except that, for the Bureau of Indian Affairs, tribes and tribal organizations may use their tribal priority allocations for unmet indirect costs of ongoing contracts, grants, self-governance compacts or annual funding agreements.

SEC. 313. Notwithstanding any other provision of law, for fiscal year 2001 the Secretaries of Agriculture and the Interior are authorized to limit competition for watershed restoration project contracts as part of the ''Jobs in the Woods'' component of the President's Forest Plan for the Pacific Northwest or the Jobs in the Woods Program established in Region 10 of the Forest Service to individuals and entities in historically timber-dependent areas in the States of Washington, Oregon, northern California and Alaska that have been affected by reduced timber harvesting on Federal lands.

SEC. 314. None of the funds collected under the Recreational Fee Demonstration program may be used to plan, design, or construct a visitor center or any other permanent structure without prior approval of the House and the Senate Committees on Appropriations if the estimated total cost of the facility exceeds $500,000.

SEC. 315. All interests created under leases, concessions, permits and other agreements associated with the properties administered by the Presidio Trust shall be exempt from all taxes and special assessments of every kind by the State of California and its political subdivisions.

SEC. 316. None of the funds made available in this or any other Act for any fiscal year may be used to designate, or to post any sign designating, any portion of Canaveral National Seashore in Brevard County, Florida, as a clothing-optional area or as an area in which public nudity is permitted, if such designation would be contrary to county ordinance.

SEC. 317. Of the funds provided to the National Endowment for the Arts—

(1) The Chairperson shall only award a grant to an individual if such grant is awarded to such individual for a literature fellowship, National Heritage Fellowship, or American Jazz Masters Fellowship.

(2) The Chairperson shall establish procedures to ensure that no funding provided through a grant, except a grant made to a State or local arts agency, or regional group, may be used to make a grant to any other organization or individual to conduct activity independent of the direct grant recipient. Nothing in this subsection shall prohibit payments made in exchange for goods and services.

(3) No grant shall be used for seasonal support to a group, unless the application is specific to the contents of the season, including identified programs and/or projects.

SEC. 318. The National Endowment for the Arts and the National Endowment for the Humanities are authorized to solicit, accept, receive, and invest in the name of the United States, gifts, bequests, or devises of money and other property or services and to use such in furtherance of the functions of the National Endowment for the Arts and the National Endowment for the Humanities. Any proceeds from such gifts, bequests, or devises, after acceptance by the National Endowment for the Arts or the National Endowment for the Humanities, shall be paid by the donor or the representative of the donor to the Chairman. The Chairman shall enter the proceeds in a special interest-bearing account to the credit of the appropriate endowment for the purposes specified in each case.

SEC. 319. (a) In providing services or awarding financial assistance under the National Foundation on the Arts and the Humanities Act of 1965 from funds appropriated under this Act, the Chairperson of the National Endowment for the Arts shall ensure that priority is given to providing services or awarding financial assistance for projects, productions, workshops, or programs that serve underserved populations.

(b) In this section:

(1) The term ''underserved population'' means a population of individuals, including urban minorities, who have historically been outside the purview of arts and humanities programs due to factors such as a high incidence of income below the poverty line or to geographic isolation.

(2) The term ''poverty line'' means the poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))) applicable to a family of the size involved.

(c) In providing services and awarding financial assistance under the National Foundation on the Arts and Humanities Act of 1965 with funds appropriated by this Act, the Chairperson of the National Endowment for the Arts shall ensure that priority is given to providing services or awarding financial assistance for projects, productions, workshops, or programs that will encourage public knowledge, education, understanding, and appreciation of the arts.

(d) With funds appropriated by this Act to carry out section 5 of the National Foundation on the Arts and Humanities Act of 1965—

(1) the Chairperson shall establish a grant category for projects, productions, workshops, or programs that are of national impact or availability or are able to tour several States;

(2) the Chairperson shall not make grants exceeding 15 percent, in the aggregate, of such funds to any single State, excluding grants made under the authority of paragraph (1);

(3) the Chairperson shall report to the Congress annually and by State, on grants awarded by the Chairperson in each grant category under section 5 of such Act; and

(4) the Chairperson shall encourage the use of grants to improve and support community-based music performance and education.

SEC. 320. No part of any appropriation contained in this Act shall be expended or obligated to fund new revisions of national forest land management plans until new final or interim final rules for forest land management planning are published in the Federal Register. Those national forests which are currently in a revision process, having formally published a Notice of Intent to revise prior to October 1, 1997; those national forests having been court-ordered to revise; those national forests where plans reach the 15 year legally mandated date to revise before or during calendar year 2001; national forests within the Interior Columbia Basin Ecosystem study area; and the White Mountain National Forest are exempt from this section and may use funds in this Act and proceed to complete the forest plan revision in accordance with current forest planning regulations.

SEC. 321. No part of any appropriation contained in this Act shall be expended or obligated to complete and issue the 5-year program under the Forest and Rangeland Renewable Resources Planning Act.

SEC. 322. None of the funds in this Act may be used to support Government-wide administrative functions unless such functions are justified in the budget process and funding is approved by the House and Senate Committees on Appropriations.

SEC. 323. Notwithstanding any other provision of law, none of the funds in this Act may be used for GSA Telecommunication Centers or the President's Council on Sustainable Development.

SEC. 324. None of the funds in this Act may be used for planning, design or construction of improvements to Pennsylvania Avenue in front of the White House without the advance approval of the House and Senate Committees on Appropriations.

SEC. 325. Amounts deposited during fiscal year 2000 in the roads and trails fund provided for in the fourteenth paragraph under the heading ''FOREST SERVICE'' of the Act of March 4, 1913 (37 Stat. 843; 16 U.S.C. 501), shall be used by the Secretary of Agriculture, without regard to the State in which the amounts were derived, to repair or reconstruct roads, bridges, and trails on National Forest System lands or to carry out and administer projects to improve forest health conditions, which may include the repair or reconstruction of roads, bridges, and trails on National Forest System lands in the wildland-community interface where there is an abnormally high risk of fire. The projects shall emphasize reducing risks to human safety and public health and property and enhancing ecological functions, long-term forest productivity, and biological integrity. The Secretary shall commence the projects during fiscal year 2001, but the projects may be completed in a subsequent fiscal year. Funds shall not be expended under this section to replace funds which would otherwise appropriately be expended from the timber salvage sale fund. Nothing in this section shall be construed to exempt any project from any environmental law.

SEC. 326. None of the funds provided in this or previous appropriations Acts for the agencies funded by this Act or provided from any accounts in the Treasury of the United States derived by the collection of fees available to the agencies funded by this Act, shall be transferred to and used to fund personnel, training, or other administrative activities of the Council on Environmental Quality or other offices in the Executive Office of the President for purposes related to the American Heritage Rivers program.

SEC. 327. Other than in emergency situations, none of the funds in this Act may be used to operate telephone answering machines during core business hours unless such answering machines include an option that enables callers to reach promptly an individual on-duty with the agency being contacted.

SEC. 328. No timber sale in Region 10 shall be advertised if the indicated rate is deficit when appraised under the transaction evidence appraisal system using domestic Alaska values for western red cedar: Provided, That sales which are deficit when appraised under the transaction evidence appraisal system using domestic Alaska values for western red cedar may be advertised upon receipt of a written request by a prospective, informed bidder, who has the opportunity to review the Forest Service's cruise and harvest cost estimate for that timber. Program accomplishments shall be based on volume

sold. Should Region 10 sell, in fiscal year 2001, the annual average portion of the decadal allowable sale quantity called for in the current Tongass Land Management Plan in sales which are not deficit when appraised under the transaction evidence appraisal system using domestic Alaska values for western red cedar, all of the western red cedar timber from those sales which is surplus to the needs of domestic processors in Alaska, shall be made available to domestic processors in the contiguous 48 United States at prevailing domestic prices. Should Region 10 sell, in fiscal year 2001, less than the annual average portion of the decadal allowable sale quantity called for in the current Tongass Land Management Plan in sales which are not deficit when appraised under the transaction evidence appraisal system using domestic Alaska values for western red cedar, the volume of western red cedar timber available to domestic processors at prevailing domestic prices in the contiguous 48 United States shall be that volume: (i) which is surplus to the needs of domestic processors in Alaska; and (ii) is that percent of the surplus western red cedar volume determined by calculating the ratio of the total timber volume which has been sold on the Tongass to the annual average portion of the decadal allowable sale quantity called for in the current Tongass Land Management Plan. The percentage shall be calculated by Region 10 on a rolling basis as each sale is sold (for purposes of this amendment, a ''rolling basis'' shall mean that the determination of how much western red cedar is eligible for sale to various markets shall be made at the time each sale is awarded). Western red cedar shall be deemed ''surplus to the needs of domestic processors in Alaska'' when the timber sale holder has presented to the Forest Service documentation of the inability to sell western red cedar logs from a given sale to domestic Alaska processors at price equal to or greater than the log selling value stated in the contract. All additional western red cedar volume not sold to Alaska or contiguous 48 United States domestic processors may be exported to foreign markets at the election of the timber sale holder. All Alaska yellow cedar may be sold at prevailing export prices at the election of the timber sale holder.

SEC. 329. None of the funds appropriated by this Act shall be used to propose or issue rules, regulations, decrees, or orders for the purpose of implementation, or in preparation for implementation, of the Kyoto Protocol which was adopted on December 11, 1997, in Kyoto, Japan at the Third Conference of the Parties to the United Nations Framework Convention on Climate Change, which has not been submitted to the Senate for advice and consent to ratification pursuant to article II, section 2, clause 2, of the United States Constitution, and which has not entered into force pursuant to article 25 of the Protocol.

SEC. 330. The Forest Service, in consultation with the Department of Labor, shall review Forest Service campground concessions policy to determine if modifications can be made to Forest Service contracts for campgrounds so that such concessions fall within the regulatory exemption of 29 CFR 4.122(b). The Forest Service shall offer in fiscal year 2001 such concession prospectuses under the regulatory exemption, except that, any prospectus that does not meet the requirements of the regulatory exemption shall be offered as a service contract in accordance with the requirements of 41 U.S.C. 351–358.

SEC. 331. A project undertaken by the Forest Service under the Recreation Fee Demonstration Program as authorized by section 315 of the Department of the Interior and Related Agencies Appropriations Act for Fiscal Year 1996, as amended, shall not result in—

(1) displacement of the holder of an authorization to provide commercial recreation services on Federal lands. Prior to initiating any project, the Secretary shall consult with potentially affected holders to determine what impacts the project may have on the holders. Any modifications to the authorization shall be made within the terms and conditions of the authorization and authorities of the impacted agency.

(2) the return of a commercial recreation service to the Secretary for operation when such services have been provided in the past by a private sector provider, except when—

(A) the private sector provider fails to bid on such opportunities;

(B) the private sector provider terminates its relationship with the agency; or

(C) the agency revokes the permit for noncompliance with the terms and conditions of the authorization.

In such cases, the agency may use the Recreation Fee Demonstration Program to provide for operations until a subsequent operator can be found through the offering of a new prospectus.

SEC. 332. Section 801 of the National Energy Conservation Policy Act (42 U.S.C. 8287(a)(2)(D)(iii)) is amended by striking ''$750,000'' and inserting ''$10,000,000''.

SEC. 333. From the funds appropriated in Title V of Public Law 105–83 for the purposes of section 502(e) of that Act, the following amounts are hereby rescinded: $1,000,000 for snow removal and pavement preservation and $4,000,000 for pavement rehabilitation.

SEC. 334. In section 315(f) of Title III of Section 101(c) of Public Law 104–134 (16 U.S.C. 460l–6a note), as amended, strike ''September 30, 2001'' and insert ''September 30, 2002'', and strike ''September 30, 2004'' and insert ''September 30, 2005''.

SEC. 335. None of the funds in this Act may be used by the Secretary of the Interior to issue a prospecting permit for hardrock mineral exploration on Mark Twain National Forest land in the Current River/Jack's Fork River—Eleven Point Watershed (not including Mark Twain National Forest land in Townships 31N and 32N, Range 2 and Range 3 West, on which mining activities are taking place as of the date of the enactment of this Act): Provided, That none of the funds in this Act may be used by the Secretary of the Interior to segregate or withdraw land in the Mark Twain National Forest, Missouri under section 204 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1714).

SEC. 336. The authority to enter into stewardship and end result contracts provided to the Forest Service in accordance with Section 347 of Title III of Section 101(e) of Division A of Public Law 105–825 is hereby expanded to authorize the Forest Service to enter into an additional 28 contracts subject to the same terms and conditions as provided in that section: Provided, That of the additional contracts authorized by this section at least 9 shall be allocated to Region 1 and at least 3 to Region 6.

SEC. 337. Any regulations or policies promulgated or adopted by the Departments of Agriculture or the Interior regarding recovery of costs for processing authorizations to occupy and use Federal lands under their control shall adhere to and incorporate the following principle arising from Office of Management and Budget Circular, A–25; no charge should be made for a service when the identification of the specific beneficiary is obscure, and the service can be considered primarily as benefiting broadly the general public.

SEC. 338. LOCAL EXEMPTIONS FROM FOREST SERVICE DEMONSTRATION PROGRAM FEES. Section 6906 of Title 31, United States Code, is amended—

(1) by inserting ''(a) IN GENERAL.—'' before ''Necessary''; and

(2) by adding at the end the following:

''(b) LOCAL EXEMPTIONS FROM DEMONSTRATION PROGRAM FEES.—

''(1) IN GENERAL.—Each unit of general local government that lies in whole or in part within the White Mountain National Forest and persons residing within the boundaries of that unit of general local government shall be exempt during that fiscal year from any requirement to pay a Demonstration Program Fee (parking permit or passport) imposed by the Secretary of Agriculture for access to the Forest.

''(2) ADMINISTRATION.—The Secretary of Agriculture shall establish a method of identifying persons who are exempt from paying user fees under paragraph (1). This method may include valid form of identification including a drivers license.''.

SEC. 339. None of the funds made available in this or any other Act may be used by the Bureau of Land Management or the U.S. Forest Service to assess, appraise, determine, proceed to determine, or collect rents for right-of-way uses for federal lands except as such rents have been or may be determined in accordance with the linear fee schedule published on July 8, 1997 ([43 CFR 2803.1–2(c)(1)(i)]).

SEC. 340. Notwithstanding any other provision of law, for fiscal year 2001, the Secretary of Agriculture is authorized to limit competition for fire and fuel treatment and watershed restoration contracts in the Giant Sequoia National Monument and the Sequoia National Forest. Preference for employment shall be given to dislocated and displaced workers in Tulare, Kern and Fresno Counties, California, for work associated with the establishment of the Sequoia National Monument.

SEC. 341. The Chief of the Forest Service, in consultation with the Administrator of the Small Business Administration, shall prepare a regulatory flexibility analysis, in accordance with chapter 6 of part I of title 5, United States Code, of the impact of the White River National Forest Plan on communities that are within the boundaries of the White River National Forest.

SEC. 342. None of the funds appropriated or otherwise made available by this Act may be used to finalize or implement the published roadless area conservation rule of the Forest Service published on May 10, 2000 (36 Fed. Reg. 30276, 30288), or any similar rule, in any inventoried roadless area in the White Mountain National Forest.

SEC. 343. From funds previously appropriated in Public Law 105–277, under the heading ''Department of Energy, Fossil Energy Research and Development'', the Secretary of Energy shall make available within 30 days after enactment of this Act $750,000 for the purpose of executing proposal #FT40770.

SEC. 344. (a) In addition to any amounts otherwise made available under this Act to carry out the Tribally Controlled College or University Assistance Act of 1978, $1,891,000 is appropriated to carry out such Act for fiscal year 2001.

(b) Notwithstanding any other provision of this Act, the amount of funds provided to a Federal agency that receives appropriations under this Act in an amount greater than $20,000,000 shall be reduced, on a pro rata basis, by an amount equal to the percentage necessary to achieve an aggregate reduction of $1,891,000 in funds provided to all such agencies under this Act. Each head of a Federal agency that is subject to a reduction under this subsection shall ensure that the reduction in funding to the agency resulting from this subsection is offset by a reduction in travel expenditures of the agency.

(c) Within 30 days of enactment of this Act, the Director of the Office of Management and Budget shall submit to the Committees on Appropriations of the House and Senate a listing of the amounts by account of the reductions made pursuant to the provisions of subsection (b) of this section.

SEC. 345. From funds previously appropriated under the heading ''DEPARTMENT OF ENERGY, FOSSIL ENERGY RESEARCH AND DEVELOPMENT'', $4,000,000 is immediately available from unobligated balances for computational services at the National Energy Technology Laboratory.

SEC. 346. None of the funds made available in this Act may be used to publish Class III gaming procedures under part 291 of title 25, Code of Federal Regulations.

SEC. 347. Of the funds appropriated in title I of this Act, the Secretary shall provide $300,000 in the form of a grant to the Alaska Pacific University's Institute of the North for the development of a curriculum on the Alaska National Interest Lands Conservation Act (ANILCA). At a minimum this ANILCA curriculum should contain components which explain the law, its legislative history, the subsequent amendments, and the principal case studies on issues that have risen during 20 years of implementation of the Act; examine challenges faced by conservation system managers in implementing the Act; and link ANILCA to other significant land and resource laws governing Alaska's lands and resources. In addition, within the funds provided, Alaska Pacific University's Institute of the North shall gather the oral histories of key Members of Congress in 1980 and before to demonstrate the intent of Congress in fashioning ANILCA, as well as members of President Carter's and Alaska Governor Hammond's Administrations, congressional staff and stakeholders who were involved in the creation of the Act.

SEC. 348. BACKCOUNTRY LANDING STRIP ACCESS. (a) IN GENERAL.—None of the funds made available by this Act shall be used to take any action to close permanently an aircraft landing strip described in subsection (b).

(b) AIRCRAFT LANDING STRIPS.—An aircraft landing strip referred to in subsection (a) is a landing strip on Federal land administered by the Secretary of the Interior or the Secretary of Agriculture that is commonly known and has been or is consistently used for aircraft landing and departure activities.

(c) PERMANENT CLOSURE.—For the purposes of subsection (a), an aircraft landing strip shall be considered to be closed permanently if the intended duration of the closure is more than 180 days in any calendar year.

SEC. 349. PROHIBITION ON USE OF FUNDS FOR APPLICATION OF UNAPPROVED PESTICIDES IN CERTAIN AREAS THAT MAY BE USED BY CHILDREN. (a) DEFINITION OF PESTICIDE.—In this section, the term ''pesticide'' has the meaning given the term in section 2 of the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136).

(b) PROHIBITION ON USE OF FUNDS.—None of the funds appropriated under this Act may be used for the application of a pesticide that is not approved for use by the Environmental Protection Agency in any area owned or managed by the Department of the Interior that may be used by children, including any national park.

(c) COORDINATION.—The Secretary of the Interior shall coordinate with the Administrator of the Environmental Protection Agency to ensure that the methods of pest control used by the Department of the Interior do not lead to unacceptable exposure of children to pesticides.

TITLE IV—HAZARDOUS FUELS REDUCTION

DEPARTMENT OF THE INTERIOR

BUREAU OF LAND MANAGEMENT

WILDLAND FIRE MANAGEMENT

For an additional amount for ''Wildland Fire Management'' to remove hazardous material to alleviate immediate emergency threats to urban wildland interface areas as defined by the Secretary of the Interior, $120,300,000 to remain available until expended: Provided, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: Provided further, That the entire amount shall be available only to the extent an official budget request, that includes designation of the entire amount of the request as an emergency requirement as defined by such Act, is transmitted by the President to the Congress.

DEPARTMENT OF AGRICULTURE

FOREST SERVICE

WILDLAND FIRE MANAGEMENT

For an additional amount for ''Wildland Fire Management'' to remove hazardous material to alleviate immediate emergency threats to urban wildland interface areas as defined by the Secretary of Agriculture, $120,000,000 to remain available until expended: Provided, That the entire amount is designated by the Congress as an emergency requirement pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended: Provided further, That the entire amount shall be available only to the extent an official budget request, that includes designation of the entire amount of the request as an emergency requirement as defined by such Act, is transmitted by the President to the Congress: Provided further, That:

(1) In expending the funds provided in any Act with respect to any fiscal year for hazardous fuels reduction, the Secretary of the Interior and the Secretary of Agriculture may hereafter conduct fuel reduction treatments on Federal lands using all contracting and hiring authorities available to the Secretaries. Notwithstanding Federal Government procurement and contracting laws, the Secretaries may hereafter conduct fuel reduction treatments on Federal lands using grants and cooperative agreements. Notwithstanding Federal Government procurement and contracting laws, in order to provide employment and training opportunities to people in rural communities, the Secretaries may hereafter, at their sole discretion, limit competition for any contracts, with respect to any fiscal year, including contracts for monitoring activities, to—

(A) local private, nonprofit, or cooperative entities;

(B) Youth Conservation Corps crews or related partnerships with State, local, and nonprofit youth groups;

(C) small or micro-businesses; or

(D) other entities that will hire or train a significant percentage of local people to complete such contracts.

(2) Prior to September 30, 2000, the Secretary of Agriculture and the Secretary of the Interior shall jointly publish in the Federal Register a list of all urban wildland interface communities, as defined by the Secretaries, within the vicinity of Federal lands that are at risk from wildfire. This list shall include—

(A) an identification of communities around which hazardous fuel reduction treatments are ongoing; and

(B) an identification of communities around which the Secretaries are preparing to begin treatments in calendar year 2000.

(3) Prior to May 1, 2001, the Secretary of Agriculture and the Secretary of the Interior shall jointly publish in the Federal Register a list of all urban wildland interface communities, as defined by the Secretaries, within the vicinity of Federal lands and at risk from wildfire that are included in the list published pursuant to paragraph (2) but that are not included in paragraphs (2)(A) and (2)(B), along with an identification of reasons, not limited to lack of available funds, why there are no treatments ongoing or being prepared for these communities.

(4) Within 30 days after enactment of this Act, the Secretary of Agriculture shall publish in the Federal Register the Forest Service's Cohesive Strategy for Protecting People and Sustaining Resources in Fire-Adapted Ecosystems, and an explanation of any differences between the Cohesive Strategy and other related ongoing policymaking activities including: Proposed regulations revising the National Forest System transportation policy; proposed roadless area protection regulations; the Interior Columbia Basin Draft Supplemental Environmental Impact Statement; and the Sierra Nevada Framework/Sierra Nevada Forest Plan Draft Environmental Impact Statement. The Secretary shall also provide 30 days for public comment on the Cohesive Strategy and the accompanying explanation.

This Act may be cited as the ''Department of the Interior and Related Agencies Appropriations Act, 2001''.

Mr. BURNS. Mr. President, seeing no one else seeking recognition, I assume we are ready to wrap up.

PUNISHING THE ATTACKERS OF THE AMIA JEWISH COMMUNITY CENTER IN ARGENTINA

Mr. BURNS. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of Calendar No. 644, S. Res. 329.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 329) urging the Government of Argentina to pursue and punish those responsible for the 1994 attack on the AMIA Jewish Community Center in Buenos Aires, Argentina.

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

Mr. L. CHAFEE. Mr. President, today the Senate is considering and will likely pass Senate Resolution 329, which urges the Government of Argentina to pursue and punish those responsible for the 1994 attack on the AMIA Jewish Community Center in Buenos Aires, Argentina. On June 28th, Senator HELMS joined me in introducing this resolution, which was reported out of the Foreign Relations Committee that same day.

Six years ago, a car bomb ripped through the AMIA Jewish Community Center in Buenos Aires, Argentina, killing 86 people and wounding 300 more. Two years before that, a similar attack had devastated the Israeli Embassy in Buenos Aires, killing 29 people and wounding over 200. These heinous terrorist attacks have reverberated loudly in Argentina, home to the largest Jewish community in Latin America. These cowardly acts also reminded us, as Americans, that terrorism can strike anywhere at any moment.

I applaud President Fernando de la Rua's stated resolve to bring to justice those responsible for these atrocious crimes. However, the Government of Argentina has not, to this date, succeeded in completing its prosecution of this important case. In addition, investigative findings in Buenos Aires have implicated local authorities—including security officials—as party responsible for the attacks.

Senate Resolution 329 is a reiteration of the U.S. condemnation of this terrorist act, as well as a call for justice in Argentina. This resolution not only urges Argentina to punish those responsible for the AMIA bombing, but it also calls on the U.S. Government and the Organization of American States to lend support to this prosecution.

Our commitment to assist our neighbors to the south must embody the very principles that have guided our Nation in implementing democratic

governance and the rule of law. In that regard, the United States must continue to speak out about the blatant massacre of innocent people, and the subsequent difficulty in bringing to justice those responsible for this crime.

I appreciate the cooperation of all of my colleagues in having this important resolution considered and passed by the Senate.

Mr. BURNS. Mr. President, I ask unanimous consent that an amendment at the desk to the resolution be agreed to.

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

The amendment (No. 3939) was agreed to, as follows:

(Purpose: To make a technical amendment)

On page 3, line 7 and 8, strike ''its promise to the Argentine people'' and insert ''other commitments''.

Mr. BURNS. Mr. President, I ask unanimous consent that an amendment to the preamble which is at the desk be agreed to.

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

The amendment (No. 3940) was agreed to, as follows:

(Purpose: Technical amendments to the preamble)

In the fourth whereas clause, insert ''at that time'' after ''forces''.

In the seventh whereas clause, insert ''has issued an arrest warrant against a leader of the Islamic Jihad but'' after ''Argentina''.

After the eighth whereas clause, insert the following:

''Whereas the Government of Argentina was successful in enacting a law on cooperation from defendants in terrorist matters, a law that will be helpful in pursuing full prosecution in this and other terrorist cases;''.

Mr. BURNS. Mr. President, I ask unanimous consent that the resolution, as amended, be agreed to, the preamble, as amended, be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to the resolution be printed in the RECORD.

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

The resolution (S. Res. 329), as amended, was agreed to.

The preamble, as amended, was agreed to.

The resolution, as amended, with its preamble, as amended, reads as follows:

[The resolution was not available for printing. It will appear in a future edition of the RECORD.]

NADIA DABBAGH TO RETURN HOME

Mr. BURNS. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of Calendar No. 645, S. Res. 239.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 239) expressing the sense of the Senate that Nadia Dabbagh, who was abducted from the United States, should be returned home to her mother, Ms. Maureen Dabbagh.

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

Mr. BURNS. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and any statements relating to this resolution be printed in the RECORD.

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

The resolution (S. Res. 239) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 239

Whereas Mr. Mohamad Hisham Dabbagh and Mrs. Maureen Dabbagh had a daughter, Nadia Dabbagh, in 1990;

Whereas Maureen Dabbagh and Mohamad Hisham Dabbagh were divorced in February 1992;

Whereas in 1993, Nadia was abducted by her father;

Whereas Mohamad Hisham fled the United States with Nadia;

Whereas the Governments of Syria and the United States have granted child custody to Maureen Dabbagh and both have issued arrest warrants for Mohamad Dabbagh;

Whereas Mohamad Dabbagh originally escaped to Saudi Arabia;

Whereas the Department of State believed that Nadia was residing in Syria until late 1998;

Whereas the Senate passed S. Res. 293 for Nadia Dabbagh on October 21, 1998, asking Syria to aid in the return of Nadia to her mother in the United States;

Whereas in 1999, Syria invited Maureen Dabbagh to Syria to meet with her daughter;

Whereas the Department of State believes that in 1999 Nadia was moved to Saudi Arabia and is residing with Mohamad Dabbagh;

Whereas although Nadia is in Saudi Arabia, neither she nor Mohamad Dabbagh are Saudi Arabian citizens;

Whereas Maureen Dabbagh, with the assistance of missing children organizations, has been unable to reunite with her daughter;

Whereas the Department of State, the Federal Bureau of Investigation, and Interpol have been unsuccessful in their attempts to bring Nadia back to the United States;

Whereas Maureen Dabbagh has not seen her daughter in more than six years; and

Whereas it will take the continued effort and pressure on the part of the Saudi Arabian officials to bring this case to a successful conclusion: Now, therefore, be it

Resolved, That it is the sense of the Senate that the Governments of the United States and Saudi Arabia immediately locate Nadia and deliver her safely to her mother.

CONDITIONS IN LAOS

Mr. BURNS. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of Calendar No. 646, S. Res. 309.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 309) expressing the sense of the Senate regarding conditions in Laos.

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

Mr. BURNS. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to this resolution be printed in the RECORD.

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

The resolution (S. Res. 309) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 309

Whereas Laos was devastated by civil war from 1955 to 1974;

Whereas the people of Laos have lived under the authoritarian, one-party government of the Lao People's Revolutionary Party since the overthrow of the existing Royal Lao government in 1975;

Whereas the communist government of the Lao People's Democratic Republic sharply curtails basic human rights, including freedom of speech, assembly, association, and religion;

Whereas political dissent is not allowed in Laos and those who express their political will are severely punished;

Whereas the Lao constitution protects freedom of religion but the Government of Laos in practice restricts this right;

Whereas Laos is not a signatory of the Universal Declaration of Human Rights or the International Covenant on Civil and Political Rights;

Whereas Laos is a party to international human rights treaties, including the International Convention on the Elimination of All Forms of Racial Discrimination and the Convention on the Political Rights of Women;

Whereas the 1999 State Department Report on Human Rights Practices in Laos finds that ''societal discrimination against women and minorities persist'';

Whereas the State Department's report also finds that the Lao government ''discriminates in its treatment of prisoners'' and uses ''degrading treatment, solitary confinement, and incommunicado detention against perceived problem prisoners'';

Whereas two American citizens, Houa Ly and Michael Vang, were last seen on the border between Laos and Thailand in April 1999 and may be in Laos; and

Whereas many Americans of Hmong and Lao descent are deeply troubled by the conditions in Laos: Now, therefore, be it

Resolved, That the Senate calls on the Government of the Lao People's Democratic Republic to—

(1) respect the basic human rights of all of its citizens, including freedom of speech, assembly, association, and religion;

(2) ratify the Universal Declaration of Human Rights and the International Covenant on Civil and Political Rights;

(3) fulfill its obligations under the international human rights treaties to which it is a party, including the International Convention on the Elimination of All Forms of Racial Discrimination and the Convention on the Political Rights of Women;

(4) take demonstrable steps to ensure that Hmong and other ethnic minorities who have been returned to Laos from Thailand and elsewhere in Southeast Asia are—

(A) accepted into Lao society on an equal par with other Lao citizens;

(B) allowed to practice freely their ethnic and religious traditions and to preserve their language and culture without threat of fear or intimidation; and

(C) afforded the same educational, economic, and professional opportunities as other residents of Laos;

(5) allow international humanitarian organizations, including the International Red Cross, to gain unrestricted access to areas in which Hmong and other ethnic minorities have been resettled;

(6) allow independent monitoring of prison conditions;

(7) release from prison those who have been arbitrarily arrested on the basis of their political or religious beliefs; and

(8) cooperate fully with the United States Government in the ongoing investigation into the whereabouts of Houa Ly and Michael Vang, two United States citizens who were last seen near the border between Laos and Thailand in April 1999.

EMANCIPATION OF IRANIAN BAHA'I COMMUNITY

Mr. BURNS. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of Calendar No. 647, S. Con. Res. 57.

The PRESIDING OFFICER. The clerk will report the concurrent resolution by title.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 57) concerning the emancipation of the Iranian Baha'i community.

There being no objection, the Senate proceeded to consider the concurrent resolution which had been reported from the Committee on Foreign Relations, with an amendment to the preamble to omit the part in black brackets and insert the part printed in italic, as follows:

Whereas in 1982, 1984, 1988, 1990, 1992, 1994, and 1996, Congress, by concurrent resolution, declared that it holds the Government of Iran responsible for upholding the rights of all its nationals, including members of the Baha'i Faith, Iran's largest religious minority;

Whereas Congress has deplored the Government of Iran's religious persecution of the Baha'i community in such resolutions and in numerous other appeals, and has condemned Iran's execution of more than 200 Baha'is and the imprisonment of thousands of others solely on account of their religious beliefs;

Whereas in July 1998 a Baha'i, Mr. Ruhollah Rowhani, was executed by hanging in Mashhad after being held in solitary confinement for 9 months on the charge of converting a Muslim woman to the Baha'i Faith, a charge the woman herself refuted;

Whereas 4 Baha'is remain on death row in Iran, 2 on charges on apostasy, and [12] *11* others are serving prison terms on charges arising solely from their religious beliefs or activities;

Whereas the Government of Iran continues to deny individual Baha'is access to higher education and government employment and denies recognition and religious rights to the Baha'i community, according to the policy set forth in a confidential Iranian Government document which was revealed by the United Nations Commission on Human Rights in 1993;

Whereas Baha'is have been banned from teaching and studying at Iranian universities since the Islamic Revolution and therefore created the Baha'i Institute of Higher Education, or Baha'i Open University, to provide educational opportunities to Baha'i youth using volunteer faculty and a network of classrooms, libraries, and laboratories in private homes and buildings throughout Iran;

Whereas in September and October 1998, Iranian authorities arrested 36 faculty members of the Open University, 4 of whom have been given prison sentences ranging between 3 to 10 years, even though the law makes no mention of religious instruction within one's own religious community as being an illegal activity;

Whereas Iranian intelligence officers looted classroom equipment, textbooks, computers, and other personal property from 532 Baha'i homes in an attempt to close down the Open University;

Whereas all Baha'i community properties in Iran have been confiscated by the government, and Iranian Baha'is are not permitted to elect their leaders, organize as a community, operate religious schools, or conduct other religious community activities guaranteed by the Universal Declaration of Human Rights;

Whereas on February 22, 1993, the United Nations Commission on Human Rights published a formerly confidential Iranian government document that constitutes a blueprint for the destruction of the Baha'i community and reveals that these repressive actions are the result of a deliberate policy designed and approved by the highest officials of the Government of Iran; and

Whereas in 1998 the United Nations Special Representative for Human Rights, Maurice Copithorne, was denied entry into Iran.

Mr. BURNS. Mr. President, I ask unanimous consent that the amendment to the preamble be agreed to.

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

The amendment was agreed to.

Mr. BURNS. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble, as amended, be agreed to, the motion to reconsider be laid upon the table, and any statements relating to this resolution be printed in the RECORD.

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

The concurrent resolution (S. Con. Res. 57) was agreed to.

The preamble, as amended, was agreed to.

The concurrent resolution, with its preamble, as amended, reads as follows:

S. CON. RES. 57

Whereas in 1982, 1984, 1988, 1990, 1992, 1994, and 1996, Congress, by concurrent resolution, declared that it holds the Government of Iran responsible for upholding the rights of all its nationals, including members of the Baha'i Faith, Iran's largest religious minority;

Whereas Congress has deplored the Government of Iran's religious persecution of the Baha'i community in such resolutions and in numerous other appeals, and has condemned Iran's execution of more than 200 Baha'is and the imprisonment of thousands of others solely on account of their religious beliefs;

Whereas in July 1998 a Baha'i, Mr. Ruhollah Rowhani, was executed by hanging in Mashhad after being held in solitary confinement for 9 months on the charge of converting a Muslim woman to the Baha'i Faith, a charge the woman herself refuted;

Whereas 4 Baha'is remain on death row in Iran, 2 on charges on apostasy, and 11 others are serving prison terms on charges arising solely from their religious beliefs or activities;

Whereas the Government of Iran continues to deny individual Baha'is access to higher education and government employment and denies recognition and religious rights to the Baha'i community, according to the policy set forth in a confidential Iranian Government document which was revealed by the United Nations Commission on Human Rights in 1993;

Whereas Baha'is have been banned from teaching and studying at Iranian universities since the Islamic Revolution and therefore created the Baha'i Institute of Higher Education, or Baha'i Open University, to provide educational opportunities to Baha'i youth using volunteer faculty and a network of classrooms, libraries, and laboratories in private homes and buildings throughout Iran;

Whereas in September and October 1998, Iranian authorities arrested 36 faculty members of the Open University, 4 of whom have been given prison sentences ranging between 3 to 10 years, even though the law makes no mention of religious instruction within one's own religious community as being an illegal activity;

Whereas Iranian intelligence officers looted classroom equipment, textbooks, computers, and other personal property from 532 Baha'i homes in an attempt to close down the Open University;

Whereas all Baha'i community properties in Iran have been confiscated by the government, and Iranian Baha'is are not permitted to elect their leaders, organize as a community, operate religious schools, or conduct other religious community activities guaranteed by the Universal Declaration of Human Rights;

Whereas on February 22, 1993, the United Nations Commission on Human Rights published a formerly confidential Iranian government document that constitutes a blueprint for the destruction of the Baha'i community and reveals that these repressive actions are the result of a deliberate policy designed and approved by the highest officials of the Government of Iran; and

Whereas in 1998 the United Nations Special Representative for Human Rights, Maurice Copithorne, was denied entry into Iran: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress—

(1) continues to hold the Government of Iran responsible for upholding the rights of all its nationals, including members of the Baha'i community, in a manner consistent with Iran's obligations under the Universal Declaration of Human Rights and other international agreements guaranteeing the civil and political rights of its citizens;

(2) condemns the repressive anti-Baha'i policies and actions of the Government of Iran, including the denial of legal recognition to the Baha'i community and the basic rights to organize, elect its leaders, educate its youth, and conduct the normal activities of a law-abiding religious community;

(3) expresses concern that individual Baha'is continue to suffer from severely repressive and discriminatory government actions, including executions and death sentences, solely on account of their religion;

(4) urges the Government of Iran to permit Baha'i students to attend Iranian universities and Baha'i faculty to teach at Iranian universities, to return the property confiscated from the Baha'i Open University, to free the imprisoned faculty members of the Open University, and to permit the Open University to continue to function;

(5) urges the Government of Iran to implement fully the conclusions and recommendations on the emancipation of the Iranian Baha'i community made by the United Nations Special Rapporteur on Religious Intolerance, Professor Abdelfattah Amor, in his report of March 1996 to the United Nations Commission of Human Rights;

(6) urges the Government of Iran to extend to the Baha'i community the rights guaranteed by the Universal Declaration of Human Rights and the international covenants of human rights, including the freedom of thought, conscience, and religion, and equal protection of the law; and

(7) calls upon the President to continue—

(A) to assert the United States Government's concern regarding Iran's violations of the rights of its citizens, including members of the Baha'i community, along with expressions of its concern regarding the Iranian Government's support for international terrorism and its efforts to acquire weapons of mass destruction;

(B) to emphasize that the United States regards the human rights practices of the Government of Iran, particularly its treatment of the Baha'i community and other religious minorities, as a significant factor in the development of the United States Government's relations with the Government of Iran;

(C) to emphasize the need for the United Nations Special Representative for Human Rights to be granted permission to enter Iran;

(D) to urge the Government of Iran to emancipate the Baha'i community by granting those rights guaranteed by the Universal Declaration of Human Rights and the international covenants on human rights; and

(E) to encourage other governments to continue to appeal to the Government of Iran, and to cooperate with other governments and international organizations, including the United Nations and its agencies, in efforts to protect the religious rights of the Baha'is and other minorities through joint appeals to the Government of Iran and through other appropriate actions.

Passed the Senate July 19, 2000.

ANNIVERSARY OF U.S. NONRECOGNITION POLICY OF SOVIET TAKEOVER IN BALTIC REGION

Mr. BURNS. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of Calendar No. 648, S. Con. Res. 122.

The PRESIDING OFFICER. The clerk will report the concurrent resolution by title.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 122) recognizing the 60th anniversary of the United States nonrecognition policy of the Soviet takeover of Estonia, Latvia, and Lithuania and calling for positive steps to promote a peaceful and democratic future for the Baltic region.

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

Mr. BURNS. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and any statements relating to this resolution be printed in the RECORD.

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

The concurrent resolution (S. Con. Res. 122) was agreed to.

The preamble was agreed to.

The concurrent resolution, with its preamble, reads as follows:

S. CON. RES. 122

Whereas in June 1940, the Soviet Union occupied the Baltic countries of Estonia, Latvia, and Lithuania and forcibly incorporated them into the Union of Soviet Socialist Republics;

Whereas throughout the occupation, the United States maintained that the acquisition of Baltic territory by force was not permissible under international law and refused to recognize Soviet sovereignty over these lands;

Whereas on July 15, 1940, President Franklin D. Roosevelt issued Executive Order No. 8484, which froze Baltic assets in the United States to prevent them from falling into Soviet hands;

Whereas on July 23, 1940, Acting Secretary of State Sumner Welles issued the first public statement of United States policy of nonrecognition of the Soviet takeover of the Baltic countries, condemning that act in the strongest terms;

Whereas the United States took steps to allow the diplomatic representatives of Estonia, Latvia, and Lithuania in Washington to continue to represent their nations throughout the Soviet occupation;

Whereas Congress on a bipartisan basis strongly and consistently supported the policy of nonrecognition of the Soviet takeover of the Baltic countries during the 50 years of occupation;

Whereas in 1959, Congress designated the third week in July as ''Captive Nations Week'', and authorized the President to issue a proclamation declaring June 14 as ''Baltic Freedom Day'';

Whereas in December 1975, the House of Representatives and the Senate adopted resolutions declaring that the Final Act of the Commission for Security and Cooperation in Europe, which accepted the inviolability or borders in Europe, did not alter the United States nonrecognition policy;

Whereas during the struggle of the Baltic countries for the restoration of their independence in 1990 and 1991, Congress passed a number of resolutions that underscored its continued support for the nonrecognition policy and for Baltic self-determination;

Whereas since then the Baltic states have successfully built democracy, ensured the rule of law, developed free market economies, and consistently pursued a course of integration into the community of free and democratic nations by seeking membership in the European Union and the North Atlantic Treaty Organization;

Whereas the Russian Federation has extended formal recognition to Estonia, Latvia, and Lithuania as independent and sovereign states; and

Whereas the United States, the European Union, and the countries of Northern Europe have supported regional cooperation in Northern Europe among the Baltic and Nordic states and the Russian Federation in addressing common environmental, law enforcement, and public health problems, and in promoting civil society and business and trade development: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress—

(1) recognizes the 60th anniversary of the United States nonrecognition policy of the Soviet takeover of the Baltic states and the contribution that policy made in supporting the aspirations of the people of Estonia, Latvia, and Lithuania to reassert their freedom and independence;

(2) commends Estonia, Latvia, and Lithuania for the reestablishment of their independence and the role they played in the disintegration of the former Soviet Union in 1990 and 1991;

(3) commends Estonia, Latvia, and Lithuania for their success in implementing political and economic reforms, which may further speed the process of their entry into European and Western institutions; and

(4) supports regional cooperation in Northern Europe among the Baltic and Nordic states and the Russian Federation and calls for further cooperation in addressing common environmental, law enforcement, and public health problems, and in promoting civil society and business and trade development, and similar efforts that promote a peaceful, democratic, prosperous, and secure future for Europe, Russia and the Nordic-Baltic region.

CROSS-BORDER COOPERATION AND ENVIRONMENTAL SAFETY IN NORTHERN EUROPE ACT OF 2000

Mr. BURNS. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 649, H.R. 4249.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 4249) to foster cross-border cooperation and environmental cleanup in Northern Europe.

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

Mr. BURNS. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

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

The bill (H.R. 4249) was read the third time and passed.

RECOGNITION OF ANNIVERSARY OF FREE AND FAIR ELECTIONS IN BURMA

Mr. BURNS. Mr. President, I ask unanimous consent that the Senate now proceed to immediate consideration of Calendar No. 656, S. Con. Res. 113.

The PRESIDING OFFICER. The clerk will report the concurrent resolution by title.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 113) expressing the sense of the Congress in recognition of the 10th anniversary of the free and fair elections in Burma and the urgent need to improve the democratic and human rights of the people of Burma.

There being no objection, the Senate proceeded to consider the concurrent resolution which had been reported from the Committee on Foreign Relations, with an amendment to insert the part printed in italic.

S. CON. RES. 113

Whereas in 1988 thousands of Burmese citizens called for a democratic change in Burma and participated in peaceful demonstrations to achieve this result;

Whereas these demonstrations were brutally repressed by the Burmese military, resulting in the loss of hundreds of lives;

Whereas, despite continued repression, the Burmese people turned out in record numbers to vote in elections deemed free and fair by international observers;

Whereas on May 27, 1990, the National League for Democracy (NLD) led by Daw Aung San Suu Kyi won more than 60 percent of the popular vote and 80 percent of the parliamentary seats in the elections;

Whereas the Burmese military rejected the results of the elections, placed Daw Aung San Suu Kyi and hundreds of members of the NLD under arrest, pressured members of the NLD to resign, and severely restricted freedom of assembly, speech, and the press;

Whereas 48,000,000 people in Burma continue to suffer gross violations of human rights, including the right to democracy, and economic deprivation under a military regime known as the State Peace and Development Council (SPDC);

Whereas on September 16, 1998, the members of the NLD and other political parties who won the 1990 elections joined together to form the Committee Representing the People's Parliament (CRPP) as an interim mechanism to address human rights, economic and other conditions, and provide representation of the political views and voice of Members of Parliament elected to but denied office in 1990;

Whereas the United Nations General Assembly and Commission on Human Rights have condemned in nine consecutive resolutions the persecution of religious and ethnic minorities and the political opposition, and SPDC's record of forced labor, exploitation, and sexual violence against women;

Whereas the United States and the European Union Council of Foreign Ministers have similarly condemned conditions in Burma and officially imposed travel restrictions and other sanctions against the SPDC;

Whereas in May 1999, the International Labor Organization (ILO) condemned the SPDC for inflicting forced labor on the people and has banned the SPDC from participating in any ILO meetings;

Whereas the 1999 Department of State Country Reports on Human Rights Practices for Burma identifies more than 1,300 people who continue to suffer inhumane detention conditions as political prisoners in Burma;

Whereas the Department of State International Narcotics Control Report for 2000 determines that Burma is the second largest world-wide source of illicit opium and heroin and that there are continuing, reliable reports that Burmese officials are ''involved in the drug business or are paid to allow the drug business to be conducted by others'', conditions which pose a direct threat to United States national security interests; and

Whereas, despite these massive violations of human rights and civil liberties and chronic economic deprivation, Daw Aung San Suu Kyi and members of the NLD have continued to call for a peaceful political dialogue with the SPDC to achieve a democratic transition: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that—

(1) United States policy should strongly support the restoration of democracy in Burma, including implementation of the results of the free and fair elections of 1990;

(2) United States policy should continue to call upon the military regime in Burma known as the State Peace and Development Council (SPDC)—

(A) to guarantee freedom of assembly, freedom of movement, freedom of speech, and freedom of the press for all Burmese citizens;

(B) to immediately accept a political dialogue with Daw Aung San Suu Kyi, the National League for Democracy (NLD), and ethnic leaders to advance peace and reconciliation in Burma;

(C) to immediately and unconditionally release all detained Members elected to the 1990 parliament and other political prisoners; and

(D) to promptly and fully uphold the terms and conditions of all human rights and related resolutions passed by the United Nations General Assembly, the Commission on Human Rights, the International Labor Organization, and the European Union; and

(3) United States policy should sustain current economic and political sanctions against Burma, *and seek multilateral support for those sanctions,* as the appropriate means—

(A) to secure the restoration of democracy, human rights, and civil liberties in Burma; and

(B) to support United States national security counternarcotics interests.

Mr. BURNS. Mr. President, I ask unanimous consent that the amendment to the resolution be agreed to.

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

The committee amendment was agreed to.

Mr. BURNS. I ask unanimous consent that the resolution, as amended, be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and any statements relating to this resolution be printed in the RECORD.

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

The concurrent resolution (S. Con. Res. 113), as amended, was agreed to.

The preamble was agreed to.

The concurrent resolution, as amended, with its preamble, reads as follows:

S. CON. RES. 113

Whereas in 1988 thousands of Burmese citizens called for a democratic change in Burma and participated in peaceful demonstrations to achieve this result;

Whereas these demonstrations were brutally repressed by the Burmese military, resulting in the loss of hundreds of lives;

Whereas, despite continued repression, the Burmese people turned out in record numbers to vote in elections deemed free and fair by international observers;

Whereas on May 27, 1990, the National League for Democracy (NLD) led by Daw Aung San Suu Kyi won more than 60 percent of the popular vote and 80 percent of the parliamentary seats in the elections;

Whereas the Burmese military rejected the results of the elections, placed Daw Aung San Suu Kyi and hundreds of members of the NLD under arrest, pressured members of the NLD to resign, and severely restricted freedom of assembly, speech, and the press;

Whereas 48,000,000 people in Burma continue to suffer gross violations of human rights, including the right to democracy, and economic deprivation under a military regime known as the State Peace and Development Council (SPDC);

Whereas on September 16, 1998, the members of the NLD and other political parties who won the 1990 elections joined together to form the Committee Representing the People's Parliament (CRPP) as an interim mechanism to address human rights, economic and other conditions, and provide representation of the political views and voice of Members of Parliament elected to but denied office in 1990;

Whereas the United Nations General Assembly and Commission on Human Rights have condemned in nine consecutive resolutions the persecution of religious and ethnic minorities and the political opposition, and SPDC's record of forced labor, exploitation, and sexual violence against women;

Whereas the United States and the European Union Council of Foreign Ministers have similarly condemned conditions in Burma and officially imposed travel restrictions and other sanctions against the SPDC;

Whereas in May 1999, the International Labor Organization (ILO) condemned the SPDC for inflicting forced labor on the people and has banned the SPDC from participating in any ILO meetings;

Whereas the 1999 Department of State Country Reports on Human Rights Practices for Burma identifies more than 1,300 people who continue to suffer inhumane detention conditions as political prisoners in Burma;

Whereas the Department of State International Narcotics Control Report for 2000 determines that Burma is the second largest world-wide source of illicit opium and heroin and that there are continuing, reliable reports that Burmese officials are ''involved in the drug business or are paid to allow the drug business to be conducted by others'', conditions which pose a direct threat to United States national security interests; and

Whereas, despite these massive violations of human rights and civil liberties and chronic economic deprivation, Daw Aung San Suu Kyi and members of the NLD have continued to call for a peaceful political dialogue with the SPDC to achieve a democratic transition: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that—

(1) United States policy should strongly support the restoration of democracy in Burma, including implementation of the results of the free and fair elections of 1990;

(2) United States policy should continue to call upon the military regime in Burma known as the State Peace and Development Council (SPDC)—

(A) to guarantee freedom of assembly, freedom of movement, freedom of speech, and freedom of the press for all Burmese citizens;

(B) to immediately accept a political dialogue with Daw Aung San Suu Kyi, the National League for Democracy (NLD), and ethnic leaders to advance peace and reconciliation in Burma;

(C) to immediately and unconditionally release all detained Members elected to the 1990 parliament and other political prisoners; and

(D) to promptly and fully uphold the terms and conditions of all human rights and related resolutions passed by the United Nations General Assembly, the Commission on Human Rights, the International Labor Organization, and the European Union; and

(3) United States policy should sustain current economic and political sanctions against Burma, and seek multilateral support for those sanctions, as the appropriate means—

(A) to secure the restoration of democracy, human rights, and civil liberties in Burma; and

(B) to support United States national security counternarcotics interests.

Passed the Senate July 19, 2000.

SUPPORT FREE AND FAIR ELECTIONS IN HAITI

Mr. BURNS. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of Calendar No. 657, S. Con. Res. 126.

The PRESIDING OFFICER. The clerk will report the concurrent resolution by title.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 126) expressing the sense of Congress that the President should support free and fair elections and respect for democracy in Haiti.

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

Mr. BURNS. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and that any statements relating to this resolution be printed in the RECORD.

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

The concurrent resolution (S. Con. Res. 126) was agreed to.

The preamble was agreed to.

The concurrent resolution, with its preamble, reads as follows:

S. CON. RES. 126

Whereas the legacy of fiat and abuse of the Duvalier dictatorship led the framers of the 1987 Haitian constitution to provide for clear separation of powers;

Whereas the 1987 Haitian constitution permanently vests all legislative authority in an independent National Assembly;

Whereas national and local elections were held in Haiti on May 21, 2000, which were intended to restore the independent legislature which was dismissed by Haiti's President, Rene Preval Garcia, in January 1999;

Whereas the Haitian people are to be congratulated for patiently and peacefully voting in large numbers on May 21, 2000, despite an unfavorable electoral environment;

Whereas the legitimacy of the May 21, 2000, elections has been compromised by organizational flaws, political murders, the involvement of the Haitian National Police in the arrest and intimidation of opposition figures, manipulation of the independent Provisional Electoral Council by the Government of Haiti and the ruling Fanmi Lavalas party, and the publication of fraudulent results;

Whereas the Provisional Electoral Council has been compromised by Fanmi Lavalas partisans operating within the Council and inappropriate pressure and threats made against members of the Council from the highest levels of the Haitian government to induce the Council to issue fraudulent results;

Whereas Leon Manus, President of the Provisional Electoral Council, was forced to flee Haiti in fear for his life and in a statement released June 21, 2000 noted that the opposition had made ''legitimate'' challenges to the credibility of the electoral process and that the Council ''was often plagued with traps and attacks'' and fought ''slanders and threats'' that came ''most often from state actors'' and received ''from the highest level of the government, unequivocal messages on the consequences that would follow if [he] refused to publish supposed final results'';

Whereas the Provisional Electoral Council is no longer viewed as credible or independent by a broad spectrum of political parties and civil society groups in Haiti;

Whereas Haitian organizations, including the Chamber of Commerce, political parties, the Association of Haitian Industrialists, the Roman Catholic Bishops Conference, and the Protestant Federation have strongly protested the publication of election results that do not correspond to the provisions of Haiti's electoral law and generally accepted norms and which have also been contested by the president of the Provisional Electoral Council;

Whereas the international community, including the United States, Canada, France, the United Nations, and the Organization of American States, has condemned attempts to manipulate the May 21, 2000, electoral process in Haiti; and

Whereas the absence of free and fair elections and the resultant failure to constitute a duly elected legislative body in Haiti constitutes a major setback for the Haitian people's aspirations for peace and democracy, could result in instability in Haiti, and directly jeopardizes United States anti-narcotics objectives in Haiti and the region: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress—

(1) condemns the electoral fraud being perpetrated against the Haitian people and the continuing interruption of democratic institutions in Haiti;

(2) calls on the Government of Haiti forthwith to end its manipulation of the electoral process and take immediate steps to reverse the fraudulent results announced by the remaining members of the Provisional Electoral Council;

(3) calls on the Government of Haiti to immediately engage in a thorough and verifiable process involving the National Observation Council (CNO), all concerned Haitian political parties, as well as private sector and other civil society organizations, to review all reported irregularities and allegations of fraud and authenticate the true results of the election so that a legitimate, democratically-elected National Assembly and local councils can be seated;

(4) urges the Organization of American States (OAS) to consider joint actions by its members states to bring about a return to democracy in Haiti; and

(5) calls on the President of the United States to—

(A) terminate United States assistance to the discredited Provisional Electoral Council;

(B) review and modify as appropriate United States political, economic, and law enforcement relations with Haiti, if Haitian authorities persist in their current path; and

(C) work with other democracies in the Western Hemisphere and elsewhere toward a restoration of democracy in Haiti.

SEC. 2. The Secretary of the Senate shall transmit a copy of this concurrent resolution to the President.

IRAQ'S FAILURE TO RELEASE POWS

Mr. BURNS. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of Calendar No. 658, S. Con. Res. 124.

The PRESIDING OFFICER. The clerk will report the concurrent resolution by title.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 124) expressing the sense of the Congress with regard to Iraq's failure to release prisoners of war from Kuwait and nine other nations in violation of the international agreements.

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

AMENDMENTS NOS. 3941, 3942, AND 3943

Mr. BURNS. Mr. President, I send a group of amendments to the desk, en bloc, and ask for their immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Montana [Mr. BURNS], for Mr. SMITH, proposes amendments numbered 3941, 3942 and 3943, en bloc.

The amendments are as follows:

AMENDMENT NO. 3941

On page 3, between lines 3 and 4, insert the following:

(A) demands that the Government of Iraq immediately provide the fullest possible accounting for United States Navy Commander Michael Scott Speicher in compliance with United Nations Security Council Resolution 686 and other applicable international law;

On page 3, line 4, strike ''(A)'' and insert ''(B)''.

On page 3, line 8, strike ''(B)'' and insert ''(C)''.

On page 4, line 3, strike ''(C)'' and insert ''(D)''.

On page 4, line 8, strike ''(D)'' and insert ''(E)''.

On page 4, between lines 14 and 15, insert the following:

(A) actively seek the fullest possible accounting for United States Navy Commander Michael Scott Speicher;

On page 4, line 15, strike ''(A)'' and insert ''(B)''.

On page 4, line 22, strike ''(B)'' and insert ''(C)''.

AMENDMENT NO. 3942

Insert immediately after the title the following:

''Whereas the Government of Iraq has not provided the fullest possible accounting for United States Navy Commander Michael Scott Speicher, who was shot down over Iraq on January 16, 1991, during Operation Desert Storm;''

AMENDMENT NO. 3943

Amend the title to read as follows: ''Expressing the sense of Congress with regard to Iraq's failure to provide the fullest possible accounting of United States Navy Commander Michael Scott Speicher and prisoners of war from Kuwait and nine other nations in violation of international agreements.''.

Mr. BURNS. Mr. President, I ask unanimous consent that the amendments be agreed to, that the resolution be agreed to, as amended, the preamble be agreed to, as amended, the title, as amended, be agreed to, the motion to reconsider be laid upon the table, and the statements relating to the resolution be printed in the RECORD.

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

The amendments (Nos. 3941, 3942 and 3943) were agreed to.

The concurrent resolution (S. Con. Res. 124), as amended, was agreed to.

The preamble, as amended, was agreed to.

The title was amended.

The concurrent resolution, as amended, with its preamble, as amended, is as follows:

S. CON. RES. 124

Whereas the Government of Iraq has not provided the fullest possible accounting for United States Navy Commander Michael Scott Speicher, who was shot down over Iraq on January 16, 1991, during Operation Desert Storm;

Whereas in 1990 and 1991, thousands of Kuwaitis were randomly arrested on the streets of Kuwait during the Iraqi occupation;

Whereas in February 1993, the Government of Kuwait compiled evidence documenting the existence of 605 prisoners of war and submitted its files to the International Committee of the Red Cross (ICRC), which passed

those files on to Iraq, the United Nations, and the Arab League;

Whereas numerous testimonials exist from family members who witnessed the arrest and forcible removal of their relatives by Iraqi armed forces during the occupation;

Whereas eyewitness reports from released prisoners of war indicate that many of those who are still missing were seen and contacted in Iraqi prisons;

Whereas official Iraqi documents left behind in Kuwait chronicle in detail the arrest, imprisonment, and transfer of significant numbers of Kuwaitis, including those who are still missing;

Whereas in 1991, the United Nations Security Council overwhelmingly passed Security Council Resolutions 686 and 687 that were part of the broad cease-fire agreement accepted by the Iraqi regime;

Whereas United Nations Security Council Resolution 686 calls upon Iraq to arrange for immediate access to and release of all prisoners of war under the auspices of the ICRC and to return the remains of the deceased personnel of the forces of Kuwait and the Member States cooperating with Kuwait;

Whereas United Nations Security Resolution 687 calls upon Iraq to cooperate with the ICRC in the repatriation of all Kuwaiti and third-country nationals, to provide the ICRC with access to the prisoners wherever they are located or detained, and to facilitate the ICRC search for those unaccounted for;

Whereas the Government of Kuwait, in accordance with United Nations Security Council Resolution 686, immediately released all Iraqi prisoners of war as required by the terms of the Geneva Convention;

Whereas immediately following the cease-fire in March 1991, Iraq repatriated 5,722 Kuwaiti prisoners of war under the aegis of the ICRC and freed 500 Kuwaitis held by rebels in southern Iraq;

Whereas Iraq has hindered and blocked efforts of the Tripartite Commission, the eight-country commission chaired by the ICRC and responsible for locating and securing the release of the remaining prisoners of war;

Whereas Iraq has denied the ICRC access to Iraqi prisons in violation of Article 126 of the Third Geneva Convention, to which Iraq is a signatory; and

Whereas Iraq—under the direction and control of Saddam Hussein—has failed to locate and secure the return of all prisoners of war being held in Iraq, including prisoners from Kuwait and nine other nations: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That—

(1) the Congress—

(A) demands that the Government of Iraq immediately provide the fullest possible accounting for United States Navy Commander Michael Scott Speicher in compliance with United Nations Security Council Resolution 686 and other applicable international law;

(B) acknowledges that there remain 605 prisoners of war unaccounted for in Iraq, although Kuwait was liberated from Iraq's brutal invasion and occupation on February 26, 1991;

(C) condemns and denounces the Iraqi Government's refusal to comply with international human rights instruments to which it is a party;

(D) urges Iraq immediately to disclose the names and whereabouts of those who are still alive among the Kuwaiti prisoners of war and other nations to bring relief to their families; and

(E) insists that Iraq immediately allow humanitarian organizations such as the International Committee of the Red Cross to visit the living prisoners and to recover the remains of those who have died while in captivity; and

(2) it is the sense of the Congress that the United States Government should—

(A) actively seek the fullest possible accounting for United States Navy Commander Michael Scott Speicher;

(B) actively and urgently work with the international community and the Government of Kuwait, in accordance with United Nations Security Council Resolutions 686 and 687, to secure the release of Kuwaiti prisoners of war and other prisoners of war who are still missing nine years after the end of the Gulf War; and

(C) exert pressure, as a permanent member of the United Nations Security Council, on Iraq to bring this issue to a close, to release all remaining prisoners of the Iraqi occupation of Kuwait, and to rejoin the community of nations with a humane gesture of good will and decency.

Passed the Senate July 19, 2000.

SMALL BUSINESS INNOVATION RESEARCH PROGRAM REAUTHORIZATION ACT OF 2000

Mr. BURNS. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 541, H.R. 2392.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 2392) to amend the Small Business Act to extend the authorization for the Small Business Innovation Research Program, and for other purposes, which had been reported from the Committee on Small Business, with an amendment, as follows:

(Strike out all after the enacting clause and insert the part printed in italic.)

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Small Business Innovation Research Program Reauthorization Act of 2000''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings.
Sec. 3. Extension of SBIR program.
Sec. 4. Third phase assistance.
Sec. 5. Rights to data.
Sec. 6. Report on programs for annual performance plan.
Sec. 7. Collection, reporting, and maintenance of information.
Sec. 8. Federal agency expenditures for the SBIR program.
Sec. 9. Federal and State technology partnership program.
Sec. 10. Mentoring Networks.

SEC. 2. FINDINGS.

Congress finds that—

(1) the small business innovation research program established under the Small Business Innovation Development Act of 1982, and reauthorized by the Small Business Research and Development Enhancement Act of 1992 (referred to in this section as ''SBIR'' or the ''SBIR program''), is highly successful in involving small business concerns in federally funded research and development;

(2) the SBIR program made the cost-effective and unique research and development capabilities possessed by the small business concerns of this Nation available to Federal departments and agencies;

(3) the innovative goods and services developed by small business concerns that participated in the SBIR program have produced innovations of critical importance in a wide variety of high-technology fields, including biology, medicine, education, electronics, information technology, materials, and defense;

(4) the SBIR program is a catalyst in the promotion of research and development, the commercialization of innovative technology, the development of new products and services, the attraction of private investment, and the continued excellence of the high-technology industries of this Nation; and

(5) the continuation of the SBIR program will—

(A) provide expanded opportunities for one of the vital resources of the Nation, its small business concerns;

(B) foster invention, research, and technology;

(C) create jobs; and

(D) increase economic growth and the competitiveness of this Nation in international markets.

SEC. 3. EXTENSION OF SBIR PROGRAM.

Section 9(m) of the Small Business Act (15 U.S.C. 638(m)) is amended to read as follows:

''(m) TERMINATION.—The authorization to carry out the Small Business Innovation Research Program established under this section shall terminate on September 30, 2010.''.

SEC. 4. THIRD PHASE ASSISTANCE.

Section 9(e)(4)(C)(i) of the Small Business Act (15 U.S.C. 638(e)(4)(C)(i)) is amended by striking ''; and'' and inserting ''; or''.

SEC. 5. RIGHTS TO DATA.

Section 9(j) of the Small Business Act (15 U.S.C. 638(j)) is amended by adding at the end the following:

''(3) ADDITIONAL MODIFICATIONS.—Not later than 120 days after the date of enactment of the Small Business Innovation Research Program Reauthorization Act of 2000, the Administrator shall modify the policy directives issued under this subsection to clarify that the rights provided for under paragraph (2)(A) apply to all Federal funding awards, including—

''(A) the first phase (as described in subsection (e)(4)(A));

''(B) the second phase (as described in subsection (e)(4)(B)); and

''(C) the third phase (as described in subsection (e)(4)(C)).''.

SEC. 6. REPORT ON PROGRAMS FOR ANNUAL PERFORMANCE PLAN.

Section 9(o)(8) of the Small Business Act (15 U.S.C. 638(o)(8)) is amended—

(1) by striking ''its STTR program'' and inserting ''the SBIR and STTR programs of the agency''; and

(2) by inserting before the semicolon '', and to the Administrator''.

SEC. 7. COLLECTION, REPORTING, AND MAINTENANCE OF INFORMATION.

(a) COLLECTION.—Section 9(g) of the Small Business Act (15 U.S.C. 638(g)) is amended—

(1) in paragraph (7), by striking ''and'' at the end;

(2) in paragraph (8), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(9) collect, and maintain in a common format, such information from awardees as is necessary to assess the SBIR program, including information necessary to maintain the database described in subsection (k).''.

(b) REPORT TO CONGRESS.—Section 9(b)(7) of the Small Business Act (15 U.S.C. 638(b)(7)) is amended by inserting before the period at the end the following: '', including the information collected under subsections (g)(9) and (o)(9) and a description of the extent to which Federal agencies are providing in a timely manner information needed to maintain the database described in subsection (k)''.

(c) PUBLIC DATABASE.—Section 9(k) of the Small Business Act (15 U.S.C. 638(k)) is amended to read as follows:

''(k) PUBLIC DATABASE.—Not later than 180 days after the date of enactment of the Small

Business Innovation Research Program Reauthorization Act of 2000, the Administrator shall develop, maintain, and make available to the public a searchable, up-to-date, electronic database that includes—

''(1) the name, size, location, and an identifying number assigned by the Administrator, of each small business concern that has received a first phase or second phase SBIR award from a Federal agency;

''(2) a description of each first phase or second phase SBIR award received by that small business concern, including—

''(A) an abstract of the project funded by the award;

''(B) the Federal agency making the award; and

''(C) the date and amount of the award;

''(3) an identification of any business concern or subsidiary established for the commercial application of a product or service for which an SBIR award is made; and

''(4) information regarding mentors and Mentoring Networks, as required by section 35(e).''.

SEC. 8. FEDERAL AGENCY EXPENDITURES FOR THE SBIR PROGRAM.

Section 9(i) of the Small Business Act (15 U.S.C. 638(i)) is amended—

(1) by striking ''(i) Each Federal'' and inserting the following:

''(i) ANNUAL REPORTING.—

''(1) IN GENERAL.—Each Federal''; and

(2) by adding at the end the following:

''(2) CALCULATION OF EXTRAMURAL BUDGET.—

''(A) METHODOLOGY.—Not later than 4 months after the date of enactment of each appropriations Act for a Federal agency required by this section to have an SBIR program, the comptroller of that Federal agency shall submit to the Administrator a report, which shall include a description of the methodology used for calculating the amount of the extramural budget of that Federal agency (as defined in subsection (e)(1)).

''(B) ADMINISTRATOR'S ANALYSIS.—The Administrator shall include an analysis of the methodology received from each Federal agency referred to in subparagraph (A) in the report required by subsection (b)(7).''.

SEC. 9. FEDERAL AND STATE TECHNOLOGY PARTNERSHIP PROGRAM.

(a) FINDINGS.—Congress finds that—

(1) programs to foster economic development among small high-technology firms vary widely among the States;

(2) States that do not aggressively support the development of small high-technology firms, including participation by small business concerns in the Small Business Innovation Research Program (referred to in this section as ''SBIR'' or the ''SBIR program''), are at a competitive disadvantage in establishing a business climate that is conducive to technology development; and

(3) building stronger national, State, and local support for science and technology research in these disadvantaged States will expand economic opportunities in the United States, create jobs, and increase the competitiveness of the United States in the world market.

(b) FEDERAL AND STATE TECHNOLOGY PARTNERSHIP PROGRAM.—The Small Business Act (15 U.S.C. 631 et seq.) is amended—

(1) by redesignating section 34 as section 36; and

(2) by inserting after section 33 the following:

''SEC. 34. FEDERAL AND STATE TECHNOLOGY PARTNERSHIP PROGRAM.

''(a) DEFINITIONS.—In this section—

''(1) the term 'applicant' means an entity, organization, or individual that submits a proposal for an award or a cooperative agreement under this section;

''(2) the terms 'business advice and counseling', 'mentor', and 'Mentoring Network' have the same meanings as in section 35(b);

''(3) the term 'recipient' means a person that receives an award or becomes party to a cooperative agreement under this section;

''(4) the term 'SBIR program' has the same meaning as in section 9(e)(4);

''(5) the term 'State' means any of the 50 States of the United States, the District of Columbia, and Puerto Rico; and

''(6) the term 'STTR program' has the same meaning as in section 9(e)(6).

''(b) ESTABLISHMENT OF PROGRAM.—The Administrator shall establish a program to be known as the Federal and State Technology Partnership Program (referred to in this section as 'FAST'), the purpose of which shall be to strengthen the technological competitiveness of small business concerns in the States.

''(c) GRANTS AND COOPERATIVE AGREEMENTS.—

''(1) JOINT REVIEW.—In carrying out the FAST program under this section, the Administrator and the SBIR program managers at the National Science Foundation and the Department of Defense shall jointly review proposals submitted by applicants and may make awards or enter into cooperative agreements under this section based on the factors for consideration set forth in paragraph (2), in order to enhance or develop in a State—

''(A) technology research and development by small business concerns;

''(B) technology transfer from university research to technology-based small business concerns;

''(C) technology deployment and diffusion benefiting small business concerns;

''(D) the technological capabilities of small business concerns through the establishment or operation of consortia comprised of entities, organizations, or individuals, including—

''(i) State and local development agencies and entities;

''(ii) representatives of technology-based small business concerns;

''(iii) industries and emerging companies;

''(iv) universities; and

''(v) small business development centers; and

''(E) outreach, financial support, and technical assistance to technology-based small business concerns interested in participating in the SBIR program, including initiatives—

''(i) to make grants or loans to companies to pay a portion or all of the cost of developing SBIR proposals;

''(ii) to establish or operate a Mentoring Network within the FAST program to provide business advice and counseling that will assist small business concerns that have been identified by FAST program participants, program managers of participating SBIR agencies, the Administration, or other entities that are knowledgeable about the SBIR and STTR programs as good candidates for the SBIR and STTR programs, and that would benefit from mentoring, in accordance with section 35;

''(iii) to create or participate in a training program for individuals providing SBIR outreach and assistance at the State and local levels; and

''(iv) to encourage the commercialization of technology developed through SBIR program funding.

''(2) SELECTION CONSIDERATIONS.—In making awards or entering into cooperative agreements under this section, the Administrator and the SBIR program managers referred to in paragraph (1)—

''(A) may only consider proposals by applicants that intend to use a portion of the Federal assistance provided under this section to provide outreach, financial support, or technical assistance to technology-based small business concerns participating in or interested in participating in the SBIR program; and

''(B) shall consider, at a minimum—

''(i) whether—

''(I) the applicant has demonstrated that the assistance to be provided would address unmet needs of small business concerns in the community; and

''(II) it is important to use Federal funding for the proposed activities;

''(ii) whether the applicant has demonstrated that a need exists to increase the number and success of small high-technology businesses in the State, as measured by the number of first phase and second phase SBIR awards that have historically been received by small business concerns in the State;

''(iii) whether the projected costs of the proposed activities are reasonable;

''(iv) whether the proposal integrates and coordinates the proposed activities with other State and local programs assisting small high-technology firms in the State; and

''(v) the manner in which the applicant will measure the results of the activities to be conducted.

''(3) PROPOSAL LIMIT.—Not more than 1 proposal may be submitted for inclusion in the FAST program under this section to provide services in any one State in any fiscal year.

''(4) PROCESS.—Proposals and applications for assistance under this section shall be in such form and subject to such procedures as the Administrator shall establish.

''(d) COOPERATION AND COORDINATION.—In carrying out the FAST program under this section, the Administrator shall cooperate and coordinate with—

''(1) Federal agencies required by section 9 to have an SBIR program; and

''(2) entities, organizations, and individuals actively engaged in enhancing or developing the technological capabilities of small business concerns, including—

''(A) State and local development agencies and entities;

''(B) State committees established under the Experimental Program to Stimulate Competitive Research of the National Science Foundation (as established under section 113 of the National Science Foundation Authorization Act of 1988 (42 U.S.C. 1862g)), to the extent that such committees exist in the States;

''(C) State science and technology councils, to the extent that such councils exist in the States; and

''(D) representatives of technology-based small business concerns.

''(e) ADMINISTRATIVE REQUIREMENTS.—

''(1) COMPETITIVE BASIS.—Awards and cooperative agreements under this section shall be made or entered into, as applicable, on a competitive basis.

''(2) MATCHING REQUIREMENTS.—

''(A) IN GENERAL.—The non-Federal share of the cost of an activity (other than a planning activity) carried out using an award or under a cooperative agreement under this section shall be—

''(i) 50 cents for each Federal dollar, in the case of a recipient that will serve small business concerns located in one of the 18 States receiving the fewest SBIR first phase awards (as described in section 9(e)(4)(A));

''(ii) 1 dollar for each Federal dollar, in the case of a recipient that will serve small business concerns located in one of the 16 States receiving the greatest number of such SBIR first phase awards; and

''(iii) 75 cents for each Federal dollar, in the case of a recipient that will serve small business concerns located in a State that is not described in clause (i) or (ii) that is receiving such SBIR first phase awards.

''(B) TYPES OF FUNDING.—The non-Federal share of the cost of an activity carried out by a recipient shall be comprised of not less than 50 percent cash and not more than 50 percent of indirect costs and in-kind contributions, except that no such costs or contributions may be derived from funds from any other Federal program.

''(C) RANKINGS.—For purposes of subparagraph (A), the Administrator shall reevaluate the ranking of a State once every 2 fiscal years, beginning with fiscal year 2001, based on the most recent statistics compiled by the Administrator.

''(3) DURATION.—Awards may be made or cooperative agreements entered into under this section for multiple years, not to exceed 3 years in total.

''(f) REPORTS.—

''(1) INITIAL REPORT.—Not later than 120 days after the date of enactment of the Small Business Innovation Research Program Reauthorization Act of 2000, the Administrator shall prepare and submit to the Committees on Small Business of the Senate and the House of Representatives a report, which shall include, with respect to the FAST program, including Mentoring Networks (as defined in section 35)—

''(A) a description of the structure and procedures of the program;

''(B) a management plan for the program; and

''(C) a description of the merit-based review process to be used in the program.

''(2) ANNUAL REPORTS.—The Administrator shall submit an annual report to the Committees on Small Business of the Senate and the House of Representatives regarding—

''(A) the number and amount of awards provided and cooperative agreements entered into under the FAST program during the preceding year;

''(B) a list of recipients under this section, including their location and the activities being performed with the awards made or under the cooperative agreements entered into; and

''(C) the Mentoring Networks and the mentoring data base, as provided for under section 35, including—

''(i) the status of the inclusion of mentoring information in the database required by section 9(k); and

''(ii) the status of the implementation and description of the usage of the Mentoring Networks (as defined in section 35).

''(g) REVIEWS BY INSPECTOR GENERAL.—

''(1) IN GENERAL.—The Office of the Inspector General of the Administration shall conduct a review of—

''(A) the extent to which recipients under the FAST program are measuring the performance of the activities being conducted and the results of such measurements; and

''(B) the overall management and effectiveness of the FAST program.

''(2) REPORT.—During the first quarter of fiscal year 2004, the Office of the Inspector General of the Administration shall submit a report to the Committees on Small Business of the Senate and the House of Representatives on the review conducted under paragraph (1).

''(h) PROGRAM LEVELS.—

''(1) IN GENERAL.—Subject to an appropriations Act, there is authorized to be appropriated to carry out the FAST program, including Mentoring Networks, under this section and section 35, $10,000,000 for each of fiscal years 2001 through 2005.

''(2) MENTORING DATABASE.—Of the total amount made available under paragraph (1) for fiscal years 2001 through 2005, a reasonable amount, not to exceed a total of $500,000, may be used by the Administration to carry out section 35(e).

''(i) TERMINATION.—The authorization to carry out the FAST program under this section shall terminate on September 30, 2005.''.

(d) COORDINATION OF TECHNOLOGY DEVELOPMENT PROGRAMS.—Section 9 of the Small Business Act (15 U.S.C. 638) is amended by adding at the end the following:

''(u) COORDINATION OF TECHNOLOGY DEVELOPMENT PROGRAMS.—

''(1) DEFINITION OF TECHNOLOGY DEVELOPMENT PROGRAM.—In this subsection, the term 'technology development program' means—

''(A) the Experimental Program to Stimulate Competitive Research of the National Science Foundation, as established under section 113 of the National Science Foundation Authorization Act of 1988 (42 U.S.C. 1862g);

''(B) the Defense Experimental Program to Stimulate Competitive Research of the Department of Defense;

''(C) the Experimental Program to Stimulate Competitive Technology of the Department of Commerce;

''(D) the Experimental Program to Stimulate Competitive Research of the Department of Energy;

''(E) the Experimental Program to Stimulate Competitive Research of the Environmental Protection Agency;

''(F) the Experimental Program to Stimulate Competitive Research of the National Air and Space Administration;

''(G) the Institutional Development Award Program of the National Institutes of Health; and

''(H) the National Research Initiative Competitive Grants Program of the Department of Agriculture.

''(2) COORDINATION REQUIREMENTS.—Each Federal agency that is subject to subsection (f) and that has established a technology development program shall, in each fiscal year—

''(A) review for funding under that technology development program—

''(i) any proposal from an entity, organization, or individual located in a State that is eligible to participate in that program to provide outreach and assistance to 1 or more small business concerns interested in participating in the SBIR program, including any proposal to make a grant or loan to a company to pay a portion or all of the cost of developing an SBIR proposal; or

''(ii) any proposal for the first phase of the SBIR program from a small business concern located in a State that is eligible to participate in a technology development program if the proposal, though meritorious, is not funded through the SBIR program for that fiscal year due to funding restraints; and

''(B) consider proposals described in subparagraph (A) to be eligible for funding, as described in subparagraph (A), if the applicant is located in a State that is an eligible State.

''(3) DEFINITION OF 'ELIGIBLE STATE'.—In this subsection, the term 'eligible State' means a State in which the total value of contracts awarded to small business concerns under the SBIR program is less than the total value of contracts awarded to small business concerns in a majority of other States, as determined by the Administrator in biennial fiscal years, beginning with fiscal year 2000, based on the most recent statistics compiled by the Administrator.''.

SEC. 10. MENTORING NETWORKS.

The Small Business Act (15 U.S.C. 631 et seq.) is amended by inserting before section 36, as redesignated by this Act, the following:

''SEC. 35. MENTORING NETWORKS.

''(a) FINDINGS.—Congress finds that—

''(1) the SBIR and STTR programs create jobs, increase capacity for technological innovation, and boost international competitiveness;

''(2) increasing the quantity of applications from all States to the SBIR and STTR programs would enhance competition for such awards and the quality of the completed projects; and

''(3) mentoring is a natural complement to the FAST program of reaching out to new companies regarding the SBIR and STTR programs as an effective and low-cost way to improve the likelihood that such companies will succeed in such programs in developing and commercializing their research.

''(b) DEFINITIONS.—In this section—

''(1) the term 'business advice and counseling' means providing advice and assistance on matters described in subsection (d)(2)(B) to small business concerns to guide them through the SBIR and STTR program processes, from application to award and successful completion of each phase of the program;

''(2) the term 'mentor' means an individual described in subsection (d)(2); and

''(3) the term 'Mentoring Network' means an association, organization, coalition, or other entity (including an individual) that meets the requirements of subsection (d).

''(c) AUTHORIZATION FOR MENTORING NETWORKS.—The recipient of an award or participant in a cooperative agreement under section 34 may use a reasonable amount of such assistance for the establishment of a Mentoring Network under this section.

''(d) CRITERIA FOR MENTORING NETWORKS.—A Mentoring Network established using assistance under section 34 shall—

''(1) provide business advice and counseling to high technology small business concerns located in the State or region served by the network and identified under section 34(c)(1)(E)(ii) as potential candidates for the SBIR or STTR programs;

''(2) identify volunteer mentors who—

''(A) are persons associated with a small business concern that has successfully completed one or more SBIR or STTR funding agreements; and

''(B) have agreed to guide small business concerns through all stages of the SBIR or STTR program process, including providing assistance relating to—

''(i) proposal writing;

''(ii) marketing;

''(iii) Government accounting;

''(iv) Government audits;

''(v) project facilities and equipment;

''(vi) human resources;

''(vii) phase III partners;

''(viii) commercialization;

''(ix) venture capital networking; and

''(x) other matters relevant to the SBIR and STTR programs;

''(3) have experience working with small business concerns participating in the SBIR and STTR programs;

''(4) contribute information to the national database referred to in subsection (e); and

''(5) agree to reimburse volunteer mentors for out-of-pocket expenses related to service as a mentor under this section.

''(e) MENTORING DATABASE.—The Administrator shall—

''(1) include in the database required by section 9(k), in cooperation with the SBIR, STTR, and FAST programs, information on Mentoring Networks and mentors participating under this section, including a description of their areas of expertise;

''(2) work cooperatively with Mentoring Networks to maintain and update the database;

''(3) take such action as may be necessary to aggressively promote Mentoring Networks under this section; and

''(4) fulfill the requirements of this subsection either directly or by contract.''.

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

Mr. BOND. Mr. President, the Small Business Innovation Research Program Reauthorization Act of 2000 (H.R. 2392) was introduced on June 30, 1999, and referred to the House Committees on Small Business and Science. Both Committees held hearings and the House Committee on Small Business reported H.R. 2392 on September 23, 1999 (H. Rept. 106–329). In the interest of moving the bill to the floor of the House of Representatives promptly, the Committee on Science agreed not to exercise its right to report the legislation, provided that the House Committee on Small Business agreed to add the selected portions of the Science Committee version of the legislation, as Sections 8 through 11 of the House floor text of H.R. 2392. H.R. 2392 passed the House without further amendment on September 27. The Science Committee provisions were explained in floor statements by Congressmen SENSENBRENNER, MORELLA, and MARK UDALL.

On March 21, 2000, the Senate Committee marked up H.R. 2392 and on May 10, 2000, reported the bill (S. Rept. 106–289). The Senate Committee struck several of the sections originating from the House Committee on Science and added sections not in the House-passed legislation, including a requirement that Federal agencies with Small Business Innovation Research (SBIR) programs report their methodology for calculating their SBIR budgets to the Small Business Administration (SBA) and a program to assist states in the development of small high-technology businesses. Negotiations then began among the leadership of the Senate and House Committees on Small Business and the House Committee on Science (hereinafter referred to as the three committees). The resultant compromise text contains all major House and Senate provisions, some of which have been amended to reflect a compromise position. A section-by-section explanation of the revised text follows. For purposes of this statement, the bill passed by the House of Representatives is referred to as the ''House version'' and the bill reported by the Senate Committee on Small Business is referred to as the ''Senate version.''

Section 1. Short Title; Table of Contents. The compromise text uses the Senate short title: ''Small Business Innovation Research Program Reauthorization Act of 2000.'' The table of contents lists the sections in the compromise text.

Section 2. Findings. The House and Senate versions of the findings are very similar. The compromise text uses the House version of the findings.

Section 3. Extension of the SBIR Program. The House version extends the SBIR program for seven years through September 30, 2007. The Senate version extends the program for ten years through September 30, 2010. The compromise text extends the program for eight years through September 30, 2008.

Section 4. Annual Report. The House version provides for the annual report on the SBIR program prepared by the SBA to be sent to the Committee on Science, as well as to the House and Senate Committees on Small Business that currently receive it. The Senate version did not include this section. The compromise text adopts the House language.

Section 5. Third Phase Activities. The compromise text of this technical amendment is identical to both the House and Senate versions.

Section 6. Policy Directive Modifications. The House version includes policy directive modifications in Section 9 and the requirement of a second phase commercial plan in Section 10. The Senate version includes policy directive modifications in Section 6. The Senate version and now the compromise text require the Administrator to make modifications to SBA's policy directives 120 days after the date of enactment rather than the 30 days contained in the House version. The compromise text drops the House policy directive dealing with awards exceeding statutory dollar amounts and time limits because this flexibility is already being provided administratively. Addressed below is a description of the policy directive modifications contained in the compromise text that were not included in both the Senate version and the House version.

Section 10 of the House version requires the SBA to modify its policy directives to require that small businesses provide a commercial plan with each application for a second-phase award. The Senate version does not contain a similar provision. The compromise text requires the SBA to modify its policy directives to require that a small businesses provide a ''succinct commercialization plan for each second phase award moving towards commercialization.'' The three committees acknowledge that commercialization is a current element of the SBIR program. The statutory definition of SBIR, which is not amended by H.R. 2392, includes ''a second phase, to further develop proposals which meet particular program needs, in which awards shall be made based on the scientific and technical merit and feasibility of the proposals, as evidenced by the first phase, considering among other things the proposal's commercial potential'', and lists evidence of commercial potential as the small business's commercialization record, private sector funding commitments, SBIR Phase III commitments, and the presence of other indicators of the commercial potential. The three committees do not intend that the addition of a commercialization plan either increase or decrease the emphasis an agency places on the commercialization when reviewing second-phase proposals. Rather, the commercialization plan will give SBIR agencies a means of determining the seriousness with which individual applicants approach commercialization.

The commercialization plan, while concise, should show that the business has thought through both the steps it must take to prepare for the fruits of the SBIR award to enter the commercial marketplace or government procurement and the steps to build business expertise as needed during the SBIR second phase time period. The three committees intend that agencies take into consideration the stage of development of the product or process in deciding whether an appropriate commercialization plan has been submitted. In those instances when at the time of the SBIR Phase II proposal, the grantee cannot identify either a product or process with the potential eventually to enter either the commercial or the government marketplace, no commercialization plan is required.

The compromise text also adds new provisions that were not contained in either the Senate version or the House version. Current law (Section 9(j)(3)(C) of the Small Business Act) requires that the Administrator put in place procedures to ensure, to the extent practicable, that an agency which intends to pursue research, development or production of a technology developed by a small business concern under an SBIR program enter into follow-on, non-SBIR funding agreements with the small business concern for such research, development, or production. The three committees are concerned that agencies sometimes provide these follow-on activities to large companies who are in incumbent positions or through contract bundling without written justification or without the statutorily required documentation of the impracticability of using the small business for the work. So that the SBA and the Congress can track the extent of this problem, the compromise text requires agencies to record and report each such occurrence and to describe in writing why it is impractical to provide the research project to the original SBIR company. Additionally, the compromise text directs the SBA to develop policy directives to implement the new subsection (v), Simplified Reporting Requirements. This subsection requires that the directives regarding collection of data be designed to minimize the burden on small businesses; to permit the updating the database by electronic means; and to use standardized procedures for the collection and reporting of data.

Section 103(a)(2) of P.L. 102–564, which reauthorized the SBIR program in 1992, added language to the description of a third phase award which made it clear that the third phase is intended to be a logical conclusion of research projects selected through competitive procedures in phases one and two. The Report of the House Committee on Small Business (H. Rept. 102–554, Pt. I) provides that the purpose of that clarification was to indicate the Committee's intent that an agency which wishes to fund an SBIR project in phase three (with non-SBIR monies) or enter into a follow-on procurement contract with an SBIR company, need not conduct another competition in order to satisfy the Federal Competition in Contracting Act (CICA). Rather, by phase three the project has survived two competitions and thus has already satisfied the requirements of CICA, set forth in section 2302(2)(E) of that Act, as they apply to the SBIR program. As there has been confusion among SBIR agencies regarding the intent of this change, the three committees reemphasize the intent initially set forth in H. Rept. 102–554, Pt. 1, including the clarification that follow-on phase three procurement contracts with an SBIR company may include procurement of products, services, research, or any combination intended for use by the Federal government.

Section 7. Report on Programs for Annual Performance Plan. This section requires each agency that participates in the SBIR program to submit to Congress a performance plan consistent with the Government Performance and Results Act. The House and Senate versions have the same intent. The compromise text uses the House version.

Section 8. Output and Outcome Data. Both the House and Senate versions contain sections enabling the collection and maintenance of information from awardees as is necessary to assess the SBIR program. Both the Senate and House versions require the SBA to maintain a public database at SBA containing information on awardees from all SBIR agencies. The Senate version adds paragraphs to the public database section dealing with database identification of businesses or subsidiaries established for the commercial application of SBIR products or services and the inclusion of information regarding mentors and mentoring networks. The House version further requires the SBA to establish and maintain a government database, which is exempt from the Freedom of Information Act and is to be used solely for program evaluation. Outside individuals must sign a non-disclosure agreement before gaining access to the database. The compromise text contains each of these provisions, with certain modifications and clarifications, which are addressed below.

With respect to the public database, the compromise text makes clear that proprietary information, so identified by a small business concern, will not be included in the public database. With respect to the government database, the compromise text clarifies that the inclusion of information in the government database is not to be considered publication for purposes of patent law. The compromise text further permits the SBA to include in the government database any information received in connection with an SBIR award the SBA Administrator, in conjunction with the SBIR agency program managers, consider to be relevant and appropriate or that the Federal agency considers to be useful to SBIR program evaluation.

With respect to small business reporting for the government database, the compromise text directs that when a small business applies for a second phase award it is required to update information in the government database. If an applicant for a second phase award receives the award, it shall update information in the database concerning the award at the termination of the award period and will be requested to voluntarily update the information annually for an additional period of five years. This reporting procedure is similar to current Department of defense requirements for the reporting of such information. When sales or additional investment information is related to more than one second phase award is involved, the compromise text permits a small business to apportion the information among the awards in any way it chooses, provided the apportionment is noted on all awards so apportioned.

The three committees understand that receiving complete commercialization data on the SBIR program is difficult, regardless of any reasonable time frame that could be established for the reporting of such data. Commercialization may occur many years following the receipt of a research grant and research from an award, while not directly resulting in a marketable product, may set the groundwork for additional research that leads to such a product. Nevertheless, the three committees believe that the government database will provide useful information for program evaluation.

Section 9. National Research Council Reports. The House version requires the four largest SBIR program agencies to enter into an agreement with the National Research Council (NRC) to conduct a comprehensive study of how the SBIR program has stimulated technological innovation and used small businesses to meet Federal research and development needs and to make recommendations on potential improvements to the program. The Senate version contains no similar provision. The study was designed to answer questions remaining from the House Committees' reviews of these programs and to make sure that a current evaluation of the program is available when the program next comes up for reauthorization.

The compromise text makes several changes to the House text. The compromise text adds the National Science Foundation to the agencies entering the agreement with the NRC and requires the agencies to consult with the SBA in entering such agreement. It also expands on the House version, which requires a review of the quality of SBIR research, to require a comparison of the value of projects conducted under SBIR with those funded by other Federal research and development expenditures. The compromise text further broadens the House versions' review of the economic rate of return of the SBIR program to require an evaluation of the economic benefits of the SBIR program, including economic rate of return, and a comparison of the economic benefits of the SBIR program with that of other Federal research and development expenditures. The compromise text allows the NRC to choose an appropriate time-frame for such analysis that results in a fair comparison.

The three committees believe that a comprehensive report on the SBIR program and its relation to other Federal research expenditures will be useful in program oversight and will provide Congress with an understanding of the effects of extramural Federal research and development funding provided to large and small businesses and universities. The three committees understand, however, that measuring the direct benefits to the nation's economy from the SBIR program and other Federal research expenditures may be difficult to calculate and may not provide a complete portrayal of the benefits achieved by the SBIR program. Accordingly, the legislation requires the NRC also to review the non-economic benefits of the SBIR program, which may include, among other matters, the increase in scientific knowledge that has resulted from the program. The paragraph in the compromise text calling for recommendations remains the same as the House version, except that the bill now asks the NRC to make recommendations, should there be any.

While the study is to be carried out within National Research Council study guidelines and procedures, the compromise text requires the NRC to take the steps necessary to ensure that individuals from the small business community with expertise in the SBIR program are well represented in the panel established for performing the study and among the peer reviewers of the study. The NRC is to consult with the consider the views of the SBA's Office of Technology and the SBA's Office of Advocacy and to conduct the study in an open manner that makes sure that the views and experiences of small business involved in the program are carefully considered in the design and execution of the study. Extension of the SBIR program for eight years rather than the five being contemplated when the House study provision was initially written has necessitated some adjustments in the study. The report is now required three years rather than four years after the date of enactment of the Act and the NRC is to update the report within six years of enactment. The update is intended to bring current, any information from the study relevant to the reauthorization of the SBIR program. It is not intended to be a second full-fledged study. In addition, semiannual progress reports by NRC to the three committees are required.

Section 10. Federal Agency Expenditures for the SBIR Program. The Senate version requires each Federal agency with an SBIR program to provide the SBA with report describing its methodology for calculating its extramural budget for purposes of SBIR program set-aside and requires the Administrator of the SBA to include an analysis of the methodology from each agency in its annual report to the Congress. The House version has no similar provision. The compromise text follows the Senate text except that it specifies that each agency, rather than the agency's comptroller, shall submit the agency's report to the Administrator. The three committees intend that each agency's methodology include an itemization of each research program that is excluded from the calculation of its extramural budget for SBIR purposes as well as a brief explanation of why the agency feels each excluded program meets a particular exemption.

Section 11. Federal and State Technology Partnership Program. This section establishes the FAST program from the Senate version, which is a competitive matching grant program to encourage states to assist in the development of high-technology businesses. The House version does not contain a similar provision. The most significant changes from the Senate version in the compromise text are an extension of the maximum duration of awards from three years to five and the lowering of the matching requirement for funds assisting businesses in low income areas to 50 cents per federal dollar, as advocated by Ranking Member Velazquez of the House Small Business Committee. The compromise text combines the definitions found in the Senate version of this section and the mentoring networks section.

Section 12. Mentoring Networks. The Senate version sets forth criteria for mentoring networks that organizations are encouraged to establish with matching funds from the FAST program and creates a database of small businesses willing to act as mentors. The compromise text, except for relocating the program definitions to Section 11, is the same as the Senate text. The House version did not contain a similar provision.

Section 13. Simplified Reporting Requirements. This section is not in either the House or the Senate versions. It requires the SBA Administrator to work with SBIR program agencies on standardizing SBIR reporting requirements with the ultimate goal of making the SBA's SBIR database more user friendly. This provision requires the SBA to consider the needs of each agency when establishing and maintaining the database. Additionally, it requires the SBA to take measures to reduce the administrative burden on SBIR program participants whenever possible including, for example, permitting updating by electronic means.

Section 14. Rural Outreach Program Extension. This provision, which was not in either the House or the Senate versions, extends the life and authorization for appropriations for the Rural Outreach Program of the Small Business Administration for four additional years through fiscal year 2005. It is the intent of the three committees that this program be evaluated on the same schedule and in the same manner as the FAST program. Among other things, the evaluation should examine the extent to which the programs complement or duplicate each other. The evaluation should also include recommendations for improvements to the program, if any.

Mr. KERRY. Mr. President, today I ask my colleagues to join me in voting for H.R. 2392, the Small Business Innovation Research Program Reauthorization Act of 2000. The Small Business Innovation Research (SBIR) program is a great example of how government and business can work together to advance the cause of science, the diverse missions of the government, and a healthy economy. The results have been dramatic for small, high-technology companies participating in the program. Since 1983 when the program was started, some 16,000 small, high-technology firms have received more than 46,000 SBIR research awards through 1997, totaling $7.5 billion.

Technological advancement is a key element of economic growth. According to a Congressional Research Service Report, Small, High Tech Companies and Their Role in the Economy: Issues in the Reauthorization of the Small Business Innovation (SBIR) Program, ''technical progress is responsible for up to one-half the growth of the U.S. economy and is one of the principal driving forces for increases in our standard of living.''

Mr. President, this bill, and the accompanying managers' amendment, are the products of months and months of work between Democrats and Republicans, House and Senate, SBIR companies and SBIR advocates, the ten Federal agencies that participate in the SBIR program, and the Small Business Administration's Office of Technology and the Office of Advocacy.

I want to thank Senator BOND and Senator LEVIN, and the members of the House Committees on Small Business

and Science, and their staffs, for their hard work on this bill. Many of us had very different concerns regarding reauthorization of the SBIR program, and I greatly appreciate everyone's willingness to find common ground where possible and compromise.

We wrestled with tough questions. How long to reauthorize the program? I wanted to make it permanent; it has a long and successful track record. In fact, in 1998, the Senate Committee on Small Business voted to do just that, but that legislation never passed the House. This year the Committee agreed to reauthorize the program for ten years, giving the agencies and innovative small businesses a good measure of security to plan SBIR projects for the longer term. However, the House Science Committee felt strongly that it should only be reauthorized for seven years. In the end, as reflected in this bill, we compromised on eight, reauthorizing the bill through September 30, 2008.

How to improve the quality and collection of data without overburdening small businesses? GAO reports have found that the SBIR program works well, but that the records are sometimes incomplete, making it harder to evaluate the program and track awards. I fully support the goal of collecting the best information possible to evaluate the program, but I don't want small businesses owners to spend more time filling out paper work than absolutely necessary for that purpose. They are capable of developing cutting-edge research and meeting national R&D needs and should spend the majority of their efforts on that. As Ranking Member of the Small Business Committee and a Senator from the state whose small, hi-tech companies win the second largest amount of SBIR awards, I heard many, many complaints and concerns about the possibility of excessive and burdensome reporting requirements. I also heard complaints that the same level of reporting is not required of universities and big business that get Federal R&D dollars. There were real fears that Congress would require SBIR award winners to continue reporting to the SBA on SBIR research for years after a contract ended and that tracking commercialization out of context would be used against the program and against individual SBIR firms. Just knowing the ratio of awards to commercialization is not an indicator of success. By its very nature, R&D has a low probability of getting a product to market in relation to the investment in research. It is the ratio of commercialization in the SBIR program compared to that of big business, universities and the private sector that may be one indicator of the program's value to the government and to the nation. For example, one study shows that small businesses have 24 times as many innovations per R&D dollar as large businesses. In the end, we agreed to collect basic, but useful, information about sales and additional investment on Phase II awards. According to the Department of Defense that currently requires similar information, it generally takes less than 15 minutes to provide the information, and companies are only required to give the information during the life of the contract.

Probably the biggest question we dealt with was how to increase the participation in the SBIR program in states, and areas of states, that receive few or no awards. Though the number of awards given to a state has been proportionate to the number of proposals submitted, according to a GAO study, one-third of the states receive 85 percent of all SBIR awards. And the states that submit the most proposals generally have the right mix of small high-tech companies, an active venture capital community, and universities that understand the benefits of technology transfer, attract academic research funds and graduate a highly qualified workforce. While Massachusetts does extremely well in this program, for years I have recognized that the SBIR awards have been concentrated in less than half the states. The problem has been how to create a solution that helps small businesses in states that don't have the necessary infrastructure without changing the program's reliance on competition. Merit is the only way to maintain the integrity of the research because the highly competitive nature of SBIR awards (only one in seven or eight Phase I proposals is awarded) is one of the main reasons the program has been so popular and successful.

This bill takes two innovative approaches to increasing nationwide participation in the program. First, it establishes a peer volunteer mentoring network, which Senator LEVIN and I originally introduced as S. 1435 in 1999. Modeled after SBA's successful Service Corps of Retired Executives or SCORE program, this mentoring program would reimburse experienced SBIR companies that volunteer to assist one or more newcomers to the program. They can help in a variety of ways, whether it's writing proposals, understanding the Federal procurement process or a particular agency, tapping into venture capital, or commercializing their technologies. The bill also directs the SBA to create a database with the names and profiles of successful SBIR companies interested in mentoring struggling or prospective SBIR companies. This will be used by the states to link companies to mentors based on their needs.

Second, it creates the Federal and State Technology Partnership (FAST) program. This program is a competitive matching-grant program to encourage and help states cultivate high-tech small businesses and a build a support infrastructure in the state. I feel strongly, as does Senator LEVIN, and am very pleased, that all states, even the ones that currently win the most SBIR awards, are eligible to compete for a FAST matching grant so that they can help develop small, hi-tech companies in areas of their states that don't have SBIR activity. For example, in Massachusetts, most of our awards are in the Boston area. But with these grants, working with one of the economic development arms of our local government, we could coordinate and foster SBIR activity in the Western part of the state close to Amherst and Northampton. Those companies could create high-quality, high-wage jobs where the cost structure for companies is less expensive but where we have numerous universities and highly-skilled workers.

Given the strength of these initiatives, I do have some concerns about mentoring getting lost in the states' FAST initiatives. For the record, I ask that the SBA, the program managers of participating SBIR agencies, and FAST entities promote this cost-effective tool. Take advantage of the substantial pool of good-will and willingness to share experiences of those who have been successful in the SBIR program. Let SBIR companies know that they will be reimbursed for relevant out-of-pocket expenses if they choose to become a volunteer mentor. It gives them another stake in this program, and will strengthen the program on many levels. And, SBA and SBIR agencies should let prospective or struggling SBIR companies know that veteran SBIR companies are out there willing to help them understand the world of SBIR and federal procurement.

Mr. President, these research and development awards not only provide dollars to small hi-tech companies that create quality jobs, but they also help agencies meet their R&D needs. As one example, an Army SBIR award played a role in the development of the B–2 Bomber. Specifically, the research led to the development of a ''pilot alert'' system which warns the pilot if the plane is about to produce a trail of condensation that could be detected by enemy radar. Sales to date, to both the Air Force and commercial customers, exceed $27 million. And what about NASA? As the world watched the space shuttle Discovery in 1998, the feature elements of two of the shuttle's payloads were developed with SBIR funds.

In Woburn, Massachusetts, NZ-Applied Technologies used its SBIR award to help develop photonic components for optical telecommunications applications. The company is so successful that Corning recently bought it for $150 million. Further, the company was named as one of the top 50 fastest growing companies in New England and top 500 fastest growing companies in the country.

I want to thank my colleagues for their support of the SBIR program over the years. As always, I am pleased that we can work in a bipartisan fashion.

Mr. LEVIN. Mr. President, I am pleased to be an original cosponsor of the Small Business Innovation Research program (SBIR) reauthorization

bill (H.R. 2392) that will reauthorize the SBIR program for eight more years. An eight year reauthorization will allow participating agencies to continue to do long term planning for their research and development (R&D) needs. I'm especially pleased that this legislation includes my bill to establish a volunteer mentoring program.

The SBIR program, originally established in 1982 and reauthorized and expanded in 1992, expires this year. This highly competitive program has a well-deserved reputation for success and has enjoyed bipartisan support over the years. It improves upon what is already a successful program that gives small high technology companies access to federal research and development dollars and the federal government access to some of the world's best innovation. I am pleased the full Senate is considering this legislation today and I hope House consideration will swiftly follow so that contracting agencies can be assured funding will be available in this contract cycle.

I am a long time supporter of the SBIR program. The SBIR program creates jobs, increases our capacity for technological innovation and boosts our international competitiveness. According to a recent GAO study, about 50 percent of all SBIR research is commercialized or receives additional research funding. That's a pretty good success rate. It's also a great example of federal agencies working together with small businesses to develop technologies to solve specific problems and fill government procurement needs in a cost effective way.

The SBIR program is a highly successful program and we can make it even more successful by establishing an outreach and volunteer mentoring program to bring more high technology small businesses into the program and help them successfully compete for awards. Many states believe they can do better regarding the number of SBIR awards their small businesses win. Since the SBIR program is a highly competitive and merit-based program, I believe the best way to increase participation is through outreach and mentoring. The SBIR reauthorization bill before the Senate today creates programs to do both.

The Federal and States Technology Partnership Program (FAST) included in this bill establishes an outreach program through a technology economic development program that aims to build more support for science and technology research in states.

A natural complement to reaching out to new companies to tell them about the SBIR program is the establishment of a ''mentoring network'' to increase their odds for success in that program. Many SBIR company officials have benefitted from this R&D program, are committed to its success and have told me they want to give something back by way of mentoring small companies new to the SBIR program. Many attribute their SBIR contracts with federal agencies as the main reason they have been able to successfully commercialize their research, make a ''real'' product, and expand employment in their companies. Through my proposal, mentoring networks will be established to match volunteer mentors with new applicant high technology small businesses to help increase their chances for success in the SBIR program, and, ultimately, the commercialization of their research. A small business's failure to obtain a phase I or phase II SBIR award may have nothing to do with the capability of its technology but rather is often a result of a lack of understanding the government procurement process and procedures. Mentoring will address this concern by matching the new company with one that already knows the ropes of the SBIR program and federal procurement process.

This is a cost effective program. Modeled after the successful SCORE program, the mentoring networks' volunteer mentors would be reimbursed only for their out-of-pocket expenses. Their time, energy and know-how would be donated free-of-charge. Specifically, the bill provides for the establishment of mentoring networks that are eligible for matching grants within the FAST program in each state. The mentoring network (an association, organization, coalition or other entity) will provide business advice and counseling and assist small business concerns that have been identified as good candidates for the SBIR program. Volunteer mentors are people associated with small businesses that have successfully competed one or more SBIR funding agreement and have agreed to guide small business concerns through all stages of the SBIR program process.

The mentoring networks program also establishes an important publicly accessible national database housed at SBA to compile information on mentoring networks and volunteer mentors. This database will provide an important tool to increase small business' access to mentors. I urge SBA to devote its full attention to getting it up and running upon enactment of this legislation.

H.R. 2392 also expands the collection, reporting and maintenance of information for an SBA database regarding SBIR awards. It fixes a problem identified by GAO by requiring a uniform definition of ''extramural R&D budget,'' the formula used by each participating agency to determine the level of funds dedicated to the SBIR program. It establishes a five year competitive matching grant pilot program administered by the SBA for an organization or consortia to perform outreach and technology economic development within states, including establishing or operating a mentoring network to provide advice and counseling to SBIR applicants.

I urge my colleagues to support the reauthorization of this important high technology small business procurement program and the improvements to it that H.R. 2392 provides.

AMENDMENT NO. 3944

Mr. BURNS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Montana [Mr. BURNS], for Mr. BOND, for himself, and Mr. KERRY, proposes an amendment numbered 3944.

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

Mr. BOND. Mr. President, the bill before us reauthorizes and improves upon one of the most successful small business programs we have in the Federal government—the Small Business Innovation Research (SBIR) program. The Small Business Committee has spent close to nine months deliberating and negotiating this important bill. My colleagues on the Committee, and in particular, Senators KERRY, BURNS, LEVIN, SNOWE and ENZI, have all been very cooperative and provided valuable assistance in preparing this important piece of legislation. The product that has resulted from the Committee's consideration is a bi-partisan bill that should provide small businesses with confidence in the Congress' strong support for this program.

Mr. President, this Managers' Amendment is the result of negotiations conducted among my Committee and the Small Business and Science Committees of the House of Representatives. The SBIR reauthorization bill that originally passed the House contained certain provisions that were not included in the bill reported by the Senate Committee on Small Business. These provisions had been interpreted by many in the small business community to place requirements on small businesses receiving Federal research and development funds that are not placed on other businesses or on universities that are also recipients of such dollars. My Committee negotiated with the representatives of the House Science Committee, which drafted these provisions, to come up with language that would provide information to Congress that is necessary for its oversight of this program, while ensuring that small businesses are not subject to government mandates that would affect their ability to perform high-quality research and development for the Federal government. The House Science Committee has been very cooperative to ensure that their provisions did not cause these unintended consequences.

This bill, with the Managers' amendment will ensure that this program, which has been proven successful over a long period of time, can continue to be so. Seventeen years ago, President Reagan signed into law the Small Business Innovation Development Act, which required Federal agencies with extramural research and development

budgets of $100 million or more to set aside not less than 2/10th of one percent of that amount for the first SBIR program. In 1992, the program was reauthorized and Congress dictated that the program grow to 2.5 percent of the extramural research and development budgets. Thousands of small firms have received research grants under the programs since 1982, and more than $1 billion was awarded to small businesses in Fiscal Year 1998 alone.

The original drafters of the SBIR program acknowledged that small businesses are the primary source of our nation's innovations. Accordingly, the SBIR program was created to stimulate technological development by leveraging the capabilities of these small firms. The goals of the program are threefold. First, the program assists the government with its research and development needs. Second, the program provides a catalyst to groundbreaking research and development. Third, the program strengthens our economy by promoting the commercialization of technologies developed through Federal research. The commercialization of these technologies by small firms increases the competitiveness of our country in the world economy and expands employment opportunities.

A good example of the benefits that the SBIR program provides to small businesses is the experience of Cutting Edge Optronics, a 49 employee firm in St. Charles, Missouri. Cutting Edge Optronics has received several phase one and phase two SBIR awards with NASA and the Air Force to develop high-output lasers with both military and commercial applications.

The SBIR program has made the difference between Cutting Edge Optronics growing its business and merely staying in business. The SBIR program has allowed Cutting Edge to engage in state-of-the-art research in a very competitive climate, which it otherwise would not have been able to do. Moreover, if the Air Force research develops successfully, Cutting Edge Optronics expects that the commercial applications of the technology will spur astronomical growth of the company.

Mr. President, small businesses are the greatest job creators in our economy. During the last seven years of economic growth, small businesses have accounted for the vast majority of all the net new jobs created. It is only rational that the Federal government distribute its research funds in a way that will contribute to this job growth by creating incentives to the private sector to market the technologies developed. As the example of Cutting Edge Optronics demonstrates, the SBIR program does just that.

There is abundant evidence that the SBIR program has been a success both in assisting the government with its research and development needs and in turning that research into new products and services. Numerous studies have been conducted over the last several years that bear this out. A 1989 General Accounting Office (GAO) study reported that scientists and engineers at Federal agencies indicated that the overall quality of the research performed under SBIR awards equaled, and in some cases, exceeded the quality of other agency research they monitored. As the program has grown in recent years, it does not appear this conclusion has changed. A 1995 GAO study concluded that the quality of SBIR research proposals has kept pace with the program's expansion.

Morever, the small businesses that have received SBIR awards, have had significant success in commercializing technology. This is especially important considering that these firms are engaging in cutting-edge research that will not always have a commercial application. A 1997 internal Department of Defense study found that the average phase-two SBIR award of $400,000 generated $760,000 in sales and attracted approximately $600,000 in additional non-SBIR funding. Additionally, the GAO has reported that the commercialization rate on SBIR projects is close to 40 percent. There is no question that this program's record of success easily justifies a long reauthorization.

While there is general agreement that the SBIR program is successful, there have also been some concerns that this legislation is intended to resolve. First, the GAO released a report in June 1998, indicating that different agencies are using different interpretations of the term ''extramural budget.'' The use of different interpretations may lead to inaccurate calculations of the amount of funds that should be allocated to each agency's SBIR program. To remedy this situation, the bill requires each SBIR program agency to provide the Small Business Administration (SBA) and Congress with a description of its methodology for calculating the amount of the extramural budget for that agency. It is our hope that by closely analyzing how the agencies are calculating their extramural budgets, we can be assured that each agency will adopt a uniform definition of extramural budget that is consistent with the statutory language and Congress' intent.

Second, the Committee on Small Business, which I chair, has received from the GAO disturbing information regarding the SBA's collection and maintenance of data on the SBIR program. Specifically, my Committee learned that the GAO, in preparing its two most recent reports on the SBIR program, spent substantial resources correcting and updating information in the SBA's SBIR database. When the Federal government is providing funds to third parties, whether in the private sector or to a state or local government entity, the most basic rule of program oversight is to monitor who has received those funds and what they have done with the funds. Accordingly, this legislation establishes a statutory duty on the SBIR program agencies to provide the SBA with data on each SBIR award winner in a timely manner. Moreover, it requires the SBA to maintain a comprehensive and public database of the small firms that receive SBIR awards and the activities supported by SBIR funds.

Finally, the GAO recently issued a report raising questions about the geographic concentration of SBIR awards. From fiscal year 1993 through 1996, companies in one-third of the states received 85 percent of the SBIR awards. Companies on the east and west coast received a vast majority of these awards, while companies in the South, Midwest and Rocky Mountain states generally received very few awards. For example, the GAO reported that in fiscal year 1997, companies in Massachusetts and California received 202 and 326 phase-two awards, respectively, out of approximately 1,400 awards nationally. Thus, they received almost 38 percent of the awards.

Mr. President, if the SBIR program is going to continue to be successful, it is incumbent on us to do more to reach out and provide opportunities to firms in the South, the Midwest and the Rocky Mountain states that can provide high-quality research and development and provide them with the information and assistance they need so that they may seize the opportunity to participate in the SBIR program. The SBIR program was never intended to serve a limited group of small businesses, and we must do all we can to increase the participation of as many small businesses as possible.

Therefore, this legislation establishes a comprehensive program to assist states in the development of high-technology businesses that could participate in the SBIR program. Specifically, the bill creates a matching-grant program for organizations at the state or local level attempting to enhance or develop technology research and development by small business concerns. This legislation acknowledges that states that do not aggressively support the development of high-technology firms are at a competitive disadvantage in establishing a business climate conducive to technology development. More importantly, however, building stronger support for high-technology firms will expand economic opportunities for our country generally and will increase our competitiveness in the world market.

The Small Business Innovation Research Program Reauthorization Act of 2000 is a necessary step to ensure that the Federal Government continues to utilize the vast capabilities of high-technology small businesses to meet its research and development goals. Moreover, it ensures that these research funds are leveraged to strengthen our Nation's economy and its position as the lead innovator in the world.

The bill in front of us, with the Managers' amendment, is a reasonable

compromise that will provide an effective structure for this program for the next eight years. Given the hard work that has gone into this compromise legislation, I trust that the House will act quickly on this bill, so that small businesses involved in the SBIR program will have confidence that the program will continue without interruption.

A bi-partisan statement has been drafted by the Senate Committee on Small Business and the Committees on Science and Small Business of the House of Representatives to explain provisions in the Managers' amendment that are not addressed in either the Senate or House Committee reports on H.R. 2392. I ask unanimous consent that, immediately following my remarks, this Explanatory Statement of H.R. 2392 be included in the RECORD.

Thank you Mr. President and I ask for immediate consideration of the bill and its approval.

Mr. BURNS. Mr. President, I ask unanimous consent that the amendment be agreed to, the committee amendment, as amended, be agreed to, the bill be considered read the third time and passed, as amended, and the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

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

The amendment (No. 3944) was agreed to.

The committee amendment, as amended, was agreed to.

The bill (H.R. 2392), as amended, was read the third time and passed.

TIMBISHA SHOSHONE HOMELAND ACT

Mr. BURNS. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 661, S. 2102.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 2102) to provide to the Timbisha Shoshone Tribe a permanent land base within its aboriginal homeland, and for other purposes, which had been reported from the Committee on Indian Affairs, with an amendment to strike out all after the enacting clause and insert the part printed in italic:

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Timbisha Shoshone Homeland Act''.

SEC. 2. FINDINGS.

Congress finds the following:

(1) Since time immemorial, the Timbisha Shoshone Tribe has lived in portions of California and Nevada. The Tribe's ancestral homeland includes the area that now comprises Death Valley National Park and other areas of California and Nevada now administered by the Bureau of Land Management.

(2) Since 1936, the Tribe has lived and governed the affairs of the Tribe on approximately 40 acres of land near Furnace Creek in the Park.

(3) The Tribe achieved Federal recognition in 1983 but does not have a land base within the Tribe's ancestral homeland.

(4) Since the Tribe commenced use and occupancy of the Furnace Creek area, the Tribe's membership has grown. Tribal members have a desire and need for housing, government and administrative facilities, cultural facilities, and sustainable economic development to provide decent, safe, and healthy conditions for themselves and their families.

(5) The interests of both the Tribe and the National Park Service would be enhanced by recognizing their coexistence on the same land and by establishing partnerships for compatible land uses and for the interpretation of the Tribe's history and culture for visitors to the Park.

(6) The interests of both the Tribe and the United States would be enhanced by the establishment of a land base for the Tribe and by further delineation of the rights and obligations of each with respect to the Furnace Creek area and to the Park as a whole.

SEC. 3. PURPOSES.

Consistent with the recommendations of the report required by section 705(b) of the California Desert Protection Act of 1994 (Public Law 103–433; 108 Stat. 4498), the purposes of this Act are—

(1) to provide in trust to the Tribe land on which the Tribe can live permanently and govern the Tribe's affairs in a modern community within the ancestral homeland of the Tribe outside and within the Park;

(2) to formally recognize the contributions by the Tribe to the history, culture, and ecology of the Park and surrounding area;

(3) to ensure that the resources within the Park are protected and enhanced by—

(A) cooperative activities within the Tribe's ancestral homeland; and

(B) partnerships between the Tribe and the National Park Service and partnerships involving the Bureau of Land Management;

(4) to ensure that such activities are not in derogation of the purposes and values for which the Park was established;

(5) to provide opportunities for a richer visitor experience at the Park through direct interactions between visitors and the Tribe including guided tours, interpretation, and the establishment of a tribal museum and cultural center;

(6) to provide appropriate opportunities for economically viable and ecologically sustainable visitor-related development, by the Tribe within the Park, that is not in derogation of the purposes and values for which the Park was established; and

(7) to provide trust lands for the Tribe in 4 separate parcels of land that is now managed by the Bureau of Land Management and authorize the purchase of 2 parcels now held in private ownership to be taken into trust for the Tribe.

SEC. 4. DEFINITIONS.

In this Act:

(1) PARK.—The term ''Park'' means Death Valley National Park, including any additions to that Park.

(2) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior or the designee of the Secretary.

(3) TRIBAL.—The term ''tribal'' means of or pertaining to the Tribe.

(4) TRIBE.—The term ''Tribe'' means the Timbisha Shoshone Tribe, a tribe of American Indians recognized by the United States pursuant to part 83 of title 25, Code of Federal Regulations (or any corresponding similar regulation or ruling).

(5) TRUST LANDS.—The term ''trust lands'' means those lands taken into trust pursuant to this Act.

SEC. 5. TRIBAL RIGHTS AND AUTHORITY ON THE TIMBISHA SHOSHONE HOMELAND.

(a) IN GENERAL.—Subject to valid existing rights (existing on the date of enactment of this Act), all right, title, and interest of the United States in and to the lands, including improvements and appurtenances, described in subsection (b) are declared to be held in trust by the United States for the benefit of the Tribe. All maps referred to in subsection (b) shall be on file and available for public inspection in the appropriate offices of the National Park Service and the Bureau of Land Management.

(b) PARK LANDS AND BUREAU OF LAND MANAGEMENT LANDS DESCRIBED.—

(1) IN GENERAL.—The following lands and water shall be held in trust for the Tribe pursuant to subsection (a):

(A) Furnace Creek, Death Valley National Park, California, an area of 313.99 acres for community development, residential development, historic restoration, and visitor-related economic development, depicted as Tract 37 on the map of Township 27 North, Range 1 East, of the San Bernardino Meridian, California, numbered Map #1 and dated December 2, 1999, together with 92 acre feet per annum of surface and ground water for the purposes associated with the transfer of such lands. This area shall include a 25-acre, nondevelopment zone at the north end of the area and an Adobe Restoration zone containing several historic adobe homes, which shall be managed by the Tribe as a tribal historic district.

(B) Death Valley Junction, California, an area of approximately 1,000 acres, as generally depicted on the map entitled ''Death Valley Junction, California'', numbered Map #2 and dated April 12, 2000, together with 15.1 acre feet per annum of ground water for the purposes associated with the transfer of such lands.

(C) Centennial, California, an area of approximately 640 acres, as generally depicted on the map entitled ''Centennial, California'', numbered Map #3 and dated April 12, 2000, together with an amount of ground water not to exceed 10 acre feet per annum for the purposes associated with the transfer of such lands.

(D) Scotty's Junction, Nevada, an area of approximately 2,800 acres, as generally depicted on the map entitled ''Scotty's Junction, Nevada'', numbered Map #4 and dated April 12, 2000, together with 375.5 acre feet per annum of ground water for the purposes associated with the transfer of such lands.

(E) Lida, Nevada, Community Parcel, an area of approximately 3,000 acres, as generally depicted on the map entitled ''Lida, Nevada, Community Parcel'', numbered Map #5 and dated April 12, 2000, together with 14.7 acre feet per annum of ground water for the purposes associated with the transfer of such lands.

(2) WATER RIGHTS.—The priority date of the Federal water rights described in subparagraphs (A) through (E) of paragraph (1) shall be the date of enactment of this Act, and such Federal water rights shall be junior to Federal and State water rights existing on such date of enactment. Such Federal water rights shall not be subject to relinquishment, forfeiture or abandonment.

(3) LIMITATIONS ON FURNACE CREEK AREA DEVELOPMENT.—

(A) DEVELOPMENT.—Recognizing the mutual interests and responsibilities of the Tribe and the National Park Service in and for the conservation and protection of the resources in the area described in paragraph (1), development in the area shall be limited to—

(i) for purposes of community and residential development—

(I) a maximum of 50 single-family residences; and

(II) a tribal community center with space for tribal offices, recreation facilities, a multipurpose room and kitchen, and senior and youth facilities;

(ii) for purposes of economic development—

(I) a small-to-moderate desert inn; and

(II) a tribal museum and cultural center with a gift shop; and

(iii) the infrastructure necessary to support the level of development described in clauses (i) and (ii).

(B) EXCEPTION.—Notwithstanding the provisions of subparagraph (A)(ii), the National Park

Service and the Tribe are authorized to negotiate mutually agreed upon, visitor-related economic development in lieu of the development set forth in that subparagraph if such alternative development will have no greater environmental impact than the development set forth in that subparagraph.

(C) RIGHT-OF-WAY.—The Tribe shall have a right-of-way for ingress and egress on Highway 190 in California.

(4) LIMITATIONS ON IMPACT ON MINING CLAIMS.—Nothing in this Act shall be construed as terminating any valid mining claim existing on the date of enactment of this Act on the land described in paragraph (1)(E). Any person with such an existing mining claim shall have all the rights incident to mining claims, including the rights of ingress and egress on the land described in paragraph (1)(E). Any person with such an existing mining claim shall have the right to occupy and use so much of the surface of the land as is required for all purposes reasonably necessary to mine and remove the minerals from the land, including the removal of timber for mining purposes. Such a mining claim shall terminate when the claim is determined to be invalid or is abandoned.

(c) LEGAL DESCRIPTIONS.—Not later than 1 year after the date of enactment of this Act, the Secretary shall file a legal description of the areas described in subsection (b) with the Committee on Resources of the House of Representatives and with the Committee on Indian Affairs and the Committee on Energy and Natural Resources of the Senate. Such legal description shall have the same force and effect as if the information contained in the description were included in that subsection except that the Secretary may correct clerical and typographical errors in such legal description and in the maps referred to in the legal description. The legal description shall be on file and available for public inspection in the offices of the National Park Service and the Bureau of Land Management.

(d) ADDITIONAL TRUST RESOURCES.—The Secretary may purchase from willing sellers the following parcels and appurtenant water rights, or the water rights separately, to be taken into trust for the Tribe:

(1) Indian Rancheria Site, California, an area of approximately 120 acres, as generally depicted on the map entitled ''Indian Rancheria Site, California'' numbered Map #6 and dated December 3, 1999.

(2) Lida Ranch, Nevada, an area of approximately 2,340 acres, as generally depicted on the map entitled ''Lida Ranch'' numbered Map #7 and dated April 6, 2000, or another parcel mutually agreed upon by the Secretary and the Tribe.

(e) SPECIAL USE AREAS.—

(1) IN GENERAL.—The areas described in this subsection shall be nonexclusive special use areas for the Tribe, subject to other Federal law. Members of the Tribe are authorized to use these areas for low impact, ecologically sustainable, traditional practices pursuant to a jointly established management plan mutually agreed upon by the Tribe, and by the National Park Service or the Bureau of Land Management, as appropriate. All maps referred to in paragraph (4) shall be on file and available for public inspection in the offices of the National Park Service and Bureau of Land Management.

(2) RECOGNITION OF THE HISTORY AND CULTURE OF THE TRIBE.—In the special use areas, in recognition of the significant contributions the Tribe has made to the history, ecology, and culture of the Park and to ensure that the visitor experience in the Park will be enhanced by the increased and continued presence of the Tribe, the Secretary shall permit the Tribe's continued use of Park resources for traditional tribal purposes, practices, and activities.

(3) RESOURCE USE BY THE TRIBE.—In the special use areas, any use of Park resources by the Tribe for traditional purposes, practices, and activities shall not include the taking of wildlife and shall not be in derogation of purposes and values for which the Park was established.

(4) SPECIFIC AREAS.—The following areas are designated special use areas pursuant to paragraph (1):

(A) MESQUITE USE AREA.—The area generally depicted on the map entitled ''Mesquite Use Area'' numbered Map #8 and dated April 12, 2000. The Tribe may use this area for processing mesquite using traditional plant management techniques such as thinning, pruning, harvesting, removing excess sand, and removing exotic species. The National Park Service may limit and condition, but not prohibit entirely, public use of this area or parts of this area, in consultation with the Tribe. This area shall be managed in accordance with the jointly established management plan referred to in paragraph (1).

(B) BUFFER AREA.—An area of approximately 1,500 acres, as generally depicted on the map entitled ''Buffer Area'' numbered Map #8 and dated April 12, 2000. The National Park Service shall restrict visitor use of this area to protect the privacy of the Tribe and to provide an opportunity for the Tribe to conduct community affairs without undue disruption from the public.

(C) TIMBISHA SHOSHONE NATURAL AND CULTURAL PRESERVATION AREA.—An area that primarily consists of Park lands and also a small portion of Bureau of Land Management land in California, as generally depicted on the map entitled ''Timbisha Shoshone Natural and Cultural Preservation Area'' numbered Map #9 and dated April 12, 2000.

(5) ADDITIONAL PROVISIONS.—With respect to the Timbisha Shoshone Natural and Cultural Preservation Area designated in paragraph (4)(C)—

(A) the Tribe may establish and maintain a tribal resource management field office, garage, and storage area, all within the area of the existing ranger station at Wildrose (existing as of the date of enactment of this Act);

(B) the Tribe also may use traditional camps for tribal members at Wildrose and Hunter Mountain in accordance with the jointly established management plan referred to in paragraph (1);

(C) the area shall be depicted on maps of the Park and Bureau of Land Management that are provided for general visitor use;

(D) the National Park Service and the Bureau of Land Management shall accommodate access by the Tribe to and use by the Tribe of—

(i) the area (including portions described in subparagraph (E)) for traditional cultural and religious activities, in a manner consistent with the purpose and intent of Public Law 95–341 (commonly known as the ''American Indian Religious Freedom Act'') (42 U.S.C. 1996 et seq.); and

(ii) areas designated as wilderness (including portions described in subparagraph (E)), in a manner consistent with the purpose and intent of the Wilderness Act (16 U.S.C. 1131 et seq.); and

(E)(i) on the request of the Tribe, the National Park Service and the Bureau of Land Management shall temporarily close to the general public, 1 or more specific portions of the area in order to protect the privacy of tribal members engaging in traditional cultural and religious activities in those portions; and

(ii) any such closure shall be made in a manner that affects the smallest practicable area for the minimum period necessary for the purposes described in clause (i).

(f) ACCESS AND USE.—Members of the Tribe shall have the right to enter and use the Park without payment of any fee for admission into the Park.

(g) ADMINISTRATION.—The trust lands shall constitute the Timbisha Shoshone Reservation and shall be administered pursuant to the laws and regulations applicable to other Indian trust lands, except as otherwise provided in this Act.

SEC. 6. IMPLEMENTATION PROCESS.

(a) GOVERNMENT-TO-GOVERNMENT AGREEMENTS.—In order to fulfill the purposes of this Act and to establish cooperative partnerships for purposes of this Act, the National Park Service, the Bureau of Land Management, and the Tribe shall enter into government-to-government consultations and shall develop protocols to review planned development in the Park. The National Park Service and the Bureau of Land Management are authorized to enter into cooperative agreements with the Tribe for the purpose of providing training on the interpretation, management, protection, and preservation of the natural and cultural resources of the areas designated for special uses by the Tribe in section 5(e)(4).

(b) STANDARDS.—The National Park Service and the Tribe shall develop mutually agreed upon standards for size, impact, and design for use in planning, resource protection, and development of the Furnace Creek area and for the facilities at Wildrose. The standards shall be based on standards for recognized best practices for environmental sustainability and shall not be less restrictive than the environmental standards applied within the National Park System at any given time. Development in the area shall be conducted in a manner consistent with the standards, which shall be reviewed periodically and revised as necessary.

SEC. 7. MISCELLANEOUS PROVISIONS.

(a) TRIBAL EMPLOYMENT.—In employing individuals to perform any construction, maintenance, interpretation, or other service in the Park, the Secretary shall, insofar as practicable, give first preference to qualified members of the Tribe.

(b) GAMING.—Gaming as defined and regulated by the Indian Gaming Regulatory Act (25 U.S.C. 2701 et seq.) shall be prohibited on trust lands within the Park.

(c) INITIAL RESERVATION.—Lands taken into trust for the Tribe pursuant to section 5, except for the Park land described in subsections (b)(1)(A) and (d)(1) of such section, shall be considered to be the Tribe's initial reservation for purposes of section 20(b)(1)(B)(ii) of the Indian Gaming Regulatory Act (25 U.S.C. 2719(b)(1)(B)(ii)).

(d) TRIBAL JURISDICTION OVER TRUST LANDS.—All trust lands that are transferred under this Act and located within California shall be exempt from section 1162 of title 18, United States Code, and section 1360 of title 28, United States Code, upon the certification by the Secretary, after consultation with the Attorney General, that the law enforcement system in place for such lands will be adequate to provide for the public safety and the public interest, except that no such certification may take effect until the expiration of the 3-year period beginning on the date of enactment of this Act.

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this Act such sums as may be necessary.

AMENDMENT NO. 3945

Mr. BURNS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Montana [Mr. BURNS], for Mr. INOUYE, proposes an amendment numbered 3945.

Mr. BURNS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 22, line 20, strike ''(C)'' and insert ''(C)(i)''.

On page 23, between lines 2 and 3, insert the following:

(ii) If the Secretary determines that there is insufficient ground water available on the lands described in clause (i) to satisfy the Tribe's right to ground water to fulfill the purposes associated with the transfer of such lands, then the Tribe and the Secretary shall, within 2 years of such determination, identify approximately 640 acres of land that are administered by the Bureau of Land Management in that portion of Inyo County, California, to the north and east of the China Lake Naval Weapons Center, to be a mutually agreed upon substitute for the lands described in clause (i). If the Secretary determines that sufficient water is available to fulfill the purposes associated with the transfer of the lands described in the preceding sentence, then the Tribe shall request that the Secretary accept such lands into trust for the benefit of the Timbisha Shoshone Tribe, and the Secretary shall accept such lands, together with an amount of water not to exceed 10 acre feet per annum, into trust for the Tribe as a substitute for the lands described in clause (i).

On page 32, between lines 20 and 21, insert the following:

(c) WATER MONITORING.—The Secretary and the Tribe shall develop mutually agreed upon standards for a water monitoring system to assess the effects of water use at Scotty's Junction and at Death Valley Junction on the tribal trust lands described in subparagraphs (A), (B), and (D) of section 5(b)(1), and on the Park. Water monitoring shall be conducted in a manner that is consistent with such standards, which shall be reviewed periodically and revised as necessary.

Mr. BURNS. Mr. President, I ask unanimous consent that the amendment be agreed to, the committee amendment be agreed to, the bill be read the third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

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

The amendment (No. 3945) was agreed to.

The committee amendment, as amended, was agreed to.

The bill (S. 2102), as amended, was read the third time and passed.

S. 2102

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Timbisha Shoshone Homeland Act''.

SEC. 2. FINDINGS.

Congress finds the following:

(1) Since time immemorial, the Timbisha Shoshone Tribe has lived in portions of California and Nevada. The Tribe's ancestral homeland includes the area that now comprises Death Valley National Park and other areas of California and Nevada now administered by the Bureau of Land Management.

(2) Since 1936, the Tribe has lived and governed the affairs of the Tribe on approximately 40 acres of land near Furnace Creek in the Park.

(3) The Tribe achieved Federal recognition in 1983 but does not have a land base within the Tribe's ancestral homeland.

(4) Since the Tribe commenced use and occupancy of the Furnace Creek area, the Tribe's membership has grown. Tribal members have a desire and need for housing, government and administrative facilities, cultural facilities, and sustainable economic development to provide decent, safe, and healthy conditions for themselves and their families.

(5) The interests of both the Tribe and the National Park Service would be enhanced by recognizing their coexistence on the same land and by establishing partnerships for compatible land uses and for the interpretation of the Tribe's history and culture for visitors to the Park.

(6) The interests of both the Tribe and the United States would be enhanced by the establishment of a land base for the Tribe and by further delineation of the rights and obligations of each with respect to the Furnace Creek area and to the Park as a whole.

SEC. 3. PURPOSES.

Consistent with the recommendations of the report required by section 705(b) of the California Desert Protection Act of 1994 (Public Law 103–433; 108 Stat. 4498), the purposes of this Act are—

(1) to provide in trust to the Tribe land on which the Tribe can live permanently and govern the Tribe's affairs in a modern community within the ancestral homeland of the Tribe outside and within the Park;

(2) to formally recognize the contributions by the Tribe to the history, culture, and ecology of the Park and surrounding area;

(3) to ensure that the resources within the Park are protected and enhanced by—

(A) cooperative activities within the Tribe's ancestral homeland; and

(B) partnerships between the Tribe and the National Park Service and partnerships involving the Bureau of Land Management;

(4) to ensure that such activities are not in derogation of the purposes and values for which the Park was established;

(5) to provide opportunities for a richer visitor experience at the Park through direct interactions between visitors and the Tribe including guided tours, interpretation, and the establishment of a tribal museum and cultural center;

(6) to provide appropriate opportunities for economically viable and ecologically sustainable visitor-related development, by the Tribe within the Park, that is not in derogation of the purposes and values for which the Park was established; and

(7) to provide trust lands for the Tribe in 4 separate parcels of land that is now managed by the Bureau of Land Management and authorize the purchase of 2 parcels now held in private ownership to be taken into trust for the Tribe.

SEC. 4. DEFINITIONS.

In this Act:

(1) PARK.—The term ''Park'' means Death Valley National Park, including any additions to that Park.

(2) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior or the designee of the Secretary.

(3) TRIBAL.—The term ''tribal'' means of or pertaining to the Tribe.

(4) TRIBE.—The term ''Tribe'' means the Timbisha Shoshone Tribe, a tribe of American Indians recognized by the United States pursuant to part 83 of title 25, Code of Federal Regulations (or any corresponding similar regulation or ruling).

(5) TRUST LANDS.—The term ''trust lands'' means those lands taken into trust pursuant to this Act.

SEC. 5. TRIBAL RIGHTS AND AUTHORITY ON THE TIMBISHA SHOSHONE HOMELAND.

(a) IN GENERAL.—Subject to valid existing rights (existing on the date of enactment of this Act), all right, title, and interest of the United States in and to the lands, including improvements and appurtenances, described in subsection (b) are declared to be held in trust by the United States for the benefit of the Tribe. All maps referred to in subsection (b) shall be on file and available for public inspection in the appropriate offices of the National Park Service and the Bureau of Land Management.

(b) PARK LANDS AND BUREAU OF LAND MANAGEMENT LANDS DESCRIBED.—

(1) IN GENERAL.—The following lands and water shall be held in trust for the Tribe pursuant to subsection (a):

(A) Furnace Creek, Death Valley National Park, California, an area of 313.99 acres for community development, residential development, historic restoration, and visitor-related economic development, depicted as Tract 37 on the map of Township 27 North, Range 1 East, of the San Bernardino Meridian, California, numbered Map #1 and dated December 2, 1999, together with 92 acre feet per annum of surface and ground water for the purposes associated with the transfer of such lands. This area shall include a 25-acre, nondevelopment zone at the north end of the area and an Adobe Restoration zone containing several historic adobe homes, which shall be managed by the Tribe as a tribal historic district.

(B) Death Valley Junction, California, an area of approximately 1,000 acres, as generally depicted on the map entitled ''Death Valley Junction, California'', numbered Map #2 and dated April 12, 2000, together with 15.1 acre feet per annum of ground water for the purposes associated with the transfer of such lands.

(C)(i) Centennial, California, an area of approximately 640 acres, as generally depicted on the map entitled ''Centennial, California'', numbered Map #3 and dated April 12, 2000, together with an amount of ground water not to exceed 10 acre feet per annum for the purposes associated with the transfer of such lands.

(ii) If the Secretary determines that there is insufficient ground water available on the lands described in clause (i) to satisfy the Tribe's right to ground water to fulfill the purposes associated with the transfer of such lands, then the Tribe and the Secretary shall, within 2 years of such determination, identify approximately 640 acres of land that are administered by the Bureau of Land Management in that portion of Inyo County, California, to the north and east of the China Lake Naval Weapons Center, to be a mutually agreed upon substitute for the lands described in clause (i). If the Secretary determines that sufficient water is available to fulfill the purposes associated with the transfer of the lands described in the preceding sentence, then the Tribe shall request that the Secretary accept such lands into trust for the benefit of the Timbisha Shoshone Tribe, and the Secretary shall accept such lands, together with an amount of water not to exceed 10 acre feet per annum, into trust for the Tribe as a substitute for the lands described in clause (i).

(D) Scotty's Junction, Nevada, an area of approximately 2,800 acres, as generally depicted on the map entitled ''Scotty's Junction, Nevada'', numbered Map #4 and dated April 12, 2000, together with 375.5 acre feet per annum of ground water for the purposes associated with the transfer of such lands.

(E) Lida, Nevada, Community Parcel, an area of approximately 3,000 acres, as generally depicted on the map entitled ''Lida, Nevada, Community Parcel'', numbered Map #5 and dated April 12, 2000, together with 14.7 acre feet per annum of ground water for the purposes associated with the transfer of such lands.

(2) WATER RIGHTS.—The priority date of the Federal water rights described in subparagraphs (A) through (E) of paragraph (1) shall be the date of enactment of this Act, and

such Federal water rights shall be junior to Federal and State water rights existing on such date of enactment. Such Federal water rights shall not be subject to relinquishment, forfeiture or abandonment.

(3) LIMITATIONS ON FURNACE CREEK AREA DEVELOPMENT.—

(A) DEVELOPMENT.—Recognizing the mutual interests and responsibilities of the Tribe and the National Park Service in and for the conservation and protection of the resources in the area described in paragraph (1), development in the area shall be limited to—

(i) for purposes of community and residential development—

(I) a maximum of 50 single-family residences; and

(II) a tribal community center with space for tribal offices, recreation facilities, a multipurpose room and kitchen, and senior and youth facilities;

(ii) for purposes of economic development—

(I) a small-to-moderate desert inn; and

(II) a tribal museum and cultural center with a gift shop; and

(iii) the infrastructure necessary to support the level of development described in clauses (i) and (ii).

(B) EXCEPTION.—Notwithstanding the provisions of subparagraph (A)(ii), the National Park Service and the Tribe are authorized to negotiate mutually agreed upon, visitor-related economic development in lieu of the development set forth in that subparagraph if such alternative development will have no greater environmental impact than the development set forth in that subparagraph.

(C) RIGHT-OF-WAY.—The Tribe shall have a right-of-way for ingress and egress on Highway 190 in California.

(4) LIMITATIONS ON IMPACT ON MINING CLAIMS.—Nothing in this Act shall be construed as terminating any valid mining claim existing on the date of enactment of this Act on the land described in paragraph (1)(E). Any person with such an existing mining claim shall have all the rights incident to mining claims, including the rights of ingress and egress on the land described in paragraph (1)(E). Any person with such an existing mining claim shall have the right to occupy and use so much of the surface of the land as is required for all purposes reasonably necessary to mine and remove the minerals from the land, including the removal of timber for mining purposes. Such a mining claim shall terminate when the claim is determined to be invalid or is abandoned.

(c) LEGAL DESCRIPTIONS.—Not later than 1 year after the date of enactment of this Act, the Secretary shall file a legal description of the areas described in subsection (b) with the Committee on Resources of the House of Representatives and with the Committee on Indian Affairs and the Committee on Energy and Natural Resources of the Senate. Such legal description shall have the same force and effect as if the information contained in the description were included in that subsection except that the Secretary may correct clerical and typographical errors in such legal description and in the maps referred to in the legal description. The legal description shall be on file and available for public inspection in the offices of the National Park Service and the Bureau of Land Management.

(d) ADDITIONAL TRUST RESOURCES.—The Secretary may purchase from willing sellers the following parcels and appurtenant water rights, or the water rights separately, to be taken into trust for the Tribe:

(1) Indian Rancheria Site, California, an area of approximately 120 acres, as generally depicted on the map entitled ''Indian Rancheria Site, California'' numbered Map #6 and dated December 3, 1999.

(2) Lida Ranch, Nevada, an area of approximately 2,340 acres, as generally depicted on the map entitled ''Lida Ranch'' numbered Map #7 and dated April 6, 2000, or another parcel mutually agreed upon by the Secretary and the Tribe.

(e) SPECIAL USE AREAS.—

(1) IN GENERAL.—The areas described in this subsection shall be nonexclusive special use areas for the Tribe, subject to other Federal law. Members of the Tribe are authorized to use these areas for low impact, ecologically sustainable, traditional practices pursuant to a jointly established management plan mutually agreed upon by the Tribe, and by the National Park Service or the Bureau of Land Management, as appropriate. All maps referred to in paragraph (4) shall be on file and available for public inspection in the offices of the National Park Service and Bureau of Land Management.

(2) RECOGNITION OF THE HISTORY AND CULTURE OF THE TRIBE.—In the special use areas, in recognition of the significant contributions the Tribe has made to the history, ecology, and culture of the Park and to ensure that the visitor experience in the Park will be enhanced by the increased and continued presence of the Tribe, the Secretary shall permit the Tribe's continued use of Park resources for traditional tribal purposes, practices, and activities.

(3) RESOURCE USE BY THE TRIBE.—In the special use areas, any use of Park resources by the Tribe for traditional purposes, practices, and activities shall not include the taking of wildlife and shall not be in derogation of purposes and values for which the Park was established.

(4) SPECIFIC AREAS.—The following areas are designated special use areas pursuant to paragraph (1):

(A) MESQUITE USE AREA.—The area generally depicted on the map entitled ''Mesquite Use Area'' numbered Map #8 and dated April 12, 2000. The Tribe may use this area for processing mesquite using traditional plant management techniques such as thinning, pruning, harvesting, removing excess sand, and removing exotic species. The National Park Service may limit and condition, but not prohibit entirely, public use of this area or parts of this area, in consultation with the Tribe. This area shall be managed in accordance with the jointly established management plan referred to in paragraph (1).

(B) BUFFER AREA.—An area of approximately 1,500 acres, as generally depicted on the map entitled ''Buffer Area'' numbered Map #8 and dated April 12, 2000. The National Park Service shall restrict visitor use of this area to protect the privacy of the Tribe and to provide an opportunity for the Tribe to conduct community affairs without undue disruption from the public.

(C) TIMBISHA SHOSHONE NATURAL AND CULTURAL PRESERVATION AREA.—An area that primarily consists of Park lands and also a small portion of Bureau of Land Management land in California, as generally depicted on the map entitled ''Timbisha Shoshone Natural and Cultural Preservation Area'' numbered Map #9 and dated April 12, 2000.

(5) ADDITIONAL PROVISIONS.—With respect to the Timbisha Shoshone Natural and Cultural Preservation Area designated in paragraph (4)(C)—

(A) the Tribe may establish and maintain a tribal resource management field office, garage, and storage area, all within the area of the existing ranger station at Wildrose (existing as of the date of enactment of this Act);

(B) the Tribe also may use traditional camps for tribal members at Wildrose and Hunter Mountain in accordance with the jointly established management plan referred to in paragraph (1);

(C) the area shall be depicted on maps of the Park and Bureau of Land Management that are provided for general visitor use;

(D) the National Park Service and the Bureau of Land Management shall accommodate access by the Tribe to and use by the Tribe of—

(i) the area (including portions described in subparagraph (E)) for traditional cultural and religious activities, in a manner consistent with the purpose and intent of Public Law 95–341 (commonly known as the ''American Indian Religious Freedom Act'') (42 U.S.C. 1996 et seq.); and

(ii) areas designated as wilderness (including portions described in subparagraph (E)), in a manner consistent with the purpose and intent of the Wilderness Act (16 U.S.C. 1131 et seq.); and

(E)(i) on the request of the Tribe, the National Park Service and the Bureau of Land Management shall temporarily close to the general public, 1 or more specific portions of the area in order to protect the privacy of tribal members engaging in traditional cultural and religious activities in those portions; and

(ii) any such closure shall be made in a manner that affects the smallest practicable area for the minimum period necessary for the purposes described in clause (i).

(f) ACCESS AND USE.—Members of the Tribe shall have the right to enter and use the Park without payment of any fee for admission into the Park.

(g) ADMINISTRATION.—The trust lands shall constitute the Timbisha Shoshone Reservation and shall be administered pursuant to the laws and regulations applicable to other Indian trust lands, except as otherwise provided in this Act.

SEC. 6. IMPLEMENTATION PROCESS.

(a) GOVERNMENT-TO-GOVERNMENT AGREEMENTS.—In order to fulfill the purposes of this Act and to establish cooperative partnerships for purposes of this Act, the National Park Service, the Bureau of Land Management, and the Tribe shall enter into government-to-government consultations and shall develop protocols to review planned development in the Park. The National Park Service and the Bureau of Land Management are authorized to enter into cooperative agreements with the Tribe for the purpose of providing training on the interpretation, management, protection, and preservation of the natural and cultural resources of the areas designated for special uses by the Tribe in section 5(e)(4).

(b) STANDARDS.—The National Park Service and the Tribe shall develop mutually agreed upon standards for size, impact, and design for use in planning, resource protection, and development of the Furnace Creek area and for the facilities at Wildrose. The standards shall be based on standards for recognized best practices for environmental sustainability and shall not be less restrictive than the environmental standards applied within the National Park System at any given time. Development in the area shall be conducted in a manner consistent with the standards, which shall be reviewed periodically and revised as necessary.

(c) WATER MONITORING.—The Secretary and the Tribe shall develop mutually agreed upon standards for a water monitoring system to assess the effects of water use at Scotty's Junction and at Death Valley Junction on the tribal trust lands described in subparagraphs (A), (B), and (D) of section 5(b)(1), and on the Park. Water monitoring

shall be conducted in a manner that is consistent with such standards, which shall be reviewed periodically and revised as necessary.

SEC. 7. MISCELLANEOUS PROVISIONS.

(a) TRIBAL EMPLOYMENT.—In employing individuals to perform any construction, maintenance, interpretation, or other service in the Park, the Secretary shall, insofar as practicable, give first preference to qualified members of the Tribe.

(b) GAMING.—Gaming as defined and regulated by the Indian Gaming Regulatory Act (25 U.S.C. 2701 et seq.) shall be prohibited on trust lands within the Park.

(c) INITIAL RESERVATION.—Lands taken into trust for the Tribe pursuant to section 5, except for the Park land described in subsections (b)(1)(A) and (d)(1) of such section, shall be considered to be the Tribe's initial reservation for purposes of section 20(b)(1)(B)(ii) of the Indian Gaming Regulatory Act (25 U.S.C. 2719(b)(1)(B)(ii)).

(d) TRIBAL JURISDICTION OVER TRUST LANDS.—All trust lands that are transferred under this Act and located within California shall be exempt from section 1162 of title 18, United States Code, and section 1360 of title 28, United States Code, upon the certification by the Secretary, after consultation with the Attorney General, that the law enforcement system in place for such lands will be adequate to provide for the public safety and the public interest, except that no such certification may take effect until the expiration of the 3-year period beginning on the date of enactment of this Act.

SEC. 8. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this Act such sums as may be necessary.

Passed the Senate July 19, 2000.

REPORTS CONSOLIDATION ACT OF 2000

Mr. BURNS. Mr. President, I ask unanimous consent that the Senate proceed to consideration of Calendar No. 672, S. 2712.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 2712) to amend chapter 35 of title 31, United States Code, to authorize consolidation of certain financial and performance management reports required of Federal agencies, and for other purposes.

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

Mr. BURNS. Mr. President, I ask unanimous consent that the bill be read the third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the RECORD.

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

The bill (S. 2712) was read the third time and passed as follows:

S. 2712

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Reports Consolidation Act of 2000''.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) existing law imposes numerous financial and performance management reporting requirements on agencies;

(2) these separate requirements can cause duplication of effort on the part of agencies and result in uncoordinated reports containing information in a form that is not completely useful to Congress; and

(3) pilot projects conducted by agencies under the direction of the Office of Management and Budget demonstrate that single consolidated reports providing an analysis of verifiable financial and performance management information produce more useful reports with greater efficiency.

(b) PURPOSES.—The purposes of this Act are—

(1) to authorize and encourage the consolidation of financial and performance management reports;

(2) to provide financial and performance management information in a more meaningful and useful format for Congress, the President, and the public;

(3) to improve the quality of agency financial and performance management information; and

(4) to enhance coordination and efficiency on the part of agencies in reporting financial and performance management information.

SEC. 3. CONSOLIDATED REPORTS.

(a) IN GENERAL.—Chapter 35 of title 31, United States Code, is amended by adding at the end the following:

''§ 3516. Reports consolidation

''(a)(1) With the concurrence of the Director of the Office of Management and Budget, the head of an executive agency may adjust the frequency and due dates of, and consolidate into an annual report to the President, the Director of the Office of Management and Budget, and Congress any statutorily required reports described in paragraph (2). Such a consolidated report shall be submitted to the President, the Director of the Office of Management and Budget, and to appropriate committees and subcommittees of Congress not later than 150 days after the end of the agency's fiscal year.

''(2) The following reports may be consolidated into the report referred to in paragraph (1):

''(A) Any report by an agency to Congress, the Office of Management and Budget, or the President under section 1116, this chapter, and chapters 9, 33, 37, 75, and 91.

''(B) The following agency-specific reports:

''(i) The biennial financial management improvement plan by the Secretary of Defense under section 2222 of title 10.

''(ii) The annual report of the Attorney General under section 522 of title 28.

''(C) Any other statutorily required report pertaining to an agency's financial or performance management if the head of the agency—

''(i) determines that inclusion of that report will enhance the usefulness of the reported information to decision makers; and

''(ii) consults in advance of inclusion of that report with the Committee on Governmental Affairs of the Senate, the Committee on Government Reform of the House of Representatives, and any other committee of Congress having jurisdiction with respect to the report proposed for inclusion.

''(b) A report under subsection (a) that incorporates the agency's program performance report under section 1116 shall be referred to as a performance and accountability report.

''(c) A report under subsection (a) that does not incorporate the agency's program performance report under section 1116 shall contain a summary of the most significant portions of the agency's program performance report, including the agency's success in achieving key performance goals for the applicable year.

''(d) A report under subsection (a) shall include a statement prepared by the agency's inspector general that summarizes what the inspector general considers to be the most serious management and performance challenges facing the agency and briefly assesses the agency's progress in addressing those challenges. The inspector general shall provide such statement to the agency head at least 30 days before the due date of the report under subsection (a). The agency head may comment on the inspector general's statement, but may not modify the statement.

''(e) A report under subsection (a) shall include a transmittal letter from the agency head containing, in addition to any other content, an assessment by the agency head of the completeness and reliability of the performance and financial data used in the report. The assessment shall describe any material inadequacies in the completeness and reliability of the data, and the actions the agency can take and is taking to resolve such inadequacies.''.

(b) SPECIAL RULE FOR FISCAL YEARS 2000 AND 2001.—Notwithstanding paragraph (1) of section 3516(a) of title 31, United States Code (as added by subsection (a) of this section), the head of an executive agency may submit a consolidated report under such paragraph not later than 180 days after the end of that agency's fiscal year, with respect to fiscal years 2000 and 2001.

(c) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 35 of title 31, United States Code, is amended by inserting after the item relating to section 3515 the following:

''3516. Reports consolidation.''.

SEC. 4. AMENDMENTS RELATING TO AUDITED FINANCIAL STATEMENTS.

(a) FINANCIAL STATEMENTS.—Section 3515 of title 31, United States Code, is amended—

(1) in subsection (a), by inserting ''Congress and the'' before ''Director''; and

(2) by striking subsections (e) through (h).

(b) ELIMINATION OF REPORT.—Section 3521(f) of title 31, United States Code, is amended—

(1) in paragraph (1)—

(A) by striking ''subsections (a) and (f)'' and inserting ''subsection (a)''; and

(B) by striking ''(1)''; and

(2) by striking paragraph (2).

SEC. 5. AMENDMENTS RELATING TO PROGRAM PERFORMANCE REPORTS.

(a) REPORT DUE DATE.—

(1) IN GENERAL.—Section 1116(a) of title 31, United States Code, is amended by striking ''No later than March 31, 2000, and no later than March 31 of each year thereafter,'' and inserting ''Not later than 150 days after the end of an agency's fiscal year,''.

(2) SPECIAL RULE FOR FISCAL YEARS 2000 AND 2001.—Notwithstanding subsection (a) of section 1116 of title 31, United States Code (as amended by paragraph (1) of this subsection), an agency head may submit a report under such subsection not later than 180 days after the end of that agency's fiscal year, with respect to fiscal years 2000 and 2001.

(b) INCLUSION OF INFORMATION IN FINANCIAL STATEMENT.—Section 1116(e) of title 31, United States Code, is amended to read as follows:

''(e)(1) Except as provided in paragraph (2), each program performance report shall contain an assessment by the agency head of the completeness and reliability of the performance data included in the report. The assessment shall describe any material inadequacies in the completeness and reliability of the performance data, and the actions the agency can take and is taking to resolve such inadequacies.

''(2) If a program performance report is incorporated into a report submitted under section 3516, the requirements of section 3516(e) shall apply in lieu of paragraph (1).''.

PENALTIES FOR HARMING ANIMALS USED IN FEDERAL LAW ENFORCEMENT

Mr. BURNS. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of H.R. 1791, and the Senate then proceed to its immediate consideration.

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

The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 1791) to amend title 18, United States Code, to provide for penalties for harming animals used in Federal law enforcement.

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

Mr. KYL. Mr. President, I am proud to support H.R. 1791, the Federal Law Enforcement Animal Protection Act, a bill by Representative WELLER which would make it a federal crime to willfully and maliciously harm an animal used by a Federal agency for the principal purpose of investigating crimes, enforcing laws, or apprehending criminals.

I would first like to thank Senator HATCH for his help in discharging this important bill from Committee. I would also like to thank the advocacy groups and agencies, most notably, the Humane Society of the U.S., U.S. Police Canine Association, U.S. Customs Service, U.S. Border Patrol, and our very own Capital Police, for helping to publicize the need for legislation to protect federal law enforcement animals.

I was pleased when Representative WELLER called me and asked for my support of H.R. 1791. Under current law, a person who willfully injures a federal law enforcement animal can only be punished under the statute that makes it a crime to damage federal property.

Unfortunately, many of these animals have a monetary value of less than a $1,000, even though their training can cost up to $20,000, so the act of willfully harming them can only be prosecuted as a misdemeanor. H.R. 1791 will address this problem and punish willful and malicious harm done to these animals more severely than an act of damage to an inanimate object.

This bill is important for law enforcement. These animals play an integral role in protecting our borders, airports and our own capital grounds. In fiscal year 1999, U.S. Customs Canine Enforcement Teams were involved in over 11,000 narcotic or currency seizures. The street value of the narcotics uncovered by the canines exceeded several billion dollars. The dogs detected approximately 631,909 pounds of marijuana, 50,748 pounds of cocaine, 358 pounds of heroin, and $25.5 million in currency. H.R. 1791 would put federal law enforcement animals on equal ground with local law enforcement animals that are protected in 27 states, including my own state of Arizona.

Mr. BURNS. Mr. President, I ask unanimous consent that the bill be read the third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

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

The bill (H.R. 1791) was read the third time and passed.

DISASTER MITIGATION AND COST REDUCTION ACT OF 1999

Mr. BURNS. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 551, H.R. 707.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 707) to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to authorize a program for predisaster mitigation, to streamline the administration of disaster relief, to control the Federal costs for disaster assistance, and for other purposes.

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

AMENDMENT NO. 3946

Mr. BURNS. Mr. President, Senator SMITH of New Hampshire has an amendment at the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Montana (Mr. BURNS), for Mr. SMITH of New Hampshire, proposes an amendment numbered 3946.

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

Mr. INHOFE. Mr. President, I am pleased to speak today in favor of passage of the Disaster Mitigation Act of 1999. As the chairman of the Senate Subcommittee with jurisdiction over FEMA, I have been working on this legislation for the last couple of years. Senator GRAHAM and I introduced this legislation last fall and have been working diligently on it ever since. We can both attest to this process being long and arduous, with many unforeseen pitfalls. However, the final result has been a piece of legislation that while changing the scope of disaster assistance, continues to assure that FEMA will have the resources and the capability to deliver disaster assistance when called upon.

As we all know, the Federal government, through FEMA, has been there to help people and their communities deal with the aftermath of disasters for over a generation. As chairman of it's oversight Subcommittee, I want to ensure that FEMA will continue to respond and help people in need for generations to come.

Unfortunately, this goal is becoming increasingly difficult since the costs of disaster recovery have spiraled out of control. For every major disaster Congress is forced to appropriate additional funds through Supplemental Emergency Spending Bills, another of which we will be discussing at some point later this year. This not only plays havoc with the budget and forces us to spend funds which would have gone to other pressing needs, but sets up unrealistic expectations of what the federal government can and should do after a disaster.

For instance, following the Oklahoma City tornadoes on May 3, 1999, there was an estimated $900 million in damage, with a large portion of that in federal disaster assistance. In the aftermath of hurricane Floyd in North Carolina, estimates of $1 billion or more in damage have been discussed. This problem is not just isolated to Oklahoma City or North Carolina. In the period between fiscal years 1994 and 1998, FEMA disaster assistance and relief costs grew from $8.7 billion to $19 billion. That marks a $10.3 billion increase in disaster assistance in just five years. To finance these expenditures, we have been forced to find over $12 billion in rescissions.

The Bill we are passing today will address this problem from two different directions. First, it authorizes a Predisaster Hazard Mitigation Program, which assists people in preparing for disaster before they happen. Second, it provides a number of cost-saving measures to help control the costs of disaster assistance.

In our bill, we are authorizing Project Impact, FEMA's natural disaster mitigation program. Project Impact authorizes the use of small grants to local communities to give them funds and technical assistance to mitigate against disasters before they occur; but this is not just a federal give-away program. Local communities are required to have a demonstrated public-private partnership before they can become a Project Impact community.

Too often, we think of disaster assistance only after a disaster has occurred. For the very first time, we are authorizing a program to think about preventing disaster-related damage prior to the disaster. We believe that by spending these small amounts in advance of a disaster, we will save the federal government money in the long-term. However, it is important to note that we are not authorizing this program in perpetuity. The program, as adopted, is set to expire in 2003. If Project Impact is successful, we will have the appropriate opportunity to review its work and make a determination on whether to continue the program.

This forward thinking approach is revolutionary in terms of the way the federal government responds to a disaster. We all know it is more cost effective to prevent damage than to respond after the fact. I should note that in my state of Oklahoma, which has recently been hit by severe flooding, one of the affected communities, my home town of Tulsa, was a Project Impact community. While the community suffered some damage, the effects could have been much more severe had the community not undertaken preventative mitigation measures.

In passing this bill, we are also allowing states to keep a larger percentage of their federal disaster funds for state mitigation projects. Under current law, states can only retain up to 15 percent of their post disaster assistance funds for state-wide mitigation programs. We are now increasing that percentage to 20 percent. Too often states have run into the program of too many mitigation projects, with too little resources.

For example, in Oklahoma, the state used its share of disaster funds to provide a tax rebate to the victims of the May 1999 tornadoes who, when rebuilding their homes, build a ''safe room'' into their home. Because of limited funding, this assistance is only available to those who were unfortunate enough to lose everything they owned. The ''safe room'' program in Oklahoma is a prime example of giving states more flexibility in determining their own mitigation priorities and giving them the financial assistance to follow through with their plans.

An additional problem we remedy with the increase is the lack of comprehensive state-wide mitigation plans. Under current law, states are required to submit mitigation plans to FEMA, at which time they are routinely approved. However, as a condition of receipt of increased funding, states are going to have to do a better job at bridging the gap between state and local mitigation plans by developing comprehensive mitigation plans so that in the aftermath of a disaster, states know what their most vulnerable areas are and can take appropriate preventative measures.

While we are attempting to re-define the way in which we respond to natural disaster, we must also look to curb the rising cost of post-disaster related assistance. The intent of the original Stafford Act was to provide federal assistance after States and local communities had exhausted all their existing resources. As I said earlier, we have lost sight of this intent.

To meet our cost saving goal, we are making significant changes to FEMA's Public Assistance (PA) Program. One of the most significant changes in the PA Program focuses on the use of insurance. FEMA is currently developing an insurance rule to require States and local government to maintain private or self-insurance in order to qualify for the PA Program. We applaud their efforts and are providing them with with some parameters we expect them to follow in developing any insurance rule.

While FEMA's progress in this area is commendable, it has come at the considerable opposition from States and local governments who fear the impact of any new insurance regulation. Instead of ignoring the concerns of the stakeholders, we have sought to work with them and bring their views to the table early in the regulatory process. As FEMA continues its work towards an insurance regulation, States and local governments are now assured that the final rule will encompass their concerns.

Second, we are providing FEMA with the ability to estimate the cost of repairing or rebuilding projects. Under current law, FEMA is required to stay in the field and monitor the rebuilding of public structures. By requiring FEMA to stay afield for years after the disaster, we run up the administrative cost of projects. Allowing them to estimate the cost of repairs and close out the project will bring immediate assistance to the State or local community and save the Federal government money.

In all, the Congressional Budget Office (CBO) projects our bill to save approximately $238 million over five years. I personally feel this is an underestimate. CBO, because of budget rules, is unable to take into account any savings that occur outside the initial five-year window. Yet, CBO says in its analysis that long-term savings are likely as a result of the predisaster mitigation measures included in the bill. CBO also says it cannot quantify the savings associated with the implementation of any future insurance rule. Yet, common sense tells us that if public buildings have some level of private insurance, federal spending under the Public Assistance Program will be reduced.

Mr. President, we have spent months working closely with other Senators, FEMA, the States, local communities, and other stakeholders to produce a bill that gives FEMA the increased ability to respond to disasters, while assuring States and local communities that the federal government will continue to meet its commitments. Our bill has the endorsement of the National League of Cities, the National Emergency Managers Association , and FEMA.

In closing, I want to thank Senators GRAHAM, SMITH, and BAUCUS for their help and the leadership they have taken on this important issue. I would also like to thank Senators VOINOVICH, GRASSLEY, DEWINE, and BOND for their support of this legislation. Without their help, input, and insight this legislation would be little more than an idea. I look forward to continuing to work with them as this bill moves to conference to make this legislation a reality.

Mr. SMITH of New Hampshire. Mr. President, I rise in support of the amendments to the Stafford Act in the form of H.R. 707. I would like to thank Senators INHOFE and GRAHAM and their staff for all their hard work in developing a good bipartisan bill. I am proud the committee I chair was able to report a bill to the floor with strong bipartisan support. I am also very pleased the version the Senate passed will save the taxpayer money both in the short and long term.

This bill makes great strides to enhance FEMA's ability to better serve the public in times of disaster. It will also help local communities to better prepare and mitigate potential problems prior to a disaster. The mitigation focus in this bill will ensure better protection of life and property as well as providing savings to the taxpayer.

The substitute H.R. 707 that has been agreed to by the Senate is identical language to that in S. 1691 as amended by the Committee on Environment and Public Works with the additional Technical and Managers' amendments that were filed. Those who wish to research the legislative history of H.R. 707, as passed by the Senate, should refer to the legislative history of S. 1691 and the report, number 106–295, filed by the Committee on Environment and Public Works on S. 1691.

Mr. GRAHAM. Mr. President, I rise to join my distinguished colleague from Oklahoma, Senator INHOFE, upon the passage of our legislation to reauthorize the Federal Emergency Management Agency (FEMA) and to create public and private incentives to reduce the cost of future disasters.

On June 1st, we will face the beginning of the 2000 Hurricane season, the National Weather Service has predicted that the United States will face at least three intense hurricanes during the next six months.

Coming just eight years after Hurricane Andrew damaged 128,000 homes, left approximately 160,000 people homeless, and caused nearly $30 billion in damage, this forecast reminds us of the inevitability and destructive power of Mother Nature. We must prepare for natural disasters now in order to minimize their devastating effects.

It is impossible to prevent violent weather. Our experiences since Hurricane Andrew—including the Northridge Earthquake, the Upper Midwest Floods, and Hurricanes Fran and Floyd—clearly demonstrate the overwhelming losses associated with major weather events.

However, Congress can reduce these losses by legislating a comprehensive, nationwide mitigation strategy. Senator INOFE and I have worked closely with our colleagues in the Senate, FEMA, the National Emergency Management Association, the National League of Cities, the American Red Cross, and numerous other groups to construct a comprehensive proposal that will make mitigation—not response and recovery—the primary focus of emergency management. In addition, I would like to recognize the efforts of Senator BOND, Chairman of FEMA's appropriations subcommittee, in working closely with us to pass this legislation.

This legislation amends the Robert T. Stafford Disaster Relief and Emergency Assistance Act by:

Authorizing programs for pre-disaster emergency preparedness;

Streamlining the administration of disaster relief;

Controlling the Federal costs of disaster assistance; and

Providing real incentives for the development of community-sponsored disaster mitigation projects.

Mr. President, history has demonstrated that no community in the United States is safe from disasters. From tropical weather along the Atlantic Coast to devastating floods in the Upper Midwest to earthquakes in the Pacific Rim, all Americans have suffered as a result of Mother Nature's fury.

She will strike again. But we can avoid some of the excessive human and financial costs of the past by applying both what we have learned about disaster preparedness and by implementing new technologies that are available to mitigate against loss.

Florida has been a leader in incorporating the principles and practice of hazard mitigation into the mainstream of community preparedness. We have developed and implemented mitigation projects using funding from the Hazard Mitigation Grant Program, the Flood Mitigation Assistance Program, FEMA's Project Impact, and many other public-private partnerships.

All Americans play a role in reducing the risks associated with natural and technological hazards. Engineers, hospital administrators, business leaders, regional planners, emergency managers and volunteers each contribute to community-wide mitigation efforts.

A successful mitigation project may be as basic as the Miami Wind Shutter program. The installation of shutters is a cost-effective mitigation measure that has proven effective in protecting buildings from hurricane force winds, and in the process, minimizing direct and indirect losses to vulnerable facilities. These shutters significantly increase strength and provide increased protection of life and property.

For example, Hurricane Andrew did $17 million worth of damage to three hospitals in Miami. These facilities included Baptist, Miami South, and Mercy Hospitals. Through the Hazard Mitigation Grant Program, these hospitals were retrofitted with wind shutters. Six years after Hurricane Georges brushed against South Florida, this mitigation project paid real dividends. Mercy Hospital estimated that the $2 million investment in their shutters protected their $230 million medical complex. In addition, the track of this storm motivated evacuees to leave more vulnerable areas of South Florida to seek shelter. The protective shutters allowed this hospital to be used as a safe haven for 200 pregnant mothers, prevented the need to evacuate critical patients, and helped the staff's families to secure shelter during the response effort.

In July of 1994, Tropical Storm Alberto's impact on the Florida Panhandle triggered more than $500 million in federal disaster assistance. State and local officials concluded that the most direct solution to the problem of repetitive flooding was to remove or demolish the structures at risk. A Community Development Block Grant of $27.5 million was used to assist local governments in acquiring 388 extremely vulnerable properties.

The success of this effort was evident when the same area experienced flooding again in the spring of 1998. Although both floods were of comparable severity, the damages from the second disaster were significantly lower in the communities that acquired the flood prone properties. In summary, this mitigation project reduced the communities' vulnerability to loss.

Today, we will reinforce the working partnership between the federal government, the states, local communities and the private sector. In mitigating the devastating effects of natural disasters, it is also imperative that we control the cost of disaster relief. Our legislation will help both of these efforts. I thank my colleagues for their support of this initiative.

Mr. EDWARDS. Mr. President, I rise today to express my support for the Disaster Mitigation and Cost Reduction Act, and more importantly—the Federal Emergency Management Agency.

When I was elected to the Senate more than a year ago, I didn't think I would be faced with such an enormous challenge my first year in office—helping my state rebuild from the one of the worst hurricanes in our history. On September 16, Hurricane Floyd pounded eastern North Carolina. Sixty-six counties, more than 70 percent of the state—were declared federal disaster areas. Fifty-seven people were killed, and more than 60,000 homes were affected.

I've come to the floor many times and praised the courage and the strength of eastern North Carolinians. Through this disaster, I have met some of the most spirited and strong people. And I have also met some of the most knowledgeable and caring federal workers—the men and women of the Federal Emergency Management Agency. Whether it was Director James Lee Witt, who visited my office many times to keep me up-to-date on the federal response, or any of the field representatives who explained the programs available to the victims, FEMA helped North Carolina begin the long recovery process. And today, ten months after the storm hit, FEMA is still helping us coordinate the federal and state recovery efforts. It's been said before—and I now know first-hand—that Director Witt turned FEMA from a disaster of an agency into a disaster response team.

The measure we pass today will help make simple changes to ensure this agency continues to offer first-rate response. Most importantly, the bill before us would increase the Hazard Mitigation Grant Program cap from 15 percent to 20 percent. We can't stop a hurricane, tornado or earthquake, but we can take concrete steps to mitigate damage. Increasing the amount States are allowed to spend on mitigation will give those governments the necessary resources to move those people out of harm's way. That means less future damage and less costly disasters.

H.R. 707 also authorizes Project Impact. New Hanover County, in my state, was one of the first seven pilot Project Impact communities. Project Impact is FEMA's predisaster mitigation program that works directly with communities across the country to help them become more disaster-resistant. In New Hanover County, residents are determined to build better, stronger and smarter in order to prevent damage from the inevitable late-summer hurricanes. The University of North Carolina at Wilmington is also involved in the effort to mitigate disasters. That's the great thing about the Project Impact communities—they are using all available agencies and organizations to ensure safe and smart development. We should officially recognize these communities efforts and encourage the same work in other disaster prone areas.

Finally, in my State we know how the Federal government's disaster response programs work—and sometimes don't work—together. This bill takes steps to streamline the programs and to better coordinate between different agencies. Portions of this bill would make life a bit simpler for our outstanding emergency management agency in North Carolina. Whether it's streamlining management costs or making infrastructure repairs simpler, this bill makes much-needed improvements in the system.

Mr. President, there is no area of the country untouched by natural disasters. Whether it's my state battered by hurricanes; California plagued by earthquakes; the Midwest hit by floods; or the states in ''tornado alley;'' we all know the sudden devastation Mother Nature can bring. And we all know we can count on FEMA at a time when the states we represent are most vulnerable, when our people hurt the most. Now its time for Congress to support this bill and to ensure FEMA can continue the first-rate response we so depend on.

Mr. CRAPO. Mr. President, I rise to engage the distinguished Subcommittee Chairman in a colloquy.

Mr. INHOFE. I yield to the Senator.

Mr. CRAPO. I want to express my appreciation for the Senator's efforts, and those of the Committee Chairman, Senator SMITH, and Subcommittee Ranking Member Senator GRAHAM in working with Senator BAUCUS and me to reaffirm the eligibility of Private Non-Profit (PNP) irrigation companies for FEMA reimbursement of their facilities in the aftermath of disasters. As he knows, a pending FEMA policy would unfairly single out irrigators among PNPs as ineligible for FEMA assistance. Language in the legislation would ensure that PNP irrigators receive the same treatment as other PNPs in the event of a disaster.

This matter is of critical importance to PNP irrigation companies throughout the West. Generally taking on the responsibilities of water utilities elsewhere, irrigation companies provide a

valuable service to westerners, including the provision of drinking water, irrigation support, and other critical facilities. Without these services, life in the West could not exist as we know it today.

At this time, I would ask that we yield to the distinguished Ranking Member of the full Committee, Senator BAUCUS. Senator BAUCUS?

Mr. BAUCUS. I thank the Senator. I want to echo his comments about the importance of this provision. PNP irrigators provide a valuable service to communities in many western states and their continued fair treatment under FEMA policies is the right thing to do. I extend my thanks to Chairman INHOFE, Chairman SMITH, and Senator GRAHAM in working to address this matter, both in Committee and here today.

As this measure makes its way through the legislative process, I hope we can count on the Senator's continued assistance in protecting the interests of PNP irrigators. I thank the Senator.

Mr. INHOFE. I appreciate the Senator bringing this matter to the Committee's attention and working with us to come up with a clear policy on PNP irrigators. As he knows, during the mark-up in February, the Committee adopted the Crapo/Baucus/Bennett amendment to solve this situation. However, as we later learned, the amendment was insufficient in the eyes of FEMA to resolve this issue. I think that the language contained in the legislation unequivocally addresses the issue and there can be no ambiguity in the wishes of the Senate concerning FEMA's policy affecting private nonproit irrigators in the states. Therefore, I reiterate my commitment to enacting legislation that creates equity for PNP irrigators in the implementation of FEMA policies.

Mr. CRAPO. I thank the Senator. I yield back the floor.

Mr. BURNS. Mr. President, I ask unanimous consent that the amendment be agreed to, the bill be read the third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the RECORD.

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

The amendment (No. 3946) was agreed to.

The bill (H.R. 707), as amended, was passed.

ORDERS FOR THURSDAY, JULY 20, 2000

Mr. BURNS. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9:45 on Thursday, July 20. I further ask consent that on Thursday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate then resume consideration of the Agriculture appropriations bill under the previous order.

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

PROGRAM

Mr. BURNS. When the Senate convenes at 9:45 a.m., the Senate will immediately resume debate on the Harkin amendment No. 3938 to the agricultural appropriations bill. A vote could occur shortly thereafter in relation to the amendment.

Also, Senators are to be notified that the leadership expects to complete action on this appropriations bill in the early afternoon. Therefore, votes can be expected throughout the day on Thursday.

ADJOURNMENT UNTIL 9:45 A.M. TOMORROW

Mr. BURNS. Mr. President, if there is no further business to come before the Senate, I now ask that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 7:08 p.m., adjourned until Thursday, July 20, 2000, at 9:45 a.m.

EXTENSIONS OF REMARKS

TRIBUTE TO VETA HALFHIDE

HON. HELEN CHENOWETH-HAGE

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 18, 2000

Mrs. CHENOWETH-HAGE. Mr. Speaker, today is a special day for the Halfhide-Malloy family. Veta Halfhide of Dalton Gardens, Idaho, was born on this day in 1920. Today she celebrates her birthday with her four children, Marian, Gary, Dorothy and Chuck and with her new husband, Bob Halfhide.

Mr. Speaker, this feisty woman has lived through the Depression, World War II, the Cold War, the dawn of the information age and the beginning of a new Millennium. She nursed her husband Charles Malloy through a stroke and other illnesses. Widowed at a young age, Veta supported herself by selling Avon products and was legendary for her outstanding sales record and satisfied customers.

Now she is eighty, and a newlywed again, and living her life with the same characteristic vigor. She and her husband will travel to Alaska this summer and hope to continue traveling together for many happy years. On behalf of my colleagues, I would like to wish Veta a happy birthday and many happy returns of the day.

REMEMBERING MR. BOB KNOUS

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 18, 2000

Mr. McINNIS. Mr. Speaker, it is with profound sadness that I now rise to honor the life and memory of an outstanding person, former Colorado Lieutenant Governor Mr. Bob Knous. Sadly, Bob passed away May 15, 2000. As family and friends mourn his passing, I would like to pay tribute to this beloved husband, father to his children, and friend to all. He will be missed by many. Even so, his life was a remarkable one that is most deserving of both the recognition and praise of this body.

Much of Bob's life was spent creating a political legacy in Colorado for the better half of two decades. He leaves a record that is essentially impossible to break today; he had the admirable notoriety of being elected as lieutenant Governor under both a Republican and a Democratic Governor. His son Bob Jr. once said that his dad ''exuded what Colorado is all about, we never left the state on vacation as kids because we were always campaigning. We went from Julesburg to Cortez to Rangley. I never went out of state until I was 18''. Bob was born in Ouray, Colorado, graduating from Montrose High School, active in many sports including basketball and baseball. He received both his bachelors and law degrees from the University of Colorado at Boulder. Bob has exemplified outstanding service in other areas as well. He served as a naval flight instructor in World War II completing in excess of 3,500 hours of flight time. Bob has served many prestigious positions during his tenure, he served as a state senator in 1952 before he successfully served as lieutenant governor under two administrations. Former Colorado Governor John Love remembered their campaigns as ''always proper we were never enemies and we have stayed good friends ever since.''

His spirit and magnetism have been instrumental in his successes, Bob's brother recalled him as ''gritty even when he was sick, he'd get up and walk out of the hospital''. His dedication to others and to Colorado was unprecedented. He worked tirelessly for the people of Colorado for over two decades later retiring from politics in the early 70's. Mr. Knous leaves us all too soon. But his memory will live on in all those he has touched. I am confident, Mr. Speaker, that in the face of this profound loss, the family, friends, and the Colorado community can take comfort in the knowledge that each is a better person for having known him.

CONGRATULATING GAIL HANHART McINTYRE

HON. GEORGE RADANOVICH

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 18, 2000

Mr. RADANOVICH. Mr. Speaker, I rise today to congratulate Madera County Supervisor Gail Hanhart McIntyre for being selected as the recipient of the Rose Ann Vuich Ethical Leadership Award for the year 2000.

The award, sponsored by the the Fresno Bee and the Fresno Business Council, honors Senator Vuich, who consistently maintained high ethical standards and earned bipartisan respect throughout her career in the State legislature. It also recognizes elected leaders who symbolize integrity, strength of character, and exemplary ethical behavior.

Gail Hanhart McIntyre is the first woman to serve on the Board of Supervisors in Madera County, California. As a member of the Board of Supervisors, she represents the City of Madera and has built consensus among city council members over the years. Ms. McIntyre promotes job growth, protects the agricultural concerns of the area and is working to create a better quality of life for the city of Madera.

Currently, Ms. McIntyre is serving her third term as Board Chairman. She has also served on numerous other committees, including: the Private Industry Council, the Mental Health Advisory Board, the San Joaquin Valley Unified Air Pollution Control District, and the Fresno Madera Agency on Aging.

Mr. Speaker, I want to congratulate Gail Hanhart McIntyre for being selected as the recipient of the Rose Ann Vuich Ethical Leadership Award for the year 2000. I urge my colleagues to join me in wishing her many more years of continued success.

HONORING SOUTHERN CONNECTICUT STATE UNIVERSITY'S MEN'S SOCCER TEAM

HON. ROSA L. DeLAURO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 18, 2000

Ms. DELAURO. Mr. Speaker, it is with great pride that I rise today to recognize the outstanding accomplishments of Southern Connecticut State University's Men's Soccer team. With two consecutive NCAA Division II Championships in 1998 and 1999, for a total of six over the past thirteen years, the young men who have participated in this program have met tremendous challenges with unparalleled dedication and hard work.

Over the past decade, the athletic department at Southern Connecticut State University has dedicated itself to instilling a revitalized spirit and interest in the game of soccer. With his experience and true passion for the game, Armand Dikranian, founder and former head coach of Southern's soccer program, has led this effort. Under his leadership, the Owls won their first national championship in 1987. In his years at Southern, Mr. Dikranian has developed the soccer program into one of the nation's finest. Now serving as a consultant to the Owls' men's and women's squads and the Director of Intramural and Club Sports, he continues in his efforts to nurture and develop the natural talent of Southern's athletes.

While it is important to recognize individual achievements, it is the team effort that makes these young people true winners. Current Head Coach Tom Lang as well as the assistant coaches and staff are all alumni of Southern's soccer program—teaching the current team members the same lessons that have led the Owls to success time and again: hard work and team work. Southern's 1999 Men's Soccer team, a combination of past and present, demonstrated a unique commitment, not only to themselves, but to each other. They are role models for us all.

Collegiate sports provide invaluable lessons to our young people—team work, discipline, comradery and commitment to excellence. These are skills that will serve them well as they begin to make a difference in the world. I am honored to rise today to extend my sincere congratulations to every member of Southern Connecticut State University's Men's Soccer Team as this year's NCAA Division II National Champions—an accomplishment for which they should all be very proud.

TRIBUTE TO SISTER SHEILA MARIE WALSH, RSM

HON. JACK QUINN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 18, 2000

Mr. QUINN. Mr. Speaker, I am honored to rise today to pay tribute to Sister Sheila Marie

Walsh, RSM, whose tremendous commitment to our Western New York community, leadership, and service to God have had a strong impact on my Congressional District.

Sister Sheila Marie's ''missionary spirit'' has been most evident in her work in the health care arena. She earned her degree in hospital administration, and boasts several years of real experience in hospital management.

For sixteen years, Sister Sheila Marie served as Administrator and Chief Executive Officer of Mercy Hospital in South Buffalo. Her advocacy, leadership, professionalism, and integrity as CEO both strengthened the hospital and its role in our community.

In addition to that outstanding commitment to Mercy Hospital, Sister Sheila Marie currently serves as president of the Leadership Conference of Women Religious in the Diocese of Buffalo. She is also a member on the Board of Directors for Mercy Flight, the Lotus Link Foundation, and Christ the King Seminary in East Aurora. For the past eight years, she has been on the leadership team of the Sisters of Mercy of the Americas, Regional Community of Buffalo.

Next month, Sister Sheila will bring that Faith and Commitment to God to a small, hospital in Georgetown, Guyana, South America. Located in a country with few resources, this is a small facility sponsored by the Dallas, Pennsylvania Sisters of Mercy.

I know that Sister Sheila will meet this new challenge with the same dedication, care, and integrity that she has always demonstrated, and that her tenure in Guyana will be a great success. I also know that we in Buffalo will miss her while she is away.

Mr. Speaker, today I would like to join the Sisters of Mercy of the Americas and indeed, all of Western New York in tribute to Sister Sheila Marie Walsh. Best wishes to her as she embarks on this important new mission in Guyana. She will remain in our prayers.

TRIBUTE TO ONONDAGA COUNTY EMPLOYEE DEBORAH LIDDIARD

HON. JAMES T. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 18, 2000

Mr. WALSH. Mr. Speaker, according to a recent audit by the Office of the Inspector General, jail and prison inmates across the United States illegally collected nearly $20 million in Social Security and Supplemental Income payments in 1997. Not only are such payments to inmates unnecessary, they are illegal; and the Social Security Administration has been asking jail administrators across the nation to help alert its personnel of new prisoners in an efficient and effective manner in order to halt such payments.

In the County of Onondaga, New York, one employee of the County's Information Technology Department, Ms. Deborah Liddiard, developed and wrote a computer program that allows the Social Security Administration access to the names of prisoners in the County's facilities in a form that is immediately comparable to the Administration's existing records. Ms. Liddiard's program is so efficient and precise that the Social Security Administration has honored her and is using her work as a model for jail administrators across the nation.

I use this opportunity to commend Ms. Liddiard for her work on behalf of all United States taxpayers who have benefitted from her expertise and dedication. May all municipalities with jail and prison facilities expedite their compliance with this request, using Ms. Liddiard's work as a model in order to significantly reduce these inappropriate payments.

Twenty million dollars in savings is quite significant. Congratulations and thank you, Ms. Liddiard.

HONORING JOHN HENRY (IKE) INGRAHAM

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 18, 2000

Mrs. LOWEY. Mr. Speaker, I commend an individual from the great state of New York, who was born and raised in the town of Canandaigua, in the state's beautiful Finger Lakes region. This individual is John Henry (Ike) Ingraham. Ike left the bucolic vistas of upstate New York to attend the New York State Maritime College, now part of the State University of New York. The Maritime College, founded in 1874, is an institution of higher learning which prepares young men and women for careers in the maritime industry, which helped make our State the center for trade and commerce in the new world.

Ike spent the majority of his working career in the marine insurance industry while simultaneously maintaining membership and participating in the Active United States Navy Reserve, achieving the high rank of captain. During the Navy portion of his career he commanded various Military Sealift Command Reserve Units and received a commendation from the Commander, Military Sealift Command for initiating weekend watchstanding at the various MSC command unit locations. It was also interesting to me to learn of one of Ike's last assignments in the Navy here at the Navy Annex in Arlington, Virginia, where he had an office next to another outstanding New Yorker, the late John Cardinal O'Connor, who was the Chief of Navy Chaplains at the time.

Ike is a member of the Class of 1952 of the Maritime College, and will be honored by his classmates at their year 2000 Class Reunion, here in Washington, D.C. this September for being the ''glue'' that has held the class together for the past 48 years. He accomplished this by spearheading the organization and execution of many of the class reunions, faithfully maintaining an ever changing mailing address and e-mail address list, and publishing a class newsletter two or three times a year.

I would like at this time, along with all the members of his Class, to commend Ike for his diligence and unselfish commitment to his fellow classmates during the ensuing years and wish Ike ''fair winds and following seas'' and continued success in the future. By his exceptional professional ability, personal initiative, and total dedication to duty, Ike reflected great credit upon himself, and upheld the highest traditions of the United States Navy Reserve and the Maritime Service.

HONORING THE LATE RICHARD CRILEY

HON. SAM FARR

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 18, 2000

Mr. FARR of California. Mr. Speaker, today I honor a national hero who has helped shape civil and human rights for the past five decades. Richard Criley, a native of Carmel Highlands, was an active member of the American Civil Liberties Union and a fighter for all members of the human race. He influenced countless people to work, as he had, for the betterment of humanity and society, and his effect on our nation will be felt for many years to come. Mr. Criley passed away on Sunday, June 18, 2000 at the age of 88.

Born on October 20th, 1911 in Paris, Richard Criley moved to California with his parents in 1914. After graduating from Monterey High School in 1929, he attended Stanford University and later UC Berkeley. He received his bachelor's degree in history and began working on his doctorate when he started to get caught up in the bitter labor struggle that was taking place on the San Francisco waterfront. He eventually stopped school altogether to join the International Longshoremen and Warehouseman's Union. With this change came the beginning of an inspiring lifetime of activism.

After being drafted into the Army and serving in Europe during the Second World War, Mr. Criley returned to Chicago, where he joined his wife in organizing labor unions. For the next 30 years, Mr. Criley was involved in, among other things, the abolition of the Chicago Police Department's ''red squad'' and the House Un-American Activities Committee. He was called before that committee on five separate occasions, each time refusing to testify.

In 1976, he returned to Carmel Highlands where he was raised, and remained active in both local and national human and civil rights causes up until his death. Among the awards he has received are the Stephen E. Ross Award, presented by the Monterey Peninsula chapter of the National Association for the Advancement of Colored People in 1998; the Francis Heisler Award, presented by the Monterey County chapter of the ACLU in 1984; the Earl Warren Award of the Northern California ACLU in 1985 and the Baha'i Human Rights Award in 1993.

Mr. Criley was a thoughtful, intelligent and dedicated man who will be sorely missed by his wife, Jan Penney, along with his three step-daughters, Ann Edgerton of Carmel Highlands, Beth Penney of Pacific Grove and Jeanne Mileti of Cachagua; his step-son John Penney of Los Angeles; and his sister, Cynthia Williams of Carmel Highlands.

REMEMBERING MR. C. WAYNE KEITH

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 18, 2000

Mr. McINNIS. Mr. Speaker, it is with great sadness that I wish to take this moment to recognize the remarkable life and significant

achievements of one of Colorado's leading public servants, former Chief of the Colorado State Patrol, C. Wayne Keith. Sadly, Mr. Keith recently passed away. As family, friends, students and colleagues mourn his passing, I would like to honor this great American.

For the better half of a decade Mr. Keith served well and faithfully in the Colorado State Patrol as Chief until his retirement. As a member of the State Patrol, his sense of humor was apparent. His daughter remembered that ''He always wanted to razz people just to make life more fun, he always wanted to help everyone and just make people laugh''. Even after his retirement Mr. Keith remained active in several organizations including the International Association for Chiefs of Police, the American Lung Association and Easter Seals. Even when Mr. Keith was ailing his spirit did not fail. His sister commented that ''the pranks did not stop just because he was sick.'' She said that ''they had these wires across the roof and he would tie strings to them and attach fake spiders, then when nurses would come in he would dangle it in front of them. They would get so scared and the pills would go flying. He thought it was fun''.

Full of life, with so much to give, Mr. Keith was taken all too soon. But his memory will live on in all those he has touched. I am confident, Mr. Speaker, that in the face of this profound loss, the family, friends, and the Colorado community can take comfort in the knowledge that each is a better person for having known him.

The people of the state of Colorado have lost a dedicated public servant and an outstanding citizen. He was a model of American ideals, embodying patriotism and service throughout his lifetime. For the life of service that he led will benefit Colorado for many generations to come.

INTRODUCTION OF THE FEDERAL LAW ENFORCEMENT PAY EQUITY ACT OF 2000

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 18, 2000

Mrs. MORELLA. Mr. Speaker, today, I am introducing the Federal Law Enforcement Pay Equity Act of 2000. The purpose of this legislation is to correct the serious recruitment and retention problem facing the United States Park Police and the United States Secret Service Uniformed Division.

The United States Park Police is America's oldest federal uniformed law enforcement agency with origins dating to the establishment of the seat of government in the District of Columbia. In 1791, President George Washington called for ''Park Watchmen'' to be provided by the United States Government for services in and around the public squares and reservations in the new Federal city. They were given the same powers and duties as the Metropolitan Police in the District of Columbia in 1882. In 1919, Congress renamed the Park Watchmen ''the United States Park Police.'' The Park Police also provide law enforcement and ensure public safety in various localities in the National Park system.

Safeguarding our national treasures here in DC and elsewhere, and providing support to the Metropolitan Police, the men and women of the Park Police put themselves on the line every day. They conduct investigations into crimes committed in their jurisdiction and put officers on the beat. They secure such national landmarks as the Washington Monument from terrorist threats. They provide air support for law enforcement and search and rescue in DC and in surrounding areas. They even escort Marine Corps I and provide air support for Presidential protection.

However, authorized to operate with 806 officers, the Park Police are short more than 165 people from a full compliment. A recent Booz-Allen report indicates that this shortage poses a severe security threat at national monuments and also creates an unsafe working environment for the members of the Park Police. This shortage worsens monthly, and every year, more officers leave than the Park Police are able to recruit. The number one reason given by officers for their departure is pay.

The United States Secret Service Uniformed Division faces a similar situation. Established as the White House Police in 1922, they operate under the oversight of the Secret Service, protecting the White House grounds and the immediate vicinity and provide protection to foreign diplomatic missions in the Washington metropolitan area. They currently employ 1038 officers, but they too have suffered a drastic loss of personnel in recent years. As it currently stands, roughly 56% of the officers of the Uniformed Division have less than 7 years experience on the job. As is the case with the Park Police, the drastic reduction in available personnel has created a situation of forced overtimes and low morale among the officers.

The Federal Law Enforcement Pay Equity Act will rectify this situation. This legislation equalizes and simplifies the pay scales and benefits structures of the Park Police and the Uniformed Division of the Secret Service and increases the salaries for the rank and file officers significantly, making their salaries competitive with local jurisdictions. Additionally, this legislation was crafted to include a bonus for longevity built into the pay scale. This bill also increases the pay of officers engaged in technical duties. Bolstered with competitive salaries and benefits, these two agencies will be able to more effectively recruit and retain diverse and capable officers. This legislation is urgently needed to rectify the inequity in the current system.

RECOGNIZING TANTASQUA REGIONAL JUNIOR HIGH SCHOOL NATIONAL SERVICE-LEARNING LEADER SCHOOL

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 18, 2000

Mr. NEAL of Massachusetts. Mr. Speaker, I would like to take this opportunity to recognize the achievement of Tantasqua Regional Junior High School. This school in my district was one of sixty-six schools to be named a National Service-Learning Leader School, and was honored by this Presidential award this past June.

I want to congratulate Tantasqua Junior High School for being recognized on such a national level. Their programs concerning service-learning have not only had a positive affect on the students of the school, but the community as well.

Service-learning is a way of teaching that involves a combination of academics and community service, and is based on a joint effort from both teachers and students to improve the learning process. This style of education is on the rise in the United States and is increasingly being incorporated into both the standard and core courses taught in our nation's schools. This allows schools like Tantasqua Junior High to infuse standard courses with a sense of responsibility to community service, which in turn strengthens and bonds our communities by instilling in these teenagers a sense of commitment to giving to the community through volunteer work.

Tantasqua Regional Junior High School is one of only three schools recognized in the State of Massachusetts and its faculty, students and principal, Daniel Durgin, have every right to be proud of this momentous achievement. The school's faculty was invited to Washington on June 15 for a reception attended by congressmen and congresswomen where they received even further training in service-learning techniques. These schools were acknowledged and recognized as models for other schools. The intent is that these selected institutions will lead other schools in their area towards a better education for our children.

As recipients of this award, the students and faculty of Tantasqua Regional Junior High School should again be applauded and congratulated. Their efforts have produced a school of which both the state and country can be proud.

NORTH KOREA NONPROLIFERATION ACT OF 2000

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 18, 2000

Mr. GILMAN. Mr. Speaker, I am pleased to introduce H.R. 4860, the ''North Korea Nonproliferation Act of 2000''.

I am offering this bipartisan legislation in response to North Korea's ongoing proliferation of missile and other dangerous weapons technologies to terrorist and other rogue states. The United States and our allies have worked hard to rein in North Korea's dangerous missile program. There have, from time to time, been signs of progress. But a recent headline in New York Times accurately summarizes North Korea's current policy: ''North Korea Vows to Continue Missile Program''.

This New York Times story described North Korea's reaction to the latest round of diplomacy between the United States and North Korea in which the North Koreans were asked once again to stop proliferating missile technolgy to rogue states. North Korea deigned to participate in this latest round of diplomacy with the United States following the Clinton Administration's termination of the 50-year old U.S. embargo of North Korea on June 19, 2000.

The process leading up to the Clinton Administration's termination of the embargo on June 19th is worth recounting, because it

speaks volumes about North Korea's ability to wear down and outflank U.S. negotiators.

For years it was the Clinton Adminstration's policy that it would end the U.S. embargo of North Korea only in connection with a binding agreement in which North Korea promised to end missile prolieration. The prospect of ending the embargo was the principal inducement that the U.S. negotiators had to offer the North Koreans for such a deal.

But on August 31, 1998, North Korea test fired a three-stage long range Taepo Dong missile across Japan, and the Japanese became very angry. So angry, in fact that they threatened to end their financial support of the Agreed Framework with North Korea—the 1994 agreement in which the Clinton Adminstration promised to give North Korea two advanced nuclear reactors worth approximately $5 billion in exchange for a ''freeze'' of North Korea's nuclear program.

The Clinton Administration became so alarmed about the risk of Japanese withdrawal from the Agreed Framework that it made the prevention of any more missile tests by North Korea its highest priority. Over the next year, the Administration negotiated diligently, and on September 12, 1999, it announced that North Korea had agreed to a temporary moratorium on further missile tests. In exchange for the moratorium, the Clinton Administration pledged that it would end the U.S. embargo of North Korea.

The Administration had, in other words, given away its leverage on the issue of missile proliferation for a temporary deal on missile testing. The U.S. negotiators charged with getting an agreement ending North Korean proliferation were left with no meaningful inducements to offer the North Koreans.

The Clinton Administration did not immediately end the embargo. For nine months, it held off doing so in the hope that a promised ''high level visitor'' from North Korea would come to the United States to formalize the moratorium on missile testing. No such visitor ever materialized, and the moratorium was never formalized, but on June 19, 2000, the Administration relented and ended the embargo anyway. In exchange, the North Koreans agreed to participate in another round of talks about missile proliferation.

The U.S. negotiators went to the talks with no meaningful inducements to offer, so the North Koreans boldly requested one: they offered to stop missile proliferation in exchange for $1 billion per year in cash from the United States.

The U.S. negotiators rejected this offer out of hand, but the North Korean request illustrates a broader truth: now that the Clinton Administration has effectively normalized economic relations with North Korea, it will have to come up with some other massive bribe in order to make progress on missile proliferation. Such a bribe can only help shore up the North Korean regime and strengthen its grip on power.

The North Korea Nonproliferation Act tries to overcome this dilemma by restoring the linkage between normalized economic relations with the United States and good behavior by North Korea with regard to proliferation. The bill does not reverse the Administration's decision to end the embargo, but it would require reimposition of the embargo in two circumstances: (1) if North Korea violates the missile testing moratorium, or (2) if it proliferates to a state sponsor of terrorism or a country that has tested long range missiles built with North Korean goods or technology.

The legislation provides the President a national interest waiver that he may exercise to promptly terminate the embargo of North Korea if it is reimposed pursuant to this legislation.

The effect of the legislation, therefore, is to underscore to the North Koreans that they cannot continue to proliferate dangerous weapons technologies to the world's most odious governments without paying a price in their relationship with the United States.

I am pleased to be joined in offering this legislation by some of the leaders within the Congress on the issue of proliferation: Congressman ED MARKEY (D-MA), co-chair of the House Nonproliferation Task Force, Congressman JOE KNOLLENBERG (R-MI), and Congressman FRANK PALLONE (D-NJ).

SUMMARY OF H.R. 4860

NORTH KOREA NONPROLIFERATION ACT OF 2000

1. Reports to Congress.—The President shall submit a report to Congress every six months identifying all instances in which there is credible information that North Korea has—

(a) taken an action inconsistent with North Korea's obligations under—

(1) the agreement with the United States of September 12, 1999, to suspend launches of long range missiles, or

(2) any future international agreement in which North Korea agreed to limits on its testing, deployment, or proliferation of missiles or missile technology; and

(b) transferred to a foreign country, on or after the date of enactment, goods, services, or technology listed on a nonproliferation control list (i.e., NSG, MTCR, Australia Group, CWC, and Wassenaar control lists).

2. Discretionary Reimposition of Sanctions.—The President is authorized to reimpose any or all of the restrictions on commerce with North Korea that were in place under the Trading With the Enemy Act, the Defense Production Act, and the Department of Commerce's Export Administration Regulations prior to September 12, 1999, if a semiannual report to Congress under this Act indicates that there is credible information that, on or after the date of enactment, North Korea transferred to a foreign country goods, services, or technology listed on a nonproliferation control list (i.e., NSG, MTCR, Australia Group, CWC, and Wassenaar control lists).

3. Mandatory Reimposition of Sanctions.—In addition, the president shall reimpose all of the restrictions on commerce with North Kroea that were in place under the Trading With the Enemy Act, the Defense Production Act, and the Department of Commerce's Export Administration Regulations prior to September 12, 1999, within 10 days of submitting a semiannual report to Congress under this Act indicating that there is credible information that North Korea has—

(a) taken an action inconsistent with North Korea's obligations under—

(1) the agreement with the United States of September 12, 1999, to suspend launches of long range missiles, or

(2) any future international agreement in which North Korea agreed to limits on its testing, deployment, or proliferation of missiles or missile technology; or

(b) transferred, on or after the date of enactment, goods, services, or technology listed on a nonproliferation control list (i.e., NSG, MTCR, Australia Group, CWC, and Wassenaar control lists) to—

(1) any country listed on the U.S. list of state sponsors of terrorism, or

(2) any country that has tested a long-range missile incorporating goods or technology knowingly transferred to such government by North Korea.

4. Determination that North Korea Did Not Knowingly Act.—-In the case of any action by North Korea that otherwise would require the President to reimpose restrictions on commerce with North Korea, that requirement shall cease to apply if the President determines and reports to Congress that there is substantial doubt that North Korea knowingly took that action.

5. National Interest Waiver.—In any instance in which the President was required by this Act to reimpose restrictions on commerce with North Korea, he may, not less than 30 days after reimposing such restrictions, and following consultation with Congress, waive the continued imposition of such restrictions if he determines and reports to Congress that such waiver is important to U.S. national security interests of the United States.

6. Authorities of the President if North Korea Enters A Binding International Agreement Regarding Missile Proliferation.—If North Korea enters a binding international agreement that satisfies United States concerns regarding the transfer by North Korea to other countries of missiles and missile technology, the President is authorized to—

(a) support the commercial launch in the United States or other countries of satellites for North Korea; and

(b) waive sanctions that are in place against North Korea pursuant to U.S. missile technology and other nonproliferation legislation.

TRIBUTE TO DR. PATRICIA GABOW ON RECEIVING THE 2000 DR. NATHAN DAVIS AWARD

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 18, 2000

Mr. McINNIS. Mr. Speaker, it is a privilege and an honor to have this opportunity to pay tribute to Patricia A. Gabow, MD, for receiving the 2000 Dr. Nathan Davis Award presented by the American Medical Association. Dr. Gabow's work as CEO and Medical Director of Denver Health has earned her recognition as one of our nation's most committed proponents for the medically underserved and deserves the praise and recognition of this body.

If ever there were a person who embodied the spirit and service of the medical profession, it is Dr. Gabow. Dr. Gabow received her medical degree for the University of Pennsylvania School of Medicine. She began her medical career in Denver in 1973, when she joined the staff of Denver Health and Hospitals as Chief of the Renal Division. Throughout her medical career, Dr. Gabow has received worldwide recognition as an authority on renal disease, however it is her leadership in developing health care programs for Colorado's underserved that have made her worthy of this eminent award.

Perhaps one of her most prestigious accomplishments was when Dr. Gabow assisted the Denver Health Medical Center overcome a $36 million deficit to expand their services to Medicaid patients, namely the underserved children of the community. This triumph nearly doubled the amount of Medicaid recipients served at a time when other health care facilities were struggling to assist other patients.

Not only has Dr. Gabow helped foster strong care giving facilities, but she has also been influential in community health programs, AIDS prevention and treatment, and infectious disease control, just to name a few.

As Dr. Gabow celebrates her award, Mr. Speaker, I salute her dedication to public service. My thanks to her on a job well done. Congratulations!

MEMORIAL DAY SPEECH BY MIKE CARONE, KOREAN WAR VETERAN

HON. DONALD A. MANZULLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 18, 2000

Mr. MANZULLO. Mr. Speaker, on Memorial Day 2000, a constituent and Korean war veteran, Mr. Mike Carone, gave the following speech during ceremonies in McHenry, Illinois:

On June 25 of this year, it will be 50 years since Truman's police action—the Korean War—began. It lasted three years, until July 27, 1953, when an armistice was affected by President Eisenhower.

It was a United Nations action that included 20 countries. We were a major participant with seven Army divisions, four Army regiments and one Marine division on the ground with participation from both Navy and Air Force. One-and-a-half million Americans served in Korea during the three years of the war, and 200,000 of them engaged in combat during that period.

It signaled the beginning of the end of communist expansion in Asia and the end of the Cold War because we actively resisted and stood our ground. The United Nations, including the South Korean Army, lost one-quarter million lives. Thirty-six thousand American lives were lost in combat, of which over 4,000 were Marines. Total United Nations wounded totaled over one million. Over 100,000 Americans were wounded in action, of which 24,000 were Marines.

Today, there are still 8,100 Americans missing in action.

Hardly a police action.

I dare say there is hardly a page or even a paragraph written about the Korean War in the history books our children read.

I was getting out of Marine boot camp at Parris Island when it started and remember the drill instructors trying to find out where Korea was at. Korea was called the ''Forgotten War'' because it started five years after the Second World War and our country was in a peacetime mode. World War 11 vets came home, got a job, got married, bought a house and car and had babies. But the Russian and Korean communists, with approval of the Chinese communists, were not in a peacetime but an aggressive expansionist mode and invaded South Korea.

Our country at that time was war-weary and, after the Korean War started, wanted it to end quickly so they (we) could forget it. That wasn't the communist plan, and the Chinese entered the war with infinite human resources. Over 1,000,000 communist forces lost their lives, and they failed to expand communism in Asia.

I was a machine gunner in ACO 1st Battalion 5th Regiment of the 1st Marine Division from January 1951 to January 1952 and earned four Battle Stars. Many Marines were killed and wounded during that year. It was and is Marine Corps tradition that our dead and wounded are never left behind—sometimes at the cost of the living.

I remember when our battalion would be relieved for a few days rest, sometimes every one-and-a-half to three months. We would assemble in formation, and the names of those killed-in-action during the previous engagement would be read. Sometimes it took 10 minutes, and other times it would take 45 minutes to read the list. Then the bugler would sound taps to honor the dead as we will do later today.

I, like many Korean War veterans, eventually returned to civilian life, got a job, got married, went to college, bought a house, had kids and tried to put the war experiences behind us but could never forget our buddies who were killed or later died of their wounds.

Thirty years after the Korean War, I could no longer suppress those memories and became active in veteran organizations and attempted to find those Marines that I served with in the Korean War. I have found some of them, we talked about those war experiences we shared and tried to put to rest those memories.

Today, 49 years after the Korean War, those war experiences have dimmed, but I shall never forget those I knew who gave their lives in many of the battles in that faraway land so long ago.

In conclusion, let us never forget those who gave their lives in that forgotten war who were never forgotten by their families and buddies, and that they be remembered by us along with all the American veterans who gave their lives in all the wars our country fought in defense of our freedom.

INTERNET GAMBLING PROHIBITION ACT OF 2000

SPEECH OF

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, July 17, 2000

Mr. PAUL. Mr. Speaker, I rise in opposition to the Internet Gambling Prohibition Act of 2000 for several reasons. The bill threatens Internet privacy, invites Federal Government regulation of the Internet and tramples States' rights.

H.R. 3125 establishes a precedent for Federal content regulation of the Internet. By opening this Pandora's box, supporters of the bill ignore the unintended consequences. The principle will be clearly established that the Federal Government should intervene in Internet expression. This principle could be argued in favor of restrictions on freedom of expression and association. Disapprove of gambling? Let the government step in and ban it on the Internet! Minority rights are obviously threatened by majority whims.

The bill calls for Federal law enforcement agencies, such as the Federal Bureau of Investigation, to expand surveillance in order to enforce the proposed law. In order to enforce this bill (should it become law), law enforcement would have to obtain access to an individual's computer to know if one is gambling online. Perhaps Internet Service Providers can be enlisted as law enforcement agents in the same way that bank tellers are forced to spy on their customers under the Bank Secrecy Act? It was this sort of intrusion that caused such a popular backlash against the ''Know Your Customer'' proposal.

Several States have already addressed the issue, and Congress should recognize States' rights. The definition of ''gambling'' in the bill appears narrow but could be ''reinterpreted'' to include online auctions or even day trading (a different sort of gambling). Those individuals who seek out such thrills will likely soon find a good substitute which will justify the next round of federal Internet regulation.

AN ETHICAL QUESTION FOR HOSPITALS AND MEDICAL CORPORATIONS

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 18, 2000

Mr. KUCINICH. Mr. Speaker, today I speak about the question: should hospitals and medical corporations be held to a higher standard of ethics and social responsibility than other corporations? To answer this important question I refer to the Constitution of the United States. In the Preamble we read that the basis of this great country rests in part in the words ''promote the general Welfare.'' This is the essence of what we are about and what should be considered in all moral and ethical arguments concerning public policy. I will use this premise in my answer to the question: Should hospitals and medical corporations be held to a higher standard of ethics and social responsibility than other corporations?

From the earliest written history the role of the ''healer''—or medical doctor in our modern terms had a special role. The Code of Hammurabi, which was practiced in Sumeria and Babylonia, clearly stipulated the physical penalties to be inflicted on the ''healer'' in cases of failed surgery. For example the Code states, ''If a doctor operates on the eye of a gentleman, who loses his eye as a consequence, the hands [of the doctor] shall be cut off.'' This is a clear statement of medical responsibility and its consequences.

This is indicative of the value of human life and special responsibility of physicians. The Hippocratic Oath, taken by medical doctors at the end of their medical studies, states existence of a special relationship between the patient and the physician. In previous times, the physician was held in great respect, not because of the economic status, but because of the respect for the learned arts that the physician was trained in. This is the basis of the unique relationship between the patient and the ''healer.''

I am greatly concerned that in recent times this special relationship between the patient and the physician has radically changed. For example, I cite the concept of a distributive ethic which is widely promoted and used by health maintenance organizations. The distributive ethic may be stated as the principle to provide the greatest good for the greatest number of patients within the allotted budget. The problem is that it is not possible to simultaneously provide optimal care for an individual patient and for the entire group of patients at the same time. This is an example of the change in the relationship between the patient and the physician that has occurred with the development of our new business models to deliver health care; i.e. HM0's.

An example of the business practices of HMO's that are in conflict with the former respectful, sacred relationship between the patient and the healer is the use of a fixed sum of money for the annual care of a group of patients. If the physician can reduce the referrals

to specialists, which would rapidly deplete the fund allocated by the HMO for the patient pool, then the physicians can take the remaining funds for themselves. How can anyone consider that this current business practice is in the interest of the patient?

Another area of current medical business practice is the financial involvement of the physician in the pharmaceutical industry. How can a clinical study be considered unbiased when the principle investigator is a share holder in the corporation that is financing the clinical study?

Can a corporation that owns a series of clinics and hospitals in a neighborhood decide to close one or more of them on the grounds that this will decrease competition? Is a hospital to be viewed in the same ethical way as any other corporation? As a extension of the patient-physician relationship and it special and sacred relationship that has existed from ancient time, it follows that the corporation that owns a hospital has a moral obligation to promote the general welfare.

In summary, current business models and practices are not consistent with the ideal ''to promote the general Welfare.'' Hospitals and HMO's have a unique role in our society, and with that unique role come unique responsibility. I believe that the only conclusion that reasonable people can hold is that hospitals and medical corporations must be held to a higher standard of ethics and social responsibility than other corporations.

NATIONAL AGRICULTURAL COMMUNICATORS OF TOMORROW CELEBRATES 30 YEARS

HON. LARRY COMBEST

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 18, 2000

Mr. COMBEST. Mr. Speaker, I rise today to recognize the National Agricultural Communicator of Tomorrow for celebrating 30 years. This organization, comprised of college students from across the nation, plays an important role in developing skills students need to excel in the communications field. ACT provides students with the opportunity to network with ag communications professionals and attend seminars and meetings to learn more about possible career choices. Individuals with an agricultural communications degree have the task of educating and informing the public about agriculture. As Chairman of the House Committee on Agriculture, I know firsthand the value of having such advocates and voices promoting American agriculture, and ACT gives students a chance to expand upon these abilities.

Twenty-three students from seven universities formed ACT in July 1970 at Cornell University in Ithaca, New York. Currently, ACT has grown to include 21 chapters with over 351 members nationwide, including a chapter in Puerto Rico.

Many professional communication organizations support ACT. These ''parent organizations'' provide guidance, act as mentors, and serve as a resource for students to utilize when looking for employment. The National ACT organization holds a national convention each year in conjunction with one of its parent organizations and is participating in the U.S. Agricultural Communicators Congress occurring in Washington, DC July 23–26. At the convention, students are given the opportunity to compete in contest categories such as black and white photography, feature story writing, page layout and design, video editing, and present a public relations campaign. These contests allow students the opportunity not only to compete, but to showcase their work to future employers.

ACT has been instrumental in preparing our students for the future. As the population continues to grow and fewer people are involved with production agriculture, it is imperative that organizations like ACT play a prominent role in educating consumers. ACT members have the ability to inform the public about the value, diversity, and importance of American agricultural products in today's society.

I want to recognize the National Agricultural Communicators of Tomorrow on their 30th birthday, applaud them for their outstanding achievements, and wish them continued success in all of their activities.

INTRODUCTION OF H.R. 4857

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 18, 2000

Mr. MATSUI. Mr. Speaker, I am pleased today to join with Congressman SHAW to introduce bipartisan legislation to help restrict the use of individuals' Social Security Numbers by both the public sector and the private sector. Our legislation builds upon a number of bills introduced by House Democrats earlier this session. I'd like to thank Congressmen ED MARKEY, GERRY KLECZKA, and BOB WISE for their contributions on the privacy protection issue and for introducing exemplary legislation on the topic this Congress.

The Social Security number is almost as old as the program itself. Created in 1936 to keep track of workers' earning records, the uses of the Social Security number have since extended far beyond its original intent, to the point where it is now commonly used as a personal identifier.

Indeed, the Social Security number is increasingly used as the key to unlocking some of people's most vital—and most private—financial information. Its prevalence in today's society helps facilitate the host of private and public transactions in which people engage every day. That same prevalence, however, leaves people exceptionally vulnerable when their SSN's fall into the hands of those who wish to exploit that information for their own gain.

While we should be aware of the contributions that the use of the SSN makes to program administration and to business efficiency, we must be careful that we do not allow some of our most fundamental rights—the right to privacy and the right to control our personal information—to be abridged in the name of expediency. Our legislation strikes the correct balance.

Our bill would prohibit Federal, State, or local government entities from selling lists of people's SSN's and would prohibit government entities from displaying SSN's to the general public—for example, on drivers' licenses or on government checks.

Just as importantly, our bill would restrict private businesses' use of the SSN. Just as the Clinton Administration proposed earlier this year, our bill would authorize the Federal Trade Commission to ban the inappropriate sale or purchase of Social Security numbers.

Our bill also prohibits businesses from requiring that you disclose your Social Security number in order to do business with them.

Just as our bill enhances privacy protections, it also provides new protections for Social Security beneficiaries who rely on representative payees to manage their finances.

Social Security beneficiaries who rely on representative payees to receive their benefits and to complete financial transactions on their behalf represent some of the most vulnerable members of our society. They are the very young, the very sick, and the very old. They are individuals who live in nursing homes and in State mental hospitals.

Thus, when representative payees misuse the funds that have been entrusted to their care, they are not simply defrauding the Social Security Trust Funds—they are harming the very people that Social Security was designed to help.

Our bill would help prevent the misuse of beneficiaries' funds and would make it easier for beneficiaries to be compensated in the event that their funds are misappropriated. Our bill would require SSA to re-issue benefit payments to beneficiaries in all cases in which ''fee-for-service'' representative payees have misused the funds entrusted to their care; strengthen the requirements fee-for-service organizations must meet in order to act as a representative payee; prohibit organizations from receiving fees for serving as a representative payee for any month in which that organization is found to have misused beneficiaries' funds; and finally, treat any misused benefits as an overpayment to the representative payee and, therefore, allow SSA to use the collection tools at its disposal to recover such overpayments.

I want to thank my colleagues again for this bipartisan effort and I urge my colleagues to join us as cosponsors of this important legislation.

A TRIBUTE IN THE MEMORY OF MARSHA CORPREW OF OAKLAND, CALIFORNIA

HON. BARBARA LEE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 18, 2000

Ms. LEE. Mr. Speaker, I rise with a great sense of loss as I pay tribute to Ms. Marsha Corprew, a prominent Oaklander and educational leader, who left us on July 3, 2000 at the age of 51.

Ms. Corprew was a resident of the West Oakland community for all her life. After graduating from Oakland public schools, Ms. Corprew attended Merritt Community College and California State University, Hayward. She completed her class work at the University of Hawaii and the University of California, Berkeley. After her years of education, Ms. Corprew returned to the community and through the course of her life, she donated a generous amount of time and energy to keeping her community alive.

After her education, Ms. Corprew went on to teach and counsel youth at McClymonds High School, Elmhurst Junior High School, and in a number of Oakland's public school programs. In addition to her educational efforts, she served as a volunteer to a number of community organizations concerning Oakland's educational and political life.

For 22 years, Ms. Corprew served as a volunteer on the Oakland Parks and Recreation Commission. During that time, she was also an officer for the Oakland Education Association, the National Association for the Advancement of Colored People, Black Political Action Committee, Friends of Parks and Recreation, and the Alameda County Education Association.

Through the course of the last two decades, Ms. Corprew's contributions have been honored. She won the Peralta College Chancellor's Award in 1987 and College Bounders Award in 1983 for her volunteer work.

She will be missed by her family, friends, colleagues and the community. At Ms. Corprew's request no funeral was planned, but a ''Celebration of Life'' in her honor will be held on July 19, 2000, at the Lakeside Park Garden Center.

THE SCIENTIFICALLY-BASED EDUCATION RESEARCH, EVALUATION, STATISTICS AND INFORMATION ACT OF 2000

HON. MICHAEL N. CASTLE

OF DELAWARE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 18, 2000

Mr. CASTLE. Mr. Speaker, today I am pleased to introduce legislation that I believe will vastly improve the quality, relevance, and objectivity of education research, program evaluations and statistical analyses supported through federal funds.

Educators and policymakers must have unbiased, reliable and responsive information to prepare our Nation's children for the challenges of this new century. Unfortunately, the federal government does not have a system in place to ensure that education research and other information is available to those that need it most—our teachers. At the same time, our states and school districts are adopting new accountability measures designed to hold teachers and students to new, higher standards of academic achievement, For these reasons, the need to know what works and what does not has never been greater.

Unfortunately, educators and policymakers have grown wary of education programs and practices that claim to be the ''silver bullet'' to improve student academic achievement until they fall out of favor with the community and a new fad comes along. As a result, schools find themselves blindly following a path they hope will lead to increased academic achievement without knowing if these programs are based on actual scientific research or just a hunch. Unfortunately, these fads not only fail to improve student academic achievement—they can actually be harmful to student learning.

To date, the federal government has done little to lessen this confusion and, in many cases, it has actually made things worse. Just last year, an ''expert panel'' convened by the U.S. Department of Education endorsed ten K–12 math programs as ''promising or exemplary.'' Subsequently, two hundred mathematicians and scientists from leading universities sent a letter of protest to the department because of what they felt were ''serious mathematical shortcomings'' in the endorsed programs.

In fact, these experts were so concerned, they placed full-page advertisements in the nation's leading newspapers. In their collective expert opinion, mathematics instruction would be severely ''dumbed down'' if these particular programs were implemented in our Nation's schools. Despite their concerns, the programs—which lack rigorous scientific examination to validate their claims—continue to be widely disseminated to schools across the country by the Department of Education.

Not surprisingly, the dissemination of unproven or ineffective programs is not a new problem. From 1967 to 1976, the federal government managed the largest education experiment ever conducted in the United States—comparing more than twenty different teacher approaches on more than 70,000 students in more than 180 schools. At the end of the study, all of the programs, those that were successful and those that failed, were recommended for distribution to school districts. In fact, some of these programs, even those that were considered a failure in the study, were rated as ''exemplary and effective.''

While the wide dissemination of programs that have not been validated through scientific research is one problem—the lack of quality in research is also a major concern.

Recently, Congress established a National Reading Panel to evaluate existing research on the most effective approaches for teaching children to read. The panel examined more than 100,000 federally funded studies on reading—some written as far back as 1966. After an exhaustive review, the panel concluded that, of the 100,000 studies, only 10,000 met their standards for academic and scientific rigor.

Simply put, we can no longer tolerate flawed research that fails our children. For this reason, my legislation seeks to ensure the quality and integrity of the federal government's research, evaluation, and statistical activities. Specifically, the ''The Scientifically-Based Education Research, Evaluation, Statistics and Information Act of 2000'' provides clear standards and definitions for the extent of rigor that must be undertaken when conducting education research, evaluation and statistics with federal funds.

Under this Act, the Office of Educational Research and Improvement (currently located within the Department of Education) would be eliminated and replaced with a new national academy that provides the infrastructure for the undertaking of coordinated and high quality educational research, statistics gathering, program evaluation, and information dissemination. The academy would be separate from the Department of Education or any other federal agency as a means of ensuring its activities are carried out with the greatest degree of independence and integrity.

This academy would house three main centers, the National Center for Education Research, the National Center for Program Evaluation and Development, and the National Center for Education Statistics, as well as the National Education Library and Clearinghouse Office.

The National Center for Education Research, which would replace the five existing education institutes, would focus on a limited number of research priorities designed to address educational issues of national importance. Of course, all research funded by the center would be required to meet the rigorous requirements of ''scientifically valid research'' as defined in the legislation.

Next, the National Center for Program Evaluation and Development would provide truly independent program evaluations designed specifically to determine what works and what does not. Currently, the Department of Education is charged with evaluating its own programs and it does not have the incentive to dedicate the resources necessary to conduct high quality evaluations that are able to demonstrate whether programs are actually working.

Finally, the legislation places the existing National Center for Educational Statistics under the academy and outside of the Department of Education. The bill also makes slight changes to the National Assessment Governing Board (NAGB), which would be given full authority to develop the policy and carry out the National Assessment of Educational Progress (NAEP).

As I mentioned earlier, the academy would also house the National Education Library and Clearinghouse Office, which would be responsible for collecting, archiving and disseminating all research, statistics and evaluations undertaken within the agency as well as other education-related materials from other federal agencies and research institutions. This would replace the current maze of federal education clearinghouses that span the Office of Educational Research Improvement and the Department of Education.

In addition to the activities carried out under the new academy, the Department of Education would house an Office of Planning, Performance Measurement, and Technical Assistance, combining the existing functions of several different offices within the department. In addition to short-term evaluations, the office would oversee the implementation of a performance measurement system to measure the quality of education programs.

The office would also oversee a regionally-based grant program which combines funds currently directed to Regional Educational Laboratories, Comprehensive Centers, Regional Technology Centers, and a portion of the funds under the Eisenhower Math and Science Consortium currently used for technical assistance. Each region of the country, as designated by the director of the office, would convene a governing board to determine its unique priorities and to develop a plan for disseminating educational research, providing technical assistance, and carrying out applied research projects. Finally, the office would oversee a state-based grant program to provide high-need schools the opportunity to select their own providers of high quality technical assistance.

Mr. Speaker, by holding education research, evaluations and statistics to new standards of rigor, improving the focus of these activities so they are relevant to the needs of educators and policymakers, and laying the framework for the dissemination of high quality, scientifically valid information—we will improve the

education of our nation's children. I hope Members will join me in support of this important initiative and the historic shift that it represents.

IN MEMORY OF MELVIN LEE THOMAS

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 18, 2000

Mr. STARK. Mr. Speaker, I would like to take a moment to remember a dear friend of the Oakland, California community who has recently passed on.

Melvin Lee Thomas, a great friend, father, and grandfather, was a remarkable member of the Oakland community. A veteran of the United States Marine Corp, he served his country with tremendous loyalty.

Melvin attended several schools in the Oakland area, including John Muir School in Alameda, Clawson Elementary School, Golden Gate Junior High School, and Oakland Technical High School.

Mel, as he was fondly called, served with distinction in the United States Marine Corp from 1958 to 1964. He served with a marine assault battalion in Guantanamo Bay in Cuba during the Cuban Missile Crisis. His family and friends were never so proud or relieved when he returned home unscathed from his service to our nation.

Mr. Thomas was a lover of nature, the outdoors, and the sea. Some of his favorite pastimes were spent on the ocean enjoying its wonders. He loved watching beautiful sunsets from the ocean. Mel enjoyed listening to good music and Jazz was his favorite. He also was an avid reader. He enjoyed the exploration of the world of the mind.

Mel is survived by his only daughter, Nerissa Thomas; his granddaughter, Jordan Mykaela Bess; his three brothers James Keith, Andrew Rodgers, and Anthony Rodgers; and his uncle, John Elsie Byrd.

I ask my fellow colleagues to join me in paying tribute to this great man. Mr. Thomas will truly be missed by all members of the Oakland community. His dedication to his country, family, and friends will not soon be forgotten.

HONORING THE DISTINGUISHED CAREER OF ROBERT ''BUD'' RALSTON UPON HIS RETIREMENT

HON. ROBERT W. NEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 18, 2000

Mr. NEY. Mr. Speaker, I commend the following article to my colleagues:

Bud Ralston has spent his life serving the people. He was born in McConnelsville on March 30th, 1926 and came to Caldwell in 1936 when his father purchased a drugstore which his mother continued to operate after his father's death later that same year.

At the age of 17, Bud joined the U.S. Marine Corp. He served in the 77th Special Infantry Company from 1950 to 1964 and attained the rank of Platoon Sergeant.

In 1948, he returned to Caldwell to help his mother run the drugstore. After his mother's death in 1962, Bud continued to operate the business until 1986. In 1957, he purchased Wehr's Clothing Store, which came to be known as ''Bud's Clothing.''

Bud served as Commander of the Veterans of Foreign Wars and was the first WWII Commander of the 5th District in the State of Ohio.

His community involvement continued as a member of the Caldwell Volunteer Fire Department from 1948–1990, serving as Fire Chief for 18 years. He is a member of the Masonic Lodge, Scottish Rite and Shrine and the United Methodist Church. Bud has also been active with the Board of Directors of the Noble County Chamber of Commerce, of which he served as President, as well as the Caldwell Athletic Boosters.

Since 1992, Bud has served as the mayor of Caldwell. During this time, he has upgraded the sewer and water plants, built the water tower and lines to the state prison and was instrumental in obtaining the Noble Correctional Institution. Additionally, Bud has overseen the pavement of many streets and alleys, planted over 250 trees, installed new water lines to surrounding areas and helped the village become a showplace in the Revitalization Project.

Mr. Speaker, I ask that my colleagues join me in honoring the career of Bud Ralston. His lifelong service and commitment to the region is to be commended. I am proud to call him a constituent and a friend.

ETHICAL CONCERNS WITH THE HUMAN GENOME PROJECT

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 18, 2000

Mr. KUCINICH. Mr. Speaker, today I speak about some ethical concerns with the human genome project. The recent announcement of the rough draft of the human genome presents another milestone in the recent human enterprise that we call science. The question before us today is the societal consequences of this new development. The role of government is to promote the public good, and to this end it is necessary to address the public concerns related to the human genome project. These concerns may be divided into the following topics: (1) reverence for life, (2) privacy concerns, (3) intellectual property concerns, (4) modification of the genetic code of individuals, and (5) the public's access to data derived from a publicly funded project.

The propensity for people to use science and technology to pursue their ideology is well documented in the eugenics and sterilization movements that occurred in both the United States and in Nazi Germany. Shall the data from the human genome project be used to terminate the birth of individuals who may express genes for childhood diseases?

Government laws that address the concern of individual privacy must be modified to include protection of both the individual's genetic code as well as other types of privacy. The President issued an Executive Order to protect an individual's privacy in both hiring and promotion in the civilian federal work force. These actions are to be applauded. Individual protections should be much broader; all countries should agree to an international law on human genetic privacy.

The United States Patent and Trademark Office must strike a balance between its Constitutional mandate to promote science and the useful arts, and its role in protecting the general public good. Under the current system, it is possible to patent a gene without a knowledge of the gene's function. This may not be in the public good since it will tend to hinder private sector research to cure diseases.

There are great ethical concerns about the use of the technology to modify an individual's genetic code. We are familiar with the abuse of medical intervention, specifically injections of human growth hormone to alter a child's stature. Parents choose this intervention because they perceive that taller children would be at an advantage. Will some parents similarly choose to modify their genetic code in order that their prodigy will be similarly ''advantaged.'' Will we modify the genetic code of parents to produce a new ''master race''?

Another important public concern whether or not the public will have access to the data derived from a publicly funded project. It would be consistent with the promotion of the public good that everyone have access to the results of the human genome project.

Finally, we recognize that humankind is more than its genetic code. While science can inform us what is, and what can be, the humanities, religion, and ethics informs us how we shall be and what we shall be. Government oversight has an important responsibility to insure and safeguard the public good. While I applaud the human achievement, a truly international enterprise, in the ''reading'' of the human genome, I urge everyone to address with deep thought and human compassion the important societal consequences that I have enumerated.

TRIBUTE TO TEXAS BOYS RANCH OF LUBBOCK

HON. LARRY COMBEST

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 18, 2000

Mr. COMBEST. Mr. Speaker, I rise today to recognize Texas Boys Ranch of Lubbock in celebration of their 25th Anniversary Telethon on August 26th, 2000. Texas Boys Ranch provides adolescent boys of the South Plains an opportunity to realize their dreams and reach their goals.

The Texas Boys Ranch began in 1975 as a way for community leaders to minister to the lives of troubled youth. For 25 years, Texas Boys Ranch has served over 400 boys and young men from all walks of life. Texas Boys Ranch is a working ranch with cattle, hogs, horses, and ponies. In addition to their full academic schedules, the boys live on the ranch and are required to preform chores in their cottages and on the ranch. Texas Boys Ranch also offers a unique program to young men age 17 or older. The Independent Living Program allows these men to live at the Ranch's Cottage III, where they are given the responsibility to make choices regarding their day to day lives.

For the past 25 years, the Texas Boys Ranch has provided boys and young men of the South Plains with a stable environment in

which to grow and develop. Generous contributions from individuals, churches, businesses, and foundations, as well as reimbursement by the Texas Department of Protective and Regulatory Services, provide the funding for Texas Boys Ranch. A recent capital campaign led to a much needed renovation project of cottages, Dinning facilities and infrastructure at the Ranch. The Silver Anniversary Telethon is yet another opportunity for the community to help the Texas Boys Ranch in influencing the lives of young men.

At a time in our nation when young people have more obstacles and challenges growing up, and fewer quality role models, Texas Boys Ranch serves as a positive and stabilizing force in the lives in many young men. The success story of Texas Boys Ranch demonstrates how communities can come together and reach out to the needs of our young boys.

SERVICE 1ST CREDIT UNION CELEBRATES 25TH ANNIVERSARY

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 18, 2000

Mr. KANJORSKI. Mr. Speaker, I rise today to pay tribute to the members and employees of the Service 1st Federal Credit Union in Danville, Pennsylvania, on the occasion of the credit union's upcoming 25th anniversary.

Service 1st was originally known as Geisinger Federal Credit Union when it was founded in August, 1975, by several employees of Geisinger Medical Center who saw the need to provide a financial services alternative to their fellow workers. The name change was made to reflect the expanded field of membership and the credit union's commitment to all of its members.

Over the years, the credit union has grown into a full-service financial institution with membership expanded well beyond the employees of the Geisinger Health System. With branches in Wilkes-Barre, Lewisburg and Selinsgrove, Service 1st now provides service to more than 150 employee groups, including workers at Bucknell University, Susquehanna University, and Tri-County Farm and Home Supply.

Service 1st also has a unique program, headed by Kathy Linn, chair of the board, that allows students at Danville Area High School to join and work in a branch that is based right in the high school.

Service 1st has come a long way since its founding 25 years ago and is now a well-established credit union with more than 13,000 members and more than 450 million in assets. In June, Service 1st opened its new headquarters in Danville at 1027 Bloom St., complete with a drive-up ATM and drive-through teller service as well as expanded business hours inside the lobby.

Mr. Speaker, Service 1st and its strong commitment to its members serve as a good example of why I and others in the Congress worked to enact the Credit Union Membership Access Act that President Clinton signed into law in 1998. Credit unions serve an important purpose as a non-profit provider of financial services to millions of Americans.

Pennsylvania in particular has the highest proportion of credit union membership of any state in the nation, with one out of every four Pennsylvanians belonging to a credit union.

I send my best wishes to the members and employees of the Service 1st Federal Credit Union on their 25th anniversary and my wishes for continued success.

PERSONAL EXPLANATION

HON. JULIA CARSON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 18, 2000

Ms. CARSON. Mr. Speaker, I was unavoidably absent yesterday, Monday, July 17, 2000, and as a result, missed rollcall votes 401 through 404. Had I been present, I would have voted Yes on rollcall vote 401, Yes on rollcall vote 402, Yes on rollcall vote 403, and No on rollcall vote 404.

PERSONAL EXPLANATION

HON. KAY GRANGER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 18, 2000

Ms. GRANGER. Mr. Speaker, due to a travel delay in returning from my district, I was not present for rollcall votes last evening.

Had I been present, I would have voted ''yea'' on rollcalls 401, 402, 403, and 404.

TRIBUTE TO GOLDY S. LEWIS

HON. GARY G. MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 18, 2000

Mr. GARY MILLER of California. Mr. Speaker, it is with great pleasure that I celebrate the achievements of Goldy S. Lewis, of Rancho Cucamonga, California.

Mrs. Lewis has been active in the real estate and home building industry in Southern California for 45 years. She is the co-founder of Lewis Homes, a company distinguished for its commitment to qualify housing. Since 1955, she has served as their Director and Executive Vice President, and she currently holds the position of Managing Partner. Mrs. Lewis has also been actively involved with Lewis Construction Company, Inc., Lewis Building Company, Inc. Las Vegas, Republic Sales Company, Inc., Kimmel Enterprises, Inc., Foothill Investment Company, and the Republic Management Company.

As a result of her leadership, insight, and vision, the Lewis Operating Corporation has built 56,773 homes, 7,000 apartments, 3,000,000 square feet of retail, office and industrial space, and developed 15,000 acres of land. Their quality work has netted numerous awards including a 1st Award of Distinction from American Builder Magazine and the Builder of the Year Award from Professional Builder Magazine.

Mrs. Lewis has also been honored for her contributions to her community. She is the recipient of the West End YMCA Homer Briggs Service to Youth Award, the City of Hope Spirit of Life Award, the National Housing Conference ''Housing Person of the Year Award,'' and the California 25th Senate District Woman of the Year Award.

Mrs. Lewis recently celebrated her 79th birthday, and she remains an active and energetic business leader. In fact, she still attends to her responsibilities in the office every day.

Goldy S. Lewis has long been admired and respected by home builders throughout Southern California and she is deserving of the accolades of this Congress.

HONORING DENVER'S NATIONAL JEWISH MEDICAL AND RESEARCH CENTER

HON. BOB SCHAFFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 18, 2000

Mr. SCHAFFER. Mr. Speaker, today I honor Denver's National Jewish Medical and Research Center. For the third straight year, U.S. News & World Report has rated National Jewish as the top hospital in the United States for treatment of respiratory disorders.

Denver's National Jewish Medical and Research Center, one of the preeminent health care institutions in the world, has also proven itself to be a global leader in the research and treatment of lung, allergy and immune diseases. Recently, National Jewish completed its centennial celebration, ushering in a second century of providing health care, comfort, education and hope to both children and adults suffering from asthma, emphysema, tuberculosis, severe allergies and autoimmune diseases, such as lupus.

The U.S. News & World Report ranking is part of the 2000 ''America's Best Hospitals'' guide published by the weekly newsmagazine. Based on surveys of 150 board-certified respiratory specialists, National Jewish received the best reputational score of any of the 50 hospitals listed for respiratory disease treatment.

Mr. Speaker, I congratulate Denver's National Jewish Medical and Research Center for their outstanding rating and their dedicated and sustained service to those in need.

FOREIGN OPERATION, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 2001

SPEECH OF

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 12, 2000

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4811) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2001, and for other purposes.

Mr. KUCINICH. Mr. Chairman, I rise in reluctant opposition to the amendment offered by the gentlewoman from California. She has been a champion of justice in the developing world. She had been an advocate of American responsibility in the developing world. I know

that she offers her amendment with those noble intentions.

While I strongly agree with the intentions, I must oppose the means. Unless debt relief is de-linked from a requirement of countries to follow IMF economic policies, the main beneficiary of Congressional funding for debt relief is the IMF. That is because the IMF will receive control of hundreds of millions of taxpayer dollars, while poor countries will have to follow IMF dictates about government spending, health and education policy, monetary policy, and privatization.

The IMF deserves much of the blame for the poverty, environmental degradation, and unemployment of heavily indebted poor countries, since it has been telling them what they could and could not do for decades. If the U.S. gives a real gift to the world's poorest countries, it should be freedom from the IMF's structural adjustment programs.

Indeed, that is what civic leaders from developing countries are asking for Lidy B. Nacpil of Jubilee South, a coalition of Jubilee 2000 campaigns from Africa, Asia-Pacific, Latin America, and the Caribbean sent a letter to the Appropriations Committee. In the letter, Congress was asked to ''oppose authorization of any funding mechanism that would empower the International Monetary Fund and World Bank to condition debt relief on adherence to macroeconomics and related structural adjustment programs. The effective imposition of these policies on our countries by the IMF, the World Bank and the other international financial institutions has had a devastating impact on large segments of our population, on our natural environments, as well as on our productive and reproductive capacities of our societies * * * It is the adjustment policies themselves, as the cause of our social, economic, and financial crises, which must be addressed.''

Appropriations for the IMF and World Bank should be conditional. The IMF and World Bank should no longer be able to impose structural adjustment programs over the economic choices and options of developing world countries. Otherwise, we are deceiving ourselves that our good intentions will lead to good results. Indeed, the only time Congress can promote reform at the IMF and World Bank is when those institutions have a request for funds before us. As multilateral institutions, they are not directly subject to wishes of Congress. Instead, the U.S. has a representative at each institution who works, according to Treasury, at developing consensus among the other nations' representatives. The only moment when the IMF and World Bank are susceptible to the unmediated wishes of Congress is when they come to Congress for funds. Then Congress is able to condition release of such funds on changes in IMF and World Bank practices.

Unfortunately, this amendment, however well-intended, places no new conditions on the IMF and World Bank. In fact, there is no requirement that the IMF and World Bank actually give any debt relief. Congress cannot take for granted that the funds we appropriate for debt relief will make a difference for the world's poorest citizens we hope to help. Congress has appropriated or authorized hundreds of millions of dollars to the IMF and World Bank in the past for debt relief, but almost none of it has been passed through to the poor countries as relief.

Again, Congress is being asked to give hundreds of millions of dollars to an IMF and World Bank administered account. That is the only certain thing Congress is being asked to do. For the amount, let us set aside the obvious question of the IMF's and World Bank's sincerity. If Congress sends the IMF and World Bank funds for the goal of relieving the foreign debt burden, we should ask what the IMF and World Bank require of poor countries to qualify for the debt relief.

According to the IMF and World Bank, it is not simply enough that a country be poor to qualify for debt relief. On the contrary, to qualify, countries must impose all sorts of harsh economic medicine to their countries. They must privatize national businesses. They must deregulate their banking industry; they must impose fees on social services—making the poor residents of poor countries pay for basic education and health services. They must be willing to allow the largest corporations in the world to take over ownership of their economies. They must open up their forests and minerals to large multinational corporations. They even sometimes have to oppose increases in their minimum wages. The IMF and World Bank then evaluate the countries' compliance with these painful prescriptions, and wait several years to see if the countries are repressive enough to make these policies stick.

If the IMF and World Bank wanted to relieve the debts of the world's poorest countries, they could do so immediately and without any additional funds from Congress. The General Accounting Office has simply reported to Congress about the adequacy of IMF accounts. The cause of debt cancellation does not require further Congressional funds. The IMF and World Bank clearly do not want to cancel the debt of poor countries.

Unlike the IMF and World Bank, I am in favor of immediate, 100 percent debt cancellation for the world's poor countries. If Congress is to make a real difference in the lives of the world's poorest, it must put a stop to IMF and World Bank structural adjustment programs when these institutions ask for funds from Congress.

DON'T FORCE A BAD DEAL AT CAMP DAVID

HON. TOM DeLAY

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 18, 2000

Mr. DELAY. Mr. Speaker, securing a just and enduring peace in the Middle East is a paramount goal of the United States and vital to our national interests. I sincerely hope that the day will come when the region is a stable, peaceful home of emerging democracies and U.S. allies.

The ongoing dialogue about the future relationship between Israel and its neighbors in this volatile region is essential if a true peace is ever to be realized. The current talks may be a meaningful step toward achieving our common goal.

However, I am concerned that the pressure to reach a deal—any deal—will outweigh that of securing a good one. A deal for deal's sake is not in the interest of Israel or the United States, nor is it in the interest of long-term peace and stability in the Middle East. In this volatile region, a flawed agreement that produces greater instability would be worse than the status quo.

Accordingly, American leaders must not abuse our unique relationship with Israel to force acceptance of destabilizing strategic concessions. True peace can only be obtained if both sides are confident that they are negotiating freely and in the interest of their people—free from outside pressures. I was quite alarmed to hear the Administration's spokesman stating that there is tension between the two sides due to the President's pressure on negotiators to come up with an agreement. Clearly, Israel should not be forced to negotiate away what's in its best interests to accommodate the political interest of any group.

Israel has been a longtime ally of the United States. The struggle of the Israeli people to maintain their sovereignty and security from hostile neighbors has been long and valiant. As Americans, we recognize their struggle is also our own—that beyond our strong ties of kinship, a strong and secure Israel is undoubtedly in America's best interest. An Israel with secure boundaries, free from threats or acts of war, is essential to long-term peace and stability in the region.

Over the last 50 years, Israel has shown its willingness to work with its neighbors to find peace, sometimes successfully—sometimes not—but in all cases the outcome was contingent on the determination of both sides to truly secure peace.

At this time, it is unclear to me that this is the case in these negotiations. In fact, the threat of the Palestinians to unilaterally declare statehood on September 13, regardless of the status of negotiations, call to question their commitment to peace and respect of Israel's autonomy and security. Any attempt by the Palestinians to unilaterally declare an independent state would have severe consequences to the relationship between the U.S. and the Palestinians. Make no mistake, this Congressman will not support such a unilateral declaration, particularly outside the confines of an agreement with Israel.

The U.S. Congress has a responsibility to ensure that any agreement the American people may be asked to embrace will truly protect Israeli and American interests, enjoys the support of the Israeli and Palestinian people alike, and brings a lasting and durable peace to the region. Accordingly, any final agreement must carry a real chance for meaningful peace before committing U.S. support.

No one should assume that the Congress will simply sign off on committing enormous American resources to a deal that contains compromises which would seriously undermine Israeli or U.S. security. Before a financial commitment is made by the U.S., the Israeli people must have their referendum, and we must have had an opportunity to examine the proposed agreement on its merits from an American perspective—both for the security of Israel and the security of the United States.

Finally, I remain gravely concerned that the Administration has yet to adequately consult the Congress on the status of the negotiations. The prospect that an agreement will contain an ongoing American commitment requires that the Administration work closely with Members of Congress on both sides of the aisle to build a broad consensus in support of the deal.

We must be certain that the final agreement carries a legitimate chance for an enduring peace before we commit the vast American resources routinely mentioned as part of a settlement. Any meaningful peace agreement must be attractive to both parties independent of financial incentives. Further the U.S. must not force an untenable deal that delivers today's headlines at the expense of lasting peace.

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 2001

SPEECH OF

HON. DENNIS MOORE

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 2000

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4811) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2001, and for other purposes.

Mr. MOORE. Mr. Chairman, I rise today in opposition to H.R. 4811, the FY 2001 foreign operations appropriations bill. This bill is more than $300 million below current funding levels and almost $2 billion less than the Administration's request.

The allocation of resources in this bill will not enable our nation to carry out an effective foreign policy to meet our vital national security needs. The low levels of funding in key areas of this bill will hinder our ability to respond to and confront ongoing development around the world. Many countries around the world are undergoing rapid change; our nation now has an unique and unprecedented opportunity—and indeed, a responsibility—to provide global stability through the spread of democracy and the promise of economic growth.

Mr. Chairman, in addition to failing our vital foreign policy and national security objectives, this bill fails in responsibly allocating resources towards other critical priorities. While the overall request has been reduced by 10 percent, the amounts requested to address the problems of infectious disease, poverty alleviation, access to family planning, and debt relief in the world's poorest countries have been cut in a disproportionate manner:

The bill underfunds, by $390 million, our commitment to provide debt relief to the world's poorest countries. The Jubilee 2000 campaign for debt relief, which received bipartisan support throughout the United States and with a broad spectrum of religious leaders and organizations.

The bill also reduces, by $42 million, funds to combat worldwide HIV/AIDS.

The bill hinders developing nations' ability to grow by drastically cutting funds for the International Development Association, the African Development Bank and Fund and the Asian Development Fund by 32 percent.

This bill also cuts nonproliferation, anti-terrorism, de-mining, and related programs by 32 percent.

Finally, this bill cuts, by $385 million, international family planning programs; and imposes restrictions on foreign organizations which are contrary to our long-held constitutional principles of free speech.

There are, however, provisions in this bill that I strongly support. This bill includes increases for the Child Survival and Disease account and the Peace Corps, for example. The most important priority that this bill funds well, however, is the maintenance of our commitment to the state of Israel and the peace process in the Middle East.

Mr. Chairman, foreign aid should not be immune from scrutiny and budget cuts; however, it should not be the victim of skewed priorities. Indeed, robust and well-directed foreign assistance programs are essential for our national security. The process of building stability around the globe my combating infectious disease and poverty, working for conflict resolution, enhancing democratization,and fostering the conditions for economic growth ultimately benefits us all.

Unfortunately, the allocation of resources in this bill fails to recognize this fundamental fact, shortchanges our foreign policy goals, and undermines our national security. I will vote against this misguided bill today and urge my colleagues to do the same.

PERSONAL EXPLANATION

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 18, 2000

Mr. PORTER. Mr. Speaker, I inadvertently was not present on the floor for a vote yesterday, July 17th, 2000.

If I had been present for rollcall No. 402 I would have voted ''yes,'' and I extend my congratulations to the Republic of Latvia on its 10th anniversary.

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 2001

SPEECH OF

HON. CAROLYN C. KILPATRICK

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 2000

The House in Committee of the Whole House on the State of the Union had under consideration the bill. (H.R. 4811) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2001, and for other purposes.

Ms. KILPATRICK. Mr. Chairman, I rise in opposition to H.R. 4811, the FY 2001 Foreign Operations Appropriations bill. I am deeply dismayed at the lack of funding for such critical, life-saving programs as debt relief, HIV/AIDS prevention and treatment, and international family planning.

At a time when many developing countries are consuming 30 to 40% of their annual budgets on debt repayment, they are simultaneously depleting monies that would be better spent on health care, education, and economic development. The Foreign Operations Appropriations bill for FY 2000 established clear and specific crtieria which developing nations must meet in order to qualify for debt relief. These conditions include performing satisfactorily under an economic reform program, promoting civil society participation, implementing anti-corruption measures and transparent policy making, adopting strategies for poverty reduction, and strengthening private sector growth, trade, and investment. New governments in nations such as Bolivia and Mozambique are succeeding in their concentrated efforts to democratize and stablize their respective countries, and have met the qualifying standards for debt relief. It is unjust to continue to punish the poorest civilians for debts incurred and for promises unfulfilled by former dictators.

Nearly four decades of economic development, particularly on the continent of Africa, are currently unraveling before our eyes. The proposed funding level in H.R. 4811 of $202 million—$42 million less than the President's request—is simply not sufficient to effectively combat the HIV/AIDS pandemic at its current growth rate. The global AIDS crisis is a threat of unprecedented magnitude, and it has been unsparing in its attack on the world's children. UNAID reports that more than 3.8 million children under 15 have already perished as a result of AIDS. An additional 1700 children per day are newly infected with HIV and join the 1.3 million who are currently living with the disease. The U.S. Census estimates that the life expectancy in many Sub-Saharan African countries will fall to age 30 within the next 10 years.

This indiscriminate plague gravely affects even children fortunate enough not to have contracted the disease themselves, by rendering them orphans—13.2 million to date. The United States Agency for International Development (USAID) has estimated that by the year 2010, there will be 42 million AIDS-related orphans, many of whom will be susceptible to abuse or recruitment into gangs or militia.

In addition to the horrific and exponential increase in suffering and loss of human life, HIV/AIDS inevitably will have an enormous and devastating impact on future economic development, political stability, trade and commerce, and international security. Since effective medical research and counseling intervention have been proven to drastically reduce the mother-to-child transmission rate of HIV around the globe, from the United States to Thailand, there is absolutely no excuse not to help fund these vital programs.

As world experts meet this week in Durban, South Africa for the 13th International HIV/AIDS Conference, we must do our part in this country and in this bill to alleviate the unimaginable suffering that HIV/AIDS is causing in the developing world.

A crucial element of reducing the prevalence of HIV/AIDS is adequate access to family planning resources and information. Pregnancy, childbirth, and unsafe abortions claim the lives of 600,000 women annually, primarily due to early and frequent childbearing and poor access to health care and contraception. Family planning helps prevent high-risk and unwanted pregnancies and reduces the spread of sexually transmitted diseases and life-threatening infections such as HIV/AIDS. The Administration's request for a $169 million increase to USAID population assistance would likely result in 1.5 million fewer unintended births; 2.2 million fewer abortions;

15,000 fewer maternal deaths; and 92,000 fewer infant deaths.

I oppose this bill because it does not provide assistance to the women and families that most need our help. H.R. 4811 hinders the dissemination of accurate and complete reproductive information for women in developing countries by limiting which family planning options foreign NGOs may discuss with their clients. Under this bill, even organizations that use their own funds to engage in pro-choice lobbying efforts to provide abortions, or to even discuss this reproductive option will not be eligible for U.S. funding. I cannot morally support a measure such as this, that would not withstand constitutional scrutiny within our own country.

With the understanding that ''an ounce of prevention is worth a pound of cure'', I would encourage my colleagues to seriously consider the moral, social, and economic ramifications of not providing aid when we, as a nation, are clearly in a position to do so.

For these reasons, I urge my colleagues to oppose the Foreign Operations bill. We can and must do better.

INDIA IS A VALUABLE PARTNER FOR THE UNITED STATES

SPEECH OF

HON. ROD R. BLAGOJEVICH

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 2000

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4811) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2001, and for other purposes.

Mr. BLAGOJEVICH. Mr. Chairman, I rise in opposition to the Burton Amendment to Restrict aid to India.

Each time that this amendment has been offered in previous years, the House has resoundingly voted it down. I expect that it will meet with a similar fate this time.

Strengthening our partnership with India needs to be a fundamental part of America's strategy in Asia. This amendment would damage U.S.-India relations at a time when our countries are cooperating on a number of issues of interest to us both.

Earlier this year, President Clinton traveled to India, in affirmation of the ties that bind our nations together. India is on the front lines of the battle against terrorism. In light of this, the Government of India committed to the President during his visit that India would work closely with the United States to combat terrorism. The joint U.S/India working group on terrorism established during the President's visit can help both our nations counter this threat. Cutting assistance to India would put this cooperation at risk just as it is getting off the ground.

Furthermore, India has acted responsibly to deal with conflict with her neighbors, showing restraint when provoked during the Kargil crisis and later when terrorists seized an Indian airlines flight and hijacked it to Afghanistan. The conduct of the Indian Government when faced with these immediate threats demonstrates that India is a reliable strategic partner.

But the U.S./India relationship goes deeper than just strategic need. India is the world's largest democracy, a natural partner for the world's oldest democracy, the United States. India provides an example for the rest of Asia of how democracy and free market economic growth can go hand in hand.

And contrary to what some may contend, India has a long tradition of harmony among people of different backgrounds and faiths. India is the original melting pot, and like our own nation, derives strength from its diversity.

We have witnessed the strength of these values through the Indian-Americans who have come to settle in this country. My hometown of Chicago is home to a vibrant Indian-American community. Indian-Americans in Chicago add to the richness of our neighborhoods, and community leaders such as Dr. Bharat Barai, Mr. Bhagu Patel, Dr. Vijay Dave and Mr. Niranjan Shah have shown their neighbors that the values of tolerance and respect they brought with them from India are the same values we cherish here in the United States.

Cutting off the meager, amount of assistance to India in this bill would not save the United States a great deal of money. It would, however, hinder our ability to reduce poverty and build lasting cultural and economic relationships with the people of India.

It would also send a dangerous message to the world about America's commitment to democracy abroad. If we, as Americans, want democracy to flourish around the globe, then we must support democracies when we have the chance. I urge my colleagues to reject this amendment, and support our partnership with India.

PERSONAL EXPLANATION

HON. NEIL ABERCROMBIE

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 18, 2000

Mr. ABERCROMBIE. Mr. Speaker, yesterday, July 18, 2000, I was granted a leave of absence for official business which I was undertaking in my district in Hawaii.

Four recorded votes were taken yesterday. Had I been present, I would have voted as follows: rollcall 401, H. Res. 534, Security at Los Alamos, ''yes''; rollcall 402, H. Con. Res. 319, Latvia 10th Independence Anniversary, ''yes''; rollcall 403, H. Res. 531, Condemn 1994 Bombing of Jewish Community Center in Buenos Aires, ''yes''; rollcall 404, H.R. 3125, Internet Gambling Prohibition Act, ''no.''

PERSONAL EXPLANATION

HON. ROBERT W. NEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 18, 2000

Mr. NEY. Mr. Speaker, on July 12, 2000, I was unavoidably detained and as a result missed Rollcall vote No. 395. If I were present, I would have voted ''Aye.''

MORE DOCUMENTATION OF EXCESSIVE RX PRICES

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, July 18, 2000

Mr. STARK. Mr. Speaker, prescription drug prices are too high for the uninsured and the average retail customer who has to buy prescriptions on their own.

How much too high?

For generics at least 57 percent too high. For single source brand name drugs, about 32 percent too high, and for multi-source drugs, about 39 percent too high.

Says who?

A new Medicare survey of what hospitals actually pay for drugs compared to what the so-called Average Wholesale Price is. HCFA is issuing a new regulation on how to pay hospitals under the Hospital Outpatient Department (HOPD) prospective payment system. As part of that new regulation, they had to figure out what the beneficiaries' 20 percent co-payment should be. Instead of foolishly taking the Average Wholesale Price as a gauge of what to apply the 20 percent co-pay against, HCFA wisely sampled what the actual acquisition cost of drugs are, then developed an average formula to calculate the 20 percent the seniors and disabled would owe. Following is the discussion from the Federal Register of April 7th.

This is all more proof that the uninsured and those who are buying drugs at retail need help getting the purchasing power of large groups. The Democratic Prescription drug bill, H.R. 4770, would help seniors get the kind of discounts we know that hospitals are getting. The savings to seniors will be phenomenal!

A one-time exception to the general methodology described above pertains to current drugs and biologicals that will be eligible for transitional pass-throughs when the PPS is implemented. For this final rule, we revised many APC groups by removing, to the extent possible, many of these drugs and radiopharmaceuticals. Therefore, the payment rates for the APC groups with which these drugs are associated exclude the costs of these drugs and the total amount paid to hospitals for the drugs will be 95 percent of the applicable AWP. In order to be able to determine a coinsurance amount for these drugs, we needed to estimate what portion of this payment would have been included as part of the APC payment amount associated with these drugs and what portion would be the pass-through amount. Using an external survey of hospitals' drug acquisition costs, we determined the APC payment amount for many of these drugs as their average acquisition cost adjusted to year 2000 dollars. Where valid cost data were not available for individual drugs, we applied the following average ratios of acquisition cost to AWP calculated from the survey to determine the fee schedule amount: .68 for drugs with one manufacturer, .61 for multi-source drugs, and .43 multi-source drugs with generic competitors. In either case, the coinsurance amounts were determined as 20 percent of these fee schedule amounts. It is important to note that these estimates do not affect the total payment to hospitals for these drugs (95 percent of AWP).

THE ATTACK ON THE U.S.S. ''STARK'' AND IMPLICATIONS FOR ELECTRONIC WARFARE IN THE NAVY

HON. THOMAS M. REYNOLDS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 19, 2000

Mr. REYNOLDS. Mr. Speaker, on May 17, 1987, the guided missile frigate U.S.S. *Stark* was on routine patrol in the Persian Gulf to protect neutral shipping during the Iran-Iraq war. At about 8:00 a.m., a long-range U.S. electronic warning and control aircraft picked up an F–1 Mirage, positively identified it as an Iraqi aircraft, and passed the notification on to U.S. Naval units operating in the Gulf. A little after 9:00 that morning, the aircraft was picked up as an unknown on the *Stark's* radar, at a range of about 70 miles.

Once the Mirage had closed to within less than 70 miles of the *Stark*, the ship's Tactical Operations Officer was tracking it continuously. When the aircraft closed to 13 miles, the *Stark* identified itself by radio, and requested identification from the aircraft, but received none. A second inquiry at a range of 11 miles also brought no response. At about 9:11, the operator of electronic intercept equipment aboard the *Stark* reported that it had been locked onto by the aircraft's fire control radar.

When the TAO discovered the lock-on by the Mirage's radar, he immediately started to bring the ship's Phalanx close-in weapons system up. He also requested a lock by the ship's air defense radar. However, the attack was coming in over the port bow, and the primary radar was blocked by the superstructure. At 9:12, the TAO ordered a secondary radar brought up, but before it could be activated an Exocet missile launched by the Mirage hit the ship. A second missile impacted shortly thereafter. The ship had neither taken evasive maneuvers nor brought its defensive weapons systems to bear.

The missile attacks and a large fire they ignited in the aluminum superstructure claimed the lives of 37 U.S. sailors. Only the heroic action of the crew saved the ship.

Mr. Speaker, today the only remaining sign of this tragic event is the memorial engraving mounted in the midships' passageway, which lists the names of those who perished. However, we in Congress must always remember the 37 shipmates who gave their lives that day and their sacrifice must not have been in vain.

Subsequent to the U.S. Navy's own inquiry, the Staff Report of the Committee on Armed Services concluded that although the Rules of Engagement allowed for a more aggressive defensive posture, the real world was more difficult. At the time, Iraq was considered a near-ally against Iran, and had never attacked a U.S. ship despite several opportunities.

In all probability, the incident was caused by complementary errors of interpretation and the Iraqi attack was probably inadvertent. In the era of electronic warfare, the fear that he who hesitates is almost certainly lost leads to a policy of attacking immediately almost anything the radar engages. In contrast, the *Stark* regarded the closing of the Mirage as a puzzle rather than a threat, and did not take action to unmask its defensive systems in time for them to engage.

Whether intentional or not, the end results of this attack were the same. Thirty-seven brave sailors lost their lives. This tragedy demonstrates the vital importance in Congress exercising its oversight powers to prevent any reoccurrence of this incident.

It is for precisely this reason that I requested the House Appropriations Subcommittee on Defense include report language directing the Navy to assess the tactical viability of its primary shipboard electronic warfare system, the AN/SLQ–32(V). I am happy to report that the conference report to the defense appropriations bill, which passed the House today, included this important language.

This language will benefit electronic warfare in the Navy. More importantly, however, it is an important first step toward assuring that we in Congress fulfill our responsibility to guarantee the best protection possible to our sailors and aircrews who go into harms way in the defense of freedom every day of their lives.

THE COMMUNITY REINVESTMENT MODERNIZATION ACT OF 2000

HON. THOMAS M. BARRETT

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 19, 2000

Mr. BARRETT of Wisconsin. Mr. Speaker, and my distinguished colleagues, I am pleased to introduce today, in partnership with my colleague, Representative LUIS GUTIERREZ, the Community Reinvestment Modernization Act of 2000. This legislation seeks to ensure that the Community Reinvestment Act (CRA) will remain an effective fair lending tool in today's rapidly changing financial services marketplace.

CRA has played a key role in helping creditworthy Americans gain access to credit and banking services. And it has helped banks and thrifts discover new markets and profit opportunities they otherwise may have overlooked.

Since 1997, CRA has encouraged banks and thrifts to commit more than $1 trillion in private reinvestment dollars for mortgages, small business loans and community development loans for traditionally underserved communities. In the Milwaukee area alone, CRA has channeled over $200 million in lending to low- and moderate-income citizens and neighborhoods.

Unfortunately, CRA will become less effective if it is not updated to keep pace with the rapid changes that are occurring in the financial services marketplace as a result of the Gramm-Leach-Bliley Financial Modernization Act of 1999. While this new law allows banks to merge with securities and insurance firms in a new ''holding company;'', it does not require that all of a holding company's banking and lending products and services be covered by CRA. Essentially, the law creates a two-tiered banking and lending industry, with one part being covered by CRA and the other part not.

Insurance and securities affiliates of banks are increasingly conducting lending and selling bank-like products. And this trend will likely continue to spiral as a result of the new financial modernization law. As more and more assets and banking products are shifted out of banks and into holding company affiliates that are not covered by CRA, the reach of CRA will be reduced to a small portion of the Nation's lending activities.

The bill we are introducing today will update CRA to match the increased market powers the Financial Modernization Act creates. In addition to extending CRA to all lending affiliates of financial holding companies, the CRA Modernization Act will:

(1) make insurance more available, affordable and accessible to minorities and low-income citizens;

(2) improve data collection for small business and farm loans;

(3) require a notice and public comment period for mergers between banks, insurance and investment companies;

(4) require that HMDA data also include information on loan pricing and terms, including interest rates, discount points, origination fees, financing of lump sum insurance payment premiums, balloon payments, and prepayment penalties;

(5) prohibit insurance companies that violate fair housing court consent decrees from affiliating with banks, and;

(6) penalize a financial institution and its affiliates through reduced CRA ratings if the institutions have engaged in predatory lending.

CRA modernization is not only the right thing to do, it is the profitable thing to do. According to a Federal Reserve Board report issued on Monday, 91 percent of home lending and 82 percent of small business lending under CRA is profitable. This is comparable to any other type of lending.

The bill is endorsed by the National Community Reinvestment Coalition, the U.S. Conference of Mayors, the National League of Cities, and the Association of Community Organizations for Reform NOW (ACORN). In my hometown of Milwaukee, it is supported by the mayor of Milwaukee, the Fair Lending Coalition, Interfaith Conference of Greater Milwaukee, Hope Offered through Shared Ecumenical Action (HOSEA), the Local Initiatives Support Corporation (LISC), the Neighborhood Housing Services of Greater Milwaukee, Milwaukee Innercity Congregations, Allied for Hope (MICAH), the Metropolitan Milwaukee Fair Housing Council, the National Association for the Advancement of Colored People (NAACP), Select Milwaukee and the Legacy Bank.

CRA is paramount to continuing the progress this country has made towards eradicating discrimination in the financial services marketplace. And it is imperative that we modernize this important law now. The bottom line is that CRA is good for business. It not only levels the playing field to make sure that all creditworthy Americans have access to capital and credit, it makes good business sense.

We hope you and all of our colleagues in the House will consider supporting the Community Reinvestment Modernization Act of 2000.

INTRODUCTION OF LEGISLATION TO RENAME THE POST OFFICE IN ROYAL OAK, MI, AFTER THE HONORABLE WILLIAM S. BROOMFIELD

HON. JOE KNOLLENBERG

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 19, 2000

Mr. KNOLLENBERG. Mr. Speaker, today I pay a much deserved tribute to former Congressman William S. ''Bill'' Broomfield, who

ably served the people of the State of Michigan for over forty years.

I am introducing legislation to name the post office building at 200 West Second Street in Royal Oak, Michigan, in honor of my friend and predecessor. I am pleased to report to the House that the entire Michigan House delegation has signed on as original cosponsors of the measure. Mr. Speaker, Bill Broomfield is so well respected by his colleagues on both sides of the aisle that both Republicans and Democrats stand together to honor this fine man.

Bill Broomfield was born in Royal Oak, Michigan, in 1922 and graduated from then-Michigan State College (now Michigan State University) in East Lansing before serving ably in the Michigan legislature. He was first elected to the U.S. Congress in 1956, the same time as the second Eisenhower Administration and he did not stop serving his constituents until his retirement from this body in 1992, a span of thirty-six years.

Bill Broomfield is Royal Oak's favorite son and a true man of the people. He is so endearing and personable that he was known to his constituents simply as ''Bill''. He loves the people he served for and they have love, admiration, and respect for him.

During his tenure, Bill Broomfield was the hallmark of bipartisanship and a self-defined ''consensus builder''. He served as a member of the International Relations, later renamed the Foreign Affairs Committee, where he helped craft America's foreign policy during the critical Cold War Era. He served as Ranking Member of this committee from 1975 until his retirement in 1993.

He also was the point-person in Congress for many of the initiatives championed by Presidents Reagan and Bush. From Nicaragua to the Persian Gulf to Eastern Europe to North Korea, he led the charge in Congress for the foreign policy that ultimately won the Cold War. For this effort, Michiganders and Americans everywhere owe him a tremendous debt of gratitude. The history books may credit Reagan and Bush with bringing down communism, but make no mistake, they should also mention Bill Broomfield in the same breath for his outstanding contribution to the effort that ended communism.

Mr. Broomfield was also a careful keeper of Congress' prerogatives in foreign policy. He made sure that the legislative branch of government fulfilled its constitutional duty and that the president consulted with lawmakers. For example, Broomfield ensured that President Bush consulted with Congress when the chief executive ordered a massive troop buildup in Kuwait in 1990 in response to Iraq's aggression. When President Bush did come to Congress, Broomfield supported his efforts. He said, ''We must give the president the power he needs to convince Saddam that he has no other alternative . . .''

Think about all of the changes in America he had the privilege of witnessing first-hand during his thirty-six year tenure. He has seen the rise and fall of Soviet totalitarianism. He has seen man reach the moon and Jim Crow fall. He helped move the U.S. Post-War era economy to the brink of the technological revolution. As we move into the 21st Century, we shouldn't forget the legacy of those who helped us get here and Bill Broomfield was at the forefront of that crusade.

Just because he retired from elected office didn't mean that he stopped serving the public. In fact, he started a foundation that supports many causes and charities throughout southeast Michigan, including the Salvation Army and efforts for fighting cancer, Alzheimer's, and spina bifida.

From the middle of the Eisenhower era to the beginning of the Clinton administration, Broomfield was a gentleman in every sense of the word, and an example of everything that is good and decent in public service and this institution. Naming the post office in his hometown of Royal Oak is just one way we can pay tribute to this fine man and I urge support for the bill.

HONORING THE 100TH ANNIVERSARY OF ST. CLEMENT HEALTH SERVICES

HON. JERRY F. COSTELLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 19, 2000

Mr. COSTELLO. Mr. Speaker, I rise today to ask my colleagues to join me in honoring the 100th anniversary of St. Clement Health Services.

A little more than 100 years ago, the idea of a facility to care for the sick in Red Bud, Illinois was born. Although the original plan only intended for a house to care for ill sisters from the Adorers of the Blood in Christ convent in Ruma, Illinois, the needs and wants of the community created St. Clement's Hospital.

In the 1890's, several sisters had been experiencing serious health problems. Mother Clementine of the ASC order visualized an infirmary facility with extra rooms set aside for sisters who would be passing on their way to Ruma. Land for the house was purchased in 1898. During the summer and the fall of that year, the 3.9 acre tract for the facility was cleared. Construction began on the building in 1899 and continued through 1900. The building was dedicated on August 5, 1900 under the title of St. Clement's Hospital. The facility, built with 8 rooms on the first floor, served not only as a hospital, but also as a place where the aged and infirm could spend their last days in a Catholic setting. It could accommodate as many as 20 patients.

To help support the hospital, the sisters of ASC cultivated a large garden and raised both pigs and cows. Handwork and needlework were also sold. Water was pumped by hand with a hose to the third floor for the bathrooms. Having no electricity, the ice box had to be stocked with ample supplies of ice.

As the hospital grew, an addition was built for the hospital in 1946 with 70 beds, 15 bassinets and 20 beds for the aged and infirm sisters. St. Clement quickly outgrew this addition. In 1966, survey results pointed to the lack of extended care facilities for the anticipated growth for the hospital service area. On May 24, 1969, ground was broken for a new $4.5 million St. Clement Hospital.

In the 100 years since St. Clement's has been open, the hospital has experienced significant growth. In the first year of operation, they performed their first surgery. Throughout the 50's and 60's the hospital was averaging 300 surgeries a year. Today, an average of 1,600 surgeries are performed. The first birth didn't occur until 1925. Throughout the 30's no more than 40 births were recorded. In 1943, there were 169 births while over the next ten years the hospital averaged 420 births a year. Today, the hospital welcomes 130 new babies a year.

One hundred years later, the original hospital may be gone, but you may still find St. Clement Hospital available to take care of the sick and reaching out to the community it serves. Today, St. Clement Health Services is a member of Unity Health. They encompass the resources and personnel of St. John's Mercy Medical Hospital, St. John's Mercy Medical Center and St. Luke's Hospital.

Mr. Speaker, I ask my colleagues to join me in honoring St. Clement's Health Services on the occasion of the 100th anniversary of their founding and to recognize the administration and staff both past and present for the quality service that they have been providing to the people of our area for the past 100 years.

TRIBUTE TO BILL G. MASTERS

HON. NICK LAMPSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 19, 2000

Mr. LAMPSON. Mr. Speaker, today I rise to recognize the outstanding career of Mr. Bill G. Masters, who is retiring this year after 35 years of distinguished service with the Port of Beaumont. Stretching over 4 decades, Mr. Masters' entire career has had a wide-ranging impact across a broad spectrum of important local concerns as well as vital national interests.

Before contributing his valuable assets to the Port of Beaumont, Mr. Masters served our Nation proudly in the Marine Corps and then achieved a degree in accounting. Soon after, Mr. Masters worked for 6 years in the Golden Triangle on waterfront jobs. Joining the port in 1965, Mr. Masters secured his first job as an assistant dock superintendent. He began to prove himself as a great asset to the port and rapidly ascended the ranks of the port administration. In 1986, Mr. Masters was enthusiastically appointed by his peers to the position of port director.

Mr. Masters has led the Port of Beaumont into years of unprecedented growth. This vast expansion includes a steep growth in the amount of cargo handled, doubling the size of both revenue cargo and total cargo handled by the port. In addition, under Mr. Masters' direction, the port has widened its cargo base to include a countless number of new commodities. The port has also grown in space, with the addition of 27 acres since Mr. Masters' appointment.

Mr. Masters' ability to achieve his innovative ideas has greatly benefited the Port of Beaumont. Its newly completed rail-to-ship transfer has propelled the Port of Beaumont into one of our Nation's most vital ports.

Quickly after becoming the director of the Port of Beaumont, Mr. Masters began garnering national recognition of his achievements. Mr. Masters was elected president of both the Gulf Ports Association and the Texas Ports Association in 1991. Currently, Mr. Masters serves on the American Association of Port Authorities as a member of their National Defense Committee.

Mr. Speaker, Mr. Bill G. Masters' career is ripe with countless examples of selfless hard

work and extraordinary accomplishment in service to our great Nation. His contributions to Southeast Texas are immeasurable. I ask my colleagues to join me in wishing Bill G. Masters and his family a pleasurable and well-deserved retirement.

Congratulations, Mr. Masters, on a job well done.

COMMENDING THE CEDARTOWN, GEORGIA LITTLE LEAGUE, HOSTS TO THE 2000 SOUTHERN REGION JUNIOR LEAGUE CHAMPIONSHIP TOURNAMENT, AUGUST 4–11, 2000

HON. BOB BARR

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 19, 2000

Mr. BARR of Georgia. Mr. Speaker, Little League Baseball is an American institution, yet many American don't realize it wasn't founded in 1939, in Williamsport, PA by Carl Stotz. At that time, a $30 donation was sufficient to sponsor the first three teams. Since that time, Little League Baseball has experienced phenomenal growth that has imbedded it deeply into American culture.

In 1953, the Little League World Series was televised for the first time by CBS: Howard Cosell announced the play-by-play action for ABC radio. In 1955, Cy Young made his last visit to the Little League World Series before his death in September. By that time Little League Baseball was played in all 48 states. In 1959, a National Little League Week was proclaimed for the second week of June by President Dwight D. Eisenhower to honor this portion of America's past time, and in 1964, Little League Baseball was granted a Charter of Federal Incorporation by the United States Congress. Paying tribute to the young athletes, and for his love of the game, former Little League and Harvard baseball player, Vice President George Bush threw out the first pitch of the 1981 Little League World Series.

Though America's past time, baseball is far from America's exclusive sport. In 1951, the first Little League was formed outside the United States, in British Columbia, and since then, Little League has spread throughout Mexico, Europe, and Asia. In 1982, the game was even able to break through the ''iron curtain'' to provide Poland, a then Eastern Bloc Country, certificates of Charter.

This year, from August 4 through August 11, 2000, the Cedartown, Georgia Little League Organization, including members of the teams, coaches, and parents, will, with great pride, host the 2000 Southern Region Junior League Championship Tournament. Teams will be competing for the opportunity to advance to the Little League World Series Tournament in Taylor, Michigan, beginning August 14th. There are 13 states in the Southern Region. Little League teams (which consist of 12 to 14 players and three coaches) from each State will be playing their very best, in hopes of securing a trip to Michigan. ESPN will be on hand to cover all the scheduled games.

Little League activities and tournaments are designed to be 100% funded through corporate, business, and individual contributions. Just a few of the Little League Corporate sponsors are Bubblicious Gum, DNA Insurance, American Honda, MUSCO Sport Lighting, MYTEAM.COM, New Era, RC Cola, Realtime Memories.com, Russell Corporation, Sport Supply Group, TV Guide, Welch's Foods, and Wilson Sporting Goods Company.

Approximately three million children in countries all around the globe enjoy playing Little League baseball. The program is supported on the local level by adult volunteers from within the community. These volunteers give freely of their time to provide a wholesome, family oriented activity for the children in their community.

I want to take this opportunity to salute the families, sponsors, and community leaders who will welcome these young people, their coaches, and their families to Cedartown, Georgia; and who will join with them in enthusiastic participation in this important, and positive American institution for the children of their community. The local teams, their coaches, and members of the community, have been busy with fund-raisers, requests for corporate donations, in order to secure funds to pay for food and lodging for the 13 guest teams and their coaches. Whether in Cedartown, Georgia, Warsaw, Poland, or Williamsport, Pennsylvania, Little League Baseball provides children of all backgrounds, from the local to the global level the opportunity to compete fairly and proudly for their community, their state, and their country.

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 2001

SPEECH OF

HON. ANTHONY D. WEINER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 13, 2000

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 4811) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2001, and for other purposes.

Mr. WEINER. Mr. Chairman, I rise today in opposition to the Burton amendment.

In these times of budget surpluses, and when we are working so hard to encourage emerging democracies, why are we debating an amendment today that proposes to cut aid to the largest democracy in the world? India is a nation with a great potential and tremendous opportunities, but with over 500 million people living at or below the World Bank's poverty line, India remains a nation with tremendous human needs. United States bilateral aid programs in India make a modest, yet important, contribution to the welfare of India's citizens.

Cutting this assistance would be a deliberate attempt to not only torpedo our help for human welfare, but also to stigmatize India just as relations between the world's two great democracies are on the cusp of attaining a new and positive relationship. The Burton amendment, in effect, will undo all the progress that has been made in building a warm and productive relationship with India.

India is the world's largest democracy. The Indian press corps is among the most active in the world and frequently investigates human rights abuses. India has a fiercely independent Human Rights Commission which has instituted a process to receive complaints, initiate investigations of all claims, and the country has passed laws and taken action against those officials and members of security forces who commit human rights abuses.

Prime Minister Vajpayee has been outspoken in his condemnation of ethnic and religious violence in India. He has declared that his government ''is resolved that perpetrators of violence should be dealt with firmly and that exemplary punishments should be awarded to them.'' And in a recent visit to Vatican and meeting with the Pope, the Prime Minister reiterated his commitment to ''protect all minority communities and ensure an atmosphere of communal harmony.''

The best response to human rights violations in India is for us to help India promote democracy and encourage India to improve its human rights records. This cannot be achieve by cutting off aid, but it can be accomplished by engaging India in a positive and constructive dialogue.

As the locus of international terrorism shifts from the Middle East to South Asia, India has become a critical democratic ally to the United States and has helped to protect our interests in the region. It would be wrong for us to turn our back on our ally, especially on a staunch democracy such as India.

Mr. Chairman, President Clinton's historic visit to India last March established a new understanding between India and the United States, and has allowed the relationship between our two democracies to flourish. The Burton amendment will go great damage to the historic progress that was made in bilateral relations between our two nations.

I urge my colleagues to vote ''no'' on the Burton amendment.

IN RECOGNITION OF ENRIQUE ''HENRY'' MARTINEZ

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 19, 2000

Mr. BARCIA. Mr. Speaker, there are those that stand on the sidelines of life, letting others take on the difficult tasks that make communities stronger. Mr. Speaker, today I pay tribute to a gentleman, Mr. Enrique Martinez, who has refused to be an observer, but rather has passionately given of his time and talents. Henry, as he is known to his many friends, has dedicated many hours throughout his lifetime for the betterment of our community, building our quality of life, and making a difference in peoples lives.

The son of Jessie and Maria Martinez, Henry was born in 1943 in San Antonio, TX. One of eight children, Henry learned the strength of family and how by working together great things could be accomplished. Working in the farm fields of our great Nation during his youth, Henry came to appreciate the value of hard work and discipline to accomplish goals. These attributes would serve him well as a golden glove boxer and later when he served as a member of our military in the U.S. Army in Germany.

In 1966, Henry married the former Teresa Pineda. Lovers of life, and childhood friends,

Teresa and Henry would make a home with their two children Sylvia and Jessie and achieve the American dream. Many would be content, but Henry believes idle hands do not build communities.

Henry's patriotism and community spirit can be witnessed in the many dedicated hours every week he spends in support of the American G.I. Forum. This national organization that advocates on behalf of the Veterans and Latino community has worked tirelessly to combat injustice, increase educational opportunities, and build the quality of life of our communities. Henry has served as State Commander of the American G.I. Forum for the last 2 years and has held office in the past as State Treasurer and Commander of the Bay City Chapter. He also served on the board that was instrumental in bringing the traveling Vietnam Wall to my hometown of Bay City, MI, bringing great credit to the American G.I. Forum and paying great tribute to his late brother Tomas V. Martinez who died in the service of his country.

Henry also has an impressive record of achievement of service to his community in other areas. He serves on the UAW/GM Committee of Civil Rights advocating for social justice and the elimination of discriminatory employment practices. He has served as a Board Member of the Bay Area Runners Club, Tri-City SER Board, Cinco De Mayo Parade Committee, Community Center Recreation Board, and Migrant Outreach Center advocate. He has shown his commitment to our youth coaching YMCA flag football, Boys and Girls Club Soccer, recreational softball teams, and always willing to give a hand to any program in need. Henry also translates medical prescription instructions.

Mr. Speaker, on this the occasion of Henry's retirement after more than 32 years working for General Motors Powertrain in Bay City, I ask you and all our colleagues to join me in paying tribute to Enrique ''Henry'' Martinez. With his years of hard work for his family, for our veterans, for our youth, and for our whole community he has certainly earned the fruits of a well deserved retirement. He has set an example for all who follow in his footsteps and he embodies the true meaning of community spirit. May his life be blessed just as his efforts have blessed our community.

WELCOMING GENERAL ROSSO JOSE SERRANO OF THE COLOMBIAN NATIONAL POLICE TO OUR COUNTRY

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 19, 2000

Ms. ROS-LEHTINEN. Mr. Speaker, he has become a regular fixture at our International Relations and Government Reform hearings and briefings on the illegal drug trade in the hemisphere. Gen. Rosso Jose Serrano is at home in the Halls of the U.S. Congress. I commend him on his selection of my congressional district in South Florida as the place he and his family will now call home.

For several years, General Serrano has been an invaluable source of information on the intricacies of the Colombian drug trafficking network. He has been sought out by the Congress DEA, and the Drug Czar to share his insight and experience in these matters.

In the 1990's, General Serrano commanded the antinarcotics police of the DANTI. He worked hand in hand with our DEA in fighting the drug lords in Colombia. Together they destroyed the Medellin Cartel and brought its leader, Pablo Escobar to justice in December 1993. This outstanding victory could not have happened without the actions of this self acclaimed ''ordinary man from the farmlands of northeast Colombia.''

After more than 40 years in law enforcement, General Serrano retired from the Colombian National Police. Today, I join my colleagues in welcoming him to the United States and thank him for all that he has done for his country and for ours.

MEMORIAL DAY SPEECH BY MIKE CARONE, KOREAN WAR VETERAN

HON. DONALD A. MANZULLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 19, 2000

Mr. MANZULLO. Mr. Speaker, on Memorial Day 2000, a constituent and Korean war veteran, Mr. Mike Carone, gave the following speech during ceremonies in McHenry, IL:

''On June 25 of this year, it will be 50 years since Truman's police action—the Korean War—began. It lasted three years, until July 27, 1953, when an armistice was affected by President Eisenhower.

It was a United Nations action that included 20 countries. We were a major participant with seven Army divisions, four Army regiments and one Marine division on the ground with participation from both Navy and Air Force. One-and-a-half million Americans served in Korea during the three years of the war, and 200,000 of them engaged in combat during that period.

It signaled the beginning of the end of communist expansion in Asia and the end of the Cold War because we actively resisted and stood our ground. The United Nations, including the South Korean Army, lost one-quarter million lives. Thirty-six thousand American lives were lost in combat, of which over 4,000 were Marines. Total United Nations wounded totaled over one million. Over 100,000 Americans were wounded in action, of which 24,000 were Marines.

Today, there are still 8,100 Americans missing in action.

Hardly a police action.

I dare say there is hardly a page or even a paragraph written about the Korean War in the history books our children read.

I was getting out of Marine boot camp at Parris Island when it started and remember the drill instructors trying to find out where Korea was at. Korea was called the ''Forgotten War'' because it started five years after the Second World War and our country was in a peacetime mode. World War II vets came home, got a job, got married, bought a house and car and had babies. But the Russian and Korean communists, with approval of the Chinese communists, were not in a peacetime but an aggressive expansionist mode and invaded South Korea.

Our country at that time was war-weary and, after the Korean War started, wanted it to end quickly so they (we) could forget it. That wasn't the communist plan, and the Chinese entered the war with infinite human resources. Over 1,000,000 communist forces lost their lives, and they failed to expand communism in Asia.

I was a machine gunner in ACO 1st Battalion 5th Regiment of the 1st Marine Division from January 1951 to January 1952 and earned four Battle Stars. Many Marines were killed and wounded during that year. It was and is Marine Corps tradition that our dead and wounded are never left behind—sometimes at the cost of the living.

I remember when our battalion would be relieved for a few days rest, sometime every one-and-a half to three months. We would assemble in formation, and the names of those killed-in-action during the previous engagement would be read. Sometimes it took 10 minutes, and other times it would take 45 minutes to read the list. Then the bugler would sound taps to honor the dead as we will do late today.

I, like many Korean War veterans, eventually returned to civilian life, got a job, got married, went to college, bought a house, had kids and tried to put the war experiences behind us but could never forget our buddies who were killed or later died of their wounds.

Thirty years after the Korean War, I could not longer suppress those memories and became active in veteran organizations and attempted to find those Marines that I served with in the Korean War. I have found some of them, we talked about those war experiences we shared and tried to put to rest those memories.

Today, 49 years after the Korean War, those war experiences have dimmed, but I shall never forget those I knew who gave their lives in many of the battles in that faraway land so long ago.

In conclusion, let us never forget those who gave their lives in that forgotten war who were never forgotten by their families and buddies, and that they be remembered by us along with all the American veterans who gave their lives in all the wars our country fought in defense of our freedom.''

A TRIBUTE TO H. LYNN CUNDIFF, PH.D., PRESIDENT OF FLOYD COLLEGE

HON. BOB BARR

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 19, 2000

Mr. BARR of Georgia. Mr. Speaker, today I honor a personal friend and a friend to the people of the seventh district of Georgia, Dr. H. Lynn Cundiff, president of Floyd College, a 2-year unit of the University System of Georgia. Floyd College serves students who commute from throughout a large portion of northwest Georgia and northeast Alabama. Dr. Cundiff is leaving his post of president to assume the presidency of Salt Lake Community College. Georgia's loss is Utah's gain.

Dr. Cundiff came to Floyd College in 1992, as only its second president, from the position of executive vice chancellor of the Alabama College System. Dr. Cundiff received a bachelor of arts degree from William Jewell College in physical education and mathematics, a master of arts degree from Northeast Missouri State University in educational administration, and a Ph.D. from Southern Illinois University in educational leadership. He attended the Harvard Leadership Institute, and attended Oxford University along with 45 community college leaders from around the world in August, 1998. He has authored several scholarly

publications and has presented a number of papers at national, professional conferences.

Since coming to Floyd College, Dr. Cundiff has been actively involved in the community, having served on the board of the Greater Rome Chamber of Commerce, chaired the 1995 Rome/Floyd County United Way Campaign, chaired the 1996 Race to the Olympics Commission for the Rome area, and is a member of the Rotary Club of Rome. Dr. Cundiff and his wife, Glenda, are very active in the North Rome Church of God, where they have been involved in providing pre-marriage and family counseling.

Under Dr. Cundiff's guidance and leadership, Floyd College, which was founded in 1970 to provide educational opportunities for the physical, intellectual, and cultural development of a diverse population in seven northwest Georgia counties, has grown to become an institute offering a large and varied community-education program. It operates extension centers in Cartersville, Haralson County, and Acworth. The college pioneered the development of cooperative programs with Coosa Valley Technical Institute as early as 1972, and now also offers joint programs with North Metro Technical Institute in Acworth, GA as well. With the advent of distance learning technologies, speciality programs, off-campus centers, collaborative arrangements, and cooperative degree programs with technical institutes, the college has expanded its scope of influence far beyond the institution's original geographical area.

Under Dr. Cundiff's leadership, the philosophy of the college is expressed in the beliefs that education is essential to the intellectual, physical, economic, social, emotional, cultural, and environmental well-being of individuals and society; and that education should be geographically and physically accessible and affordable. In support of this philosophy, the college maintains a teaching/learning environment which promotes inclusiveness and provides educational opportunities, programs, and services of excellence in response to documented needs.

Dr. Cundiff will be leaving Floyd College, effective July 31st, to assume the presidency of Salt Lake Community College in Utah. However, the results of his personal commitment of excellence in education will forever remain in the minds and spirit of the citizens of the hills of northwest Georgia and northeast Alabama. We are forever grateful for the years he has given to us, and we wish him much success in his new endeavors.

RENEWAL FUNDING FOR HOMELESS RENTAL ASSISTANCE GRANTS

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 19, 2000

Mr. LAFALCE. Mr. Speaker, just recently, the President signed into law the Military Construction Appropriations conference report. This bill includes critically needed funding to renew rental housing assistance for very low income disabled, veterans, mentally ill, and other families and individuals at risk of homelessness.

Late last year, some 40 projects nationwide did not receive renewal of expiring grants under either the Shelter Plus Care or SHP Permanent housing programs as part of the McKinney Act homeless program funding awards for fiscal year 1999. As a result, thousands of families—including 180 in Erie County in the area I represent—were at risk of having their entail subsidies expire at some time this year.

In response, in February of this year, I introduced H.R. 3613, legislation to provide emergency one-year funding for these expired and unrenewed projects out of the Section 8 Housing Certificate account. This legislation was later offered as an amendment by the Ranking Member of the VA-HUD Appropriations Subcommittee to the House Supplemental Appropriations bill, and the amendment was adopted.

The good news is that the MilCon conference report provides funding to renew all these projects for one year, as proposed in my legislation. The bad news is that the Senate rejected the House approach of funding renewals from the Section 8 account, instead requiring that funding be taken from the fiscal year 2000 homeless program account.

This means that $5 million less in critically needed homeless funds will be available later this year under the FY 2000 grant competition.

It also means that at least for now, we continue the year-to-year uncertainty families and grant applicants face with regard to renewals. As a result, we continue a policy that is incomprehensible: Automatically renewing rental assistance subsidies nationwide for all low-income families—with the sole exception being the most vulnerable, poorest families who receive rental assistance under the Shelter Plus Care and SHP Permanent housing homeless programs.

This fall, in the VA-HUD conference report, we will have a chance to get it right—that is, to renew Shelter Plus Care and SHP permanent housing renewals automatically out of the Section 8 account for both fiscal year 2000 and fiscal year 2001, and to launch us down the path of doing this on a permanent basis in subsequent years.

Through both the supplemental spending bill and the recently passed fiscal year 2001 VA-HUD bill, he House has affirmed its support for renewing these grants through the Section 8 account. I urge the Senate to accede to this very reasonable approach.

In any event, I am pleased that this bill gives-at-risk families assurance of assistance for another year, while we work out this issue.

BIG BAND SOCIETY CELEBRATES 30TH ANNIVERSARY

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 19, 2000

Mr. KANJORSKI. Mr. Speaker, I rise today to call to the attention of the House of Representatives the efforts of the Big Band Society of Northeastern Pennsylvania, which is celebrating its 30th anniversary this week.

The names of landmark recording artists such as Glenn Miller, Benny Goodman, the Dorsey Brothers and Duke Ellington, may not meet with instant recognition with those Americans who grew up with MTV. But for millions of music lovers, those artists represent the beloved sounds of their generation.

The Big Band Society of Northeastern Pennsylvania is to be commended for keeping this musical tradition alive. One way they do this is by holding their annual gala dance each summer at the Irem Temple Country Club in Dallas, Pennsylvania.

Under the leadership of dedicated people like Pat Perillo, its president, and Charlie Aten, its treasurer, this organization, with its devoted members, has drummed along tirelessly to promote the tunes and the personalities of the Big Band era and to bring that original sound and enduring spirit to younger audiences.

Mr. Speaker, for many Americans, the Big Band sound its much more than a style of music—it is uniquely American and evokes moving memories for a generation filled with patriotism, pride and love of country.

I am pleased to honor the Big Band Society for their part in keeping alive this important tradition of our nation's culture. I send my best wishes to the members of the Society on their 30th anniversary as well as my wishes for continued success.

TRIBUTE TO THE PUERTO RICAN PARADE AND CULTURAL ORGANIZATION

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 19, 2000

Mr. VISCLOSKY. Mr. Speaker, it is my pleasure to honor the activities of the Puerto Rican Parade and Cultural Organization of Northwest Indiana. On Sunday, July 16, 2000, I had the privilege of attending this year's kick-off of the organization's festivities, at the Puerto Rican Dia Del Camp Kickoff Picnic in East Chicago, Indiana. On Thursday, July 20, 2000, the organization will be hosting its 18th Annual Dignitary Banquet at Hijos de Borinquen in East Chicago, Indiana. The annual celebration for Northwest Indiana's Puerto Rican community will culminate on July 22, 2000, with the traditional festival at East Chicago's Block Stadium, and the community parade on July 23, 2000.

I especially would like to congratulate Ms. Betty Paine, President of the Puerto Rican Parade and Cultural Organization of Northwest Indiana, as well as all other members for their time-honored dedication to the preservation of their Puerto Rican heritage. Joining the celebration at the Dignitary Banquet will be Mayor Luis Oliver, of Lares, Puerto Rico, and Jose Luis Gonzalez, Director of the Tourism Board in Lares.

The history of Puerto Rico is one of great pride and honor. In 1493 Columbus found the island of Borinquen (the Amerindian name for Puerto Rico) to be inhabited by Taino Indians, a subgroup of the Arawak thought to have arrived on the island 1,000 years before from South America. The Taino Indians who greeted Columbus showed him gold nuggets in the river and told him to take all he wanted. The town founded near this river was named Puerto Rico, or ''rich port,'' with the island being named ''San Juan Bautista,'' for St. John the Baptist. It was not until later that the two names were switched.

The rich culture of the people of Puerto Rico evolved progressively over the centuries. Immigrants brought influences from Europe, Africa, Asia, and other Caribbean islands to Puerto Rico, and blended them to create a unique

society found nowhere else. Today, more than 2 million Puerto Ricans have migrated to the United States. The values and traditions that were brought with them have strengthened American society, and our country has been enriched with the infusion of Puerto Rican culture, folklore, hospitality, and way of life.

Mr. Speaker, I ask you and my other distinguished colleagues to join me in commending the Puerto Rican Parade and Cultural Organization of Northwest Indiana for its commitment to remembering Puerto Rican heritage, as well as its commitment to improving the quality of life for all residents of Indiana's First Congressional District. May this year's cultural celebration be a joyous one.

CONGRATULATIONS TO NATIONAL ASSOCIATION OF FEDERAL CREDIT UNIONS FOR ITS OUTSTANDING FUNDRAISING CAMPAIGN FOR WORLD WAR II MEMORIAL

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 19, 2000

Ms. KAPTUR. Mr. Speaker, I rise today to congratulate the National Association of Federal Credit Unions for deciding to take a leadership role in helping to raise funds for the National World War II Memorial.

At its annual Defense Credit Union Summit, NAFCU President Fred Becker announced that association members will be encouraged to make a personal donation, or by encouraging their credit union members to support the memorial through a NAFCU/World War II Memorial pledge card. Members will also be able to use the pledge card to submit names for the Registry of Remembrances for the Memorial.

I believe that all veterans and all families of veterans will appreciate this special campaign by the National Association of Federal Credit Unions. I encourage all of our colleagues to read the press release from NAFCU that I am submitting and to promote the program within their own Congressional Districts for the benefit of all World War II veterans.

NAFCU JOINS FUNDRAISING CAMPAIGN FOR NATIONAL WWII MEMORIAL

HONOLULU, HI.—The National Association of Federal Credit Unions (NAFCU) announced today at its annual Defense Credit Union Summit that it will take a leadership role in helping to raise funds for the National World War II Memorial.

NAFCU President Fred Becker made the announcement at a gathering of defense credit union officials, just miles from Pearl Harbor where the war began for America in December 1941. The Defense Summit is a one-day, defense credit union meeting that precedes NAFCU's Annual Conference and Exhibition, held this year at the Hawaii Convention Center, July 19–22.

President Clinton signed legislation authorizing the establishment of a National World War II Memorial in 1993, and a fundraising campaign spearheaded by Senator Bob Dole and FedEx Corporation CEO Fred Smith has now raised more than $92 million of the estimated $100 million required to design, construct and maintain a memorial. The NAFCU Board voted last month to lend NAFCU's support to the campaign and to encourage its members to promote the effort as well.

''I think it is appropriate that we announce our participation in the campaign here, in Honolulu, where the battleship Missouri and the Pearl Harbor Memorial serve as solemn reminders of America's involvement in the last world war,'' Becker said. He noted that 16 million Americans served in uniform during the war, and more than 400,000 died. ''World War II was the most significant event in the last century,'' he said. ''Without the sacrifice of that generation, we would not enjoy the freedoms and opportunities we have today.''

''The World War II Memorial Campaign sincerely appreciates the efforts of the National Association of Federal Credit Unions and the support of the nation's federal credit unions and their members in helping to make this memorial possible,'' said Senator Dole.

NAFCU members will be able to participate in the campaign in two ways: either by making a personal donation, or by encouraging their credit union members to support the memorial through a NAFCU/World War II Memorial pledge card that can be obtained from the NAFCU website (or by diskette) and distributed as a statement stuffer.

The NAFCU/WWII Memorial pledge card also will allow credit union members to submit names for the World War II Registry of Remembrances, which will include the names of veterans and individuals on the home front who contributed to the war effort. The registry will be kept on permanent display at the National World War II Memorial.

''The memorial and its registry will be a fitting tribute to those who served,'' said NAFCU Chair Ron Keeler. ''I know that many NAFCU credit union leaders and their members either supported or served in World War II. This is a unique opportunity to create a lasting legacy commemorating their efforts.'' Keeler said that America is losing its WWII veterans at the rate of 1,000 a day, adding a sense of urgency to the campaign. ''Of the 16 million Americans who served, fewer than six million are alive today,'' he said.

The artwork for the NAFCU/World War II Memorial pledge card will be available on NAFCU's website at www.nafcunet.org. Copies of the artwork can also be obtained by calling Joelle Hahn in NAFCU's Marketing Division at 1–800–336–4644, ext. 227.

NAFCU is the only national organization of credit unions that focuses exclusively on federal issues affecting credit unions, representing its members before the federal government and the public.

HARRIET TUBMAN DAVIS VETERAN STATUS PROPOSAL TO THE HOUSE FLOOR

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 19, 2000

Mr. TOWNS. Mr. Speaker, I rise to introduce legislation to grant Harriet Tubman veteran status for her service in the Union Army from 1863 to 1865.

With a letter from governor John Andrews of Massachusetts Harriet Tubman reported to General David Hunter at Hilton Head, South Carolina in 1863 where she worked as a nurse, scout, spy and cook for the Union Army.

In the spring of 1865 she worked briefly at a freedman's hospital in Fortress Monroe, Virginia.

Harriet Tubman recruited Union Army soldiers in the South. On March 6, 1863 the Secretary of War was informed that seven hundred and fifty blacks who were waiting for an opportunity to join the Union Army had been rescued from slavery under the leadership of Harriet Tubman.

After the Civil War Mrs. Tubman married Nelson Davis, a private in the US Colored Infantry Volunteers. He died in 1888 and Mrs. Tubman received a pension as his widow. Mrs. Tubman applied for an increase in her pension. H.R. 4982, of the 55th Congress, was never enacted but it proposed that Mrs. Tubman be given a pension as a veteran of the Civil War at her request. Senator William H. Seward of New York, the Secretary of the State under Lincoln during the time of the Civil War and knew Mrs. Tubman personally. Mr. Seward advocated Mrs. Tubman's placement on the pension roll, for her service in the war as a nurse in the United States Army.

Mrs. Tubman lived the remainder of her life after the Civil War in Auburn, New York. She is buried in Fort Hill Cemetery in Auburn with military honors.

Prior to 1863, Harriet Tubman was a conductor on ''The Underground Railroad.'' After escaping from slavery in 1849, she returned to the South repeatedly freeing other slaves before joining the war effort in 1863. She is reported to have personally brought over 300 slaves to freedom including her brothers, sisters, and elderly parents.

In 1913 Harriet Tubman died of pneumonia without being formally recognized as a veteran of the Civil War. I propose that Harriet Tubman be awarded veteran status through this bill posthumously.

VANISHING WILDLIFE STAMP ACT OF 2000—H.R. 4872

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, July 19, 2000

Mr. GILMAN. Mr. Speaker, I rise today to introduce H.R. 4872, the Vanishing Wildlife Stamp Act of 2000. This important legislation calls upon the U.S. Postal Service to issue a commemorative wildlife semi-postal stamp.

Such a stamp would have broad appeal to the public, would supplement the modest appropriations for U.S. Government recovery programs, and would assist the U.S. Fish and Wildlife Service in filing the gap between congressional authorization and appropriations.

By providing this convenient vehicle for members of the public to ''vote with their pocketbooks'' for a federal program that they support, the vanishing wildlife stamp will help relieve pressure and complete reliance on federal appropriations and shift wildlife conservation away from big government solutions and toward a first-hand example of public-private cooperation to achieve a common goal.

I urge my colleagues to co-sponsor this important legislation.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, July 20, 2000 may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

JULY 21

9:30 a.m.
Energy and Natural Resources
Forests and Public Land Management Subcommittee
To hold oversight hearings on the Draft Environmental Impact Statement implementing the October 1999 announcement by the President to review approximately 40 million acres of national forest for increased protection.
SD–366

JULY 25

9:30 a.m.
Armed Services
To hold hearings to examine the National Missile Defense Program.
SH–216

Energy and Natural Resources
To hold oversight hearings on Natural Gas Supply.
SD–366

Health, Education, Labor, and Pensions
To hold hearings on Public Safety Officers' collective bargaining.
SD–430

Environment and Public Works
To hold hearings on the disposal of low activity radioactive waste.
SD–406

Foreign Relations
To hold hearings on environmental protection in an era of dramatic economic growth in Latin America.
SD–419

10 a.m.
Indian Affairs
To hold oversight hearings on the Native American Graves Protection and Repatriation Act.
SR–485

Appropriations
Transportation Subcommittee
To hold oversight hearings on aviation consumer service and delays.
SD–124

Finance
Taxation and IRS Oversight Subcommittee
To hold hearings on federal income tax issues relating to proposals to encourage the creation of public open spaces in urban areas and the preservation of farm and other rural lands for conservation purposes.
SD–215

United States Senate Caucus on International Narcotics Control
To hold hearings to examine the threats the drug ecstasy causes.
SD–628

2 p.m.
Finance
Social Security and Family Policy Subcommittee
To hold hearings to examine the importance of non-custodial fathers in the lives of their children.
SD–215

2:30 p.m.
Energy and Natural Resources
Water and Power Subcommittee
To hold oversight hearings on the status of the Biological Opinions of the National Marine Fisheries Service and the U.S. Fish and Wildlife Service on the operations of the Federal hydropower system of the Columbia River.
SD–366

Energy and Natural Resources
Water and Power Subcommittee
To hold hearings on S. 2877, to authorize the Secretary of the Interior to conduct a feasibility study on water optimization in the Burnt River basin, Malheur River basin, Owyhee River basin, and Powder River basin, Oregon; S. 2881, to update an existing Bureau of Reclamation program by amending the Small Reclamation Projects Act of 1956, to establish a partnership program in the Bureau of Reclamation for small reclamation projects; and S. 2882, to authorize Bureau of Reclamation to conduct certain feasibility studies to augment water supplies for the Klamath Project, Oregon and California.
SD–366

3 p.m.
Foreign Relations
To hold hearings on the nomination of Richard A. Boucher, of Maryland, to be an Assistant Secretary of State (Public Affairs).
SD–419

JULY 26

9 a.m.
Small Business
Business meeting to markup S. 1594, to amend the Small Business Act and Small Business Investment Act of 1958.
SR–428A

Agriculture, Nutrition, and Forestry
To hold hearings to review the federal sugar program.
SR–328A

9:30 a.m.
Health, Education, Labor, and Pensions
Public Health Subcommittee
To hold hearings on bridging the gap between health disparities.
SD–430

10 a.m.
Governmental Affairs
To hold hearings on S. 1801, to provide for the identification, collection, and review for declassification of records and materials that are of extraordinary public interest to the people of the United States.
SD–342

11 a.m.
Foreign Relations
Business meeting to consider pending calendar business.
SD–419

2 p.m.
Health, Education, Labor, and Pensions
To hold hearings to examine the Americans with Disabilities Act.
SH–216

2:30 p.m.
Energy and Natural Resources
Forests and Public Land Management Subcommittee
To hold oversight hearings on potential timber sale contract liability incurred by the government as a result of timber sale contract cancellations.
SD–366

Indian Affairs
To hold hearings on S. 2526, to amend the Indian Health Care Improvement Act to revise and extend such Act.
SR–485

JULY 27

9 a.m.
Agriculture, Nutrition, and Forestry
To hold hearings to review proposals to establish an international school lunch program.
SR–328A

SEPTEMBER 26

9:30 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs on the Legislative recommendation of the American Legion.
345 Cannon Building

Daily Digest

HIGHLIGHTS

The House agreed to the conference report on H.R. 4576, DOD Appropriations FY 2001.

The House passed H.R. 1102, Comprehensive Retirement Security and Pension Reform Act.

The House passed H.R. 4118, Russian-American Trust and Cooperation Act.

The House passed H.R. 2634, Drug Addiction Treatment Act.

House committees ordered reported 12 sundry measures.

Senate

Chamber Action

Routine Proceedings, pages S7173–S7301

Measures Introduced: Seven bills were introduced, as follows: S. 2888–2894. **Page S7229**

Measures Reported: Reports were made as follows:

Received on Tuesday, July 18, 2000:

Special Report entitled "Further Revised Allocation To Subcommittees of Budget Totals for Fiscal Year 2001." (S. Rept. No. 106–346) **Page S7160 (Record of 7–18–00)**

Received today:

S. 1912, to facilitate the growth of electronic commerce and enable the electronic commerce market to continue its current growth rate and realize its full potential, to signal strong support of the electronic commerce market by promoting its use within Federal government agencies and small and medium-sized businesses. (S. Rept. No. 106–349) **Page S7229**

Measures Passed:

Jewish Community Center Attack: Senate agreed to S. Res. 329, urging the Government of Argentina to pursue and punish those responsible for the 1994 attack on the AMIA Jewish Community Center in Buenos Aires, Argentina, after agreeing to the following amendments proposed thereto: **Pages S7279–80**

Burns (for L. Chafee) Amendment No. 3939, to make a technical amendment. **Page S7280**

Burns (for L. Chafee) Amendment No. 3940, to make technical amendments to the preamble. **Page S7280**

Abduction of Nadia Dabbagh: Senate agreed to S. Res. 239, expressing the sense of the Senate that Nadia Dabbagh, who was abducted from the United States, should be returned home to her mother, Ms. Maureen Dabbagh. **Page S7280**

Conditions in Laos: Senate agreed to S. Res. 309, expressing the sense of the Senate regarding conditions in Laos. **Pages S7280–81**

Iranian Baha'i Emancipation: Senate agreed to S. Con. Res. 57, concerning the emancipation of the Iranian Baha'i community. **Pages S7281–82**

U.S. Nonrecognition Policy Anniversary: Senate agreed to S. Con. Res. 122, recognizing the 60th anniversary of the United States nonrecognition policy of the Soviet takeover of Estonia, Latvia, and Lithuania, and calling for positive steps to promote a peaceful and democratic future for the Baltic region. **Page S7282**

Northern Europe Cross-Border Cooperation: Senate passed H.R. 4249, to foster cross-border cooperation and environmental cleanup in Northern Europe, clearing the measure for the President. **Page S7282**

Burma Free Elections Anniversary: Senate agreed to S. Con. Res. 113, expressing the sense of the Congress in recognition of the 10th anniversary of the free and fair elections in Burma and the urgent need to improve the democratic and human rights of the people of Burma, after agreeing to a committee amendment. **Pages S7282–83**

Haiti Free Elections: Senate agreed to S. Con. Res. 126, expressing the sense of Congress that the President should support free and fair elections and respect for democracy in Haiti. **Pages S7283–84**

Prisoners of War in Iraq: Senate agreed to S. Con. Res. 124, expressing the sense of the Congress with regard to Iraq's failure to provide the fullest possible accounting of United States Navy Commander Michael Scott Speicher and prisoners of war from Kuwait and nine other nations in violation of

international agreements, after agreeing to the following amendments proposed thereto: **Pages S7284–85**

Burns (for Smith-NH) Amendment No. 3941, to make certain improvements to the resolution. **Page S7284**

Burns (for Smith-NH) Amendment No. 3942, to amend the preamble. **Page S7284**

Burns (for Smith-NH) Amendment No. 3943, to amend the title. **Page S7284**

Small Business Innovation Research Program Reauthorization Act: Senate passed H.R. 2392, to amend the Small Business Act to extend the authorization for the Small Business Innovation Research Program, after agreeing to a committee amendment in the nature of a substitute, and the following amendment proposed thereto: **Pages S7285–93**

Burns (for Bond) Amendment No. 3944, in the nature of a substitute. **Pages S7285–93**

Timbisha Shoshone Homeland Act: Senate passed S. 2101, to provide to the Timbisha Shoshone Tribe a permanent land base within its aboriginal homeland, after agreeing to a committee amendment in the nature of a substitute, and the following amendment proposed thereto: **Pages S7293–97**

Burns (for Inouye) Amendment No. 3945, to make certain improvements to the bill. **Pages S7294–95**

Reports Consolidation Act: Senate passed S. 2712, to amend chapter 35 of title 31, United States Code, to authorize the consolidation of certain financial and performance management reports required of Federal agencies. **Page S7297**

Federal Law Enforcement Animal Protection Act: Committee on the Judiciary was discharged from further consideration of H.R. 1791, to amend title 18, United States Code, to provide penalties for harming animals used in Federal law enforcement, and the bill was then passed, clearing the measure for the President. **Page S7298**

Disaster Mitigation and Cost Reduction Act: Senate passed H.R. 707, to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to authorize a program for predisaster mitigation, to streamline the administration of disaster relief, to control the Federal costs of disaster assistance, after agreeing to the following amendment proposed thereto: **Pages S7298–S7301**

Burns (for Smith-NH) Amendment No. 3946, in the nature of a substitute. **Pages S7298–S7301**

Agriculture Appropriations: Senate continued consideration of H.R. 4461, making appropriations for Agriculture, Rural Development, Food and Drug Administration and Related Agencies programs for the fiscal year ending September 30, 2001, as amended, taking action on the following amendments proposed thereto: **Pages S7174, S7193–S7216, S7218**

Adopted:

By a unanimous vote of 96 yeas (Vote No. 216), Cochran/Kohl Amendment No. 3927 (to Amendment No. 3925), to modify amendment relating to Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Bill, 2001. **Pages S7195–S7215**

By 74 yeas to 21 nays (Vote No. 217), Jeffords Amendment No. 3925, to amend the Federal Food, Drug, and Cosmetic Act to allow importation of covered products. **Pages S7193–S7216**

Pending:

Reid (for Harkin) Amendment No. 3938, to prohibit the use of appropriated funds to label, mark, stamp, or tag as ''inspected and passed'' meat, meat products, poultry, or poultry products that do not meet microbiological performance standards established by the Secretary of Agriculture. **Page S7218**

A unanimous-consent agreement was reached providing for further consideration of the bill on Thursday, July 20, 2000. **Page S7301**

Messages From the House: **Page S7226**

Measures Referred: **Page S7226**

Measures Placed on Calendar: **Page S7226**

Communications: **Pages S7226–28**

Petitions: **Pages S7228–29**

Statements on Introduced Bills: **Pages S7229–45**

Additional Cosponsors: **Pages S7245–46**

Amendments Submitted: **Pages S7246–63**

Notices of Hearings: **Pages S7263–64**

Additional Statements: **Pages S7224–26**

Text of H.R. 4578, as Previously Passed: **Pages S7264–79**

Privileges of the Floor: **Page S7264**

Record Votes: Two record votes were taken today. (Total—217) **Page S7215**

Adjournment: Senate convened at 9:30 a.m., and adjourned at 7:08 p.m., until 9:45 a.m. Thursday, July 20, 2000. (For Senate's program, see the remarks of the Acting Majority Leader in today's Record on page S7301.)

Committee Meetings

(Committees not listed did not meet)

APPROPRIATIONS—TREASURY/POSTAL SERVICE

Committee on Appropriations: Subcommittee on Treasury and General Government approved for full committee consideration an original bill making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 2001.

FINANCIAL REPORTING MODEL ADAPTATION

Committee on Banking, Housing, and Urban Affairs: Subcommittee on Securities concluded hearings to examine issues related to adapting a financial reporting model that would ensure the relevance, timeliness, reliability, consistency and comparability of information and have the ability to truly measure the value of an enterprise in the New Economy, after receiving testimony from Steve M. Samek, Arthur Andersen, Chicago, Illinois; Robert K. Elliott, American Institute of Certified Public Accountants, and Baruch Lev, New York University, both of New York, New York; Peter J. Wallison, American Enterprise Institute, and Michael R. Young, Willkie Farr and Gallagher, both of Washington, D.C.

NOMINATION

Committee on Commerce, Science, and Transportation: Committee concluded hearings on the nomination of Norman Y. Mineta, of California, to be Secretary of Commerce, after the nominee, who was introduced by Senators Boxer, Feinstein, and Inouye, testified and answered questions in his own behalf.

BUSINESS MEETING

Committee on Energy and Natural Resources: Committee began markup of H.R. 701, to provide Outer Continental Shelf Impact Assistance to State and local governments, to amend the Land and Water Conservation Fund Act of 1965, the Urban Park and Recreation Recovery Act of 1978, and the Federal Aid in Wildlife Restoration Act (commonly referred to as the Pittman-Robertson Act) to establish a fund to meet the outdoor conservation and recreation needs of the American people, but did not complete action thereon, and recessed subject to call.

FEDERAL AID PROGRAM

Committee on Environment and Public Works: Subcommittee on Fisheries, Wildlife, and Drinking Water concluded oversight hearings to examine concerns raised by the General Accounting Office investigation of the U.S. Fish and Wildlife Services administration of the Federal Aid Program, including controls over funds, expenditures, and grants, the use administrative funds among regional offices, and limited auditing, after receiving testimony from Barry T. Hill, Associate Director, Energy, Resources, and Science Issues, Resources, Community, and Economic Development Division, General Accounting Office; Jamie Rappaport Clark, Director, U.S. Fish and Wildlife Service, Department of the Interior; R. Max Peterson, International Association of Fish and Wildlife Agencies, and Terry Z. Riley, Wildlife Management Institute, both of Washington, D.C.; Susan R. Lamson, National Rifle Association of America, Fairfax, Virginia; and Mike Nussman, American Sportfishing Association, Alexandria, Virginia.

PERMANENT CHINA TRADE RELATIONS

Committee on Foreign Relations: Committee concluded hearings to examine giving Permanent Normal Trade Relations status to Communist China, focusing on human rights, labor, trade and economic implications, after receiving testimony from Gary L. Bauer, American Values, Arlington, Virginia; George F. Becker, United Steelworkers of America, Pittsburgh, Pennsylvania; and Dai Qing, Beijing, People's Republic of China.

INSPECTOR GENERAL

Committee on Governmental Affairs: Committee concluded hearings on certain legislative proposals and issues relevant to the operations of Inspectors General, including S. 870, to amend the Inspector General Act of 1978 (5 U.S.C. App.) to increase the efficiency and accountability of Offices of Inspector General within Federal departments, after receiving testimony from Joshua Gotbaum, Executive Associate Director and Controller, Acting Deputy Director for Management, Office of Management and Budget; Gaston L. Gianni, Jr., Inspector General, Federal Deposit Insurance Corporation, on behalf of the President's Council on Integrity and Efficiency; and Nicholas M. Gess, Associate Deputy Attorney General, Department of Justice.

House of Representatives

Chamber Action

Bills Introduced: 14 public bills, H.R. 4884–4897; and 2 resolutions, H. Con. Res. 377 and H. Res. 558, were introduced. **Pages H6598–99**

Reports Filed: Reports were filed today as follows.

Committee on Appropriations Report on the Revised Suballocation of Budget Allocations for Fiscal Year 2001 (H. Rept. 106–761);

H.R. 3919, to provide assistance for the conservation of coral reefs, to coordinate Federal coral reef conservation activities, amended (H. Rept. 106–762);

H.R. 3182, to provide for a land conveyance to the city of Craig, Alaska (H. Rept. 106–763);

H.R. 2958, to provide for the continuation of higher education through the conveyance of certain public lands in the State of Alaska to the University of Alaska (H. Rept. 106–764);

Conference report on H.R. 4810, to provide for reconciliation pursuant to section 103(a)(1) of the concurrent resolution on the budget for fiscal year 2001 (H. Rept. 106–765);

H. Res. 559, waiving points of order against the conference report to accompany H.R. 4810, to provide for reconciliation pursuant to section 103(a)(1) of the concurrent resolution on the budget for fiscal year 2001 (H. Rept. 106–766); and

H. Res. 560, providing for consideration of H.R. 4871, making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 2001 (H. Rept. 106–767). **Page H6598**

Speaker Pro Tempore: Read a letter from the Speaker wherein he designated Representative Ose to act as Speaker pro tempore for today. **Page H6473**

Profound Sorrow on the Death of the Honorable Paul Coverdell, a Senator from the State of Georgia: The House agreed to H. Res. 558, expressing the condolences of the House of Representatives on the death of Senator Paul Coverdell. **Pages H6540–48**

Comprehensive Retirement Security and Pension Reform Act: The House passed H.R. 1102, to provide for pension reform, by a recorded vote of 401 ayes to 25 noes, Roll No. 412. **Pages H6477–H6529**

In lieu of the amendment recommended by the Committee on Education and the Workforce now printed in the bill, the amendment consisting of the text of H.R. 4843, as reported, H. Rept. 106–753, was considered as adopted pursuant to the rule. **Pages H6493–H6529**

Rejected the Neal motion to recommit the bill to the Committee on Ways and Means with instructions to report it back with an amendment that includes a contingency based on a Medicare prescription drug benefit and no on-budget deficit by a yea and nay vote of 185 yeas to 239 nays, Roll No. 411. **Pages H6526–28**

Rejected the Neal amendment in the nature of a substitute, as modified, that sought to include the text of H.R. 4843, as reported, H. Rept. 106–753, provide a credit for low and middle income workers, make small business employees eligible to claim a credit, provide relief from certain section 405 rules, and express a sense of Congress concerning the resolution of cash balances by a yea and nay vote of 200 yeas to 221 nays, Roll No. 410. **Pages H6513–26**

H. Res. 557, the rule that provided for consideration of the bill was agreed to by voice vote. **Pages H6476–77**

DOD Appropriations Conference Report: The House agreed to the conference report on H.R. 4576, making appropriations for the Department of Defense for the fiscal year ending September 30, 2001 by a yea and nay vote of 367 yeas to 58 nays, Roll No. 413. **Pages H6529–40**

H. Res. 554, the rule that waived points of order against the conference report was agreed to by voice vote. **Pages H6529–30**

Russian-American Trust and Cooperation Act: The House passed H.R. 4118, to prohibit the rescheduling or forgiveness of any outstanding bilateral debt owed to the United States by the Government of the Russian Federation until the President certifies to the Congress that the Government of the Russian Federation has ceased all its operations at, removed all personnel from, and permanently closed the intelligence facility at Lourdes, Cuba by a yea and nay vote of 275 yeas to 146 nays, Roll No. 414. **Pages H6552–61**

Pursuant to the rule, the Committee on International Relations amendment in the nature of a substitute now printed in the reported bill, H. Rept. 106–668, was considered as adopted. **Page H6552**

Rejected the Mr. Gejdenson motion to recommit the bill to the Committee on International Relations with instructions to establish a bipartisan national commission to study and report to the President on the exercise of the presidential waiver in section 3(b)(2) of the bill with regard to United States national interests in the context of other possible actions (including changes in United States policy) toward Cuba. **Pages H6559–60**

H. Res. 555, the rule that provided for consideration of the bill was agreed to by voice vote. **Pages H6548–52**

Send to Conference Labor, HHS, and Education Appropriations: The House disagreed with the Senate amendment to H.R. 4577, making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2001, and agreed to a conference. Appointed as conferees Chairman Young of Florida and Representatives Porter, Bonilla, Istook, Miller of Florida, Dickey, Wicker, Northup, Cunningham, Obey, Hoyer, Pelosi, Lowey, DeLauro, and Jackson of Illinois. **Pages H6561–64**

By a yea and nay vote of 207 yeas to 212 nays, Roll No. 415, rejected the Obey motion to instruct conferees to insist in the Senate amendment on no less than $42,674,645,000 for the Department of Education; no less than $7,353,141,000 for IDEA, no less than $8,692,000,000 for the Pell Grant Program, no less than $6,267,000,000 for the Head Start Program, no less than $817,328,000 for the Child Care Development Block Grant, and no less than $20,512,735,000 for NIH, and to disagree with provisions in the Senate amendment which deny the President's requests to reduce class sizes in the early grades and for high school construction, and instead broadly expand the Title VI Education Block Grant with limited accountability in the use of funds. **Pages H6561–64**

Suspension—Drug Addiction Treatment: The House agreed to suspend the rules and pass H.R. 2634, amended, to amend the Controlled Substances

Act with respect to registration requirements for practitioners who dispense narcotic drugs in schedule IV or V for maintenance treatment or detoxification treatment by a yea and nay vote of 412 yeas to 1 nay, Roll No. 416. The motion to suspend the rules was debated on Tuesday, July 18. Agreed to amend the title. **Page H6564**

Senate Messages: Messages received from the Senate today appear on pages H6473.

Amendments: Amendments ordered pursuant to the rule appear on pages H6600–01.

Quorum Calls—Votes: Six yea and nay votes and one recorded vote developed during the proceedings of the House today and appear on pages H6526, H6528, H6528–29, H6539–40, H6560–61, H6563–64, and H6564. There were no quorum calls.

Adjournment: The House met at 10:00 a.m. and pursuant to the provisions of H. Res. 558, adjourned at 10:31 p.m. as a further mark of respect to the memory of the late Honorable Paul Coverdell, a Senator from the State of Georgia.

Committee Meetings

FEDERAL FARM POLICY

Committee on Agriculture: Continued hearings to review federal farm policy. Testimony was heard from public witnesses.

Hearings continue July 26.

CHINA—MILITARY CAPABILITIES

Committee on Armed Services: Held a hearing on military capabilities of the People's Republic of China. Testimony was heard from public witnesses.

COMMODITY FUTURES MODERNIZATION ACT

Committee on Banking and Financial Services: Held a hearing on H.R. 4541, Commodity Futures Modernization Act of 2000. Testimony was heard from Lee Sachs, Assistant Secretary, Financial Markets, Department of the Treasury; Patrick M. Parkinson, Associate Director, Division of Research and Statistics, Board of Governors, Federal Reserve System; Annette L. Nazareth, Director, Division of Market Regulation, SEC; C. Robert Paul, General Counsel, Commodity Futures Trading Commission; and public witnesses.

BUREAU OF ENGRAVING AND PRINTING SECURITY PRINTING AMENDMENTS ACT

Committee on Banking and Financial Services: Subcommittee on Domestic and International Monetary Policy approved for full Committee action, as amended, H.R. 4096, Bureau of Engraving and Printing Security Printing Amendments Act of 2000.

PARK SERVICE—FIRE SAFETY FAILURES

Committee on the Budget: Natural Resources and the Environment Task Force held a hearing on Fire Safety Failures of the Park Service: Caretaker of the Nation's Treasures Ineffective in Addressing Hazards. Testimony was heard from Jim Wells, Director, Energy, Resources and Science Issues, GAO; and Maureen Finnerty, Associate Director, Operations and Education, National Park Service, Department of the Interior.

FOOD STAMP FRAUD

Committee on the Budget: Task Force on Welfare held a hearing on Food Stamp Fraud: Why Trafficking Persists and What Can Be Done About It. Testimony was heard from the following officials of the USDA: Roger C. Viadero, Inspector General; and Shirley R. Watkins, Under Secretary, Food Nutrition and Consumer Services; Larry Dyckman, Director, Food and Agriculture Issues, GAO; Darrell Hartman, Director, Special Operations, Office of the Inspector General, Department of Human Services, State of Texas; and public witnesses.

BALANCED BUDGET ACT OF 1997—CURRENT IMPACT ON PROVIDERS AND PATIENTS

Committee on Commerce: Subcommittee on Health and Environment held a hearing on "BBA '97: A Look at the Current Impact on Providers and Patients." Testimony was heard from William J. Scanlon, Director, Health Financing and Public Health, GAO; Gail Wilensky, Chair, Medicare Payment Advisory Council; and public witnesses.

FCC'S SPECTRUM POLICIES

Committee on Commerce: Subcommittee on Telecommunications, Trade and Consumer Protection held a hearing on A Review of the FCC's Spectrum Policies for the 21st Century, including H.R. 4758, Spectrum Resource Assurance Act. Testimony was heard from Representatives Nethercutt and Gutknecht; Greg Rohde, Assistant Secretary, Department of Commerce; Tom Surgue, Wireless Telecommunications Bureau, FCC; Malcolm Lee, Assistant Deputy Secretary, Department of State; and public witnesses.

RETIREMENT SECURITY ADVICE ACT

Committee on Education and the Workforce: Subcommittee on Employer-Employee Relations approved for full Committee action, as amended, H.R. 4747, Retirement Security Advice Act of 2000.

OVERSIGHT—STATE DEPARTMENT

Committee on Government Reform: Subcommittee on National Security, Veterans Affairs and International Relations held a hearing on "Oversight of the State Department: Is Management Getting Results?" Testimony was heard from the following officials of the

Inspector General; and Ben Nelson, Director, National Security and International Affairs Division, GAO.

BOSNIA—CRIME AND CORRUPTION

Committee on International Relations: Held a hearing on Crime and Corruption in Bosnia. Testimony was heard from the following officials of the GAO: Harold Johnson, Associate Director and James Shafer, Assistant Director, both with International Relations and Trade; and David Bruno, Evaluator in Charge; and Ambassador James Pardew, Deputy Special Advisor to the President and Secretary of State for Kosovo and Dayton Implementation, Bureau of European Affairs, Department of State.

INTERNET PIRACY COSTS—MUSIC AND SOFTWARE INDUSTRIES

Committee on International Relations: Subcommittee on International Economic Policy and Trade held a hearing on the Costs of Internet Piracy for the Music and Software Industries. Testimony was heard from Q. Todd Dickinson, Under Secretary, Intellectual Property and Director, Patent and Trademark Office, Department of Commerce; Joseph Papovich, Assistant U.S. Trade Representative for Services, Investment, and Intellectual Property; and public witnesses.

MISCELLANEOUS MEASURES

Committee on the Judiciary: Ordered reported the following measures: H.J. Res. 72, amended, granting the consent of the Congress to the Red River Boundary Compact; H.R. 4700, to grant the consent of the Congress to the Kansas and Missouri Metropolitan Culture District Compact; and H.R. 1349, amended, Federal Prisoner Health Care Copayment Act of 1999.

The Committee also began consideration of H.R. 2987, Methamphetamine Anti-Proliferation Act of 1999.

CONTEMPT OF CONGRESS RESOLUTION AND REPORT; MISCELLANEOUS MEASURES

Committee on Resources: Ordered reported the following: a resolution and report containing statements of fact (1) reporting to the House of Representatives Contempt of Congress by the Project on Government Oversight, Ms. Danielle Brian Stockton, Mr. Keith Rutter, Mr. Henry M. Banta, and Mr. Robert A. Berman arising from refusals to comply with subpoenas duces tecum issued by the Committee on Resources and (2) reporting to the House of Representatives Contempt of Congress by Mr. Robert A. Berman, Mr. Keith Rutter, Ms. Danielle Brian Stockton, and Mr. Henry M. Banta arising from refusals to answer pertinent questions while testifying under subpoena before the Subcommittee on Energy and Mineral Resources; S. 1937, to amend the Pacific Northwest Electric Power Planning and Conservation Act to provide for sales of electricity by the Bonneville Power Administration to joint operating entities; H.R. 3033, amended, to direct the Secretary of the Interior to make certain adjustments to the boundaries of Biscayne National Park in the State of Florida; H.R. 3112, amended, Colorado Ute Settlement Act Amendments of 1999; H.R. 4275, amended, Colorado Canyons National Conservation Area and Black Ridge Canyons Wilderness Act of 2000; H.R. 4320, amended, Great Ape Conservation Act of 2000; H.R. 4340, Mineral Revenue Payments Clarification Act of 2000; and H.R. 4583, to extend the authorization for the Air Force Memorial Foundation to establish a memorial in the District of Columbia or its environs.

The Committee also passed a motion regarding transfer of Committee records.

TREASURY, POSTAL SERVICE, AND GENERAL GOVERNMENT APPROPRIATIONS CONFERENCE REPORT

Committee on Rules: Granted, by voice vote, an open rule providing one hour of general debate on H.R. 4871, making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and Certain Independent Agencies, for the fiscal year ending September 30, 2001, equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations. The rule waives all points of order against consideration of the bill. The rule waives clause 2 of rule XXI (prohibiting unauthorized, legislative provisions or reappropriations in a general appropriations bill) against the bill, except as otherwise specified in the rule. The rule authorizes the Chair to accord priority in recognition to Members who have pre-printed their amendments in the Congressional Record. The rule allows the Chairman of the Committee of the Whole to postpone votes during consideration of the bill, and to reduce voting time to five minutes on a postponed question if the vote follows a fifteen minute vote. Finally, the rule provides one motion to recommit with or without instructions. Testimony was heard from Representatives Kolbe and Hoyer.

MARRIAGE TAX PENALTY RECONCILIATION ACT CONFERENCE REPORT

Committee on Rules: Granted, by voice vote, a rule waiving all points of order against the conference report to accompany H.R. 4810, Marriage Tax Penalty Elimination Reconciliation Act of 2000 and against its consideration. The rule provides that the conference report shall be considered as read. The rule lays H. Res. 556 on the table.

NATIONAL SCIENCE EDUCATION INCENTIVE ACT

Committee on Science: Held a hearing on Encouraging Science, Math, Engineering and Technology Education in Kindergarten Through 12th Grade and H.R. 4273, National Science Education Incentive

Act. Testimony was heard from Judith Sunley, Acting Assistant Director, Education and Human Resources, NSF; and public witnesses.

MOTOR CARRIER FUEL EQUITY ACT; RAILROAD RETIREMENT AND SURVIVORS' IMPROVEMENT ACT

Committee on Transportation and Infrastructure: Ordered reported, as amended, the following bills: H.R. 4441, Motor Carrier Fuel Cost Equity Act of 2000; and H.R. 4844, Railroad Retirement and Survivors' Improvement Act of 2000.

MOTOR CARRIER FUEL COST EQUITY ACT; RAILROAD RETIREMENT AND SURVIVORS' IMPROVEMENT ACT

Committee on Transportation and Infrastructure: Subcommittee on Ground Transportation approved for full Committee action the following bills: H.R. 4441, amended, Motor Carrier Fuel Cost Equity Act of 2000; and H.R. 4844, Railroad Retirement and Survivors' Improvement Act of 2000.

MISCELLANEOUS MEASURES

Committee on Ways and Means: Ordered reported, as amended, the following bills: H.R. 4868, Miscellaneous Trade and Technical Corrections Act of 2000; H.R. 4678, Child Support Distribution Act of 2000; and H.R. 4865, Social Security Benefits Tax Relief Act.

COMMITTEE MEETINGS FOR THURSDAY, JULY 20, 2000

(Committee meetings are open unless otherwise indicated)

Senate

Committee on Agriculture, Nutrition, and Forestry: to hold hearings to examine implications of high energy prices on United States agriculture, 9 a.m., SD–106.

Committee on Armed Services: to hold closed hearings on the situation in Iraq and U.S. military operations in and around Iraq, 9:30 a.m., S–407, Capitol.

Committee on Banking, Housing, and Urban Affairs: to hold oversight hearings on the conduct of monetary policy by the Federal Reserve, 10 a.m., SH–216.

Committee on Commerce, Science, and Transportation: business meeting to consider the nomination of Norman Y. Mineta, of California, to be Secretary of Commerce; Francisco J. Sanchez, of Florida, to be an Assistant Secretary of Transportation; Debbie D. Branson, of Texas, to be a Member of the Federal Aviation Management Advisory Council; Katherine Milner Anderson, of Virginia, to be a Member of the Board of Directors of the Corporation for Public Broadcasting; Frank Henry Cruz, of California, to be a Member of the Board of Directors of the Corporation for Public Broadcasting; Kenneth Y. Tomlinson, of Virginia, to be a Member of the Board of Directors of the Corporation for Public Broadcasting; and Ernest J. Wilson III, of Maryland, to be a Member of the Board of Directors of the Corporation for Public Broadcasting; to be followed by a hearing on purchasing tickets through the Internet, and whether or not it benefits the consumer, 9:30 a.m., SR–253.

Committee on Energy and Natural Resources: business meeting to continue markup of H.R. 701, to provide Outer Continental Shelf Impact Assistance to State and local governments, to amend the Land and Water Conservation Fund Act of 1965, the Urban Park and Recreation Recovery Act of 1978, and the Federal Aid in Wildlife Restoration Act (commonly referred to as the Pittman-Robertson Act) to establish a fund to meet the outdoor conservation and recreation needs of the American people, 9 a.m., SD–366.

Subcommittee on Forests and Public Land Management, to hold hearings on S. 2757, to provide for the transfer or other disposition of certain lands at Melrose Air Force Range, New Mexico, and Yakima Training Center, Washington; S. 2691, to provide further protections for the watershed of the Little Sandy River as part of the Bull Run Watershed Management Unit, Oregon; S. 2754, to provide for the exchange of certain land in the State of Utah; S. 2834, to authorize the Secretary of the Interior, acting through the Bureau of Reclamation, to convey property to the Greater Yuma Port Authority of Yuma County, Arizona, for use as an international port of entry; H.R. 3023, to authorize the Secretary of the Interior, acting through the Bureau of Reclamation, to convey property to the Greater Yuma Port Authority of Yuma County, Arizona, for use as an international port of entry; and H.R. 4579, to provide for the exchange of certain lands within the State of Utah, 2 p.m., SD–366.

Committee on Foreign Relations: Subcommittee on Near Eastern and South Asian Affairs, to hold hearings on issues relating to the government of Afghanistan, focusing on the conduct of the Taliban (Militia that rules Afghanistan), 10 a.m., SD–419.

Full Committee, to hold hearings on inter-American Convention for the Protection and Conservation of Sea Turtles, with Annexes, done at Caracas December 1, 1996 (the ''Convention''), which was signed by the United States, subject to ratification, on December 13, 1996 (Treaty Doc. 105–48); International Plant Protection Convention (IPPC), adopted at the Conference of the Food and Agriculture Organization (FAO) of the United Nations at Rome on November 17, 1997 (Treaty Doc. 106–23); Food Aid Convention 1999, which was opened for signature at the United Nations Headquarters, New York, from May 1 through June 30, 1999. Convention was signed by the United States June 16, 1999 (Treaty Doc. 106–14); convention (No. 176) Concerning Safety and Health in Mines, adopted by the International Labor Conference at its 82nd Session in Geneva on June 22, 1995 (Treaty Doc. 106–08); and the nomination of Everett L. Mosley, of Virginia, to be Inspector General, Agency for International Development, 2 p.m., SD–419.

Committee on Health, Education, Labor, and Pensions: to hold hearings on genetic information in the workplace, 10 a.m., SD–430.

Committee on Indian Affairs: to hold hearings on S. 2688, to amend the Native American Languages Act to provide for the support of Native American Language Survival Schools, 10 a.m., SR–485.

Select Committee on Intelligence: to hold closed hearings on pending intelligence matters, 2:30 p.m., SH–219.

Committee on the Judiciary: business meeting to consider pending calendar business, 10 a.m., SD–226.

Committee on Small Business: to hold hearings to examine the General Accounting Office's performance and accountability review, 9:30 a.m., SR–428A.

Committee on Veterans' Affairs: to hold hearings to consider the Department of Veterans' Affairs adjudication, and pending legislation including S. 1810, to amend title 38, United States Code, to clarify and improve veterans' claims and appellate procedures, and S. 2544, to amend title 38, United States Code, to provide compensation and benefits to children of female Vietnam veterans who were born with certain birth defects, 9:30 a.m., SR–418.

House

Committee on Appropriations, to mark up the District of Columbia appropriations for fiscal year 2001, 9:30 a.m., 2359 Rayburn.

Committee on Banking and Financial Services, Subcommittee on Capital Markets, Securities and Government Sponsored Enterprises, to continue hearings on Improving Regulation of Housing Government Sponsored Enterprises, focusing on H.R. 3703, Housing Finance Regulatory Improvement Act, 10 a.m., 2128 Rayburn.

Committee on the Budget, Task Force on Defense and International Relations, hearing on Pentagon Financial Management, What's Broken, How to Fix It, 10 a.m., 210 Cannon.

Committee on Commerce, Subcommittee on Finance and Hazardous Materials, to mark up H.R. 4541, Commodity Futures Modernization Act of 2000; followed by hearing on Improving Insurance for Consumers Increasing Uniformity and Efficiency in Insurance Regulation, 10 a.m., 2123 Rayburn.

Subcommittee on Telecommunications, Trade, and Consumer Protection, hearing on H.R. 3850, Independent Telecommunications Consumer Enhancement Act of 2000, 1 p.m., 2322 Rayburn.

Committee on Education and the Workforce, Subcommittee on Workforce Protections, hearing on OSHA's Recordkeeping Standard: Stakeholder: Views of the 1996 Proposal, 10:30 a.m., 2175 Rayburn.

Committee on Government Reform, hearing on "Has the Department of Justice Given Preferential Treatment to the President and Vice President?" 1 p.m., 2154 Rayburn.

Subcommittee on Census, hearing on "The American Community Survey (A.C.S.)—A Replacement for the Census Long Form?" 9:30 a.m., 2358 Rayburn.

Subcommittee on Government Management, Information, and Technology, hearing on "Seven Years of GPRA: Has the Results Act Provided Results?" 10 a.m., 2154 Rayburn.

Committee on the Judiciary, hearing on H.R. 4845, Federal Property Campaign Fundraising Reform Act of 2000, 2 p.m., 2141 Rayburn.

Subcommittee on the Constitution, hearing on H.R. 4292, Born-Alive Infants Protection Act of 2000, 10 a.m., 2237 Rayburn.

Subcommittee on Courts and Intellectual Property, to mark up H.R. 4870, Patent Technical Corrections Act of 1999, 10 a.m., B–352 Rayburn.

Subcommittee on Crime, to mark up the following bills: H.R. 3484, Child Sex Crimes Wiretapping Act of 1999; H.R. 4827, Enhanced Federal Security Act of 2000; and H.R. 3235, National Police Athletic League Youth Enrichment Act of 1999, 1 p.m., B–352 Rayburn.

Subcommittee on Immigration and Claims, hearing on H.R. 3083, Battered Immigrant Women Protection Act of 1999, 10 a.m., 2226 Rayburn.

Committee on Resources, Subcommittee on Energy and Mineral Resources, hearing on H.R. 4297, Powder River Basin Resource Development Act of 2000, 2:30 p.m., 1334 Longworth.

Subcommittee on Fisheries Conservation, Wildlife and Oceans, to mark up the following bills: H.R. 2798, Pacific Salmon Recovery Act of 1999; H.R. 3118, to direct the Secretary of the Interior to issue regulations under the Migratory Bird Treaty Act that authorize States to establish hunting seasons for double-crested cormorants; H.R. 4318, Red River National Wildlife Refuge Act; and H.R. 4840, Atlantic Coastal Fisheries Act; followed by a hearing on H.R. 4790, Hunting Heritage Protection Act, 10:30 a.m., 1324 Longworth.

Subcommittee on National Parks, and Public Lands, oversight hearing on general issues dealing with Access to our National Parks, 10 a.m., 1334 Longworth.

Committee on Small Business, Subcommittee on Tax, Finance and Imports, hearing on H.R. 1303, Dry Cleaning Environmental Tax Credit Act of 1999, 10 a.m., 2360 Rayburn.

Committee on Transportation and Infrastructure, Subcommittee on Aviation, hearing on Portable Electronic Devices: Do they really pose a safety hazard on aircraft, 9:30 a.m., 2167 Rayburn.

Subcommittee on Oversight, Investigations, and Emergency Management, hearing on Cost Effectiveness of Hazard Mitigation Spending, 2 p.m., 2167 Rayburn.

Committee on Veterans' Affairs, to mark up the following bills: H.R. 4850, Veterans Benefits Act of 2000; H.R. 4864, Veterans Claims Assistance Act of 2000; and H.R. 1982, to name the Department of Veterans Affairs outpatient clinic located at 125 Brookley Drive, Rome, New York as the "Donald J. Mitchell Department of Veterans Affairs Outpatient Clinic," 10 a.m., 334 Cannon.

Committee on Ways and Means, Subcommittee on Human Resources, hearing on Increasing State Flexibility in Use of Federal Child Protection Funds, 1 p.m., B–318 Rayburn.

Subcommittee on Social Security, to mark up H.R. 4857, Privacy and Identity Protection Act of 2000, 10 a.m., B–318 Rayburn.

Next Meeting of the SENATE

9:45 a.m., Thursday, July 20

Senate Chamber

Program for Thursday: Senate will continue consideration of H.R. 4461, Agriculture Appropriations.

Next Meeting of the HOUSE OF REPRESENTATIVES

10 a.m., Thursday, July 20

House Chamber

Program for Thursday: Consideration of the conference report on H.R. 4810, Marriage Tax Penalty Relief Reconciliation Act of 2000 (rule waiving points of order, one hour of general debate).

Consideration of H.R. 4871, Treasury, Postal and General Government Appropriations Act for Fiscal Year 2001 (open rule, one hour of general debate).

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